

GAO Highlights

Highlights of [GAO-17-648](#), a report to congressional committees

Why GAO Did This Study

U.S. policy toward Burma has been to promote the establishment of a democratically elected civilian government that respects the human rights of the Burmese people, according to State. Since 2011, Burma has been in transition from military, authoritarian rule toward parliamentary democracy. Congress included a provision in statute for GAO to review U.S. democracy programs in Burma. This report examines (1) USAID and State democracy projects, including coordination of these projects; (2) steps USAID and State have taken to help ensure that U.S. democracy projects and the U.S. Strategy for the Promotion of Democracy and Human Rights in Burma (Burma Democracy Strategy) address and support the specified purposes and groups, respectively, for Burma assistance funding; and (3) USAID and State efforts to ensure that U.S. democracy assistance is not provided to prohibited entities and individuals. GAO reviewed relevant agency documents; conducted fieldwork in Burma; and interviewed officials in Washington, D.C., and Burma.

What GAO Recommends

GAO recommends that USAID and State review their procedures and practices to determine whether additional guidance or reviews of implementing partners' due diligence procedures are needed. USAID and State both concurred with our recommendations.

View [GAO-17-648](#). For more information, contact David B. Gootnick at (202) 512-3149 or GootnickD@gao.gov

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U.S. DEMOCRACY ASSISTANCE IN BURMA

USAID and State Could Strengthen Oversight of Partners' Due Diligence Procedures

What GAO Found

The U.S. Agency for International Development (USAID) and the Department of State (State) have funded 34 democracy projects in Burma since 2012, including efforts to strengthen the country's civil society and democratic institutions. These projects are primarily coordinated by the interagency Assistance Working Group (AWG) at the U.S. embassy in Burma, which approves all U.S. agencies' activities in Burma. However, State's Bureau of Democracy, Human Rights, and Labor (State/DRL) is not directly included in AWG proceedings because it does not have an embassy presence, and embassy policy limits participation in the AWG to those located at the embassy. As a result, the AWG has made decisions about State/DRL's projects without direct input from State/DRL and without State/DRL always receiving feedback. State officials said that they had recently begun an effort to identify more inclusive methods for coordinating with State/DRL and obtaining its input, which, if implemented properly, could improve coordination.

USAID and State/DRL Obligations for Democracy Projects in Burma, Fiscal Years 2012-2016
Dollars in millions

Agency	FY2012	FY2013	FY2014	FY2015	FY2016	Total
USAID	18.0	23.1	21.9	25.9	15.1	104.0
State/DRL	2.4	2.2	1.7	2.2	0.8	9.3
Total	20.4	25.3	23.6	28.1	15.9	113.3

Legend: FY = fiscal year; State/DRL = State's Bureau of Democracy, Human Rights, and Labor
Sources: GAO analysis of U.S. Agency for International Development (USAID) and Department of State (State) data. | GAO-17-648

USAID and State take several steps to help ensure that their projects and the Burma Democracy Strategy address the specified purposes for Burma assistance funding. When designing projects, USAID and State both consider purposes for which assistance shall be made available. For example, GAO found that several current projects include objectives addressing purposes in the Consolidated Appropriations Act, 2016. Also, the Burma Democracy Strategy—an interagency strategy for promoting democracy in Burma—includes language supporting civil society, former prisoners, monks, students, and democratic parliamentarians, as required by the Consolidated Appropriations Act, 2014.

USAID and State make some efforts to ensure that U.S. democracy assistance is not provided to prohibited entities and individuals specified in law. USAID and State/DRL provide information to implementing partners on prohibited entities and individuals and the need for partners to conduct due diligence. However, USAID's Mission in Burma Office of Democracy and Governance (USAID/DG) and State/DRL only provide some guidance to partners on how to conduct due diligence and do not review partners' procedures. Partners GAO interviewed either did not conduct due diligence or expressed concerns about their due diligence procedures. Standards for internal control in the federal government call for management to review procedures and controls for relevance in addressing risks. Without providing more guidance and reviewing partner due diligence procedures, USAID/DG and State may miss opportunities to better ensure that U.S. assistance is not provided to prohibited entities and individuals.