

Analysis of OMB Report on the Foreign Aid Transparency and Accountability Act

FATAA Background and Purpose

In July 2016, Congress [passed the Foreign Aid Transparency and Accountability Act](#) (FATAA). Among other provisions, the law required all agencies to publish “detailed” information by awards on a country-by-country basis. Required information included:

- Links to all regional, country, and sectoral assistance strategies, annual budget documents, Congressional Budget Justifications, and evaluations;
- Basic descriptive summaries of foreign assistance programs and awards under those programs; and
- Obligations and expenditures.

FAATA required OMB to submit a report one year from the date of enactment for any agency that had not complied with FATAA’s requirements, providing a detailed explanation for failure to report and a plan and timeline for each noncompliant agency to publish the required information.

Summary Conclusions

The effort to compile this Report should raise awareness within US foreign aid agencies as to their responsibilities for reporting under FATAA and [OMB Bulletin 12-01](#). That is helpful. Overall, however, the Report doesn’t align well with what Congress specified and misses an important opportunity to assess whether the information published on ForeignAssistance.gov is provided in an accessible and useable manner. Finally, the Report essentially ignores the significant gaps in the data on ForeignAssistance.gov that render its data unreliable. The consolidation process of ForeignAssistance.gov and USAID’s Foreign Aid Explorer (FAE) that FATAA called for by October 1, 2018 needs to be resolved.

OMB Report

In a document dated February 15, 2019 (and posted on March 29, 2019), OMB published its required [implementation report \(“Report”\)](#). The Report covered all agencies which were required to report under Bulletin 12-01, a larger group of agencies than are covered by FATAA.

The OMB Report analyzed FATAA compliance in two ways. First, it assessed the agencies against 7 “compliance indicators” which it said was drawn from the FATAA language. These indicators are:

- award
- strategy
- budget
- evaluations
- descriptions
- baseline
- transaction-level reporting¹

The Report then assessed whether, for each indicator, a particular agency was in compliance, not in compliance, partially in compliance or was not applicable.

The second part of the Report sought to assess “agency engagement” through four additional indicators:

- timeliness
- quality
- responsiveness
- completeness²

It assessed all the agencies against these indicators in a chart on p. 10 of the Report.

To the extent that agencies were found not to be in compliance, the Report provided a short description of the reasons for non-compliance along with a short statement of future plans for compliance. Agencies were also given the opportunity

¹ See pp 4-5 of the Report for how these indicators are defined.

² See pp 8-9 of the Report for definitions of the engagement indicators

to comment on their own assessment, with some (such as MCC and State) indicating areas of disagreement.

Assessment of the Report

The Report is useful in that it makes U.S. foreign aid agencies aware of the need to provide foreign assistance data under FATAA, and that there is a measure of accountability for non-compliance. The commitments to improve the publication of agency data should also help to improve the completeness of their aid portfolio.

Despite these positives, there are a number of issues and questions that arise from the assessment. Further, given what was presumably a considerable amount of effort to compile such a Report, it missed some real opportunities to assess the data as a whole. For example, it is noticeable how little attention was focused on the ability of users to access and utilize foreign assistance data and make recommendations for improvements. Deficiencies found in the report fall into two buckets:

1. OMB misapplied the requirements of FATAA. FATAA requested that detailed information should be provided through the organizational lens of a country (or region, if that's how the aid was provided). Strategic documents were to be linked to the country portfolio, with a basic description of either the program or project, complete with both obligations and disbursements. Much of this information is published on ForeignAssistance.gov, but it is scattered throughout the website and difficult to find. Specifically:

- **Strategic documents are not linked at the country level.** Strategic documents, including evaluations, are not linked at the country or program/project level. For some agencies, like State or MCC, a user must look at a separate website to find a listing of evaluations. In the case of State, the evaluation page lists just over 80 documents for all of its programs or projects worldwide for the seven years between FY12 and FY18. It certainly seems that some State evaluation documents are missing, although the lack of overall project level documentation makes it challenging to determine how

many evaluations should be available.³ If evaluations were linked at a program or project level, then this determination could be more easily made. USAID evaluations are not linked at all on ForeignAssistance.gov.

- **There are no “basic descriptive summaries” of programs or awards.** There are significant amounts of transaction level information by country (in Liberia, for example, there are 3,057 transactions for FY17 alone). While the transactions can be aggregated into a total program/award cost on the data search tool on each country page, using this function requires pre-existing knowledge of the award ID or title. Further, a user can only search a single award at a time. Without preexisting knowledge of the award ID or title, a user must download and manipulate the data-set in order to ascertain basic information, such as what programs agencies are conducting in a country.
- **Award information is missing.** OMB’s Report requires agencies to have detailed descriptions of transactions, but this also seems a misreading of FATAA. What is required are basic summaries at the award or program level and this information is not provided.

2. How OMB assessed other factors, such as timeliness, quality, and completeness raised questions about the approach applied and the conclusions appear to be at odds with other assessments.

- **Timeliness:** FATAA requires quarterly publication of data. It would be helpful if OMB indicated which agencies have committed to maintain the capacity to publish quarterly going forward.
- **Quality:** It appears that OMB assessed quality by how many data fields were entered, “confidence” in the quality, and the number of interactions with ForeignAssistance.gov staff in transmitting the data. We do not believe these indicators are an adequate test for data quality. The findings here are at odds with independent evaluations of quality, including the [Aid Transparency Index](#). MCC’s quality, for example, is rated at “medium” despite the fact that its transparency ranking in the Index (which considers data quality) is one of the highest globally. Additionally, ForeignAssistance.gov does not have the

³ For further information, see: US Transparency: An Assessment of Foreign Assistance Documents, accessible at: www.publishwhatyoufund.org/wp-content/uploads/dlm_uploads/2019/02/Documents-Analysis-Final.pdf

capacity to judge the accuracy of agencies' data, but instead relies on the agencies to provide and vet their own data.

- **Completeness:** The assessment of whether an agency has provided information on its total portfolio is an important consideration. It is unclear, however, how this assessment was made. ForeignAssistance.gov provides information on the [data completeness](#) of the agencies. However, the OMB assessment is sometimes at odds with ForeignAssistance.gov's own reporting. Further, and of critical importance, are the enormous gaps in reporting for some agencies (e.g., DoD, State, and HHS). For example, for 2016 – a fiscal year that should be closed – there are still billions in discrepancies between US foreign assistance totals on ForeignAssistance.gov and USAID's Foreign Aid Explorer (which is the same data used for official reporting to the OECD DAC). Just a cursory look at obligations for FY16 totals shows [\\$29.9 billion](#) on ForeignAssistance.gov and [\\$50 billion](#) on FAE. *That is a \$20 billion discrepancy for just one fiscal year.* Despite this, ForeignAssistance.gov still provides a worldwide aid figure without acknowledging its "total" is off by many billions.

Conclusions

Compiling this Report undoubtedly took considerable time and effort. It should raise awareness on behalf of some agencies as to their responsibilities for reporting under FATAA⁴ and Bulletin 12-01. That is helpful.

⁴ FATAA has two main areas of focus:

- Ensuring improved effectiveness of US programs through better monitoring and evaluation practices and policies. The law required the development of evaluation guidelines by the president. These guidelines have been [published](#).
- Ensuring comprehensive, timely, and comparable US foreign assistance information be published on [ForeignAssistance.gov](#) or a successor website. The information shall be published for each country in a "detailed" way, such as award-by-award; where programs were regional, then detailed regional information was provided for.
 - Required information included:
 - Links to all regional, country, and sectoral assistance strategies, annual budget documents, Congressional Budget Justifications and evaluations;
 - Basic descriptive summaries of foreign assistance programs and awards under those programs; and
 - Obligations and expenditures.
 - Updating of information is required quarterly.

The assessment, however, doesn't seem to align well with what Congress specified as the required information. Congress wanted this information to be viewed through the country lens, and much of the data fails to make this link. Further, the assessment appears not even to consider whether the information is provided in a useable manner. Even for an advanced user, finding the different kinds of information requires considerable patience, time, and knowledge of the website.

Finally, the [serious issue of gaps and omissions](#) in the data on ForeignAssistance.gov raises significant questions about whether it is a trusted source and raises again the need to sensibly resolve the Congressional request in FATAA that the two dashboards be consolidated. For more on this issue, see [analysis of dueling dashboards](#) and the [Congressional letter](#) endorsing the analysis and recommendations.

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- OMB was required to submit a report one year from the date of enactment for any agency that had not complied with FATAA's publication, providing a detailed explanation for failure to report and a plan and timeline for each noncompliant agency to publish the required information.