**GIFT report of activities for the Stewards**

**General Stewards Meeting, June 20-21, 2016**

**Coordination Team & Network Director**

**June 15, 2016**

**Introduction**

This report was prepared for the General Stewards Meeting taking place on June 20-21, 2016. It follows up on the report submitted in the December’s meeting and it is based on the [work plan](http://www.fiscaltransparency.net/presentations/Report-GIFT-2Semester-StewardsMeeting-GIFT(30Nov15).pdf) that was approved by the Lead Stewards in July 2015. The report covers the period from December 2015 through June 2016 and highlights the most significant activities, processes and engagements obtained over that period.

As you all know, GIFT's core work focuses on five main activity streams: 1) the institutionalization of a more coherent and comprehensive global architecture of norms on fiscal transparency and participation; 2) broadening the group of countries actively pursuing improvements in fiscal transparency and participating in the Open Government Partnership Fiscal Openness Working Group; 3) production and dissemination of an enhanced body of impact evidence as incentives for engaging and strengthening country efforts and the production of practical lessons and innovations in fiscal transparency approaches; 4) the use of new technologies and open data platforms to further help countries to disclose fiscal information and 5) the development and expansion of the current GIFT multi-stakeholder action network.

This reports contains five sections, one for each of the work streams listed above. The report also refers to some important activities that will be taking place during the second semester of 2016.

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| **Work stream 1 – Global Norms** |
| **Increase harmonization of global architecture of fiscal transparency norms to address some of the gaps and inconsistencies in the current guidelines in the field** |

A Guide on public participation principles and mechanisms in fiscal policy

Following an extensive public consultation process in 2015, the GIFT stewards approved and launched the new Principles of Public Participation in Fiscal Policy at the beginning of 2016. This is a unique effort to systematize the conceptual and practical knowledge of public participation in the budget process at the global level. The next step has been for the GIFT coordination team to produce the Guide, with the primary goal of providing guidance on how to integrate public participation into fiscal policy (the concept note of the Guide is attached). Thus, we are developing a very practical manual with several graphic and learning tools, categorizations and illustrations in a modular electronic document that will contain presenting menus ordered by the different phases of the budget cycle and according to the different branches of government.

This initiative responds to the limited guidance available on how public entities should engage directly with the public in managing public resources, which triggered the network to embark on a substantial multi-year work program to generate greater knowledge about country practices and recent innovations in citizen engagement. The Guide will achieve this by providing practical examples and guidance about how the GIFT principles can be successfully put in practice. These mechanisms could serve as a guide and source of inspiration for policy-makers interested in incorporating public participation in decision-making processes.

As a check mechanism and following a lead stewards recommendation, GIFT constituted an External Review Group for the Guide with experts and practitioners to advise on the guide progress: Daniel P. Avelino, Senior Researcher of the Institute of Applied Economics of the Presidency of the Republic, Brazil, Richard Hughes, Division Chief in the Fiscal Affairs Department of the IMF, Keith McClean, Lead Social Development Specialist from the WB, Vivek Ramkumar, Senior Director of Policy of the IBP, Ivana Jakir-Bajo, Deputy Minister of Finance in Croatia, Patrick Lim, Director of the Reforms and Innovations Unit, Department of Budget and Management of the government of the Philippines, and Tiago Peixoto, Team Lead of the Engagement Unit of the WB. The External Group met in May and provided some initial guidance and comments to the drafts presented; their comments are available upon request.

The General Stewards Meeting in June 20-21 will devote time to discuss the progress and products of the guide, so we will not further elaborate on the matter here.

New public participation indicators in the Open Budget Survey

In another relevant event, at the start of 2016 the International Budget Partnership sought input to revise the “public participation” questions that were included in the 2015 version Open Budget Survey. The purpose was to better align the OBS public participation questions with the GIFT principles as well as to better capture the diversity of institutional formats that national governments are now using to incorporate public participation into budgetary processes. A two-day workshop was organized in February and subsequent collaboration involving the Open Budget Survey team and GIFT was undertaken. The new versions will be shared with Stewards of GIFT. A couple of governments have agreed to test these indicators out (e.g. the Philippines, Mexico)

Public Expenditure and Financial Accountability new framework

The new PEFA indicators were recently presented in a conference in Budapest with the attendance of representatives from ministries of finance, experts and the consultants that do the PEFA assessments. GIFT was invited to present on a panel on the future of the PEFA framework in fiscal transparency and public participation. It gave GIFT the opportunity to propose ways in which the PEFA Framework can be complemented on these two aspects in the near future. The collaboration between PEFA and GIFT continues in regards to the stand-alone indicator on public participation within the PEFA indicators framework.

The OECD’s draft Toolkit on Budget Transparency

The Organisation for Economic Cooperation and Development, a GIFT steward, is in the process of producing a “Shared Toolkit on Budget Transparency”. The OECD’s Budgeting and Public Expenditures Division shared a draft version with GIFT lead stewards in May 13th.  The new toolkit seeks to deliver a new comprehensive element in service of the community without “repeating or replacing the guidance produced by the international community” in the last five years. This effort potentially signifies an important contribution to the concert of tools for advancing fiscal transparency in trying to help countries self-assess their level of budget transparency in order to see where reforms might be necessary, and brings together the core lessons while providing an accessible and didactic entry to the multiple acknowledged resources. It contains a wealth of technical detail and it usefully organized around what the draft defines as sectors (or institutional spheres), comprehensively traverses the full scope of fiscal transparency and covers well the full international community of actors and instruments.

After welcoming the effort, GIFT has expressed to our OECD steward concerns about a potential tension between the methodological framework of the toolkit and the objective of helping users navigate their way through the existing range of fiscal transparency norms and guidance materials. The response from the OECD was quite positive and both agreed that GIFT stewards will provide general comments on the framework and conception of the toolkit as well as more specific comments and suggestions for the draft document. A revised version will be presented at the Senior Budget Officers meeting in Ljubljana on June 28-29, and we will have a meeting in Slovenia on June 30, in order to discuss detailed recommendations, wrap up the comments from the SBOs and finalize any discussions about the tool-kit. In this framework, the OECD has offered to discuss and finalize a new version by the end of June that ensures an inclusive, cross-institutional basis for the toolkit that helps users navigate their way through the existing range of fiscal transparency norms and guidance materials, without seeking to replace or downgrade any of them.

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| **Work stream 2 – Learning at the OGP Fiscal Openness Working Group** |
| **Peer-to-peer learning and experience sharing at the Open Government Partnership-GIFT Fiscal Openness Working Group among OGP member countries on implementing fiscal transparency commitments, encouraging more ambitious country commitments, and potentially providing analytic or technical support.** |

Fiscal Transparency Commitments in OGP National Action Plans

The experience of technical assistance and peer-to-peer learning within the OGP Fiscal Openness Working Group has allowed the GIFT network to provide assistance to various OGP countries that have been working on their National Action Plans in the first semester of 2016. Among the list of more than 50 countries engaged in that process, some GIFT stewards have been in a good position to work with the ministries of finances and civil society organizations. This has been the case of Brazil, Croatia, the Dominican Republic, El Salvador, Guatemala, Mexico, Moldova, Mongolia, Papua New Guinea, Indonesia, Paraguay, South Africa and Uruguay. In particular, the IBP network of civil society expert budget organizations has been pushing for an increasing number of governments to engage in practical commitments to implement the High Level Principles on Fiscal Transparency for the period 2016-18. This development has given GIFT an opportunity to look for governments willing to engage in fiscal transparency actions. One important step of this process is the workshop taking place in Washington in June 20-21, where high level ministries of finance representatives, in dialogue with SCO experts, will commit to push fiscal transparency practices and simultaneously get governments to sign onto the principles.

Workshop in Guatemala (March)

Other specific efforts were taken with these goals in mind. In March, our steward ICEFI, the World Bank and GIFT organized a high level international meeting in Guatemala, where the minister of finance engaged strongly to promote fiscal transparency and develop in the FOWG ambitious commitments of fiscal transparency in the countries National Action Plan for 2016-18. Guatemala will be present at the Washington DC June workshop.

Fiscal Openness Working Group workshop in Mexico (April)

The workshop on Fiscal Transparency Portals and Open Data in Mexico City was organized by GIFT and the Under-Secretariat of Expenditures of Mexico’s Ministry of Finance and Public Credit, a GIFT steward. It was aimed at public officials from 9 countries in charge of the implementation of fiscal transparency policies, as well as those related to information technologies and open data, along with civil society experts in these issues from 6 countries, all of whom can use and replicate the workshop exchanges, lessons and experiences in their countries. Throughout the three days of workshop, representatives of the ministries of finance from Colombia, Indonesia, Morocco, Paraguay, Peru, South Africa, Tunisia and Uruguay engaged in breakout group discussions about fiscal transparency improvements through intensive use of information technologies. We were able to clearly fulfil our objectives of promoting peer-to-peer learning and strengthening collaboration among the members of the GIFT action network. The [summary report](http://www.fiscaltransparency.net/presentations/Summary_MX_Workshop.pdf) underlines the main commitments on fiscal transparency proposed by the ministries of finances representatives and devotes special attention to the conclusions about the fiscal data package work. The Mexican Ministry of Finance, at the highest level (Deputy Minister of the Budget) was a devoted, generous and efficient host of the meeting.

GIFT Stewards organized a successful meeting of emerging market investors and MoF (April)

On April 15, in the middle of the Spring Meetings, IBP, the Philippines Department of Finance and the Department of Budget and Management, the U.S. Department of the Treasury, the Emerging Markets Investors Alliance, and the International Monetary Fund (all GIFT stewards), organized a high-level dialogue on fiscal transparency between ministers of finance and emerging market investors. The event successfully brought together 6 government ministers of finance (the Philippines, Serbia, Paraguay, Angola, Egypt, Ghana) and investors to discuss how countries can improve their access to international financial markets. The discussion was very useful and allowed participants to better understand the information and data that investors and other users seek on national budgets and finances. Please find [here](http://fiscaltransparency.net/presentations/Summary_of_High_Level_Dialogue_on_Fiscal_Transparency.pdf) a follow up document that IBP –the main convener and coordinator of the meeting- has put together with possible next steps and lessons from this meeting, which was a first of its kind. GIFT will continue providing all the support needed from the stewards to continue these fruitful collaborative efforts.

Fiscal Openness Working Group in South Africa (May 4-6)

The workshop in Cape Town brought together representatives from the ministries of finance of four African countries to share their experiences, challenges and lessons learned on fiscal transparency. South Africa’s Budget Office of the National Treasury, in coordination with the IBP Cape Town office, shared their experience on working together on improving budget transparency, and in particular in building a fiscal transparency portal where the supply of information meets the demand of potential users. Participants included high-level representatives from the ministries of finance of South Africa (GIFT Steward), Kenya, Liberia, and Egypt. The following organizations also participated: International Budget Partnership (GIFT Steward), Afro-Leadership (Cameroon), the Collaborative Africa Budget Reform Initiative, Financial Accountability and Transparency-Ghana, Global Integrity (GIFT Steward), Public Service Accountability Monitor, Alternative Information and Development Centre, the World Bank (GIFT Steward), and Open Contracting Partnership. A summary of the meeting results is [here](http://fiscaltransparency.net/presentations/CT_SA_Workshop_summary_16May16_VF.pdf). These organizations also participated in the OGP African Regional Meeting, where a FOWG session was organized. It should be stressed that South Africa Budget Office and PSAM will participate in the GIFT General Stewards Meeting in June 20-21 where their representative will be presenting the fiscal transparency commitments of the country’s OGP national action plan.

Donors’ workshop on budget transparency and accountability (May 2016)

IBP and GIFT convened a second workshop on budget transparency and accountability, hosted by the World Bank, in an effort to foster coordination among international donors and to adopt a more comprehensive approach to strengthening domestic accountability in aid-recipient countries. Donors discussed a number of issues including: 1) the need to address interrelated issues to improve donor interventions; and 2) possibilities for improving coordination at the country and policy levels. Participants included representatives from the European Union, the OECD, GIZ, DFID, the US State Department, USAID, PEFA, IMF and the World Bank. They agreed that the workshop was timely and useful, and welcomed the proposal to convene the next meeting in Kenya (end of November), and to focus on exploring the challenges and opportunities for better donor coordination to improve the accountability ecosystem. The summary of the meeting is available upon request.

GIFT participation at the Open Parliament Conference in Asuncion and provision of technical assistance to Paraguay’s Secretary for Social and Economic Development (STP) (May 2016)

As part of the collaboration between OGP-FOWG and the Open Parliament Working Group, GIFT participated in the Parl-Americas conference on accountability in the legislatives branch in the Americas. Further collaboration with that working group will be explored through a proposal for a training course on budget analysis for members of the parliament. While in Asunción, GIFT Director met with Minister José Molina, Viceminister Jorge Galeano, and their team at the STP in order to identify what technical support GIFT can provide for the public presentation of their citizen control panel. Steps taken so far were presented and recommendations discussed. GIFT and STP agreed to link the STP with peers at the Ministry of Finance (SHCP) in Mexico for assistance in technology and in the creation of indicators; and to introduce Minister Molinas to contacts at OECD and IMF in the area of evaluation and transparency in public spending. Paraguay will be part of the GIFT General Stewards Meeting in June 20-21 where their representative will be presenting fiscal transparency commitments in the country’s OGP national action plan. A summary of the meetings and next steps ca be found [here](http://fiscaltransparency.net/presentations/STP_PY_tsa(26may16).pdf).

GIFT participation at the OGP Americas Regional Session in Montevideo and provision of technical assistance to Uruguay’s Office for Planning and Budget (OPP-May)

The FOWG held a session at OGP’s Americas Regional Summit, on June 1, with representatives from the agency in charge of planning and budget performance evaluation in Uruguay (OPP), ICEFI-Guatemala (GIFT Steward), and a representative from the city of Buenos Aires, who talked about their OGP plans on fiscal transparency.

Also, GIFT’s Network Director held a full day meeting with the team at the Uruguay OPP in charge of implementing the commitment to build a fiscal transparency portal. The purpose of the meeting was to explore how GIFT could support such efforts. OPP’s vision and steps taken so far were presented and recommendations discussed. GIFT offered to present the experience of other countries with similar portals, as well as assist in the design process. A summary of the meeting is [here](http://fiscaltransparency.net/presentations/OPP_presidencia_UY_(30may16).pdf). Uruguay will be part of the GIFT General Stewards Meeting in June 20-21, where their representative will present the fiscal transparency commitments of the country’s OGP national action plan.

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| **Work stream 3 – Impact evidence as incentives for enlarging and strengthening the fiscal transparency agenda** |
| **Advance research on evidence of impacts, practical approaches and innovations in fiscal openness as incentives for implementation of fiscal transparency policies and enlargement of the action network** |

As reported in November 2015, GIFT produced during the period of 2014-15 a long list of strong innovative research papers on evidence about the impacts of fiscal transparency, the incentives for advancing this agenda and case studies about open data and public participation, among other pieces. In 2016, GIFT has been working in producing dissemination tools for this analytic research (all available [here](http://www.fiscaltransparency.net/resources/)): infographics, videos, blogs and webinars has been generated to spread the main lessons learning of this research.

Particularly, GIFT produced and launched 3 new videos: an interview to Paolo De Renzio on the research about “The Impacts of Fiscal Openness: a Review of the Evidence” and “Research on incentives for fiscal openness for governments.” An interview with Patrick Lim from the Department of Budget and Management of the Philippines about “GIFT #CallForBestPractices Winning project - Bottom-Up-Budgeting” and a double interview with staff of the Office of Planning and Budget of Uruguay, called “How GIFT helps to foster fiscal transparency commitments?”.

Furthermore, in the December General Stewards Meeting, draft versions of infographics about the eight case studies on public participation were presented. These have now have been published in their final revised versions. They are available [here](http://www.fiscaltransparency.net/mechanisms/).

Finally, we are in the process of drafting infographics on the open data case studies, and they will be soon published too.

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| **Work stream 4 – Global Open Fiscal Data** |
| **Improve the opportunities for public engagement in fiscal policies and budget making, through the use of new technologies and open data tools and activities** |

Communications and the Community of Practice

The GIFT coordination team has been working on a communications strategy that seeks to give more relevance to the network’s work, while taking fully advantage of the Community of Practice platform for internal communication purposes. One example of the use of the community for internal communication is the platform that is in the process of being put together by the Information Technologies departments of the Ministries of Finance of Paraguay and Mexico. The goal of this effort is to ensure that the technical teams of government agencies are able to communicate in realtime experiences about setting a fiscal transparency portal. We are working to add countries to this effort of peer-to-peer technical communications on codes, programs, methods and activities related to transparency portals. The GIFT coordination team will address some of the main components of the communications strategy in the meeting on June 21st in Washington DC.

For the time being, we can inform that GIFT launched four blog posts:

• Public Expenditure and Financial Accountability - PEFA: Past, Present and Future

• What steps to increase fiscal transparency and participation should OGP countries take in their next Action Plans?

• The Role of Fiscal Transparency in Combating Corruption – Joint Statement to the International Anti-Corruption Summit

• How open are budgets in OGP member countries and what are the trends?

In GIFT's portal, two new website sections were added: the “News” section that contains GIFT’s Newsletters and a redesigned section about the Principles, with new visualizations and infographics of each set of principles.

GIFT continues promoting the network’s work and products via social networks.

The Global Open Fiscal Data (OFDP) Package

Open Knowledge, World Bank and GIFT teams presented the current status of the Open Fiscal Data Package (OFDP) standard and tools at the workshop on Fiscal Transparency Portals that took place in Mexico City last April 2016. The OFDP raised interest among participants as it was perceived very relevant as a standard coming along with tools to help different administrations in achieving their goals towards more fiscal transparency by publishing expenditure and budget files in an open format and providing access to this data, eg. as part of OGP commitments.

Next steps to move forward will entail coordinating a pilot project divided into two phases. The first phase is a pre-pilot to be conducted together with a team from México (both Ministry of Finances and Federal Government). The preparation for this started in June and focuses on the data being published on the Transparency Portal of the Ministry of Finances with the existing tools presented during the workshop: the OS-Packager and the OS-Viewer. This way, the team will gain experience in manipulating the different tools and OFDP schemas.

Based on the feedback and priorities analysis collected from the April workshop, the team (OK-WB-Gift) has identified a set of features that will be relevant and expected for countries such as Mexico to pilot the Open Fiscal Data Package in a second phase, where they will be able to test some features that will later also be piloted with other countries. In this second phase, feedback received from the World Bank, along with priorities raised by the Mexican participants, will be the center of the technical activities. The second phase is a 4 month period where different elements and components will be developed, tested and finally delivered to the same team in Mexico in a final workshop, as well as in 3 other countries who will use the same components.

As informed before, the FODP effort has been accompanied by an Advisory Group that has been formed and has met three times December 15, 2015. The Advisory Group is comprised of experts in fiscal management and/or open data, who have experience developing technical standards. These experts will help guide the development of open budget data standards by sharing previous experiences on elaborating a specification on open data formats. The Advisory Group members include Amparo Ballivian (The World Bank), Claire Schouten (IBP), Tim Davis (consultant), Lindsey Marchessault (Open Contracting), Mauro Santos (Brazil Secretary of the Federal Budget), Thomas Iversion (US Treasury), Mark Brough (Publish What You Fund), Anders Pedersen (Natural Resource Governance Institute) and Jean-Noé Landry (Open North). The summary of its meetings are available [here](http://fiscaltransparency.net/presentations/OFDP_AG_Executive%20Summary.pdf).

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| **Work stream 5 – GIFT Governance framework** |
| **Develop and adopt a comprehensive GIFT governance framework and sustainable funding strategy, and strengthen GIFT program coordination arrangements and outreach** |

New GIFT stewards

As previously reported, on February 25th, GIFT lead stewards accepted the applications from 10 partners to become stewards. These partners have been working strongly in the action network for quite some time. Please join me in formally welcoming:

* The Instituto Centroamericano de Estudios Fiscales ICEFI (Guatemala and working in Central America)
* The Indonesian Forum for Budget Transparency - Seknas Fitra (Indonesia)
* Fundación Nacional para el Desarrollo, FUNDE (El Salvador)
* The Emerging Markets Investors Alliance (USA)
* Global Integrity (USA)
* The Technical Secretariat of Planning & Economic & Social Development, Paraguay
* The Ministry of Finance, The Dominican Republic
* The Ministry of Finance, Tunisia
* The Ministry of Finance, Indonesia
* The Ministry of Finance, El Salvador

The integration of these additional strong members to the action network brings GIFT’s membership to an all-time high (50% increase from 2014) and confirms the credibility and usefulness of its activities, dialogues, tools and incentives. With these additions, GIFT is now a balanced and vibrant network of 29 members, including 10 governments (ministries of finance), 10 budget civil society organizations, international donors, international financial institutions, specialized organizations and for the first time, one investor sector network. Furthermore, these new members set the stage for a continuous and solid expansion in the near future.

GIFT first time independent evaluation

We are happy to report that the GIFT Evaluation Committee (Nicola Smithers, Katarina Ott, Janet Abuel, Ruth Levine and Warren Krafchik) has selected, with the support of the GIFT Director, an experienced and well-recognized firm, Swedish Development Advisors, to undertake the independent evaluation of the network. A report on the process of selecting a consulting group to undertake the evaluation is available to all stewards upon request (and will be posted soon). Five high quality bidders responded to the open bid. The Evaluation Committee assessed them with respect to their skills and competencies, using the criteria of the terms of reference, particularly with respect to previous evaluations, fiscal knowledge and the value for money of the proposal. We take this opportunity to introduce you to Åsa Königson and Erlend Nordby, two members of the evaluation team, who will be soon contacting you to have a minute from your and ask you to please save an hour to speak with them about GIFT.

Coming up events to keep in mind

GIFT Lead Stewards have been talking about organizing a high level event during the IMF-WB Fall meetings in 2016, in which the public participation principles and mechanisms guide could be presented. Lead stewards have agreed that the event could be organized and scaled up to a major issue of concern for all, which could also include fiscal transparency and public participation; they also agreed that a good date for it to take place could be on the first Monday of the Annual Meetings (Monday Oct. 3rd). Lead stewards observed that, even though GIFT has been working for more than two years on fiscal transparency and public participation, since the launch of GIFT in 2011, the lead stewards have not reconvened the leadership of our institutions. The June General Stewards Meeting in Washington DC will provide an opportunity to further discuss about this proposal.

Another issue relates to the need of having a lead stewards strategic planning meeting for GIFT in 2016. On this agenda, the lead stewards agreed to set aside a day in late September 2016 when everyone could be available for an entire day for an in-depth discussion amongst the lead stewards that should revisit the core purpose of the initiative and the theory of change. This issue is related to the first independent evaluation of GIFT (as part of the WB Development Grant Facility but also as valuable input for the planning meeting).