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# EXECUTIVE SUMMARY

## INTRODUCTION

### Background

The International Aid Transparency Initiative (IATI) was launched at the High Level Forum on Aid Effectiveness in Accra in 2008, where the international community highlighted the fundamental importance of aid transparency for aid effectiveness. Transparency and accountability of donor assistance, as formulated by the Accra Agenda for Action, lie at the heart of the Paris Declaration on Aid Effectiveness, and IATI is a key initiative to improve planning, transparency, accountability, and coordination in international foreign assistance. U.S. Secretary of State, Hillary Clinton signed the United States Government's (USG) commitment to IATI at the High Level Forum on Aid Effectiveness in 2011 in Busan, South Korea, joining a movement among donor countries to commit to publishing donor assistance information publically, using open data formats. As of March 2015 over 300 aid agencies, including the USG, have published aid information in the IATI format and 24 developing countries have endorsed IATI.

The USG has made substantial efforts in the last four years to publish all its foreign assistance funded project activities according to the IATI standard through the newly created website ForeignAssistance.gov. As of March 2015 ten USG agencies are publishing aid information according to the IATI standard. In 2011 the USG decided to conduct a pilot study in three partner countries to assess the demand for more and higher quality aid data in the partner countries. The results of this study are expected to inform the implementation of IATI by USG agencies and to identify priority areas for data publication.

### Objectives

In light of the commitment to IATI, the USG seeks to enhance the usefulness, efficacy and accountability of U.S. foreign assistance by assisting recipient governments to better manage their aid flows, empower citizens to hold governments accountable for how foreign assistance budgets are used and provide a clearer understanding of foreign assistance efforts. The three pilot studies were designed around three primary objectives to: (1) assess demand for information from partner country stakeholders, (2) assess stakeholder capabilities in using the available data, and (3) recommend ways to improve data sharing and use.

## METHODOLOGY

The USG's Aid Transparency pilot study was conducted in 2014 by a team of one USAID staff member and three external consultants. The study included a desk study and field visits to Zambia, Ghana and Bangladesh. The choice of the countries was determined by the interest expressed by USAID country missions to participate in the study. During field visits the team conducted 87 interviews with key stakeholders from partner country governments, civil society organizations (CSOs), media, academia and private business. Partner country government representatives included officials from finance ministries and line ministries as well as parliamentarians and anti-corruption commissioners. The interviews focused on the current use of aid information, potential demand for more and higher quality aid information and issues of access to aid information. The team also met USG staff to discuss information demands in partner countries. Prior to the meeting, all interviewees received information about IATI and the USG efforts to publish more and higher quality data.. In addition to the individual interviews, the team held round table discussions with donor representatives and all partner country stakeholders groups. Additional information was collected through a standardized feedback form that solicited information on the ForeignAssistance.gov website.

## Caveats

The scope of the study was limited to local stakeholders only and did not include an assessment of information needs within USG agencies or a comparison to other donor experiences. The study was conducted in three Anglophone countries, representing a limited and relatively homogenous stakeholder sample. Finally, the scope did not require a cost analysis or action plan for implementation of the recommendations.

## COUNTRY REPORTS

This document includes individual country reports for Zambia, Ghana and Bangladesh that highlight the assessment team's observations related to three primary areas of stakeholder concern: (1) current access to aid information, (2) data needs and (3) data capacity and accessibility. Although there were some differences noted in each country's experience, there was a high degree of consistency in several key areas. Regarding access to information, most stakeholders rely on basic tools such as manually circulated Excel spreadsheets, large printed volumes, radio, or stakeholder networks such as sector-specific working groups. Aid information serves a variety of purposes for partner country stakeholders, including planning, public accountability, civil society participation, anti-corruption efforts and business opportunities. The type of data required to meet these needs consistently fell within the scope of the IATI standards. Finally, stakeholders generally satisfied data needs through a combination of media sources such as radio and newsprint, as well as the internet. However, access to data via the internet or mobile devices tends to be limited among marginalized populations, including those in rural areas.

## FINDINGS AND RECOMMENDATIONS

### Lack of Awareness

**Awareness of existing information sources:** The pilot study found that even though the stakeholders interviewed are interested in aid information, they are not aware of the existence of IATI and the level of detailed information already provided by donors. Even stakeholders that regularly search for aid information, like civil society watchdog organizations and parliamentarians, were not aware of the available data sources.

**Awareness of aid transparency efforts and its relevance:** While the study focused exclusively on partner country stakeholders, discussions with USG staff and other donor representatives demonstrated a general lack of awareness about IATI, the relevance of aid transparency and the available IATI information. As long as important stakeholders are not aware of the existence of comprehensive, detailed and current aid information, the demand for IATI data will remain low and the objectives of the aid transparency efforts of the USG will not be achieved.

**Recommendation:** USG agencies at headquarters and in-country missions raise the awareness of partner stakeholders and their own staff by informing them of existing data and information sources, the relevance of aid transparency and its potential benefits.

### Need for More and Higher Quality Data on [ForeignAssistance.gov](http://ForeignAssistance.gov)

**Demand for aid information in partner countries:** There is a demand for aid information among government representatives, the media, CSOs, academia and private companies in partner countries. Moreover, citizens are interested in aid information as it relates to their own lives or communities. There is also public interest in aid information in cases of suspected misuse of funds in large projects. The existing demand for aid information is only partially met. In all three countries, donor representatives were not fully aware of the existing information demands in their respective host-countries and regarded the "public back home" as the primary group that would be interested in receiving information on donor activities.

**Current access to aid information in partner countries:** In two countries covered by this assessment, governments receive aid information through Excel spreadsheets filled out manually by

donor representatives. In the third country that was evaluated, the Ministry of Finance had recently launched an Aid Information Management System based on the IATI standard. In the future, this system is expected to allow automated data transfer from donors. Government representatives in all three countries expressed a need for more current data, off-budget data, information on sub-national geographic location and results data. Non-government stakeholders interested in aid information rely primarily on donor press-releases and Ministry of Finance publications. In particular, CSO representatives often noted that access to aid information is cumbersome and insufficient.

**Priority data needs:** Most non-governmental stakeholders interviewed as part of the pilot study expressed a need for more detailed information about project activities. Specific information requests were: sub-national geographic location of projects, project descriptions activity details as well as project goals, strategies and results including evaluation results and details on how much money was spent and for what purpose. Most stakeholders were interested in an overview of aid flows to their country. To meet this demand, data needs to be aggregated across donors.

**Full IATI implementation can meet existing demand for aid information:** The IATI standard covers all priority information needs identified in the pilot study. To ensure transparency of off-budget aid, CSOs and USG implementing partners would also need to implement the IATI standard in reporting.

**Recommendation:** USG agencies should continue their efforts to implement the IATI standard and focus on five priority data needs: (1) sub-national geographic location, (2) project documents, (3) results, (4) OECD-DAC sector codes and (5) off-budget data.

### **Lack of Accessibility of Aid Information**

**Intermediaries are important conduits for aid information:** Access to the internet varied significantly across stakeholder groups in the three countries. For some stakeholders like CSOs in the capital cities, online information is sufficient. Other stakeholders, like rural radio stations, are able to receive email information. The vast majority of citizens in the three countries visited would access aid information only through offline channels of communication like radio, newspapers and billboards. CSOs working with marginalized communities, local government structures and radio stations publishing in local languages are important intermediaries to share aid information with citizens.

**Capacity to use online data sources is limited:** Only a few stakeholders interviewed during the pilot study were already familiar with using online data sources and found the USG web portal for aid information [ForeignAssistance.gov](http://ForeignAssistance.gov) easy to use. In general, to improve access to information, it is important to build capacity in data literacy among intermediary organizations like media, CSOs and government agencies.

**Recommendation:** USG should use existing offline communication channels like leaflets, posters and billboards to meet the information needs identified in the study. The USG should focus capacity building efforts on data literacy and ensure that [ForeignAssistance.gov](http://ForeignAssistance.gov) is navigable for less-experienced data-portal users.

### **Need of Support for Use of Data**

**Data demand in partner countries is necessary for further progress in aid transparency:** Experiences from other open data initiatives demonstrate that demand for data is an important driver to increase the quality and quantity of data publication. While some key users like the Ministry of Finance staff already have access to IATI data, there appears to be a very low level of demand for IATI data in partner countries. An increased awareness of existing data sources and capacity building is necessary to translate existing information needs in partner countries to actual data demands.

**Data use by specific stakeholder groups is important:** The pilot study focused on information needs in partner countries exclusively. However, a few specific stakeholders are found both in partner countries and in donor countries. To increase the use of data, the needs of these stakeholders should be taken into account while promoting overall data use. Internal data use increases the motivation to publish high quality data. Increased use of data by programmers will promote the development of new data tools. Collaboration with other open data initiatives is useful to embed IATI data in the wider context of information necessary to promote transparency in public finance.

**Recommendation:** The USG should actively promote the use of data by partner country governments, CSOs, media and programmers. In addition, the USG should reach out to specific user groups to help improve data quality, create relevant tools and add value to the use of IATI data.

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