|  |  |
| --- | --- |
| uCover 1b | **Draft Report Summary**  Study on better reflecting aid flows in country budgets to improve aid transparency and public financial management  **11 May 2012**    Alta Fölscher  Rebecca Carter  Samuel Moon  Gareth Graham  Frédéric JeanJean  Mokoro Ltd The Old Music Hall 106-108 Cowley Road Oxford OX4 1JE UK  Tel:  +44 1865 403179 Fax: +44 1865 403279 Email: [mokoro@mokoro.co.uk](mailto:mokoro@mokoro.co.uk) Website: [www.mokoro.co.uk](http://www.mokoro.co.uk) |

## Table of Contents

[Table of Contents 1](#_Toc324526893)

[Introduction 1](#_Toc324526894)

[Key issues for the study 2](#_Toc324526895)

[Aid information at the country level 3](#_Toc324526896)

[Country information needs for budget purposes 3](#_Toc324526897)

[Availability, reflection and quality of aid information in country budget documentation at country level 4](#_Toc324526898)

[The use of aid information at country level 9](#_Toc324526899)

[Country level aid information management mechanisms to integrate aid on budget 10](#_Toc324526900)

[Emerging good practices at country level 12](#_Toc324526901)

[Common obstacles to the quality of aid information 14](#_Toc324526902)

[The common administrative/functional code 15](#_Toc324526903)

[Donor systems and the Budget Identifier 20](#_Toc324526904)

[Conclusions and recommendations 21](#_Toc324526905)

[Availability, quality and use of aid information at the country level 21](#_Toc324526906)

[Country level mechanisms for providing, collecting, distributing and making transparent aid information 22](#_Toc324526907)

[Implications for the IATI Standard and Options for the Budget Identifier 22](#_Toc324526908)

[Annex 1: IATI Coverage of country budgeting and reporting information needs 28](#_Toc324526909)

[Annex 2: Proposed New Common Administrative/Functional Code 30](#_Toc324526910)

## Introduction

1. IATI recognises the importance of aid transparency at the country level. Aid receiving countries need full information on aid in order to manage their economies; plan, budget and deliver outcomes; and report and ensure accountability within government and to legislatures and citizens.
2. This report reflects the findings and recommendations arising out of an IATI study on country-level practices to provide aid information for budget integration, and on a draft new common administrative/functional coding system for aid activities to align aid better with country budgets[[1]](#footnote-1). The purpose of the study is to provide a proposal for IATI’s consideration on the Budget Identifier segment of the IATI standard, and to highlight emerging good practices and common obstacles to country level integration of aid information. The Budget Identifier is a key component of the IATI standard to make aid transparent at the country level.
3. The study is a continuation of work undertaken by IATI since its inception on partner country needs in respect of aid information and budget alignment. Particularly it follows on the analytical work in 2010 by the IATI Technical Advisory Group (TAG) subgroup on budget alignment to describe the required coverage and formats of aid information to facilitate the integration of aid in recipient country budget processes and documentation.
4. The IATI Standard adopted in February 2011 already fulfils most of the requirements identified (see the table in Annex 1), except for sufficient information on the sector and sub-sector in which aid will be used – needed for partner countries to use the IATI data for budget purposes -- and the economic nature of the flow.
5. At the February 2011 Steering Committee meeting IATI agreed to retain a Budget Identifier placeholder in the IATI standard with the aim of addressing outstanding needs, pending further work. Specifically the meeting agreed:

* To add a recipient country budget identifier to the IATI standard;
* To do further work to develop the definitions and format for this identifier, especially at country level and in consultation with budget experts, to build on work done so far;
* That donors will work with partner countries on country-specific classification of activities, building on experience with local AIMS and improving country budget systems; and
* To work further on budget alignment to explore the development of a common coding system to classify aid by partner country budget administrative/functional classifications.

This study contributes to the fulfilment of bullets 2 and 4.

**Box 1: Research process**

|  |
| --- |
| The study was undertaken from January through to May 2012, and comprised 5 country case studies (of the Democratic Republic of Congo, Ghana, Malawi, Nepal and Rwanda); a process to test and refine the new common code; engagement with IATI donors on their systems to manage aid information and analytical work for the synthesis report and findings. Two members of the study team also attended the Development Gateway seminar in January 2012, which offered an opportunity to have direct contact with attending countries on their systems to manage aid information. With the exception of the DRC, all five the case studies were done as desk research, including extensive use of existing secondary and primary literature, as well as telephonic engagement with country officials and donors at the country level. |

1. The study takes place in the context of a renewed global commitment to aid and budget transparency at the 4th High Level Forum in Busan, Korea (from 29 November to 1 December 2011), particularly on predictability (or the reliability of forward aid information), making available the full range of information on publicly funded development activities, focusing on transparent public financial management and aid information management systems at the country level, building capacity to use aid information for decision-making and accountability, and to implement a common, open standard for electronic publication of timely, comprehensive and forward-looking information. This standard, the Busan Outcome Document stated, must “meet the information needs of developing countries and non-state actors consistent with national requirements” (Busan Outcome Document, Par 23c).

### Key issues for the study

1. The original terms of reference required the study to investigate the mechanisms – including Aid Information Management Systems (AIMS) and budget process mechanisms -- employed by partner countries and donors at a country level to ensure the availability of aid information for integration in the budget. The purpose of this was to identify emerging good practices in and common obstacles to integration. After discussion within the IATI TAG budget sub-group the scope of the Terms of Reference was broadened to a co-focus on developing a proposal for consideration by IATI on the Budget Identifier, and to more specifically focus the country level investigation on the implications of findings for the IATI standard.
2. This translated into the study investigating the following specific issues:

**Availability, quality and use of aid information at country level:**

* Do donors provide information at country level? Does it differ for different kinds of aid flows and/or across donors?
* Do countries reflect aid information in budget documentation?
* What is the quality of aid information at country level: is it reliable?

**Country level mechanisms for providing, collecting, distributing and making transparent aid information**

* What are the key mechanisms; what are emerging good practices for integrating aid information in budget processes and documents?
* What are common obstacles, not only in terms of the adequacy of mechanisms and capacity, but also in terms of the incentives for actors to make aid flows transparent?
* What do the findings imply for the IATI standard, but also for donors and for partner countries in fulfilling their AAA and Busan transparency commitments?

**Options for the budget identifier**

* Assuming good quality IATI information, what value can different options for the Budget Identifier add over the existing IATI standard in respect of the related but different roles that aid information plays in robust country systems for different categories of countries?
* What is the likelihood of quality IATI budget identifier information under different options given how donors collect information for publication to IATI?
* How compatible is the developed new common administrative/functional code with country appropriation classifications?
* Given donor systems and country systems, what are the potential risks, likely costs and likely benefits of different options for the budget identifier against the shared development objectives of the IATI partners?

## Aid information at the country level

### Country information needs for budget purposes

1. The information needs of developing countries have been well-described in earlier IATI work, as well as by research and through consultation on the requirements to bring aid on budget, undertaken by the Collaborative Africa Budget Reform Initiative (CABRI), a network of senior budget and planning officials in Africa, including work undertaken in collaboration with the Africa Tax Administration Forum (ATAF) and the African Organisation of Supreme Audit Institutions (AFROSAI).
2. Six main needs for aid information at the country level can be discerned:

* Aid information is required for macro-economic forecasting and planning, namely on the level of investment spending as against recurrent spending through development cooperation and the sectors in which investment is occurring. This requires this aid information to flow from donors into country macro-economic and fiscal planning processes.
* Aid information is required for budget planning purposes, namely to be able to budget for counterpart funds (where relevant), and to ensure that domestic resources and aid resources are complementary, non-overlapping and used effectively in line with national priorities. This requires aid information flows from donors, as well as sharing the information between the centre and line institutions at country level.
* Aid information needs to be **reliable**: particularly estimates of disbursements need to be accurate particularly for on-budget financing to ensure that governments can plan their own cashflow and execute government-managed projects on time.
* Aid information is also required for governments to make budget decisions within a medium term planning horizon, specifically to make judgements on trade-offs between the forward cost of aid flows, for which domestic budgets would need to assume responsibility down the line, and the forward cost of domestic budget baselines and allocations. This requires the flow of aid information from donors, and within government between the line and centre, particularly on the economic nature of projects and the forward cost of donor investments.
* Aid information is required for budget execution processes, in order to make decisions on the allocation of governments’ available cash resources (particularly in more aid dependent countries) and make decisions on the timing of procurement and programme or project implementation processes. This requires information from donors on disbursements, as well as the sharing of this information within government.
* Aid information is required for domestic transparency and accountability purposes. While transparency to local stakeholders on aid accepted by the government sector can be seen to be required in principle (as an end in itself), it is also required so that government actors can be held accountable for decisions with regards to aid accepted and domestic spending. This requires the reflection of aid information against budget in country accountability documentation, including the budget documentation as submitted to parliament and externalreports.

It is also worth noting that aid information at the country level is necessary for key aid effectiveness concerns, both pre- and post-Busan, for example country ownership, alignment and accountability for results; and inclusive partnerships and division of labour. This study is concerned with how standardised information flows from donors that include an IATI Budget Identifier could add value in terms of fulfilling these needs over and above information flows that comply with the current Standard, and as a result, what should be specified for the Budget Identifier.

### Availability, reflection and quality of aid information in country budget documentation at country level

1. Yet, cross country data points to the poor availability of information on donor projects at country level and poor, but slightly better, reflection of aid information on budgets, particularly for more advanced PFM system. The study used data from Public Expenditure and Financial Accountability Framework (PEFA) assessments, the Open Budget Index and the Paris Declaration Survey data to draw a picture of how much data is available at country level on aid flows for inclusion in budget processes and of the actual inclusion of the data, to make an assessment of the likely need for an international dataset compatible with country budgets.
2. An assessment of PEFA data for 77 countries[[2]](#footnote-2) shows:

* That donor performance in the provision of information on programme and project support at country level is on average below a C (which, for example, for budget estimates of project disbursements in any one country would mean that less than half of the donors provide information at least three months before the start of the fiscal year, and then not necessarily classified in line with government’s budget classification), with information on actual disbursements faring worse than information for budget purposes.
* Also that across dimensions donor aid information performance in low-income countries (LICs) lags performance in lower middle income countries (LMICs), but not consistently in upper middle income countries (UMICs). This simply suggests that information availability is particularly poor in countries where it is most needed, ie. in countries in which larger proportion of public resources are donor financed and which have the least robust budget systems to start with.
* The reliability of information on budget support is weak, even if estimates on the volume to be disbursed in a fiscal year are more reliable than the estimates on the timing of the disbursement. On average the score for LICs is a C, which in any individual country would mean that in no more than one out of the last three years direct budget support outturn was below the forecast by more than 15%. However, for LICs the average performance on the timeliness of disbursements is less than a C, which for any one country would mean that disbursement estimates were not agreed and/or that actual disbursement delays succeeded 50% in two of the last three years.
* That in the four dimensions in the Framework that track donor provision of aid information, performance lags countries’ average performance on the remaining indicators. For example, if a level difference in a PEFA score (ie. between an A and a B score) is equalled to one[[3]](#footnote-3), across all income groups on average the score for the completeness and timeliness of budget estimates by donors for project support is 0.65 lower than countries’ average performance on all other PIs. For the frequency and coverage of reporting by donors on actual donor flows for project support, the gap is even bigger, at 0.86.
* That, the indicator that tracks the availability of information in fiscal reports on projects that are financed by donors but managed by government, countries’ performance on aid information is 0.3 points higher than their average performance on all non-aid indicators, and above a C on average. A C score in any individual country would mean that income and expenditure information for all loan-financed projects managed by government is on budget.
* However, that in this indicator too LICs lag LMICs considerably (by 1.4). The improvement in the score for countries with better performing PFM systems overall (LMICs and UMICs), suggests that the ability to source good aid information on government-managed programmes and projects may be the significant explaining factor.

1. The Open Budget Index[[4]](#footnote-4) survey provides a view on the degree to which countries reflect aid information on budget, particularly as a revenue source and on the conditionalities associated with flows. It showed that on average LICs are more likely to show information on the individual sources of externally financed revenue, than LMICs or UMICs. Most countries however scored at the lower end of the spectrum rather than the top: of the 20 LICs in the sample 9 scored a D, meaning that sources are not identified individually at all. Very few countries were found to publish information on conditionalities on budget, with 44 of the 81 aid receiving countries showing no information and a further 21 presenting some information, but lacking in important details.
2. The Paris Declaration Survey Data was used to compare government budget estimates with donors’ reports of scheduled aid, taking data collected for PD indicator 3 (which assesses how accurately government budget estimates match donors’ reports of disbursements) and indicator 7 (which assesses how accurately government accounts match donors’ reports of scheduled aid). The value of assessing government budget estimates with donors’ scheduled aid is that it enables us to see how accurately aid data is reported on the budget, separately from the performance of that aid information in terms of its reliability as a predictor of actual disbursements.
3. The performance of reporting donor scheduled aid is weak across the categories of countries, with little progress made by the LICs and LMICs between 2007 and 2010. For example, the survey showed that for the 25 LIC countries in the sample, 64% of scheduled aid was on government budgets in 2007 and 63% in 2010.
4. The analysis of data for Indicator 3 shows that by 2010 LICs and LMICs budgets tended to be on average less reliable predictors of donor reports of disbursed aid than UMICs, and there is a slight decline in performance by LICs and MICs from 2007 to 2010. While the country individual data reflect that country budgets include around 60% of aid flows that are actually disbursed, this is an overstatement of the reliability of budget data as a predictor of whether donors will disburse as for countries over and under-disbursements cancel one another out. At the global level where the calculation methodology allowed for this effect to be negated, the picture is less rosy: in 2010 across the 77 countries assessed 41% of aid reported by donors as disbursed was reflected accurately on government budgets.
5. The cross-country data analysis presented in the study, highlights key aspects of the country level aid transparency problem that is central to the study. Firstly, it points to the paucity of good aid information for country budgeting and reporting purposes at country level. Secondly, it highlights significant issues with **the quality of the data as predictors of disbursement**.And thirdly, it points to important **differences between categories of recipient countries and types of aid flows** in whether and to what degree donors provide information on aid flows to partner countries at the country level, and how partner countries treat aid information.
6. This cross-country data on information availability and use are supplemented and supported by the country-case study findings. The case studies particularly enabled the overall study to investigate why information is available and/or used by countries.
7. Key findings on the availability of information include that data on certain types of aid flows and channels of disbursement are more likely to be available and used. Throughout the budget cycle, aid information on loan-financed flows and budget support is the most comprehensive and accurate. Grant information, particularly for funding disbursed to third parties or controlled by donors, is the least complete and most inaccurate. The Ghana case study for example, found that even without a full AIMS, information on budget support, loan-financed and Sector Wide Approach (SWAp) sectors was relatively comprehensive and accurate, even without an AIMS, leading to a relatively good PEFA score on the reflection of government-managed project information on budget.
8. Non-existent, incomplete or unreliable forward information on aid flows affects the credibility of forward country budgeting, particularly in aid dependent countries. In some such cases mismatches between donor and country financial years mean that forward information is not even available for the coming fiscal year before some months after its start. The country case studies in all five cases again pointed to how critical forward information is and the difficulty countries face in obtaining it. Several factors limit donors’ ability to provide forward information: in some cases donors’ internal systems do not generate forward aid information, while in others donors are reluctant to provide information either because they perceive it as a potential straitjacket or believe that they are constrained in law as they cannot provide information on forward aid flows prior to their parliaments appropriating the funds.
9. Information on aid flows from ‘traditional’ donors is significantly more complete than information on flows from emerging donors such as China and from international NGO core financing. No country is able to collect or provide information on aid flows from emerging donors with the same frequency, comprehensiveness, reliability or usefulness as for traditional donors, even when that is limited.
10. At the same time, information for some traditional donors is reported to be easier to collect than for others. The country case studies report relative ease of information collection from countries like the United Kingdom and Sweden with a long-standing global commitment to aid effectiveness and transparency, while it is more difficult to integrate information from countries that report stronger domestic constraints on their ability to comply with Paris Declaration and Accra commitments, such as France, the US and Germany. Generally information from non-resident donors is particularly difficult to collect.
11. The country case-studies also highlighted issues with the quality of aid information on budget: these relate not only to whether donor information provided is comprehensive and accurate, but also confusion as to which donor programmes and projects are reported on budget. In Ghana for example, the source and content of the budget estimates are not always understood by the donors, or by the implementing ministries. Analysis of the quality of the aid information presented on the budget is impeded by a variety of factors, including aggregated aid information without publication of the background source data; undisclosed discounting factors; inaccurate recurrent-development categorisation of aid; weak links between budget and execution.
12. Where, how and the detail to which aid flows are reflected in country budgets differ. A first distinction is between aid that is ‘on parliament’, and aid that is merely ‘on budget’[[5]](#footnote-5). Not all countries reflect aid that is not legally appropriated by parliament, (i.e. ‘on parliament’), on budget (in the budget documentation). In the DRC only aid that is on parliament is on budget. In Nepal aid that is not on parliament, is consolidated in a separate budget book. In Rwanda, aid that is not on parliament is reflected in the finance law annexes. In Ghana all aid is considered not to be ‘on parliament’ (except budget support), but is required to be included in the aggregate budget statement which is presented to parliament with the budget speech. This is done in the aggregate tables (with all aid classified under the development budget notwithstanding the nature of the flow) and by agency. In Malawi aid that is considered ‘extra-budgetary’ i.e. not on parliament, is reflected in an annex to the budget by spending ministry, department or agency.
13. A second distinction is in how countries reflect aid that is on parliament. Countries have different rules on when aid flows must or can be ‘on parliament’ (i.e. voted by parliament and included in the legal appropriations). In the DRC only aid that is for the benefit of government institutions should be on parliament, and in Ghana and Malawi only aid that uses country systems (to a greater or lesser degree). Nepal puts both aid that uses country systems and aid ‘that is controlled by government’ on parliament. In South Africa no aid flows are on parliament. While ‘on parliament’ aid is reflected on the revenue side in fairly similar ways, countries differ significantly on how and the detail to which it is reflected on the expenditure side, depending on the type of flow and whether a dual budget system is in place. Often budget documentation provides more detailed classification for on-parliament aid than the AIMS: this is provided by line ministries during budget preparation (e.g. Rwanda).
14. On the fiscal reporting side all five countries included some information on aid flows in external and internal fiscal reports. Nepal for example uses a separate budget document to provide information to the legislature on technical assistance disbursements and off-budget projects, besides reporting on on-budget aid flows. Malawi also includes data for on-budget grants and loans in in-year and year end reports, as does Rwanda. For on-budget donor flows actual spending is reported. The four countries with AIMS also have separate aid-focused reports (e.g. the Aid Atlas in Malawi), that reports on all aid. Information for these reports is drawn from the AIMS but is (a) limited to disbursement and (b) reported to be incomplete, as the information base for off-budget projects are incomplete. Fiscal reporting practices in Ghana and DRC overall are weak, but in principle do include information on on-budget flows. For Ghana, which does not have an AIMS, there is not a specific report on aid flows, although country respondents indicated that some information is shared with the legislature.
15. In combination, the data on availability and use of aid information in budget documentation suggest that:

* Donors perform worst in providing information to low-income countries / countries with weaker PFM systems, where aid flows are likely to be more significant compared to budget and the information is perhaps the most needed.
* Donors perform better in terms of information provision on budget support than on projects and programmes.
* Donors perform better in terms of providing estimates on disbursements for inclusion on budget than on actual disbursements for inclusion on report.
* Data provision from emerging donors and its reflection on budget and in reports is particularly weak. It is also uneven among traditional donors.
* Donors provide better information in LMICs (PEFA D1 and 2) where donor flows are still a more significant portion of revenue and which have more credible PFM systems and better capacity to collect information from donors.
* Donor estimates of disbursements are not sufficiently reliable to support sound partner country budgeting.
* The better country PFM systems, the more able they are to reflect donor funded project expenditure in fiscal reports. Overall countries reflect aid flows for government-managed projects on fiscal reports better, than what donors provide information on all donor programmes and projects (including projects and programmes delivered ‘in kind’).
* Country ex post fiscal reports include information on government-managed aid flows, including information on the actual use of the money against the government classification system. This information, sourced from government agencies, is however not necessarily complete.
* Country ex post fiscal reports however include scant or no information on donor funds not managed by government, and where countries do have aid-specific reports, the information is on disbursement only.

### The use of aid information at country level

1. While the reflection of aid information in budget documents and reports represent one way of using the information (and could be a critical factor to spur the collection of information), it does not necessarily reflect the integration of the information in budget decision-making processes. The country case studies offered the opportunity to gather data on the degree to which aid information features in budget decision-making, and why or why not.
2. In four of the five countries aid data is used to set budget ceilings for spending agencies, both for recurrent and development budget expenditure where dual budgets are in place. The Malawi, Nepal and Rwanda cases studies reported that the practice is well entrenched, but in Ghana questionable data accuracy undermined the process. In the DRC however, the data from the AIMS was not deemed as sufficiently reliable yet, resulting in aid hardly featuring in central budget processes. The conclusion across the case studies is that more comprehensive and reliable information on aid is more likely to be used in the budget preparation process.
3. The lack of information on the economic nature of aid flows, coupled with weak forward budgeting, means that there is no or only weak consideration of the forward linked recurrent cost implications of donor financed investments. The focus in budget processes in case study countries is still on the coming year, with little evidence of any real practical effect of ceilings for the outer years on resource allocation decisions. At the same time aid financed expenditure is not classified as recurrent or capital consistently with domestic expenditure, preventing both better decisions on and provision for the forward cost of current aid flows.
4. When information on disbursements is available and processes to manage budget implementation systematic, countries use this information for aid that flows through country systems in in-year cash planning and budget implementation.

* Malawi collects monthly updates from donors on disbursements through the AIMS mechanism. As donor-financed expenditure is not covered by the country financial management information system (FMIS), for aid that flows through government accounts the AIMS information is taken into account in the standard process to issue quarterly expenditure ceilings for ministries.
* In Rwanda the information is collected through a separate data-collection and collation mechanism to the country AIMS, operated by the budget unit. This mechanism relies on country financial management systems for the information.
* In Ghana this information is collected quarterly, but not completely for all donors. The effective use of this information in budget implementation decisions is constrained by weak budget implementation systems and as yet no reliable systematic view on government expenditure information.
* In the DRC the channelling of disbursement information between ministries, the parallel execution agencies for external financing, the three ministries responsible for economic management and donors is complex and unreliable. This information is not routinely used in budget execution decisions.
* In Nepal on-budget aid disbursements are recorded by the Comptroller General and project teams and are taken into account in the various steps of cash-flow management. However, the study reported these to be weak and therefore not much use is made of aid information.

Countries (Rwanda, Malawi and Nepal) are moving towards building automated linkages between their financial information management systems (FMIS) and AIMS, in order to (a) provide forward information on aid disbursements aligned with country budgets and (b) to stream information back into AIMS from FMISs on disbursement and execution, or vice versa. Aid that does not use country systems does not systemically inform cash planning and budget implementation in the case study countries: as this type of aid can account for the majority of aid flows this can severely hinder effective budget execution.

1. For the most part parliaments are only weakly engaged in ex ante or ex post oversight of aid flows and activities. The lack of reliable, detailed and usefully classified information on planned and actual aid flows and actual use of external financing weakens parliamentary engagement on aid. This is exacerbated by weak parliamentary capacity in general, and limited time windows to engage with budgets overall.
2. Overall the study found that the more comprehensive and reliable aid information is, the more likely it is to be used in budget preparation and execution processes. This holds however only where these processes are of quality. Where these processes are weak, the use of available aid information is less likely, and where there are significant gaps in aid information or doubt on its reliability, most unlikely.

### Country level aid information management mechanisms to integrate aid on budget

1. The five country case study findings confirmed the hypotheses that the availability and quality of aid information at the country level is a function of the systems and processes established by the country to collect, map, analyse and distribute aid information.
2. Country level aid information management systems (AIMS) can play a critical role. The AIMS in Malawi and Nepal are key factors in the availability of what is perceived at country level to be fairly comprehensive and reliable aid information.
3. It is not so much the presence of a database tool to collect and collate aid information that is crucial, but the associated routines established for the regular collection and verification of information. In Malawi for example the introduction of the AIMS and innovations such as issuing a circular to donors to request aid information similar to the budget circular issues to line ministries has resulted in a step improvement in the PEFA score for the availability of donor project estimates between 2008 and 2010.
4. However an AIMS – even when supported by formal systems for information collection – is not sufficient to ensure regular and reliable information flows: a credible budget process and the use of information in the budget process creates positive incentives for donors to provide information. Perceptions of the quality and relevance of country budget processes, and the use of aid information in these processes, are important determinants of whether donors have an incentive to provide information. In the DRC, despite having a similar AIMS in place to Nepal and Malawi, and despite formal institutions and rules for the collection of information to populate the AIMS, compliance by the donor community to provide comprehensive information regularly is low. Donors see little point in taking on the workload of providing information just for the sake of it. In Malawi, Nepal and South Africa (although in incipient form) the collection of aid information from donors is linked to the budget process and/or to public reporting, creating incentives for the collection of information.
5. For an AIMS to be a reliable and credible source of donor information for budget purposes however, the Rwanda case study (where formal AIMS processes exist and the budget process is credible) points to the need for countries to designate the AIMS as not only the core system to manage donor-side aid information, but also (i) for processes associated with the AIMS to be the main mechanisms of collecting information and (ii) for a close working relationship between the budget unit and the AIMS, such as is present in Nepal and Malawi.
6. Collecting timely and reliable information from donors at country level is an onerous task for the government. All the case study countries, as well as a further ten countries interviewed, reported that information submissions from donors at country level are often not forthcoming, incomplete, late or unreliable. Even countries like Malawi, that have had greater success in building a system that delivers relatively comprehensive and good quality aid information, report that while the coverage of information collected is fairly comprehensive, the regularity and timeliness of data submissions and the quality of information submitted can be poor. Ensuring comprehensiveness and reliability of information requires significant follow-up work in all cases.
7. The second key mechanism to collect information for integration on budget is through country sector coordination mechanisms. These mechanisms, albeit sector working groups (SWGs) or sector-wide approaches (SWAps), are a crucial alternative means of collecting information to country AIMS. The difference however is that AIMS collects information at the centre, whereas the sector coordination mechanisms collected information at sector level, which is not always shared with the centre.

* In Ghana the fact that there are SWAps at the sector level which collects information for the larger proportion of donor funds make up to some degree for the lack of a full AIMS. This information is transmitted to the centre through the activity-based budget submissions, but there are queries overall on the quality of aid information.
* In Rwanda the SWGs are seen as the more reliable source of donor information by the budget office, and the information is transmitted because these groups – different to SWAps – operate in the central budget process and have ministry of finance representation.
* In South Africa the only SWAp collected quality information on aid projections and disbursements, but this information never reached the centre or featured consistently in line ministry submissions on aid flows collected in the budget process.

1. The third key mechanism, through budget submissions, performed poorly across country case studies unless both central budget processes and aid management processes were credible in the eyes of line ministries. In Rwanda for example, line ministries are threatened with sanction if they under-report aid flows on their budget submissions. All the case studies reported that line ministries face disincentives to submit information on aid flows lest their allocation of domestic resources is cut and/or MOF refuses to take on board counterpart financing implications. However, when central aid information management and budget processes are credible, line ministries are more likely to follow the rules and submit information. In Nepal for example, the integration of AIMS with its budget and financial management information software is expected to change incentives by allowing the finance ministry to view donor projections in the budget system comparable to line ministry estimates. In South Africa the National Treasury has started to collect information from donors directly to verify line ministry information submissions as these have consistently remained of poor quality.

### Emerging good practices at country level

1. For this section the study considered practices that enhanced the comprehensiveness, timeliness (for country budget processes), reliability, usefulness and accessibility (for central and line government agencies and external stakeholders) of information on aid flows.
2. A first set of good practices concern the introduction of AIMS, but only if accompanied by consistent and predictable processes for the collection of information from donors, as well as the use of sector-level coordination mechanisms (see discussion above).
3. Clarity on definitions and rules for classifying aid flows is crucial. Most countries reported some issues with unclear definitions and lack of clear rules to classify information. On the other hand, where rules are clear and shared, the quality of aid information improves. For example, Malawi has set out clear processes for collecting data and rules for classifying data, among other requiring that records are structured by implementing agency, a key identifier in extracting information from the AIMS for country budgeting purposes. The implementing agency is then used by the aid management unit to classify the programme or project against budget. However, even when definitions are clear and shared, people still make errors or personnel change. Regular follow up and refreshers on AIMS to address new issues and reinforce training, therefore are crucial. In general, buy-in and trust in an AIMS by all stakeholders, from donors, aid management units, budget offices and line ministries are important to the joint building of quality aid information in a continuous effort.
4. Clear rules for the provision and treatment of information on forward aid disbursements can overcome the impact of long-standing poor predictability of aid (particularly aid that flow through country systems) on the quality and credibility of country budgets. Examples on where countries agree rules with donors on clear and shared rules for treating forward information to overcome such problems are still scarce, except in multi-donor budget support groups. For example in Ghana, within the Multi-Donor Budget Support group, clear rules have been agreed on predictability and the nature of different forecasts, clearing the way for donors to provide better information: this resulted in an A score on both dimensions of budget support information in the 2010 PEFA assessment, up from a C+ combined score in 2006.
5. The frequency of data collection seems to matter less than trust and buy-in into the system for data quality. In all country cases data on forward aid flows is collected once or twice (with more indicative figures early on followed by final figures closer to the actual fiscal year) during budget preparation processes in a call for information linked to the budget. In addition donors are asked to report regularly on disbursements and update in-year disbursement projections with more or less frequency during the year. Malawi for example requests (and gets for the most part) monthly updates on disbursements and quarterly updates on planned disbursements. Nepal requires updates three times a year. The DRC requests quarterly updates (which are not provided for the most part). In Ghana however updates are irregular and inconsistent, with multiple requests from multiple agencies.
6. It is crucial that one system per country is designated as the system for collecting and managing aid information and that data collection formats from the system remain stable over time. As explained below multiple institutions responsible for aid management at the country level, and multiple reporting channels result in opaque overlaps and inconsistent information between incomplete databases; for example in Rwanda prior to 2009 and Ghana to date. The Democratic Republic of Congo recently addressed this problem through a ministerial decree that assigned core responsibility to the AIMS, and sets out clear rules, roles and responsibilities for aid data management. When different databases are used for different purposes, it is important to coordinate entries between databases by the use of unique project codes. Even when only one database is in use, using project codes and sharing these with donors help avoid double entries.
7. Making aid data transparent at country level improves the quality of information provided to partner governments. Not all countries with AIMS provide access to the AIMS beyond the unit managing external resources. Countries that either make the AIMS publicly accessible / accessible to additional users and/or use it to publish regular reports and analysis on aid flows, report that this aid transparency by the recipient partner governments improves the frequency and accuracy of information flow from donors. Where AIMS systems are closed and do not produce regular reports, information quality tends to be poorer. Where line ministries have access to the AIMS, data quality improves. Some countries, like NEPAL and Malawi, are moving towards giving the legislatures access to the AIMS.
8. Also, donor peer pressure to report can be generated through regular publication of donor reporting performance (e.g. Malawi uses a traffic-light report card, Rwanda a donor performance assessment framework).
9. It matters who enters information into country systems, and who verifies it. The presence of routine verification processes in the aid information management system is essential. Two types of verification should be done: firstly for the accuracy of the information originally provided and secondly, to ensure that the data entry whether into an AIMS or directly into budget formats is error-free. Countries that separate data verification from data entry and reduce the number of times the data is keyed in, are more likely to have reliable information. Several countries, including Malawi, Nepal, Rwanda, Tanzania and Kosovo, are already or are moving towards allowing donors to enter information directly onto AIMS systems in country formats (rather than into stand-alone spread sheets then re-keyed into the system by the country), freeing up country personnel to undertake data validation and verification processes. Previously staff time was absorbed by the translation of information from donor formats to country categories, and entering of data.
10. Data entry also does not have to be consistently by one source for all disbursement channels, or for all aspects of an aid activity record. In Nepal donors create records for extra-budgetary aid, which is checked by country staff. Records for on-budget aid are entered by the finance ministry at the point of signing the finance agreements: donors then check the records and enter information on projected disbursements. Also in Nepal some fields are completed by people best placed to provide correct information; for example the budget classifications are filled out by the budget office and national plan designations by the national planning commission. Finally in Nepal verification processes attached to the creation of records and the budget process, is supplemented by formal verification rounds twice yearly.
11. Verification should be a routine part of the budget process. Countries that use the budget process to verify aid information have more comprehensive and reliable information on aid activities. There are two ways in which the budget process can be used: firstly by checking centrally (MOF) provided information against line-ministry information and following up on discrepancies; and secondly, by using donor/government coordination structures to check aid information for completeness and accuracy (at central level on the overall budget, in high-level forums and/or budget discussion; and sector/thematic groups on sector-specific programme aid). The latter is used in a number of countries, including Kosovo, Rwanda, Malawi and Nepal. Where little communication occurs with donors on aid information in the budget process – as in Ghana – aid information is less complete and unreliable.
12. The appointment of donor and country focal points, and on-going training and engagement increases the likelihood of quality information: In Malawi, DRC and Nepal an AIMS focal point has been selected in each donor organisation. This focal point, often a person with a cross-view of country programmes such as a financial manager, is responsible for the submission of information and answers follow-up queries. Donor focal points have been trained. In Ghana each donor in turn has a focal contact point in the unit managing external aid flows. Where training is complemented by regular meetings on ongoing issues of data quality, as in Malawi, the use of focal points contributes positively to data quality, reliability and usefulness.
13. Quality aid information in the budget process is supported by communication between aid and budget management units, by functional relationships between the central ministries and spending agencies and by clear internal procedures for sharing aid information. For example, if the aid unit undertakes the classification of aid activities in line with the budget, sharing the chart of accounts and providing training on its use assists the production of quality information; and vice versa, where the budget unit classifies aid projects, having access to information in the aid management unit assists. The integration of AIMS and country information management systems as pursued in Rwanda, Nepal, Tanzania, Kosovo and the DRC, represents an automated form of communication; as highlighted above it allows the easy review of donor projections with line ministry submissions.
14. The availability of aid information between central agencies and spending agencies is supported by having clear procedures to submit and exchange information, but also by the availability of an independent check on line ministry submitted information.

### Common obstacles to the quality of aid information

1. The sections above has already highlighted instances where non-adherence to good practice presents an obstacle to achieving aid information quality and integration in the budget process. This sub-section elaborates on these where appropriate and discusses additional obstacles.
2. Multiple databases and channels of information collection undermine data availability and quality at country level, particularly when unique project identifiers are not used and shared between stakeholders. Information requests from one stakeholder and database can compromise requests by other databases. Donors get frustrated when they receive multiple ad hoc requests for the provision of information, with overlapping and non-reconciled specifications requiring duplicating work in extracting the information from their own formats. A standard response then is to provide information in donor formats, which is then extracted by country personnel, often with errors of interpretation and entry.
3. When financing agreements are not routed through the central agencies managing aid coordination and/or the budget, ensuring data comprehensiveness and quality is almost impossible. In both the DRC and South Africa the central authorities are not party to all financing agreements, with the implication that they do not have a reliable measure against which to track off-budget ODA, or ensure that all on‑budget ODA projects are reflected in budget documentation.
4. The proliferation of fragmented and uncoordinated aid activities that do not use country systems tends to make the coordination of aid information more complex. Conversely harmonised donor programmes and attempts to align with, strengthen and use country systems tend to support better aid information management. The benefits accrued by SWAps can be curtailed by large donors and multiple projects operating in a sector but outside the SWAp.
5. Multi-donor and multi-component projects, some of which span government sectors, create particular difficulties in budget alignment. Countries – just as for some donors in the Creditor Reporting System (CRS) database of the OECD DAC – end up with large portions of aid simply classified as multi-sectoral, which provides no useful information for the budget process. Double reporting against such projects, where multi-donor aid is channelled through a single donor agency or flows for more than one country recipient is channelled through a single recipient, also creates significant problems for the reliability of aid information at country level.
6. Language can be an issue in the alignment of aid on budget. Project titles in English on donor datasheets for entry in the AIMS of the DRC, can be translated incorrectly, resulting in aid activities being classified incorrectly. If follow-up mechanisms in the budget process to verify information is not present, such errors go through uncorrected.

## The common administrative/functional code

1. The common classification is a new code for classifying aid flows that is a best fit for a functional classification of aid between partner country budget systems and donor systems. The foundation for the work was laid in a 2010 study by Moon and Mills (2010)[[6]](#footnote-6) based on a selection of partner country budgets, the OECD DAC Creditor Reporting System codes used by donors and the United Nations Classification of the Functions of Government (COFOG). The study found “a significant degree of commonality between recipient country budget administrative classifications. The international classifications are able to match the countries examined in the study to some degree in some sectors, but neither is designed to describe information about aid in the context of the budget processes of aid-receiving countries “ (Moon and Mills, 2010, p23).
2. Since the IATI Steering Committee assessment in 2011 that further work is required to ensure that an eventual common code standard operates at the right level of administrative/functional classification and that the taxonomy is right, a further set of country budgets were mapped against the code. For this study a third wave of budgets were mapped. The additional countries were chosen to ensure that the sample is more representative of regional and administrative heritage differences between country budgets.
3. The findings presented here is based on a common classification that draws from the administrative budget classifications of over 35 countries to examine central (and in federal systems state) level spending agencies to establish whether there are common structures. The resulting classification is functional in nature, but is heavily informed by the structure of the administrative classifications of the countries examined, enabling better mapping than just the use of COFOG would have.
4. The purpose of this is to ensure that aid flow information provided in the IATI standard can present functional detail on expenditures that can quickly and easily link aid activities to the relevant counterpart unit in government responsible for delivery of that particular function. As a result, the common classification focuses on disaggregated functions rather than the broad sectors, but excessive disaggregation is avoided where possible.

**Box 2: Why a new common code?**

|  |
| --- |
| The IATI standard already requires signatory donors to publish information quarterly classified by purpose codes, which can be either donor-specific sector codes and/or Creditor Reporting System purpose codes. The question often arises why these codes are not already a good enough instrument for partner countries to use IATI data to map aid information to country budgets.  The DAC/CRS purpose codes provide sectoral analysis of aid flows but are not designed to link to sectors in national budgets. The research undertaken by Moon and Mills (2010) showed limited comparison with existing national budget structures. The DAC/CRS has naturally evolved to become more granular in areas where donors are more active. In some sectors, this has tended to align with government, such as in education; in others, it has tended to develop in parallel with government, such as health and justice, law, order and security (JLOS). The DAC/CRS codes can be a useful resource in improving alignment with recipient budgets in sectors such as education, but in other sectors they may not be useful because they have developed largely to describe funding external to recipient government budgets.  It is important to note that the proposed common code is compatible with the CRS code, i.e. that should donors so wish using the common code in their systems to classify aid information would give them the option of outputting to CRS. |

1. The common classification is able to tolerate variations in importance of specific functions in countries. For example, in a country dominated by extractive industries there may be multiple ministries performing functions around mining, oil management, etc; and in non-extractive economies these functions may all be performed by a single department in a ministry with a broad mandate over all natural resources. The classification will enable both countries to draw from IATI effectively, as the classification functions can be linked to higher (ministry) or lower (department) levels of the administration.
2. In this section we present findings from the additional mapping exercise, as well as findings to date from sharing the common classification with case study country representatives.

**Degree of compatibility with additional country budgets**

1. On the whole, the similarities between the additional country budgets and the common classification were substantial and on par with previous iterations of this study. The proposed version of the new common code is provided in Annex 2 to this document.
2. From the mapping of the common classification against country budgets, one of three reasons would force clarification and additional work at the country level to align aid information to country budgets:

* When aid is classified against common classification items that map to multiple budget codes country officials would need to disaggregate the information by requesting additional information at country level and dividing allocations, disbursements or actual spending information on the flow between different budget codes.
* When aid flows classified against more than one common classification code map to the same budget code, country level officials would need to consolidate the aid flows against the budget code.
* When aid flows are classified by the donor in the IATI feed against a common classification code that does not map to a budget code at country level, country officials would need to ascertain information on the purpose of the flow at country level and map it to the appropriate budget codes.

In some sectors in some countries a combination of these actions would be required to map the set of aid activities to the country budget codes.

1. In testing the common classification the following common reasons were found to underlie the degree to which these additional actions would be required at country level.

* *Weak CoAs*: The strength, presentation and linkage of the administrative segment of the CoA to the rest of the classification vary significantly across countries. The presentation of some CoAs is relatively weak, making analysis of the document more difficult. Not all countries have aligned imbedded their budget classifications and their CoAs. Also, some countries have organized agencies by sector for policy and planning purposes, others use a function classification merely as a report (similar to reporting out to COFOG) and in this latter example, there is little importance of sector cohesion amongst administrative units.
* *Large numbers of related agencies or statutory bodies that provide complementary services (such as separated oversight or multiple levels of government) in specific functions*. Functions in some sectors, often in general government administration sectors have numerous fragmented agencies or statutory bodies providing related work within a single function. This is relevant to South American budget structures.
* *Federal systems*, which have a break up of functions to some degree. This can vary, but on the whole sovereign functions such as defence, foreign affairs and parts of areas such as courts and monetary institutions will be at federal level, while much of service delivery functions will be at lower level. Other administrative functions will be split between the two.
* *Different approaches to service delivery in key service sectors*. The budget classifications for Health, Education, Water and Infrastructure -- each of which are core sectors for service delivery and significant recipients of aid – can differ depending on the approach to service delivery. The level of government delivering services does vary frequently, but this has little effect on the functional structure of the common classification. More problematic is when multiple agencies active in the sector. Of these, education poses the least issues, because while there are some variants on delivery of education services, they are typically delivered by a single central ministry and federal states and/or local governments, with the division of expenditure responsibilities between sectors varying in line with functional sector lines. Instances where there are multiple agencies in the sector tend to involve autonomous bodies undertaking regulation functions or separation of general education and tertiary education institutions. Water and Infrastructure however are more problematic for mapping from the common classification to country budgets.
* *Health Sector*: Constructing a common administrative/functional code for the health sector has proved not to be possible. In this sector mapping would need to be done at the country level. While the health sector might be expected to have commonalities in budget classification and structure across countries, in practice countries are organised in about equal proportions by level of health provision institution, by curative and preventative functions, with or without disease-based budget allocations or some combination of these.

1. In conclusion, using the new common administrative/functional code would make aid information collected at the international level, significantly more compatible with partner country budget formats. It would however always still require country level work even if the classifications are correctly applied in the international data, as all countries’ budget structure will differ to some extent.
2. **Country case study findings on the common code**
3. Testing the common classification at country level in different country contexts provided a view on the likely benefits and potential risks of an international information feed classified in line with the common classification. In summary, respondents in the case studies for Ghana, DRC and Rwanda indicated that an IATI information feed classified against the common code would improve information availability significantly at country level, while the case studies for Malawi and Nepal showed a less positive reaction. The significance of this split is that of the five case studies Malawi and Nepal were assessed as having better functioning AIMS systems and processes.
4. The table below sets out the combined country-level reactions to the possibility of a routine IATI information flow against a common code, assuming regular reporting by donors to IATI against the code. It is important to note

* that for the most part, reactions were gathered from central government personnel, mostly aid managers. In this regard it is important to note that the AIMS is also crucial for country-level aid management purposes, for example tracking progress against aid effectiveness indicators and producing aid-specific reports.
* that many of the conclusions listed would in countries with effective aid collection systems hold for a routine IATI information feed that does not use the common code. However, it is unlikely that they would hold for countries that have no or weak systems, as these countries would not have the means to make information that is in significant parts incompatible, compatible.
* that the conclusions are limited for information from donors that are IATI signatories. However, with the United States joining at the end of 2011, this is for the largest portion of aid from traditional donors.

**Table 1: Likely benefits at country level of IATI using of common code**

|  |  |  |
| --- | --- | --- |
|  | **Benefits** | |
|  | **Countries with strong systems to collect aid information** | **Countries with no or weak systems to collect aid information** |
| Comprehensiveness of information | Significantly better information on off budget flows for all donors.  Better information on off and on budget flows for non-resident donors.  A check on comprehensiveness of on-budget information for all donors.  Saving time of AIMS unit currently spent on follow-up with non-reporting donors | Significant benefit for all aid information, including, a means to check line ministry information on donor information for on-budget flows  The only means to get information on off-budget flows.  The only means to reconcile competing sets of information at country level where more than one mechanism to collect aid information is used. |
| Timeliness | In-country donors do not provide data on time consistently: an IATI feed would systematise collection and save AIMS unit resources. | IATI would represent only means of getting information on time, provided that donors provide information to IATI on time. |
| Reliability and accuracy | IATI feeds would provide a means of checking country level information provision. However, most efficient would be if the IATI feed is used to pre-populate the AIMS, for verification at country level by donors for all aid, and by both donors and recipients for on-budget aid, contributing to the quality of aid information.  This would mean that both donor and country staff time is freed for the verification of information, rather than entering information. | IATI feeds would provide aid managers / budget units with information to pre-populate information returns from line ministries, which can be checked at country level. Without an IATI feed and working country collection processes, the line-ministry information cannot be easily verified.  IATI would provide significantly more information for donors whose budget cycles are not compatible with country budgets if donors submit quarterly information to IATI |
| Accessibility | Where all stakeholders, internal and external, have access to AIMS data, the country level AIMS data would be a better source to use, as it would have gone through an additional verification process. | IATI information would make more aid information compatible with country budget structures and linkable to country institutions available for all actors in the budget process, as well as external stakeholders. Is likely to be of benefit to central budget offices and line ministries. |
| Usefulness / alignment and compatibility with country budgets | Countries with strong systems to collect aid information and credible budget processes have already put in place mechanisms to map donor information to country structures. The only value an IATI feed would add for the types of aid that are already captured well, is to shorten this process. | IATI would provide the only comprehensive set of aid information compatible to country budgets for use by country budget offices and line ministries. |

1. However, countries also identified risks to having access to a routine IATI feed with aid classified in such a way that it is more compatible with country budgets:

* Firstly, countries that have succeeded in establishing effective AIMS and processes to collect information fear that access to a routine IATI feed would undermine their systems. As these systems are making progress in collecting better quality information and through one or other means can output information that is even more compatible with country budget structures than the common code, the fear is that donors would be less willing to continue to provide information at country level, when they are already providing information to their headquarters coded for compatibility.
* These countries fear that the provision of information to IATI would be no more timely than the provision of information at country level, which would leave countries without information and without a working system to collect if for themselves.
* Malawi specifically fears that a routine quarterly IATI feed would undermine the progress it has made in collecting monthly information. Even with donors being late in any one or two months, but the end of the quarter it is likely to have better information on a quarter than what it would have through an IATI feed.
* If an IATI feeds becomes the primary means of collecting aid information, the capacity of countries to design and use data formats tailored to their own needs would be weakened, which could result in less information available than currently.

1. The country studies also showed that the introduction of a common code would not lessen the value of a country-level AIMS of country level aid management units and staff. Rather, it could enhance their value by freeing up time for data verification, more strategic engagement with donors and greater engagement with budget offices and processes. It could also free up space in country level data collection exercises for collecting for information that currently cannot be collected given limited donor time.
2. A single IATI feed used to pre-populate and update an AIMs for verification, coupled with the capacity to undertake this work, is also likely to assist AIMS in establishing themselves as the single credible source of information on aid, which in turn would assist in building good aid information at the country level.
3. Given the complexity of IATI data-feeds and the certainty of still needing country level work to map the feeds to country classifications, a country that has an AIMS and an aid-focused institution or personnel which can verify and manipulate IATI data before it is absorbed into the budget system, is likely to be better off than a country that tries to feed IATI data straight into the budget system through country budget officers. Having verified IATI compatible data at the country level, could also be used to improve the quality of IATI reporting.
4. In summary, the country case studies show that routine IATI data feeds classified to a common code compatible with country budgets will have benefits in all countries, provided that donors remain committed to provide and verify information at the country level. The impact however is likely to be much higher in countries that have no or weak systems to collect aid information.

## Donor systems and the Budget Identifier

1. The study team researched the systems of IATI donor signatories to gather information on how and when and by whom aid information is classified in donor systems, and the likely ease with which adjustments to systems can be made. This is crucial information for describing the country budget identifier, as it would determine the likelihood of significant differences in the classification of aid information that is provided at country level or from headquarters’ level in the first place.
2. The research showed that of the 17 out of 21 donor agencies for which the team collected information, only one reported not having well-developed management information system functionality (Irish Aid). Some donors, such as Germany, have multiple systems in multiple agencies, which their statistical agency compiles for reporting to, for example, the OECD DAC. Others use a data warehousing system to pool and extract information for external reporting purposes, such as Denmark, Australia and the UK. Some donors can break down projects to several components, e.g. UK, Australia and Finland.
3. Most donors classify their aid activities by CRS codes. Of the 17 agencies, 14 use CRS codes within their own systems. An additional two map to CRS (the World Bank and Switzerland) and one (the Hewlett Foundation) classifies only to its own codes. Of the 17 agencies that use CRS codes, 4 use additional own policy markers. Two agencies (the US and Spain) reported that while CRS codes are used in some ODA providing institutions, this does not hold for all country agencies, some of which use only their own codes and map to CRS after the fact.
4. Aid project management systems (and financial management systems) for most donors are decentralised. Of the 17 agencies for which the team has information, eleven systems have decentralised information entry and management (some with central quality control); two systems are fully centralised; three systems are hybrids with some functions (such as project creation) centralised and other decentralised; while one donor (the Hewlett Foundation) does not have country offices. For donors that are non-resident or have multiple agencies with different systems while a central agency publishes to IATI, including country level information in IATI feeds – such as detail on participating organisations – would be more problematic.
5. Donors had mixed responses to adjusting their systems for a common classification: of the eight donors who responded to the question whether they would be willing to consider adding a data field to their information systems for a common classification, seven were willing, of which three would only consider it under certain circumstances, such as that it is also part of the OECD DAC reporting system, or part of a common feed from private sector funders. One donor was not willing, as the responsibility to map to country budgets is a partner country responsibility.

## Conclusions and recommendations

### Availability, quality and use of aid information at the country level

1. Donor provision of aid information at country level is still poor across all income levels. The willingness of donors to provide information at the country level is dependent on the strength of country institutions to collect the information, and the credibility of country budget systems.
2. Donor provision of aid in low income countries – that receive a higher proportion of public resources from external aid and which have on average weaker budget systems – is much weaker than in lower middle income countries and for the most part weaker than in upper middle income countries.
3. Yet it is precisely these countries that need better information flows in order to not only manage their budgets, but build the credibility of their budget systems.
4. Across all countries however, information on off-budget projects and programmes (i.e. aid that is disbursed to third parties or managed by the donors themselves) is less comprehensive, even in countries that have effective information collections systems. Information on the disbursement of aid, particularly project aid, is less available than information on commitments. The reliability and timeliness of information on estimated disbursements however, remains an issue.

### Country level mechanisms for providing, collecting, distributing and making transparent aid information

1. In the case study countries, all of which are LICs, the study has shown that AIMS can be effective in improving information availability and quality, but only if it serves as a catalyst to establish regular and effective processes to collect information from donors in line with the budget cycle. The credibility of country budget processes is key in ensuring that aid collection processes are effective. Where country budgets are not credible, donors have weak incentives to provide information.
2. Other country mechanisms can be an alternative to collecting aid information for budgeting purposes, but only if they are linked to the central budget process, or when both country budget processes and a credible alternative process to collect aid information create incentives for line ministries to submit information collected in these processes as part of the central budget exercise.
3. Country budget submissions on their own, without central aid information collection or shared sector coordination mechanisms, do not work as a mechanism to collect aid information for central budget purposes (such as macro forecasts, budget allocation and consolidated reporting), even for on-budget aid.
4. The findings above highlight a number of emerging good practices and remaining obstacles to the collection of comprehensive, reliable and timeline information at the country level.
5. Collecting information at the country level however remains an onerous and time-consuming task, for both country staff and donors. Within the institutions established and resources available, the verification of donor-provided data is often squeezed out. Even where systems are relatively successful, gaps in comprehensiveness remain (for example on off budget aid) or data is not reliable.

### Implications for the IATI Standard and Options for the Budget Identifier

1. The further testing of the common administrative/functional code has confirmed that it is compatible with most country budgets, but would in all cases require further country level work, either to disaggregate, aggregate or manually assign flows. However, it could greatly contribute to greater use of IATI data at country level.

**Does IATI need a budget identifier segment and what are options for it?**

1. Earlier work identified that the current IATI standard provides most information useful to partner country budgets except for information on the purpose of aid flows and the economic nature of aid flows.
2. As far as the purpose of aid flows are concerned, option one for the country Budget Identifier is to leave the IATI standard as is, without a budget identifier segment (this is referred to in further discussion as **Option 1**).
3. An IATI flow under the current standard would provide countries with a comprehensive set of aid information from IATI donors, both forward looking and with information on disbursements. For all countries this would be sufficient to improve significantly the information available for budget purposes, if the CRS codes and the information provided under the Participating Organisations segment provided countries with enough information to map to country budgets. This and previous studies however challenge these assumptions.
4. Firstly, the CRS coding provides good information for some sectors, but for most sectors it is not compatible with country budgets, providing information that is structured differently to most budgets or that is not disaggregated enough. There is no evidence that at the country level countries use the CRS sectors in their AIMS, to map AIMS information to country budgets.
5. In respect of the Participating Organisations segment – with the provision to list both accountable and implementing organisation -- the team is doubtful whether information in this section is more likely to be provided correctly, than information coded to a common code.

* Firstly, the IATI aid data review that included data from signatories up to the 29th of April this year, showed that only 21% of organisations reported on at least one participating organisations. Even when completed, it might not be correct. It requires very close knowledge of the aid activity and its partners at country level. In the case of donors that require project officers to create and/or maintain records on their management information systems, one could assume that this information would improve over time, provided that systems that currently do not include such information are expanded to create these fields. If these fields do not exist and the IATI data are done from headquarters level without a check by the field, the information is likely to remain missing or be inaccurate.
* Secondly, if a common code is introduced donor staff – whether at the country or headquarters level -- will learn over time and across countries to use it. Using this common code would over time require less effort and will be more likely to be accurate than completing country-specific fields on accountable and implementing organisations.
* Thirdly, the accountable organisation field is defined as the country institution with whom an aid agreement has been signed. As long as the signing institution is the same institution who will be undertaking activities with the funds (and therefore whose budget allocation will be relevant) this field is a reliable signifier for budget mapping. However, in countries where the ministry of finance signs all agreements or where lower level governments legally may not sign agreements even if they are accountable for and use the funds, this field would not be a reliable signifier for budget mapping.

Tweaking the Participating Organisations segment – to ensure better mapping in such cases – could be an option (hereafter referred to as **Option 2**) but would not solve that IATI information on country-specific participating organisations is likely to be less reliable than information on a code used across countries.

1. The conclusion is therefore that the inclusion of a common code will enhance significantly the compatibility of the IATI standard with partner country budgets.
2. However, the question also needs to be asked whether the alignment of aid information with partner country budgets could not be done more cost-effectively and accurately at partner country level. Given that there are examples of successful information collection at country level, there is a strong argument to be made that country AIMS processes and teams could use the existing IATI feed to identify all projects (plugging the gap on off-budget projects) and use country processes to map the information against country budgets.
3. If this is the case, the value-added for partner countries would then mostly be for countries that do not have an effective AIMS, and for information on donors that do not provide or have unreliable information on Participating Organisations.
4. A survey for this study of LICs and MICs showed that 65% of LICs and 29% of MICs have some form of an AIMS. However, for the most part these have been introduced in the last five years. Also, given the link between effective AIMS and credible budgets and budget systems, it is not clear that the instrument will develop into an effective collector of information for most LICs. There is an argument to be made that given that these AIMS are still in their infancy, a routine IATI feed that can be mapped to country budgets may be an effective catalyst to establish an AIMS as a credible factor in country budgeting processes.
5. Overall, in respect of sufficient information on the sector classification of aid, the study therefore concludes that there will be a benefit to including the common code as part of the country budget identifier (hereafter referred to as **Option 3**). The impact will differ across countries, but it would be the most useful for countries that do not have an effective AIMS and data collections processes. Even for countries that have an effective AIMS, it will contribute to the quality of the information by releasing resources for data verification rather than entry and collections.
6. The addition of the common code is likely to be cost-neutral for donors compared to partner countries steadily expanding country-level aid collection processes: additional effort to code projects up front in one additional dimension would be off-set by saving time and effort at country level to enter data for country level processes. The case studies have shown that this can take days for donor focal points, every quarter, depending on how many individual projects a donor has in country. This time could be much better spent on verifying pre-populated AIMS.
7. However, the study also confirmed that the need for a consistent economic classification of aid information in a standard that is compatible with partner country budgets is crucial for the improvement of country level budgeting processes and overall budget transparency. The absence of this information in processes means that the forward cost of current aid flows is inadequately considered. Currently countries have no reliable source on the economic nature of aid flows, neither at the country nor at the international level. It is simply data that is not yet exported from individual aid activity project documents, which for the most part does include the means to provide such information. Option 1 for the Budget Identifier does not address this significant short-coming.
8. Again, it could be argued that this information is best collected at the country level, and that AIMS should consistently include fields that will provide the information for budget purposes. However, as with the sector information, this would mean given current evidence, that information on capital investment spending is only available for on-budget projects and for countries that have successful AIMS and aid information collection processes. It is arguable that the most crucial information to be collected on off-budget projects is on the amount of capital investment spending, as it would most likely have implications for future budgets and are crucial for macro-economic forecasting, particularly in aid dependent countries, countries that are the least likely to obtain that information through country level processes.

1. Using the Budget Identifier Segment to provide basic information on the economic purpose of aid flows (from here on referred to as **Option 4**) would therefore add significant value to any data that countries currently have. The 2010 proposal on the Budget Identifier included an option which would provide a minimum level of information to countries, namely requiring that donors indicate the proportion of a flow that is capital spending.
2. Introducing coding that would make clear the economic nature of the aid flow at country level however, would not be cost-neutral for donors. As they currently do not provide this information at country level, adding a field to donor systems and collecting the information systematically, would mean additional time and resources. However, there will be a positive development impact at country level of having reliable and comprehensive information on the economic nature of aid flows, for use in budget processes, particularly in aid-dependent countries.
3. The highest impact of a Budget Identifier segment would be if it includes both the common code and the identification of the economic nature of an aid flow (hereafter referred to as **Option 5**). This would be cost-neutral for donors in respect of identifying the appropriate budget administrative classification, but would imply additional resources in respect of the economic classification.
4. A final option would be if including the Budget Identifier would mean dropping the Participating Organisation Accountable Institution field (hereafter referred to as **Option 6**). This would take away the option for partner countries to use both the common code and this field to map to budget, and would add to country level tweaking to make an IATI feed useful. However, given doubts as to the likelihood of this field being completed consistently and with accuracy in the field, dropping this field in favour of including the common code is preferred.
5. The table below sets out the discussed pros and cons of the different core options:

**Table 2: Options for the IATI Budget Identifier segment**

| **Option** | **Implications at the country level** | **Benefits** | **Drawbacks** |
| --- | --- | --- | --- |
| Option 1: dropping the Budget Identifier segment and no change to the existing standard | The existing IATI feed is sufficient. Country-level processes should use the information as a check on what flows are occurring, and use existing sector and participating organisation fields to map approximately, followed by a country process to complete the mapping. This would require investment by all partner countries in AIMS and resources to run effective processes. | This option would not require further negotiation with donor partners.  If the accountable organisation field is filled in consistently and correctly, it provides more accurate data than a common code. | This will not assist countries that do not have credible AIMS and aid information collection processes. This is the majority of MICs, and likely to be the majority of LICs, given the link between credible budget processes and the quality of information provision by donors at the country level.  Even for countries with effective processes, this option would mean that information for some donors is unreliable as it requires very good knowledge of projects.  Where the accountable institution is not the budget recipient of aid, the information would not be useful. |
| Option 2: modifying the Participating Organisation Segment | The existing IATI feed is sufficient. In order to correct for a situation where information on the accountable organisation is not useful to map, this field or the implementing organisation field should be redefined to show which institution is accountable for the funds, even when third parties are implementing.  Country level processes would be required to complete the mapping. | Provided that the information is provided consistently and accurately by all donors, this would provide more accurate data than the common code. | Same as above, except for solving situations where the accountable information in terms of the aid agreement, is not the accountable budget institution.  But, information on Participating Organisations from donor Headquarters are not likely to be reliable predictors of budget accountability. |
| Option 3:  Including the common code | The existing IATI feed is insufficient for alignment with partner country budgets. Partner country level processes would still be required to complete the mapping, but will be more likely to have information on which to map than under the current Standard.  Country level resources will be freed up to verify information, to report more significantly into budget processes and externally. | For countries that do not have credible AIMS and aid information collection or budget processes, this would mean that IATI data adds significant value by providing a source of comprehensive and reliable information.  For countries that have effective processes, it would most likely mean better information on off-budget aid flows and more reliable information, as it would free up resources for verification and use of information.  For countries with weak processes it could enhance the quality of processes.  On balance, the shift is likely to be cost-neutral to donors, as the addition of a field to donor systems seem to be relatively easy and country level processes would be required with and without the common code. | This would require significant further negotiation within the IATI process.  It could undermine data collection processes in countries with effective AIMS, thus reducing the capacity of countries to collect information tailored to their needs. |
| Option 4:  Including an economic classification | First comprehensive and consistent information on the economic classification of aid flows. | Better budgeting and economic planning by partner countries, but with particular impact in LICs. Provision of data on the basis of which a ministry of finance can query forward provision for current donor investments.  If this information is collected only at country level, information availability in LICs is likely to be scant. An IATI feed that includes this information will add a lot of value in LICs. | Completely new set of information to be provided by donors: would require more significant adjustment in donor processes and systems. Not likely to be cost neutral in donor resource terms, but will have positive development impact. |

1. From the perspective of a cost/benefit calculation the most sensible recommendation is however Option 5 (add the common code and an economic classification). This on balance is the most likely to result in more comprehensive, timely and reliable aid information over a shorter period of time at the country level, with commensurate impact on its use in budget systems. This is true for all countries, but most likely for LICs.
2. However, if there is a trade-off between including the common code and an economic classification in the Budget Identifier segment, on the balance of evidence the preferred option would be Option 4, namely to add the economic classification, as there is a real lack of this information currently and work to ensure the quality of information against the Participating Organisation segment – which is already in the Standard -- could be undertaken. Given however that the common code is likely to be cost-neutral over time, it is unclear why there should be a trade-off.
3. It is also important to note that it is an error to see international provision of aid information and country level provision as alternative options for the quality of aid information at country level. The study has shown that international information is necessary to ensure comprehensive and accurate information at the country level, while any international standard set of information, would always require work at the country level to refine and would still require additional country-tailored information to be collected at the country level. Having both, and making an informed decision on what should be in the international feed to support good country level processes cost-effectively, is crucial. If the right balance is struck, it is likely that country level processes could assist in improving the international information, and vice versa. An international IATI standard without an additional segment (i.e. Options 1 and 2) would not provide this balance.
4. However, for an IATI feed to have any of these impacts, would require significant awareness-raising at the country level of IATI. It is clear that whatever the decision on the Budget Identifier segment, processes at country level would need to change in nature and scope – at least for IATI donors – to make optimal use of IATI information. This is required both for country officials and donor offices.

## Annex 1: IATI Coverage of country budgeting and reporting information needs

Note: information needs that are already covered by the IATI standard are identified by a tick in the right hand column. Information needs that are not yet covered and require further proposals, are identified by a cross.

| **Necessary characteristic of the information** | **Covered by** | |
| --- | --- | --- |
| **General Information** required for all aid flows (for application to information on commitments, disbursements and use of aid) | | |
| All information is required by recipient country financial year | **✓** Quarterly reporting of aid activity information. This allows alignment with most country financial years. | |
| All information needs to be accurate and timely. | **✓** The verification status of reported information will be identified | |
| The information is critical for country programmable aid | **✓** Country programmable aid can be calculated via the IATI Aid type and Aid purpose codes (save for research in donor country). | |
| The finance type of each flow | **✓** The IATI Standard includes the Finance type (e.g. grant/loan) of an aid flow. New adjustment to flow type to record reimbursements. | |
| Currency and value in local currency | **✓** The IATI Standard identifies the Currency and Value date of aid flows, allowing conversion to local currencies. | |
| Degree of earmarking (budget support, sector budget support, other) in the finance type | **✓** The IATI Standard Aid Type code distinguishes between these three categories | |
| Disbursement channel (cash or in-kind) in the finance type | **✓** New addition of a disbursement channel distinguishes cash to Min. of Finance, cash to implementing institution, in kind through third party or donor itself. | |
| Information is required on the conditions that attach to every project and programme. | **✓** The IATI Standard caters for links to existing published project documents containing conditions. IATI provides for optional recording of conditions as data (to make the information more accessible). | |
| Accountable government institution | **✓** IATI provides for the identification of the accountable institution (public or private). | |
| Expected outcomes and outputs that attach to every project and programme | **✓** The IATI Standard caters for links to existing published project documents containing expected outcomes and outputs. IATI provides for optional recording as data (to make the information more accessible). | |
| Actual results against targeted outputs and outcomes for every programme and project | **✓** The IATI Standard caters for links to existing published project documents containing actual outcomes and output. IATI provides for optional recording as data (to make the information more accessible). | |
| INFORMATION REQUIRED ON ***COMMITMENTS*** | | |
| Forward country programmable aid commitments by donor at aggregate and sector level for the budget year and medium term (all aid notwithstanding funding mechanism). | | **✓** Annual forward planning budget data for country, currently not available by sector |
| INFORMATION REQUIRED ON ***DISBURSEMENTS*** | | |
| For all disbursements: forward information on planned disbursements for budget year and medium term by donor | **✓** IATI standard recommends quarterly publication of information on planned disbursements by activity. | |
| For all disbursements: in-year updates on planned disbursements by donor | **✓** Quarterly reporting recommended to allow for the information on planned disbursements to be updated during the recipient country fiscal year. | |
| For all disbursements: actual disbursements by donor | **✓** IATI standard requires quarterly publication of information on actual disbursements by activity. | |
| Actual use of aid funds by donor by project | **✓** IATI requires the receiver organisation to be identified for all transactions | |
| In addition for sector budget support disbursements: planned, in-year updates and actual disbursements by sector | **✓** IATI standard includes planned disbursements by activity; can be rolled up into sectors | |
| In addition for earmarked programmes and projects: all disbursement information by implementing agency if the implementing agency is different from the accountable institution | **✓** Implementing agencies are already identified for all aid activities. | |
| In addition: All disbursement information disaggregated by intended purpose (administrative/functional classification) | **X** To be covered by proposals for recipient country budget classification(s). See discussion in paper. | |
| In addition: All disbursement information disaggregated by intended purpose (programmatic classification) | **X** To be covered by proposals for recipient country budget classification(s). See discussion in paper. | |
| In addition all disbursement information disaggregated by expected inputs (high level distinction between capital and recurrent) | **X** To be covered by proposals for recipient country budget classification(s). See discussion in paper. | |
| In addition all disbursement information disaggregated by expected inputs (lower level economic/object classification) | **X** To be covered by proposals for recipient country budget classification(s). See discussion in paper. | |
| In addition: All disbursement information disaggregated by geographical location | **✓** IATI standard provides for donors to geocode all activities, but as optional data provision. | |
| In addition: Beneficiaries of Channel 3 disbursements (NGOs and other third party agents) | **✓** IATI requires the receiver organisation for transactions to be identified | |
| In addition: Disbursements further down the supply chain (Service providers) | **✓** This is catered for, but depends on degree of reporting down the supply chain | |

## Annex 2: Proposed New Common Administrative/Functional Code

Function areas shaded in black with white type are proposed changes to previous iterations of the code based on mapping the additional services.

|  |  |  |
| --- | --- | --- |
| **Category of Government** | **Sector** | **Function** |
| **General Public Service** | **Executive** | **executive** |
| **Legislative** | **legislative** |
| **Accountability** | **macroeconomic policy** |
| **budgeting** |
| **planning** |
| **Treasury/Accounts** |
| **debt and aid managment** |
| **tax policy** |
| **tax collection** |
| **local government finance** |
| **other central transfers to institutions** |
| **national audit** |
| **national monitoring and evaluation** |
| **monetary institutions** |
| **financial sector policy and regulation** |
| **External Affairs** | **foreign affairs** |
| **diplomatic missions** |
| **overseas development assistance** |
| **General Personnel Services** | **general personnel services** |
| **Statistics** | **statisics** |
| **Other General Services** | **support to civil society** |
| **central procurement** |
| **Local Government Administration** |
| **other general services** |
| **Elections** | **elections** |
| **Justice, Law, Order and Security** | **Justice, Law and Order** | **policy, planning and administration** |
| **police** |
| **fire** |
| **judicial affairs** |
| **Ombudsman** |
| **human rights affairs** |
| **immigration** |
| **anti corruption** |
| **prisons** |
| **peace building** |
| **demobilisation** |
| **Defence** | **policy, planning and administration** |
| **military** |
| **civil defence** |
| **foreign military aid** |
| **Economic Affairs** | **General Economic, Commercial and Labour Affairs** | **policy, planning and administration** |
| **general** |
| **investment promotion** |
| **privatisation** |
| **trade** |
| **labour** |
| **national standards development** |
| **Public Works** | **policy, planning and administration** |
| **construction regulation** |
| **mechanical services** |
| **Agriculture** | **policy, planning and administration** |
| **irrigation** |
| **inputs** |
| **food crop** |
| **industrial crop** |
| **livestock** |
| **agricultural training and extension** |
| **research** |
| **other services** |
| **Forestry** | **policy, planning and administration** |
| **development and services** |
| **education/training** |
| **research** |
| **Fishing and Hunting** | **policy, planning and administration** |
| **development and services** |
| **education and training** |
| **research** |
| **Energy** | **policy, planning and administration** |
| **education and training** |
| **energy regulation** |
| **electricity transmission** |
| **power generation** |
| **gas** |
| **Mining and Mineral Development** | **policy, planning and administration** |
| **prospection and exploration** |
| **coal and other solid mineral fuels** |
| **petroleum and gas** |
| **Nuclear** |
| **other fuel** |
| **non fuel minerals** |
| **Transport** | **policy, planning and administration** |
| **transport regulation** |
| **feeder road construction** |
| **feeder road maintenance** |
| **national road construction** |
| **national road maintenance** |
| **Rail** |
| **Water** |
| **Air** |
| **Pipeline** |
| **storage and distribution** |
| **public transport services** |
| **meteorological services** |
| **education and training** |
| **Industry** | **policy, planning and administration** |
| **development and services** |
| **industrial research** |
| **(investment in industry)** |
| **Communication** | **policy, planning and administration** |
| **ICT Infrastructure** |
| **telecoms and postal services** |
| **information services** |
| **Tourism** | **policy, planning and administration** |
| **services** |
| **Microfinance and financial services** | **Microfinance and financial services** |
| **Water, Natural Resource Management and Environment** | **Water supply and Sanitation** | **policy, planning and administration** |
| **education/training** |
| **rural water supply** |
| **urban water supply** |
| **rural sanitation** |
| **urban sanitation** |
| **sewage and waste management** |
| **Environment** | **policy, planning and administration** |
| **research/ education and training** |
| **natural resource management** |
| **water resources management** |
| **wildlife protection, parks and site preservation** |
| **Social Affairs** | **Health** | **policy, planning and administration** |
| **Recreation, Culture and Religion** | **recreation and sport** |
| **culture** |
| **broadcasting and publishing** |
| **religion** |
| **Education** | **administration, policy and planning** |
| **research** |
| **pre-primary** |
| **primary** |
| **lower secondary** |
| **upper secondary** |
| **post secondary non tertiary** |
| **tertiary** |
| **vocational training** |
| **advanced technical and mangerial training** |
| **basic adult education** |
| **teacher training** |
| **subsidiary services** |
| **Social Protection, Land Housing and Community Amenities** | **policy, planning and administration** |
| **social security (excl pensions)** |
| **general pensions** |
| **civil service and military pensions** |
| **social services (incl youth development and women+children)** |
| **land policy and management** |
| **rural devt** |
| **urban devt** |
| **housing and community amenities** |
| **emergency relief** |
| **disaster prevention and preparedness** |
| **support to refugees and internally displaced persons** |
| **Development Partner Affairs** | **Development Partner affairs** | **policy planning and administration** |
| **Technical staff services** |

D

D

D

D

1. This is an extended report summary for the IATI TAG meeting. The full report will include more extensive information on the study process, as well as annexes setting out the evidence in detail. [↑](#footnote-ref-1)
2. Based on the May 2012 PEFA database of the most recent publicly available assessment scores for 77 lower income (LICs), lower middle income (LMICs) and upper middle income (UMICs) countries [↑](#footnote-ref-2)
3. The paper uses the convention established in *De Renzio, P. (2008). Taking Stock: What Do PEFA Assessments Tell Us About PFM Systems Across Countries?, The PEFA Secretariat.* to convert PEFA’s ordinal scores to cardinal scores for analysis, so that an A scores 4, a B 3, a C 2 and a D 1 with scores of B+ and C+ converted to 3.5 and 2.5 etc. [↑](#footnote-ref-3)
4. The International Budget Partnership, part of the Washington-based International Budget Partnership based in the Centre on Budget and Policy Priorities, publishes the results of its Open Budget Survey as part of the Open Budget Initiative. The 2010 Survey provides extensive data and rankings on the level of transparency of the budget process in 94 developed and developing countries based on peer-reviewed surveys conducted by local civil society partners in 2009. The information presented here only took into account the 81 countries that receive aid. [↑](#footnote-ref-4)
5. Note that ‘on parliament’ is used here in order to distinguish aid that is voted by the legislature from aid that is just ‘on budget’, i.e. reflected in budget documentation but not voted by parliament. At country level countries often refer to the former as ‘on budget’ while the latter is ‘off budget’’. [↑](#footnote-ref-5)
6. MOON, S. & MILLS, Z. 2010. Practical Approaches to the Aid Effectiveness Agenda: Evidence in aligning aid information with recipient country budgets. *ODI Working Paper 317.* London: International Budget Partnership, ODI, Publish What You Fund. [↑](#footnote-ref-6)