

Transparency in UK aid

Approach summary paper

May 2022

The Independent Commission for Aid Impact works to improve the quality of UK development assistance through robust, independent scrutiny. We provide assurance to the UK taxpayer by conducting independent reviews of the effectiveness and value for money of UK aid.

We operate independently of government, reporting to Parliament, and our mandate covers all UK official development assistance.



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1. Introduction

This paper provides an overview of the Independent Commission for Aid Impact's (ICAI) rapid review of transparency in UK aid. The review will build on previous scrutiny of the government's policy and practice on making information on its aid expenditure available to country partners, the UK Parliament and the general public, including ICAI's *How UK aid learns*¹ review published in 2019, ICAI's follow-up of the *How UK aid learns* review,² as well as general reflections on transparency in ICAI's follow-up review of 2019-20 reports.³

2. Background

Over a period of more than a decade the UK government has introduced a wide range of policies and practices to drive efforts to promote the transparency of UK aid spending. This agenda was first given explicit and high-level emphasis in 2010, through the government's introduction of the 'UK aid transparency guarantee'.⁴ This guarantee committed the former Department for International Development (DFID) to apply ambitious transparency standards for all new aid programmes and led to the launching of DevTracker,⁵ the main portal for making detailed information about these programmes publicly accessible. The preamble to this guarantee presented a narrative which emphasised that transparency was vital for the efforts of UK taxpayers and citizens in aid-recipient countries to hold the department accountable for using aid money wisely, and, therefore, for promoting its effectiveness and value for money.

More recently, the importance of UK aid transparency has continued to be emphasised by the 2015 *UK aid strategy*,⁶ which set ambitious transparency standards for all departments managing aid to meet; the 2018 *Open aid, open societies*⁷ transparency strategy, which reaffirmed UK aid transparency standards and committed to publishing all evaluations of UK aid programmes; and the 2021 *Integrated review of security, defence, development and foreign policy*,⁸ which stated a commitment to maintain the highest standards of transparency for all aid investments.

Across this same period, the UK has championed aid transparency globally. In 2008, it played a leading role in establishing the International Aid Transparency Index (IATI) – the globally agreed standard for publishing aid information – and has been one of its leading funders throughout its history. DFID was also consistently assessed by Publish What You Fund's Aid Transparency Index (ATI) as among the most ambitious aid agencies in implementing the IATI standard over the last decade. In the last round of the ATI, in 2020, DFID's level of aid transparency was categorised as 'very good', making it the second-highest-scoring bilateral agency, and the former Foreign and Commonwealth Office (FCO) was categorised as 'fair'.

The period since 2020 has been challenging for UK aid. Together with other development partners, it has had to reorient its aid programmes to respond to the devastating economic and social shocks caused by the COVID-19 pandemic. Contractions in national income in 2020, and a change to the UK aid spending target in 2021, have also led to significant reductions in the level of UK aid, requiring a process of reprioritising spending across the aid programme. Finally, in September 2020, DFID and the FCO were merged to form the Foreign, Commonwealth and Development Office (FCDO), beginning a lengthy and complex process to establish the new department's structures, policies and culture. This process is still ongoing.

There are promising signs that FCDO is continuing to emphasise the importance of aid transparency. In responding to a recent report by the UK Parliament's Foreign Affairs Committee on the formation of FCDO, the government stated that "[W]e are committed to improving transparency of aid globally and maintaining

1 *How UK aid learns: A rapid review*, Independent Commission for Aid Impact, September 2019, [link](#).

2 *ICAI follow-up review of 2019-20 reports*, Independent Commission for Aid Impact, June 2021, p. 14-17, [link](#).

3 *ICAI follow-up review of 2019-20 reports*, Independent Commission for Aid Impact, June 2021, p. 10-12, [link](#).

4 *The UK aid transparency guarantee*, Department for International Development, June 2010, [link](#).

5 *Development tracker*, Foreign, Commonwealth and Development Office, [link](#).

6 *UK aid: Tackling global challenges in the national interest*, HM Treasury and Department for International Development, November 2015, [link](#); A new International Development Strategy was published as this approach paper was being finalised: *The UK Government's Strategy for International Development*, May 2022, [link](#).

7 *Open aid, open societies: A vision for a transparent world*, Department for International Development, February 2010, [link](#).

8 *Global Britain in a competitive age: The integrated review of security, defence, development and foreign policy*, Cabinet Office, March 2021, [link](#).

our high standards for overseas spending”.⁹ In addition, FCDO’s *Programme operating framework*,¹⁰ approved in June 2021, sets out an ambitious approach to pursuing aid transparency. However, such an outcome is far from guaranteed given the continued challenges in fully forming the new department and bringing the culture of the two predecessor departments together, and the UK’s evolving strategic priorities.

3. Purpose and scope

Given the recent challenges for and changes to the UK’s aid programme, it is an opportune time to review the current state of UK aid transparency standards. It will also be valuable to analyse the contribution previous transparency efforts have made to promoting accountability for and effectiveness of this spending.

In examining compliance with aid transparency standards, this rapid review will look at what has been learned about good practice on aid transparency and how this learning has been applied by the former Department for International Development and former Foreign and Commonwealth Office over the period since 2015. Given the significance of the Foreign, Commonwealth and Development Office’s (FCDO) formation, the review will place an emphasis on how the newly formed department is performing against its transparency commitments, benchmark FCDO’s performance against its predecessor departments, and compare its policies and practices with those of other similar donors. The review will present the main mechanisms that have been used to promote transparency for UK aid financing, strategy and results; how they are used by the government; and how they can be accessed and interpreted. It will also examine the role of FCDO in promoting aid transparency across government, including in relation to official development assistance spend on prosperity, research and innovation, global health security, and conflict and security.

In examining the impact of previous transparency investments on promoting the outcomes of improved accountability for and effectiveness of UK aid, this rapid review will explore: how different stakeholder groups have made use of UK aid information; whether this information has supported these groups to pursue such outcomes; and whether UK aid transparency has promoted these outcomes in other ways. While the review will attempt to understand how aid transparency has helped to promote accountability to citizens in the UK and partner countries, its scope does not allow for direct engagement with these groups. Instead, we will explore how aid transparency has supported intermediary organisations (such as UK parliamentarians and partner governments) to engage citizens and support efforts to promote public accountability.

Finally, this rapid review will also briefly explore the role that the UK has played in promoting global aid transparency and the value added by these efforts.

9 *Merging success: Bringing together the FCO and DFID: Government response to committee’s second report*, Foreign Affairs Committee, September 2020, [link](#).
10 *FCDO programme operating framework*, Foreign, Commonwealth and Development Office, June 2021, [link](#).

4. Review questions

Review criteria and questions	Sub-questions
1. Relevance: Does the UK have a clear and coherent approach to aid transparency?	<ul style="list-style-type: none"> • Does the UK have clear and defensible criteria to guide decisions on what aid information to publish? • How well does the type and format of aid data that is published reflect the needs and interests of intended users of the data?
2. Effectiveness: To what extent has the UK achieved its aid transparency objectives?	<ul style="list-style-type: none"> • How well has the UK promoted cross-government standards and good practices on aid transparency? • How well is the Foreign, Commonwealth and Development Office performing in meeting its aid transparency commitments, compared to its predecessor departments and to other similar donors? • To what degree have transparency efforts helped improve the accountability and, subsequently, the effectiveness of UK aid?
3. Learning: To what extent has the UK sought and learned from feedback from users of UK aid data, both in the UK and in partner countries?	

5. Methodology

The methodology for the review will involve three main components, each used to inform and triangulate findings in the others:

- 1. Literature review:** We will review academic and ‘grey’ literature: to identify the (theoretical and apparent) channels through which aid transparency helps to promote accountability for and effectiveness of aid; to synthesise existing empirical evidence on the links between aid transparency and efforts to promote accountability for and effectiveness of aid; and to inform an analysis comparing UK policy and practice on aid transparency with other similar donors. The review will incorporate key elements of this literature into the conceptual approach and evidence base.
- 2. Strategy review:** We will review documentation and interview officials to explore how the UK’s strategic approach to aid transparency has evolved over the period since 2015 (with some contextual references to the period looking back to 2010). The strategy review will look explicitly at how UK policy has evolved in relation to deciding what aid information to publish and what to exclude from publishing; what tools and approaches have been used to deliver and oversee aid transparency efforts; how aid transparency has been managed during the course of and since the merger of the Department for International Development (DFID) and the Foreign and Commonwealth Office (FCO) to form the Foreign, Commonwealth and Development Office (FCDO); and the role that DFID/FCDO has played in the governance of UK aid transparency efforts.
- 3. Stakeholder engagement:** We will undertake a series of focus group discussions and interviews with stakeholders who make use of information on UK aid to understand their experiences in using this information, how it has helped them promote accountability for and effectiveness of UK aid, and continued challenges in accessing and using this information. The main stakeholder groups which we will engage through dedicated focus group discussions and interviews will include:
 - **Partner country governments** – in Rwanda and Somalia we will engage government officials to explore how they use UK aid information and how it has helped them to more effectively manage and account for UK aid investments.

- **Partner country research organisations and non-governmental organisations (NGOs)** – we will consult selected research organisations and NGOs in partner countries that make use of UK aid information to understand their experiences.
- **UK NGOs** – we will engage these actors to understand how they make use of UK aid information in promoting accountability for UK aid spending.

We will also interview a select group of FCDO project managers of UK aid, to understand their experiences with aid transparency, as well as representatives of other donors, to inform our analysis of how the UK has supported global aid transparency efforts.

6. Timeline

The rapid review will take place over a six-month period, beginning in March 2022, with publication planned for September 2022.



This document can be downloaded from www.icaei.independent.gov.uk.
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