



IATI INTERNATIONAL
AID
TRANSPARENCY
INITIATIVE

DRAFT 0.2 of Code of Conduct for discussion at Technical Advisory Group Meeting at ODI, London on 2 September 2009

Statement of Resolve/Code of Conduct

Preamble

1. This Statement of Resolve/Code of Conduct is an essential component of the aid information standard of the International Aid Transparency Initiative (IATI). Its principles present the resolve of donors to provide transparent information on aid flows and on how they will publish this information, as well as the way they are to be held to account, including a clear mechanisms in case of non-compliance.
2. This Statement of Resolve/Code of Conduct brings together the need for greater aid effectiveness with the fundamental right of everyone to know how public bodies are using public resources. The right of access to information places an obligation on all public bodies to generate and disseminate clear and consistent information about their activities and functions. In addition, everyone has the right to request and receive information from public bodies, subject to limited exceptions.
3. The IATI Principles apply to public bodies engaged in funding and delivering aid. Public bodies should impose a similar obligation of transparency on third parties which spend aid on their behalf. Other actors such as private foundations, civil society organizations and private contractors are encouraged to adopt them as a matter of principle. They have been developed out of recognition that special efforts are needed to promote the transparency of aid and to ensure that all sectors/stakeholders in society have equal access to information, particularly the communities which aid is designed to benefit.
4. The Statement/Code is embedded in the principles of ownership, alignment, harmonisation and management for results and mutual accountability of the Paris Declaration as well as the additional principles and values highlighted by Accra Agenda for Action. The Accra Agenda for Action committed the partners to “disclose regular, detailed and timely information on all our aid flows” and “support information systems for managing aid”. The signatories of the International Aid Transparency Initiative committed themselves to “share more detailed and up-to-date information about aid in a form that makes information more accessible to all relevant stakeholders.” The signatories committed themselves to “build on and extend existing standards and reporting systems, consulting partner governments, civil society organisations, parliamentarians and other users of aid information, in order to agree, by end 2009, common definitions and a format to facilitate sharing of aid information.” It also builds upon the “Publish What You Fund” principles.

Comment [BH1]: Comments marked HV (Henri Valot) also include comments made by Leni Buisman (NL), Emily Kallaur (Development Gateway) and Danila Boneva (UNDP). Those marked CF are from Craig Fagan (Transparency International).

Comment [HV2]: Should we call it a code of conduct or something stronger, for instance statement of resolve?

Comment [cf3]: This should be footnoted and/or explained in an annex. It should also make some reference to the fact that this information (that will not be released) is based on accepted international standards.

Comment [HV4]: The criteria for developing the IATI standards state that the “primary focus” of IATI is the “aid spent at country level”. Is this the case for the CoC and how does the CoC relate to the criteria?

5. The Statement/Code presents operational principles for donors regarding transparency and mutual accountability in development cooperation. Its aim is to enhance effectiveness and predictability of aid in order to improve overall development results and impact for poverty reduction, through improved aid information. It applies to all forms of aid that are qualified as Official Development Assistance (ODA). Providers of other kinds of development assistance can take the Code as reference for their operations.
6. The Statement/Code is complementary to the three other components of the IATI standard: (1) agreement of what aid information donors will publish; (2) common definitions of aid information, (3) common (electronic) data format.
7. The Statement/Code distinguishes between mandatory information that all IATI signatories undertake to publish, and best practices or voluntary information that they will publish in a common format where possible. It provides reference for improvements on aid transparency for those who are not (yet) signatories. A toolkit will be provided to support implementation
8. It proposes an inclusive approach that is open to all donors. All stakeholders in partner and donor countries are the ultimate and essential end-users of aid information. Partner country governments are encouraged to link their budgetary process with the IATI Standard.
9. The Statement/Code encompasses a dynamic process that establishes principles and targets towards which donors will strive to work progressively and accordingly. It will be reviewed three years after it has come into force.
10. The Statement/Code is complementary and adds value to existing processes of aid information and transparency, most notably the OECD/DAC Creditor Reporting System (CRS) by enabling the disclosure of real time, future flows and qualitative aid information. The OECD/DAC Working Party on Statistics has been consulted on the Code.
11. The Statement/Code recognises that there will be a trade off between validity and timeliness of data.
12. *PM Reference to the Working Party on Aid Effectiveness*
13. Donors, partner countries and other development actors will base their engagement on the below outlined principles. These principles have to be approached in a pragmatic manner.

Comment [cf5]: Unclear. Do we mean implementation of the IATI? Code of Conduct? Data standards? It would be good to clarify

Comment [HV6]: Preamble, point 8: Partner countries often have deeply institutionalized budget processes and it does not seem to be in keeping with the principle of focusing on the countries receiving aid (per the other document on "Criteria Pertaining to the IATI Scope") to say that they are "encouraged to link their budgetary process with the IATI standard." It may just be a question of rephrasing this—of course, the hope is that the IATI standard will make it easier for countries to link aid information to their budgetary processes. This doesn't mean that they should change their existing processes to comply with IATI.

Comment [HV7]: Para. 7 of the preamble: "PC governments are encouraged to link their budgetary process with the IATI Standard". It seems to be out of place in this para. as the first two sentences address an inclusive approach among donors and the needs of end-users of aid info.

Comment [cf8]: More explanation is needed and some reference about how this will happen. What will be the criteria used for balance. Is there a threshold for both (i.e. no more than 35 percent of the data can be revised or that no more than 9 months can elapse between data revisions).

Comment [HV9]: Para. 12 of the preamble: The second sentence "These principles will be approached in a pragmatic manner." weakens the general principles and allows for interpretation that we have agreed the principles, but we can interpret them according to our own understanding, situation, etc. I would suggest to delete this sentence altogether. Also because it is clear that in application of the principles common sense will be used.

Guiding principles

Donors commit themselves to further progress on transparency in line with the following general principles:

Guiding Principle 1 - Transparency

Transparency and accountability between donors and recipient governments is fundamental for effective aid and for there to be ownership of aid processes by developing countries. Donors therefore have a special obligation to share information with recipient governments. At the same time, wider transparency is essential to ensure that members of the public, in donor and recipient countries, are able to engage in the debate about the use of aid and how to promote the principles of the Paris Declaration on Aid Effectiveness and Accra Agenda for Action.

Comment [HV10]: Guiding Principle 1: consider adding parliamentary oversight in the third sentence beginning with "At the same time, wider transparency is essential to ensure...", e.g. better oversight by national parliaments of public financial expenditures and achievement of development priorities, etc.

Guiding Principle 2 – Donors are responsible for transparent information on aid and need to ensure an inclusive approach

Since donors' aid agencies are the providers of aid, they are the ones responsible for the transparency of aid and the disclosure of information, while at the same time they have to ensure that the requirements and needs of partner governments are kept in mind

Comment [HV11]: General principle 1 The concept of mutual accountability is on the donor side well taken care of, but there is also the recipient country's side. Based on Paris and Accra ownership of the partner country comes first. Aid information should be put in the country system so figures should be offered to partner countries in a way that reduces the transaction costs for partner countries. A challenge for IATI to also get more partner countries involved in the actual seeking for a common standard and a code of conduct (also for users of aid).

Guiding Principle 3 - Common standards

There is no one-size-fits-all. "Universal" standards are difficult to define since there is no "one-size-fits-all", while at the same time there is need for the use of a common terminology and definitions. The individual aid information could feed into aggregated database systems, which could support easy access to consolidated and consistent aid information.

Comment [HV12]: Guiding Principle 2: "the requirements and needs of partner governments are kept in mind" is too vague. The text should rather read that the requirements and needs of partner governments should be taken on board in the provision and disclosure of aid information.

Guiding Principle 4 - Commitments

This code of conduct includes commitments from the signatories to:

- Collate and publish comprehensive aid data according to the agreed aid information common coverage, definitions and IT format.
- Publish aid information on an agreed timetable
- Publish indicative **information on future flows**
- Make this information publicly available through their website, in the agreed format
- Push these transparency standards through their supply chain, by requiring similar standards of reporting by implementing agents;
- Make appropriate investment in staff and systems to deliver the above standards.
- Participate in a shared process to update the common standards over time
- Cooperate with an appropriate mechanism for arbitrating disputes if a user believes that the code has not been fully implemented.

Comment [HV13]: Guiding Principle 4: bullet points 7 & 8 should include text along the lines of "any other agreed mechanisms for monitoring and evaluation of IATI", thus providing not only for arbitration, but also for more regular types of cooperation among the signatories.

Comment [cf14]: How many years in advance will provisional data be provided. We should include some idea or reference another part of the IATI where this will be decided.

Guiding Principle 5 - Essential information

OPTION 1

Essential information

- At least for projects or programmes above the threshold of information will be made transparent. Donors can lower the threshold according to their size
- Information on multi-year commitments and disbursements
- Current flow of overall assistance by individual donors at micro level
- Outputs and outcomes of activities throughout the life of a programme
- Details of programs and projects, according to development partner, sector, modality, implementers, period, region and other stakeholders
- Level of alignment with country systems, institutions, and procedures
- Details of repayment liabilities for future generations
- Funding gaps, duplications and overfunding across sectors, regions, and political/administrative units
- Details of financial and non-financial incentives of aid
- More information on the objectives and targets of aid
- More information on the procedures, conditions, and costs of aid delivery

OPTION 2

Public bodies engaged in funding and delivering aid, and those who deliver aid on their behalf, should proactively disseminate information on their aid and aid-related activities. They should develop the necessary systems to collect, generate and ensure the automatic and timely disclosure of, at a minimum, information on:

- *Aid policies and procedures including clear criteria for the allocation of aid;*
- *Regional, country and local; and programmatic, sectoral and project aid strategies;*
- *Aid flows (including financial flows, in-kind aid and administrative costs), including data on aid planned, pledged, committed and disbursed, disaggregated according to internationally agreed schema by region, country, geographic area, sector, [disbursement/delivery] modality and spending agency;*
- *Aid agreements and related documents, including information on all conditions, prior and agreed actions, benchmarks, triggers, and interim evaluation criteria; and details of any decisions to suspend, withdraw or reallocate aid resources;*
- *Procurement procedures, criteria, tenders and decisions, contracts, and reporting on contracts, including information about and from contractors and sub-contracting agents;*
- *Assessments of aid and aid effectiveness including monitoring, evaluation and audit reports;*
- *Information on opportunities for public participation in decision-making and evaluation, consultative/draft documentation, copies of submissions to the consultation processes, and reports on how inputs were taken into account.*

The only restrictions on the proactive publication of this information should be based on limited exceptions consistent with international law and subject to consideration of the public interest in the disclosure of information.

All public bodies engaged in aid, in donor and recipient countries, should publish an index to the classes of information that they hold, and wherever possible these should be organized so that all the documents linked to a particular country, programme, or project can be identified.

Comment [HV15]: Principle 5: It's a bit unclear how this list of information relates to the other component of the IATI standard, the "agreement of what aid information donors will publish." To avoid confusion, it could simply cross-reference the other document.

Comment [HV16]: Guiding Principle 5: bullet point 1 "Donors can lower the threshold according to their size". It is not clear whether this applies to the donor's cooperation with a particular country (most likely scenario) or to the donor's global portfolio. Needs to be clarified. In the same vein, under bullet point 3, be precise about "micro level". Bullet point 6: it is not clear whether the level of alignment with country systems is established through a "self-assessment" or through the PD surveys. Overall, the alternative text reads better.

Comment [HV17]: One issue we will have to address is where the code of conduct is overlapping with the scope (e.g. Principle 5 - either version) and in some cases going beyond what is currently in the discussions of scope.

Comment [HV18]: In principle 5, what is meant by "Details of financial and non-financial incentives of aid"? And how is it envisaged that "Funding gaps, duplications and overfunding across sectors, regions, and political/administrative units" will be measured/captured?

Comment [cf19]: Both these points require further qualification and clarification. What is more? Is there a benchmark for evaluation?

Comment [HV20]: Prefer Option 2 (Henri Valot)

Guiding Principle 6 – Scope

OPTION 1: IATI standards should apply to all providers of Official Development Assistance (ODA), including donor governments, ministries, implementing agencies as well as ODA channelled through NGOs.

OPTION 2: IATI standards should apply to private flows and Other Official Flows (OOF), as well as ODA channelled through NGOs. There will need to be exemptions, e.g. for NGO activities, but these should be based on clear criteria and reviewed regularly. Invalidated information should be published, in the interests of timeliness, but it should be clearly differentiated from validated information.

Comment [HV21]: Guiding Principle 6: option 1 and option 2 are two different texts with different scopes of application of IATI with regard to a) financial flows and b) implementing agents, and therefore have different implications. In a subsequent revision of the CoC, please suggest, which option is preferable.

Comment [cf22]: Prefer option 1

Guiding Principle 7 - Capacity development

Donors and recipient governments as well as other actors disbursing aid should assist citizens to exercise their right of access to information on aid. They should inform parliamentarians, journalists, civil society representatives, and the general public, especially communities directly affected by aid, about the right of access to information on aid. Staff of organisations bound by these principles should be trained on their obligation to provide information to the public, both proactively and in response to specific requests.

Where appropriate and proportionate with the nature and scale of the aid programme or project, donors and recipient governments should include a skills-building component in order to build the capacity of stakeholders to locate – and where necessary to file requests for – aid-related information.

Comment [HV23]: Principle 6: Although this is definitely important (and seems closely related to Principle 12), there is some risk of scope creep for IATI here. At the same time, the need for investment in donors' and governments' capacity to collect and maintain the information included in the IATI standard is not really emphasized (it is a bullet point under Principle 4). Without real attention to this area, the whole effort will fail to take off. This could be a Principle on its own.

Comment [cf24]: Channels also should be established for sharing aid information and reporting on problems when there are breakdowns.

Guiding Principle 8 - Assessing compliance with the IATI standard

There needs to be a clear, independent process for reviewing and assessing compliance with the IATI standard, linked to mutual accountability processes and follow up to the Accra Agenda for Action.

The IATI standard should be included in national law, and linked to Accra or other reporting mechanisms. The Code of Conduct could also be linked directly to the configuration of national AIMS in order to ensure effective adoption of IATI standards at country level.

The IATI Secretariat that should help monitor and ensure compliance with the Code of Conduct. This body will have representatives of civil society, along with select government and donor officials who would serve on a rotational basis. For each signing donor, a timetable for compliance/levels of compliance will be established.

Comment [HV25]: second para. "where appropriate and proportionate with the nature and scale of the aid programme or project", while the text allows for flexibility, it needs to be suggested who and how will the judgment be made of whether or not to provide CD assistance.

Comment [HV26]: Principle 8: The reference to country AIMS sounds top-down in its current phrasing. AIMS are country systems and although they should ideally be IATI compliant, countries need the flexibility to configure their systems according to their own processes. Rewording this in the spirit of focusing on the needs of countries receiving aid would avoid any misunderstanding here.

Related issues: IATI external certification (ISO for Aid Transparency),
Compliance institution: the IATI Secretariat or the DAC?

Guiding Principle 9 - Publication timetable

Publication timetable for the agreed information set (daily, monthly or quarterly updates)

Comment [cf27]: Will there be a clear accession process for signatures to be in compliance with IATI standards? Similar to what is done with EITI?

Guiding Principle 10 - Promotion of the standard and its adoption

Ongoing promotion of the standard and its adoption.

Comment [HV28]: Leni Buisman This could be a dangerous item. This has to be made more explicit, because otherwise a trade off will be easily obtained

Guiding Principle 11 – Promotion of centralized or connected databases/websites for aid information in donor countries where aid is managed by multiple agencies

Comment [HV29]: Principle 11: Mentioning the case of countries which have multiple aid agencies may be too detailed for the code of conduct. The code probably doesn't need to get into specifics of how the information will be published.

Guiding Principle 12 – Donors provide helpdesks which will support the public on accessing aid information and respond to questions

Comment [cf30]: This is a very good idea but in addition to a helpdesk, there also should be a hotline or email – hosted by IATI? – to report violations and problems.

Guiding Principle 13 – Rules for exceptions, Security reasons

Guiding Principle 14 – Donors decide on licensing and disclosure of information to aggregator databases

Comment [cf31]: Requires more explicit stipulations from good practice, such as when information endangers the safety and health of a country's citizens, etc.

Compliance with the IATI standard

Text still to be developed following discussion in TAG meeting on 2-3 September

Guiding Principle - Monitoring system

IATI external certification (ISO for Aid Transparency)

Comment [HV32]: Is this based on research into what should be exempt and/or are you planning to conduct such research/consultation? If so, it would be great if we could coordinate our efforts so as to avoid duplication. For your information, I've attached a draft that lays out some of our early thinking on procurement reporting, including a few sentences on what we can expect donors to publish. As you can see from this, one of the issues we are debating is whether or not donors should disclose tenders.

Compliance institution: the IATI Secretariat or the DAC?????

Comment [cf33]: More refined and explicit language is needed here.

See also:

- The European Commission has issued an [EU Code of Conduct on Complementarity and the Division of Labour in Development Policy](#)
- The [Publish What You Fund Principles](#)

Comment [HV34]: I would suggest strongly that all information should be published with an open license, as one of the key objectives of IATI was to make data available and accessible for others to use, reuse and repurpose.

Comment [cf35]: None of the principles discuss what happens in cases of non-compliance, penalties and who is the enforcing body. This should be included as a stand-alone principle.

Comment [HV36]: Will there be a clear accession process for signatories to be in compliance with IATI standards? Similar to what is done with EITI?

Comment [HV37]: What should the monitoring and compliance mechanism entail? Certification/Validation? In theory an independent entity would be the best. But where? Monitoring by an independent IATI secretariat, but who would lead and finance this? Might donors/governments oppose the creation of an ad hoc secretariat for this? By the DAC (which might have the capacity, but the restricted membership would be problematic)? Or via the regular Paris/Accra monitoring?