What is the common standard for aid information?

The background: more transparency on development financing

The international community has long recognised that transparency is the foundation of partnership. When developing countries obtain regular, detailed and timely information on development financing and activities, development efforts can be made more effective and efficient. The Paris Declaration in 2005 therefore committed donors to "provide timely, transparent and comprehensive information on aid flows so as to enable partner authorities to present comprehensive budget reports to their legislatures and citizens" (§49). At the 4th High Level Forum on Aid Effectiveness (HLF-4), held in Busan, countries and organisations turned this into a specific time-bound commitment (see box) to "improve the availability and public accessibility of information on development cooperation and other development resources".

Stakeholders resolved 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. This standard must meet the information needs of developing countries and non-state actors, consistent with national requirements. 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.*"

Source: Busan Partnership for effective development co-operation, 2011

The approach: linking three complementary standards

In early 2012, the OECD DAC Working Party on Development Finance Statistics (WP-STAT) and the International Aid Transparency Initiative (IATI) formulated the framework for a common standard. It sets out good practice in reporting and publishing data. The proposal was endorsed by the Working Party for Aid Effectiveness (WP-EFF) in June 2012 [DCD/DAC/EFF(2012)9].

The common standard combines three complementary systems and processes: the DAC's Creditor Reporting System (CRS) and the Forward Spending Survey (FSS) - two reporting instruments of the OECD with comprehensive statistical information - plus the International Aid Transparency Initiative (IATI), a self-publishing system with notifications to a registry that provides current management information on donors' activities. The common standard enables and encourages providers of development co operation to make aid information more transparent along four dimensions:

1. Greater availability of historical, current and future information on aid flows;

2. More detailed information on aid projects and programmes (improved comprehensiveness);

3. Broader coverage and participation (beyond ODA, and beyond traditional donors); and

4. Improved timeliness and more frequent updates of development financing information.

The way forward: implementing the common standard

WP-STAT and IATI have developed a template to help the development community publish schedules, by the end of 2012, to explain how they will improve transparency by implementing the common standard by the end of 2015. Implementation schedules will allow for flexibility: stakeholders can specify the feasibility of their reporting on individual components, considering their specific situations. Recognising the voluntary approach taken to HLF-4 commitments by South-South Cooperation partners, IATI and WP-STAT members propose to use the Global Partnership as a forum within which to consult these partners and see whether they may consider publishing some elements in the future.

The Global Partnership will have a key role to play in shaping the further development and implementation of the transparency agenda. Its support team will monitor progress using an indicator that is yet to be defined. In the meantime, an ad-hoc group bringing together experts and interested parties has been constituted to advise on implementation.

Communications Note drafted by the ad-hoc group for the common standard, October 2012