



EUROPEAN COURT OF AUDITORS

PRESS RELEASE

ECA/13/34

For immediate release

Luxembourg, 24 October 2013

Auditors call for more transparency in humanitarian aid

International auditors have launched an initiative to make humanitarian aid more transparent, accountable and effective. The International Organization of Supreme Audit Institutions, INTOSAI, launched the proposals in the wake of humanitarian disasters where accountability proved elusive. Following the 2004 tsunami, some US\$ 14 billion was donated to countries in South East Asia, but auditors found it difficult to account for many of these funds. INTOSAI proposes that donors and recipients publish humanitarian aid as open data, independently audited and available on the internet.

INTOSAI's Integrated Financial Accountability Framework (IFAF) will make it easier to assess the effectiveness of the aid. It will also reduce bureaucracy for aid disbursing organizations. The Framework has been welcomed by the World Bank as "a powerful mechanism to strengthen transparency and accountability". The European Commission, a leading humanitarian aid donor, said it will follow IFAF and other INTOSAI standards and promote them.

"Disaster victims want aid to be transparent and effective. So do taxpayers in donor countries. This initiative enables them to follow the money", said Gijs de Vries, member of the European Court of Auditors and chairman of the INTOSAI working group that prepared the initiative.

More than 160 governments and organizations already publish information about development aid through the International Aid Transparency Initiative (IATI). INTOSAI's Integrated Financial Accountability Framework has been designed to be included as a module within IATI.

ECA PRESS

12, rue Alcide De Gasperi - L - 1615 Luxembourg

Tel.: (+352) 4398 45410 - Fax: (+352) 4398 46410 – Mobile (+352) 621 55 22 24

e-mail: press@eca.europa.eu Twitter: @EUAuditorsECA

Notes to the editors:

The United Nations has estimated that from 1992 to 2011, disasters have killed 1.3 million people, affected 4.4 billion people and resulted in economic losses of USD 2 trillion. Governments react to disasters by donating assistance to the victims. The total humanitarian response in 2012 was USD17.9 billion, of which governments contributed USD12.9 billion.

The INTOSAI proposal is designed to help providers (donors and multilateral organisations involved in channelling funds) and recipients of humanitarian aid to identify, clarify and simplify the flow of aid between them. Each provider and recipient ('stakeholder') of humanitarian aid is invited to produce a table using readily available data showing the origin of the funds and to whom and on what they are paid out. These Integrated Financial Accountability Framework (IFAF) tables should be audited along with the other financial reports. When used by all stakeholders, this allows for the reconciliation of balances between stakeholders and the construction of an overall picture of the humanitarian aid flows from donating to receiving entities. Once audited, stakeholders make IFAF tables and their auditor statements available on the internet as open data. With the support of International Aid Transparency Initiative (IATI), the world's leading aid transparency initiative, IFAF tables can be converted into machine-readable format and registered with them. The audited information will facilitate assessment of the effectiveness of aid. It will also reduce bureaucracy as aid recipients will no longer have to provide separate reports to each aid provider. The Framework has been tested by several UN organizations, the European Commission, a national government and NGOs.

The IFAF proposal has been scheduled for endorsement by the INTOSAI world congress in Beijing (October 21-26).

The rules and guidelines to be endorsed and more information are available at:
<http://eca.europa.eu/portal/page/portal/intosai-aada/home>