**STRATEGY NOTE FOR THE NEW PHASE OF GIFT 2018-2021** (Executive version)

**GIFT Coordination Team, March 2017**

This is an executive version of the core strategy for GIFT's main activities from 2018 to 2021. It reflects the discussions about the new phase of the network held at the Lead Stewards Meeting in January 17th, bilateral discussions with some lead stewards, the independent evaluation of the network [(here)](http://www.fiscaltransparency.net/documents/Evaluation_Plan.pdf), the strategic planning meeting held in September 2016 [(here)](http://www.fiscaltransparency.net/accountability/), and the General Stewards Meeting held in Mexico in March ([here](http://www.fiscaltransparency.net/fowg/#toggle-id-1)).

The independent evaluation identified GIFT’s convening power as its unique comparative advantage, since it enables major international financial institutions, governments, civil society representatives and other key actors to sit around one table, to commit to a dialogue where suppliers of fiscal information talk to the users of such information, and to challenge and encourage each other to work in a coordinated way. GIFT is a multi-stakeholder action network that brings diverse interests together to promote effective cooperation for a common goal, which includes raising the international profile of the fiscal transparency agenda, building and engaging with other actors such as the Open Government Partnership. From the stewards perspective, another core value of GIFT is the opportunity to work together on initiatives and projects of joint interest that they could not do separately.

On a more practical level, the lead stewards concluded at the meeting of January 2017 that the comparative value of GIFT has been its work on global norms (High Level Principles, public participation, promotion of convergence), its convener role for peer-to-peer learning (Fiscal Openness Working Group), and on making sure that fiscal transparency is useful to potential users (fiscal data portals and open fiscal data package in dialogue with the demand side of information).

**The core activities of GIFT for 2018-2021**

1. Work on global norms: public participation and expanded HL principles on areas that directly affect citizens

*Public participation*

GIFT will continue to be at the frontline of promoting public participation in fiscal policies, emphasizing the right’s perspective of public participation and aiming to link fiscal transparency with the effective use of information. As the [*Guide*](http://guide.fiscaltransparency.net/) *on Public Participation Principles and Mechanism in Fiscal Policy* was launched at the end of 2016, GIFT will continue discussing and disseminating the principles and practices with partners and stewards, as well as documenting new cases that illustrate the variety of viable approaches for integrating public engagement in fiscal policies (at least ten additional cases will be added during 2017, including one case on public participation in the tax system). It is important that the GIFT lead stewards share this conceptual knowledge and practical experience with governments and institutions willing to incorporate citizen feedback and participation in their policies and operations, including their own.

*GIFT High Level Principles from a citizen’s perspective*

Furthermore, GIFT will continue addressing the potential work in building norms that link current standards with more citizen-centric proposals. GIFT will update the work on the *Expanded Version of the High-Level Principles* in which each of the ten Principles is explained in more detail, providing guidance for those putting the Principles into practice. In this area, GIFT will particularly address principles that support citizen efforts to monitor how their taxes are collected and how public money is being spent, and to have a say in the design and implementation of fiscal policies.

The goal will be to better link budget information with areas that more directly affect people’s lives. There is a gap between norms and the citizen perspective, and this is an area where GIFT can help, by addressing possible gaps in norms, and by making budgets, fiscal reports and other documents more understandable, through dialogue between governments and the users of this information. Routine disclosure of the budgets of individual service delivery units could also support much more direct engagement between service users and local communities, on one hand, and the managers of service delivery units.

For instance, after High Level Principle 10 on public participation, High-Level Principle 4 stands out as the principle that perhaps most needs attention in terms of whether current norms and standards are adequate.[[1]](#footnote-1) The GIFT Coordination Team will engage with key standard setters in a technical discussion on whether there is a gap in international standards with respect to the administrative classification of spending (link to service delivery units).

Similarly, tax administration can be viewed through the same lens as other public services, raising issues of transparency, public information to support compliance, surveys of taxpayer views on their dealings with tax administration, measures to increase integrity at the interface of taxpayer and official, taxpayer redress mechanisms, and social monitoring (e.g. EITI). The new Tax Administration Diagnostic Assessment Tool instrument is important in this regard.

More attention should be paid to direct public engagement over the design of revenue policies. From its inception, GIFT has defined fiscal transparency as a broader concept than budget transparency. The network plans to facilitate a conversation between the increasing number of stewards that have been working on tax policies and tax administration issues from different perspectives, in a dialogue that could certainly help identify gaps and complementarities between the different approaches, emphasizing access to information concerning government revenues, in order to conduct relevant analysis, and address the question of equity. This might include specific norm proposals in the field of global tax reform to achieve tax and budget systems that are more fair and reduce inequities.

Finally, GIFT will continue supporting efforts to improve international norms, through analytical support, brokering interactions, and helping to manage issues at the boundaries of the different institutions. The current international architecture of standards and norms still contains some elements of inconsistency across the main instruments.

In sum, the GIFT network will be focusing in the areas that will certainly be at the frontline of the debate on transparency in the future: the disclosure of quality fiscal information in formats and ways that are meaningful to the users; the right to public participation in fiscal policies, and public engagement in the process through which tax and budget policies reflect public priorities and solve the problems that matter to people.

1. A global network to help governments advance fiscal transparency

*Fiscal Openness Working Group (FOWG) and peer learning*

The GIFT work on peer-to-peer learning has been developed in parallel with the expansion of the Open Government Partnership, in a mutually beneficial and reinforcing relationship with the high level political commitments of OGP countries, and the GIFT substantive/technical contribution with key finance officials and other implementers. As budget transparency is one of the eligibility criteria for OGP membership, GIFT will continue to play the critical role in convening and running the FOWG, with countries that aspire to become part of OGP, countries that are working in defining fiscal transparency commitments in their National Actions Plans, and countries that are implementing these commitments.

GIFT will continue to produce technical analysis of commitments and progress reports, to provide a key rigorous underpinning to the peer exchange, and give more emphasis to the value of learning and peer pressure among key finance officials, in dialogue with users of fiscal information and other stakeholders. As showed recently in several workshops and confirmed by the evaluation, the FOWG provides an effective forum for officials and CSO to interact in ways they may not do in their own country. The peer learning and international technical assistance will continue to include practical methods for adopting the HL Principles, innovative ways to advance fiscal transparency and participation, and techniques that governments and CSO can use to communicate useful budget information.

The goal of enriching the national- and locally-owned country discussion by brokering multi-stakeholder approaches, involving country-level fiscal transparency champions in the international peer-to-peer exchanges, and encouraging a race to the top through analysing individual OGP members’ performance, will guide the technical assistance activities of the network. In the future, GIFT will continue to actively engage with OGP countries and will try to ensure that its collective leadership brings credibility and convening power to each of the countries it works with, thus ensuring that its involvement adds value.

*Practical tools for public participation and transparency*

The activities carried out will include new technologies for learning (I.e., Public Participation Guide), engaging countries on GIFT principles and work streams, highlighting innovative disclosure and participation practices, and providing technical assistance to countries on defining and implementing their OGP National action plans and commitments. Moreover, GIFT will continue developing an open data format for publishing micro-level budget and fiscal information with data visualization and data analysis tools, to help non-experts use financial data. GIFT has successfully piloted the Open Fiscal Data Package in five countries and will continue to support governments willing to use it. Working closely with the Mexican Treasury, Open Contracting Partnership and Open Knowledge International, GIFT will seek to link budget data with transactional data related to procurement and contracts.

*Documenting the peer-to-peer learning approach for knowledge and tools sharing*

While facilitating peer-to-peer learning has been part of GIFT’s normal activities, an effort to better document these exchanges and extract lessons will be put in place. The recording of these experiences will constitute an important component of the learning method of the network. The objective will be to strengthen the relationship between the international and domestic levels of improving fiscal transparency work.

**Network development and role of the lead stewards**

It is important that lead stewards continue to play a leadership role in defining the strategic priorities with the network director, assume an active guiding role in one or more GIFT activities, mobilize additional resources through fund raising, and disseminate GIFT’s work at high-level meetings and in other discussions forums relevant to the broader fiscal transparency agenda as necessary, acting as advocates for the initiative. Contributing in-kind resources is also essential, including the time of staff with relevant expertise (a network research project has been recently proposed by the IMF).

Among new activities, each of the USA based lead stewards could commit to organize at least one GIFT-related meeting every year, as a way to disseminate this work within their institutions, enhance the coordination and maintaining a high-level profile for fiscal transparency at the global level.

Regarding the GIFT Coordination Team, the lead stewards are in broad agreement that the current working model for GIFT is fit for purpose, and that a lean and flexible structure is effective for supporting implementation of network’s plan.

Stewards have indicated that the membership should expand to achieve more global coverage, with additional Stewards sought in Africa, Europe and Asia. It was also agreed, however, that while the geographic representation within GIFT needs to be broader, any move to expand membership should be manageable under the current working model. The specific goals could therefore be to include 10 additional members in the period 2017-2018, including 5 additional governments of which at least 4 should be located in Africa, Europe or Asia.

1. H-L Principle 4: “Governments should communicate the objectives they are pursuing and the outputs they are producing with the resources entrusted to them, and endeavour to assess and disclose the anticipated and actual social, economic and environmental outcomes”. [↑](#footnote-ref-1)