

Open Data, Transparency and International Development

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by

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Introduction

On October 28, 2013, the North South Institute (NSI) hosted the Ottawa event of [Global Transparency Week](#) (GTW). This was one of 18 high-profile events taking place across the globe focused on open data, transparency, accountability and good governance.

The North South Institute has been a strong supporter of open data in the field of international development, having launched the [Canadian International Development Platform](#) (CIDP) in early 2012, well before ‘open data’ was the buzzword it is today in development circles. For the Ottawa event, NSI invited a group of aid transparency and international development professionals to participate in a dynamic panel discussion on [Open Data, Transparency, and International Development](#).

The discussion was led by NSI’s Senior Researcher **Aniket Bhushan**, and the panelists included:

- **Shreya Basu**, Researcher, [Publish What You Fund \(UK\)](#)
- **Yohanna Loucheur**, Team Leader, Policy Development, [Department of Foreign Affairs Trade and Development, Canada](#)
- **Matthew Smith**, Senior Program Officer, Information and Networks, [International Development Research Centre](#)
- **James Haga**, Portfolio Manager, [Engineers Without Borders \(Canada\)](#)
- **Michael Roberts**, Co-founder, [Groupsia](#)

Panelists discussed the importance of open data and transparency in relation to Canada’s development objectives, the changing open government narrative, challenges in delivering on transparency, and lessons learned from the International Aid Transparency Initiative (IATI) experience.

The event was open to members of the public, private, academic and civil society sectors. About 50 participants attended the event. This report summarizes highlights from the lively discussion, and concludes with a series of recommendations.

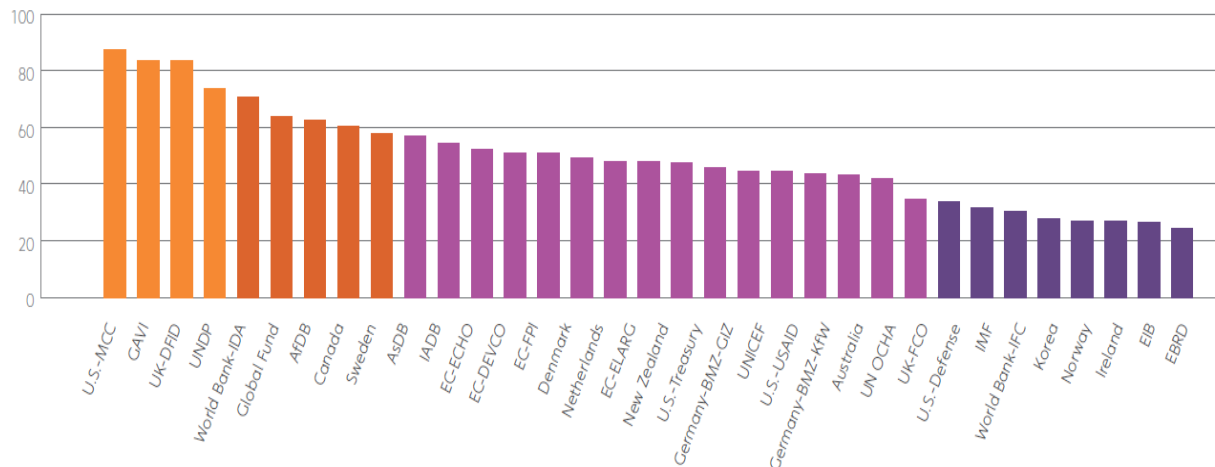


Canada and the International Aid Transparency Initiative

The International Aid Transparency Initiative (IATI) is a voluntary, multi-stakeholder initiative that seeks to encourage a wide variety of agencies to improve the quality and transparency of their aid data, and its effectiveness in tackling poverty. The former Canadian International Development Agency (CIDA) joined IATI in November 2011.¹

CIDA was recently commended for its performance on the 2013 [Aid Transparency Index](#) (ATI) where it ranked 8th out of 67 donor organizations, and one of only 9 donors rated good or very good. The UK’s Department for International Development (DFID) was the only major bilateral donor that ranked higher than CIDA.

Figure 1. Donor performance according to the 2013 Aid Transparency Index



Source: 2013 Aid Transparency Index

The overall findings of the index are sobering. The vast majority of donor organizations are still not delivering on their commitments despite repeated speeches about openness. Those that are delivering have made a wide range of data available in the now globally accepted IATI standard. But despite spending huge amounts of time and resources on IATI the challenge now is to increase confidence in this IATI data by improving both data quality and coverage.

¹ In March 2013 CIDA was amalgamated with the former Department of Foreign Affairs and International Trade to create the current Department of Foreign Affairs, Trade, and Development; in the rest of this report references to CIDA and to DFATD indicate the pre- and post-merger periods, respectively.

The Aid Transparency Index is an initiative of [Publish What You Fund](#) UK (PWYF). The Index, the first of its kind in the world, ranks 67 donor organizations according to their performance across 39 indicators. On the 2013 index Canada ranked far higher than some of the otherwise top performing donors like Denmark, Netherlands and Norway. The Millennium Challenge Corporation (US) topped the ranking while, unsurprisingly, China's Ministry of Commerce ranked the lowest on transparency.

In 2013, PWYF made significant changes to the index's methodology. In addition to ranking organizations according to the availability of their aid data, they were also graded on the usefulness of the format in which it was provided. All of the top scoring organizations on this year's index published information on their current aid activities in a timely manner and in useful formats that can be easily accessed, compared, and utilized.

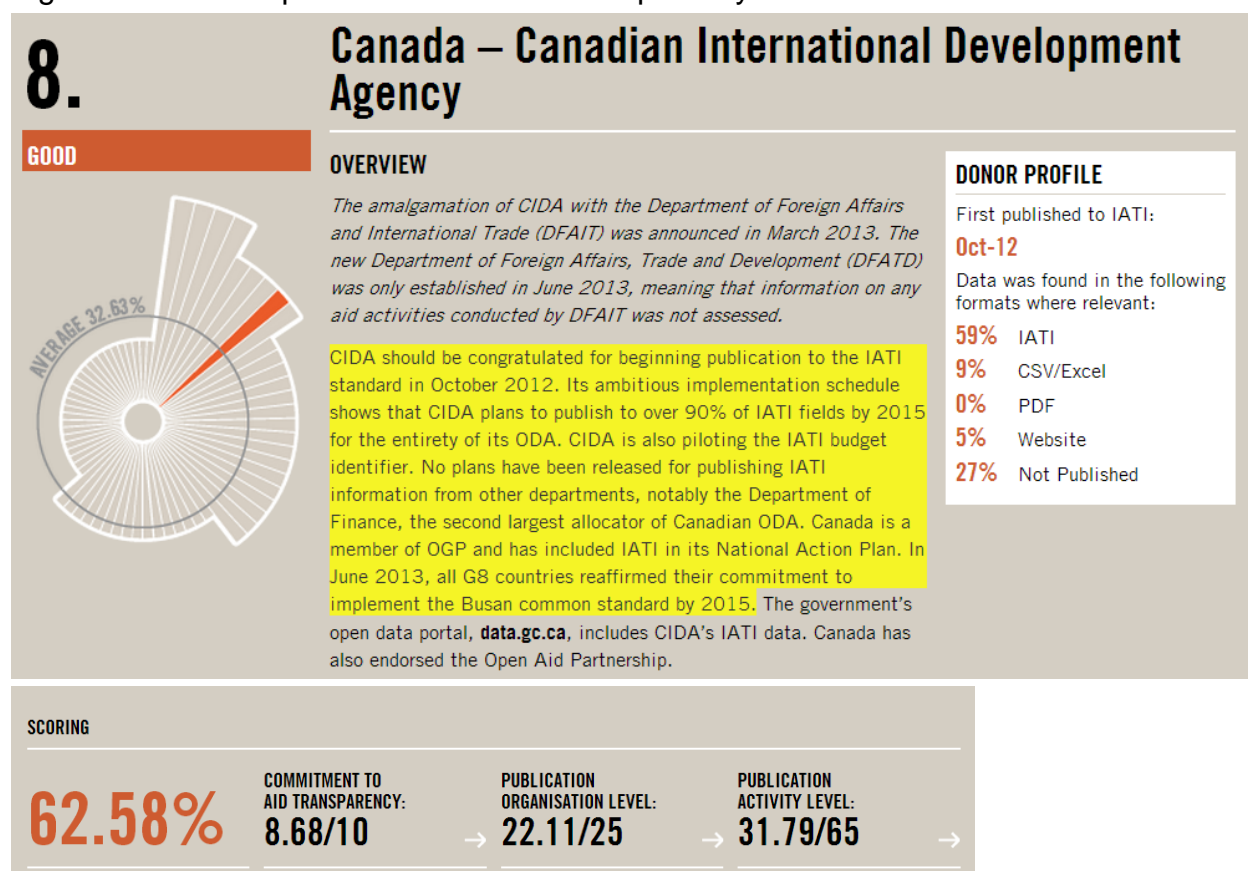
Although there is a leading group of countries (Canada included) and donor agencies that are demonstrating real ambition in delivering useful aid data, many organizations still need to step up implementation in order to fulfill their international commitments. In addition to offering data that was patchy, incomplete, out of date, or difficult to access, the most poorly performing organizations also tended to score the lowest in the 'value added' fields such as the availability of project documents, impact assessments, and precise geographic information. The list of potential users for this data is long, and having complete, easily accessible and comparable data will be necessary to achieve the goal of aid transparency, and ultimately more effective development cooperation. Canada has made notable progress in its performance. CIDA has ensured that a wide variety of information is readily available on their website, ranging from high quality statistical data and IATI data, to project information and visual data. Providing a diverse assortment of data is a necessary component of the IATI standard, and is crucial to respond to the needs and interests of different data users.

Some other best practices include CIDA's engagement in the Open Aid Partnership,² the inclusion of IATI data on the government's open data portal, and their work on the piloting of the budget identifier,³ which is a critical component of the IATI standard.

² Open Aid Partnership (OAP), an initiative of the World Bank Institute, brings together development partners, governments, civil society organizations, foundations, and the private sector to improve aid transparency and effectiveness.

³ The budget classification is a way of linking the activity to the recipient country government's own budget codes. The administrative classification can either be provided as the budget codes themselves, or as a common code that can map from a donor organization's detailed purpose codes to the recipient country's functional or administrative budget classifications. The economic classification provides the percentage of the budget that is capital versus current expenditure. The budget identifier helps to explain aid flows in the context of the recipient government's own budget.

Figure 2 Canada's performance on aid transparency



Source: 2013 Aid Transparency Index

By analyzing its performance on the Aid Transparency Index, CIDA has been able to garner a better understanding of international aid transparency expectations, and how they should go about collecting, organizing and presenting their information in the future. There is still much to look forward to, as Canada has laid out a very ambitious plan and implementation schedule in publishing to the IATI standard. That said, CIDA still faces a number of challenges. Central to achieving IATI commitments will be finding new and innovative ways to ensure that high quality aid data is published in a timely manner.

One of the biggest challenges CIDA faces is managing stakeholder expectations. Expecting immediate results from investments in open data and transparency is not only unrealistic, but such expectations amplify the risk of people losing interest in the initiative. Therefore, finding ways to manage expectations both internally and externally will help to maintain momentum, morale, and a continued increase in quality.

While many civil society organizations (CSOs) have actively campaigned for the Canadian government to be a leader on aid transparency, few have actually followed suit themselves. Presently, only one Canadian NGO, Engineers Without Borders (EWB) Canada, is publishing to the IATI standard.

To see the benefits of aid transparency both in Canada and in developing countries, the number of organizations publishing to the IATI standard needs to increase. However, with minimal budgets and limited IT capacity, many NGOs and CSOs, both in Canada and partner organizations in developing countries, question the feasibility of publishing to IATI. There is also a perception of an unequal playing field. CSOs and NGOs that make the investment in open data and transparency may well gain in terms of reputation and credibility, but opening up more data opens up business processes and partnerships to potential competitors.

In other donor countries, such as the UK, NGOs and CSOs receiving public resources are mandated to comply with the IATI standard. However the UK development agency, DFID, has also empowered the community with technical support as well as additional funding to help cover the costs involved. NGOs and CSOs in Canada have legitimate concerns that in this age of austerity and uncertainty, when their budgets are already squeezed, the last thing they need is another burden when their financial sustainability is increasingly in question.

Despite these challenges, there is a real need to get more Canadian organizations to take open data and transparency more seriously, and increase the number of organizations making information available in the IATI standard. According to some estimates, in addition to official assistance provided through the Government of Canada, Canadians provide some \$2 billion a year through non-governmental and voluntary organizations. At the moment this is a blind spot in terms of Canadian aid transparency.

In fact one of the weaknesses of the 2013 Aid Transparency Index is that it equates Canada's performance with that of CIDA. About 30% of Canada's foreign assistance is provided by other departments and agencies, such as Finance Canada, the Department of Foreign Affairs and International Trade (former), International Development Research Centre (IDRC), the Department of Defense, Citizenship and Immigration Canada and others, none of which are IATI compliant. Canada would not fare as well had these been included in the index scoring.

Linking Transparency and Accountability

Transparency matters, but is not enough on its own. Transparency, in particular donor data transparency, is a necessary but insufficient precondition for effective development. For open aid data initiatives to have a significant impact we need to move towards a clearer articulation of the terminology. In particular, we need to unpack what we mean by “transparency” (i.e. transparency to whom, to what end); and how transparency leads to “accountability”.

By limiting our focus to increasing the quality and quantity of aid data, there is a risk of getting caught up in the disclosure of information and losing sight of what is really important about that information. Governments are not investing in transparency and open data solely for its own sake. Ultimately, the motivation behind these initiatives is greater accountability, both to Canadian taxpayers as well as development partners and intended beneficiaries in developing countries.

While it is sobering to note that there is still a long way to go towards meeting this prerequisite across the international community, the real question is whether IATI and other open data initiatives are realizing the ultimate goal of better coordinated aid, improved resource allocation, increased sharing of information on successes and failures, and greater participation and empowerment of citizens in developing countries who are the ultimate beneficiaries of these efforts.

Here, the evidence is slim. Despite spending millions on transparency and accountability initiatives, there is no consensus on even the methods by which we can assess the efficacy of these investments, let alone whether they are having the desired impact. The gap, in terms of capacity to make use of available information and the plethora of open data initiatives, between those working on these issues in donor countries and their partners in the developing world, is still too wide. This limits the ability of ordinary citizens in developing countries to make use of open data to hold their governments (and for that matter donor agencies) to account for their actions. In short, much more work is needed to translate open data and transparency into increased participation in decision making and greater mutual accountability.

More work is needed to generate a clearer picture of how open aid data will interface with state and citizen actors to bring about desired accountability. One thing we know for certain is that there is considerable traction surrounding open data which is at an important inflection point. Demonstrating the efficacy of open data in terms of

heightening accountability and more effective development cooperation is a major challenge facing the open aid community.

Building an Open Aid Data Community in Canada

One of the interesting features of IATI is that it is simultaneously political and technical and requires buy-in from both sides in order to be sustainable. The political process involves generating political will, streamlining IATI into an organization, and committing to an implementation schedule. IATI has been successful in bringing about the high-level political support necessary for the project. At the same time, the initiative has a strong technical community of practice that includes data specialists, development professionals, coders and programmers. Fostering this community is both a key part of, and essential ingredient in, the success of such open data initiatives. Much like in the UK, US and across Europe there is a need to foster a community of interest and practice around open data, transparency and accountability in Canada. This is important for a number of reasons.

As mentioned earlier, there are real challenges facing even those Canadian NGOs and CSOs that understand the need for open data and transparency and would like to comply with IATI and publish regularly to the standard. The most important challenges are technical capacity and dedicated financial resources. Solutions to both can be found by fostering a community of practice around open data and transparency in the international development sector in Canada.

Such a community of practice would provide a platform for further discussion around other key issues. For instance, how much transparency is enough? Are there confidentiality, privacy, legal, and moreover security issues at stake? Take for instance the recent emphasis on “geocoding” project level aid data. Mapping girls’ schools in Afghanistan, or geocoding delivery of aid to Syrian refugee, human rights or opposition groups, or even something as innocuous as mapping polio vaccination campaigns in Pakistan, can bring up serious security issues.

NGOs and CSOs have also expressed competitiveness concerns. Increasing data sharing and transparency is not costless. Whether for profit or not for profit, all organizations need to be able to make the business case for transparency, to create momentum around these initiatives both internally and externally amongst their partners.

Solutions to these challenges are starting to be found. In August 2013 likeminded organizations including EWB (Canada), NSI, Groupsia and others participated in the first ever aid data “hackathon” in Canada which took place in Ottawa. The event was a validation of the fact that there is a burgeoning community of coders and programmers, development professionals and other domain experts, ready to dedicate part of their time to finding creative solutions. To stimulate and build this community further, a platform (both physical as well as virtual) is needed around which likeminded individuals and organizations can come together. As the recent hackathon and indeed the open data panel discussion session show, the investment required need not be large, however the payoff can be enormous in terms of ensuring Canadian leadership on transparency and accountability.

Recommendations

A number of key recommendations followed from our discussion, including:

- Transparency matters, but is not enough on its own. A greater recognition of the fact that donor data transparency is merely a necessary but insufficient precondition for effective development is needed.
- Department of Foreign Affairs, Trade and Development (DFATD) should continue to improve on CIDA’s publication to the IATI standard, and extend IATI compliance to cover the other departments and agencies involved in providing foreign assistance from Canada.
- DFATD’s IATI publication should use all fields, including structured performance data and links to project documents, and be refreshed on a monthly basis.
- DFATD should complete its pilot of the IATI budget identifier and share lessons with the IATI community.
- DFATD needs to more clearly define and better communicate intermediate and longer term outcomes from its open data and transparency efforts, in order to manage stakeholder expectations. Seeing the transformative effects of aid transparency will take time.
- Much work is needed to increase the awareness of the importance of open data and transparency across the Canadian NGO and CSO sector, which remains a blind spot.
- Canadian NGOs and CSOs have concerns, ranging from technical and financial issues, to questions of privacy, legal issues and security concerns that need a platform for further discussion.

- To ensure Canadian leadership on transparency and accountability in international development, investment is needed from the government to foster an open data community of practice in Canada around aid transparency.
- More research is needed to demonstrate how transparency contributes to greater accountability. The open data community needs to do much more work –through research, policy engagement and dialogue– to demonstrate the impact of transparency efforts in delivering more effective development cooperation and improving the lives of citizens in developing countries.

NSI's work on Leveraging Open Data for Development Impact



To learn more about NSI's work on open data please visit the [Canadian International Development Platform](#), or contact [Aniket Bhushan](#) for more information.

Aniket Bhushan is a Senior Researcher at NSI. His research interests include domestic resource mobilization and fiscal performance in sub-Saharan Africa. Mr. Bhushan developed and leads NSI's work on the Canadian International Development Platform, NSI's interactive data and analytics portal that aims to leverage open data for development impact.

Rebekka Bond was an intern at NSI. She has assisted extensively with the team's Tracking Post-2015 initiative. Presently, she is in her final year of studies at the University of Ottawa completing an honours degree in International Development and Globalization.

References

All data cited here can be freely accessed through the online version of the 2013 Aid Transparency Index at: <http://ati.publishwhatyoufund.org/index-2013/explore-the-data/>