# Aid Transparency Index 2024

How has funding for agriculture in Liberia changed over the last five years? Have international agencies met their commitments to provide nutrition funding? How much US foreign assistance is directed to local actors? Who funds education in Bangladesh? Which organisations are working in Peru? Who is funding the construction of health clinics in Kaduna State, Nigeria, and how has the money been spent? How much UK aid goes to private contractors? Who are the top funders of gender equality projects in Guatemala? Does climate finance align with country needs in Kenya? What international funding is directed to Women's Economic Empowerment in Pakistan? Who is funding indigenous land rights and where are the gaps? How do aid flows to Chad align with the country's national priorities? Where exactly is food aid being channelled? How is the Netherlands planning to spend its global health budget next year? How much funding is currently going to unpaid care?



Publish What You Fund is the global campaign for aid and development transparency. Launched in 2008, we envisage a world where aid and development information is **transparent**, **available**, and **used** for effective decision-making, public accountability and lasting change for all citizens.

The 2024 Aid Transparency Index was independently researched and written by Publish What You Fund. The contents of this report are the sole responsibility of Publish What You Fund. It was produced with financial support from the International Aid Transparency Initiative.

This report was researched and written by Alex Tilley. Elma Jenkins led the Index data collection supported by Henry Lewis, Afraim Karim and Ben Honey. Elma Jenkins wrote chapter 7. Publish What You Fund is grateful to the many people involved in producing this Index.

We would particularly like to thank the 29 independent experts who reviewed the individual donor assessments.

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# **Executive summary**

The Aid Transparency Index has tracked the transparency of the largest international aid organisations over the last 12 years. Results from the Index have shown an incremental but persistent increase in the quality of aid data published by these organisations. The 2024 Aid Transparency Index has recorded its highest ever scores, showing a continuation of this trend. The work, however, is not finished. Some publishers have effectively stagnated in their performance in the Index, and some organizations have dropped, sometimes significantly.

Performance on the 2024 Index comes at a time when aid transparency data is being used more than ever by aid and development agencies, journalists, think tanks and civil society organisations. High quality, granular, real time aid data is essential for better decisions around funding, planning, coordination, accountability, and to build longer term improvements, resilience, and self-sufficiency.

# The 2024 Index has recorded its highest ever scores

**OVERALL**. The average score across all organisations in 2024 was the highest recorded so far – this increase reflects incremental improvements in the quality, quantity and timeliness of aid data published by the 50 international aid organisations we assess.

All but one of the organisations are publishing at least some data in the International Aid Transparency Initiative (IATI) Standard – meaning it is open, standardised, comparable and machine readable. This has resulted in the lowest number of organisations ever scoring in the 'very poor' category.

**TOP OF THE CHART.** At the top of the rankings, the African Development Bank (AfDB) (Sovereign) ranked first, the Inter-American Development Bank (IADB) ranked second, and the highest-ranking bilateral aid agency, the US Millennium Challenge Corporation came third. Altogether, 12 organisations achieved 'very good' scores, the most ever in this category.

**MOST IMPROVED.** The UK Foreign, Commonwealth & Development Office and the European Commission Directorate General for International Partnerships increased their scores by 11 and 10.5 points respectively. Lower down in the rankings, the United Arab Emirates Ministry of Foreign Affairs and International Cooperation increased its score by 43 points as it started publishing detailed IATI data for its activities, and Japan International Cooperation Agency jumped 31.9 points as it re-started its IATI publication following a hiatus in 2022.

# UN organisations perform well in the Index

Six UN organisations were assessed in this Index. All publish good quality IATI data on their projects and organisational policies. The UN Office for the Coordination of Humanitarian Affairs was the highest-ranking UN organisation, achieving fourth place with a score of 92.2. The World Food programme and UNHCR – the UN Refugee Agency, both first timers to the Index, scored 84.5 and 63.4 respectively.

# The sovereign portfolios of development banks are top performers

The Index assesses six sovereign (public sector) portfolios and six non-sovereign (private sector) portfolios of development finance institutions (DFIs). The sovereign portfolios of DFIs occupy three of the top five positions in the ranking: AfDB (1<sup>st</sup>), IADB (2<sup>nd</sup>) and World Bank International Development Association (4<sup>th</sup>). DFIs tend to include more expansive confidentiality clauses in contracts with the private sector which limit disclosure, and non-sovereign portfolios generally rank lower than their sovereign counterparts.

### Performance data can be used to scrutinise projects

Transparency of performance data (e.g., evaluations) has improved with each iteration of the Index, with 72% of organisations publishing at least some high-quality aid data about their objectives, a third publishing good, up-to-date project results, and just over a quarter publishing project evaluations. Although the gains to date demonstrate that publishing robust performance data is possible, this issue stubbornly remains the area most in need of prioritising.

# We're starting to see improvements in the transparency of the aid network

Transparency into the complicated network of donors and implementers can add valuable information to show how aid flows between organisations. To encourage organisations to be more transparent about who they work with, we introduced the **Networked data** indicator. It incentivises the use of recognised, consistent references for organisations. Since 2022 there has been significant improvement in the use of such references. Ten organisations were using standard references for the first time, and 17 increased the number of references used.

### Timely data is important – and improving

Aid data in the IATI Standard can be used for real-time decision making, provided it is current when published and regularly updated. The Index now measures both. The number of monthly publishers (best practice) jumped from 30 to 37; our new time lag test shows 34 agencies publishing data that was a month old or less.

# The Index drives improvements in aid data

The two-stage Index assessment is a collaborative process. Following an initial scoring, we engage with agencies to provide detailed feedback on their performance against each of the 35 indicators. Agencies act on this feedback to improve their data quality in time for the final assessment. For the 2024 Index we saw an increase of 6.0 points in the overall average score between the first and second rounds of assessment – a significant improvement which translates to more timely, good quality and useable aid information.

The Index helps to define aid transparency and data quality by setting out detailed criteria, which we continue to refine over time, responding to evolving practice. Small changes to the assessment and scoring approaches over iterations of the Index have ratcheted up the transparency requirements of the assessment. This means that overall data quality as measured by the Index is significantly better than at any other time. We will continue to increase the rigour of the Index to drive greater transparency in the coming years.

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Overall scores and ranking



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# 2. Introduction

The 2024 Aid Transparency Index comes at a time when aid transparency data is being used more than ever by aid and development agencies, journalists, think tanks and civil society organisations (CSOs). And high-quality, real time aid data is needed more than ever to improve aid effectiveness and hold donors to account for their commitments to tackle poverty, conflict and the climate crisis.

The Aid Transparency Index has tracked the transparency of the largest international aid organisations over the last 12 years. Results from the Index have shown an incremental but persistent increase in the quality of aid data published by these organisations. The 2024 Index has recorded its highest ever scores, showing a continuation of this trend, as seen in figure 1.



#### FIGURE 1: Average overall Index score over time

The Index assessment is a collaborative process. Publish What You Fund operates a year-round open-door policy to provide support to the agencies we assess to improve their data before, during and after the review period. The most comprehensive feedback on agencies' data comes from our two-stage data collection process in the period running up to the publication of each Index report. We carry out an initial scoring at the start of the six months of data collection and provide detailed feedback of performance against each of the Index indicators. Agencies act on this feedback to improve their data quality in time for the final assessment at the end of the process.

We see significant improvements in scores between the first and final assessments, illustrated in the undulating graph above. The dips in the upward curve are the first-round scores, that show a decline in quality in the periods between Indexes. Quality is pushed up again during the Index assessments. For the 2024 Index we saw an increase of 6.0 points in the overall average score between the first and second rounds of assessment - a significant improvement which translates to more timely, good quality and useable aid information.

The Aid Transparency Index helps to define aid transparency and data quality by setting out detailed criteria against which agencies are scored. And we continue to refine and develop these criteria over time, responding to changes in practice and pushing the bar higher by adding additional tests and indicators. In the Results and Methodology sections of this report we outline new tests introduced to the scoring for this Index that:

- Ensure that data published fully covers spending portfolios
- Check how up to date data is as well as the frequency of publication
- Introduce a new test for disclosure of the recipients of fund transactions (in the Networked data indicator)
- Improve the Location indicator to increase accuracy

The Index primarily assesses data published in the International Aid Transparency Initiative (IATI) Standard. The IATI Standard is a voluntary initiative that is governed and managed by a Secretariat and Board. Alongside increases in data quality, the technical infrastructure and tools to access the data have improved thanks to the work of IATI's technical team and the community of IATI volunteers. Chapter 7 of this report delves into more detail about how the data is being accessed and the ways that people are working with the data.

### More high-quality data can shed light on aid challenges

Overall levels of international aid have increased significantly over the last five years. Preliminary 2023 Official Development Assistance (ODA) figures indicate that total aid reached an all-time high of US\$224 billion. This compares with US\$166 billion in 2019 (based on constant 2021 prices). Three factors have driven this trend – aid to Ukraine following the invasion by Russia, in-donor refugee costs counted as ODA, and aid to support the response to the COVID pandemic. Aid levels without these have increased only gradually, and total ODA to least developed countries has fluctuated. It increased in 2023 after a fall in 2022.

And there is an uneven <u>picture among major aid donors</u>. There have been significant increases in aid from countries outside the EU (principally the US and Japan), but this has been offset by a decline in aid from European countries. 17 EU countries reduced their aid in 2023, with Germany and France making the largest cuts, particularly to bilateral lending. Given the rise of nationalism in many European countries, along with fiscal austerity drives, we are likely to see a continuation of this decline. The UK, which reduced its aid from 0.7% of gross national income (GNI) to 0.5% in 2021, bucked this trend and increased ODA in 2023 to US\$19.1 billion. This was the result of the economy growing and because of extra resources provided for in-donor refugee costs.

As well as commitments to aid and development finance, rich countries have also committed to provide finance to support lower-income countries' efforts to mitigate and adapt to the breakdown of the earth's climate. Donor countries met their pledge to provide US\$100 billion in climate finance in 2022, two years after the target date of 2020. And a new target will be set at the UNFCCC Conference of the Parties (COP 29) later this year.

Finance committed to tackle the climate crisis is notionally supposed to be "new and additional" to existing development finance commitments. However, there is little clarity about what this means or how to measure it, and there appears to be a significant overlap with development finance. The <u>Center for Global Development</u> estimates that at least one third of the US\$100 billion climate finance must have been achieved by using existing development finance flows rather than providing new and additional resources. And there are major problems with counting both development and climate finance provided as loans – the current approach for measuring climate finance counts the full face-value of loans, even though these will be paid back with interest (it is hoped that this will change when the new target is set). Methods for counting a "grant equivalent" of concessional loans have also been strongly criticised by <u>ODA Reform</u>, among others, for over-stating donor effort.

Good transparency data can help to shed light on some of these major challenges faced by the international aid community.

# Quality and impact of aid

One of the areas we particularly focus on with the Aid Transparency Index is the publication of high quality, detailed documents and data about the performance of aid projects. As aid levels increase and extend, it is more important than ever that aid organisations are transparent about results. We review these efforts in the **Performance** component of the Index, and data scored in this component is highly weighted, reflecting the importance of transparency of aid impact.



#### FIGURE 2: Average score for Performance component over time

Transparency of performance data has improved with each iteration of the Index (see figure 2). Of the organisations assessed in the 2024 Index, 72% were publishing at least some high-quality aid data about their objectives, a third were publishing good, up to date project results and just over a quarter were publishing project evaluations.

While there is still significant room for improvement, this means that there is already a wealth of highly detailed documents and data available about project objectives, results and evaluations. This data can be used to explore the detail of how projects have been implemented, whether they have achieved their objectives, what went well and what lessons were learned from implementation challenges (see Box 1). Since the data is not complete across aid organisations and projects, this lends itself to case-studies or deep-dives into specific projects rather than trying to draw broad conclusions about overall aid trends. The level of detail when this data is published, however, can often provide significant insight into how aid projects are delivered and perform.

#### **CLIMATE FINANCE - DIGGING INTO THE DETAIL OF INDIVIDUAL PROJECTS**

As well as problems delineating between development aid and climate finance, there are also <u>major challenges</u> to define and identify climate finance. There is no common definition or methodology for quantifying climate finance. This results in a wide range of project types being counted as climate finance, with some highly <u>unusual outcomes</u> (including, for example a coal plant in Bangladesh and a coastal hotel expansion in Haiti). And there is significant overstatement of financial flows to support climate action. As well as counting loans at face value, there can be significant over-counting when large projects with multiple objectives are identified as climate finance, even though it may be just a small portion of the project that is climate-related.

Aid transparency data – particularly impact appraisals and other performance data - can be used to scrutinise individual projects and assess their contribution to climate mitigation and adaptation goals. Activity data can also be used to analyse whether projects meet standards of good quality climate finance such as the <u>locally led adaptation principles</u>. Detail provided by aid organisations about their projects can help to identify exactly what the projects are doing, and ground truth claims made about climate change mitigation and adaptation. See Box 1 for an example of data for a climate finance project.

#### BOX 1: Activity data example

The African Development Bank (AfDB) Sovereign Portfolio topped the 2024 Index and publishes very good, high-quality data about its activities. As an example of this we will look at the data published about the project: **Zambia - Lusaka Sanitation Program – Climate Resilient Sustainable Infrastructure Project**. Its IATI Identifier is 46002-P-ZM-E00-010.

The project objectives are described as follows:

The program aims to increase access to sustainable sanitation services to Lusaka's residents especially the urban poor and strengthen Lusaka Water and Sewerage Company's (LWSC) capacity to manage sanitation services. It aims to address one of Zambia's most binding constraints to economic growth through infrastructure investment in Lusaka, the rapidly urbanizing capital.

A total of 29 documents are published (many of the documents are duplicated in French and English), including impact appraisal documents, environmental studies and evaluation reports:

DOCUMENTS (29)

Appraisal Report APPLICATION/PDF
EN Pre- and post-project impact appraisal Objectives / Purpose of activity Objectives / Purpose of activity
Intended ultimate beneficiaries Conditions Budget Results, outcomes and outputs

#### Appraisal Report APPLICATION/PDF

FR Pre- and post-project impact appraisal Objectives / Purpose of activity Objectives / Purpose of activity Intended ultimate beneficiaries Conditions Budget Results, outcomes and outputs

#### Environmental Study APPLICATION/PDF

EN Pre- and post-project impact appraisal Objectives / Purpose of activity Intended ultimate beneficiaries

#### Evaluation Report APPLICATION/PDF

EN Intended ultimate beneficiaries Review of project performance and evaluation Results, outcomes and outputs

Specific subnational locations are included with names and geo-coordinates to help users identify where specific activities are taking place:

NAME	DESCRIPTION	POSITION	CLASS CLASS CLASS	<pre>‡ EXACTNESS ‡</pre>
Lusaka Province ID 909129 (Geonames)	TYPE Populated Place PPL	-15.41667 29	Populated Place	Exact
Kafue district ID 7671220 (Geonames)	TYPE First-Order Administrative Division ADM1	-15.6199 28.4413	Administrative Region	Approximate
Ngwerere ID 900957 (Geonames)	TYPE Populated Place PPL	-15.30648 28.32881	Populated Place	Exact
Matero ID 907335 (Geonames)	TYPE Populated Place PPL	-15.38333 28.26667	Populated Place	Exact
Chelston ID 920420 (Geonames)	TYPE Populated Place PPL	-15.38333 28.38333	Populated Place	Exact

The financial disbursement schedule shows disbursements being made steadily from the start of the project in 2016. The total commitment of the project is 37.7 million XDR (Special Drawing Rights, the currency used by the AfDB):



In terms of climate contribution – the Appraisal Report document includes some detail about how the project is climate resilient and contributes to climate adaptation:

In terms of climate risks, for flood prone areas of Lusaka, sewers will be designed to be climate resilient so as to collect, convey and discharge frequently occurring, low-returnperiod storms to complement existing drainages in the areas.

# Declining aid in Europe – greater transparency increases support for aid

Governments feel able to reduce aid budgets - against their international commitments and in spite of the harmful impact on vulnerable communities - when there is a lack of public support for overseas spending. New academic <u>research by Heinzel, Reinsberg and Swedlund (2024)</u> has shown how transparency can boost public support for aid.

Their research, based on primary survey data from adults in the UK, showed how support for aid spending increased significantly among respondents who were told about the commitment of the Foreign, Commonwealth & Development Office (FCDO) to aid transparency and the detailed project data available on its DevTracker website. And these effects were largest on those who were most sceptical of foreign aid and lacked trust in the civil service in general. Additional secondary analysis based on cross-national data shows a positive correlation between greater aid transparency and support for increased aid spending, suggesting that these findings are generalisable to other countries.

These types of findings suggest that aid transparency can be an effective response to waning public support for international aid in the face of rising populism and distrust in government. Scepticism about aid is often based on myths and distorted information about wasteful spending and money being misdirected or squandered on vanity projects. Transparency can help to dispel misinformation and show the real impact aid has on improving people's lives.

# 2024 Aid Transparency Index Results: highlights and key findings

The results of the 2024 Aid Transparency Index continued the trend of gradual performance improvement seen in 2020 and 2022. The average (mean) score across all organisations was the highest recorded so far at 64.4 (compared with 61.8 in 2022). This increase in scores reflects incremental improvements in the quality, quantity and timeliness of aid data published by the 50 international aid organisations we assess.

These organisations have also responded to small changes to the assessment and scoring approaches over iterations of the Index, which have ratcheted up the transparency requirements of the assessment. For recent Indexes we have incorporated additional measures of timeliness of publication, comprehensiveness of data, tests for additional data points and a more challenging scoring approach. This means that overall data quality as measured by the Index is significantly better than at any other time.

All but one of the organisations we assessed are publishing at least some data in the IATI Standard. This has resulted in fewer organisations than ever before scoring in the 'very poor' category (just two).

At the top of the rankings, the African Development Bank (Sovereign Portfolio) ranked first with a score of 98.8. Having also topped the Index in 2022, the African Development Bank has maintained its commitment to transparency standards and its publication of high-quality data. The Inter-American Development Bank (IADB) ranked second with a score of 96.3 points, and the highest-ranking bilateral aid agency, the US Millennium Challenge Corporation came third with 93.0 points. Altogether, 12 organisations achieved 'very good' scores of 80 points or more, the most ever to rank in the top Index category. Considerable effort and energy has been invested by these organisations to achieve this level of transparency. Top scores in the Aid Transparency Index are the result of an organisational culture that supports transparency, the allocation of adequate resources and good data publication systems.



FIGURE 3: 2022 to 2024 category trends

### **Risers and fallers**

Some organisations made significant improvements compared with 2022. Near the top of the rankings UK FCDO and the European Commission Directorate General for International Partnerships (EC INTPA) increased their scores by 11 and 10.5 points respectively. Both moved up a category from 'good' to 'very good'. They are now tied for 10th place overall, with equal scores of 82.9 points (see Box 2).

We assessed the World Food Programme (WFP) for the first time and found its data to be of high quality, scoring 84.5 points, in the 'very good' category. This is a significant achievement for a first Index assessment. UNHCR, the UN Refugee Agency, also performed well in its first assessment, scoring in the 'good' category, with 63.4 points. The US Department of Health and Human Services, the second highest US aid spending department, scored 34.8 points in its first assessment, placing it in the 'poor' category. We hope to see efforts to improve the quality and quantity of its data in time for its next assessment.

Lower down in the rankings we saw significant improvements from the United Arab Emirates Ministry of Foreign Affairs and International Cooperation (UAE MOFAIC) - which started publishing detailed IATI data for its activities for the first time - and Japan International Cooperation Agency (JICA) which also re-started its IATI publication following a hiatus in 2022. These increased by 43 and 31.9 points respectively and both now rank in the 'fair' category. Japan moved up a category and UAE jumped two categories from 'very poor' to 'fair'.

IDB Invest increased its score by 23.6 points, moving from the 'poor' category to near the top of 'fair' with 57.7 points. IDB Invest made significant improvements by publishing standardised data about its activities including flow types, aid types and finance types as well as new financial data such as activity commitments and forward-looking budgets. It also improved the quality of its activity descriptions.

Norway Ministry of Foreign Affairs (MFA) increased its score by 14.3 points, moving up from 'poor' to 'fair'. It achieved this by increasing the frequency of publication of IATI data and publishing more data across several indicators, including more organisational documents.

There were also some unfortunate drops in scores. The biggest faller was the Spanish Agency for Cooperation and International Development (AECID). AECID paused its IATI publication in 2023 meaning there was no transparency data for its assessment (see below). And we were not able to find up-to-date information about its aid activities on the AECID website, resulting in very low scores across the board.

Australia's Department of Foreign Affairs and Trade (DFAT) published no 2023 IATI activity data (see section below), although it did publish up to date organisation documents in its IATI file. This meant it dropped 14.7 points and fell one category, from 'fair' to 'poor'.

Global Affairs Canada dropped 11 points and is now at the bottom of the 'good' category. It lost points for publishing less forward-looking organisational budget data and for failing our quality checks for performance data. The US State Department dropped 9.4 points and is now in the lower half of the 'fair' category. It failed our quality checks for project descriptions and lost points for Results and publication of standardised organisational references for its implementing partners.

More detail about each organisation we assessed, including a breakdown of scores for individual indicators and a set of recommendations for how to improve scores in future can be found in our comprehensive set of organisation profiles on the <u>Index website</u>.

#### BOX 2: UK FCDO and EC INTPA move from 'good' to 'very good'

The UK FCDO and EC INTPA both increased their Index scores by over 10 points and moved up categories from 'good' to 'very good'. They now occupy joint 10<sup>th</sup> place overall with 82.9 points.

The FCDO was helped by the setting of a <u>clear target</u> to score 'very good' in the Index following a recommendation by the Independent Commission on Aid Impact (ICAI), the UK's independent aid accountability body. This was also included in the UK's Open Government Partnership National Action Plan, and the <u>2023 International Development White Paper</u>.

FCDO increased its scores for the publication of project conditions, its disaggregated country budget, organisation and country strategies and more project reviews and evaluations. FCDO explained how transparency is prioritised within the department as well as through high-level commitments:

"Transparency with our partners and with the public is at the core of the FCDO's approach to international development. We are committed to embedding transparency within our organisational culture, and have pledged publicly to the highest transparency standards, recognising that it is critical to achieving our objectives. This commitment is reflected across all areas of our organisation - from policy and strategy, to technical and programme teams - with our efforts led by a dedicated team."

INTPA improved its publication of forward-looking project and country budgets as well as project objectives and evaluations.

DG INTPA told us about the strategic and practical steps the department took to improve its performance:

"Transparency is now one of the key principles of the Global Gateway strategy (2022), the EU's values-based offer to tackle the most pressing global challenges. This renewed highlevel political buy-in for transparency, the strong commitment from senior management and the enthusiasm of its staff contributed to INTPA's increased performance in 2024.

INTPA's target was twofold this year: to publish more (publish reviews and evaluations – previously not published) and to do it better (facilitate access to information that was already publicly available, such as project design and planning documents, and contracts). Ultimately, INTPA took the 2024 ATI exercise as a challenge to prove that improving transparency and accountability is an on-going task."

### UN organisations in the Index

Six UN organisations were assessed in the 2024 Index. These organisations spend large volumes of international aid and have a leading role in their respective areas of aid and development. UN agencies perform well in the Index – they all publish good quality IATI data about their aid and development projects and organisational policies. Ranking first among UN organisations for the first time, the UN Office for the Coordination of Humanitarian Affairs (OCHA) ranked fourth overall with a score of 92.2. UN OCHA has made great strides in its performance in the Index over the past six years, having scored just 32.7 in 2018.

United Nations Development Programme (UNDP), which hosts the IATI Secretariat, has performed consistently well in the Index and maintained its high performance this year with a score of 91.5. This was a small increase on its score of 88.1 in 2022. And the United Nations Children's Fund (UNICEF) has also maintained its place in the 'very good' category, ranking 8<sup>th</sup> overall with a score of 86.2. The World Health Organisation (WHO) improved on its 2022 assessment by 4.4 points, with an overall 'good' score of 73.7.

The two newly assessed organisations – WFP and UNHCR, scored 84.5 and 63.4 respectively – impressive achievements for first assessments in the Index (see above).

FIGURE 4: UN organisations' scores over time



In some cases, UN organisations are able to score well in the Index by publishing high-quality, detailed information about the financial flows they receive and activities up to the country level. Less granular information is available about their spending down the aid delivery chain, within the recipient country. We will be exploring ways to assess transparency of these onward flows in future iterations of the Index.

### **Development Finance Institutions**

The prominence of Development Finance Institutions (DFIs) as vehicles for international aid continues to grow. The ongoing Multilateral Development Bank (MDB) <u>reform agenda</u> promises to increase resources, allow higher risk investments, streamline business processes and improve coordination between banks. In most cases the growth of the banks will be from greater borrowing on the capital markets rather than use of aid money. Existing public capital will be used to leverage this. Other reforms are designed to mobilise increasing amounts of finance from the private sector with the aim of closing the development financing gap.

The Aid Transparency Index assesses six sovereign (public sector) portfolios and six non-sovereign (private sector) portfolios of the major international and regional development banks.

The sovereign portfolios of the development banks are top performers in the Aid Transparency Index. They occupy three of the top five positions in the ranking including first (AfDB) and second (IADB). The World Bank International Development Association (IDA) dropped 4.9 points compared to its 2022 performance but still managed to place 4<sup>th</sup> with a 'very good' score of 92.2. Likewise, the Asian Development Bank – Sovereign Portfolio dropped a few places in the rankings (having topped the Index in 2018 and 2020) but still maintained a 'very good' score of 91.1.

The sovereign portfolios of the European development banks – the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB), perform less well in the Index, with scores of 67.1 ('good') and 55.1 ('fair') respectively. There is little difference in transparency between the sovereign and non-sovereign portfolios of these two banks.

EBRD lost points for a lack of forward-looking budgets and because we could not find comprehensive data about its results or evaluations. It is also revising its Access to Information Policy with the new policy scheduled to come into effect in 2025. Meanwhile it lost points because the current policy did not meet the best-practice criteria of the Index.

The EIB also lacked forward looking budget data and activity results and evaluations. Other documents were unavailable such as contracts and conditions documents, and details about locations of activities were missing.



FIGURE 5: DFI sovereign portfolio scores over time

Private sector portfolios of DFIs generally perform worse in the Index than sovereign operations. DFIs tend to include more expansive confidentiality clauses in contracts with the private sector which make disclosure more difficult. The Aid Transparency Index compares all the assessed aid organisations against a common set of criteria. While some adjustments are made to adapt the criteria to different types of business model, greater contract confidentiality makes these organisations less transparent, and they are scored as such.



#### FIGURE 6: DFI non-sovereign portfolio scores over time

As mentioned in the Introduction, IDB Invest improved its score significantly in the 2024 Index, almost placing in the 'good' category. EBRD also made significant improvements to bring its non-sovereign portfolio up to the level of its sovereign portfolio. The inclusion of better information about non-sovereign operations in its organisational documents, including a total forward looking budget for the portfolio contributed to this.

The World Bank International Finance Corporation (IFC) made a number of small improvements across several of the Index indicators to improve by 6.8 points, almost placing in the 'good' category for the first time.

#### THE DFI TRANSPARENCY INDEX

Publish What You Fund now has a second transparency index that focuses specifically on Development Finance Institutions. The <u>DFI Transparency Index</u> scores and ranks sovereign and non-sovereign portfolios of development banks against a set of criteria that are tailored to the operations of these institutions. This includes enhanced criteria for Environment, Social and Governance transparency, disclosure to communities and transparency of DFI-specific financial and project data, such as disclosure of financial intermediary activities. While the Aid Transparency Index focuses primarily on data published in the IATI Standard, the DFI Index reviews both IATI data and website disclosure together. Because of this, scores and rankings vary between the two Indexes.

The first DFI Transparency Index was published in 2023, with a second assessment planned for 2025.

### Improving scores for the Networked data indicator

One of the innovations of the Index in recent iterations has been the introduction of the **Networked data** indicator. There is great potential to use aid data to enhance the transparency of the network of aid organisations and activities, to show how aid flows between organisations and across jurisdictions. This can significantly enhance the accountability of aid delivery and provide insights into where and how money is spent, including how much gets to the recipient country, and how much reaches intended communities. Chapter 6 of this report provides further detail on this developing area of aid transparency.

The **Networked data** indicator scores organisations based on how transparent they are about the organisations they work with. It encourages the use of recognised, consistent references for organisations, which helps to build a clear, consistent picture of the aid network. For the 2024 Index a new test was introduced that also assesses the transparency of financial transactions by looking for references to receiver organisations.

Compared with 2022 we saw significant improvement in the consistency of standard organisation references being used by publishers. Overall there was an average score increase of 12% for the **Networked data: Organisation references** test. 10 organisations were using recognised standard references for the first time, and 17 organisations increased the number of references used.

For the new **Transaction receivers** test 20 organisations increased the number of transaction receivers published in their data during the Index assessment process. 10 of these scored 0 in the first round of data collection and then scored between 55-100% of the available points in the final assessment round. This indicates that they began publishing receivers for the first time in response to the new Index test.



#### FIGURE 7: Organisations publishing transaction receiver data for the first time

 $^{st}$  IDB Invest's score was weighted differently for this indicator and has been normalised here.

\*\* Since the final data collection, USAID has published more transaction receiver data so we expect it would now score significantly higher for this test.

# **Enhancements to measures of publication Timeliness**

Aid data published in the IATI Standard is management information that can be used for real-time decision making. For it to be useful in this way it is important that information about activities is updated regularly and that published data is up to date. To test whether organisations are meeting these standards the Aid Transparency Index assessment includes a measure of publication **Timeliness**.

The Index **Timeliness** measure previously looked at the frequency of publication and awarded higher scores to those organisations that were updating their data on a monthly or quarterly basis (the recommended minimum standard for IATI data publication).

For the 2024 Index we introduced a new **Timeliness** measure that incorporates a measure of the time lag of published transactions. Those that are publishing transactions that are a month old or less are now awarded the highest scores. A small discount is applied to those publishing a quarter in arrears, and scores for those publishing transactions from more than three months ago are more heavily discounted. For the 2024 Index, the majority (34 out of 50) were publishing with a one-month time lag. Six were publishing with a time lag of a quarter and seven had data that was more than a quarter behind.



#### FIGURE 8: Time lag assessments

We saw improvements in publication frequency in this Index compared with 2022. A total of 37 organisations were publishing with the best-practice monthly frequency, seven more than in 2022. Those publishing with a less than quarterly frequency dropped from four to two.



FIGURE 9: Changes in publication frequency, 2022–2024

The Index timeliness measures currently review the 12 months prior to the assessment to gauge if organisations have maintained consistent, regular publication over the past year. To capture the full period in between Index assessments we are now extending the review period to 24 months. This new measure will be applied to the 2026 Aid Transparency Index scoring and we have already started collecting publication frequency data that will feed into this (the 24 month period runs from April 2024 to March 2026).

#### BOX 3: System upgrades and pausing of data publication

Three organisations in the 2024 Index were undergoing information systems upgrades that either paused or reduced their data publication during the assessment. Spain's AECID, Australian DFAT and the German Federal Foreign Office (FFO) all received significantly reduced scores for this reason.

AECID is implementing a new Cooperation Information System, including a redesign of its IATI data publication, and did not publish any 2023 transparency data. Australia released a new International Development Policy that includes a commitment to enhancing the transparency of its development programme. It was in the early stages of delivering this and planned to publish the first set of IATI data under the new policy in the second quarter of 2024, after the Index assessment had concluded. DFAT was able to publish organisational documents in time for the assessment, however.

The German FFO, the lead for Germany's humanitarian assistance, was undergoing an upgrade to its data gathering and publication system which caused lower availability of data quality and quantity at the time of the Index assessment. This led to a 'poor' Index score for the German FFO including the application of a penalty for low data coverage.

While we recognise the importance of investing in and upgrading systems, the removal of IATI data should be carefully considered. This removal can prevent users from accessing crucial information needed for research and policy analysis related to impact and spending, thereby hindering coordination efforts. The timing of system upgrades negatively impacted the 2024 Index scores for these agencies, however, we hope that these upgrades will lead to improved and more extensive data publication that will be captured in future assessments.

# 4. Methodology

The Aid Transparency Index assessment approach is outlined in full in the <u>Technical Paper</u>, available on the Publish What You Fund website. Organisations are assessed in the Index against a set of 35 indicators. The indicators are scored based on the availability of information about the aid organisation or its activities. Indicators are grouped into five components which correspond to broad types of information. The components are: Organisational planning and commitments, Finance and budgets, Project attributes, Joining-up development data and Performance.

#### FIGURE 10: The Aid Transparency Index components



The principal approach to scoring the indicators is to run automated tests on the assessed organisations' data published in the IATI Standard. The tests assess whether information for the corresponding indicator is published in the data. Scores are based on how comprehensive and timely the data is. The highest scores are awarded for fully consistent, frequent, up-to-date publication. Organisations that only publish information for a few activities or publish data that is out of date or infrequently updated are scored lower.

Following the automated tests, Publish What You Fund manually checks the quality of documents and data for 12 of the indicators. We take a sample of 12 activities for each indicator and review the documents or data points to check that they are of good quality and meet the indicator criteria. We also review documents published for five of the organisation-level indicators. The Publish What You Fund team manually reviewed a total of 18,500 documents and data points for the 2024 Index. When data is not available as IATI data we conduct a manual review of information published on the organisation's website. Website publication is scored lower than IATI data in the Index because IATI data is open, standardised, comparable and machine readable, whereas website publication is not. We score two indicators separately based on quality of transparency legislation or policy and the accessibility of data through an organisation's online data portal.

Aid transparency is an evolving field, and we review and adjust the assessment and scoring approach each time we run the Index. The process of keeping the Index up to date and innovating to reflect the state of the art is collaborative and consultative. Prior to each assessment we conduct a <u>public online review</u> of the indicators to check the tests are working as well as possible, soliciting feedback from stakeholders including the assessed organisations.

We also carry out regular methodology reviews prior to Index assessments in which we consider adding new indicators or measurement approaches. These are held in consultation with stakeholders including the assessed organisations and members of the IATI community. We carried out a <u>methodology review in 2023</u> and made the following changes:

- Time lag added to the Timeliness measure
- Networked data indicator: transaction receivers test added
- Enhanced <u>Visibility assessment</u>
- Update to the planned dates indicator
- Update to the Country strategy / MoU indicator
- Update to the Sub-national location indicator, renamed "Location"

The Index assessment process has two rounds. The first - carried out at the start of the six-month data collection period – provides detailed feedback so organisations can make changes and improvements to their transparency and data quality before the final, scoring round at the end of the process. Indicator scores are displayed in bespoke Aid Transparency Tracker software during the assessment process so organisations can monitor how they are performing.

The Aid Transparency Tracker provides an opportunity for organisations to respond to scoring decisions through an iterative process. Each assessment is also reviewed by an independent expert who provides an opinion on points of contention and helps to review information published in other languages. In total 29 independent reviewers kindly provided support to the 2024 Aid Transparency Index on a voluntary basis.

Once the assessment is concluded results are calculated based on a set of weightings for the indicators and components that balance the perceived importance, usefulness and difficulty of publishing that information or data point. Higher weighted indicators include performance data (objectives, impact, results and reviews), networked data and forward-looking budgets. Basic information such as project titles, dates and activity statuses are weighted lower.

# Transparency of food aid

Global food aid has increased significantly in recent years as several factors have placed increasingly more people at risk of food shortages and hunger. The economic fallout from the COVID pandemic has left governments and populations impoverished, increasing vulnerability to disasters. And we are seeing more extreme weather events, exacerbated by global heating, including severe monsoons in Asia and droughts in the Sahel and the Horn of Africa. Other manmade factors have contributed to rising food prices, particularly the conflict in Ukraine – a major exporter of grains and other foodstuffs – which pushed up global food, fuel and fertiliser prices. The World Food Programme estimates that 309 million people are facing acute levels of food insecurity in 2024 in the 72 countries where it is operational. 42.3 million of these will be in emergency or worse levels of food insecurity. As this report went to press 1.1 million people were facing catastrophic hunger, primarily in Gaza but also in parts of South Sudan and Mali.

Several of the donors assessed in the Aid Transparency Index provide significant quantities of food aid. Among these, the United States is the largest bilateral donor, followed by Germany and the European Commission. Much of the food aid provided by these donors is channelled through the WFP – assessed in the 2024 Aid Transparency Index for the first time.

# Development and emergency food aid

There are two categories of food aid in the aid data – development food aid and emergency food aid. The top 10 bilateral donors recording food aid in their 2023 IATI data are as follows:



#### FIGURE 11: 2023 Emergency and Development Food Aid - IATI spend, US\$ millions

The United States is recording more than three and a half times as much food aid as the next largest donor – Germany. While the amount of money the US spends on food aid is generous, it has been <u>criticised</u> for the way it is sourced and delivered. Much of the food provided by international donors is now sourced from local or regional producers or is simply provided as cash to vulnerable people so they can buy food in local markets. Both approaches can have a positive impact on local economies and food production systems, with cash transfers particularly supporting small farmers and local livelihoods.

While US emergency food aid is mostly locally sourced or given as direct cash transfers, most of its development food aid is provided as "in-kind" commodities bought from US farmers and shipped overseas. Once the food is sourced, it must also comply with the <u>Cargo Preference Act</u> which obliges the federal government to use US carriers for at least half of food aid shipments. According to the <u>Congressional Research Service</u>, while shipping US-grown food may be appropriate in circumstances where local production or infrastructure is weak, reliance on in-kind food aid is "controversial due to its potential to disrupt international and local markets and because it typically costs more than market-based assistance."<sup>1</sup> The US Congress is currently negotiating new legislation which could change federal mandates and funding levels.

USAID's aid data provides significant detail about its food aid. 680 individual development food aid activities are recorded in its 2023 data. As well as food assistance activities (often delivered by INGOs) these also include research and technical assistance, monitoring of pests such as locusts, warehousing, administration costs and staff salaries. We also found some activities that outline shipping costs. In some cases, the shipping company is named as the activity implementer, in others it is redacted. And US\$158 million of expenditure is recorded for activities under the Ocean Freight Reimbursement Program, described as a programme that "Reimburses registered U.S. private voluntary organizations to ship commodities overseas for use in privately funded development and humanitarian assistance programs."

The WFP is the largest implementer of USAID funded emergency and development food aid. 2023 totals spent through WFP, as recorded in USAID's IATI data, were US\$1.72 billion of emergency food aid and US\$654 million of development food aid. Other US government agencies also deliver food aid through WFP (e.g. the Department of Agriculture), so total US contributions to WFP are significantly higher than this. The second largest food aid partner for USAID was Catholic Relief Services, delivering almost US\$500 million in 2023. The implementer was redacted for US\$370 million of USAID food aid.



#### FIGURE 12: 2023 Emergency and Development Food Aid – top 5 USAID implementers, US\$ millions

1 Casey, A.R. and Morgenstern, E. M., "U.S. International Food Assistance: An Overview". Congressional Research Service, February 23, 2021. https://crsreports.congress.gov/product/pdf/R/R45422/4

#### BOX 4: The Global Food and Nutrition Security Dashboard

A recent innovative use of aid transparency data is the <u>Global Food and Nutrition Security</u> <u>Dashboard</u>, managed by the Global Alliance for Food Security (GAFS) an initiative led by the G7 and World Bank. The dashboard brings together data on food security, food prices and food aid financing at the country and subnational level. The dashboard data on international food security financing is drawn from publications by donors in the IATI Standard. Given the urgency and fast moving nature of food crises and emergency response, the timeliness of the aid data that's used in the dashboard is of particular importance.

The IATI data used in the dashboard is automatically updated on a weekly basis. GAFS estimates that approximately seven thousand activities and 43 thousand transactions are processed for the dashboard. Activities and transactions are identified using the food aid sector codes and also key word searches in activity titles and descriptions. This captures a lot of data but is not precise enough to be reliable for the purposes of the dashboard. For this reason GAFS is proposing to introduce a "tag" for use in the IATI data to identify food and nutrition security activities.

The dashboard helps coordination by identifying who is delivering food aid, where. It also provides the status of the development, launch and triggering of Food Security Crisis Preparedness Plans. These plans provide a framework for governments and international partners to respond to food emergencies.

### The World Food Programme

The World Food Programme was assessed in the Aid Transparency Index for the first time in 2024 and achieved a 'very good' score of 84.5. WFP publishes good organisational, financial and performance related data. Activity-level data includes good objectives and results as well as annual review documents which can be used to assess performance. Results for projects include counts of numbers of beneficiaries, units of various foodstuffs delivered, amounts of money distributed as cash-based transfers, people trained in capacity building programmes and quantities of food procured and transported.

Financial data includes comprehensive forward-looking budgets and full details of incoming funds from various institutional funders and governments. WFP also publishes its outgoing transactions, although details of who receives the funds are not included. WFP publishes data for 830 activities in 2023 and spending totalling US\$10.64 billion. The top recipient country is Afghanistan, where WFP spent US\$901 million. This was followed by Yemen (US\$773 million) and Somalia (US\$745 million).

# Who should publish aid data, and why?<sup>2</sup>

The IATI Standard is designed to allow all aid organisations to publish data about their activities. As well as the largest aid donors and implementers - 50 of which we assess in the Aid Transparency Index – IATI data is published by international NGOs, private contractors and much smaller, local CSOs. One benefit of this is that organisations and activities can be linked in a network and funds can be traced through aid delivery chains. However, to do this comprehensively would require huge resources and effort. What alternatives are there and what is the best approach to achieve the aims of the aid transparency movement?

# Who is currently publishing IATI data?

6.

There are currently 1,672 registered IATI publishers. Among those, 227 are publishing with the recommended quarterly or monthly frequency that is needed to keep the IATI dataset up to date. 970 have published no new data in the past year. However, among the 227 regular publishers are many of the world's largest aid organisations. Total financial flows published in 2023 amount to US\$258 billion. This is greater than the most recent annual amount of Official Development Assistance recorded by the Organisation for Economic Cooperation and Development (OECD) (the preliminary ODA total for 2023 is US\$223.7 billion).<sup>3</sup>

545 publishers have recorded 2023 spending (this includes the 227 regular publishers and others that have published only once or twice that year). Of these, just 35 organisations published 95% of the total aid flows recorded in the year, and the top spending 100 publishers account for 99.4% of the total. Table 1 illustrates how the publishers recording spending in 2023 break down by organisation type.

Organisation types	Number of organisations	Total 2023 spend (USD millions)
Government	40	119,124
Other Public Sector	11	5,445
International NGO	198	2,067
National NGO	145	1,627
Regional NGO	11	49
Public Private Partnership	4	4,951
Multilateral	32	116,492
Foundation	30	2,019
Private Sector	44	381
Academic, Training and Research	25	112
Other	5	5,518
Grand Total	545	257,785

#### TABLE 1: IATI publishers, count of organisation types and total 2023 spend

This is a shortened, updated version of an article published on the Publish What You Fund website ahead of the IATI members' assembly in April 2024. The previous version of the article is available <u>here</u>.
It should be noted that IATI data is management information and not subject to the same statistical treatments as the OECD data, which is used

to should be noted that IATI data is management information and not subject to the same statistical treatments as the OECD data, which is used to count total ODA. So, loans are recorded at face value (rather than as "grant equivalent" amounts), and the same funds can be recorded multiple times: as money is passed from funders to implementers and then spent or passed on again, each organisation can publish its own spending of those same funds.

The agencies in the Index (37 of which are included in the analysis above) make up 92% of the total spending recorded in IATI in 2023 (US\$237 billion). International, Regional and National NGOs recorded a much smaller aid spend (US\$3.7 billion – 1.5% of the total flows) but include many more publishers – 354 in total.

This overview of IATI data shows who is publishing and how much they are spending. What about the detail of how aid is delivered? One aspect of this is the transparency of aid delivery chains and the network of aid organisations that are part of the aid system.

### Transparency of the network of aid delivery

Delivering large amounts of aid to the populations that need it can be challenging. Governments often channel funds by subcontracting a company, multilateral or NGO that subcontracts other organisations in turn, creating an aid delivery chain. This chain can involve consultancy firms, international NGOs, local government or academic institutions and, often at the end of a chain, local NGOs or CSOs. The various links in the chain can be based in the provider country, in the recipient country or in a third country, either in the global north or global south. Aid money is spent at each stage of this chain, with the various organisations providing services or taking management fees.

Among the many uses for aid transparency data (see chapter 7), is the mapping and tracking of money flowing between organisations. This is an area where IATI data can provide significant insights.<sup>4</sup>

The IATI Standard allows publishers to include information about the flows through the network of aid delivery. Donors and major aid organisations can publish names and unique references for the implementing organisations for each of their activities, as well as the receiver organisation for each transaction made in the project (something we now encourage and assess in the Aid Transparency Index, following the introduction of the Networked data indicator). Those implementing organisations can also publish their own IATI data showing how they spend the aid money they receive – either on their own project expenditure or through sub-contracts or sub-grants to other organisations. And this can continue along the delivery chain until all the money is disbursed or spent.

Another feature of the IATI Standard is to allow the linking of activities up and down the delivery chain, thereby facilitating the tracing of money as it flows from organisation to organisation.

By doing this we can better understand some of the challenges involved in channelling aid from donor countries to recipient communities. We can identify where aid money is spent and by whom, and we can hold aid donors to account for who implements their projects. We have seen <u>valuable</u> work in this area done by journalists to identify funding to organisations whose activities are not consistent with the values or policy goals of the governments giving the aid. And aid data has been used to show how foreign policy and aid policy can be in direct contradiction in catastrophic ways. Our own research has used aid data to track <u>spending by private contractors</u> and show how much of this is spent on consultancy fees, and how much is channelled to local actors.

<sup>4</sup> Other sources of aid data such as the OECD Creditor Reporting System (CRS) and official development statistics include channel codes that identify some funding channels. However, these are often unspecific, or, when implementers are named, they only show the top of the chain, leaving the onward flows a mystery.

### What's the catch?

Ideally we would see all aid organisations publishing IATI data, giving full visibility of the aid delivery network. In practice, this is yet to materialise. It is encouraging to see the number of publishers gradually increasing over the years and many NGOs, contractors and CSOs have made commendable efforts to register as IATI publishers and start publishing their data. However, it takes considerable effort to sustain a regular publishing practice and incentives are often required to make this happen. Some donors, such as the Netherlands, Belgium, Denmark and the UK have placed requirements or recommendations on their implementers to publish IATI data. These donors have employed various strategies to encourage compliance including close collaboration with implementers to build capacity and buy-in for IATI publication, training courses and monitoring. The IATI community should learn from these experiences to build a realistic picture of the level of effort and resources required to achieve similar results across the aid community.

It is important to be realistic about the scale of the challenge. We analysed the number of implementers recorded in the IATI dataset over the past five years and found 70,000 unique organisation names recorded as either the activity "implementer" or transaction "receiver". And this number would increase further as more organisations publish their data and include other implementers or sub-grantees. The total number of aid organisations globally is likely to be in the hundreds of thousands. Comparing these figures with the number of registered publishers provides an indication of how far there is to go to achieve a fully transparent aid delivery network.

And traceability – linking activities up and down the delivery chain to show how funds flow between projects – is even more nascent. We've <u>looked into this before</u> and found only 7,307 activity links among more than a million IATI activities. 90% of these links were added by just 30 publishers. These numbers may have increased recently, but the overall picture is unlikely to have significantly changed. Particularly noteworthy is the lack of linking between governments and multilateral aid agencies. Flows between these are some of the largest in the network, involving well-resourced organisations, and yet little progress has been made to link these up in the data.

### What is the way forward?

As IATI prepares to write its new five-year strategy, the question of who should be publishing data and how to maintain regular, high-quality publication will be high on the list of priorities. IATI publication is a voluntary endeavour, so it requires creative thinking to come up with ways of encouraging organisations to keep publishing high-quality aid data.

The Aid Transparency Index creates incentives for organisations to regularly publish high-quality IATI data by publicising their performance in a competitive ranking. However, the resource intensity and complexity of the Index means that it could not be replicated with more than the 50 organisations we currently assess without significant additional resources.

Another powerful incentive for IATI publication is requirements funders place on their implementers. An open discussion about what publication requirements could be implemented by donors would be helpful. This should include learning from those that have already implemented an approach to delivery chain publication.

Several possible approaches should also be part of this discussion:

#### Taking a staggered approach to implementer publishing

A significant challenge to ensuring implementers publish data down the delivery chain is the sheer numbers involved, particularly for the largest donors. USAID, for example, has recorded over 2,800 unique implementers receiving funds in the last five years. And US government regulation on reducing bureaucracy limits what USAID can require of these implementers. The UK's FCDO recorded over 1,300 implementers in the same period.

One way to tackle this challenge could be to begin by requiring only the largest implementers to publish data. Eligibility could be based on a threshold of aid volumes received (for example, those receiving more than US\$100 million per year, or the top 10% of receivers) or be limited to those that sub-grant or subcontract to other organisations down the delivery chain.

Prioritising in this way would quickly capture most funding flows downstream. For example, in the case of the US, requiring IATI publication by those organisations receiving over US\$100 million in 2023 would apply to 30 organisations that received a total of US\$13.4 billion. The largest implementers often include multilateral agencies that already publish data – these could be encouraged to link their activities and transactions upstream so flows can be traced.

#### Publishing on behalf of implementers

One alternative to imposing implementer publishing requirements is for large donors to publish the information about project delivery on behalf of their implementers. At present some donors publish all the available project documents themselves, while others expect their implementers to publish performance data and other documents further down the delivery chain. While either of these models works well from a transparency point of view, encouraging donors to publish more detailed information about the aid projects they fund could be a more realistic approach. This could include listing all implementers including sub-grantees or sub-contractors and publishing detailed project documents, including performance data and project information documents.

A large amount of data and information about projects can be published by those at the top of the aid delivery chain, as can be seen in the publication of those that score in the 'very good' category in the Index. These organisations are publishing comprehensive data and documents which provide a detailed picture about the operations, performance and results of their aid projects.

This approach centralises the responsibility for publishing and transparency on the large funders. These well-resourced organisations should be able to institutionalise IATI publication within their bureaucracies. And the quantity of publishers requiring support and monitoring in this case is kept to a manageable number.

The main disadvantage of this approach is that it is not possible to publish the detail of onward flows further along the delivery chain since organisations can only publish the commitments and disbursements they have made themselves.

If this approach is taken by some donors, clear guidance should be developed so that data published using these differing approaches is compatible and comparable.

#### • Creating a database of aid organisations and unique references

After the Index introduced the <u>Networked data</u> indicator in 2022 we have seen significant demand for a comprehensive list of organisation references. The creation and maintenance of such a list would be a valuable tool for the analysis of the aid delivery network. Alongside consistent use of these references by publishers, the list would help analysts to map organisations in a comprehensive and consistent manner.

# The role of the Aid Transparency Index

The Aid Transparency Index continues to play an important role in setting norms for good quality publication of IATI data. By continuing to monitor, assess and score the data publication of the world's major aid organisations, the Index ensures that those publishing the vast majority of the financial flows continue to publish high-quality, timely aid data.

And we are currently exploring ways that the Index tests could be integrated with the IATI dashboard and applied across all IATI publishers. While it would not be possible to run a full Aid Transparency Index assessment of a larger group of IATI publishers without additional resources, the automated tests could be applied to all publishers. This would not include the manual data quality sampling carried out for the Index, so scores would not be equivalent to Index scores. However, it would provide some valuable feedback on the data quality of these publishers.

# How is open aid data being used?<sup>5</sup>

Since 2008 IATI has been advocating for the publication of standardised financial and non-financial data by a wide variety of aid organisations. In the early years of the aid transparency movement examples of use of this data were few and far between, leading some to question the purpose of aid transparency. As more agencies joined the movement to publish their data, the public had access to an increasingly valuable resource.

Alongside the increase in available data there has been a proliferation of new tools in recent years which is driving up use. These tools improve accessibility and make it easier to collect and analyse data. We are now seeing many examples of aid data use and <u>we have been tracking these</u>.

#### A RESEARCHER IS ONLY AS GOOD AS THEIR TOOLS

Over the past few years several new tools have been developed which prepare IATI data for analysis and facilitate searching in user-friendly ways. Tools include the <u>Country Development Finance Data</u> website built by specialists to facilitate country or publisher centred analysis, the <u>Development</u> <u>Cooperation Landscape</u> tool, part of the US Foreign Assistance portal, and Data4Development's <u>AIDA platform</u> which helps publishers check their published data.

These tools allow users to easily access and explore data without needing a technical or specialised understanding. More details of the variety of tools available to access IATI data is provided in our blog series <u>here</u>. They support users to search and extract a tailored data set with functions including detailed filtering, key-word searches and interactive dashboards. For more advanced users, tools such as <u>Datadump</u>, <u>IATI data tables</u> and the <u>IATI datastore</u> make raw data readily accessible at scale for users to process themselves.

#### HOW IS OPEN AID DATA BEING USED?

Users of open aid and development data include governments, NGOs, international research institutions, journalists and think tanks. Recent research using IATI data has focussed on a range of issues including climate spending, land rights, food security and COVID. The following is a list of data use examples.

#### **Tracking aid flows**

Improved access to budget and finance data has made detailed tracking of funding flows possible. Harm Reduction International used IATI data to track aid funding for <u>narcotics control</u> to show how aid was being used for this little-known sector. Academics from a consortium led by Cambridge University tracked private entity receivers using contract data to better understand the role of the private sector in UK aid.

Tracking funding can also be used to understand what an agency is doing. The media platform Devex used IATI data to show <u>how EC INTPA spent its money</u> in 2022.

#### Geographic dashboards to visualise funding flows

The increased availability of sub-national locations of aid projects coupled with better tools to build maps has made it possible to create visual representations of aid data with geographic mapping dashboards. Examples include LandPortal's <u>Land projects database</u>, used to improve understanding of land governance information, and The Lowy Institute's <u>Pacific Island project</u> <u>mapping</u>, which was designed to improve donor and recipient government understanding of aid flows to the region. These maps are highly interactive and allow users to search and learn from the data.

<sup>5</sup> This is an edited version of an article written by Elma Jenkins, originally published in April 2024. The original article is available here.

#### Comparative analysis using multiple data sources

Several <u>partner country governments</u> used IATI data to compare aid flows with their national budgets to identify overlaps. The Center for Global Development used GNI data of recipient countries to compare the levels of <u>poverty focussed aid</u> across major aid agencies.

<u>The Institute for Journalism and Social Change</u> has compared aid spending with military spending in the conflict affected areas of The West Bank and Gaza. This showed how financial flows connect taxpayers around the world to facilities that have been damaged or destroyed in the current war.

#### Identifying gaps between resources and need in aid and development funding

Open aid data is being used to identify gaps in aid funding flows. This is done most effectively when development needs are clearly identified. For example, The Clean Air Fund identified clean air funding gaps by assessing pollution levels against funding levels. And The Rainforest Foundation used IATI data to track where <u>funding is falling short</u> of need among indigenous groups working to mitigate climate change.

#### Analysing the impacts of development policies using evidence

Save The Children studied the impact of UK cuts to <u>nutrition funding</u> by studying budgets before and after the policy change. Similarly, <u>Oxfam</u> and Publish What You Fund both used IATI data to <u>create an independent baseline</u> to measure progress against USAID's localisation target. A group of academics published <u>a paper</u> that used open contracting data as evidence to show how World Bank reforms of anti-corruption policies could support fairer government procurement.

These examples showcase the variety of ways in which data is being used in research, policy and development practice. Improvements to the quality and quantity of data now available have helped to facilitate this. The result is that data is being used in more creative ways to interrogate, analyse and advocate for changes to the way aid is implemented.

# Recommendations

Major aid organisations should continue to improve the quality and quantity of their aid data. This particularly applies to those that are not yet in the 'good' and 'very good' categories. As the aid data is being increasingly used to help create an accountable, effective aid system, all major donors should contribute with good quality, comprehensive, timely open data.

#### Publish more and better performance data.

8

The average score for the Performance component of the Index is 8.1/20. This means that many organisations are still not publishing comprehensive documents and data about the results and impact of their aid and development programmes. This information is vital to learn from and improve the delivery of aid.

#### Aid organisations should maintain the quality of their data in between Index assessments.

Embedding and systematising data publication should lead to consistent, high-quality data, and stop us seeing the dips in performance between Indexes. Organisations should also ensure they maintain regular publication frequency year-round (and will be assessed on this in future Index assessments).

# The IATI community should develop guidance on how to manage system upgrades and data publication pauses.

This could include recommended maximum timescales for pauses and recommendations that regular data publication should continue during systems upgrades if possible.

# Development Finance Institutions should improve the transparency of their private sector portfolios.

Since these activities are financed by leveraging public funds, development banks should go further than standard commercial practice in disclosing information about activities. Publicly funded institutions are accountable to taxpayers. The development mandate of these institutions means it is incumbent on them to show how activities are contributing to poverty reduction and development of lower income countries.

# UN organisations should start to look at ways to publish more detail about their onward activities below the country level.

In many cases transparency of UN agencies ends at the point funds are received and programmes are outlined. To contribute to a fully transparent aid system, these organisations should publish information about the full delivery chain from receipt to spending of funds.

#### IATI should reach a consensus about who should publish IATI data and to what end.

The IATI movement should use its next strategy to provide a clear vision of how publication should develop over the next five years. This will help guide the use of limited resources and efforts to encourage and support data publication by aid organisations. While the IATI Standard can be used by all aid organisations to publish detailed data about their activities, clear guidance about who should prioritise this and why will be helpful for the whole aid community.

#### More organisations should link activities in their data.

Providing references to funding or implementing activities in incoming or outgoing transactions will help to build a picture of the network of aid delivery. As the largest implementing organisations, UN agencies are well placed to set an example of how this can be done comprehensively.

#### The IATI community should create a central repository of aid organisation references.

This could be approached as a community initiative with the IATI secretariat taking the lead to provide the structure and governance of the lists. The references themselves could then be crowd-sourced and kept up to date by members of the community.

# Results table

Rank	Organisation types	2024 Final	2024 category	2022 Final	2022 category
1	AfDB - sovereign	98.8	Very Good	98.5	Very Good
2	IADB	96.3	Very Good	96.3	Very Good
3	US, MCC	93.0	Very Good	92.0	Very Good
=4	World Bank, IDA	92.2	Very Good	97.1	Very Good
=4	UN OCHA	92.2	Very Good	85.9	Very Good
6	UNDP	91.5	Very Good	88.1	Very Good
7	AsDB - sovereign	91.1	Very Good	94.8	Very Good
8	UNICEF	86.2	Very Good	89.1	Very Good
9	World Food Programme	84.5	Very Good		N/A
=10	EC, INTPA	82.9	Very Good	72.4	Good
=10	UK, FCDO	82.9	Very Good	71.9	Good
12	GAVI	81.3	Very Good	87.1	Very Good
13	AfDB - non-sovereign	78.8	Good	78.6	Good
14	Global Fund	78.4	Good	67.9	Good
15	EC, ECHO	75.9	Good	77.1	Good
16	Sweden, Sida	75.4	Good	68.0	Good
17	Germany, BMZ-GIZ	75.2	Good	79.3	Good
18	AsDB - non-sovereign	74.4	Good	82.3	Very Good
19	Belgium, DGD	74.2	Good	63.3	Good
20	World Health Organisation	73.7	Good	69.3	Good
21	EC, NEAR	73.3	Good	64.0	Good
22	Korea, KOICA	71.8	Good	77.7	Good
23	EBRD - non-sovereign	68.4	Good	60.6	Good
24	EBRD - sovereign	67.1	Good	66.6	Good
25	US, USAID	66.1	Good	65.2	Good
26	Gates Foundation	64.3	Good	62.0	Good
27	Netherlands, MFA	63.5	Good	67.2	Good
28	UNHCR	63.4	Good		N/A
29	Italy, AICS	61.4	Good	53.9	Fair
30	New Zealand, MFAT	60.4	Good	64.4	Good
31	Canada, Global Affairs	60.1	Good	71.1	Good
32	World Bank, IFC	59.8	Fair	53.0	Fair
33	Finland, MFA	58.4	Fair	50.8	Fair
34	IDB Invest	57.7	Fair	34.1	Poor
35	France, AFD	57.1	Fair	63.5	Good
36	EIB - sovereign	55.1	Fair	56.2	Fair
37	Japan, JICA	54.8	Fair	22.9	Poor
38	Denmark, MFA	50.9	Fair	52.9	Fair
39	Norway, MFA	50.5	Fair	36.2	Poor
40	US, State	48.6	Fair	58.0	Fair
41	EIB - non-Sovereign	48.3	Fair	52.3	Fair
42	Ireland, Irish Aid	47.9	Fair	48.0	Fair
43	Switzerland, SDC	46.6	Fair	47.0	Fair
44	UAE, MOFAIC	44.1	Fair	1.1	Very Poor
45	Saudi Arabia, KSRelief	43.8	Fair	38.7	Fair
46	US, HHS	34.8	Poor		N/A
47	Germany, Federal Foreign Office	27.9	Poor	37.2	Poor
48	Australia, DFAT	27.2	Poor	41.9	Fair
49	Spain, AECID	5.0	Very Poor	41.1	Fair
50	China, IDCA	2.2	Very Poor	5.0	Very Poor

