

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

Cancels & replaces the same document of 03 October 2013

IMPROVING DAC TRANSPARENCY

Progress to date and possible future directions

DAC Meeting, 3 December 2013

This version cancels and replaces the one submitted to OLIS on 3rd October to be discussed at the October 22nd DAC Meeting. It has been postponed to the 3 December 2013 DAC meeting.

This paper is submitted for DISCUSSION under Item 7 of the Draft Annotated DAC Agenda [DCD/DAC/A(2013)15]. It follows up on the DAC discussion held on 14 May 2013, which called for a new strategy on transparency. Members' views on the suggested proposals to improve DAC transparency are sought. The main elements of each proposal are highlighted in bold.

Contacts: Suzanne Steensen - Tel: +33 (0)1 45 24 76 23 - E-mail: suzanne.steensen@oecd.org;
Rudolphe Petras - Tel: +33 (0)1 45 24 79 67 - E-mail: rudolphe.petras@oecd.org

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IMPROVING DAC TRANSPARENCY: PROGRESS TO DATE AND POSSIBLE FUTURE DIRECTIONS

Background

1. For the DAC to be an inclusive partnership for development, transparency must be a cornerstone of its agenda. The DAC has the opportunity to lead by example by improving transparency between members and with the public; it can also further open its work and methods so as to secure its place as a hub for transparency. The DAC and its Secretariat have already made major advances in transparency over recent years: this paper reviews progress and suggests possible future enhancements along several lines.

2. Transparency has been pushed to the top of the global political agenda: examples include G8 leaders signing the **Open Data Charter**¹ in June 2013 committing their countries to provide open data, in order to promote transparency, innovation and accountability. In particular on development assistance, G8 Leaders “agreed to implement the **Busan Common Standard on Aid Transparency**, including both the Creditor Reporting System of the OECD Development Assistance Committee and the International Aid Transparency Initiative (IATI), by 2015”. The UN Secretary-General’s High-level Panel of Eminent Persons on the Post-2015 Development Agenda proposed that good governance and transparency be included as core targets calling for a data revolution and a **transparency revolution**.²

3. The DAC has stated its ambition to undertake a transparency transformation in order to secure its place as a pro-active actor within the field, leading through its own processes, work programmes, communication and use of technology. At the 2012 DAC High Level Meeting, ministers committed to explore “the scope for the DAC to become a more inclusive global hub for transparency in development co-operation”. The DAC has a unique and vital role in the aid and development community: it manages the most complete comparable database on development finance activities and aggregates, with norms and classifications recognized and used at the global level. It has a unique ability to undertake surveys on any topic related to development with its members, whilst also having access to non-members and other multilateral organisations; and its Secretariat includes important human capital in regard to development policy, statistics, data management, and administration. These strengths can help establish the DAC as a leader within the fast-changing transparency landscape.

4. This paper follows up on the DAC discussion held on 14 May, which called for the DAC to set out a new strategy on transparency. It aims to state what transparency means for the OECD/DAC, and to launch a debate amongst members on the DAC’s future role in the transparency agenda. It reviews the transparency agenda from both OECD and DAC perspectives, taking stock of recent trends and activities, and outlines concrete proposals for a revised transparency agenda.

5. There is no universally agreed definition of “transparency”; for the purposes of this paper, transparency is defined as “openness, on-going communication and public accountability”. From this starting point, two elements can form the pillars of a DAC transparency agenda:

¹ <https://www.gov.uk/government/publications/open-data-charter>

² See <http://www.post2015hlp.org/the-report/>. “We need a transparency revolution, so citizens can see exactly where and how taxes, aid and revenues from extractive industries are spent. [...] we also call for a data revolution for sustainable development, with a new international initiative to improve the quality of statistics and information available to citizens. We should actively take advantage of new technology, crowd sourcing, and improved connectivity to empower people with information on the progress towards the targets.”

- **Policy and process:** transparency is about openness concerning policy intentions, formulation and implementation; and the inclusion of external actors in decision-making.
- **Data and technology:** transparency is about the free provision of complete, detailed, up-to-date, timely, and reliable information and data; teamed with the use of advanced data exchange technologies to collect, manage and release data internally and externally.

6. Under such a transparency agenda communication will remain an important cross-cutting element, which can be defined as the provision of information that is free, easy to find and use, and also easy to understand for citizens and policy makers.

Transparency and the global agenda

7. The creation of transparency initiatives and the reinvention of transparency policies by many national development agencies and multilateral actors have shown that **transparency is at the top of the global agenda**. Numerous initiatives on transparency have emerged over the past decade, for example, the International Aid Transparency Initiative (IATI), the Transparency and Accountability Initiative³, the Extractive Industries Transparency Initiative (EITI), the Open Government Partnership⁴ (see box below), the Open Budget Initiative⁵, Transparency International and the Open Contracting Initiative⁶. Such proliferation highlights the increasing demand for openness and accountability. These multi-stakeholder initiatives are led by a mix of governments and civil society organisations and include citizen participation.

Box 1. The Open Government Partnership

The Open Government Partnership (OGP) supports the transformation of governments to become more transparent, efficient and accountable, with institutions that empower citizens and answer to their needs, through specific commitments in transparency. OGP is a multilateral initiative that aims to secure concrete commitments from governments to “increase the availability of information about governmental activities [...], support civic participation [...], implement the highest standards of professional integrity throughout (their) administrations [...], and increase access to new technologies for openness and accountability”.

The Open Government Partnership was formally launched in September 2011 by eight governments (Brazil, Indonesia, Mexico, Norway, Philippines, South Africa, the United Kingdom, and the United States), and has since been joined by 47 other, including almost all DAC members but also many developing countries. The steering committee is composed of the eight founding governments plus nine civil society organizations. To become a member participating countries must embrace a high-level Open Government Declaration; deliver a country action plan developed with public consultation; and commit to independent reporting on their progress.

Recently, the OGP undertook official partnerships with four major multilateral organisations (IDB, OECD, UNDP and World Bank), with high-level representatives from these institutions attending the OGP Summit for the first time in London on 30 October – 1 November 2013. The OECD plans to partner with OGP in: supporting the countries’ performance and eligibility assessments (using OECD Peer Review methodology in various domains); providing technical assistance to countries to prepare their OGP Action Plan; providing capacity building to the officials developing and monitoring these Action Plans; organising conferences to inform stakeholders, share good practices and promote open government principles ; and sharing OECD’s data, guidelines, analytical work and policy networks.

³ <http://www.transparency-initiative.org/>

⁴ <http://www.opengovpartnership.org/>

⁵ <http://internationalbudget.org/what-we-do/major-ibp-initiatives/open-budget-initiative/>

⁶ <http://www.open-contracting.org/>

8. Also key has been the role of technological progress in facilitating the automated exchange of larger volumes of data, and faster and easier access to information. Technology also provides the opportunity for users to provide feedback and score and rank products and services. This has been particularly evident through the **open data** movement where fast, global and free access to data has allowed researchers, decision-makers, CSOs and citizens to have direct access to data, which they can then analyse and re-use according to their needs.

9. Of course the **limits and challenges of transparency** should not be overlooked, including the need to uphold the privacy of individuals, to protect commercially confidential information and to maintain independent and confidential political-level decision-making. In addition, transparency has a cost that should not be underestimated, as the provision of free accessible and real-time information implies a both a decrease of revenue and an increase of communication costs, including through the development of new tools and means of access to those who hold information. Harvesting the benefits of transparency also requires the allocation of resources to respond to feedback, and to incorporate suggestions and ideas from the public into decision-making processes. Notwithstanding these and other challenges, transparency remains a core issue for governments and international organisations, as more questions are asked about their processes, decision-making and the true value of available data and information.

10. In the domain of aid finance, the concept of transparency is not new⁷, but recent trends and technological changes have led to the creation of **IATI**, and to the launch of modern **open data portals** by several governments (e.g. Norway, Sweden, the United Kingdom and the United States⁸) and international organisations (e.g. FAO⁹, UNDP¹⁰ and World Bank¹¹). In addition, **innovative approaches** have included the Open Aid Partnership¹², geocoding of projects (and now contracts) by several donor agencies, the inclusion of results information and user feedbacks on development projects and the linkages between budget management systems and aid management systems in developing countries. Finally, there is an on-going debate concerning the transparency of tax exemptions on aid funded goods and services, with international organisations recommending action to the G20 in 2011, and Norway deciding to stop claiming some exemptions from 2013.¹³ **Social Networks** and **blogs** have also played an increased role in the global debate on aid transparency.

The OECD and transparency

11. The OECD has itself been part of the global transparency evolution, and in particular has been at the forefront of efforts to promote the free flow of information. The OECD has led the way in sharing evidence-based knowledge, providing information and policy advice to governmental and non-governmental stakeholders and the public. The Secretary General recently stated¹⁴ that openness and accountability are key ingredients to building trust, emphasised the need for free information to support sound policy decision-making, and highlighted four areas in which the OECD was leading by example:

⁷ See the 1990s data exchange system [CEFDA](#) which by 1999 had developed into the [IDML Initiative](#) which aimed to make “it much easier to share information with regional offices, partner agencies and with the public [and to] find and manage information about who is doing what, and where”.

⁸ <http://www.oecd.org/dac/stats/dataportals.htm>

⁹ <http://data.fao.org/>

¹⁰ <http://open.undp.org/#2013>

¹¹ <http://data.worldbank.org/>

¹² <http://www.openaidmap.org/>

¹³ <http://www.oecd.org/g20/topics/development/48993634.pdf>

¹⁴ <http://www.oecd.org/fr/etatsunis/opennessandtransparency-pillarsfordemocracytrustandprogress.htm>

- Developing a range of instruments to help governments ensure that openness translates into concrete improvements.¹⁵
- Supporting e-government and internet-based technologies and applications: crucial components for an open, transparent and accessible government.¹⁶
- In the area of development co-operation: Publishing DAC Member Peer Reviews and aid statistics (both treated in the next section - The DAC and Transparency).
- Promoting greater transparency as a means to fight corruption.¹⁷

12. In addition, the OECD has spearheaded work on tax transparency to address international tax evasion being taken forward by the 120-member Global Forum on Transparency and Exchange of Information for Tax Purposes.

13. The OECD has made transparency one of its main goals in the years to come. In a first round, since 2012 the OECD has made **all its publications free, available online and accessible from mobile tools**; in addition the organisation invested in **increasing its presence on social media**, championing employees to post on blog sites, as well as working on **discussion platforms both in-house and externally** – allowing easier access to the work it carries out but also creating a platform to liaise with academics, professionals and the general public about the work of the OECD. New key projects related to transparency include the **Programme Delta**¹⁸ (see box 2), an initiative to make OECD data more open, free and more easily accessible; the **participation of the OECD to the Open Government Partnership** (see box 1); and the launch of the **OECD Data Lab**¹⁹ that provides modern data visualisation on different topics and the possibility for users to provide feedback. These activities will increase the dissemination of OECD work in order to provide better informed policy decision-making. They give concrete expression to the Organisation's commitment to being a key transparency actor on the international scene.

¹⁵ Examples include the *Principles for Integrity in Public Procurement*, the *Best Practices for Budget Transparency*, the *Principles for Transparency and Integrity in Lobbying*; the *Guidelines for Managing Conflict of Interest in the Public Service*; the PISA; and the DAC's work on Public Financial Management Systems in developing countries.

¹⁶ Examples include the *Seoul Declaration at their meeting on the Future of the Internet Economy* and the *Recommendation on Public Sector Information*.

¹⁷ Examples include the work on *Stolen Assets Recovery* and the *Guidelines to help governments fight bid-rigging and other types of collusion*.

¹⁸ http://portal.oecd.org/eshare/PAC/Sites/delta/Programme%20documents/Programme_Delta_at_a_Glance_short_A4.pdf

¹⁹ <http://www.oecd.org/statistics/datalab/>

Box 2. The OECD Programme Delta

In December 2011, in response to a Review of Publishing, the Council initiated a programme to make OECD data more open, free, and more easily accessible. The objectives of the initiatives are threefold: Delta should deliver to the Council's decisions; it should "democratize" the OECD content by increasing dissemination and usage; and it is supposed to remain viable under a cost recovery model.

The accessibility component is focusing on creating a user-friendly data portal and simplifying the content by making it easy to find, understand and use. Dissemination is being increased by making data machine-readable, retrievable, indexable and re-usable by third parties. Concerning costs, actual data are to be accessible without charge; however, the Programme should be able to earn some revenue by providing value-added services to prime customers (universities, corporate customers, and policy makers). The process is to be completed in May 2015.

The Programme will not only lead to an improvement in the data collection and dissemination processes but will also contribute to the external perception of the OECD as a transparent actor in the international co-operation framework and as an open and accountable information source.

The DAC and transparency – some key achievements so far

14. The transparency dimensions set forth by the Secretary General are fully reflected in the DAC's work. The DAC is well placed to assume a leading role and has already laid the groundwork to be at the forefront of the global transparency agenda.

15. The DAC's decision in the 1990's to **publish Peer Reviews**, the **broadening of the committee participation** to multilateral organisations and emerging donors and the **inclusion of external stakeholders** in some subsidiary bodies all show long-term term DAC commitment to more transparent processes and decision-making.

16. More specifically, in 2010 the DAC discussed ways to develop a more inclusive approach for **peer reviews**, based on a paper prepared by the Secretariat. Several actions have been proposed and put in place over the last three years²⁰: **inclusion of more partner country authorities, CSOs and parliamentarians**, the consultation of multilateral organisations, the preparation of a content guide and reference guide that provide clarity and transparency on how members are evaluated.

17. The **Global Partnership for Effective Development Co-operation** is a good example of a more inclusive process that brings together DAC and non-DAC donors, developing countries, private companies, civil society, and multilateral organisations in a forum to discuss and make commitments for the effectiveness of development co-operation.

18. **DAC statistics** have always aimed at maximum openness and accessibility. ODA statistics were among the **first in the OECD to be available online** and also the **first to be made available for free** and without registration. ODA data are an open, public resource and only the details of certain non-ODA flows are restricted because of commercial confidentiality. Many **processed statistical products are also available for free online**.²¹ Major efforts to improve the transparency of DAC statistics in recent years include the development of the **QWIDS database**; the **joint development with the World Bank of Aidflows**²², where a visual presentation of key data on aid flows by donor and recipient is presented

²⁰ See DCD/DAC(2011)16

²¹ <http://www.oecd.org/dac/stats/>

²² www.aidflows.org

through a user-friendly platform; a **revamped website to access DAC data**, with charts, tables and interactive maps, and **web links to the DAC Members' data portals**; and the availability of the entire CRS database through **bulk downloads** (including in IATI format). The DAC Secretariat has also created new material to better promote and understand DAC Statistics. These include Frequently Asked Questions, a site map which organises content by target groups (our users), as well as online presentations, flyers and documentation that will feed into the online Aid Statistics learning centre.

Possible future lines of action to improve DAC transparency

19. Seven suggested lines of action to improve DAC transparency are outlined below under two headings: *Policy and process*, and *Data and technology*. Given the number of suggestions, it has not been thought worthwhile at this stage to provide detailed cost and resource estimates; however, the proposals are grouped roughly in ascending order of cost, and where important new areas of work would be involved, these have been specifically flagged. **DAC members' comments and suggestions are invited on this list, and on any other proposals which they feel should be pursued.**

A. Policy and Process

Proposal 1: Apply an "open by default" approach for DAC documents

20. The latest OECD *Rules of Procedures of the Organisation*, dated July 2011, state that "information should be considered *Unclassified* until an active decision is taken to classify it" and that "in many instances the need to maintain a security classification is time limited". However, over the last three years, about 70% of documents published under DAC codes were "for official use", while 30% were unclassified.

21. In response, the Secretariat is **moving towards issuing documents as unclassified** unless it sees specific reason to do otherwise (for example, on DAC membership accession questions). The DAC could also consider **decreasing the three year downgrading and/or declassification period for most documents**. The DAC could also decide to **publish its Programme of Work**, as well as its **progress reports on implementation and evaluation**.

Proposal 2: Include transparency as a horizontal theme in all DAC work-streams, including through benchmarking etc.

22. A number of DAC work-streams promote transparent practices and policies. The agenda for collective action for improving governance to fight corruption and the Illicit Financial Flows Agenda both shed much-needed light on the transparency of anti-corruption initiatives; the collaboration with GOV to compare Supreme Audit Institution (SAI) approaches for engaging stakeholders is part of an effort to strengthen good governance and state-society relations, increasing transparency through opening processes and initiatives for review; and the work to develop a Transparency Indicator as part of the Global Partnership Monitoring Framework seeks to capture providers' transparency of aid information not only *vis-à-vis* developing countries but more broadly with regard to all stakeholders. The DAC could systematically assess transparency in its reports and evaluations. For example, the **next Development Cooperation Report could have a specific section on transparency**.

23. The volume of information available today is so huge that unprocessed information can be useless, in particular for non-specialists. Indexes, maps, scores, rankings or graphical dashboards can help understanding of these large volumes of data. In addition such tools can also allow civil society and the general public to gain a better understanding of concepts that can seem too complex initially. Recent examples of successes in this domain include Transparency International's corruption perception index;

CDG's Commitment to Development Index; Publish What You Fund's Transparency Index; and within the OECD itself, the Better Life Index, the PISA rankings, and the "Metropolitan Explorer" of GOV²³. The DAC has, until today, made little use of indexes and benchmarking except regarding ODA volumes, and members have been reluctant to permit publication of other rankings, e.g. of statistical reporting performance. **Would members now be prepared to consider more resort to indexes and benchmarking, and, if so, in what areas of their aid or transparency performance?**

Proposal 3: Increase external stakeholders' participation in DAC activities and consider expanding DAC observership to include non-OECD members, CSOs and developing countries

24. The DAC Global Relations Strategy²⁴, approved in December 2011, "guides the efforts of the DAC to engage with non-member economies and organisations, in order to ensure the quality, inclusiveness and impact of the Committee's work". The strategy has the objectives not only of encouraging countries that fulfil the accession criteria to join the DAC as a Member (in the case of OECD members) or an Associate (in the case of other countries) but also to enrich policy dialogue and knowledge sharing with key stakeholders, including non-member providers of development co-operation, international organisations, developing countries, private sector, private foundations and CSOs. The DAC and its subsidiary bodies seek to deepen engagement with key development actors through: policy dialogue; collaboration on development co-operation management and statistics; and analytical work. The main achievements of the strategy in 2012 are available in the Work Plan for DAC Global Relations in 2013²⁵, and concern mostly activities with OECD members that are not members of the DAC and emerging economies.

25. The Global Relations Strategy opened the way for the DAC to invite non-member economies and organisations to participate in its formal committee work as "Participants" or Invitees", subject to approval by the OECD Council. Participants may be non-member economies and international organisations that are relevant stakeholders in international development co-operation and can contribute to the achievement of the DAC mandate. Invitees may be non-members, international organisations and CSOs that can contribute to topics covered in specific meetings and activities. Following the Council's approval of the DAC Participation Plan²⁶ in June 2013, the Committee can now invite 14 non-members to participate in its formal committee work as Invitees.²⁷

26. Efforts could be pursued to further open the DAC to external stakeholders, in particular developing countries and civil society. One possibility could be to offer seats as Participants at the DAC to representatives from CSOs and/or developing countries, similarly to the current observer seats of the World Bank, the IMF, the UN and the regional development banks. This raises of course a number of issues, mainly choosing the right representative(s), given that the number and diversity of developing countries and CSOs makes it virtually impossible to choose one individual as representative of the whole group. The DAC could explore seeking Council's approval to invite non-OECD members of the Development Centre to participate in DAC meetings when appropriate, as "Invitees".

27. A more realistic way to open the DAC to external stakeholders would be per theme, which it has already begun to do by inviting high level speakers to inform its discussions. This approach could be

²³ <http://measuringurban.oecd.org/>

²⁴ DCD/DAC(2011)36/FINAL

²⁵ DCD/DAC(2012)57

²⁶ C(2013)73

²⁷ These countries are: Brazil, Bulgaria, China, Colombia, Costa Rica, India, Indonesia, Latvia, Lithuania, Peru, Romania, the Russian Federation, South Africa and the United Arab Emirates.

further expanded, in particular in cases where a specific country is discussed. The DAC could invite representatives from diverse institutions working in the country: government, CSOs, non-DAC providers of development co-operation, multilateral agencies, private sector from DAC countries and from the country discussed and to create a strong communication around this event, through the web and social networks. It could be possible to do similar exercises when the DAC discusses specific topics (e.g. environment or aid for trade) or groups of countries (e.g. Fragile States).

28. Some DAC subsidiary bodies, such as GovNet, GenderNet, INCAF and the previous POVNET and WP-EFF, have or had a more inclusive participation from non-members and organisations. Along the same lines, **developing countries' governments could attend the WP-STAT to share their understanding, perspectives and ideas about aid and development finance statistics and measurement.** Similarly it could be interesting to **invite the countries that hosted the Peer Review field visits to the Peer Review DAC Meeting and/or to the launch.** Another possibility to involve more developing countries in the DAC work could be that **each DAC member "pairs" with one developing country**, for a period of one year for example, and associates this country to the different DAC meetings and decision processes, and collects its feedback on the work of the DAC and subsidiary bodies.

29. A good way to improve inclusiveness in the DAC's work could be to engage actively with external stakeholders (academia, think tanks, CSOs, groups of interests, non-DAC member governments) during publication preparation, for example through large consultations, expert reference groups, e-discussion groups, feedback-loops, forums and workshops. This would allow for improvement of the general perception of the DAC in terms of transparency and also to benefit from new and diverse ideas. The new Development Finance work stream offers a unique opportunity where the OECD/DAC can manifest its vision for transparency. This new approach in processes and perception can function as a future role model for the OECD's best practices on transparency policies (see Box 3 below).

Box 3. The DAC's work on new ways to monitor and measure external development finance – An opportunity to pilot a more inclusive, consultative and transparent approach

In order to contribute to the international community's reflection on the post-2015 development framework, the 2012 DAC High Level Meeting decided to:

- a) Elaborate a proposal for a new measure of total official support for development;
- b) Explore ways of representing both "donor effort" and "recipient benefit" of development finance; and
- c) Investigate whether any resulting new measures of external development finance suggest the need to modernise the ODA concept.

The Secretariat is adopting an inclusive approach to this work to include OECD/DAC members and non-members, partner countries, emerging providers of development co-operation, international financial institutions and organisations, civil society, academia, and the private sector. Contacts have already been established to ensure an inclusive approach, in order to understand development finance from both the provider's and the recipient's perspectives. An example of opening up to external influence is the establishment of panel of high-level experts with various development finance backgrounds to advise, provide a wider perspective and make recommendations. This inclusive consultative process will use web-based communication tools such as a dedicated web page, blogs, and online wider public consultation mechanisms.

30. Regarding civil society more specifically, a good way to involve its representatives is through creative partnerships, such as working with *infomediaries*, sponsor ideas competitions²⁸ (e.g. hackatons), pilot initiatives, etc. For example the DAC Innovation Prize²⁹ could be expanded to the greater public. This type of activity has been undertaken with success by some DAC members and some organisations such as the World Bank or some UN agencies. This not only brings creative ideas, but also provides the opportunity to engage a new and younger audience, and to modernize the image of the DAC.

Proposal 4: Increase DAC presence on the global transparency scene through partnerships within the OECD and external actors, taking a lead role in existing transparency initiatives and innovations, and setting up a Transparency Portal to centralise information on global efforts on transparency.

31. The DAC could develop its partnerships within and outside the OECD on initiatives that favour anti-corruption, government openness, public accountability, and other transparency-related topics. In particular, it could reinforce its collaboration with the OECD Directorate for Public Governance and Territorial Development, to explore how the principles for open and innovative government from OECD countries could help build good practices for developing countries.

32. The DAC could also **be more active in the transparency agenda, and play an active role in the transparency initiatives that exist currently**, often under the lead of some DAC members. For example, the DAC could **take an active part in the OECD's Open Government Partnership, attend the Open Knowledge Conferences³⁰, and host presentations of the Open Aid Partnership**, so that all members are aware of innovations in aid information. A first step could be to **list these initiatives and decide which would be the most relevant to attend**, and at which level.

33. To support the DAC ambition to be a hub for transparency, it may consider **setting up a specific Transparency Portal**, which would **allow access to the best practices and resources on transparency in development co-operation produced not only by the DCD, but also by DAC members and other stakeholders, including multilateral organisations, emerging donors, organisations specialized in transparency, and civil society organisations**. Most sub-proposals under this item are additional and would require new or reallocated resources.

B. Data and technology

34. While the Secretariat has continued to update its web-based statistics interfaces as described above, the data are very detailed and access remains challenging to non-specialists. A number of DAC members and international organisations have implemented/are currently implementing modern open data portals, with data that are free, easier to find and easier to use. This section outlines options for a more state-of-the-art graphical interface and open data portal to be the reference on development finance; it also proposes to gain a better understanding of the use of the DAC data and standards as well as exploring options for improving division of labour under the common standard.

²⁸ See for example the data visualisation competition organised by the Directorate for Education and Skills and the Public Affairs and Communications Directorate (<http://www.oecd.org/newsroom/oecdannounceswinnerofglobaldatavisualizationcompetition.htm>).

²⁹ DAC/CHAIR(2013)1

³⁰ <http://okcon.org/>

Proposal 5: Take a clear leadership on the Common Standard, after clarifying the division of labour between the DAC and IATI Secretariats

35. In terms of data quality and transparency, several efforts have been undertaken recently – and continue to be undertaken – to improve the dimensions related to transparency in the CRS and the FSS: extension of the coverage to non-DAC members and non-ODA flows; improvement of the level of detail, frequency and timeliness of data; and disclosure of forward-looking information. In 2011 the WP-STAT agreed a series of measures to meet the new needs for transparency³¹, and has implemented many of them.

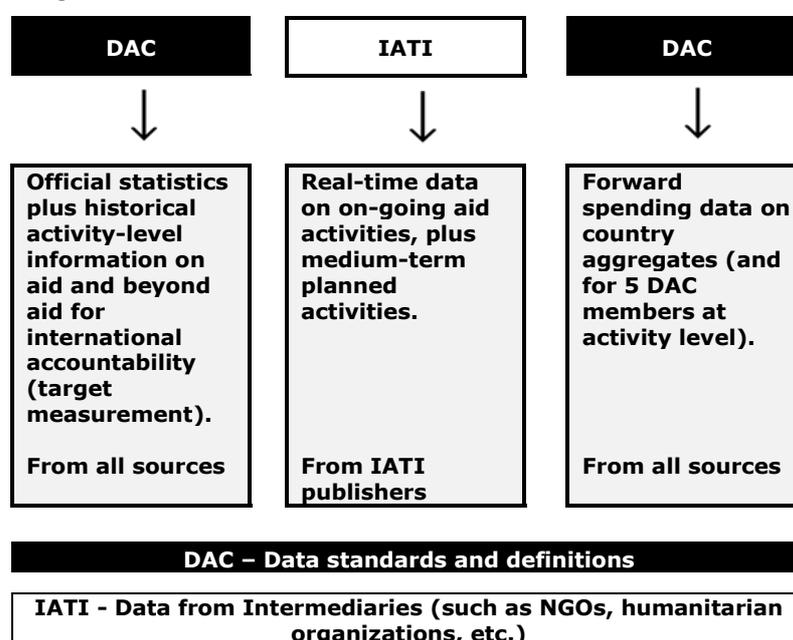
³¹ DCD/DAC/STAT(2011)13/REV2

Box 4. The Common Standard on Aid Information

In 2011, stakeholders in Busan committed to “implement a common, open standard for electronic publication of timely, comprehensive and forward-looking information on resources provided through development co-operation, taking into account the statistical reporting of the OECD-DAC and the complementary efforts of the International Aid Transparency Initiative and others. [...] We will agree on this standard and publish our respective schedules to implement it by December 2012, with the aim of implementing it fully by December 2015”.

Current State of Play: Following its establishment in Busan in 2011, the Common Standard today is an umbrella construction of three systems with different objectives, and with two separate governance structures (the DAC and the IATI Steering Committee). The OECD/DAC focuses on historical information and verified aggregate statistics on development finance and forward spending budget data; while IATI focuses its efforts on providing real time and detailed data on on-going aid activities. The DAC sets the standards and definitions for all three systems. It is not necessary to report/publish to all three systems to meet the Common Standard.

Figure 1. Current division of labour between DAC and IATI



Outlook: The Busan Partnership does not specify whether there should be a convergence of the systems; without a political agreement the three components will remain under an umbrella set-up with separate governance and management.

The challenge remains to find a way by which providers, users and the public are aware of the differences in scope and the nature of the information that each system generates in order to use the appropriate source for the intended objective. Until now, work has focused on ensuring that CRS definitions and classifications are used in the IATI system; the DAC and IATI Secretariats collaborate on taking stock of the implementation schedules and will continue to further define the division of labour, to avoid duplication of efforts, and to ensure strong co-ordination.

36. Further to the decision not to host the new IATI Secretariat at the OECD, DAC members have asked the Secretariat to collaborate with the IATI Secretariat, and in particular to develop a clear division of labour on the base of each organisation’s value-added. In particular, both Secretariats agreed to work jointly on the Common Standard on aid information in order to clarify the specific roles of the two organisations and their systems for stakeholders and the general public, however with respect to

implementation some more clarification would be needed. Box 4 explains the background, current division of labour, and the future perspectives on the Common Standard.

37. The DAC Secretariat already undertakes several activities to support the implementation of the Common Standard: it directly manages two of the three elements of the Common Standard, and ensures coherence of the implementation schedules with the current reporting to the CRS and the FSS. The Common Standard implementation schedules are published on a dedicated page on the OECD website, and updated as soon as modifications are received. In addition a webpage dedicated to the Common Standard is being implemented on the Global Partnership website (managed jointly with the UNDP), and a workspace on the Common Standard has been created for all Ad-Hoc Group Members on the UNDP *Teamworks* collaborative tool. A document has been prepared for the latest WP-STAT³², summarizing the DAC members' progress in implementing the Common Standard. A similar document extended to all Busan endorsers is under preparation, in collaboration with the IATI Secretariat. The two Secretariats have also been working jointly to develop a Transparency Indicator as part of the Global Partnership Monitoring Framework in order to best capture providers' transparency of aid information.

38. A meeting was held with the new IATI Secretariat in Paris on 19 June 2013. Regular communication has been on-going since then, and other face-to-face meetings will be organised regularly, at a frequency to be determined according need. In addition, the DAC Secretariat and the WP-STAT Chair will continue attending the IATI Steering Committee and Technical Assistance Group meetings. The IATI standard will continue using DAC classifications, and a mechanism of coordination between both organisations regarding classification and code changes and additions has been set up, so that the modifications are reflected in all systems concurrently.

39. The DAC is invited to consider how to ensure complementarity under this umbrella. Possible opportunities for future division of labour include the DAC aiming to establish standards that will be used by all development co-operation providers, including non-members and NGOs, and for IATI to test innovations in reporting, that could be progressively included in the CRS. In terms of the nature of the information published both by the OECD and IATI, it would be desirable to avoid any overlaps. For example, only the DAC would be the repository of historical information on aid and beyond. IATI could consider eliminating the overlap between its organisation file and the DAC forward spending survey, as both deal with forward planning information. For DAC donors that do not publish through IATI, it may be important to set up a strategy allowing them to meet their commitments to provide timely information. The DAC Secretariat could also pilot more detailed and timely information to the CRS for these members though developing a new database that would contain unverified preliminary data on individual aid activities. Members should note, however, that this suggestion has been twice considered but not proceeded with by the WP-STAT. Finally, in order to ensure coherence between the systems, both the DAC and IATI should explore applying a common reference, e.g. CRSID, for activity level information.

Proposal 6: Evaluate the actual use by key actors - in particular developing countries - of DAC data, standards and classification, in order to improve and better focus sensitisation to DAC work

40. In terms of outreach, the DAC Secretariat is working towards a better sensitisation of developing countries to the statistics it produces; over the past two years, DAC data have been sent to the top 20 aid recipients in the world; about 10 workshops have been organized in member and non-member countries to support the use of DAC statistics by all stakeholders, including CSOs and developing countries. DAC data are however still little used by recipient countries, largely because they are not up-to-date enough. Having said this, DAC classifications and definitions are widely used, including by IATI, and by many developing countries in their aid information management systems, with or without modification to meet local needs.

³²

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41. The DAC could assess the actual use of its data, but also of its standards and classifications, by different stakeholders of the development community, in order to make more informed decisions on which institutions and persons to sensitise, on what kind of information, and on the means needed for this sensitisation. **Providing new mechanisms (in addition the current DAC Contact generic email account) to further capture users' feedback on the DAC website would also help getting more information on DAC work users' satisfaction and needs.** However, resources would need to be allocated to respond to this feedback.

Proposal 7: Create a modern graphical interface and open data portal, easily accessible from mobile tools, for development finance statistics

42. The OECD Programme Delta will help DCD's work to make its data open, accessible and free, but the programme will focus on aggregate data, and will thus not allow accessing and visualising activity-level data. However, the Creditor Reporting System is the world's most complete database on development finance activities, and is also one of the top five most accessed databases at the OECD. The DAC Secretariat is actively working on exploring visuals and new software to improve access to its activity-level data. A specific version of such portal could also be made available on mobile devices. This portal would provide a user-friendly access to CRS data through maps, charts, infographics and tables, allowing drilling down through the data from aggregate to activity level; it would be accessible with specific applications from mobile tools. Given the rapidity of the evolutions in the IT domain, keeping such tools up to date would be labour-intensive, but costs could be kept down by partnering with students, universities and IT specialised CSOs, to gather innovative, practical and quickly deployable solutions³³. Mobile accessibility of the DAC website could be improved by making it more user-centred and developing specific mobile applications.

³³

See also footnote 30.