

Stephen Smith
Minister for Foreign Affairs and Trade and Director General of AusAID
Department of Foreign Affairs and Trade
Australian Government
Commonwealth of Australia

28 July 2010

Dear Minister Smith,

Re: International Aid Transparency Initiative (IATI)

We wish to congratulate the Government of Australia for supporting the agreements made on the IATI Standard at the 7 July Steering Committee meeting in Paris. We also want to thank your staff for the work that they have undertaken to make this possible. As noted to you in our letter of 28 June, IATI provides the framework for honouring government commitments made in Accra on aid transparency as part of the broader aid effectiveness agenda.

With this consensus on IATI, the first phase can move forward. Phase 1 will deliver significant benefits, including the timely publication of more detailed aid data, in a common format that will make it more accessible to a wide range of stakeholders. This will enable increased accountability of aid, which will build support for aid in donor countries, and increase the effectiveness of the way that aid is used. The common format will mean, for the first time, that it is possible for both developing country and donor country stakeholders to have a timely, comprehensive and comparable picture of the resources coming from different donors.

Your country's participation in IATI puts you at the forefront of international efforts to increase aid transparency, and we urge you to continue your support for IATI in the coming months and over the subsequent phases (2 and 3) in the following ways:

1) Implementation of Phase 1

While we are disappointed that you were not able to commit to the proposed implementation timetable at the recent Steering Committee meeting, we understand the internal challenges that you face. We urge you to draw up and publish a detailed schedule for implementation that includes details of what information you will be in a position to publish via IATI prior to the fourth High Level Forum on Aid Effectiveness (HLF IV) in November 2011, including any reasons for not being able to fulfil the full scope of Phase 1. The challenges you face with particular items should be shared in order to learn how different donors have overcome similar obstacles.

2) Further work in defining Phases 2 and 3

While Phase 1 of IATI represents a significant step forward, many of the benefits of greater transparency, and many of the commitments made in the Accra Agenda for Action, will come from the publication of information that is going to be tackled in the subsequent phases of IATI. This is the information that parliamentarians and civil society organisations have said is most important for them so that they can increase the accountability of governments and service delivery organisations. This is also information that your own taxpayers have asked to be able to see.

We know that, in these times of fiscal constraint, you have to consider carefully any additional calls on your administrative costs. We urge you to invest in the staff necessary to agree IATI's common format for reporting, and to adapt your systems to collect and publish the information. The research undertaken for IATI shows that this is an excellent investment. The benefits of implementing a

common format are potentially huge – both by reducing administrative costs by ending duplicate reporting and by increasing the effectiveness of aid.

Thank you once again for supporting IATI. We look forward to working with you further on this ground-breaking initiative in the coming months.

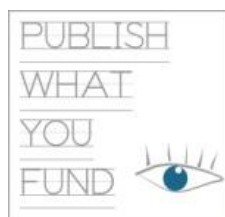
Yours sincerely,

Gerry Barr, President of the Canadian Council for International Cooperation and Better Aid, Reality of Aid and the Open Forum on CSO Development Effectiveness and member of the IATI Steering Committee.

Karin Christiansen, Director, Publish What You Fund and member of the IATI Steering Committee.

Warren Krafchik, Director, International Budget Partnership and member of the IATI Steering Committee.

Christiaan Poortman, Director of Global Programmes, Transparency International and member of the IATI Steering Committee and signatory of the International Non-Governmental Organisations Accountability Charter.

The logo for BetterAid, with 'Better' in black and 'Aid' in green.The logo for CCIC CCCI, featuring a stylized globe icon and the text 'CANADA'S COALITION TO END GLOBAL POVERTY' and 'ENSEMBLE POUR ÉLIMINER LA PAUVRETÉ DANS LE MONDE'.The logo for the International Budget Partnership (IBP), with the tagline 'Open Budgets. Transform Lives.'The logo for Publish What You Fund, featuring the text 'PUBLISH WHAT YOU FUND' and an eye icon.The logo for Transparency International, with the tagline 'the global coalition against corruption'.The logo for the Open Forum for CSO Development Effectiveness, featuring a stylized globe icon.The logo for 'The Reality of Aid', with the tagline 'An Independent Review of Poverty Reduction and Development Assistance'.