

IATI 2030: Trends in a Changing Aid Landscape

Information Note, prepared by IATI Secretariat November 2024

As IATI approaches the end of its 2020-2025 Strategic Plan, the global development and humanitarian ecosystem is facing seismic changes. These shifts are not just challenges but signals of an urgent need for transformation in how we approach international cooperation for sustainable development. This paper synthesises three critical trends from the past decade, exploring their implications for governments, international organisations, and IATI itself.

The goal of this information note is to bring together and focus these discussions across IATI's partners and wider community as the evidence base for setting the strategic priorities and potential directions of change for IATI for its next strategic planning period, from 2026 to 2030.

We are seeing three underlying trends shaping this landscape:

- 1. Political Polarisation and Global Development Setbacks;**
- 2. Fragmentation and Complexity in Development Finance; and**
- 3. Data and Digital Revolutions.**

From this initial analysis, we can infer some insights for IATI, including: **Filling Data Gaps;** **Strengthening Traceability;** and **Advocacy for Renewed Commitments.** Building on these trends and their implications for IATI, we will engage with the IATI community to explore and design broad strategic directions for transformation.

Trend 1: Political polarisation and Global Development Setbacks

The world is witnessing a turbulent geopolitical landscape. Conflicts, growing polarisation and vulnerabilities, and economic instability have disrupted traditional pathways to achieving the Sustainable development Goals (SDGs). Rising poverty rates, soaring debt levels, and intensified climate shocks are challenging the resilience of governments and international organisations alike.

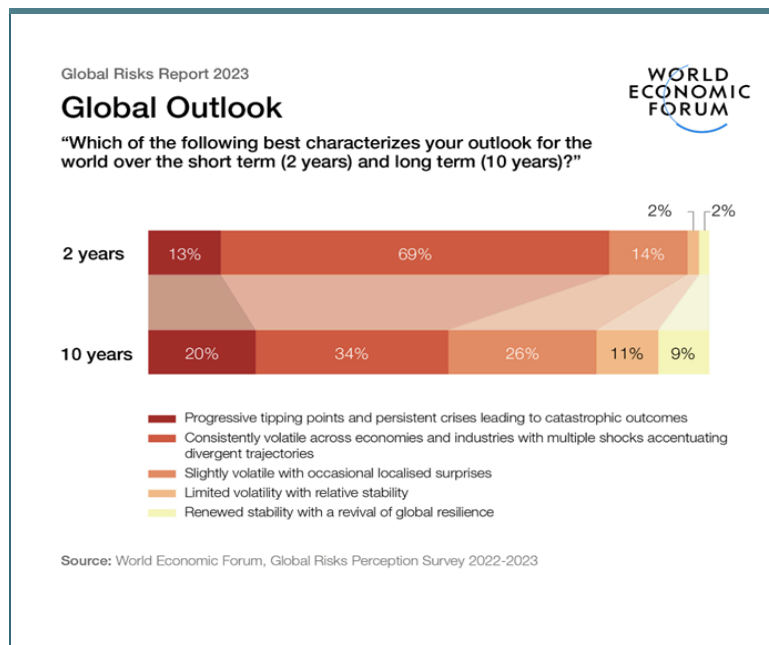
This has profound implications for international partnerships and mutual accountability.

- **Pressure on Capacities and Partnerships:** Governments face constrained fiscal space, reducing their ability to invest in long-term development goals. Multilateral cooperation is faltering as national agendas take precedence over global ones.

- **Transparency and Accountability Under Threat:** Uneven commitment to open governance, compounded by global competition and authoritarian trends, is making it harder to ensure financial flows are tracked and aligned with intended outcomes.

This political backdrop underscores the need for renewed global commitments to transparency and accountability. A data infrastructure will be required to connect diverse actors in this fractured landscape and help bridge data and coordination gaps amidst a fragmenting multilateral system.

1. **Reinforcing Transparency and Accountability:** With uneven transparency commitments globally, there is a clear role for a champion and trusted platform for data publication and use. This would enable setting clear benchmarks for data quality, ensuring adherence to open standards, and promoting the accountability of both traditional and emerging donors.



2. **Supporting Resilient Partnerships:** As governments face fiscal constraints, stronger partnerships will need to be facilitated by providing data that helps optimise resources and builds common capacities. For instance, better visibility into financial flows can aid recipient governments in aligning aid with national development strategies. For providers of finance, open transparent data offers an opportunity to showcase for citizens value for money. Training stakeholders to navigate and use data tools effectively, can ensure transparency becomes a functional tool for resilience.
3. **Enhanced Policy Advocacy:** Renewed advocacy to strengthen accountability and transparency in global commitments to environmental, financing and sustainability goals is essential for data use to foster effective international cooperation.

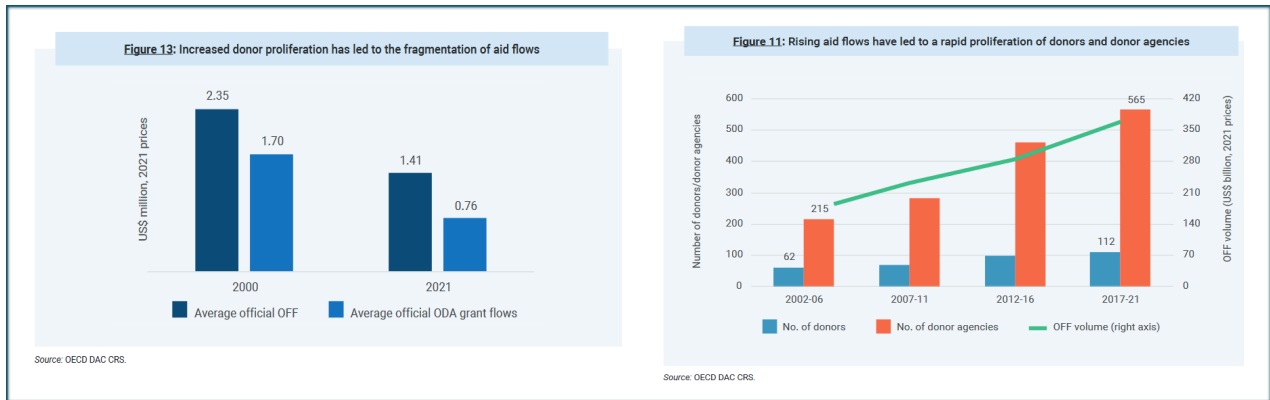
Trend 2: Fragmentation and Complexity in Development Finance

International cooperation and public financing in developing countries has grown more complex, with critical shifts toward diversified flows such as loans, private investments, sovereign bonds, as well as growing philanthropic contributions and other emerging sources.

- **Fragmentation in financial flows:** from grants to loans to private investments— fragmentation poses significant challenges to coordination and traceability. Aid as a share of national income (ODA/GNI) has barely risen, going from 0.31% in 2010 to 0.37% in 2023¹. However individual ODA grants have halved in size between 2000 and 2021, reflecting a significant fragmentation of

¹ <https://data.une.org/topics/official-development-assistance/>

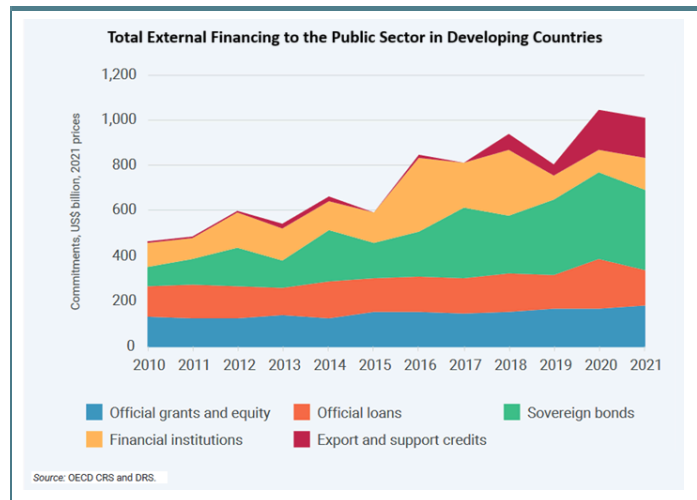
aid flows². Governments often struggle with limited visibility across these diverse streams, making it difficult to manage risks and optimise funding, plan and deliver on development priorities, and ensure value for money and efficiency.



- More rigid and short-term financing:** Humanitarian aid and tightly earmarked funds now dominate development finance, limiting flexibility and long-term impact. The rise in conflicts has significantly affected ODA flows, through both a record high in ‘in-donor refugee costs’ as well as aid to Ukraine. Excluding both of those categories, and excluding remaining COVID-19 related aid spending, total ODA from DAC countries has decreased by 3.6% from 2019-2022 (compared with a 31.5% increase including COVID and refugee spending)³. In addition, fewer donors provide direct budget support to governments, constraining recipient countries’ capacities and ability to plan.

This holds some significant implications:

- 1. Comprehensive Financial Flow Tracking:** Providing full end-to-end tracking of all financial flows would enable stakeholders to connect humanitarian, development, and private finance seamlessly. IATI members in Africa see the potential for integrating more loans and non-concessional financing data to improve risk assessments, especially for debt-vulnerable nations.
- 2. Inclusion of Missing Publishers:** Extending reach to underrepresented actors such as South-South cooperation contributors, private sector entities, and philanthropic organisations can provide a fuller picture of international cooperation and reduce blind spots in reporting, and support synergies across financing streams.



²<https://thedocs.worldbank.org/en/doc/4d9f3d42dedc0bb5eb452fbf887ec0c5-0410012024/original/IDA-Financing-the-Future-V1-04-15-24.pdf>
³ <https://data.one.org/topics/official-development-assistance/>

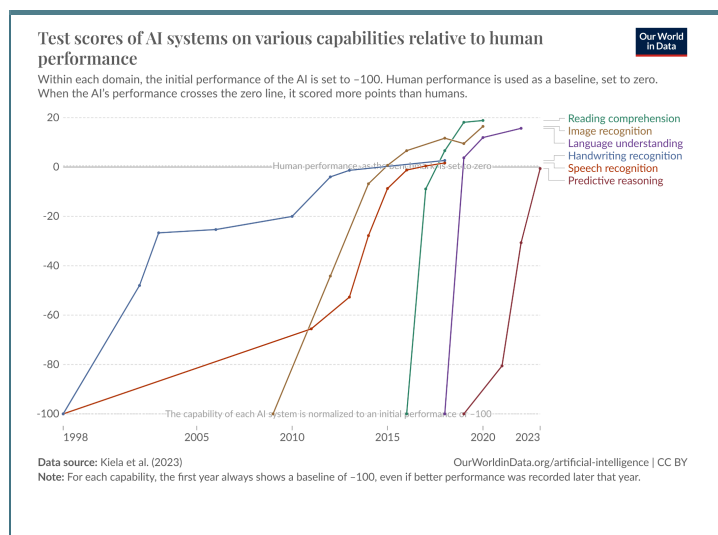
- Data Integration:** Developing tools and partnerships can bring diverse financial sources and impact reporting—such as private capital and innovative finance—into the IATI ecosystem. Connecting grants, loans, and private finance to enable holistic planning and accountability for governments and development partners.

Trend 3: Data and Digital Revolutions

The rapid evolution of data technologies presents both opportunities and challenges. Artificial Intelligence (AI), big data analytics, and growing access to high-speed internet and digital tools offers the potential to transform how data on financial flows and development impact are tracked and used, and the incorporation of natural language processing and analytic models to draw connections and insights across the text and qualitative data IATI also captures.

However, the promise of these technologies is constrained by persistent challenges:

- Data Quality and Governance:** The lack of high-quality, disaggregated, accessible and real-time data hampers decision-making.
- Ethical and Security Concerns:** As reliance on technology grows, so do risks related to misuse, bias, and cybersecurity.



The rapid evolution of technology provides an opportunity to strengthen aid effectiveness but also exposes gaps in data quality, governance, and ethics. For IATI, leveraging these advancements while safeguarding against misuse is vital, and presents opportunities to lead in this space by:

- Advancing Data Publishing and Usability:** Adopting cutting-edge technologies, including Artificial Intelligence (AI), data visualisation tools, and more equitable access to basic resources like reliable electricity and high-speed internet, can strengthen both the supply of and demand for IATI data. From financial and results publishing, to data interoperability, coordination, predictive analytics and real-time insights for development planning, to compelling, accessible and user-friendly data presentation and exploration for advocacy and engagement, providing stakeholders with actionable insights.
- Strengthening Data Governance and Ethical Standards:** As demand grows for disaggregated data (e.g., by gender, age, and geography), ethical governance frameworks are increasingly important to address privacy, bias, and data security concerns, building capacity for governments and organisations to use data responsibly and effectively. Advocating for international frameworks for data sharing and usage can position IATI as a leader in responsible data practices and ensure synergies between innovation and rights-based safeguarding that produces effective and sustainable impact.

Trends in a Changing Aid Landscape: Implications for IATI

These trends highlight potential areas for IATI's strategic evolution. IATI can offer a unique value proposition, with the most comprehensive data landscape across \$3.5 trillion of international financing. Strengthening and evolving the value of this data in this changing landscape will require considering investments across several core areas:

- 1. Filling Data Gaps:** IATI can explore opportunities to address the underrepresentation of South-South cooperation, private sector actors, philanthropies, and traditional donors who remain absent or inconsistent from its dataset, or publish incomplete and low-quality data.
- 2. Strengthening Traceability:** With increasing diversity in financial flows, it is possible for IATI to provide a more unified view across grants, loans, and private finance for both governments and development partners, able to capture and draw insights across financial flows and impact for in-country sustainable development and global public goods.
- 3. Advocacy for Renewed Commitments:** The growing threats to global commitments like the Paris Declaration necessitate stronger political advocacy to reaffirm the principles of transparency and accountability in international cooperation and demonstrate its effectiveness and value.

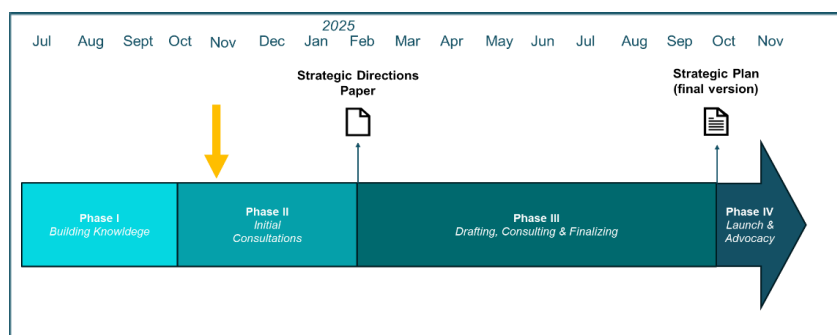
Looking Forward

As the world navigates an increasingly complex aid landscape, IATI is uniquely positioned as an anchor for transparency, and to foster collaboration and drive greater impact. To remain true to its core mission in a rapidly changing world, IATI has an opportunity to evolve its strategies to address increasing demands for comprehensive, transparent, and actionable data.

This can mean strengthening the initiative's service lines to future-proof its contributions to the impact and effectiveness of international cooperation. New ways to generate value for members through innovations and partnerships can help ensure IATI's relevance and contributions in an ever-changing landscape

By providing a platform that connects people, as well as data, and positioning itself as champion for accountability and effectiveness through shared data, IATI can solidify its role as a cornerstone of international cooperation for sustainable development.

IATI Strategic Plan consultation process



Over the coming months, through open and engaged consultations and dialogues, IATI will develop and explore the emerging strategic pathways with its membership and the wider community. Consultations are now underway, and we will rely on our wider community to engage and contribute their wealth of insights

and perspectives in shaping these new directions of change and the future of IATI.