

# Global Partnership Monitoring Framework: Indicator Proposal to Measure Transparency

## Proposal for consultation

This document is a Global Partnership joint support team proposal for an indicator to measure the implementation of the common, open standard for transparency as part of the Global Partnership monitoring framework. It is issued to Global Partnership stakeholders for feedback by 14 November 2013.

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## PART I – INTRODUCTORY NOTE – ABOUT THIS PROPOSAL

### WHAT IS THE PURPOSE OF THIS CONSULTATION?

This is a proposal issued by the joint UNDP-OECD support team for consultation to Global Partnership stakeholders. It seeks feedback to help finalise the transparency indicator in order to carry out the pilot assessment by end-2013. Feedback should be provided **by 14 November 2013** on the [Global Partnership community site](#)<sup>1</sup>. In the event of technical problems in accessing the site, feedback can also be sent by email to [monitoring@effectivecooperation.org](mailto:monitoring@effectivecooperation.org).

### WHAT IS THE PURPOSE OF THIS INDICATOR?

The Busan Partnership agreement commits providers of development co-operation 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*” (BPA §23c).

The common, open standard was endorsed at the final meeting of the Working Party on Aid Effectiveness in June 2012. Building on two existing standards – the OECD/DAC Creditor Reporting System and Forward Spending Survey and IATI – it was the result of consultations led by representatives of key stakeholder groups, including IATI partner countries, CSOs, the IATI secretariat, the WP-STAT, the DAC Secretariat and the building block on transparency (also referred to as the Ad Hoc Group on the common standard).

The Working Party on Aid Effectiveness mandated the joint support team to develop, as one of the 10 indicators of the Global Partnership monitoring framework, a transparency indicator to measure the implementation of the common standard.

The joint support team will prepare a Progress Report for the Mexico High-Level meeting, which will compile evidence from all the ten indicators of the Global Partnership monitoring framework.

### WHAT CAN/CANNOT THIS INDICATOR ACHIEVE?

This indicator *CAN* serve to:

- **Revitalise political momentum and accountability on transparency**, stimulating discussions on progress and challenges for the Mexico High-Level meeting;
- **Accelerate and deepen efforts to implement the common standard** – incentivising providers to improve information publication, focusing on the key transparency elements agreed in Busan;
- **Pave the way for a more robust indicator** – the pilot assessment will be a learning exercise to test the methodology, assess strengths and weaknesses of the approach and refine the indicator if appropriate in the future.

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<sup>1</sup> To request an invitation to the Global Partnership online community site, please contact: [community@effectivecooperation.org](mailto:community@effectivecooperation.org).

The indicator *CANNOT*:

- (Yet) **incorporate an assessment of quality of reporting**. This is a shared ambition, but to date no robust methodologies are available that can comprehensively measure the quality of information. The joint support team will make every effort to use existing qualitative evidence to enrich the analysis of the state of implementation of the Busan commitment on transparency for the Progress Report. The proposal includes a placeholder to incorporate quality later on;
- **Address broader aspects of transparency**. While recognising the breadth of the transparency agenda, the Post-Busan Interim Group agreed on a limited number of indicators that focus on measurable commitments and address behaviour change that matters for development. Indicators are selective by nature and serve as proxies to assess progress on Busan commitments. The High-Level Meeting in Mexico will provide opportunities to discuss the broader transparency agenda and showcase progress;
- **Apply a fully unified approach to two inherently different reporting systems** (IATI and OECD). The common standard reporting systems have different objectives and strengths and are complementary by nature. This indicator does not seek to unify them, but rather to recognise their advantages and incentivise further improvements in both systems and in providers' reporting to them.

### **WHAT HAS BEEN THE PROCESS TO DATE?**

The proposal is the result of extensive consultations and technical deliberations. The principles underpinning the indicator are founded on feedback received from the Ad Hoc Group on the common standard in February 2013. The joint support team led further consultations with the common standard secretariats, and subsequently led the work of a core group<sup>2</sup> of experts to finalise the proposal.

The proposed approach represents a hard thought middle ground between various options explored. The resulting methodology seeks to provide a balanced and technically feasible approach that takes into account the merits of each system – in general terms, the comprehensiveness of OECD CRS/FSS and the timeliness of IATI reporting systems. While a new indicator cannot resolve all measurement challenges at once, this pilot indicator will provide a basis for further refinement.

### **WHAT ARE THE NEXT STEPS?**

Based on feedback received by 14 November, the joint support team will finalise the indicator and pilot the transparency assessment in continued collaboration with the common standard secretariats. In order to be included in the Progress Report for Mexico, the assessment must be completed by mid-December.

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<sup>2</sup> The core group included experts from the common standard reporting systems. IATI: Bill Anderson, Brian Hammond, and Mark Brough (PWYF). OECD: Rudy Petras, Fredrik Ericsson, Yasmin Ahmad, Hedwig Riegler (WP-STAT). Members of the group contributed inputs and advice in their individual expert capacity, and were not expected to represent any larger constituencies.

In light of the extensive consultations that have already taken place, and the tight timeframe, the joint support team emphasises that **any feedback provided should:**

- **Set out concrete proposals to improve the indicator; accompanied by**
- **Technically/methodologically feasible examples/solutions for implementing this revision in the indicator.**

After Mexico, the joint support team will draw lessons and conclusions from piloting several Global Partnership monitoring indicators. Further collaboration with the common standard secretariats is envisaged to refine the transparency indicator and identify further consultation opportunities as appropriate.

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## PART II – INDICATOR PROPOSAL TO MEASURE TRANSPARENCY

### *PUBLISHING TIMELY, COMPREHENSIVE AND FORWARD LOOKING INFORMATION ON DEVELOPMENT CO-OPERATION RESOURCES*

#### I. ABOUT THIS PROPOSAL AND CONSULTATIONS TO DATE

1. This document is a Global Partnership joint support team proposal for an indicator to measure the implementation of the common, open standard for transparency as part of the Global Partnership monitoring framework. The overall indicator approach has been developed in consultation with the Ad Hoc Group on the common standard. This detailed proposal has been further developed within a core group of experts working with the main systems of the common standard, namely the International Aid Transparency Initiative and the OECD/DAC Creditor Reporting System and Forward Spending Survey.

2. This proposal is issued within the Global Partnership membership for final feedback, after which the joint support team will finalise the indicator, coordinate compilation of data with the common standard secretariats and lead analysis for the pilot transparency assessment.

#### II. PROPOSED APPROACH

3. The [Busan Partnership agreement](#) commits development co-operation stakeholders to improve the availability and public accessibility of information on development co-operation and other development resources. The global transparency agenda encompasses a broad set of issues, ranging from providers' individual efforts to improve information flow through their own communication channels to developing countries' efforts to establish transparent public financial and aid management systems. As mandated by the Post-Busan Interim Group in June 2012<sup>3</sup>, this transparency indicator focuses on monitoring a tangible and time-bound Busan commitment: the implementation by 2015 of a common, open standard for electronic publication of timely, comprehensive and forward looking information on resources provided through development co-operation (Busan Partnership Agreement §23c). The [common, open standard](#) was endorsed at the final meeting of the Working Party on Aid Effectiveness in June 2012.

4. In direct reference to the Busan commitment, consultations have resulted in agreement to assess the timeliness, comprehensiveness, and forward looking nature of individual providers' electronic publication of information. For the purpose of constructing an indicator, discussions have concluded that comprehensiveness encompasses two aspects: i) level of detail of information and ii) coverage of information. In measuring the implementation of the common standard, the indicator seeks to measure providers' transparency not only vis-à-vis developing countries, but more broadly with regard to all development co-operation stakeholders.

5. Consultations have also delivered consensus on some broader features of the indicator approach. These include measuring providers' actual delivery/availability of information (as

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<sup>3</sup> [PROPOSED INDICATORS, TARGETS AND PROCESS FOR GLOBAL MONITORING](#), Post-Busan Interim Group proposal approved by the Working Party on Aid Effectiveness in June 2012.

opposed to performance against their own common standard implementation schedules); drawing data from existing sources with no need for additional data collection at the country level; and providing a simple, graduated measure of implementation, recognising that compliance with the common standard is not 'all or nothing'.<sup>4</sup> Key features of this indicator proposal are listed below.

6. **Simplicity:** Stakeholders including developing countries have emphasised the importance of a simple indicator that resonates politically; the indicator should provide the basis for a political narrative on progress and challenges. This new measurement approach will be piloted in 2013 in order to offer an opportunity to test the methodology, assess its strengths and weaknesses and, if appropriate, refine the measurement in the future.

7. **Building on existing systems:** Maintaining a practical approach entails building on existing data and systems. Currently information on providers' resource flows is centrally available through the reporting systems of the common standard. Additional information on planned transparency efforts is available in providers' common standard implementation schedules. It is therefore proposed that this transparency indicator initially examine existing data sources, i.e. providers' information provision to the systems of the common standard. This approach will allow a comprehensive assessment of all information provided without the need for sampling.

8. **Room for evolution:** The indicator defines the content/foundation for measuring transparency, but should not limit the tools/systems through which this can be done. While this pilot approach will initially make a centralised assessment of the common standard reporting systems, in theory and in the future, any actor should be able to adopt this methodology to assess their own/others' transparency. The tools for making the information available could vary (e.g. actor's own website) as long as the information is public.

9. **Focus on Official Development Finance:** It is proposed that this indicator assess the transparency of Official Development Finance (ODF), which is a definition used in measuring the inflow of resources to recipient countries. It includes i) bilateral ODA; ii) concessional and non-concessional resources from multilateral sources; and iii) bilateral other official flows (OOF) made available for reasons unrelated to trade<sup>5</sup>.

10. **Unit of observation:** Consultations have highlighted that there are various possibilities for focusing the analysis (transaction / activity / aggregate-level information; commitments / disbursements etc.). Finding a uniform unit of observation for measuring all aspects of transparency is complex. Consultations have also established that a single unit of observation may not be desirable to assess different aspects of transparency. This proposal provides a flexible approach in recognising reporting at different levels of detail and ultimately assessing all actors against the overall coverage of their reporting.

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<sup>4</sup> For reference, the full list produced by the Ad Hoc Group on the common standard of desirable 'key principles' for the transparency indicator can be found in Annex 1 of this proposal.

<sup>5</sup> Export credits are hereby excluded from the assessment.

### III. LIMITATIONS AND FUTURE CHALLENGES

11. **Quality of information:** While there is general agreement that assessing the quality of information would bring considerable value to the transparency indicator, consultations have established that – to date – there are no robust methodologies available to comprehensively measure the quality of information.<sup>6</sup> Quality of reporting would be particularly relevant for measuring the level of detail of information, as several reporting fields include descriptive information. Given the importance attached to this issue, it is proposed that once the first pilot assessment has been completed in 2013, efforts be made to further explore options for assessing quality of information and integrating quality components in the Global Partnership indicator if/when robust methodology is available.

12. **Coverage of actors:** The initial indicator measurement builds on bilateral and multilateral providers' information provision to the systems of the common standard. For the time being, only co-operation providers that utilise these reporting tools (or provide the relevant reporting data to the teams managing these systems) will be captured in the assessment.<sup>7</sup> However, as stated above (section II "room for evolution"), the importance of enabling broader participation and use of this methodology is emphasised and facilitating participation of a broad range of stakeholders should be noted as a future aspiration for assessing transparency. In the spirit of the multi-stakeholder approach of the Busan agreement, particularly incorporating an assessment of foundations and NGOs that endorse the agreement would be desirable.<sup>8</sup>

13. **Recognition for transparency efforts beyond the common standard:** Consultations have pointed out that some providers of development co-operation are making important efforts to improve transparency of overall development finance. These include for example publishing semi-aggregate/aggregate data on private outflows of donor country based NGOs. Integrating recognition of such efforts into a quantitative indicator was not feasible at this point. However, stakeholders of the common standard may wish to incorporate such information into the common standard in the future and, subsequently, explore options to incorporate a more structured assessment of these efforts into the indicator.

### IV. INDICATOR CONSTRUCTION

#### A. Elements for measuring transparency

14. This section sets out the proposed approach to measuring each element of the indicator: timeliness, level of detail and forward looking nature of information. As noted earlier, discussions have concluded that for the purpose of constructing an indicator, comprehensiveness relates not only to the level of detail of information but also to the coverage of information. For example, a

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<sup>6</sup> There are several on-going efforts (e.g. by PWYF Aid Transparency Tracker and OECD/DCD tests on descriptive information) to develop tools for assessing data quality. However, no fully computerised and comprehensive methodology is currently available. In addition to assessing quality, the Ad Hoc Group has expressed the desire to measure usability and reliability of data. As with quality aspects, in the absence of proposals for robust methodology these remain aspirational and, if possible, could be addressed at a later stage.

<sup>7</sup> Participation in the Global Partnership monitoring framework is voluntary. The Ad Hoc Group has, in its earlier feedback, proposed to invite south-south providers of development co-operation to produce their own future plans for transparency (in the form of implementation schedules) and to consider monitoring their delivery against these schedules. The Ad Hoc Group may choose to pursue this approach in its future work.

<sup>8</sup> Currently a key challenge for assessing these providers is the unavailability of verified figures on their total outflows for developmental purposes.



provider may publish very detailed information but only on a minor share of its total finance. While this information provision should be acknowledged, the provider's score should be set in relation to the overall goal of providing timely information on all development finance. Therefore, it is necessary to assess the coverage of information published to the common standard. It is proposed that the coverage ratio be defined as the proportion of total ODF, as measured by the latest verified figure for annual disbursements<sup>9</sup>, which is covered by the information provided to the relevant system of the common standard. The coverage ratio will be applied to all three elements of the indicator.

**i. Timeliness of information**

15. To ensure a comprehensive assessment, both the frequency of reporting as well as the 'freshness' of information (time lags) should be assessed. It is proposed that different reporting frequencies and time lags are assigned different scores. For a balanced approach between the two reporting systems of the common standard, it is proposed that both CRS and IATI reporting be assessed, and the best score out of the two used. By using the same scoring scale (1-4 points) for both dimensions of timeliness, each is considered equally important.

Scoring for frequency		Scoring for time lags	
Annual reporting/publishing	= 1 point	Annual lag	= 1 point
Semi-annual reporting/publishing	= 2 points	Semi-annual lag	= 2 points
Quarterly reporting/publishing	= 3 points	Quarterly lag	= 3 points
Monthly reporting/publishing	= 4 points	Monthly lag	= 4 points

The resulting scores are multiplied by the coverage ratio to get an overall score for timeliness.

16. *Example:* A provider that currently reports to the CRS once a year, with a time lag of one year, and that reports all ODA to the CRS, would directly score  $(1 + 1) * 100\% = 2$ . To obtain the final indicator score, this figure would be compared with the same calculations from the IATI registry. If the same provider published data in IATI every quarter, with at least some transaction dates recorded in the past 6 months (but none in the past 3 months), with a coverage ratio representing 50% of the provider's ODA, then the IATI score on frequency would be  $(3 + 2) * 50\% = 2.5$ .<sup>10</sup> An example of a sample calculation for this indicator element is provided in the table below.

<sup>9</sup> The core group recognises that various approaches exist to defining reporting coverage. Notably the use of commitments instead of disbursements was discussed in detail. It was decided to use disbursements as they represent the actual flows from providers to countries, but also to revisit the approach in the future if international discussions on development finance re-orientate towards use of commitments. It should be noted that generally annual disbursements and commitments do not differ significantly and that the choice of either to define the coverage ratio does not influence the focus of the indicator assessment itself – but is merely used to put reporting into 'size context'.

<sup>10</sup> This calculation is based on the simplified assumption that the indicator would only focus on ODA, and will be adjusted to reflect the broader coverage of ODF.



17. The proposed approach of using the maximum score coming from the CRS and IATI scores (in the previous example 2,5) ensures that i) all providers that report to either of these systems are scored; and ii) providers with more frequent and ‘fresh’ information get a higher score (as long as the information represents more than a mere fraction of their total finance).

Country	CRS				IATI				Best score
	Frequency Score	Time lag score	Coverage	Total Score	Frequency Score	Time lag score	Coverage	Total Score	
Provider 1	1	2	100%	3	2	1	70%	2.1	3
Provider 2	1	1	100%	2	0	0		0	2
Provider 3	1	1	100%	2	0	0		0	2
Provider 4	1	2	100%	3	3	2	50%	2.5	3
Provider 5	1	1	100%	2	0	0		0	2
Provider 6	1	1	100%	2	4	3	50%	3.5	3.5
Provider 7	1	1	100%	2	3	3	80%	4.8	4.8
Provider 8	1	1	100%	2	1	1	100%	2	2
Provider 9	1	1	100%	2	0	0		0	2
Provider 10	1	1	100%	2	2	2	60%	2.4	2.4

*Information source for timeliness:* Providers’ CRS and IATI reporting.<sup>11</sup> Additional information/cross-references may be sought from common standard implementation schedules.

## ii. Level of detail of information

18. It is proposed that the level of detail of information be assessed by scanning all data fields included in the common standard to examine whether these include information. In the case where some data fields are not applicable to the type of finance in question, such fields will be excluded from the analysis.<sup>12</sup> It is then proposed, for each data field, to calculate the percentage of activities for which there is information. The average of these percentages across all the selected data fields would then be multiplied by the coverage ratio for that provider.

<sup>11</sup> **Assessing frequency of reporting:** IATI registry log dates are analysed to assess whether updates are reported monthly, quarterly, semi-annually or annually. CRS reporting is for the time being annual.

**Assessing time lags:** IATI financial transaction dates are analysed according to the following tests: Transactions reported for two of the last three months = 4; Transactions reported for one of the last three months = 3; Transactions reported for any of the last six months = 2; and transactions reported for any of the last twelve months = 1. CRS reporting will be analysed by commitment date. Where these are not available, CRS reporting would yield 4 points when data for year n-1 is provided by end January of year n; 3 points when provided by end March; 2 points when provided by end June and 1 point when reported by end December of year n.

While this will represent the overall scoring approach, in assessing CRS reporters’ time lag for 2012 reporting a two-week extension will be granted for receiving 2 points. This is due to the fact that in 2012 the official CRS reporting deadline was 15 July, and so the six reporters that adhered to this deadline will be granted 2 points. However, in future assessments the end June deadline will apply to scoring and CRS reporters are encouraged to strive for earlier reporting (an advanced deadline for June 15<sup>th</sup> has been proposed by the WP-STAT Secretariat).

<sup>12</sup> Fields that are not applicable to either grants or loans are identified in Annex 2 of this proposal. The pilot will also take account of the status of each activity to see if data fields can be expected to be completed, e.g. expenditure fields would be blank for an activity still at the planning stage with a start date in the future, and results data would be absent except for completed activities.

19. *Construction method:* For this indicator element, a computerised approach will be adopted to scan the information content of the selected information fields and to calculate the percentage of activities for which there is information.

*Example:* An example of a sample calculation for this indicator element is provided in the table below.

Country	CRS						IATI						Best score
	Field1	Field2	Field3	Average	Coverage	Total Score	Field1	Field2	Field3	Average	Coverage	Total Score	
Provider 1	12%	73%	33%	39%	100%	39	73%	100%	58%	77%	70%	54	54
Provider 2	15%	83%	51%	50%	100%	50						0	50
Provider 3	52%	94%	36%	61%	100%	61						0	61
Provider 4	100%	12%	76%	63%	100%	63	49%	100%	100%	83%	50%	41	63
Provider 5	23%	15%	7%	15%	100%	15						0	15
Provider 6	73%	52%	32%	52%	100%	52	85%	85%	75%	82%	50%	41	52
Provider 7	83%	100%	17%	67%	100%	67	100%	100%	85%	95%	80%	76	76
Provider 8	94%	53%	12%	53%	100%	53	94%	53%	12%	53%	100%	53	53
Provider 9	12%	51%	89%	51%	100%	51						0	51
Provider 10	15%	49%	82%	49%	100%	49	73%	21%	31%	42%	60%	25	49

Columns 1 to 3 in each section state the percentage of activities reporting each field.

### iii. Forward looking nature of information

20. In terms of assessing the availability of forward looking information, the key question relates to the *time span* of the information: for how many years ahead is information provided? The second relevant aspect is the level of detail of the information. The approach can be either to look at planned expenditures on existing and/or planned activities, or to look at the availability of forward looking information in more aggregate terms (e.g. non-committed envelopes). The proposal is to include both approaches in the assessment by accommodating different levels of information disaggregation.

Scoring for information disaggregation	
Activity level forward looking information	= 3 points
Semi-aggregate forward looking information (sector level)	= 2 points
Aggregate forward looking information by country	= 1 point

21. It is proposed that for each year that the provider gives forward looking information, they are granted the following points: level of detail score \* proportion of records containing data. To complete the assessment, the scores for each year covered, up to three years ahead, will be summed and multiplied by the coverage ratio for that provider.<sup>13</sup>

<sup>13</sup> This assessment focuses on the public availability of forward looking information irrespective of the monetary size of the activity. The proportion of development co-operation funding covered by indicative forward expenditure plans to partner governments is addressed in indicator 5b (medium-term predictability) of the Global Partnership monitoring framework.

22. As with previous indicator elements, IATI and DAC/FSS reporting would be assessed to obtain the best score of the two.

23. *Example of IATI publisher score:* A provider with a coverage ratio of 75% publishing i) activity level data for 80% of its activities for the coming year; and ii) aggregate level data representing 90% of its countries for the following two years would be assigned a total score of  $[(3*0.8)+(1*0.9)+(1*0.9)]*0.75 = 3.1$

24. *Example 1 of FSS score:* A provider has 20 recipients in the base year for which the coverage ratios are calculated. If it provides activity level information for only 10 of its partner countries and aggregate information for the remaining 10 and only for year X +1, the total score would be  $(3*0.5) + (1*0.5) = 2$  for year X+1. Years X+2 and X+3 score 0 as no information is provided. The coverage ratio for FSS is assumed to be 100%, so the total score would be  $[(3*0.5 + 1*0.5) + 0 + 0]*1 = 2$

25. *Example 2 of FSS score:* A provider has 50 recipients for country programmable aid (CPA) and in the base year it provided 70% of its finance as ODA/CPA and 30% as OOF. If the donor provides only aggregate level forward CPA information for 20 of these countries for year X+1, the score in year X+1 would be  $20/50 = 0.4$ . If the donor additionally provided aggregate information for only 10 countries for years X+2 and X+3, the score for year X+2 and X+3 would be  $10/50 = 0.2$ . The sum for the three years ahead is  $0.4 + 0.2 + 0.2 = 0.8$ . The coverage ratio for ODA/CPA out of total ODF is 70%, so the score of 0.8 would be multiplied by 70% to yield a total score of 0.56.

26. *Information source:* The IATI assessment would focus on the activity forward planning component and the aggregate country level budgets. Given that IATI information is by nature public, but FSS reporting is only shared by consent of the provider, the FSS calculation would include a dummy variable for this consent (YES=1; NO=0, where 'no consent' renders the total FSS score to zero).

### **B. Calculating a single indicator value for a development co-operation provider**

27. The mandate to develop one indicator for transparency requires merging the three elements to deliver one single indicator value. Discussions with stakeholders have highlighted broad support for the use of a graduated measure of the degree of implementing the common standard.

28. The scoring range should accommodate two purposes: i) allow large variations due to significant differences in provider efforts, giving recognition both to 'beginners' and to 'champions'; and ii) provide room for future improvements and higher ambition levels (also for current 'champions').

29. To this end, a graduated scoring range of five grades (A-E) is proposed. For calculating the final indicator score, it is proposed that each of the three elements be given equal weight. This builds on the rationale that since the Busan commitment does not distinguish between the importance of timeliness, comprehensiveness and forward looking nature, the indicator should attach equal importance to each of the three elements.<sup>14</sup>

<sup>14</sup> Once the assessment is finalised, publishing the detailed data underlying the indicator would allow stakeholders to highlight individual elements that they may find particularly important in accountability dialogue and follow-up action.

30. Once the indicator is finalised, work will be undertaken by the joint support team to ensure a consistent approach to calculating the final indicator score. This will include streamlining the scoring methods for each of the three indicator elements (scaling all elements to 100 maximum points), facilitating a normal distribution of scores across providers and allowing room for progress over time.

### ***C. Utilising two separate data sources***

31. It should be noted that there are differences between the reporting cycles and timeframes of the systems of the common standard. By the end of 2013, verified CRS data should be available for 2012. At that time, IATI reporting may include more up-to-date data covering the year 2013. There is hence a need to strike a balance between utilising the latest information available and ensuring consistency in the analysis.

32. In line with a practical approach, it is proposed that the assessment of the three transparency elements focus on the latest information available in each reporting system. This will for instance mean that the level of detail assessment for CRS will focus on 2012 reporting and for IATI on what is published by mid-November 2013. However, to strengthen consistency in the overall approach, the coverage ratio will be assessed using the same, fixed timeframe. In practice this means that, since the latest verified ODF disbursements for this monitoring round will be in 2012 CRS information, the coverage of IATI reporting will be defined as 2012 disbursements published to IATI in proportion to 2012 ODF disbursements taken from CRS.

### ***D. Assessing progress***

33. Given that this is a new indicator, the 2013 Global Partnership monitoring effort will provide the first pilot assessment of transparency as defined in this proposal. However, since the indicator relies on existing data systems, the possibility exists to calculate a baseline for an earlier period. The benefit of this approach would be that the 2013 Global Partnership monitoring effort could provide not only a current assessment of the state of implementation of the common standard, but also an initial assessment of progress. It is proposed that a baseline be calculated for data reported/published in early 2012 to assess progress since Busan.

34. The indicator assessment could be complemented with analysis of providers' common standard implementation schedules to provide a supporting narrative on progress and planned improvements. Implementation schedules were key to the Busan agreement and to the common standard, so their use to support complementary descriptive analysis is desirable. At the same time, this has workload implications and will therefore need to be balanced against available resources.

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## ANNEX I – AD HOC GROUP PROPOSAL; KEY PRINCIPLES FOR TRANSPARENCY INDICATOR

The ad hoc group on the Busan common standard have, in consultation with the Global Partnership joint support team, agreed the following set of desirable principles to guide the development of the transparency indicator:

1. A clear commitment is given in Busan paragraph 23c. The indicator needs to measure delivery of that, using the language of paragraph 23c for packaging presentation.
2. No need for collection of new data at the country level.
3. a) The indicator to measure actual delivery/availability of information.  
b) With option to supplement it (in tables and/or descriptive text) by performance against each donor's implementation schedule, since this was key to agreement on the common standard, but has workload implications for monitoring.
4. Provide a graduated measure of the degree of implementation (e.g. on a scale from A to E) that recognises that compliance with the standard is not "all or nothing".
5. The target is full implementation of the standard; full implementation would be deemed to be achieved without having to score the full 100% on each field.
6. The indicator should capture a measure of the quality, usability and reliability of the data.
7. Baseline – what was published by end 2011/Busan (to IATI or DAC systems).
8. Simple to present (e.g. by aggregating to overall A to E score – as for some of the other indicators).
9. Unit of observation is the individual country or organisation that endorsed Busan (with a mechanism to aggregate multiple agencies within a donor to aggregate indicator for that country where appropriate).
10. Focus on components that are most important to partner countries<sup>15</sup> and non-State actors (as required by paragraph 23c and as identified in Appendix to DCD/DAC/EFF(2012)9), with further online consultation of partner countries and non-state actors on this specific issue.

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<sup>15</sup> IATI commissioned UNDP to undertake an extensive consultation on partner country needs in 2009. This was attached as an Appendix to the [document on the common standard](#) agreed between IATI and WP-STAT and WP-EFF in June 2012.

## ANNEX II – ASSESSING THE LEVEL OF DETAIL: FIELDS THAT ARE NOT APPLICABLE TO EITHER GRANTS OR LOANS

Overlap between IATI and CRS/FSS.			
Partial overlap between IATI and the CRS/FSS.			
Only IATI			
		Type of Finance (see note)	
		Grant, equity and interest subsidy	Loan
<b>General Information</b>	Reporting Organisation	X	X
	Standard activity identifier	X	X
	Other activity identifiers	X	X
<b>Basic Activity Information</b>	Activity Title	X	X
	Activity Title (in recipient's language)	X	X
	Activity Description	X	X
	Activity Description (in recipient's language)	X	X
	Activity Status	X	X
	Activity Dates (Start Date)	X	X
	Activity Dates (End Date)	X	X
	Activity Contacts	X	X
	Participating Organisation (Funding)	X	X
	Participating Organisation (Extending)	X	X
	Participating Organisation (Implementing)	X	X
Participating Organisation (Accountable)	X	X	
<b>Geopolitical Information</b>	Recipient Country	X	X
	Recipient Region	X	X
	Sub-national Geographic Location	X	X
<b>Classifications</b>	Sector (DAC CRS)	X	X
	Sector (Agency specific)	X	X
	Policy Marker 1	X	X *
	Policy Marker 2	X	X *
	Policy Marker 3	X	X *
	Policy Marker 4	X	X *
	Policy Marker 5	X	X *
Policy Marker 6	X	X *	

	Policy Marker 7	X	X *
	Policy Marker 8	X	X *
	Collaboration Type	X	X
	Default Flow Type	X	X
	Default Finance Type	X	X
	Default Aid Type	X	X
	Default Tied Aid Status	X	X
<b>Financial</b>	Activity Budget	X	X
	Planned Disbursements	X	X
	Economic Classification (Capital/Recurrent)	X	X
	Recipient's Administrative/Functional budget classification	X	X
<b>Financial Transaction</b>	Financial transaction (Commitment)	X	X **
	Financial transaction (Disbursement & Expenditure)	X	X **
	Financial transaction (Reimbursement)		X
	Financial transaction (Incoming Funds)	X	X
	Financial transaction (Loan repayment / interest repayment)	Not applicable	X ***
<b>Related Documents and Links</b>	Activity Documents	X	X
	Activity Website	X	X
	Related Activity	X	X
<b>Performance</b>	Conditions attached Y/N	X	X
	Text of Conditions	X	X
	Results data	X	X

\* Policy markers do not apply to all sectors. It is proposed to give 1 point if the activity/transaction has any policy marker filled in.

\*\* Given the transactional nature of the CRS, commitments and disbursements/expenditures/repayments are not always linked. It is proposed to give 100% to CRS as by definition each transaction has an amount associated.

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