

# **Beyond Busan: The Case for Including Other Public Flows for Development**

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# Why Development Aid Transparency?

- Transparency for public flows for development is non-negotiable
  - irrespective whether they are ODA or OOF
- Growth in the number of players in development finance
  - (their flows could fall into ODA or OOF)
- Whether OECD DACs existing standards or categorisations are inclusive enough to integrate the non-DAC donors financial flows
- Existence of the IATI
  - An instrument to improve aid data transparency and reform the way aid data is disclosed.

# Creditor Reporting System: What's public and what's restricted?

Access	Database	Flow of resources	Main uses of the data
Public	CRS/Aid	<ul style="list-style-type: none"> <li>Official development assistance</li> <li>Official aid</li> </ul>	<ul style="list-style-type: none"> <li>Sectoral and geographical distribution of aid</li> <li>External indebtedness</li> <li>Tying status of aid</li> <li>Terms and conditions of aid</li> <li>Relating aid inputs to policy priorities</li> </ul>
Restricted	CRS/OOF	<ul style="list-style-type: none"> <li>Other official flows (except export credits)</li> </ul>	<ul style="list-style-type: none"> <li>Sectoral and geographical distribution of other official flows</li> <li>External indebtedness</li> </ul>
	CRS/Export credits	<ul style="list-style-type: none"> <li>Official export credits</li> <li>Private loans and credits under official guarantee or insurance</li> </ul>	<ul style="list-style-type: none"> <li>External indebtedness</li> <li>Exposure and new obligations of export credits (Trade Directorate)</li> </ul>

**Source: OECD (2007)**

# State of Transparency other than 'ODA'

- Access to information on “other official flows” and officially supported export credit of DAC donors is restricted and not public in nature
- As Chinese Exim bank concessional loans are now classified as foreign aid they will not fall under DAC’s “officially supported export credit” category--- disclosure of which is not mandatory for DAC members.

# So What's the Game Changer?

- The lack of consensus between DAC and non-DAC donors of what constitutes 'official development assistance' should not be the limiting factor to disclose information
- Whether non DAC donors lines of credit are classified as aid or not is less important than whether they are transparent.
- And the same holds true for opening up of officially supported export credit data of DAC donors which is hidden.

# What means are available?

- At the National level
  - For example the [Export Credits Guarantee Department \(Regulation and Reporting\) bill](#) going to the UK parliament on 11/11/2011 contains transparency requirements as well as regulations. It calls for ‘the publication of an audit of all sums owed to the department, an annual impact assessment and a real-time disclosure policy on all supported projects’
- At the International level
  - The OECD’s guidelines for Export Credit Arrangements (OECD 2011) seek to provide a framework for the ‘orderly use’ of official export credits and a ‘level playing field’

# What means are available? (contd..)

- If IATI were to address export credits and lines of credit, what should it do?
  - Perhaps IATI could try to come up with a publication format which would be clear and uncomplicated for the audit of all sums owed to the export credit guarantee departments of the donors and a real-time disclosure policy on all supported projects?
  - IATI could have a critical role since transparency is important and they have already been mandated to do so.

# What could HLF4 achieve?

- An important step at HLF4 would be to acknowledge the importance of creating transparency of “other public flows for development” as well as of aid.
- To carry on the momentum built in the Paris Declaration and Accra Agenda for Action and to go beyond Busan HLF 4 by widening the transparency regime.
- Since IATI is officially designated as the vehicle for fulfilling the existing commitments of transparency, widening of the transparency regime would only further strengthen IATI.
- Will integrate all public flows from DAC & Non DAC donors without entering into debate of ODA, OOF, export credit or S-S Cooperation