SPEAKERS' REMARKS SUMMARY

Data-Enabled Development Cooperation: Enhancing Development Impact and Accountability in FfD4

Side event to the Third FfD4 Preparatory Committee Meeting

Tuesday 11th February 2025

Next Steps & Call to Action

The co-organisers:

- Endorsed IATI and called for the explicit reference to IATI's open data standard as a key mechanism for making aid flows traceable and accountable, and a commitment to transparency for development cooperation in the FfD4 outcome document, building on decades of strengthening commitments across the international community.
- Recognised, as demonstrated by a presentation from the Government of Liberia, real-world integration of IATI data into national budgeting and planning provides a working model for other countries.
- Recognised that full end-to-end financial and results tracking from donor to contracting is demonstrably possible by strengthening both IATI and OCP data and interoperability.
- Called for ongoing engagement and strengthening of financial tracking and tagging methodologies through the IATI standard, (e.g., for gender-responsive financing and crisis preparedness).
- Called for investment in analytics, communications and advocacy partnerships to tell stories of impact through data
- Called for great data and statistical capacity building.

Summary of Key Remarks by Panelists

Government of Liberia
Sarah McGill Mulbah, Assistant Minister of Budget at the Ministry of Finance and Development Planning

Liberia spoke about the critical role of transparency and data: "*for countries like Liberia, for instance, we rely on data for a variety of decisions and policy objectives*".

- Liberia demonstrated how it has **fully integrated IATI data** into its national budget system,

leveraging open data to improve fiscal planning, project management, and donor coordination, on an ongoing basis, now for eight of its largest development partners.

- By using **IATI's timely, relevant, granular, project-level data**, Liberia ensures better oversight and alignment of external aid with national development priorities, improving project performance and reducing inefficiencies.
- Accurate economic, fiscal, and monetary data is essential for **making macroeconomic adjustments and maintaining alignments** with external programs like the IMF-supported Extended Credit Facility.
- Liberia's **ARREST Agenda for Inclusive Development (AAID)** integrates national and subnational indicators to track progress and ensure effective policy adjustments.

The Deputy Minister provided a brief demonstration of the Liberia Project Dashboard, which provides IATI data online, ensuring that development partners and citizens have clear insight into where resources are allocated and how they are used.

Government of Australia
Dr Tony Swan, Director of Development Economics Section, Department of Foreign Affairs and Trade

Australia emphasised that "data is not just numbers"—it is the foundation of "smart decision-making", policy planning, and sustainable development.

- The integration of open data standards into the FfD4 process is an opportunity to strengthen **global accountability and national attention to data-driven development**.
- Australia has taken steps to strengthen transparency, including **publishing to IATI and launching AusDev Portal** to make Australian development data more open and trackable.
- Extreme climate events are increasing, but data deficiencies hinder effective disaster response. Strengthening **data collection and accessibility is essential for improving resilience and preparedness** in the Pacific. The Multidimensional Vulnerability Index (MVI), which highlights that income-based metrics alone do not fully capture development needs.

Government of Germany
Mr Dirk Meyer, Director-General, Multilateral Development Policy; Transformation; Climate, Federal Ministry for Economic Cooperation and Development (BMZ)

Mr. Dirk Meyer, emphasised the importance of transparency and open data in development cooperation, as well as the **political dimensions of data transparency.**

- **Rebuilding trust requires going beyond transparency** – it also requires ensuring that data is *interpreted and used correctly* to support sound decision-making.
- As the **power of data analytics is expanding rapidly**, the potential power of IATI data and its applications and value is also expanding.

- Strong frameworks are needed to protect data integrity, ensuring that transparency leads to accountability and action.

- **Political and communication strategies are key** – policymakers and taxpayers need clear, rational, and evidence-based communication to understand its meaning and implications.

Germany publishes its development cooperation to the IATI Standard and makes this data public via it's online transparency portal: transparenzportal.bund.

International Aid Transparency Initiative
Yemesrach Workie, Executive Director

- IATI called for a continued commitment to **embedding transparency in the FfD4 outcome document** and encouraged further collaboration to ensure development data remains open, accessible, and impactful. While transparency has been mentioned 17 times in the FfD4 Zero Draft, it is not yet explicitly linked to development cooperation, a gap that IATI is working to address.

- **Greater efforts are needed to ensure transparency translates into accountability**, particularly in the Financing for Development (FfD4) process, where IATI's role must be reinforced to track financial flows effectively.

- Transparency is critical not just for reporting but for **practical decision-making**—ensuring data is available at the right level of detail to improve coordination and development outcomes.

- IATI is contributing to the **four development effectiveness principles** (1. country ownership, 2. inclusive partnerships, 3. focus on results, and 4. transparency and accountability).

- **Inclusive partnerships** are central to IATI's mission, bringing together governments, civil society, and the private sector to improve data use and foster accountability.

- As well as finance data, the IATI Standard **offers a robust results framework** and the African Development Bank provides an excellent example of publishing their results to IATI.

- **Rebuilding trust in multilateralism is critical.** Quoting the UN Secretary-General, Ms. Workie highlighted that **trust in global cooperation has been weakened**, making transparency more important than ever in ensuring accountability to citizens, taxpayers, and development stakeholders.

- **IATI was established in 2008** as part of global efforts to improve aid effectiveness, later reaffirming its role in transparency through the 2011 Busan Partnership, the 2015 Addis Ababa Action Agenda, and the 2016 Grand Bargain on humanitarian data, and has grown significantly:
    - with **over 1,700 organisations publishing data**
    - **two-thirds of Official Development Assistance (ODA) now reported through IATI**.
    - Additionally, **19 countries actively use IATI data** to inform national planning and aid coordination

For more information see: *Briefing: Championing Aid Transparency at the Fourth International Conference on Financing for Development (FfD4)*

World Bank / Global Food and Nutrition Security Dashboard
Genevieve Theodorakis, Economist, World Bank Global Food and Nutrition Security Dashboard

The World Bank highlighted the importance of data-driven decision-making in improving food and nutrition security and the essential role of IATI data in providing **standardised, timely data** on resources.

- In collaboration with IATI, the dashboard's action area was developed to track global food and nutrition security financing, ensuring more transparency and efficiency in resource allocation. Using a methodology from the IATI Secretariat, the tracking system:
    - **Provides insights** into financial flows at global, regional, and national levels.
    - Helps **reduce duplication** and maximise limited humanitarian resources.
    - **Identifies funding gaps** to support high-level engagements and resource mobilization.

- The World Bank is enhancing the system by introducing tagging features to help users track funding commitments for food and nutrition security more precisely. This will strengthen preparedness plans, allowing for early intervention before crises escalate.

- Real-time data tracking is already being used in Yemen and Somalia to monitor emerging risks and enable proactive responses.

- **282 million people** faced crisis conditions in 2023, requiring urgent humanitarian assistance. Food insecurity has worsened due to conflict, extreme weather, economic shocks, and global crises like COVID-19 and the war in Ukraine.

- The dashboard integrates data from over 45 indicators to track food price stability, financing flows, and agricultural risks, helping stakeholders anticipate crises and respond more effectively.

Genevieve Theodorakis concluded by emphasising the need for continued collaboration on data transparency to ensure food security and build a more resilient future.

Open Contracting Partnership
Kathrin Frauscher, Deputy Executive Director

Kathrin Frauscher highlighted the importance of linking financing and aid data to procurement data to ensure transparency and accountability in development spending.

- Open Contracting urged policymakers to **embed stronger open data commitments** in the FfD4 outcome document to ensure that aid, procurement, and development finance are transparent and accountable.

- **Procurement is a significant global expenditure**, with **$13 trillion spent annually** by governments and **15% of GDP** allocated to procurement in many countries. However, development finance often lacks the necessary transparency to track how funds translate into actual services.

- **Digitised and open procurement data systems** are essential for connecting aid flows to procurement processes. The Open Contracting Data Standard helps organise and tag financial data to enhance traceability.
- Only around a third of aid **flows through national systems**, with much still processed through international organisations. Strengthening country-led open procurement systems is key to building capacity, reducing corruption, and ensuring resources are effectively spent.
- **Ukraine serves as a leading example** of how transparent procurement data can deliver impact. Their procurement data is supporting their crisis response and post-conflict reconstruction. Through its **digital reconstruction management system**, aid and procurement flows are monitored in real time, allowing communities to track how funds are spent on rebuilding hospitals, roads, and schools (see Digital Reconstruction Ecosystem for Accountable Management - DREAM)

Government of Australia

H.E. James Larsen, Australian Ambassador & Permanent Representative to the UN

His Excellency James Larsen provided closing remarks and emphasised the critical role of data in decision-making in ensuring effective development cooperation:

- Open financial data captured through the IATI Standard is essential for making **informed decisions, course correction, and ensuring confidence** in development policies.
- IATI's importance as offering both a mechanism to **collect accurate data** and a framework to determine **how to use it** effectively.
- To meet development financing needs, the sector must be **more data-driven in engaging with the private sector.**
- Reliable data is key to attracting private financial institutions and leveraging additional investment for development goals.
- Using data strategically is essential for securing financing for development, supporting energy transitions, and achieving the SDGs.
- A Financing for Development Indicator Framework within the FfD4 outcome document should be built upon existing SDG indicators, to avoid adding new reporting burdens while improving global monitoring efforts.

Chair - Joseph Barnes, UNICEF

In introducing and reflecting on the remarks of the participants, Joseph Barnes emphasised the **critical importance of transparency in development finance and decision-making**. He highlighted UNICEF's strong commitment to aid transparency, noting that the organisation is **ranked among the top 10 performers in the Aid Transparency Index** and actively publishes its financial and results data on an open data portal to the IATI Standard.

- Getting the **right data to the right people at the right time** is essential to ensuring effective development interventions.
- **Transparency is not just about finance—it's about results.** For UNICEF, this means ensuring that funding translates into measurable improvements for children, the future of every country.
- **Data enables smart decision-making** by helping to identify what works, where efforts should be scaled, and how impact can be measured.
- **Strong national systems and coordinated finance are key** to achieving sustainable development outcomes, and this requires open, accessible, and accountable financial data.
- **UNICEF is committed to supporting IATI's mission** and ensuring that transparency remains a central pillar of global development cooperation.

UNICEF reinforced that without transparency and strong financial coordination, achieving real development results is impossible, making open data an essential tool for driving impact and accountability.

Issues Raised from the Room during the open

Several key interventions were made by non-panelist participants, including representatives from civil society, youth groups, and development practitioners. Their contributions highlighted the broader political and practical implications of data transparency, accountability, and its role in financing for development (FfD4).

- **Advanced analytics for shaping narratives:** The development community must shift from a defensive posture on transparency to an offensive one, using data to tell the collective success story of global development efforts. Instead of just tracking aid flows, governments and organizations should proactively communicate the impact of development financing.
- **Handling sensitive data and information:** Transparency is critical but can pose risks—especially for human rights defenders, feminist movements, and LGBTQ+ organizations working in restrictive environments. Open data on funding flows has, in some cases, been used to target and endanger activists, leading to surveillance, funding restrictions, and even legal threats. Donors should develop stronger safeguards for disclosing funding to sensitive causes.
- **Limited local access to real-time data:** example raised from Pakistan, where lack of access to international aid flows led to misallocation of resources, lack of public oversight, and corruption.Called for expanded country-level accessibility, ensuring localized dashboards that allow citizens, journalists, and oversight bodies to monitor aid disbursements in real time.
- **There is an unmet financing gap for youth-led development initiatives**:many pledges for youth engagement and empowerment remain unfulfilled or are not tracked transparently. A stronger accountability mechanism should be established within FfD4, where IATI and other transparency actors help track not just funding commitments but their actual disbursement and impact.

- **The FfD4 process remains largely voluntary:** without a binding enforcement mechanism to ensure that financial transparency and aid commitments are followed through, many commitments to open data and financial tracking mechanisms (including IATI) are made at high-level meetings but lack proper implementation. Stronger reporting requirements within the FfD4 follow-up process—ensuring that donors and recipient governments adhere to their commitments on transparency and publishing aid data, can help ensures aid transparency is monitored, reported, and integrated into national systems.

Conclusion

The IATI Executive Director calls for action:

Propose new language for the FfD4 Outcome Document
Members States are encouraged to propose new language (highlighted below) to strengthen commitment to transparency and data-enabled development impact :

Paragraph 40. d) Request addition to speak to the 4th GPEDC principle of transparency and accountability
II. C. International development cooperation: Development effectiveness
d) We recognise the importance of transparency and fostering mutual accountability, and we commit to publishing development cooperation information using the International Aid Transparency (IATI) Data Standard, ensuring its public availability.

Paragraph 41. c) ii.
II. C. International development cooperation: Development cooperation architecture
We resolve to strengthen accountability and follow up as part of the FFD process, including through a strengthened DCF, to: Monitor the delivery, effectiveness and impact of development cooperation in all its forms, drawing on country-owned reporting of data to SDG 17.3.1 as agreed by the United Nations Statistical Commission, on Total Official Support for Sustainable Development (TOSSD), on ODA, on monitoring by the Global Partnership for Effective Development Cooperation, and on better evidence of development impact by leveraging development financing and results data published to the International Aid Transparency Initiative (IATI) Standard. To this end, we will work towards suitable measures of development impact of all types and modalities of development cooperation, building on ongoing efforts, including by MDBs.

Paragraph 65. d)
III. Data, monitoring and follow up: Monitoring and follow-up
To strengthen national follow-up, we will appoint focal points for financing for development in our finance and other relevant ministries and establish cross-departmental platforms for financing for development policy coordination and preparing national presentations, building on INFF experiences, where appropriate. We recognise the open data standards and platforms, including the International Aid Transparency Initiative (IATI), in providing a foundational evidence base for policy coordination at national level.