



U.S. Aid Transparency Report Card 2012

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U.S. Aid Transparency Report Card
2012

Foreword

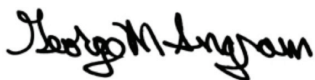
The year 2011 was critical for those seeking more and better information on U.S. foreign assistance. In September, President Obama presented the U.S. National Action Plan for the Open Government Partnership, which included a commitment to publish timely and detailed information on budgets, disbursements and project implementation. In November, this welcome step was bolstered by Secretary Clinton's announcement that the U.S. was joining the growing list of donors participating in the International Aid Transparency Initiative (IATI). These are measurable commitments that add clarity and heft to the Administration's vision on transparency and open government.

It is now time to deliver that vision. The many agencies involved with U.S. foreign assistance are beginning their implementation of the IATI standard, which provides a comprehensive template for publishing aid information. Implementing IATI is much more than a technical exercise. It is a critical political step to provide all stakeholders – policy makers, recipient countries, government officials, NGOs, academics and taxpayers – with timely, comparable and quality information. It will allow both donors and recipient countries to make better decisions. It will provide the basis for identifying waste or misuse of precious aid resources. And it will provide a valuable tool for coordination and accountability. As U.S. agencies move forward with IATI implementation, they should embrace this as an opportunity to lead on aid transparency through smart and robust incorporation of the IATI standard into their information systems.

Publish What You Fund's *2012 Aid Transparency Index* captures the state of aid transparency across 72 leading agencies worldwide. Building on the 2011 Pilot Index, the ranking is a thorough evaluation of the availability of agencies' aid information, coupled with practical and specific recommendations for improving their transparency. Overall, the Index demonstrates that all donors, regardless of their structure, can do more and better. The U.S. has an opportunity to embrace this culture of change. It has made a start through the Foreign Assistance Dashboard, but it will not fully achieve meaningful transparency until information is provided in a timely, comprehensive and internationally comparable way.

This paper seeks to complement the findings of the *2012 Aid Transparency Index* by exploring the U.S. picture in greater detail, including a comparison of agencies' progress with other international donors. The results show that the internal systems and the information that Defense, MCC, PEPFAR, State Department, Treasury and USAID make publicly available vary widely. While some agencies, such as MCC, have done comparatively well, others are lagging far behind.

I have long been a proponent of greater transparency in our foreign assistance and my commitment to this issue is the reason I agreed to Chair the U.S. Advisory Committee of Publish What You Fund. The United States is one of the most influential and largest providers of foreign assistance. Its capacity to shape the global transparency agenda and lead by example is critical. I hope this report serves as a benchmark for improvement by the U.S. and as a reminder that aid transparency is not only achievable but in our national interest.



George Ingram
Chair, U.S. Advisory Committee, Publish What You Fund

Executive summary

A report card on U.S. aid transparency

Publish What You Fund and ONE warmly welcomed Secretary Clinton's announcement in late 2011 that the U.S. was joining the International Aid Transparency Initiative (IATI). Such a commitment added immensely to the Administration's drive for more open and detailed information about its foreign assistance, particularly on two crucial elements: timeliness and international comparability.

But as Secretary Clinton underscored at the Open Government Partnership (OGP) meeting in April 2012, "[i]t's not enough to assert that we are committed to openness. We have to deliver on the commitments that we have made."¹ To assist with that implementation process, we have drawn out the findings of the *2012 Aid Transparency Index* to explore the state of U.S. aid transparency in detail.

2012 Aid Transparency Index results

The transparency of five U.S. agencies and one program was analyzed:

	2012 score	2012 ranking (out of 72 donors)
MCC	70%	9 th
USAID	50%	27 th
PEPFAR	49%	29 th
Department of the Treasury	44%	34 th
Department of State	31%	46 th
Department of Defense	24%	56 th

Collectively, they showed a **wide variety of performance**, ranging from MCC's "fair" rating to DOD's "poor" one. Despite the significant spread, no U.S. institution scored in either the "good" (above 80%) or the "very poor" (below 20%) categories.²

As a group, the U.S. agencies and PEPFAR received an **overall average score of 45%**, a little above the average score of 41% for all 72 organizations assessed. However, when compared to other very large donors, such as the World Bank and the European Commission, the U.S. performs relatively poorly.³ While the U.S. has made ambitious commitments that would increase aid transparency, they have not been fulfilled, and the U.S. scores reflect that the U.S. is not a leader on aid transparency. In fact, U.S. organizations occupy five of the

bottom seven ranks when comparing the performance of only the very large donors.

The good news is that progress has been made. Some U.S. institutions made significant jumps in their scores, compared to the 2011 Pilot Index. There is, of course, much work to be done, and the 2012 Index and this accompanying paper offer agency-specific recommendations, which we believe will help accelerate that progress and deliver on the tremendous potential of IATI.

Recommendations for U.S. implementation

Recognizing the challenge of having some 26 U.S. agencies involved in the provision of foreign assistance, the U.S. started to tackle aid transparency seriously by launching the Foreign Assistance Dashboard in 2010. Since then, however, progress has been slow, and only three agencies have released limited data. **At this point, it appears that aid transparency commitments greatly outrank implementation.** The U.S. should lead its international peers on aid transparency, not lag behind them.

While a "whole-of-government" approach makes sense for articulating vision and end goals, it needs to **allow for flexibility in implementation**, recognizing that different agencies have different models and mandates, thus different ways of collecting information. Nor should U.S. transparency be held up by those agencies lagging behind. Some agencies, such as MCC, or individual bureaus are in a good position to start publishing near real-time information to the common standard (IATI) and should be given the green light to do so. The U.S. should not hold back publication of useful information because some agencies are not yet ready.

Timeliness is the top priority for recipient governments trying to plan their budgets. **The Office of Management and Budget should encourage agencies to begin publishing their information directly to the IATI Registry (in XML)**, instead of delaying information by channelling through domestic processes. The Foreign Assistance Dashboard will be an important mechanism for interpreting U.S. aid information as a whole, by aggregating, visualizing and communicating it. Therefore, it should be a key consumer of agencies' IATI data, not the producer.

We recommend a **"publish what you can"** approach to test the capability of existing systems to produce high quality, timely information that conforms to IATI. This will help agencies build IATI requirements into internal information management systems, greatly reducing the costs of manual error and multiple reporting and enabling improved accountability to U.S. taxpayers and aid recipients alike. Once all publication is automated via IATI, it will become possible to improve the quality and usefulness of U.S. aid information for all concerned.

1 www.opengovpartnership.org/news/remarks-hillary-rodham-clinton-secretary-state-during-ogp-annual-meeting-brasil-2012

2 See Section 1 of the *2012 Aid Transparency Index* for a full explanation of scoring, ranking, weighting and grouping: www.publishwhatyoufund.org/index

3 See p.6 for a comparison of U.S. agencies and very large donors.

Introduction

For aid to be more effective it needs to be more predictable, coordinated between donors, managed for results, and aligned to recipient countries' own plans and systems.⁴ To achieve this, the information has to be shared between all parties involved in the delivery of aid in a timely, comprehensive and comparable way. International donors have widely accepted that, without this information, it is not possible to know what is being spent where, by whom and with what results.

The multi-donor **International Aid Transparency Initiative** (IATI) was launched in 2008 to provide a practical approach for implementing a common standard for publishing aid information. IATI will give the U.S. the ability to publish aid information in a comparable format across all U.S. institutions and, crucially, in a comparable format to other international donors. IATI now has 33 donor signatories, which between them account for 75% of Official Development Finance (ODF).⁵ Donors accounting for 43% of ODF have begun publishing to the IATI Registry.

U.S. commitment to transparency

The United States has shown a government-wide commitment to increasing transparency over the past two years. Domestic and international initiatives have contributed to improvements in transparency by U.S. agencies. These improvements are evident in the 2012 Index results.

On September 22, 2010, President Barack Obama signed a Presidential Policy Directive (PPD) on Global Development, elevating development as a key pillar of U.S. foreign policy, alongside national defense and diplomacy.⁶ The State Department and USAID released the first Quadrennial Diplomacy and Development Review (QDDR) in December 2010, which conducted a review of diplomacy and development assistance across agencies and suggested specific reforms in order to realize the goals of the PPD.⁷ USAID launched USAID FORWARD in November 2010, which strengthened USAID's capacity for planning and budgeting, instituted new procurement policies to increase opportunities for local partners and put a stronger focus on achieving

results with a new independent monitoring and evaluation policy.⁸ As part of its Aid Transparency Agenda for Action and the President's Open Government Initiative, the U.S. launched a Foreign Assistance Dashboard in 2010. The U.S. Government committed to publish data in a common standard in order to enable global comparisons across data sets.⁹ In line with the U.S. commitment to opening data, USAID hosted its first crowd-sourcing event in June 2012, where volunteers helped open and map more than 117,000 loan records in only 16 hours.¹⁰

The United States is a founding member of the **Open Government Partnership**¹¹ (OGP), an international multilateral initiative that aims to promote transparency and strengthen governance through concrete commitments from governments.¹² President Obama unveiled the OGP U.S. National Action Plan in September 2011. The National Action Plan outlines 26 initiatives – including foreign assistance transparency – designed to increase public integrity, promote public participation, manage public resources more effectively, and improve public services.¹³ On November 30, 2011 Secretary of State Hillary Clinton announced that the U.S. would be signing IATI. Reporting to the IATI standard would dramatically increase aid transparency, ensuring data is timely, comparable and open, and in line with the openness principles championed by the government.¹⁴ Institutionalization of these commitments will be vital for effective delivery.

Aid Transparency Index

The Index was developed in order to assess the state of donors' aid transparency over time in a disaggregated way.¹⁵ Donors were surveyed using transparency indicators at three levels: for the organization itself, its largest recipient country, and its activities (or projects). Donors only received points where information was always published. The indicators are listed in the institutional profiles (p.9-14).

4 See OECD Rome and Paris Declarations on Aid Effectiveness (2003 and 2005) as well as OECD 2006, 2008 and 2011 Paris Monitoring Surveys and the 2011 evaluation 'Aid Effectiveness in 2005–10: Progress in implementing the Paris Declaration'.

5 Average of 2009 and 2010 commitments for Official Development Assistance (ODA) and Other Official Flows (OOF), as reported to the OECD-DAC Creditor Reporting System.

6 The Presidential Policy Directive is available at: www.whitehouse.gov/the-press-office/2010/09/22/fact-sheet-us-global-development-policy

7 QDDR, 2010: www.state.gov/documents/organization/153108.pdf

8 USAID announcement of USAID FORWARD: <http://transition.usaid.gov/press/factsheets/2010/fs101118.html>

9 The Open Government Initiative is available at: www.whitehouse.gov/open; the Foreign Assistance Dashboard can be accessed here: <http://foreignassistance.gov>

10 More on the USAID crowd-sourcing pilot is available at: <http://blog.usaid.gov/2012/06/with-a-little-help-from-the-crowd-usaid-increases-government-transparency/>

11 www.opengovpartnership.org

12 See fact sheet on first high-level meeting for OGP: www.state.gov/r/pa/prs/ps/2012/04/187989.htm

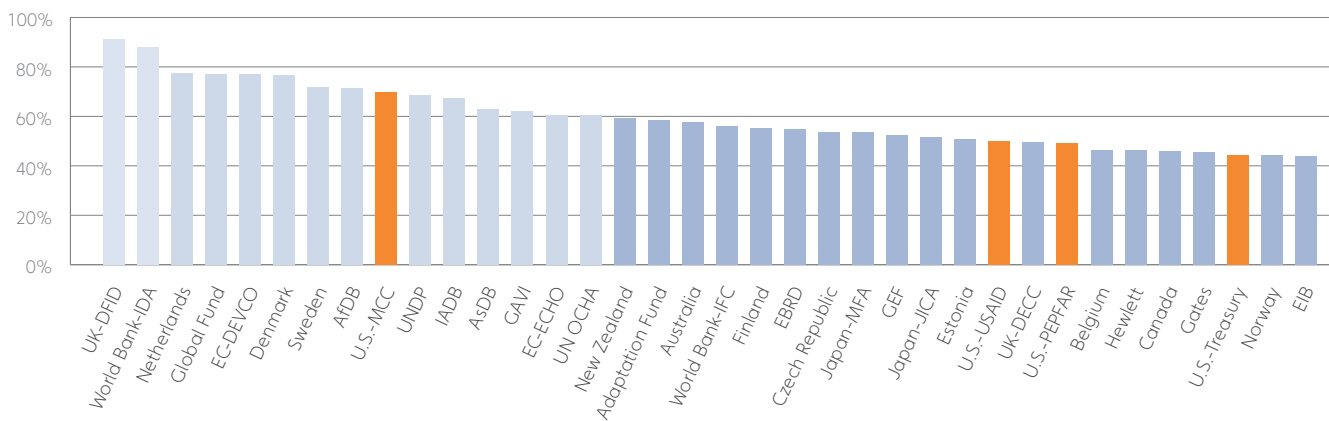
13 The U.S. National Action Plan is available here: www.whitehouse.gov/sites/default/files/us_national_action_plan_final_2.pdf

14 Secretary Hillary Clinton's speech at HLF-4 in Busan, South Korea: www.state.gov/secretary/rm/2011/11/177892.htm

15 For a detailed discussion of the 2012 Index methodology that forms the basis of this report, please see Section 1 of the *2012 Aid Transparency Index*: www.publishwhatyoufund.org/index

Results

Overall ranking



The performance of the U.S. agencies (and program) varies widely across the overall ranking, ranging from 9th to 56th out of a total of 72 organizations. No U.S. institution scored in either the "good" or the "very poor" category.

As a group, the U.S. agencies (and program) received an overall average score of 45%, modestly outperforming the overall average score of 41% for all 72 organizations. This trend is consistent at every level of publication. The average for U.S. agencies at the organizational level is only slightly higher than the overall average at the organization level (54% compared to 53%). However, the U.S. outperforms the average at the country and activity levels by greater margins (40% compared to 35% for the country level; and 39% compared to 35% for the activity level).

Some organizations made big leaps in the 2012 ranking compared to 2011: DFID rose from 5th (of 58 organizations in 2011) to 1st (of 72) in 2012; GAVI jumped from 35th (of 58) to 13th (of 72); and Australia jumped from 36th in 2011 to 18th in 2012. In each case, these improvements were due to the publication of high quality IATI data. Some U.S. agencies also rose significantly in the ranking this year. USAID rose from 38th (of 58) in 2011 to 27th (of 72) in 2012, due to the publication of higher quality data on the country and activity levels – although the information had to be collected from a number of websites.

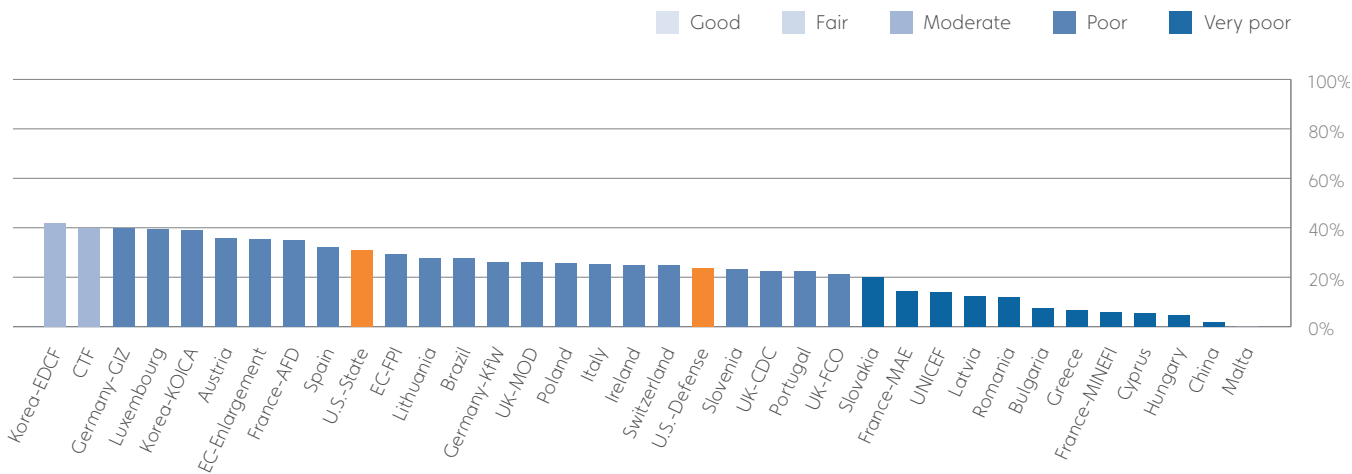
The publication of comprehensive project data on Treasury's website accounted for its jumping several places, from 49th to 34th. MCC, PEPFAR and the State Department all dropped slightly from their 2011 ranks because of progress made by other donors and the addition of some higher performing donors in 2012.¹⁶ The Department of Defense was most affected by this, dropping 10 places to 56th from their ranking in the 2011 Pilot Index.

Overall, the U.S. performs poorly when compared with other very large donors. Among all donors disbursing more than \$10bn in 2010,¹⁷ the U.S. scores well below average (major donor average excluding the U.S.: 60%, U.S. average: 45%).

If U.S. organizations were ranked separately alongside the agencies of those very large donors, MCC would rank third (behind the World Bank and EC-DEVCO); USAID, PEPFAR and Treasury would rank 6th, 7th and 8th behind the two Japanese agencies; while the State Department, Germany's KfW and the Department of Defense would take the bottom three ranks. Thus, U.S. organizations occupy five of the bottom seven ranks when comparing the performance of very large donors' agencies.

¹⁶ 14 new organizations were included in 2012: The Adaptation Fund, Brazil, Clean Technology Fund, European Commission-FPI, France-MFA, France-MINEFI, Gates Foundation, Global Environment Facility, Japan-MFA, UK-DECC, UK-FCO, UK-MOD, UNICEF, UN OCHA.

¹⁷ These are the World Bank, Japan (MFA), IADB, Germany (GIZ), and the European Commission (DEVCO). Figures from DAC Creditor Reporting System using 2010 data for all apart from DEVCO, whose figure is taken from its annual report 2011. The score of the primary development agency was used in the case of Germany (GIZ) and Japan (MFA). When taking the principal U.S. agency alone, it still performs beneath the average of major donors, scoring 50.1%.

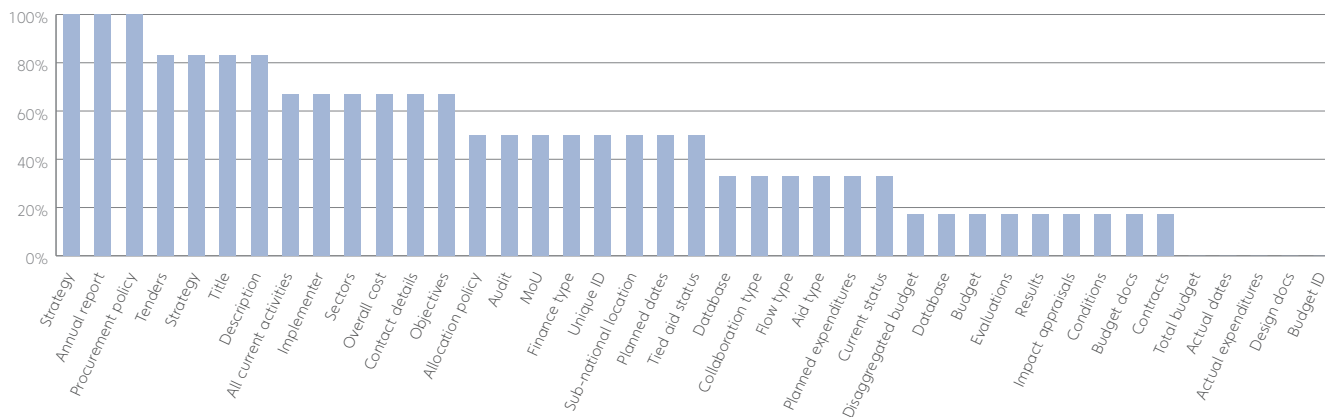


Five U.S. agencies and one program were assessed in the 2012 *Aid Transparency Index*. These were chosen based on the volume of their aid and their overall role and engagement in the foreign assistance transparency agenda.

The performance of U.S. agencies across all indicators is reflective of overall donor performance in the 2012 Index. On only eight indicators did the U.S. average score deviate by more than 20% from the overall donor average score.¹⁸ As can be seen in the graph below, there were only three indicators (overall strategy, annual report and procurement policy) for which all six U.S. institutions received points.¹⁹ At least 56 donors also received points for each of these indicators in the 2012 Index.

The varied performance of U.S. institutions across the ranking shows that agencies are not systematically making their information public. The information they do publish is found mainly on agencies' websites and in varied formats (mainly PDFs and Excel). MCC, State and USAID do not systematically publish a unique ID for each of their activities while the Department of Defense does so regularly. On the other hand, MCC is the only U.S. institution which publishes comprehensive contracts for its activities – a procurement component of major reform initiatives including USAID *FORWARD*.

U.S. agencies, by indicator



¹⁸ Though we recognize an inherent difficulty in comparing samples of six to samples of 72.
¹⁹ The only results used for the purposes of scoring the Index were where information was *always published*. These were scored 1. All other responses were scored 0.

There are five indicators for which no U.S. agency or program received points, though one of those indicators (providing a link to recipient government budget classifications) was not published by any organization included in the 2012 Index. U.S. agencies all face a challenge in publishing total budgets for the next three years, as organizational budgets are allocated annually. Outside of the U.S., total budgets running up to 2015 were published by 25 donors. It is important to note that this included other agencies that did not have approved budgets but which published indicative figures. Any U.S. agency or program could also score on this indicator by publishing indicative figures. This directly addresses the key commitment made in the Accra Agenda for Action to make aid more predictable.²⁰

There are several indicators where the U.S. institutions as a group were outperformed by the overall average. Most significantly, the U.S. performed poorly on publishing comprehensive information. Only two of six U.S. institutions (Treasury and USAID) received points on the comprehensive database indicator at the country level compared to 57% of all donors assessed. Only Treasury received points on the comprehensive database indicator for the organization level, compared to 53% of all donors assessed.

Compared to the other agencies assessed in the index, the United States' improvement is notable. Across all donors, the overall average improvement was 3 percentage points.²¹ Including only those 36 agencies that improved their score, the average increase was 8 percentage points. Five of six U.S. agencies outperformed both of these averages.²² Treasury posted the fifth highest increase of all agencies in the 2012 Index (18 percentage points), while PEPFAR, USAID, MCC and Defense all ranked among the 15 biggest overall improvers in the 2012 Index. These improved scores reflect the clear commitment made by U.S. agencies to substantively improve their transparency. By building on these improvements and meeting commitments, U.S. agencies could soon rank among the global leaders in aid transparency.



- 20 Donors committed to publishing forward budgets at HLF-3: "Beginning now, donors will provide developing countries with regular and timely information on their rolling three- to five-year forward expenditure and/or implementation plans, with at least indicative resource allocations." See §26c: <http://www.oecd.org/dac/aideffectiveness/41202012.pdf>
- 21 For measuring substantive progress over time, only those indicators and organizations that were surveyed in both years are used, weighted as they were in the 2011 Pilot Index (some indicators were grouped differently in the 2012 Index). See Section 1 of the 2012 *Aid Transparency Index* for more on weighting and grouping of indicators.
- 22 Only Department of State did not outperform these average increases, improving its score by just 1 percentage point in 2012.

Department of Defense (DOD)

2011 ranking

VERY POOR

#46 out of 58 14% overall score

2012 ranking

POOR

#56 out of 72 23.5% overall score

↑ compared to 2011 indicators

IATI score: 1
Signatory – has signed IATI but has not published an implementation schedule.

#6 out of 6 U.S. institutions assessed

Format of data: **Web Page & PDF**

"We are working to make U.S. government decision-making simpler, faster and more predictable for our partners."²³
Secretary of Defense Leon E. Panetta, 2012

Organization	Country	Activity
<input checked="" type="checkbox"/> FOIA <input checked="" type="checkbox"/> IATI <input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> Annual report <input checked="" type="checkbox"/> Allocation policy <input checked="" type="checkbox"/> Total budget <input checked="" type="checkbox"/> Disaggregated budget <input checked="" type="checkbox"/> Procurement policy <input checked="" type="checkbox"/> Tenders <input checked="" type="checkbox"/> Audit <input checked="" type="checkbox"/> Database	<input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> Budget <input checked="" type="checkbox"/> MoU <input checked="" type="checkbox"/> Evaluations <input checked="" type="checkbox"/> Results <input checked="" type="checkbox"/> All current activities <input checked="" type="checkbox"/> Database	<input checked="" type="checkbox"/> Implementer <input checked="" type="checkbox"/> Collaboration type <input checked="" type="checkbox"/> Flow type <input checked="" type="checkbox"/> Aid type <input checked="" type="checkbox"/> Finance type <input checked="" type="checkbox"/> Unique ID <input checked="" type="checkbox"/> Title <input checked="" type="checkbox"/> Description <input checked="" type="checkbox"/> Sectors <input checked="" type="checkbox"/> Sub-national location <input checked="" type="checkbox"/> Planned dates <input checked="" type="checkbox"/> Actual dates <input checked="" type="checkbox"/> Tied aid status <input checked="" type="checkbox"/> Overall cost <input checked="" type="checkbox"/> Planned expenditures <input checked="" type="checkbox"/> Actual expenditures <input checked="" type="checkbox"/> Current status <input checked="" type="checkbox"/> Contact details <input checked="" type="checkbox"/> Impact appraisals <input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Conditions <input checked="" type="checkbox"/> Budget docs <input checked="" type="checkbox"/> Contracts <input checked="" type="checkbox"/> Design docs <input checked="" type="checkbox"/> Budget ID

Current status and engagement on aid transparency

The Department of Defense has not yet published any of its aid information to the Foreign Assistance Dashboard. Although DOD has expressed interest in publishing to the Dashboard and information on foreign assistance related programs has been collected internally and prepared for publication, this information has not been shared publicly. DOD's 2012 Open Government Plan, published in August 2012, did not mention the disclosure of foreign assistance related programs, despite the commitment to pilot the Dashboard.²⁴

Challenges and recommendations

In the 2012 Aid Transparency Index, DOD improved its score substantially from 2011 (when controlling for changes in the 2012 methodology), though from a low base. DOD does not provide a database of all foreign assistance activities or planned or actual expenditures.

According to a U.S. Government Accountability Office (GAO) report, the Department of Defense should make its foreign assistance-related information public and should mainstream its reporting requirements.²⁵ An additional GAO report recommended that the military departments and components develop guidance that "provides for clear lines of authority, responsibility, and accountability for conducting an inventory review" and that the Army and Air Force resolve known instances of contractors performing inherently governmental functions.²⁶ DOD largely agreed with GAO's recommendations. The Department should make this process more open by publishing all contracts and tenders systematically.

DOD can improve its **organizational transparency** by publishing current allocation policies, total (and disaggregated) budgets and audits (the latter planned for 2017). **At the country level**, it should publish a budget, memoranda of understanding, evaluations and results for all current

activities. At the **activity level**, it should publish its collaboration, flow and aid type, sectors and sub-national location, except when there is a clear case for protecting the safety of individuals or national security. Providing clear policy guidance on what would qualify for exemption would also be a beneficial step. Planned and actual dates for all foreign assistance-related activities should also be included along with aid status, contact details, impact appraisals, conditions and design documents.

The Department should update its 2012 Open Government Plan to include foreign assistance details and targets, providing a detailed account of what information will be made available to the public, when, and in what format. DOD should publish its planning, obligation, expenditure, project and performance data to the Foreign Assistance Dashboard. All DOD information should be published to the IATI Registry. This should be automated and updated at least quarterly.

23 Dean Acheson Lecture, 'Building Partnership in the 21st Century', U.S. Institute of Peace, Washington, D.C.: www.defense.gov/speeches/speech.aspx?speechid=1691

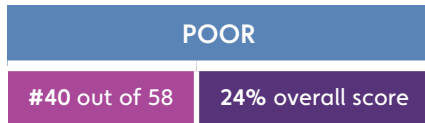
24 The DOD 2012 Open Government Plan is available at: <http://open.dodlive.mil/files/2012/09/DoD-Open-Government-Plan-v2.1.pdf>

25 The GAO report *Project Evaluations and Better Information Sharing Needed to Manage the Military's Efforts* made 11 recommendations. Out of those 11 recommendations, three of them called for the Secretaries of Defense and State and the Administrator of USAID to formalize information sharing on humanitarian/development assistance on a common database such as the Foreign Assistance Dashboard. A further three recommendations called for the development of guidance that provides a common understanding of terminology used by DOD, State and USAID related to their humanitarian and development assistance efforts. For the full report see: <http://gao.gov/products/GAO-12-359>

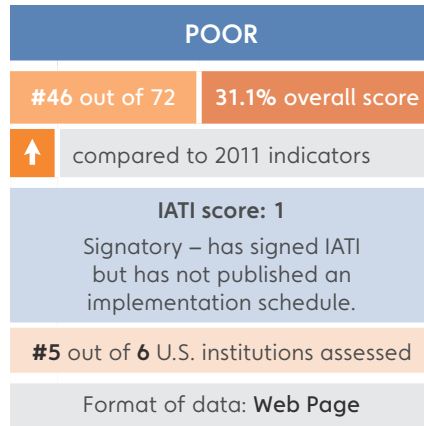
26 Further Actions Needed to Improve Accountability for DOD's Inventory of Contracted Services, GAO-12-357. Available at: www.gao.gov/products/GAO-12-357

Department of State

2011 ranking



2012 ranking



"We now have a chance to set a new global standard for good governance and to strengthen a global ethos of transparency and accountability."²⁷
Secretary of State Hillary Clinton, 2012

Organization	Country	Activity
FOIA ✓ IATI ✓ Strategy ✓ Annual report ✓ Allocation policy ✓ Total budget ✗ Disaggregated budget ✗ Procurement policy ✗ Tenders ✓ Audit ✓ Database ✗	Strategy ✓ Budget ✗ MoU ✗ Evaluations ✗ Results ✗ All current activities ✗ Database ✓	Implementer ✗ Collaboration type ✗ Flow type ✗ Aid type ✗ Finance type ✗ Unique ID ✗ Title ✗ Description ✗ Sectors ✗ Sub-national location ✗ Planned dates ✓ Actual dates ✗ Tied aid status ✗ Overall cost ✗ Planned expenditures ✓ Actual expenditures ✓ Current status ✗ Contact details ✗ Impact appraisals ✗ Objectives ✗ Conditions ✗ Budget docs ✗ Contracts ✗ Design docs ✗ Budget ID ✗

Current status and engagement on aid transparency

The State Department has demonstrated high-level commitment to transparency with Secretary Clinton's remarks at the 4th High Level Forum on Aid Effectiveness, including the announcement that the United States Government would join IATI. Secretary Clinton's efforts and vision for transparency have also been recognized by Transparency International.²⁸

Although the State Department works jointly with USAID in official engagement with IATI, progress has been slow on improving the State Department's publication of aid information. Nor has it done much to coordinate its own information with the F Bureau team leading on the Foreign Assistance Dashboard.²⁹ To date, no additional data has been published to the Dashboard, originally launched in 2010.³⁰ While some of the State Department's bureaus' data may be ready for publication, others may not be. In this case, publication could begin as the information becomes available.

No Foreign Assistance Dashboard information has been published to the IATI Registry. The State Department has committed to add

the Department of Defense, Treasury, Health and Human Services, and the Department of Agriculture to the Foreign Assistance Dashboard by December 2012.

Challenges and recommendations

A recent report on streamlining systems³¹ recommends that the Department "make FACTS Info the primary system for foreign assistance planning and reporting activities and strengthen information technology systems to assist operating units with budget execution and project management."³² The report states "having current and reliable information on budget execution, such as expenditures, obligations, and balances, for both Department and USAID programs can help inform decisions on reprogramming, funding urgent priorities, and budget planning, and satisfy requests for information from Congress on the status of program expenditures." The report has also identified "understaffing" and "inadequate inventory controls" as two of the major challenges F Bureau's FACTS is facing.

The State Department can improve its aid transparency by publishing a comprehensive

aid allocation policy, all memoranda of understanding, evaluations and results by country.³³ At the activity level, the State Department should publish a comprehensive database of all activities. It should improve its currently published activity level information, specifically by adding collaboration type, a unique project identifier for each activity, planned and actual dates for each activity and actual expenditures. The activity information should also include contact details and impact appraisals.

The Department should publish its obligation, expenditure, project and performance data to the Dashboard and begin publication as the information becomes available.

The F Bureau should encourage other agencies to share their aid information with the IATI Registry in XML format and use the IATI feed to publish agencies' information on the Dashboard. By pulling in IATI data, the F Bureau would maximize the use of the information provided to IATI and will capture as much information as agencies can provide. All State Department information should be published to the IATI Registry. This should be automated and updated at least quarterly.

27 Remarks at the Open Government Partnership Opening Session, Brasilia: www.state.gov/secretary/rm/2012/04/188008.htm
 28 Transparency International honored Secretary Clinton at its Annual Integrity Award Dinner with the Integrity Award and The Coca-Cola Company the TI-USA Corporate Leadership Award on March 22, 2012.
 29 F Bureau is the Office of U.S. Foreign Assistance Resources, tasked with the strategic and effective allocation, management, and use of foreign assistance resources.
 30 Planning data for only the State Department and USAID was published to the Foreign Assistance Dashboard when it was originally launched.
 31 Office of Inspections, *Inspection of Office of the Director of U.S. Foreign Assistance*, Report Number ISP-I-11-57, U.S. Department of State and the Broadcasting Board of Governors Office of Inspector General, August 2011: <http://oig.state.gov/documents/organization/171203.pdf>
 32 FACTS is the central information system for all foreign assistance budgeting, operational planning, and performance management overseen by F Bureau.
 33 The Bureau of International Narcotics Control and Law Enforcement (INCLE) was chosen for the 2012 Index survey as it is the largest account for FY 2011 within Department of State's Afghanistan foreign assistance program.

Department of the Treasury

2011 ranking

VERY POOR

#49 out of 58 10% overall score

2012 ranking

MODERATE

#34 out of 72 44.4% overall score

↑ compared to 2011 indicators

IATI score: 1
Signatory – has signed IATI but has not published an implementation schedule.

#4 out of 6 U.S. institutions assessed

Format of data: **Excel**

"Governments must be equipped to execute the core functions of providing public services effectively, managing public finances transparently, and developing budgets that reflect shared priorities."³⁴

Under Secretary of the Treasury for International Affairs Lael Brainard, 2012

Organization	Country	Activity
FOIA		✓
IATI		✓
Strategy		✓
Annual report		✓
Allocation policy		✗
Total budget		✗
Disaggregated budget		✗
Procurement policy		✓
Tenders		✓
Audit		✗
Database		✓
Strategy		✗
Budget		✗
MoU		✗
Evaluations		✗
Results		✗
All current activities		✓
Database		✓
Implementer		✓
Collaboration type		✓
Flow type		✓
Aid type		✗
Finance type		✓
Unique ID		✓
Title		✓
Description		✓
Sectors		✓
Sub-national location		✗
Planned dates		✓
Actual dates		✗
Tied aid status		✓
Overall cost		✓
Planned expenditures		✓
Actual expenditures		✗
Current status		✗
Contact details		✗
Impact appraisals		✓
Objectives		✗
Conditions		✗
Budget docs		✗
Contracts		✗
Design docs		✗
Budget ID		✗

Current status and engagement on aid transparency

There are three international programs within Treasury: International Financial Institutions, Debt Restructuring and Technical Assistance.³⁵ Treasury showed significant progress on aid transparency in the 2012 Index by publishing general activity level information on an Excel spreadsheet on their website.

Treasury has not yet published to the Foreign Assistance Dashboard. It has delayed publication because some programs are not yet ready to upload their information. Though Treasury has engaged closely with the F Bureau, its aid information publication, which has been announced as "coming soon", has been delayed for some time. According to the Department's Open Government Plan³⁶, it anticipates providing a link to the Foreign Assistance Dashboard from Treasury's public facing Open Government web page.

Challenges and recommendations

Treasury has taken a cross-program approach to the publication of its foreign assistance information. While the agency has been scheduled to upload its international programs' information to the Foreign Assistance Dashboard for some time, this has not yet happened. The Department should encourage its individual programs to make their information public as soon as the information is available.

The Financial Management Service (FMS)³⁷ should be made compatible with IATI during its next scheduled upgrade. This one time investment will make all future reports less costly and less burdensome for Treasury staff.

Treasury can improve its aid transparency by publishing a comprehensive aid allocation policy and a country strategy for each country in which it operates. Memoranda of understanding and evaluations should also be systematically disclosed. At the activity level it

should also systematically publish its finance type, planned and actual expenditures, conditions, budget documents and contracts design documents. Treasury can continue to progress by publishing more detailed activity level information on its website.

Treasury should also publish its planning, obligation, expenditure, project and performance data to the Foreign Assistance Dashboard. This information should be comparable with IATI. All Treasury information should be published to the IATI Registry. This should be automated and updated at least quarterly.

34 Remarks before the Society for International Development, Washington, D.C.: www.treasury.gov/press-center/press-releases/Pages/tg1600.aspx

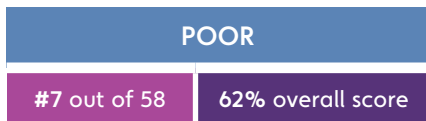
35 The Office of Technical Assistance (OTA), Treasury's principal bilateral assistance arm, was used for this year's survey. Total resources required to support Treasury International Assistance Programs for FY 2011 are \$3.065 billion, including contributions to the International Financial Institutions (IFIs) of \$2.957 billion, \$70.0 million for Debt Restructuring, and \$38.0 million for Treasury's International Affairs Technical Assistance Programs. [www.treasury.gov/about/budget-performance/budget-in-brief/Documents/FY%202011%20BIB%20\(2\).pdf](http://www.treasury.gov/about/budget-performance/budget-in-brief/Documents/FY%202011%20BIB%20(2).pdf)

36 www.treasury.gov/open/Documents/open_government_plan.pdf

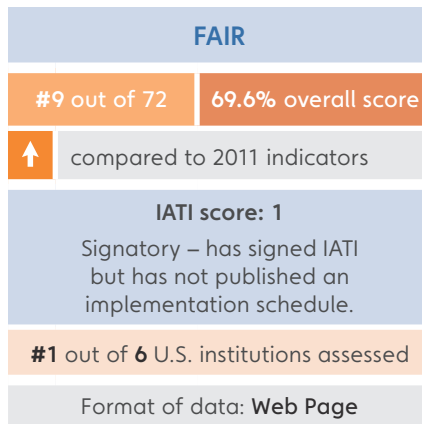
37 The FMS is a bureau of the department, providing central payment services to Federal Program Agencies and providing government-wide accounting and reporting services.

Millennium Challenge Corporation (MCC)

2011 ranking



2012 ranking



“We will continue to challenge ourselves to learn and evolve and make the business of development more business-like with a disciplined commitment to impact, accountability and transparency.”³⁸
MCC CEO Daniel Yohannes, 2012

Organization	Country	Activity
<input checked="" type="checkbox"/> FOIA <input checked="" type="checkbox"/> IATI <input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> Annual report <input checked="" type="checkbox"/> Allocation policy <input checked="" type="checkbox"/> Total budget <input checked="" type="checkbox"/> Disaggregated budget <input checked="" type="checkbox"/> Procurement policy <input checked="" type="checkbox"/> Tenders <input checked="" type="checkbox"/> Audit <input checked="" type="checkbox"/> Database	<input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> Budget <input checked="" type="checkbox"/> MoU <input checked="" type="checkbox"/> Evaluations <input checked="" type="checkbox"/> Results <input checked="" type="checkbox"/> All current activities <input checked="" type="checkbox"/> Database	<input checked="" type="checkbox"/> Implementer <input checked="" type="checkbox"/> Collaboration type <input checked="" type="checkbox"/> Flow type <input checked="" type="checkbox"/> Aid type <input checked="" type="checkbox"/> Finance type <input checked="" type="checkbox"/> Unique ID <input checked="" type="checkbox"/> Title <input checked="" type="checkbox"/> Description <input checked="" type="checkbox"/> Sectors <input checked="" type="checkbox"/> Sub-national location <input checked="" type="checkbox"/> Planned dates <input checked="" type="checkbox"/> Actual dates <input checked="" type="checkbox"/> Tied aid status <input checked="" type="checkbox"/> Overall cost <input checked="" type="checkbox"/> Planned expenditures <input checked="" type="checkbox"/> Actual expenditures <input checked="" type="checkbox"/> Current status <input checked="" type="checkbox"/> Contact details <input checked="" type="checkbox"/> Impact appraisals <input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Conditions <input checked="" type="checkbox"/> Budget docs <input checked="" type="checkbox"/> Contracts <input checked="" type="checkbox"/> Design docs <input checked="" type="checkbox"/> Budget ID

Current status and engagement on aid transparency

MCC’s leadership has taken a keen interest in the aid transparency agenda. An internal working group has been formed by senior leadership to address opportunities to enhance transparency efforts. The agency has emerged as a leader in the publication of comprehensive and timely aid information. MCC, along with USAID and the State Department, attended the IATI Technical Advisory Group (TAG) workshops in May 2012.

MCC became the first U.S. government agency to provide obligation and expenditure data to the Dashboard.

Challenges and recommendations

MCC compacts are designed for five-year fixed terms, presenting a challenge to the consistent publication of some information on future plans. MCC commendably publishes forward budget information for the duration of its five-year compacts, but these are not updated on a rolling basis, meaning forward financial information is inconsistently published. To meet this crucial commitment on aid predictability more systematically, MCC would need to give some indication of its planned activities beyond any current compact that is two years or less from expiring. The agency should also publish its collaboration and flow type along with a unique ID, planned and actual dates and expenditures for each of its activities.

For the second year running, MCC is the first amongst U.S. institutions assessed. It offers substantial information at the program and

compact level, but it lacks a database that shows all MCC activities. Currently, most activity information is difficult to locate, or only available in PDF documents on the MCC website, making comparison across programs difficult. With a greater focus on publishing activity level information systematically – preferably via high quality IATI publication – MCC could build on its leadership in U.S. aid transparency and would likely rank even higher among the world leaders in the field.

The MCC Integrated Data Analysis System (MIDAS) should be made fully compatible with IATI at its next scheduled system upgrade.³⁹ MCC should publish its project data, including descriptions and narratives and performance data to the Foreign Assistance Dashboard. All MCC information should be published to the IATI Registry. This should be automated and updated at least quarterly.

³⁸ Millennium Challenge Corporation Speech, Mississippi State University: <http://allafrica.com/stories/201209111065.html>
³⁹ MIDAS is a system that allows for reporting across MCC business areas. MIDAS allows for projected financial, procurement, and performance data from various sources to be uploaded and stored in a stable and secure environment.

President's Emergency Plan for AIDS Relief (PEPFAR)

2011 ranking

POOR

#26 out of 58 34% overall score

2012 ranking

MODERATE

#29 out of 72 49.2% overall score

↑ compared to 2011 indicators

IATI score: 1
Signatory – has signed IATI but has not published an implementation schedule.

#3 out of 6 U.S. institutions assessed

Format of data: PDF

"We need to address head on the difficult barriers to country ownership; donors failing to coordinate or allow coordination and making unreasonable demands on partners, governments that are devoting too little money to health and not investing in their people, not being held accountable and I underline this one, not being held accountable for their results."⁴⁰

U.S. Global AIDS Coordinator Eric Goosby, 2012

Organization	Country	Activity
<input checked="" type="checkbox"/> FOIA <input checked="" type="checkbox"/> IATI <input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> Annual report <input checked="" type="checkbox"/> Allocation policy <input checked="" type="checkbox"/> Total budget <input checked="" type="checkbox"/> Disaggregated budget <input checked="" type="checkbox"/> Procurement policy <input checked="" type="checkbox"/> Tenders <input checked="" type="checkbox"/> Audit <input checked="" type="checkbox"/> Database	<input checked="" type="checkbox"/> Strategy <input checked="" type="checkbox"/> Budget <input checked="" type="checkbox"/> MoU <input checked="" type="checkbox"/> Evaluations <input checked="" type="checkbox"/> Results <input checked="" type="checkbox"/> Database	<input checked="" type="checkbox"/> Implementer <input checked="" type="checkbox"/> Collaboration type <input checked="" type="checkbox"/> Flow type <input checked="" type="checkbox"/> Aid type <input checked="" type="checkbox"/> Finance type <input checked="" type="checkbox"/> Unique ID <input checked="" type="checkbox"/> Title <input checked="" type="checkbox"/> Description <input checked="" type="checkbox"/> Sectors <input checked="" type="checkbox"/> Sub-national location <input checked="" type="checkbox"/> Planned dates <input checked="" type="checkbox"/> Actual dates <input checked="" type="checkbox"/> Tied aid status <input checked="" type="checkbox"/> Overall cost <input checked="" type="checkbox"/> Planned expenditures <input checked="" type="checkbox"/> Actual expenditures <input checked="" type="checkbox"/> Current status <input checked="" type="checkbox"/> Contract details <input checked="" type="checkbox"/> Impact appraisals <input checked="" type="checkbox"/> Objectives <input checked="" type="checkbox"/> Conditions <input checked="" type="checkbox"/> Budget docs <input checked="" type="checkbox"/> Contracts <input checked="" type="checkbox"/> Design docs <input checked="" type="checkbox"/> Budget ID

Current status and engagement on aid transparency

PEPFAR, administered by the Office of the U.S. Global AIDS Coordinator (OGAC), has not yet published to the Foreign Assistance Dashboard. To date there has been limited engagement on the aid transparency agenda. An Open Government Plan has not been produced specifically for PEPFAR or OGAC. A GAO report from July 2012 recommends that OGAC include in its annual report to Congress information on its efforts to verify and validate PEPFAR performance data and address data limitations.⁴¹ OGAC has agreed with the second recommendation.

Challenges and recommendations

The FACTS Info PEPFAR module should be made fully compatible with IATI.⁴² This will reduce the burden on OGAC and its PEPFAR reporting requirements.⁴³ PEPFAR should be included in the first round of IATI implementation. Specific dates and targets should be assigned to OGAC and the State Department for increasing the transparency of PEPFAR.

PEPFAR is allocated its budget on an annual basis, presenting a challenge to the publication of forward budget information. PEPFAR/OGAC is encouraged to publish indicative forward financial figures.

Activity level information is found either in PDF country strategy documents or in the USAID country webpages. PEPFAR could improve its transparency by publishing a comprehensive database of all projects. PEPFAR should publish its planning, obligation, expenditure, project and performance data to the Foreign Assistance Dashboard. All PEPFAR information should be published to the IATI Registry. This should be automated and updated at least quarterly.

40 Speech to 'AIDS 2012: Key lessons from a decade of action on global AIDS, and the way forward', Brookings Institution: www.brookings.edu/events/2012/06/25-goosby-global-aids

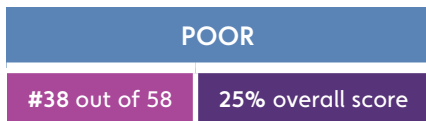
41 President's Emergency Plan for AIDS Relief, Program, Planning and Reporting, Report to Congressional Committees, GAO-11-875, July 2011: www.gao.gov/assets/330/322295.pdf

42 The FACTS Info PEPFAR module will be the primary mechanism for gathering programmatic planning and performance data from implementing agencies within countries that receive PEPFAR funding. The module will serve as a central location for collecting planning and reporting information from the field.

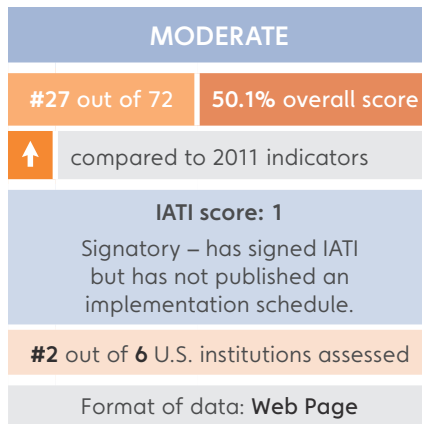
43 The FACTS Program centralizes and consolidates all Department of State and USAID foreign assistance planning, budgeting, and performance reporting.

U.S. Agency for International Development (USAID)

2011 ranking



2012 ranking



"The major objective of our aid transparency efforts is to improve development outcomes, and our commitment to IATI will make information about our aid spending easier to find, use and compare with that of other countries."⁴⁴
USAID Administrator Rajiv Shah, 2012

Organization	Country	Activity
FOIA ✓ IATI ✓ Strategy ✓ Annual report ✓ Allocation policy ✓ Total budget ✓ Disaggregated budget ✗ Procurement policy ✗ Tenders ✓ Audit ✓ Database ✗	Strategy ✓ Budget ✗ MoU ✓ Evaluations ✗ Results ✗ All current activities ✗ Database ✓	Implementer ✓ Collaboration type ✗ Flow type ✗ Aid type ✗ Finance type ✗ Unique ID ✗ Title ✓ Description ✓ Sectors ✓ Sub-national location ✓ Planned dates ✓ Actual dates ✓ Tied aid status ✗ Overall cost ✗ Planned expenditures ✗ Actual expenditures ✗ Current status ✗ Contract details ✓ Impact appraisals ✓ Objectives ✗ Conditions ✗ Budget docs ✗ Contracts ✗ Design docs ✗ Budget ID ✗

Current status and engagement on aid transparency

The agency has demonstrated a high level of commitment to aid transparency with Dr. Shah's personal endorsement of IATI at the 4th High Level Forum on Aid Effectiveness in Busan, South Korea. USAID has been the leading agency in implementation discussions with the IATI Secretariat and has led the U.S. Government's participation at meetings of the IATI Technical Advisory Group and Steering Committee.

USAID is working with the State Department on the Foreign Assistance Dashboard and on the determination of the Dashboard's information fields. The agency is also working closely with the State Department on the standardization of aid information before publication on the Dashboard.

Other initiatives recently launched by USAID include an Interactive Map,⁴⁵ which depicts the location of a subset of USAID's projects around the world, and USAID Development

Credit Authority (DCA) "crowd-sourcing project", which maps the location of DCA loan information and allows users to download the underlying data.⁴⁶

Challenges and recommendations

USAID can improve its ranking by publishing a total budget and a disaggregated budget for the current year and (indicative figures) for the next three years.⁴⁷ This responds directly to the Accra Agenda for Action and Busan commitments to increase aid predictability. USAID should also make explicit the modality of its aid and provide a unique identifier for its activities. This is a key component of aid transparency in country and will allow traceability from the donor to on-the-ground implementers and to the recipient country's domestic budget. The agency publishes comparatively little activity level information systematically, despite having several online platforms that publish some activity level information. For example, results – a U.S. policy priority – and impact

appraisals were not systematically available. USAID should also make its contracts and obligations consistently available across all sectors and countries.

Recent USAID transparency initiatives are important and demonstrate commitment to progress. But they need to be joined up from the moment the data is gathered. They should ultimately complement each other and provide comparable data, not only within the agency but with other donors. The agency should build IATI into PHOENIX⁴⁸ in order to ensure any report or information query produced by any bureau is compatible with IATI. This one time investment will make all future reports less costly and burdensome on USAID staff time.

USAID should publish its project and performance data to the Foreign Assistance Dashboard. All USAID information should be published to the IATI Registry. This should be automated and updated at least quarterly.

44 Interview with Rahim Kanani, Online Editor and Curator of the Skoll World Forum on Social Entrepreneurship at the Skoll Foundation: www.forbes.com/sites/rahimkanani/2012/06/19/usaaid-chief-rajiv-shah-talks-philanthropy-innovation-transparency-and-more/2
 45 <http://map.usaid.gov>
 46 www.usaid.gov/results-and-data/progress-data/data/dca
 47 U.S. agencies can publish indicative figures up to three years forward, as programs and outcomes are already included in their Congressional Budget Justification data.
 48 Phoenix is USAID's single, worldwide accounting system, operational in headquarters and in missions overseas. It is a federally compliant and secure financial management system that allows agency staff to analyze, manage and report on foreign assistance funds.

Conclusions

Despite the recognition of aid transparency as essential for meaningful policy planning, decision-making and learning – and the commitments from major donors in 2008 to make their aid more transparent – **progress in implementation has been slow.**⁴⁹ Aid information across donors is only partially available, is held in different locations, systems and formats and is difficult to find and access without a good Internet connection and a detailed understanding of how different donors operate. This makes the information hard to extract and compare.

Comparability and detail of aid information are essential.

For example, a map of projects on a USAID or a World Bank website may be interesting and can be useful. But as stand-alone maps, they only inform about USAID or World Bank projects. A more useful and much richer picture can be seen when USAID and World Bank projects are placed on the same map alongside data on poverty, health and education.

This can only be achieved when the underlying data is released in a common format. **IATI is the only vehicle for delivering this commonality.** It enables the development of user-friendly data interfaces that provide local citizens and donor government taxpayers with the ability to hold both recipient governments and donors accountable for how money is being directed, channeled, and ultimately spent.

Collectively, the U.S. institutions included in *the 2012 Aid Transparency Index* show a **wide variety of performance**, ranging from MCC's "fair" rating to DOD's "poor" one.

Despite the significant spread, no U.S. institution scored in either the "good" (above 80%) or the "very poor" (below 20%) categories. All six U.S. institutions increased their Index ranking between 2011 and 2012. When controlling for changes to the 2012 Index methodology, each agency score has improved. The Department of the Treasury improved its score by 17 percentage points over last year by publishing comprehensive project information on its website. PEPFAR, USAID, MCC and DOD all posted improvements from 2011 as well.

Access to aid information is on the rise, but there is more to be done and much progress to be made. The perfect must not become the enemy of the good. **Agencies should publish information as soon as it is available**, and improve their aid transparency by making more of it available. This information has the power to serve as an effective accountability tool for citizens in donor and developing countries, and to show U.S. taxpayers the effectiveness of their foreign assistance dollars.

49 The Accra High Level Forum (HLF-3) and the Accra Agenda for Action: www.oecd.org/dac/aideffectiveness/theaccrahighlevelforumhlf3andtheaccraagendaforaction.htm

Acknowledgements

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James Aufricht, Andrew Clarke, Lauren Pfeifer and Catalina Reyes

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