I. Foreword

In 2012, a lack of accountability—of decision-makers and power-holders—resulted in poverty, exclusion, and insecurity. Estimates show that the cost of corruption equals more than 5% of global GDP (US$2.6 trillion), with over US$1 trillion paid in bribes each year. Victims of graft understand all too well its pernicious effects: it saps trust, undermines opportunity and perpetuates inequalities. These issues are felt particularly in the most difficult contexts around the world where institutions are inadequate and the rule of law weak. The motivation of the Accountability Lab to build accountability stems from the experience of witnessing the anger of citizens who are unable to receive fair treatment by institutions that should serve them equitably, and their frustration at the lack of tools to hold power-holders responsible for their behaviors.

In 2012, the Lab was set up to try and fix this dynamic through addressing accountability problems in new ways. The Lab operates under the assumption that accountability should not always be seen as a punitive process or effort to assert control that may directly threaten entrenched interests. Rather, it is a process of collective discussion among relevant parties to understand dynamics and relationships, improve the responsiveness of accountability tools, and make the process of development more effective. The Lab works to support the creation of innovative, cost-effective mechanisms and the communities around them that can propagate their use to ensure scale and impact.

In the first year of operation, the Lab made significant progress in this regard. Conceptually, the team developed new thinking and creative ideas on accountability issues. Programmatically, the Lab set up three core channels to work towards accountability: the Accountability Change Agency; the Accountability Initiative; and the Accountapreneurship Funds. Collaboratively, we developed key relationships with innovative partners both on the ground and in Washington, DC to leverage the work of the organization. And organizationally, the Lab completed the 501(c)3 and tax-exempt registration process and hired a core staff to build out the thinking and programs. This lays an important basis for the organization to continue its important work in 2013.

None of this would have been possible, of course, without your support. Thank you to all the Lab’s many supporters around the world for their efforts to ensure more responsible development.

Sincerely,

Blair Glencorse
Executive Director
The Accountability Lab is an independent, non-profit organization that works to generate sustainable development through making power-holders responsible. The Lab acts as a sounding board, listening to, analyzing and reflecting upon accountability concerns; as an independent interface, engaging relevant actors across contexts and issues; and as an operational hub, catalyzing innovative accountability tools and communities. Through this approach, the Lab bolsters efforts to address the causes rather than the symptoms of poverty, exclusion and insecurity.

The Problem

Non-accountable systems, rules and individuals are deeply entrenched in the developing world and are extremely difficult to dislodge, despite the best efforts of the anti-corruption movement. Sadly, global partnerships or national discussions do not necessarily equate to sustainable progress. Governance approaches to date have too often addressed the symptoms rather than the causes of this issue. Lack of education or healthcare is not the problem in itself—it is the symptom of a larger absence accountability. Globalization is expanding the possibilities for interaction of citizens with governments, businesses and donors. At the same time, however, governance systems and actors now have to deal with more difficult problems and more varied demands, often with higher expectations than ever before. Unfortunately, approaches to accountability in practice are often not sufficiently contextualized or innovative and do not prove viable over the long-term.

The Theory of Change

Sustainable development requires that institutions and organizations are accountable. In too many places, however, a lack of accountability means there remains a stark gap between the aspirations of populations and the realities of everyday life. The Lab supports the accountability of power-holders, as this leads to more responsible decisions and actions. The result is more efficient use of resources and, subsequently, improved lives for citizens. Expectations for positive reform increase accordingly, ensuring further demand for accountability, generating a virtuous circle of change.

ACCOUNTABILITY LAB
THEORY OF CHANGE

ACCOUNTABILITY OF POWER-HOLDERS

IMPROVED LIVES FOR CITIZENs & INCREASED DEMAND FOR ACCOUNTABILITY

RESPONSIBLE DECISIONS & ACTIONS

MORE EFFICIENT USE OF PUBLIC & PRIVATE RESOURCES
III. Approach

The Lab catalyzes tools for new and innovative approaches to bolster accountability.

The team:

i) **Listens** to problems related to accountability, and analyzes core concerns within specific contexts through careful outreach. Too often, interventions are supply-driven and do not fit with on-the-ground needs and political-economy dynamics.

ii) **Recognizes** valuable accountability practices and builds partnerships to pilot new tools and validate fresh thinking, with an emphasis on learning from failure. In many cases, knowledge is not shared and experience is not sufficiently internalized.

iii) **Engages** relevant actors and builds communities that can curate and propagate alternative ideas to allow for scale and impact. Collective solutions to shared issues of accountability are hindered when targeted support is not strategic, timely or durable.

Contexts

The Lab is piloting its approaches in two countries—Liberia and Nepal. These contexts were chosen for three key reasons. First, these countries are strategic within their sub-regions, and while some progress has been made in terms of accountability, significant challenges remain. Second, the cross-contextual engagement on issues of accountability provides important insights and learning. Finally, because the Lab had significant existing networks and contacts in these countries that made operationalization of ideas feasible from the outset.

Organization

The Lab registered as a 501(c)3 organization in Washington, DC and received tax-exempt status in 2012. The organization is building out on the ground presence in both Nepal and Liberia. The Lab has begun with a small staff, which includes the Executive Director, a Nepal Country Representative; a Nepal Expert; a Liberia Country Representative; an Accountability Fellow; and an Accountability Resident.
The Lab has developed three key programs through which it supports accountability in the two pilot countries. The emphasis through each is on creative approaches and equal partnerships that generate sustainable tools. To ensure maximum impact and sustainability, the work of the Accountability Lab is designed to be self-reinforcing, with each activity feeding knowledge, networks and ideas into other, complementary activities.

**Accountability Change Agency**

The Accountability Change Agency provides a framework through which the Lab can partner with civil society groups to catalyze the development of new and innovative tools focusing on accountability. The focus is both at the country-level (with a particular focus on youth, students and higher education) at the macro-level where the Lab’s expertise and support can prove useful to larger accountability initiatives.

Work underway in 2012 included:

i) The **Integrity Helpdesk** is mobilizing experts from around the world to respond to questions related to integrity and accountability submitted through an online moderator. The target audience for the Integrity Helpdesk is senior public officials, news editors and senior journalists, heads of governance NGOs, and selected academics. Over one hundred of the world’s foremost experts on anti-corruption, transparency, integrity, accountability, ethics, governance, elections, human rights, and corporate responsibility have to date agreed to be part of the project, which will be co-hosted by Integrity Action.

ii) The **“My University My Future”** initiative seeks to create a trusted, “de-political” process to address core accountability issues such as teaching standards and timetables at Tribhuvan University. Through a process of informal consensus-building and more formal, facilitated discussions, critical groups (student leaders; professors and the Teachers’ Union; the administration; and members of the political parties) have been brought together to agree on a minimum agenda for action. This has focused on core issues (such as the academic calendar) and will culminate in the creation of “dialogue centers” to act as a hub for the flow of information and constructive discourse. The work is being carried out in partnership with students and graduates at Tribhuvan University in Kathmandu and Youth Action Nepal.
iv) “Bye Dalal” is reverse engineering processes related to the public higher education system in Nepal to make them more accountable and effective through crowd-sourced information. We will use web-based tools to gather, organize and disburse the information, and foster human networks to transmit information to and from the web-tools, bridging the digital divide in new ways. Over time, the wikitool will become an up-to-date resource and portal for students on university processes at campuses nationwide, including information such as location, hours and contact details for all departments and campuses; documents needed for different degrees; and updates on academic calendars. The work is being carried out in partnership with GalliGalli.

iv) The RTI Toolkit seeks to provide journalists with key tools and exposure to allow them to better use the RTI act and the provisions within it for investigative journalism. It includes the development of a useable and innovative guidebook, associated orientation sessions and the creation of networks and incentives to perpetuate engagement on these issues. This will allow the media to more effectively use RTI (and as such allow journalists to act as a bridge between citizens and government); increase awareness of citizen rights and entitlements; draw attention to institutional and governance failings; foster exchange of ideas and knowledge, and generate debate; and create pressure for better, more accountable government in Nepal. The work is being carried out in partnership with the Citizens Campaign for the Right to Information (CCRI).
IV. Programs (cont.)

@accountability Initiative

The @accountability Initiative is a window through which the Lab supports new ideas at the intersection of accountability and technology through collaboration with ICT experts on the ground. The underpinning idea for the @accountability Initiative is that technology is fundamentally expanding the way in which citizens can engage on accountability issues, but equally, technology is not an end in itself but rather a tool that can be used as part of larger processes of positive change in this regard. Initiatives underway and to continue in 2013 include:

i) “Bolaun!” (Speak Up!) is an open source, online and SMS micro-blogging tool to support and empower Nepalis to discuss corruption issues in new ways. It will allow users to collect and discuss information on accountability issues, map data and generate a “social” element around these ideas through allowing users to retrieve and share information, even when offline. Users will not “follow” people, but rather issues or places (e.g. bribery and/or Ministry of Finance) to keep up to date on specific concerns. They can then share or comment in Nepali and English with other users as part of the community. Bolaun! will have a unique, integrated system architecture across a microblogging website, Facebook, Google+ and Twitter interfaces. The Lab is working on Bolaun! with SmartTech.

ii) The “TELL-it-True” pilot seeks to overcome the culture of silence around the problems that affect university campuses—such as patronage, bribery, abuse of resources, teacher absenteeism and sex for grades—by providing a confidential, anonymous SMS “suggestions box”. All stakeholders on the Stella Maris campus (students, professors and the administration) can text the free short-code (8355 or “TELL”) and are called back by an operator who gathers details of the problems faced and any ideas on solutions. This information is gathered over time and discussed on a periodic basis with the university administration and student governments, who agree on both sides on relevant steps to be taken. A meeting is held with the larger student body to share the findings from the process, explain actions that will be taken, and encourage further use of the system. The work is being carried out in partnership with iLab Liberia.
Accountapreneurship Funds

The Accountapreneurship Funds are a support mechanism through which the Lab seeks to identify “accountapreneurs” (individuals, groups or organizations that demonstrate an entrepreneurial approach to accountability issues); provide catalytic grants for small-scale, innovative approaches to accountability; support effective implementation of ideas through training (management; communication; presentation; accountability), mentoring, and networking; and ensure sustainability through connecting accountapreneurs to additional local and national funding sources.

i) The Nepal Accountapreneurship Fund (NAF) is underway and will select three projects in early 2013 and further projects in mid-2013. The team is now in the process of considering initial applications, identifying mentors and training partners, and working with networks to build the relevant connections needed by the accountapreneurs.

ii) The Liberia Accountapreneurship Fund (LAF) is still at the planning stage, with relevant partners in the process of identification and structures being rolled-out. The Lab will partner with BSC-Monrovia on some logistical aspects of the LAF.
V. Networks and Partnerships

The Lab seeks to develop partnerships with like-minded organizations to support accountability in the developing world. In 2012, these partnerships included:

i) **OpenGov Hub** - a co-working space in Washington, DC for organizations engaging with issues of open government and transparency. The Lab was an inaugural member of the Hub when it opened in October 2012.

ii) **Nepal Economic Forum (NEF)** - a think-tank in Kathmandu which builds partnerships and initiates multi-disciplinary dialogues to shape national agendas in Nepal. The NEF is “incubating” the Lab’s work in Nepal.

iii) **iLab Liberia** - a technology hub in Monrovia, with which the Accountability Lab is collaborating on projects and tool development.

iv) **BSC-Monrovia** - an organization in Liberia that aims to spur both entrepreneurship and education, empowering young Liberians to help lead their society towards prosperity.

v) **Integrity Action** - a London-based organization that aims to empower citizens to act with and demand integrity.

Further informal partnerships have been developed with the Johns Hopkins School of Advanced International Studies and Reuters TrustLaw.
V. Networks and Partnerships

Outreach and Awards

The Lab seeks to engage in and shape the discourse around accountability in the following ways:

i) Participation in relevant conferences at the national and global level where feasible. In 2012, this process included, for example, the Transparency International, International Anti-Corruption Conference (IACC) in Brasilia at which the Lab was named an anti-corruption “Gamechanger”.

ii) Media outreach in both print and multimedia forms, supplemented through social media including the Lab’s Twitter and Facebook accounts. Articles written by or relating to the Lab in 2012 were featured on sites including the Council on Foreign Relations Development Channel and the Foreign Policy Democracy Lab. For a full list of the Lab’s media engagements, please visit the Recent News page on the website.

iii) The Lab’s blog at www.bloggingonaccountability.org. The Lab will continue to use the blog as a tool for collecting and sharing innovative approaches to accountability issues; report on meetings and conferences; and disseminate information on ideas and activities. Blog posts are posted and cross-posted every month. An agreement is in place with TrustLaw Governance in this regard.
VI. Oversight

Through the initial start-up phase, the Lab has put in place a three-tiered oversight framework:

i) **Board of Directors.** A preliminary Board of Directors is in place to assist the Lab in terms of operational direction and connections with relevant networks. In 2013 the Board will be reformulated to consist of high-level individuals who in various ways can bring perspective and ideas on accountability issues.

ii) **Brain Trust.** A preliminary Brain Trust is in place to assist the Lab with operational activities and functions, as a senior advisory board. This includes senior, credible individuals with knowledge of the geographical and sectoral issues on which the Lab is working.

iii) **Kitchen Cabinet.** The Kitchen Cabinet functions as a working advisory board and consists of trusted friends of the Lab who periodically meet to provide advice, support and ideas. In 2013, regional cabinets will be created to provide more contextually-specific advice.

**Reporting**

The Lab places a significant emphasis on accountability of reporting within the organization itself. Reporting takes place through the following channels:

i) **Failure Lab.** The Lab is predicated on the idea of taking risks and embracing failure. Some of the projects attempted will not be successful-as these are often new concepts being piloted in very difficult contexts. The Lab is seeking to understand where and why pilots have not been successful and document this learning publicly in a “Failure Lab.”

ii) **The Accountability Collectives.** In Nepal and Liberia, rather than asking partners to write cumbersome monthly reports, the Lab organizes a collective meeting every month to which all partners are invited. At this meeting, they can report on progress, network with each other and understand where synergies and potential partnerships may exist. The Lab staff then report back to the Executive Director after these “Accountability Collectives”. This process not only makes monitoring more fun and a lot less painful, it also leads to productive ideas and useful feedback.

iii) **Accountability Accounts.** The Lab operates with a highly cost-effective, low-overhead model, and seeks to be entirely transparent in the use of its funds. Beginning in the first quarter of 2013, the Lab will post quarterly financial reports on the website so that supporters and partners can continually track spending against results.
VII. 2012 Financials

A short-term, no-interest loan was provided as start-up support. The loan will be repaid in full with 2013 donation revenues.

Statement of Activities*
Year Ended December 31, 2012

<table>
<thead>
<tr>
<th>Revenues</th>
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<tbody>
<tr>
<td>Contributions from Corporations, Individuals, Law</td>
<td>12,094</td>
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<tr>
<td>Firms and Trade Associations</td>
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<tr>
<td>Foundation Grants</td>
<td>30,000</td>
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<tr>
<td>Total Revenues</td>
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<table>
<thead>
<tr>
<th>Program Services</th>
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<tbody>
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<td>Accountability Change Agency</td>
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<tr>
<td>Accountability Initiative</td>
<td>21,753</td>
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<td>Accountability Entrepreneurship Fund</td>
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<td>Total Program Services</td>
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<table>
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<th>Supporting Services</th>
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<tbody>
<tr>
<td>Management and General</td>
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<tr>
<td>Fundraising</td>
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<td>Total Supporting Services</td>
<td>30,692</td>
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Total Expenditures                                      $ 102,248

Total Revenues                                          $ 42,094
Total Expenditures                                      $ 102,248
Change in Net Assets                                    $ (60,154)
Net Assets at Beginning of Year                         $ -
Net Assets at End of Year                               $ (60,154)

Statement of Financial Position*
Year Ended December 31, 2012

<table>
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<tr>
<th>Current Assets</th>
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<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
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<tr>
<td>Contributions Receivable</td>
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<tr>
<td>Accounts Receivable</td>
<td>4,000</td>
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<tr>
<td>Prepaid Expenses</td>
<td>190</td>
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<tr>
<td>Total Current Assets</td>
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<table>
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<tr>
<th>Liabilities</th>
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<tbody>
<tr>
<td>Current Liabilities</td>
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<tr>
<td>Long-term liabilities</td>
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<tr>
<td>Total Liabilities</td>
<td>74,000</td>
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</table>

<table>
<thead>
<tr>
<th>Net Assets</th>
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</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>(60,154)</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>-</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>(60,154)</td>
</tr>
</tbody>
</table>

Total Liabilities and Net Assets                        $ (60,154)

Supporters: The Lab would like to thank all those who donated through the 2012 fundraising campaign and those that have otherwise provided financial support through individual donations.

VIII. Join the Accountability Movement

You can play an important role in accountability at the community, national and international levels, and in the work of the Accountability Lab:

i) **Get involved with the Lab**, through e-mailing us at info@accountabilitylab.org with thoughts or ideas, thoughts for the blog or with interest in working for the organization. You can also follow us on Twitter, Facebook and LinkedIn.

ii) **Apply for accountapreneurship funding**, if you are a citizen in either Nepal or Liberia with a creative way to make power-holders more accountable, and we will work with you to develop your idea.

iii) **Become a partner organization** through e-mailing us at info@accountabilitylab.org with thoughts and ideas. The Lab is continually looking for and speaking to potential partners to leverage its work.

iv) **Support the Lab**, through a tax-deductible donation on our Donate page and through asking your employer to consider corporate sponsorship or employee donation matching. Our cost-effective model means that every contribution is used for maximum effect.
In the US, contact the Lab c/o the Open Gov Hub,
1889 F Street NW, 2nd Floor, Washington, DC 20006.
Phone: +1-202-294-8331

In Nepal, contact the Lab c/o the Nepal Economic Forum,
P.O. Box 7025, Krishna Galli, Lalitpur-3, Nepal.
Phone: +977-981-823-1206

In Liberia, contact the Lab c/o the Business Start-Up Center
Monrovia, Graduate School Building GD 2-8 University of Liberia, Capitol Hill, Monrovia.
Phone: +231-886-921-677.