



ADAPTATION FUND

AFB/B.20/6  
22 March 2013

---

Adaptation Fund Board  
Twentieth Meeting  
Bonn, Germany, 4-5 April 2013

Agenda item 9 c)

## **REQUIREMENTS FOR THE FUND TO JOIN THE INTERNATIONAL AID TRANSPARENCY INITIATIVE (IATI)**

## Background

1. At its 19th meeting in December 2012, the Adaptation Fund Board (the Board) heard a presentation from Dr. David Hall-Matthews of the “Publish What You Fund” campaign who introduced the International Aid Transparency Initiative (IATI) (see right side box).

2. Dr. Hall-Matthews encouraged the Fund to join IATI as it would show the Board’s political commitment to the practice of transparency and provide clarity as to where funds were being allocated, and to whom. It would also help eliminate duplication of funding and allow for greater scrutiny of financial flows and a reduction of perverse incentives.

The Adaptation Fund scored highly in the 2012 Aid Transparency Index, 17<sup>th</sup> out of 72 donors. It was first among all the climate finance funds assessed and **scored particularly highly at the activity level, scoring third among all donors at this level.**

3. He gave the example of typical funding paths and said that financial flows had to be tracked in a clearer and more efficient way. Both those compiling and using climate finance data were frustrated by the different formats and sources of reporting. However, consolidating that information incorrectly could lead to counterproductive results. It was important to use an open information standard and not a database in order to allow for comparison among funds and funding sources. That would increase accountability and allow funds to be tracked from a funding decision to the point of implementation and execution.

4. After the presentation the Board decided to:

*(a) Take note of the presentation on the International Aid Transparency Initiative (IATI); and*

*(b) Request the secretariat to prepare a report on what was required for the Adaptation Fund to join IATI for consideration by the Board at its 20th meeting.*

*(Decision B.19/31)*

5. The current document outlines the steps that need to be taken in order for the Fund to join IATI, and details the financial implications to the Fund of joining.

## Becoming a signatory to IATI

6. All aid providers are invited to become IATI signatories. This includes official donors, philanthropic foundations and non-governmental organizations. Any donor or partner country that becomes an IATI member must be in agreement with the IATI Accra Statement (included as Annex I).<sup>1</sup>

### What is IATI?

The **International Aid Transparency Initiative (IATI)** aims to make information about aid spending easier to find, use and compare.

IATI was launched in September 2008 in Accra, Ghana. It is a multi-stakeholder initiative that has brought together donors, developing country governments, civil society and aid information experts to agree on a common, open, international standard for publishing more, and better, information about aid.

The Standard was agreed in February 2011, and a variety of assistance-providing and implementing organisations have now started publishing data on their projects in line with the Standard.

The Standard sets guidelines for publishing information about aid spending. It does not create a new database.

<http://iatistandard.org/getting-started/what-is-iati/>  
(accessed 3/14/2013)

<sup>1</sup> IATI website: <http://www.aidtransparency.net/about/get-involved> (last accessed 3/13/2013)

7. Examples of current signatories include: DFID, SIDA, AusAid, UNDP, the World Bank, GAVI, and the Hewlett Foundation.

8. It is important to note that not all the signatories to IATI are fully compliant with the IATI standard. By becoming a signatory, the Fund would commit to the principles of the IATI Accra Statement and would publically acknowledge the importance of not only providing data but providing it in a manner that would be accessible and useable by third parties. The Fund would then have 12 months to develop the appropriate measures to fully comply with the standard.

### Complying with the IATI Standard

9. In February 2013, the secretariat consulted with Kim Borrowdale and Bill Anderson from the IATI secretariat about what would be needed for the Fund to comply with the IATI standard. Given the fact that all of the project level data from the Fund is already available on the Fund website as well as the fact that the Fund's datasets are relatively small, becoming fully IATI compatible is possible without having to invest large amounts of human or financial capital.

10. In order to comply with the IATI standard two core outputs are needed:

- (a) Publishing an Implementation Schedule to outline details of publication; and
- (b) Publishing IATI-compliant data

11. IATI has developed a five point plan and process for becoming IATI compatible (the details of the plan are included in Annex II). The five steps typically involved include:

- 1) **Assess:** an initial feasibility assessment
- 2) **Commit:** an internal and public commitment
- 3) **Develop:** policies, processes and systems
- 4) **Publish:** IATI-compliant data
- 5) **Improve:** data with more detail, new data items, new data sources

12. These steps are not necessarily undertaken in a stepwise fashion and how each is achieved varies from agency to agency. The secretariat has undertaken an initial feasibility assessment, the results of which are provided in the next section.

### Feasibility for Adaptation Fund IATI compliance

13. From the initial assessment conducted by the secretariat, the Fund is in a strong position to become fully IATI compliant over the course of the next year. Annex III includes the IATI implementation assessment, completed by the secretariat. From this assessment, the secretariat has identified several steps the Board may consider undertaking over the course of the next year.

14. There are a number of reporting areas that are not directly applicable to the Fund and could not readily be reported such as *annual forward planning budget data for countries*. In addition, the IATI standard was set-up to accommodate bilateral and multilateral funding and may not fully capture how funding from the Fund transfers to implementing entities and is ultimately disbursed at the country level by these entities. In the secretariat's discussion with the IATI secretariat, IATI acknowledged that this is an area where the Fund may face some difficulty

but it is not unique to the Fund and the IATI secretariat can provide support for how to deal with this situation.

15. Based on the secretariat's initial assessment there are three main components that would need to be carried out to comply with the IATI standards. These are:

- (a) **Component 1:** Develop and approve a disclosure and licensing policy
- (b) **Component 2:** Undertake a data mapping exercise to determine the data the Fund can report on systematically and consider how existing data aligns with the IATI codes.
- (c) **Component 3:** Develop an implementation schedule that demonstrates the intention to publish IATI compliant data, outlines all publication information, and provides a timeline.

16. These components can be worked on simultaneously, which should allow the Fund to become fully compliant with the IATI standards over the course of the next year.

17. The most difficult and time consuming aspect of the work will be to ensure that the Fund's data is verified and validated, and determine if data can be re-categorized in the case of non-conformance. This is, however, an opportune time for the Fund to embark on such an exercise given the work that the secretariat has started with the Trustee to transfer its current data from a Microsoft Access database to the secure SAP platform of the World Bank. For the new database the secretariat will need to ensure that its data is clean prior to transfer and will have the opportunity to customize the new system to meet the Fund's particular needs. Working on these two projects simultaneously will reduce costs and time, as well as ensure that the new system integrates IATI compatible data.

### **Proposed timeline and cost implications**

18. The Board was particularly interested in understanding the cost implications of complying with the IATI standard. The secretariat has therefore broken down the key activities and provided the estimated costs associated with each task. Table 1 on the following page provides the breakdown.

**Table 1: Proposed timeline and cost implications of achieving compliance with IATI Standard**

Activity	Cost (both staff time and monetary)	Time Frame
<b>Develop disclosure and licensing policy</b>	2-3 days (research, discussion, etc.) 3-4 days (drafting, edits, finalize)	Submit to 21 <sup>st</sup> Board meeting (July 2013) for review and approval
<b>Data mapping exercise</b>	1-2 days (mapping AF data to IATI, verify with IATI secretariat)	Complete 30 April 2013 (in order to align with database exercise being undertaken with Trustee)
<b>Develop implementation schedule</b>	3-5 days	Submit draft to IATI secretariat for feedback by 15 May 2013 then edit and finalize for 21 <sup>st</sup> Board meeting (July 2013) for review and approval
<b>Publish data</b>	10-15 days (data validation & verification; converting data to be compatible) Cost approximately: US\$ 4000	Will coordinate with the data work needed for converting to the Trustee's system. Will likely need a short-term consultant to help with data. (End of July)

19. Based on Table 1, the secretariat estimates that the total staff time it would take to comply with the IATI standard is approximately 25 staff working days. To help with the data, the secretariat recommends hiring a short-term consultant for several weeks, to assist with both verifying and validating the current AF data for conversion to the IATI standard and assisting with the conversion from the secretariat's current Microsoft Access database to the Trustee SAP based system. The approximate cost for hiring a short term consultant to undertake this work would be US\$ 4000.<sup>2</sup>

### Recommendation

20. Having reviewed document AFB/B.20/6 the Board may consider to:

- (a) Authorize the Chair to sign the IATI standard on behalf of the Adaptation Fund Board and
- (b) Request the secretariat to undertake the activities outlined in Table 1 of this document, in order for the Fund to comply with the IATI standard and start publishing IATI-compatible data. The secretariat's tasks would also include developing a disclosure and licensing policy for review of the Board at the next Board meeting.

<sup>2</sup> This would not imply additional costs to the Adaptation Fund secretariat budget. The secretariat budget includes provisions to hire consultants for tasks related to database management, which this activity would fall under.

## Annex I: IATI Accra Statement

<http://www.aidtransparency.net/wp-content/uploads/2009/06/iati-accra-statement-p1.pdf>

### INTERNATIONAL AID TRANSPARENCY INITIATIVE ACCRA STATEMENT 4th September 2008

We, representatives of developed countries responsible for promoting development and Heads of multilateral and bilateral development institutions, and representatives of philanthropic foundations, meeting in Accra on 4 September 2008:

- Welcome the commitments in the draft Accra Agenda for Action by all donors to “publicly disclose regular, detailed and timely information on volume, allocation and when, available, results of development expenditure to enable more accurate budget, accounting and audit by developing countries”, “support information systems for managing aid”; and “provide full and timely information on annual commitments and actual disbursements”
- Recognise that transparency of aid information promotes more effective partnerships, and accelerates development and poverty reduction by increasing accountability and ownership, reducing corruption, and improving service delivery;
- Welcome the additional scrutiny and increased effectiveness that transparency can bring to donor organisations and other development institutions;
- Emphasize the role that transparency plays in promoting mutual accountability;
- Respect the right of taxpayers and their representatives, and of citizens in developing countries, to information about how foreign aid is spent; and
- Affirm that information about aid should be easily accessible to support local accountability and efficient public administration.

We therefore resolve that:

- We will give strong political direction, and our agencies will invest the necessary resources, to meet in full existing nationally and internationally-agreed reporting standards and to accelerate availability of aid information.
- We will share more detailed and more up-to-date information about aid in a form that makes information more accessible to all relevant stakeholders.
- We will, to the extent possible, provide more reliable and detailed information about intended future aid.
- We will be transparent about conditions attached to aid and expected project outputs and outcomes.
- We will build on and extend existing standards and reporting systems, consulting partner governments, civil society organisations, parliamentarians and other users of aid information, in order to agree, by end 2009, common definitions and a format to facilitate sharing of aid information. .
- We will urge all public and private aid donors, including bilateral and multilateral organisations, and philanthropic foundations, and those who deliver aid on our behalf, to work with us to agree and then implement these common standards and format.
- We will give priority within our organisations to implementing and adhering to these standards and format when they have been agreed.
- To the extent possible we expect that organisations that deliver aid on behalf of our respective organisations should adhere to the same standards of transparency.

## Annex II: IATI 5 steps to IATI Compliance

(Downloaded from: <http://www.aidtransparency.net/implementation/practical-steps-to-implementation>)

### 5 steps to IATI-compliance

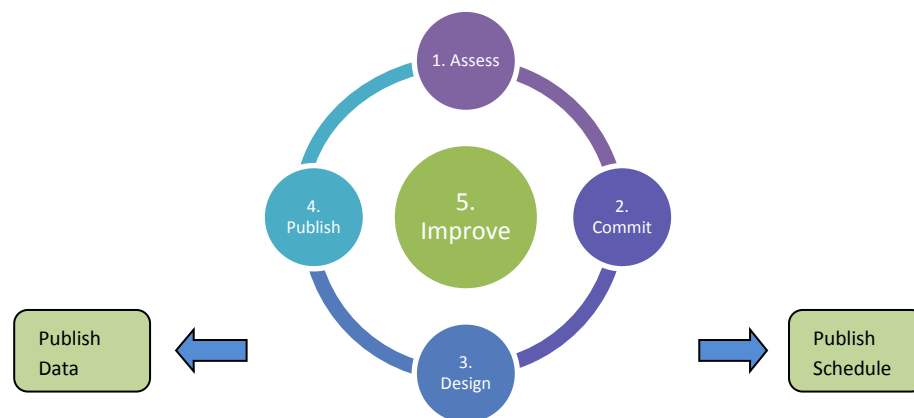
There are two core outputs required to comply with the IATI standard:

- 1) Publishing an Implementation Schedule to outline details of publication
- 2) Publishing IATI-compliant data

To achieve IATI-compliance, there are typically five steps involved. These steps are not necessarily linear and are likely to overlap:

- 6) **Assess**: an initial feasibility assessment
- 7) **Commit**: an internal and public commitment
- 8) **Develop**: policies, processes and systems
- 9) **Publish**: IATI-compliant data
- 10) **Improve**: data with more detail, new data items, new data sources

These steps are outlined in further detail below, with key processes appearing in **bold type**.



### 5 Steps to IATI compliance

#### 1) Assess

- Disclosure and licensing policy – understand the internal policies around sharing information and how this aligns with IATI (under IATI publication of data must be public domain or licensed under an attribution-only license).

- Data availability and basic mapping – determine what data is currently available and consider how it may map to IATI.
- Stakeholders – determine who will be involved in the implementation of IATI.

## 2) Commit

- Internal commitment
- **Implementation Schedule** -this should be submitted to the Secretariat and demonstrates the intention to publish IATI compliant data and outlines all publication information. The process for submitting an implementation schedule is as follows:



## 3) Develop

- Organisation structure
  - Communication & change management – consider what, if any, new processes will need to be developed to accommodate IATI compliance.
  - Working group - consisting of those who will have most input (e.g. technical, finance, programmes, etc.). There is a methodology document available which demonstrates how Development Initiatives implemented IATI which may be useful at this stage.
- Data mapping – conduct a detailed mapping of how existing data aligns with IATI and determine if changes can be made where it does not easily align (the IATI assessment template can be used for this).
- Systems and processes – determine data collection and capture processes and whether these need to be altered to provide IATI compliant data. Also consider whether there is scope to change methods in the future to expand the amount of data reported to IATI.
- License and disclosure policy – including outlining exclusions, so that users understand what information is and is not being published, and how it can be used.
- **Preliminary data** – this should be sent to the TAG Secretariat for comments or further guidance to ensure it is in the appropriate format.

## 4) Publish

- Data validation and verification - validation activities will be conducted and feedback provided to organisations to ensure that data is fit to be published, and this will also aid in improving future data.
- Converting data - if internal capacity issues mean that the conversion is not able to be carried out by the organisation, the Excel conversion tool or the web-entry platform are alternative options that can be considered in discussion with the TAG Secretariat.



- **Publish data / registry** – once data has been verified and amended accordingly, if necessary, the organisation can publish the data and register the link at: <http://www.iatiregistry.org/>
- **Accessibility** - organisations may also want to consider developing innovative tools to provide users with easier access to their IATI data.

## 5) Improve

- **Update implementation schedule** - as data publication expands and improves, changes should be made to this document
- **Improve data** - data should be continually improved to include more detail, cover a wider scope, and to capture new data. Ongoing validation exercises will also provide feedback to aid in making improvements.

## Support

Support and guidance is available throughout the process. For example, some documents have been mentioned in the process, such as the IATI assessment template which organisations can use to determine what data they have available and how this maps to IATI. This, along with the Implementation Schedule, can be found at: <http://www.aidtransparency.net/implementation>. The methodology paper which outlines how Development Initiatives implemented IATI can be found at: <http://www.aidinfo.org/report/dipr-on-the-path-to-transparency>

## Annex III: Adaptation Fund's IATI Initial Assessment

(Green text below filled in by Adaptation Fund secretariat)



# IATI Implementation Assessment

## 1. An overview of what 'publishing IATI-compliant information' involves

Being 'IATI-compliant' involves publishing data and documents – typically on an organisation website - according to a common format in way that is openly accessible and usable by anyone.

The IATI standard covers two types of information

- Activity (/project) level data (e.g. titles, dates, recipient countries, sectors, financial details, results etc.) and document (e.g. concept notes, project reviews)
- Organisation information (e.g. organisation budgets, country budgets, strategy documents)

More details can be found <http://iatistandard.org/standard>

The IATI - data format is based on a format called XML. Some systems can report this automatically, but it is also possible to convert from more common formats such as CSV (used for spreadsheets).

## 2. Do we have to publish everything in the standard?

No. The standard is purposefully ambitious and very few organisations will be able to publish all the information to start with. We hope that over time organisations will expand the amount of data that can be published.

## 3. Some questions to ask

**Do you have a disclosure policy? If so, what does it cover?**

**The AF does not have a formal disclosure policy.**

**What information do you currently have available publically? Do you publish activity level information?**

**The Adaptation Fund currently publishes a range of information on its website including but not limited to project proposals and technical reviews with detailed**

**activity-level information, the organization’s own detailed budget breakdown and all strategic decisions and discussions handled by the Board.**

**Do you this data in any internal systems? – Do you have a project database?**

**A lot of our project data is in a Microsoft Access database. In line with a planned migration to a new system, this data will be converted to a SAP platform shortly.**

**How many projects do you have? Would manual collection of data be a possibility?**

**The Adaptation Fund Board has approved 27 projects to date. Data from these projects could be manually collected.**

#### 4 What data can you publish?

There is no official definition of ‘entry level IATI’, but a good starting point is:

Project number; Project title & description; Start and end dates; Recipient country; Sector; Project value

Below is a list of the main aspects of the IATI standard. Full definitions are available on the website. Note which ones you can publish, and add any notes about the reason or challenges involved.

##### a) Organisation

**Note:** definitions and code lists can be found at <http://iatistandard.org/standard/organisation>

Information Area	Publishable?	Notes
Annual forward planning budget data for agency	Yes	The administrative budget of the Fund is approved by the Board and published on the website (each Financial Year)
Annual forward planning budget data for countries	No	The revenue to the Adaptation Fund is subject to volatility of carbon prices and uncertainty over decisions made by donor countries. This, coupled with the fact that project approval is dependent on receiving quality project/programme submissions that comply with all the review criteria of the Fund, makes it impossible to provide annual forward budget plan data by country.

Information Area	Publishable?	Notes
Organisation documents	Yes	All organization documents are on the Fund's website including but not limited to strategy documents, policies, procedures, Board decisions.

## b) Activities

**Note:** definitions and code lists can be found at <http://iatistandard.org/standard/activities>

Information Area	Publishable?	Notes
Activity identifier	Yes	
Activity Title	Yes	
Activity Description	Yes	
Activity Dates (Start & End )	Yes	
Reporting Organisation	Yes	
Funding Organisation	Yes	
Participating Organisation	Yes	
Recipient country / region	Yes	
Sub-national Geographic Location	Yes	
Sector (CRS or org specific)	Organization specific	Will need to map our sectors to IATI standard
Policy / Thematic Markers	Yes	All funding is for concrete projects / programmes on climate change adaptation
Activity Status	Yes	
Activity Contacts	Yes	
Activity Web Site	Yes	
Commitment/Budget (Financial transaction)	Yes	
Disbursement/Expenditure (Financial transaction)	Potentially	Will need to look into in more detail to see what is needed and whether the Fund's definitions align
Incoming Funds (Financial transaction)	Yes	
Activity Documents	Yes	

Information Area	Publishable?	Notes
Results data	Potentially	The Fund operates on a results based management approach and fully intends to publish results. As the projects in its portfolio are still at an early stage, the indicators to be used, and best format for publishing these, is still under consideration.

## 5 Some common questions / issues to consider?

<p><b>Do I need to publish everything? What about security issues?</b></p> <p>No. All organisation are likely to have some information that is deemed sensitive. Each organisation can specify exclusions. We would ask that the exclusion policy is made public.</p> <p><b>For the Adaptation Fund the most confidential information relates to the Accreditation Process, where the fiduciary standards are fully available publicly but the identity of applicant entities is protected for their confidentiality. We can include this in our disclosure policy.</b></p> <p>You might also want to consider applying financial thresholds to lower the cost of publication.</p>
<p><b>What will be your unit of aid?</b></p> <p>Is it obvious what your IATI activity will be? For many the unit of aid is a project and already well defined, for others it might be a combination of country-sector programmes.</p> <p><b>For the Adaptation Fund this will be a project or programme.</b></p>
<p><b>How frequently will you be able to publish?</b></p> <p>It is suggested at least quarterly reporting. <b>Project approvals currently only occur during the Board meetings, so we would likely publish 3 times a year until we can figure out if it can be done automatically.</b></p>
<p><b>How will you license the data so users know what they can and can't do with it? Do you have any existing licenses on data you publish?</b></p> <p>The IATI standard is for data to be either public domain licensing or attribution only (<a href="http://iatistandard.org/standard/licencing">http://iatistandard.org/standard/licencing</a>) <b>We will have to look at the differences and include as part of our disclosure policy</b></p>
<p><b>What are the organisational issues involved in implementation?</b> Common issues to address include:</p> <ul style="list-style-type: none"> <li>• Involving all relevant internal stakeholder (finance, comms, press office, IT etc.)</li> <li>• What is the quality of the data? Are there adequate quality assurance procedures? <b>The AF is in the process of converting its data from a Microsoft Access database to a SAP platform that is managed by the Trustee (the World Bank). We hope to integrate any needs for IATI into this process.</b></li> <li>• Raising awareness amongst all staff – data and documents are not usually written with publication in mind <b>This should not be an issue as proposal documents to the Adaptation Fund must follow a template approved by the Board. Documents are therefore highly consistent.</b></li> </ul>

## 6 What support do you need?

There is a developing knowledge base available at <http://iati.zendesk.com/home> and you can request support by emailing [support@iatistandard.org](mailto:support@iatistandard.org)

The IATI team can also provide additional support to help with implementation. Please specify the types of support you would be interested in receiving and provide additional details where you can.

Support
<p><b>Support with mapping data from internal systems to IATI standards</b>            Have started to engage on this front. Will need to complete mapping of data and share with other staff members in the secretariat to validate it.</p>
<p><b>Technical support to translate data to the required XML format</b>            Have discussed based on our current Microsoft Access database and Microsoft Excel files. Would like to figure out how this can be done using a SAP platform. Will continue dialogue with IATI on this issue.</p>
<p><b>General advice and support to help with implementation (please define where possible)</b></p>
<p><b>Provision of new tools/systems to capture IATI information</b></p>
<p><b>Provision of tools to make the raw IATI data accessible for end users via your website</b>            Once we have the raw data verified, validated, and published, we would be interested in figuring out how to allow greater accessibility to the data via our website</p>
<p><b>Other (please specify)</b></p>