

Hon Murray McCully
Minister of Foreign Affairs
Ministry of Foreign Affairs and Trade
195 Lambton Quay
Wellington
New Zealand

28 July 2010

Dear Minister McCully,

Re: International Aid Transparency Initiative (IATI)

We wish to congratulate the Government of New Zealand 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

We warmly welcome your indication that you will be one of four IATI donors who are able to meet the original timetable and implement Phase 1 of IATI by the end of 2010. We very much hope that you will be able to share your experiences with other donors, and encourage them to implement Phase 1 fully before the fourth High Level Forum on Aid Effectiveness (HLF IV) in November 2011.

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.

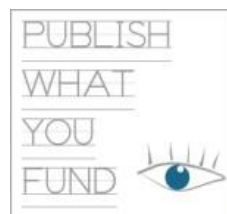
Karin Christiansen, Director, Publish What You Fund and member of the IATI Steering Committee.

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 between the two acronyms. Below the acronyms is the text: "CANADA'S COALITION TO END GLOBAL POVERTY" and "ENSEMBLE POUR ÉLIMINER LA PAUVRETÉ DANS LE MONDE".The logo for IBP, featuring a stylized globe icon to the left of the text "IBP".

IBP | INTERNATIONAL BUDGET PARTNERSHIP
Open Budgets. Transform Lives.

The logo for Publish What You Fund, featuring the text "PUBLISH WHAT YOU FUND" in a grid-like font, with a stylized eye icon to the right.The logo for Transparency International, featuring a stylized globe icon to the left of the text "TRANSPARENCY INTERNATIONAL".

TRANSPARENCY INTERNATIONAL
the global coalition against corruption

The logo for the Open Forum for CSO Development Effectiveness, featuring a stylized globe icon to the left of the text.

Open Forum for **CSO**
Development Effectiveness

The logo for The Reality of Aid, featuring the text "The Reality of Aid" in a serif font, with "An Independent Review of Poverty Reduction and Development Assistance" in a smaller font below it, all within a red rectangular border.