An Open Goal: How to empower the post-2015 framework

A joint paper by Development Initiatives, the International **Budget Partnership and Global Witness**

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Working paper

2013

February

Working towards ending absolute poverty by 2030





global witness



Introduction

Sustainable development requires open and effective government, enabled by citizen oversight and participation. Governments, institutions and business need engaged citizens to help design, and implement, the most effective policy solutions for economic transformation. The dramatic improvements in health, education and environmental sustainability offered by the post-2015 framework will not take place if governments, societies and citizens lack the power to ensure implementation happens and local solutions are developed. Much has been written on governance - the need to fight corruption, promote transparency, accountability, participation, harness technology and empower citizens. This paper explains HOW to realise those aims in the post-2015 framework, through:

- Mainstreaming "Investment and outcome indicators" to give real-time accurate information for ٠ monitoring progress against the post-2015 development framework.
- A standalone goal on "open information" - to harness the power of technology and information to enable governments, societies and citizens to better face the decisions that impact their development.

The issue

The lack of reliable, timely and accessible information on poverty eradication is a significant challenge. It severely limits the ability of policy makers to track progress and ensure that their decisions are both evidencebased and effective. Over 40 developing countries lack enough data to track performance on extreme poverty. On average, data from developing countries on the prevalence of extreme poverty is nearly five years old. Data on hunger is four years old, followed by data on gender equality, education and HIV/AIDS, which is at least three years old, on average. [See publication: 'Open for Development']. The situation worsens when looking at fragile states and conflict states.

Without an explicit push to improve the quality and timeliness of information any efforts to establish a transformational post-2015 agenda will only ever be directed at an incomplete, and potentially inaccurate, picture. The inclusion of a standalone goal on open information would provide the post-2015 framework with the opportunity to make a quantum leap in the way that development occurs, creating the preconditions for many other governance and development outcomes to come about, such as, reduced corruption and improved service delivery, as well as allowing more local solutions to emerge.

Support

Right now, a broad movement for open government is gathering steam. Public support for openness as a means of monitoring budgets and taxes is growing. Networks, such as the International Budget Partnership and the Open Knowledge Foundation, and standards, such as the Extractive Industries Transparency Initiative and the International Aid Transparency Initiative, are taking hold. One of most significant of these, the Open Government Partnership (OGP), was established in 2011 as a collaborative effort of governments and CSOs to secure concrete governmental commitments to promote transparency, empower citizens, fight corruption, and harness new technologies. In just over a year, 57 countries from all continents (including Brazil, Colombia, Indonesia, Jordan, Kenya, Latvia, Mexico, Netherlands, Russia, South Africa, Sweden, Turkey, United Kingdom and United States of America), covering 25% of the world's population, have signed onto the OGP, making over 300 specific open government commitments.

This movement – one of the most exciting and promising developments of the last decade – is starting to transform the citizen-state compact. In addition, a growing number of rich and developing country governments are adapting the way they do business, recognising that greater transparency and participation leads to more effective, efficient, and equitable management of scarce public resources. If the core components of this could be added to the current MDGs then the post-2015 framework could be game-changing.

Evidence

- A growing body of evidence shows that an open approach to development helps to improve development outcomes, demonstrating that greater citizen access to information and participation opportunities can make a real difference to people's lives and the prospect of countries and societies. Examples include:
- In India, CSOs are making budget information accessible to the poor by painting it on village walls. In the state of Andhra Pradesh alone, citizen audits have uncovered over \$25 million in fraud and theft, a fifth of which has been recovered. These audits have proven so useful that the Controller and Auditor General have called for their use across all of India.
- In Nigeria in 2008, Finance Minister Ngozi Okonjo-Iweala stated that revenue transparency helped to boost Nigeria's credit rating and to increase foreign direct investment by \$6 billion a year in the oil sector and \$3 billion a year in the non-oil sector. More recently, Nigeria's government estimated that revenue transparency laws and an end to tax loopholes save the country about \$780m a year.
- Kenya became Africa's first country to digitize its information and make hundreds of data sets available including information on budgets, health care, and education. Private and non-profit Institutions are creating a range of applications to help people access, manage, and comment on government information.
- Across the European Union (EU), member countries could generate a total €40 billion (USD \$48.7 billion) a year in economic gains by making data more publicly available, according to a recent European Commission Communication on Open Data.

How to implement these principles in the post-2015 framework

The argument outlined above raises the question of how to incorporate these principles into a post-2015 framework, that requires measurable targets and indicators. We believe the following two recommendations offer the answer:

- 1) Mainstreaming "Investment and outcome indicators", and
- 2) A standalone goal on "open information".

Mainstreaming "Investment and outcome indicators"

To give real-time accurate information for monitoring progress against the post-2015 development goals.

Open format 'Investment and outcome indicators' should be included under each of the sector-specific post-2015 development goals - whether in health, education, environmental sustainability. This will ensure that timely, reliable, and accessible information is made available by governments to allow citizens and other actors to monitor and influence what governments are doing in pursuit of each of the goals. It will facilitate both national monitoring of what is being done to achieve the agreed upon development targets, thus promoting domestic accountability, and international efforts by the U.N. to track the implementation of the goals at global level. These sector-specific indicators should include two main components:

- a) Regular and timely reporting by all governments on how much money they have allocated and spent on activities aimed at achieving each of the international goals and targets, and on the results they have achieved. To the maximum extent possible, data should be published so that it is free to use, reuse, and redistribute [see: Open Definition]. Such reporting should be done, as far as possible, through governments' existing budget reporting mechanisms.
- b) As budget and results information are published, its availability should be widely publicised, and the resulting documents disseminated through various means including open data platforms. Governments should consult with citizens on how they can provide information that is accessible and usable. They should create opportunities for citizen engagement and participation in monitoring and evaluating government initiatives and activities aimed at achieving the international goals and targets.

A standalone goal on "open information"

To harness the power of technology and information to enable governments, societies and citizens to make better-informed decisions.

The mainstreaming of 'Investment and outcome indicators' would be an improvement on the MDGs. Yet sector-specific indicators only look at the formulation and implementation of policies around the achievement of specific goals. They do not provide a comprehensive picture of a government's commitment to development and do not allow assessment and performance of these commitments relative to others, for example, to understand a government's commitment to health we would need information to compare its proposed health expenditures against all their other spending commitments and its other fiscal policies. Importantly, it would fail to provide citizens with free-ranging access to information that they determine to be useful - limiting their ability to use information in the way they see fit to tackle the problems affecting them. A separate post-2015 framework goal on availability of and accessibility to information, including budget, resource, fiscal and domestic information, would provide the foundation for the success of all goals. It would enable countries, citizens and societies to use information to create locally owned solutions to daily and long term challenges as they emerge – rather than waiting for official findings two or three years after the fact and deal with the challenges and seize the opportunities that they face.

Proposed Goal:

Increase access to and use of information to accelerate sustainable development (including information on budget, fiscal, natural and domestic resource)

Targets:

1. Right to information enshrined in legislation [inc. overruling of previous regressive legislation]

2. Detailed and timely government revenue, budget, and spending information is made publicly available to a common open standard

3. Open contracting and company registry data to provide detailed information on entitlements and government services made available online

- 4. Private sector disclosure of payments made to the government, such as tax and royalty payments
- 5. Investment in statistical capacity and public reporting
- 6. Universal access to mobile phone and broadband coverage

Indicators:

- a) % of entitlement data publicly available online through open data platforms
- b) The number of budget documents made publicly available online
- c) % of publicly available budget and expenditure data published at transaction level
- d) % of publicly available budget and expenditure data geo-coded
- e) Number of platforms for public engagement with government data and information
- f) Months taken for data to become publicly available
- g) % of publicly funded research freely available
- h) % of private sector to disclose tax and royalty payments
- i) % of beneficial ownership information of registered companies publically available
- j) % of government expenditure in statistical capacity and public reporting
- k) % of population with mobile phone coverage
- I) % of population with broadband access
- m) % of per capita income of poorest decile to afford basic access to mobile internet
- n) % of women and girls with access to mobile internet

About this paper

This is a jointly authored working paper by Development Initiatives, the International Budget Partnership and Global Witness. It is available online at <u>www.devinit.org</u>.

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