

Therkildsen, Ole

Working Paper

Transparency in Denmark's OpenAid.dk: A mixture of light and darkness

DIIS Working Paper, No. 2019:5

Provided in Cooperation with:

Danish Institute for International Studies (DIIS), Copenhagen

Suggested Citation: Therkildsen, Ole (2019) : Transparency in Denmark's OpenAid.dk: A mixture of light and darkness, DIIS Working Paper, No. 2019:5, ISBN 978-87-7605-949-1, Danish Institute for International Studies (DIIS), Copenhagen

This Version is available at:

<https://hdl.handle.net/10419/204630>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

**TRANSPARENCY IN DENMARK'S
OPENAID.DK: A MIXTURE OF LIGHT
AND DARKNESS**

Working Papers make DIIS researchers' and partners' work in progress available towards proper publishing. They may include documentation which is not necessarily published elsewhere. DIIS Working Papers are published under the responsibility of the author alone. DIIS Working Papers should not be quoted without the express permission of the author.

Acknowledgements

I wish to thank Kirstine Lund Christiansen for diligent research assistance, colleagues at DIIS for useful inputs, and Lars Engberg-Pedersen and Ole Winckler Andersen for excellent comments on earlier drafts. I am responsible for all interpretations and remaining errors.

Ole Therkildsen

Emeritus Researcher
oth@diis.dk

DIIS WORKING PAPER 2019: 5

DIIS · Danish Institute for International Studies
Østbanegade 117, DK-2100 Copenhagen, Denmark
Tel: +45 32 69 87 87
E-mail: diis@diis.dk
www.diis.dk
ISBN 97887-7605-949-1 (pdf)

DIIS publications can be downloaded free of charge from www.diis.dk
© Copenhagen 2019, the author and DIIS

TRANSPARENCY IN DENMARK'S OPENAID.DK: A MIXTURE OF LIGHT AND DARKNESS

Ole Therkildsen

TABLE OF CONTENTS

Introduction	2
Challenges of aid transparency	4
What is aid spent on?	6
Where and by whom is bilateral aid spent?	7
When is aid disbursed?	7
What results from aid?	8
Danish aid transparency in comparative perspective	9
Proposals for doing better	10
References	13

INTRODUCTION

OpenAid.dk was launched in 2014 as an electronic data base providing public access to information on Danish support to activities that comply with OECD-DAC's definition of aid. OpenAid.dk replaces the printed version of Danida's comprehensive Annual Reports on development cooperation. Published once a year in a standard reporting format, these reports were deemed inadequate for capturing rapid shifts in the strategic priorities and modalities of delivering Danish aid. Moreover, Denmark and other donors had agreed to improve the transparency of aid globally by using a new common standard for reporting in a digital open-data format.¹

According to the Ministry of Foreign Affairs (MFA), the birth of OpenAid.dk gives users access to detailed information about Danish-supported projects and programmes, plus selected overviews of Danish aid. '[C]itizens, politicians, journalists and others who are interested can follow what the money is spent on and where Danish aid is spent.' Other information on aid is to be communicated through Danida.dk, Danida Facebook, etc.² OpenAid.dk is now 'the formal communication tool for progress reporting to the Danish Parliament on development cooperation; therefore it is essential that MFA units ensure timely and adequate reporting...' (Ministry of Foreign Affairs of Denmark, 2018, 37). In other words, OpenAid.dk is meant to provide information to non-specialist audiences about the actual uses and results of Danish aid to facilitate political decision-making and public participation in holding the government accountable.

The aim of this brief analysis is to assess the information provided by OpenAid.dk from this perspective. To what extent do the form and content of the information help or hinder parliamentarians and interested citizens in tracking major changes in Danish aid flows, their purposes, the beneficiary countries and organizations, and aid performance and results?

Methodologically, the analyses focus on one specific but typical question that a parliamentarian or a Danish citizen may ask: *What information can be extracted from OpenAid.dk on Danish bilateral and multilateral support to human rights in Afghanistan during the last five years?* The answers given in this paper are based on numerous specific searches on OpenAid.dk, supplemented by interviews with MFA staff in order to clarify various technical issues.

The relevance of the chosen question relates to the facts that the promotion of human rights is a long-standing Danish aid priority, that Afghanistan is a major

¹ The International Aid Transparency Initiative (IATI) was agreed in Busan in 2011. OpenAid.dk was developed as a way of displaying the content of the data reported to IATI.

² My translation from 'Danidas årsberetning kommer i ny form og med nye muligheder'.
<http://um.dk/da/nyheder-fra-udenrigsministeriet/newsdisplaypage/?newsid=b3fbc31b-9a17-49a1-bd05-d36dd42ae8bd>.

recipient of Danish aid and that the country has substantial human rights problems. It is, however, important to stress that the Afghanistan example is used here to exemplify the problems and potentials involved in using OpenAid.dk, not to analyse Danish aid in support of human rights in that country.

Three main findings of this typical query are that OpenAid.dk: (a) provides a wealth of detailed financial information about bilateral Danish funding over time at the country level, but is not user-friendly; (b) hardly provides any information about the performance and results of such activities; and (c) gives particularly limited information about the uses and results of aid by multilateral organizations.³ That the findings are typical is confirmed by a couple of similar queries about aid to other activities and countries.

That said, this specific Afghanistan query does not capture all the issues surrounding aid-transparency. In 2016 and 2017, for example, Denmark spent around DKK 3500 million on the in-country costs of refugees, but OpenAid.dk provides no other information on this supposedly DAC-compliant disbursement. The technical explanation is that the MFA has no detailed information on the use of this type of aid as administered by the Ministry of Immigration and Integration and other Danish ministries. It is difficult to imagine that a similar lack of adequate reporting would be acceptable to the MFA if a ministry in recipient country were to do the same.

The overall conclusion is that OpenAid.dk does not yet adequately fulfil the purposes the MFA sets out for it in the quote from 2018 above. It throws often overwhelmingly detailed light on many financial transactions, while leaving much relevant information, particularly on results, aid to multinational organisations and refugees, in the dark.⁴

Such findings and conclusions are consistent with assessments of reporting to IATI by Publish What You Fund (2018): compared with other countries, Denmark does not do particularly well in meeting its international aid-transparency commitments. Substantial scope for improvement therefore exists. At a minimum they should provide simpler information aimed at contributing to the political debate about Danish aid, focus more on aggregated trends than on piles of detail, and emphasise the reporting of results, including for aid channelled through multilateral organisations.

The analyses start with a brief account of the context of Denmark's aid-transparency efforts. Then follow four questions about aid: 'what', 'where', 'when' and 'what results' with respect to human rights support to Afghanistan. This is

³ This does not necessarily imply that MFA's tracking of results is also inadequate: the point is that outcomes are not systematically reported in OpenAid.dk.

⁴ See also earlier analyses of OpenAid.dk: <https://globalnytt.dk/content/heftig-debat-om-vilbys-kritik-af-danidas-site-pa-nettet> (23-4-2013); Laurits Holdt: <https://globalnytt.dk/content/danidas-arsberetning-2013-et-klik-her-og-et-klik-der> (24-6-2014); Jesper Heldgaard: <https://globalnytt.dk/content/danida-nu-ogsaa-uden-aarsberetning-0> (26-5-2015) and <https://globalnytt.dk/content/gennemsigtig-ja-gennemskuelig-nej> (26-8-2016); and Knud Vilby <https://globalnytt.dk/content/hvorfor-faar-vi-daarligere-information-med-bedre-informationssystemer> (25-6-2018).

followed by a section on international comparisons of aid transparency across many aid agencies to help identify specific proposals for the improvements in OpenAid.dk mentioned in the last section.

CHALLENGES OF AID TRANSPARENCY

Compliance with IATI standards, which OpenAid.dk also builds on, helps Denmark meet its commitment to better aid transparency, as defined at the Fourth High Level Forum on Aid Effectiveness in Busan, Korea, in 2011. At this Forum, countries promised to '[m]ake the full range of information on publicly funded development activities, their financing, terms and conditions, and contribution to development results, publicly available subject to legitimate concerns about commercially sensitive information.'⁵ Moreover, Denmark participated in the International Aid Transparency Initiative (IATI) right from its start.⁶ This transparency commitment is challenging for all aid agencies, including Denmark.

First, Danish bilateral and multilateral aid are both channelled to various programmes and projects in specific developing countries and regions using a multitude of organisations: public authorities, local special agencies and civil-society organisations, Danida itself, various Danish ministries (e.g. funds for refugees), other bilateral donors, Danish and international NGOs, private companies and consultants, UN and EU multilateral agencies, etc. Keeping track of Danish support and its results through all these channels is very demanding.

Secondly, donors sometimes cooperate on larger aid programmes. Aid may also be aligned to or be directly supportive of recipient countries' own activities (e.g. budget support). Obviously, it is difficult to identify specifically how much Danish aid is spent on in these arrangements and with what results.

Finally, OpenAid.dk must use OECD-DAC purpose codes and rules in classifying aid, although some 'home-grown' Danish categories are also used.⁷ Only one purpose code per activity is allowed.⁸ 'Human rights' is one of the 26 authorised categories (OECD, 2017), but like other DAC codes it is quite broad.⁹ Even

⁵ *Busan Partnership for Effective Development Cooperation*, <http://www.oecd.org/dac/effectiveness/49650173.pdf>, §23.

⁶ <https://www.aidtransparency.net/>. Its standard format allows the exchange of up-to-date data on aid.

⁷ The Danish language code, 'Offentlig administration og civilsamfund', for example, is not on the OECD list. A search in September 2018 on this home-made term combined with 'Afghanistan' identified 43 grants for 2016.

⁸ From 2018, more than one purpose code for an activity will be allowed by OECD-DAC.

⁹ The 'human rights' code covers 'Measures to support specialised official human rights institutions and mechanisms at universal, regional, national and local levels in their statutory roles to promote and protect civil and political, economic, social and cultural rights as defined in international conventions and covenants; translation of international human rights commitments into national legislation; reporting and follow-up; human rights dialogue./Human rights defenders and human rights NGOs; human rights advocacy, activism, mobilisation; awareness raising and public human rights education./ Human rights programming targeting specific groups, e.g. children, persons with disabilities, migrants, ethnic, religious, linguistic and sexual minorities, indigenous people and those suffering from caste discrimination, victims of trafficking, victims of torture' (OECD, 2017, 10).

narrower categories can be ambiguous to use: support for business education to victims of violence against women, for example, could be classified as aid to the private sector, human rights, education or gender equality.

Consequently, more fine-grained analyses of the spending purposes of Danish aid are not possible due to the features and rules of the coding system and the characteristics of international development cooperation. They are not a fault of OpenAid.dk, nor are such problems new: they are faced by anyone seeking greater aid transparency.

In addition to these general challenges, which face all donor agencies, Denmark has a specific 'domestic' aid reporting problem involving the multilateral organisations. According to OpenAid.dk, their share of Danish aid has been around 30 percent in recent years, based on the OECD-DAC definition: only core funding to these organisations counts as multilateral aid, while money ear-marked for a multilateral organisation is classified as bilateral aid. The distinction is between 'money to' and 'money through' a multilateral organisation.¹⁰

This differs from the Denmark's own domestic definition of multilateral aid. For many years it resulted in a roughly 50-50 split between bilateral and multilateral aid, as also stipulated in earlier Danish aid strategies (e.g. Danida, 1994, 31). However, the definition of multinational aid is implicit and is based on the traditional classifications in the Finance Act, which differ from the OECD-DAC definition used in OpenAid.dk on two points: they may include both core and ear-marked funds to multilaterals plus (apparently) some aid commitments, and not only actual disbursements.¹¹

Two implications follow from this. A meaningful debate on the respective shares of multilateral and bilateral aid must be based on the same classification. Furthermore, while ear-marked aid can in principle be directly assigned to a specific sector and country, core funding cannot. In any case, the tracking of Danish aid to multilaterals typically depends on each organisation's own reporting and evaluation systems. To track multilateral aid and its results is therefore challenging.

In short, OpenAid.dk users must themselves navigate the complicated waters of aid reporting and make their own analyses of Danish aid unless they are satisfied by the very general overviews provided by OpenAid.dk.¹² Some of the challenges that confront citizen-users of the database are identified below.

¹⁰ In 2013 the former made up around two-thirds of Denmark's multilateral aid (OECD, 2015, Figure 5).

¹¹ Detailed information about actual disbursements is, of course, available to the Danish public (and the Parliament) by specific request.

¹² E.g. <http://openaid.um.dk/en/organisations>; <http://openaid.um.dk/en/oda>; <http://openaid.um.dk/en/sectors>.

WHAT IS AID SPENT ON?

OpenAid.dk tracks actual disbursements, not commitments. Within the limitations of the OECD-DAC coding system, a correct classification of aid is obviously essential for accountability purposes and to inform debates about Danish aid. Ambiguous coding blurs the link between the actual design, funding and implementation of activities and the specific policy priorities that these are meant to address.

Purpose classification of *larger bilateral programmes* can be problematic in OpenAid.dk. For example, the entire DKK 334 million spent on the Afghanistan Country Programme (ACP) is classified as 'Human rights'. In contrast, nine purpose codes are used to classify another major activity, the Good Governance Programme (GGP), to which DKK 198 m. was disbursed. GGP is described as supporting the 'governance, democracy and human rights area', which is exactly the title of the ACP. The fact that two apparently similar programmes are coded differently is confusing, suggesting it might be due to coders' different practices.

Paradoxically, *small projects* involving limited bilateral funds may typically pursue more specific purposes and are therefore easier to classify correctly than larger programmes, which often involve many different activities. Consequently, the larger the programmes (and funds) involved, the greater the potential inaccuracy of the purpose classification.

The purpose coding of aid to *multilateral organisations* is particularly challenging. As already mentioned, only non-core support (i.e. ear-marked funds), not core funding, can be traced to a specific end-use (country, sector). Denmark's support to EU institutions illustrates the problem. In 2016 some 90 percent of Danish aid to these institutions consisted of core grants, which are therefore not purpose-coded in OpenAid.dk.¹³ Take the European Development Fund (EDF) of the European Commission as an example. It is the EU's main instrument for providing development aid to African, Caribbean and Pacific countries. From 2001 to 2017 it received more than DKK seven billion from Denmark, of which a very large proportion is core funding. In OpenAid.dk most of it is classified as 'multisector aid' or 'sectors not specified',¹⁴ and none of it as support to 'human rights'. To map more precisely what the EDF spends money on in, say Afghanistan, requires access to the relevant EDF documents, but there are no links to these on OpenAid.dk. In any case these documents cannot (and should not) trace the specific purposes for which Danish core funding to EDF is spent. Non-coding in OpenAid.dk is simply a consequence of delegating implementation to the EU. However, this leaves a blank spot on the transparency map of Danish support to the EU and other multilaterals.¹⁵

¹³ <http://openaid.um.dk/da/organisations/40000/42000?Y=2016>.

¹⁴ In addition, Denmark contributes to the European Commission and the European Union. However, a search for 'European Commission' yields different results from a search for 'EU Kommissionen'.

¹⁵ The extent of the transparency problem varies across multilaterals. From an OpenAid.dk perspective the larger the proportion of core-funding the greater the transparency problem. For example, Denmark

Such coding problems also exist for *civil-society organisations*. It 'is currently difficult to track Danida support to civil society outside of direct funding of Danish NGOs' (Ministry of Foreign Affairs of Denmark (2017, 54)).

To sum up, OpenAid.dk provides some information on spending purposes, but major ambiguities also exist. In addition, between 20 percent (2013) and 10 percent (2016) of bilateral aid was not assigned a specific purpose.¹⁶ Those percentages would be substantially larger if OpenAid.dk data on aid to the multilaterals and civil-society organisations were to be included.

WHERE AND BY WHOM IS BILATERAL AID SPENT?

Bilateral aid channelled directly to local organisations (public, civil society, private) is assigned to the recipient country. Earmarked aid to multilaterals and other international organisations is also classified as bilateral aid.¹⁷ OpenAid.dk tracks this unproblematically provided it has been coded correctly.

Country identification issues arise for two other types of aid. Obviously, one is Danish aid to *regional or global initiatives*; it cannot be assigned to a specific country. Some aid to multilaterals cannot be country-assigned either (as illustrated by the aid to EDF described above).

In addition, *core grants to international organisations*, such as major Danish NGOs and organisations like DIGNITY and the Danish Institute for Human Rights (DIHR), are not assigned to specific countries, although some of such grants may be spent there. Only earmarked grants are country-assigned.

How much of Danish aid is channelled to Afghanistan through these channels is not known. This also leaves a blank spot on the transparency map.

WHEN IS AID DISBURSED?¹⁸

Time trends in spending patterns indicate if, and to what extent, there are shifts in disbursements for, say, human rights to Afghanistan. Tracking such changes is very useful in permitting an informed debate: do they reflect deliberate changes in Danish and/or the recipient country's political priorities? Are they driven by

supported 146 activities through UNDP in 2016, of which fourteen were in Afghanistan. The majority of these fourteen have a specific purpose code because Denmark's funding to them is earmarked.

¹⁶ This consists of 'unallocated/unspecified' aid plus 'multisector/crosscutting' aid. See, fx, <http://openaid.um.dk/en/sectors?Y=2013> (accessed February 2019).

¹⁷ <http://openaid.um.dk/en/site/glossary> (accessed February 2019).

¹⁸ As mentioned earlier, OpenAid.dk tracks disbursements, not commitments. In principle, it records disbursements from 2013 onwards, plus activities started earlier but which are still under implementation. Activities closed prior to 2013 are, also in principle, not included.

implementation success or failure on the ground? Are changes in spending patterns a sign of mission creep? Etc.

Only annual disbursement data on some 25-plus broad sector categories are easily accessible in OpenAid.dk.¹⁹ Year-on-year disbursement data at the project, programme, country or multilateral levels are not directly available because there is no search filter for 'year', and the free-text search function does not work.²⁰ A search on the year 2016, for example, provides information for several years. Indeed, a search on the year 2013 also provides information on future years, while a search on EDF provides information on spending from 2001 to 2017.

Moreover, most of the data are not available in a machine-readable format that can be directly downloaded to (for example) an electronic spreadsheet programme for analysis. To work out disbursements per year with a purpose code such as 'human rights' therefore requires cumbersome manual calculation (or copy-and-paste operations), often of hundreds of financial transactions.

A final problem is that purpose coding is not stable over time because data are always displayed in accordance with current statistical standards and code-lists. These changes are not controlled by the MFA or OpenAid.dk but occur as standards develop 'to cater for new and previously unforeseen political dialogues and commitments'. Consequently, the display of historical data in OpenAid.dk will also change.²¹ How frequently this happens is not known to users. Therefore the OpenAid.dk web-site recommends users to rely on OECD.stat 'to ensure static data regarding past years, even those years displayed in OpenAid'.²² The data base is not a reliable tool for tracking changes in Danish aid over time.²³

WHAT RESULTS FROM AID?

OpenAid.dk is supposed to report on results, according to the Ministry of Foreign Affairs of Denmark (2018, 37): 'MFA units responsible for projects or programmes must ensure reporting against the overall project/programme results framework, at least annually, and ensure adequate information is entered into aid management systems, which is publicly available on OpenAid.dk instantly.'

¹⁹ See, for example, <http://openaid.um.dk/en/sectors?Y=2017>.

²⁰ This problem dates back at least to the fall of 2017.

²¹ <http://OpenAid.um.dk/en/site/andre-kilder> (accessed February 2019).

²² See <http://openaid.um.dk/en/site/andre-kilder?Y=2013>.

²³ OECD.stat is based on reporting by MFA. It therefore suffers from similar transparency problems as OpenAid.dk. Indeed, some of the information in DAC's Consolidated Reporting System (CRS) on Danish aid to specific sectors in specific countries appears to be incomplete. For example, 'Support to the Judiciary' in Mozambique was coded under 'Human Rights' in OpenAid.dk and received DKK 19.7 million between 1998 and 2009. Yet, according to the OECD CRS data base, there were no disbursements to Mozambique for 'Human rights' from 1995 to 2016. However, discussing such issues further would be beyond the scope of this working paper.

MFA's promise to make results publicly available is clearly not being fulfilled. Results were reported in OpenAid.dk for only one sub-activity in one programme out of 68 specific grants identified in the Afghanistan query,²⁴ results that were marginal to the programme in question.²⁵ No results were reported for Denmark's support through the European Union or European Commission. Generally, OpenAid.dk does not report on the results of Danish support to multilaterals.

More detailed information about the various activities is also absent. The OpenAid.dk site on the large GGP in Afghanistan, for example, promises 'full descriptions, status etc.' for all activities. Yet, not a single link to the relevant documents was found for the GGP, nor for any of the activities identified in the OpenAid.dk query on Afghanistan and Human Rights.

The MFA guidelines for projects and programmes emphasise the importance of tracking results, and they specify elaborate procedures for how to do so. However, the MFA's reporting of results is only sporadically reflected in OpenAid.dk and contains very little information on the substance of its own results monitoring or on links to the relevant documents. If users want to find out about the results of Danish grants, OpenAid.dk is not the place to look.

DANISH AID TRANSPARENCY IN COMPARATIVE PERSPECTIVE

Like many other donors, Denmark's aid reporting uses the IATI format,²⁶ which is also the technical foundation for OpenAid.dk. 'The strength of the new format is to allow fast exchange of current and preliminary data, as a supplement to the slower collection and publication of validated statistical information, managed by DAC.'²⁷ It is in this perspective that the assessments of the quality and extent of reporting on aid to IATI by donor organisations (private, public, development banks, UN organisations, NGOs, etc.) is relevant to OpenAid.dk. The IATI assessment is done by Publish What You Fund (PWYF) as part of a global campaign for aid transparency. Its Aid Transparency Index ranks individual aid agencies based on 35 different indicators in five areas.²⁸

²⁴ OpenAid.dk search on 'Afghanistan' plus 'Human Rights' for 2016.

²⁵ They dealt with a sub-activity of the large GGP and focus on the number of meetings held in an NGO round table plus capacity-building to provide strategic planning.

²⁶ Members agreed on the first standard in 2011 (see <https://iatistandard.org/en/about/iati-history/>).

²⁷ See <http://openaid.um.dk/en/site/glossary?Y=2016>.

²⁸ Organizational planning and commitments; Finance and budgets; Project attributes; Joining up development data; and Performance. Denmark also received mediocre rankings in earlier years, but changes in methodology hinder strict comparability over time. See <http://www.publishwhatyoufund.org/the-index/methodology/>.

By July 2018, more than eight hundred organizations had published data in a standard IATI format that can be accessed by the public. Almost all aid agencies included in the PWYF Transparency Index now use this standard.²⁹

Substantial progress on aid transparency has therefore been made in recent years, although using the IATI registry is complicated, as are the ranking calculations. Overall, MFA Denmark is ranked 29th out of 45 development agencies in 2018, only one place above the US Department of Defense (Publish What You Fund, 2018). Moreover, among the 27 donor agencies³⁰ that are included, Denmark ranks a mediocre 14th. The three most transparent donor agencies are DfID, the US Millennium Challenge Account and Canada Global Affairs. The least transparent donor agencies are from Japan, the United Arab Emirates and China.

Denmark's ranking differs across the five areas of reporting. Specifically on financial reporting, and consistent with the findings in this working paper about OpenAid.dk, the MFA receives a score of 14.4, or around half of the maximum score of 25 (almost achieved by the Asian Development Bank and UNDP). Moreover, the assessment of performance reporting (results) is poor both according to the assessment of OpenAid.dk in this working paper and in the PWYF assessment, in which the MFA scores zero together with fourteen other donor organizations. Despite Denmark's (and many other donors') strong focus on setting targets, demonstrating results and 'value for money,' there are severe reporting gaps. The majority of aid organizations score better than the MFA on performance reporting (again with ADB and UNDP the best).

In short, the MFA's reporting to IATI receives a mediocre ranking from PWYF, one that is consistent with this working paper's findings on OpenAid.dk. Together these assessments show that in its present form OpenAid.dk does not fulfil the MFA's stated ambitions, nor Denmark's international commitments to transparency. Even granted the generic problems with the present international reporting system, Denmark can do much better.

PROPOSALS FOR DOING BETTER

In its present form OpenAid.dk cannot replace Danida's now abolished annual reports. The idea that interested citizens and politicians are able and willing to produce tailor-made 'individual annual reports' suited to personal needs is unrealistic and does not promote a democratic debate on aid and aid policies based on commonly accessible and reliable information. At present non-specialists in information bases (most politicians, citizens and journalists) do not benefit enough from the resources being spent on OpenAid.dk, as it is too difficult to use

²⁹ https://www.cgdev.org/blog/ten-years-aid-transparency-fulfilling-dream-accra?utm_source=181010&utm_medium=cgd_email&utm_campaign=cgd_weekly&utm_&&&

³⁰ This figure includes agencies in countries that have more than one such agency (e.g. USA) but excludes multinationals, UN organisations, etc. See <http://www.publishwhatyoufund.org/the-index/2018>.

and does not report adequately on key parameters such as results. Simplifications, better coverage and user-friendliness are required.

To fulfil Denmark's commitment to aid transparency, including to the Danish public, more resources are no doubt needed. In addition, even an improved OpenAid.dk (or a replacement for it) will face transparency and information problems. The outsourcing of aid implementation to private, civil-society and multinational organisations, for example, makes aid transparency more challenging to achieve, as does cooperation with many partners, especially in regional programmes across national borders or in budget support. Trade-offs between the gains in aid effectiveness from such arrangements and aid transparency must be made.

That said, the website clearly needs improvements (or a more fundamental rethink) to be able to fulfil its assigned role of reporting on development cooperation and its results to the Danish parliament and public. Users in recipient countries would also be helped by this. In its present form OpenAid.dk throws a clear, although sometimes confusing and incomplete light on a multitude of financial transactions involved in Danish aid cooperation but leaves the bigger picture and the results of this support in darkness. Here are five specific suggestions for improvements, subject to modifications based on the first point.

1. *Improve OpenAid.dk based on prior consultations with its users, including Parliament.* In its present form OpenAid.dk reflects an accountancy view of what constitutes relevant information. An in-depth analysis of how the website is actually used by its intended target groups – citizens, journalists and politicians – should be a first step. This should be followed by consultations to identify the relevant information that different groups need in order to hold authorities accountable and to engage in broader public and political debates and decision-making on aid.
2. *Simplify OpenAid.dk's interface and make it more user friendly.* The free-text search function has not worked for some time; some of the other search function are tricky to use, and most of the information is not directly machine-readable, which prevents the easy transfer of information on to spreadsheets or other analytical programmes, etc.
3. *Facilitate overviews and aid trend analyses, rather than provide detailed information on myriads of financial single transactions.*³¹ OpenAid.dk does not present much information on aggregate changes over time (for example, on purposes and major shifts between countries, programmes and projects). Such information can be extracted from the website, but it is very laborious

³¹ PWYF and OpenAid.dk are both biased in favour of providing masses of detailed data rather than more decision-making-relevant information.

to turn this into overviews and trends over time. Better and more comprehensive purpose coding within existing OECD-DAC rules would also help to track trends and provide overviews.

4. *Improve results reporting.* Politicians and citizens are presumably especially interested in results and impact. Hardly any results are reported in OpenAid.dk, not even links to the relevant sources and evaluations being provided, let alone summaries of them. The MFA should learn from high-transparency donors in this respect. Refugee expenditure in Denmark, including results, constitutes a specific major information gap.
5. *Enhance transparency on aid channelled through multilaterals.* Information on this aid modality is especially scarce. Part of the problem is that Danish aid is pooled with core funds from other donors and cannot (and should not) be disentangled. Nevertheless, a coordinated effort by the core funders of multilateral organisations to improve transparency of this type of aid is required. What the public and politicians need is not accountancy-like detailed information, but accessible and digestible information on goals, funding and results.

Implementation of these five proposals would be more likely if Denmark and other countries with mediocre aid-transparency rankings had clearer incentives to implement their international transparency commitments. One important incentive could be that only aid that meets the IATI/PWYF reporting standards should count. Aid provided in non-transparent or undocumented ways and with inadequate information on results should not. This incentive reflects the spirit of the 'gold standard' of foreign aid laid down in 1969: to count as aid, it must specifically contribute to the economic development and welfare of developing countries (OECD, 2018). Transparency about the uses, beneficiaries and results of aid is therefore essential. OpenAid.dk and other communication tools should help to ensure this transparency in ways that fit the needs of the intended target groups: citizens, journalists and politicians.

REFERENCES

Danida. (1994). En verden i udvikling. Strategi for dansk udviklingspolitik frem mod år 2000. Udkast København Danida, 103 pages.

Ministry of Foreign Affairs of Denmark. (2017). Danish support to civil society: a monitoring and evaluation framework to demonstrate results. Evaluation Copenhagen Danida, Ministry of Foreign Affairs, 76 pages.

Ministry of Foreign Affairs of Denmark. (2018). Guidelines for Programmes & Projects. Copenhagen Danida, 57 pages.

OECD. (2015). Multilateral Aid 2015: Better Partnerships for a Post-2015 World. Highlights. Paris he Development Assistance Committee, OECD, 24 pages.

OECD. (2017). The List Of CRS Purpose Codes and Voluntary Budget Identifier Codes. Report, Paris Creditor Reporting System. OECD, 29 pages.

OECD. (2018). Official Development Assistance: What is ODA? Paris Development Cooperation Directorate, 4 pages.

Publish What You Fund. (2018). Aid Transparency Index 2018. London: Publish What You Fund, 17 pages.