

Aid Transparency Index



INTRODUCTION

Today's world faces unprecedented challenges, affecting almost all aspects of life across the globe. War and conflicts have deepened, hunger and migration have been exacerbated by climate change and other man-made causes, and uneven economic growth has widened both inequalities and health disparities for the poor and other vulnerable populations. The resources to address all these needs are also growing, straining all budgets.

The United States, as one of the world's largest donors, plays a critical role in helping to meet these needs, but resources are not infinite. It is imperative that US – and other – resources are spent effectively and efficiently, both to meet immediate needs but also to craft solutions that lead to longer term improvements and sufficiency. Increasing efforts to direct more resources to locally led development, for example, will allow our partner governments and their societies to better address their own development needs.

Transparency is fundamental to this movement. While it doesn't solve all issues, transparency around funding, planning, and results can improve coordination, design, and outcomes. The US has made consistent progress in improving the transparency of its foreign assistance. It joined the International Aid Transparency Initiative (IATI) in 2011 and started publication to the standard in 2013. Congress passed the Foreign Aid Transparency and Accountability Act (FATAA) in 2016, requiring issuance of evaluation policies and publication of detailed project information and evaluations by all agencies involved in the implementation of US foreign assistance. In 2019, the Foundations for Evidence-Based Policymaking Act was signed into law, calling on all major agencies to improve the use of evidence in decision making.¹ In 2021 the two US foreign assistance dashboards were consolidated into one - ForeignAssistance.gov - with significant improvements to quality and useability.

All these steps have made information and data around US foreign assistance arguably the most transparent functions of US government spending. There are now 21 US entities involved in implementing foreign assistance and all of them are required to post detailed information to ForeignAssistance.gov.²

New to ForeignAssistance.gov is a Sustainable Development Goals (SDGs) website with a dataset that demonstrates how US foreign assistance is fulfilling the US commitment to achieving all 17 SDGs by 2030. The data includes all USG foreign assistance and is aggregated by SDG and fiscal year, although it is not currently available by agency, country, or activity.

ForeignAssistance.gov also features the <u>Donor</u> <u>Cooperation Landscape</u> tool, which allows stakeholders to access and compare data on both the United States and all donors using IATI data from all publishers. The tool is easy to use and provides data through a country lens.

The 2024 Aid Transparency Index ("the Index") marks the ninth time that various US agencies have been assessed for the transparency of their data. This year, the Index again includes the US Agency for International Development (USAID), Millennium Challenge Corporation (MCC), and the Department of State (State). For the first time the Department of Health and Human Services (HHS) is also included, given its role in implementing the President's Emergency Plan for AIDS Relief (PEPFAR).³ The US results are mixed – MCC again lands in the "very good" category, coming in 3rd overall and first among the bilateral aid agencies. USAID is in the "good" category, slightly improving its performance from the 2022 Index. The State Department, however, has dropped over nine points, sliding further down in the "fair" category. HHS ranks the lowest of the US agencies, in the "poor" category, with a score of 34.8.4

¹ For an excellent assessment of FATAA and the Evidence Act, see here.

² See <u>here</u> for a status of the timeliness of all entitles required to publish to ForeignAssistance.gov

In previous Indexes, the State Department's Office of the U.S. Global AIDS Coordinator and Health Diplomacy was included in the Index, as PEPFAR represented the largest bilateral health program globally. This year, partly because of the way in which the US is now reporting its PEPFAR activities to IATI, the Index is assessing the largest implementers of PEPFAR – USAID, State, and HHS.

⁴ For a full listing and description of each indicator that is used in the Index methodology, see here.

Millennium Challenge Corporation (MCC)

Score - 93.0

MCC has consistently ranked in the "very good" category of the Index and remains the top bilateral agency with a score of 93.0. It improved its score slightly over the 2022 Index in part because it started publishing monthly. It also improved its data for both its activity objectives and standardized references for its participating organizations.

MCC could continue to improve its data by more fully reporting on project budgets and full sector budget codes. Although it does well on performance information, it could improve its data by posting its reviews and evaluations on IATI, thus improving accessibility. Finally, as we have advocated for many years, MCC should encourage its Millennium Challenge Accounts, the entities that managed country compacts, to publish granular data in IATI about the implementation of these large compacts.

In 2022, MCC launched its <u>Evidence Platform</u> to allow its data and evidence to be more accessible to stakeholders. The data can be filtered and analyzed across sectors, countries, and thematic areas. The platform, intended as a global public good, encourages the use of MCC's data and analysis for better learning. It also offers a first-of-its-kind virtual data enclave for access to MCC's restricted data, allowing MCC to publish more data than ever before.

United States Agency for International Development (USAID)

Score – **66.1**

USAID ranks 7th of all bilateral agencies and slightly improved its score from the 2022 Aid Transparency Index. It is the largest bilateral aid agency globally, operating in over 100 countries per year and covering a large and diverse set of issues. As such, its publication effort is significant – it has published over 53,400 activities since 2013 when it started publishing to IATI.

It is challenged, however, by the outdated systems that make publication at the project level significantly more difficult. USAID's Development Information Solution (DIS) – which aims to improve data systems' compatibility, reduce burdens, and improve publication and data quality – has been the subject of numerous delays. The slow onboarding of DIS is a significant impediment to improving USAID's data.

USAID does very well on its organizational component, regularly publishing annual reports, audits, strategies, and policies, as well as on its joined-up data (which provides information on flow, aid, finance types as well as information on its networks). It is also the only US agency that not only publishes monthly but only has a month time lag in publishing its data.

At the project level, USAID does not score well on its location data, objectives, and pre-project appraisals. Some project data is available but not published in IATI – such as project budgets, procurement documents, and reviews and evaluations, the latter being particularly important. Some project data, such as project budget documents, conditions, and results are not published at all. Overall, the priority area for USAID should be to focus on its performance data.

Finally, USAID put considerable effort into publishing a new indicator on networking data, which reports information on receivers at the transaction level. USAID only received partial credit for this in the Index due to an issue in publication to IATI, but the effort is recognized, and the improvements will be included in future assessments.

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Department of State (State)

Score - 48.6

State's performance in the Index has been mixed over the years, hovering between "fair" and "good". In the 2022 Index, it was at the top of the "fair" category; for the 2024 Index, however, it has dropped over 9 points, sliding into 40th position out of 50.

State has scored very well on organizational documentation, including strategies, annual reports, audits and allocation and procurement policies. It's joined-up data is also good although procurement documents are not published in IATI, and it dropped considerably in its participating organizational reference.

While some project data is published well in IATI, other information, such as project budgets, descriptions, locations, conditions, and participating organizations are largely not published or failed quality checks. Other areas where State has published to IATI, such as disaggregated budgets, commitments, disbursements and expenditures, and budget alignment are areas for improvement. Some of these indicators are ones that State previously scored well in the 2022 Index, so it is unclear why performance has dropped.

Performance data – objectives, reviews, evaluations, results data, and pre-impact appraisals – are either not published or significantly lacking. This is an important policy priority for the US and more effort should be put into publishing this important category of information.

Department of Health and Human Services (HHS)

Score – **34.8**

This is the first time that HHS has been included in the Aid Transparency Index (see footnote 3). Despite being a long-standing implementer of PEPFAR, it first published to the IATI standard in 2023. It scored 34.8 landing in the "poor" category and ranking 46th out of 50.

The only category that HHS does reasonably well in is joined-up development data, which captures information such as flow, aid, finance types and tied aid status, and two of the three network data indicators. Otherwise, its organizational data is either not published in IATI or not published at all, and it publishes only limited financial, budgetary, or project data. Finally, it publishes no performance data at all, which is contrary to US policy.

Given the importance of HHS in the implementation of PEPFAR, more attention needs to be given to publication of HHS's PEPFAR data. HHS showed little improvement between the first data pull in November 2023 and the final assessment in May 2024, which is normally an opportunity for publishers to engage with the Index team to understand and improve their IATI data.



Fair (40–59)

Poor (20–39)

Very Poor (0–19)

CONCLUSION

This is a mixed review for US agencies. While MCC, and to a lesser degree USAID, should be commended for their performance and effort, State and HHS clearly need to make transparency a much higher priority, consistent with US law and policy. FATAA, for example, calls for quarterly publication of detailed project information. Both FATAA and the Evidence Act put a premium on evaluations and evidence to inform and measure the effectiveness of US foreign assistance. Although MCC and USAID publish evaluations, most of these documents are not on IATI, limiting accessibility. For State and HHS, evaluations and other performance data are almost entirely missing. Without robust, transparent information, it is not possible to gain insights into program effectiveness and ensure that US tax dollars are being spent wisely.

The lack of complete and timely quality IATI data also means that the foreign assistance programs and contributions of the US will be missed, understated, or misconstrued in the <u>increasingly frequent policy</u> <u>analysis</u> done using IATI data. This includes efforts by government ministries, journalists, researchers, multi- and bilateral donors, and civil society groups to better analyze and inform foreign assistance. As the world's largest donor, it is important that US spending, programs, priorities, and outcomes are fully accessible and complete.

ABOUT THIS BRIEF

Further information and insights are available in the <u>Aid Transparency Index</u> report and on the <u>website</u>, which contains the ranking chart and individual agency profiles. The 2024 Aid Transparency Index and US Brief were independently researched and written by Publish What You Fund. The contents are the sole responsibility of Publish What You Fund. It was produced with financial support from the International Aid Transparency Initiative.

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