*This article, written by Alasdair Wardhaugh from the IATI Secretariat, recently appeared in the September 2011 edition of the World Bank’s flagship magazine, Development Outreach.*

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**Access to Aid Data Transforms Lives**

Aid transparency has emerged as a top priority for many donors who recognize that increasing access to aid information is central to improving the aid process. It increases accountability, helps countries make best use of scarce aid resources, increases the impact of aid in reducing poverty, improves lives in developing countries, and maintains domestic support for aid at times of financial stringency. **That’s why**the [International Aid Transparency Initiative](http://www.aidtransparency.net/)(IATI) was launched in Accra at the [Third High Level Forum on Aid Effectiveness](http://www.accrahlf.net/WBSITE/EXTERNAL/ACCRAEXT/0%2C%2CmenuPK%3A64861886~pagePK%3A4705384~piPK%3A4705403~theSitePK%3A4700791%2C00.html) in September 2008 (HLF3). IATI is a multistakeholder voluntary initiative that seeks to improve the quality and use of international aid money by making aid information easier for people to find, understand, compare, and scrutinize.

**WHAT DO USERS NEED?**

**IATI’s first job**was to compare the information needs of users with the aid information they had. We found that there was a wealth of aid information available—in the [OECD-DAC](http://www.oecd.org/department/0%2C2688%2Cen_2649_33721_1_1_1_1_1%2C00.html)(Organisation for Economic Co-operation and Development-Development Assistance Committee) database, in country-based aid information management systems (AIMS), and on donors’ websites—but because it was published in so many different places, it was costly to gather and did not meet the diverse needs of those who wanted to use it. For example:

* ministries need forward-looking data for budget planning,
* a central bank may want to know the precise timing of a large aid disbursement,
* parliamentarians and civil society organizations (CSOs) may be more interested in the conditions attached to aid,
* community-based groups may want to know the precise location of a particular project,
* taxpayers in donor countries want to know what they got for their tax outlays and compare the results with those of other donors.

 Often the information was simply not available; and when it was published, it was often in a format that was inaccessible to nonexpert users, excluding them from the key decisions about aid.

**A DIFFERENT APPROACH**

**IATI recognized**from the outset that it would be impossible to create a single *mega-database*to meet the diverse needs of all stakeholders. Instead, it proposed establishing a common international publishing standard. Aid providers would only need to publish their information once in the agreed data format, normally on their website. The location of their data would then be recorded in a central IATI registry, which would serve as an index for users. Information would be published under open licences, meaning that it could be used, combined with other datasets, and repurposed by information intermediaries in any number of ways to meet different user needs. So IATI was based on the principle of “publish once, use many times.” Having decided to develop a common transparency standard, AITI’s next step was to consult stakeholders—especially aid recipients—on what they considered to be priority information. Consultations, with 74 partner country governments*,* highlighted the importance of:

* timely information on current and future aid flows,
* detailed information on what, where, and how aid is spent,
* access to information about results, and
* comprehensive and comparable data from a wider range of aid providers.

*Parallel consultations with over 160 civil groups from 54 countries*emphasized the importance of:

* publishing details on conditions attached to funding,
* aid promised versus actual spending,
* project impact, and
* full project documentation.

**SETTING THE STANDARD**

**With the information needs**of users firmly established, IATI began designing the standard with the help of an open membership Technical Advisory Group. After much further consultation, a meeting of all IATI signatories and Steering Committee members in February 2011 agreed the final version of the IATI Standard (see iaitstandard.org). It includes agreement on what aid information will be published, common definitions, and a common format for publishing electronic data. IATI signatories also agreed to develop individual timetables for meeting the Standard.

Inevitably in a multistakeholder initiative, IATI has faced tensions and made compromises along the way. Some issues identified as top priorities for partner country stakeholders, such as the publication of forward-looking data, have proved to be very challenging for donors. IATI has resolved these tensions by agreeing an enabling standard that makes provision for publishing such information, while acknowledging that not all signatories will be able to comply immediately with every element of the Standard. Inclusion of certain types of data has been made optional such as the publication of specific geographic locations for projects, and conditions and results in the form of data. Some of these elements will become easier to provide as donors’ own financial systems are upgraded.

**THE MORE THE BETTER**

**The net result**is a standard that enables its members to meet their Accra commitments on transparency in full. By meeting many of the demands of partner country stakeholders, it has the potential to transform the entire aid system. IATI adds value to existing reporting systems in several ways:

* The IATI standard is open to all aid providers, whether they are official donors, providers of South-South cooperation, NGOs, or philanthropic foundations. In this way it offers the possibility of **more comprehensive coverage**from a wider range of actors.
* The IATI standard provides for the publication of **forward-looking data,** including budgets and forecast disbursements.
* IATI donors will update their information at least quarterly, so it will be **more timely**and help countries with decision making.
* Information will be published in a way that can be **reconciled with the financial year of the recipient country,** and IATI is supporting further work to **align data with countries’ own budget classifications**.
* IATI will publish **more detailed information**at the level of individual activities or projects, including information on who receives the money, what transactions are made, and contact details for further information.
* The standard allows for the publication of key **documents, as well as statistics,** including documents relating to the justification of a project, conditions attached, and results achieved.
* IATI includes the option of publishing **detailed geographical information**so that the data can be presented on a map.

**THE OPEN DATA APPROACH**

**Above all,**the initiative establishes a common, open format for the publication of aid information. By agreeing to publish their data and key documents in this way, IATI donors are opening up their aid information so that everyone interested in development can use it for their own purposes. Over time, this has the potential to democratize the aid process, allowing citizens in both donor countries and partner countries to see where aid money is being spent, and with what results.

IATI’s open data approach is in line with aid transparency initiatives launched by a number of donors in the past year: the U.K. launched its Aid Transparency Guarantee in June 2010, published its project database online, and produced the first IATI-compliant data following adoption of the Standard. The U.S. Government launched its [Foreign Assistance Dashboard](http://foreignassistance.gov/)in November 2010 and intends to crosswalk this information to the IATI Standard. Most recently, the Swedish government launched its comprehensive [Open Aid](http://www.sweden.gov.se/sb/d/13179)initiative, stating that in order to reduce poverty effectively “development cooperation must be opened up to transparency and ideas from others.”

On the multilateral side, the [World Bank](http://www.worldbank.org/)has led the way opening up its vast storehouse of data to the public a year ago. Since then, the Bank reports that usage of its datasets has tripled, with up to 100,000 users a day accessing its free, searchable databases with 7,000 indicators.

**ENORMOUS BENEFITS**

**Open Data**is not a panacea—it cannot, alone, guarantee good development outcomes, as the World Bank readily admits. But the Bank’s experience nevertheless demonstrates that there is real demand for open data on aid and development. If institutions embrace this, the results could be transformational. Yet IATI has some sceptical followers; aid bureaucracies are used to controlling the release of their own verified statistics, for their own purposes and in their own time. They are often reluctant to make the paradigm shift toward publishing up-to-date effectively raw data, and letting others use and repurpose it for their own ends. There are also concerns about quality control, which IATI believes can be addressed by change-management strategies. These include data-cleaning exercises and staff awareness programs, and by describing which information has been formally quality-checked or not. And transparency in itself is a powerful incentive to get data and decisions right the first time.

There are also understandable concerns about the costs of implementation and workload on hard-pressed staff in donor agencies. Again, IATI recognizes these concerns, but a cost-benefit analysis commissioned by the Steering Committee confirmed that, while there will be variations among donors, the efficiency savings of implementing IATI are likely to pay for the transitional costs within a year or two. And while the effectiveness gains are difficult to measure accurately, the paper concluded that even by the most conservative estimates, the benefits of greater aid transparency vastly outweigh the estimated costs.

**ALL TOGETHER NOW**

**Ultimately,** the benefits of the new Standard will be proportional to how many aid providers use it.  [DFID](http://www.dfid.gov.uk/) and the [Hewlett Foundation](http://www.hewlett.org/)have published their data to the IATI Registry, and several more have undertaken to do so this year. More organizations are joining the initiative, with the [African Development Bank](http://www.afdb.org/en/)becoming the 19th signatory in April 2011. Others, like the U.S. and the [Gates Foundation](http://www.gatesfoundation.org/Pages/home.aspx), have indicated that they intend to publish more information in a way that is consistent with IATI standards. IATI members currently account for some 50 percent of global aid; and recently a number of large international NGOs have expressed interest in IATI. All of these are encouraging signs that IATI is generating momentum and that it will, over time, deliver on its full potential.

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