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The Case for Greater Project-Level Transparency of the UN's Development Work

Summary

There is a case to be made for greater transparency of the United Nations' (UN) development work at the country level. Transparency can, in the simplest terms, be defined as the quality of being open to public scrutiny. Despite improvements in recent years, UN organisations still only partially meet this standard. Only the UN Development Programme (UNDP) and, with limitations, the World Food Programme (WFP) systematically publish basic project parameters such as project documents, funding data and evaluations. Others do not even publish project lists. Only the UN Children's Fund (UNICEF) publishes evaluations – a key source on performance – in an easily accessible way next to programme or project information.

Lack of project transparency constitutes not only a failure to operate openly in an exemplary way, as should be expected of the UN as a public institution with aspirations to play a leadership role in global development. It also undermines in very practical ways the development purposes that UN organisations were set up for: It reduces their accountability to the stakeholders they serve, including executive boards and local actors; it hampers the coordination of aid activities across and beyond the UN; and it undermines the learning from both successes and failures.

In principle, the UN and its development organisations (which in many cases also provide humanitarian assistance) have fully embraced transparency. All nine of the UN's funds and programmes had joined the International Aid Transparency Index (IATI) by 2019; four of them have also set up their own transparency portals that provide information on country-level work. The UN Secretary-General has made greater transparency and accountability key priorities of his ongoing reform efforts to strengthen the UN development system (UNDS) and win the trust of governments, both as hosts and donors.

However, existing transparency arrangements in many cases fall short – either through their design or implementation – in creating a meaningful degree of transparency at the operational level of projects. It appears that both UN organisations and member states, for whom transparency comes with (perceived) downsides, have accepted improvements in project transparency in recent years as a kind of mission accomplished. Ongoing reforms focus on the level of country programmes, where they promise greater transparency on financial allocation patterns and aggregated results.

This focus on programme-level transparency should be complemented by full transparency on how the UN works and achieves results at the level of projects. The following actions are recommended:

- Member states should request full project-level transparency in the UN General Assembly and the executive boards of UN development organisations.
- Member states should, in the executive boards, review agency-specific rules and mechanisms regarding transparency and monitor compliance.
- The UN Sustainable Development Group (UNSDG) should ensure that a system-wide UN transparency standard exists.

Transparency of UN development cooperation

Over the last two decades, significant efforts have been undertaken to make the field of development cooperation more transparent. The Paris Declaration on Aid Effectiveness (2005) provided a boost to the movement for greater transparency. It aimed at checking corruption in developing countries and helping governments to better coordinate external aid. The UN early on positioned itself as an advocate for transparency. In 2008 a coalition of aid organisations, including the UNDP, founded IATI, which is a data reporting platform to which all nine UN funds and programmes and five of the thirteen specialised agencies had subscribed by 2019. Simultaneously, major UN funds and programmes have set up their own transparency portals over the last five years, in which they publish data on operational activities.

In the current UNDS reform process, transparency has again been high on the agenda, this time with a stronger focus on the UN's accountability to both donors and host governments. The UN's funding compact, in which member states commit to higher-quality funding of the UNDS in return for institutional reforms, states that "greater transparency and clarity on what the UN does with the resources with which it has been entrusted, and what is achieved with those resources, are essential" (United Nations, 2019). Reporting on the UN's allocations and results is to be strengthened. Resident coordinators are being asked to provide (better) annual reports to host governments on the work of UN country teams.

These efforts demonstrate that transparency has become an indisputable norm for the UN. However, it appears that notwithstanding recent and ongoing improvements, significant gaps in the UN's country-level transparency will remain, and particularly at the level of projects where money is spent and change is affected.

While researching earmarking in UN development funding (Weinlich, Baumann, Lundsgaarde, & Wolff, 2020), we realised that access to relevant information is still severely limited. Earmarking is the donor practice of funding specific programmes or projects rather than organisational budgets in their entirety. It is nearly impossible, for instance, to analyse how core resources and earmarked contributions are used, combined and to what effect. This is a concern, given that the share of earmarked contributions rose to 79 per cent in 2018. Some UN organisations do not even publish lists of projects, despite organisational policies that require the full disclosure of project information, exemptions for sensitive cases notwithstanding. Each of the various transparency portals set up in recent years is designed differently and also provides very different sorts of information.

A crucial distinction pertains to the kind of transparency that can be offered at the level of programmes and projects. At the programme level, the work of the UNDS is governed through Development Cooperation Frameworks and the entity-specific country programmes that are agreed with host governments, typically for a period of four years. These frameworks are implemented through a set of more narrow projects (also "activities"). Whereas programme transparency consists of aggregated information on allocations and results according to specific Sustainable Development Goals, goal areas, outcome indicators, etc. (in that sense disaggregated) and is typically conveyed through and shaped by some kind of corporate reporting, project transparency provides a more detailed and unfiltered picture of the UN's field work.

Improvements claimed or initiated in recent years do not substantially remedy the lack of project transparency in the UNDS. Like some of the organisation-specific transparency portals, a system-wide portal (open.undg.org), launched in 2016, is based on IATI and therefore subject to the same limitations that stem from organisations' still often poor use of IATI – a problem readily acknowledged by the UN's transparency experts. The funding compact aims to significantly improve programme transparency but does not explicitly ask for better project transparency.

Uneven transparency across UN organisations

A comparative analysis of the UN's funds and programmes and the World Bank shows significant differences in the transparency they provide (Table 1). The criteria chosen for

Table 1: Programme and project transparency of selected UN organisations

	UNDP	WFP	World Bank	UNEP	UNICEF	UNFPA	UN-Habitat
Programmes							
Content	Yes	Yes	Yes	N/A	Yes	Yes	(Yes)
Funding	Yes	Yes	Yes	N/A	Yes	Yes	No
Performance	Yes	(Yes)	No	N/A)	(Yes)	Yes	(Yes)
Projects							
Content	Yes	Yes	Yes	Yes	No	No	(Yes)
Funding	Yes	Yes	(Yes)	(Yes)	No	No	No
Performance	Yes	(Yes)	(Yes)	(Yes)	(Yes)	No	No

Note: "Yes" means that the definition of transparency as proposed in the text is by and large met; parentheses indicate that this is only partially the case. A "No" means that by and large no such information can be obtained.
Source: Author

this comparison reflect key dimensions of operational work – content, funding and performance. Regarding quality, data needs to be comprehensive, timely, detailed and, last but not least, accessible. The analysis was based on what organisations present in their transparency portals or, where these do not exist, on dedicated sections on official websites (such as in the cases of the UN Environment Programme (UNEP) and UN-Habitat).

The following definitions have been used: "Content" refers to activities, targets and theories of change, presented through programme and project documents or other publicly available sources. "Funding" refers to sources (core or earmarked, and if the latter, by whom) and allocations, ideally specified by targets (at the programme level) or implementing partners (at the project level). "Performance" refers to the achievement of results, information that can be provided through progress reporting and, retrospectively, evaluations. A traffic-light approach was used to categorise the organisations, depending on the degree to which they meet the criteria.

The table reveals significant differences. Only UNDP provides full transparency in the sense of the definitions used here. UNDP and WFP stand out by publishing information on donors involved in projects, providing indications on how earmarked contributions are comingled with core resources. The World Bank's performance ratings of projects can be considered a best practice, but they are only offered for core-funded lending projects. Towards the other end of the spectrum, UNICEF and the UN Population Fund (UNFPA) both emphasise programme transparency, which is exemplary regarding disaggregated data, reporting on indicators and thematic evaluations, thus partially compensating for the absence of project transparency. Both organisations follow a programme-based approach to operational work and formally do not have projects. UNICEF receives a conditional "Yes" on programme performance because coverage of country programme evaluations is highly patchy compared to evaluation policies that prescribe an evaluation of every second country programme – an issue that also affects other organisations, including the World Bank.

Not listed in Table 1, but noteworthy for good project transparency, are the UN's pooled funds administered by the UN Multi-Partner Trust Fund Office. Project documents as well as progress and final reports are typically readily available for the projects supported by a given pooled fund.

On the accessibility of data, UNDP only provides project documents. WFP's summary presentation of projects (though with patchy coverage) along with a second level of rather technical project documents, in turn, can probably be regarded a best practice. In several transparency portals, relevant data is presented along with information that is not project-related. Only UNICEF publishes (programme) evaluations up front in transparency portals – for all others, evaluations have to be sourced from websites of headquarters, which is probably too complex for someone in the field who is not familiar with UN governance.

The case for project-level transparency

As a public institution funded by taxpayers' money and intervening in the affairs of developing countries, the UN should meet high standards of transparency at all levels. Programme transparency plays an important role, in particular regarding accountability to donors and host governments, but it should be complemented by the more granular and unfiltered project data. Only project information can answer questions as to what specifically the UN is attempting to achieve, what strategies are being employed, who are the partners and beneficiaries, and what has worked (or not) – information that is relevant for stakeholders of the UN's development work in the field.

Project transparency should not be seen as detracting from a programme and results-based approach that is geared towards outcome-level results – and which is also a vehicle for reigning-in an overly piecemeal, fragmented way of working where accountability to specific donors looms large. Rather, project transparency can complement and support programme transparency in three specific ways:

1. Accountability: In the context of multilateral governance, project data gives executive boards an unfiltered view, where needed, on how mandates are implemented (allowing, for example, to check the influence of earmarked or "bilateral" contributions), how core resources are used (including how they are intermingled with earmarked contributions) and how field offices balance the need for tangible short-term results with a focus on normative functions and systemic impact (Baumann, Lundsgaarde, & Weinlich, 2020). Project data also enables civil society groups and the media to play watchdog roles, both vis-á-vis host governments that often act as implementers of UN projects and foreign donors, to the extent that they support UN projects through earmarked contributions.
2. Coordination: The quest for greater coordination in the UN system (where on average 18 UN entities work together in each developing country) is still unfinished business. Readily available project data would make it easier for resident coordinators and UN country team members to maintain an overview of UN activities, identify potential synergies and hold each other to account in the context of "delivering as one". The new "UN Info" initiative might help in that regard if implemented properly. In addition, UN project data could serve as a point of reference for the coordination of donors' bilateral activities, since the UN's comprehensive programmes are typically closely aligned with host government priorities.
3. Learning: Development is, to some extent, a matter of knowledge and learning. The UN produces a considerable amount of knowledge through its projects – for example pre-project analyses, project-related knowledge products and evaluations. By making such information publicly available, the UN could contribute to the public good of knowledge and facilitate learning among relevant stakeholders (including, again, UN organisations) within countries and across global networks. The independent analysis of development challenges in UN project documents would be particularly relevant for local expert communities and the media, as such information is often rare in developing countries.

Transparency and stakeholder interests

The issue of project-level transparency has by and large escaped the attention of the executive boards of UN organisations. Member states appear to have accepted organisations' participation in IATI and their transparency portals as being sufficient, although these initiatives might fall short of organisations' own rules and regulations on transparency.

A political economy perspective can shed light on why both member states and organisations might, in practice, not wish to embrace project transparency more fully, in particular regarding performance. For member states, which are implicated in projects to the extent that they fund (mostly donors) or implement them (mostly host governments), greater transparency could expose them to greater public scrutiny – no small concern given both unavoidable setbacks in such a difficult thing as development and the emergence of populist parties in recent years that are critical of international organisations.

For UN organisations, there is an identical risk that greater transparency brings to light blunter assessments of their work, which may undermine their image cultivation and hurt them in the competition for resources. There is a collective action problem in the sense that, without a common UN standard for project transparency, organisations might be reluctant to disadvantage themselves through greater transparency – although the case of UNDP suggests that transparency can also be embraced as an asset, despite the administrative burdens associated with it.

Conclusion

These reflections suggest that a lack of project transparency should not so much be seen as a matter of unfinished business, or simply a technical challenge, but rather as a systemic problem of development cooperation. It requires both political will and mandates to move the needle towards greater transparency as a vehicle to improve the UN's development work. It does not help that most donors are themselves not particularly transparent in their bilateral development activities.

Accepting greater transparency requires a shift in how UN organisations and member states relate to the broader public. Achieving development is inherently difficult. The 2030 Agenda is an ambitious endeavour that requires taking risks, which, in turn, implies accepting a certain rate of project failure. Nourishing expectations of untarnished success in development cooperation not only undermines the ability to learn and adjust, but might also underestimate taxpayers and their readiness to accept shortcomings.

From a funding perspective, greater transparency can help donors justify core contributions, which are key for development effectiveness, to UN organisations (Baumann, Lundsgaarde, & Weinlich, 2020). Project transparency opens up the "last mile" of operational work to unfiltered public scrutiny, and thus removes the basis for any allegations that might be lingering in the public sphere regarding the UN's overall transparency and trustworthiness.

The following actions are recommended for greater transparency of the UN's work on the ground:

- Member states should request full project-level transparency regarding content, funding and performance in the UN General Assembly and the executive boards of UN development organisations.
- Member states should, in the executive boards, review organisations' rules and mechanisms regarding transparency – including on earmarked contributions and projects funded by them – and monitor compliance.
- Most importantly, the UNSDG should ensure that a system-wide UN transparency standard exists which comprises information on content, funding and performance.

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