**Draft minutes: Lead Stewards Meeting**

**Date: 16 Feb 2021 Time: 15h00-17h30 EST Venue: Zoom Teleconference**

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| **Attendee name** | **Organization** |
| Warren Krafchik, Vivek Ramkumar | International Budget Partnership (IBP) |
| Manal Fouad, Sailendra Pattanayak, Torben Hansen, Lorena Rivero | International Monetary Fund (IMF) |
| Isabel Islas Arredondo, Lorena Caballero, Nadia Lora, Alicia Gómez, Diana Cruz | Ministry of Finance (MoF), Mexico |
| Rolando Toledo, Claire Bautista, Robin Gumasing, Ericka Blas, Hazel Intia, Angelica Natividad | Department of Budget and Management (DBM), Philippines |
| Roby Senderowitsch  | The World Bank (WB) |
| Raquel Ferreira, Aura Martinez, Marianne Fabian, Albertina Meana, Juan Pablo Guerrero | Global Initiative for Fiscal Transparency (GIFT) Coordination Team |

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| **1.0 Welcome Remarks and GIFT Workplan for 2021** |
| 1.1 | Juan Pablo Guerrero opened the meeting and welcomed everyone present in the Lead Stewards meeting. Apologies were received from the Ministry of Finance, Brazil. |
| 1.2 | The meeting agenda was adopted with one amendment, as It was agreed that GIFT’s Workplan would be discussed before getting updates around the table. |
| 1.3 | The GIFT Coordination Team took the lead stewards through a presentation on GIFT’s Workplan for 2021. The presentation was based on the document that had been distributed to participants before the meeting. He invited Lead Stewards to comment on the Workplan, in particular to identify areas of potential collaboration. |
| 1.4 | Comments on the GIFT Workplan* Lead Stewards congratulated GIFT on the scale and range of activities in its Workplan.
* A more detailed expenditure classification of the budget per activity should be presented. It was agreed that this would be sent to Lead Stewards after the meeting.
* SDG tagging methodology initiative: The Philippines expressed interest in learning more about this initiative.The IMF also has a Sustainable Development Goal (SDG) tagging framework, collaboration should, as such, take place in this regard.
* Online fiscal transparency course: The IMF has been assisting in the development of the online course, and offered to further assist with its marketing, as required. The Philippines also expressed interest in participating in the course. A number of field examples will be based on experiences from the Philippines.
* The IMF and the IBP expressed interest in the work being done with Egypt. A bilateral meeting could be scheduled to discuss potential collaboration in this regard.
* Tax transparency: The IMF is also doing a substantial amount of work on taxes. While GIFT is doing this work mostly from a civil society perspective, collaboration should be sought to the extent possible. Introductions will be made to the IMF experts on the matter.
* Citizen engagement initiatives: GIFT is currently promoting two citizen engagement initiatives. Some countries have already confirmed participation like Brazil, Mexico and the Philippines, while others are in the process of deciding whether and how they could align country efforts in time for the Open Government Week to take place in May, such as Uruguay and Argentina.
* Encounter dashboard: GIFT aims to have an updated dashboard in the coming months as countries are asked to review their information.
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| **2. 0 Updates around the table** |
| 2.1 | * Philippines

The DBM has implemented various initiatives to ensure that relevant financial management information is made available to the public in a timely and comprehensive manner, including the:* + Proactive disclosure of COVID-19 funds of the national government: Funds augmented and reallocated for priority programs, activities and projects (PAPs) being implemented in response to the pandemic.
	+ Proactive disclosure of COVID-19 funds of local government units: Publication of reports on fund utilization and implementation status of PAPs.
	+ President’s report to the Joint Congressional Oversight Committee: Report on allotment releases for COVID-19 responses submitted to Congress for scrutiny.
	+ Timely and comprehensive publication of seven key budget documents.

Other agencies also implemented fiscal transparency measures such as the publication of the: We Recover As One Report; 4-Pillar Socio-economic Strategy; Issuances of Financing Secured for COVID-19 Response; Government Procurement Policy Board Online Portal,and the Philippine Humanitarian Assistance Registry Website.Aside from these COVID-19 initiatives, the DBM also has a Fiscal Openness Program which have the following commitments that are to be implemented until 2022:* + Establishment of a civil society organization (CSO) Desk in DBM;
	+ Creation of an inter-agency task force on fiscal transparency;
	+ Publication of a baseline report on CSO’s inputs;
	+ Passage of the Budget Modernization Bill;
	+ Achieve an OBI Score of at least 71;
	+ Publication of updated policy guidelines on transparency and public participation in the budget process; and
	+ Holding of at least four policy discussions on transparency and public participation in the budget process.
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| 2.2 | * Mexico
	+ Mexico will be publishing COVID-19 resource allocations online, and has published tutorials on data use in partnership with other government and non-government organizations;
	+ Currently undertaking a transparency project with CSOs, sharing tools and resources;
	+ Citizen versions of all budget documents are also being translated into English and Nahuatl (the most widely spoken indigenous language in Mexico);
	+ Supporting the publication of information on the beneficiaries of government subsidies;
	+ Working on merging the #DataRallyFromHome and Dataquest to see if this is viable. Initial discussions have taken place with GIFT. Now in the process of identifying other international organizations interested in collaborating on this project, and successfully added the UNDP to this effort;
	+ Online course on how to understand the budget has been updated; and
	+ A project, still in its conceptualization phase, linked to the SDGs, specifically on climate change transparency.
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| 2.3 | * IMF

IMF and GIFT collaboration is growing on many fiscal transparency activities, including:* + In respect of the IMF inviting GIFT to actively participate in the recent regional African seminar and in the upcoming South Asia seminar scheduled to take place in March.
	+ Some PFM blogs on transparency were drafted by GIFT.
	+ The IMF is contributing to GIFT’s products and other activities such as by leading two sessions in the last General Stewards Meeting, and by assisting in the development of the AFTx Online Course.
	+ In October 2020, a webinar was jointly held on fiscal risk tools, SOE health checks and COVID-19 stress testing.
	+ The IMF Managing Director also participated in a recent webinar organized by the IBP, with GIFT support.
	+ SDG workshops are to be held in Asia and Africa. Lead Stewards will be invited toparticipate in these workshops, where relevant.
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| 2.4 | * IBP
	+ After IBP released the OBS Results in April 2020, it launched a call to action to secure greater fiscal transparency. In the last six months, IBP has laid the groundwork for engaging broadly on this with CSOs in different countries from all regions of the world. The aim is to expand the number of groups that are users of fiscal information, particularly at the domestic level. IBP will be engaging GIFT network stewards in this regard.
	+ Regarding transparency and accountability around COVID packages, a new module has been added to the Open Budget Survey (GIFT members were invited to contribute to its design). A report will be released on this by May 2021. It will provide a basis to determine whether further guidance needs to be developed to assist governments.
	+ IBP continues to work with GIFT on the tax equity initiative. A fund is likely to be launched by midyear to support CSO work on domestic taxation in Africa with the aim of deepening CSO participation, coalitions and consequently their impact on tax policy and administration.
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| 2.5 | * World Bank
	+ WB has internal communities of practice working on specific issues. The communities of practice on open government, anti-corruption, and citizen participation have been merged providing direct opportunities for engagement and collaboration. Roby was appointed to head this effort.
	+ WB has recently approved a new Anti-Corruption Action Plan.
	+ WB has projects that it partners with GIFT on, including in Africa, East Asia, and on COVID-related expenditures.
	+ WBs book titled “Building Effective, Accountable, and Inclusive Institutions in Europe and Central Asia: Lessons from the Region”, to which GIFT contributed, was successfully published, having been downloaded over a million times already.
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| **3.0 Membership of the network: Nature and goals in an evolving environment** |
| 3.1 | Juan Pablo Guerrero took the meeting through a discussion document on the membership of the GIFT network that had been distributed before the meeting. Recently, subnational levels of government have expressed interest in joining GIFT as members or have applied for stewardship. Applications have been received from the City of Bogota in Colombia and the Finance Secretariat of the State Government of Guanajuato in Mexico has also expressed interest in joining. The Lead Stewards should thus consider the nature and the goals of the applicant and prospective applicant agencies, the teams and the people they envisage should become part of the network. This discussion is required to form a basis for decisions about future applications.  |
| 3.2 | Comments from Lead Stewards:* The advantages and disadvantages of the inclusion of subnational governments should be carefully considered. The main advantage relates to local governments being closer to the people, and having more potential to directly impact peoples' lives, making it important for them to be encouraged to advance fiscal transparency. Many innovations on citizen participation are also taking place at the local government level. GIFT stewards could as such learn and derive great inspiration from these reforms. The main disadvantage is that engaging with local governments has limitations around scalability, inclusivity, and sustainability. Diverse and numerous subnational structures in different countries may also mean that it's difficult to derive uniform criteria and to replicate initiatives at the national government level.
* It is important to be mindful of interests. Interests vary from national government, to local governments, to civil society. Plurality and diversity are good, but it could also lead to a situation where it will be difficult for GIFT to satisfy all interests.
* Given these considerations it may be preferable to engage subnational governments as “partners,” instead of stewards.
* A potential way of managing the vast number of subnational governments that may show interest would be to create a separate dedicated affinity group for subnational governments where they could engage .
* T he current criteria for stewardship should also apply to subnational governments, for instance any new subnational members should commit to an Action Plan. This plan should be ambitious and importantly must be fully implementable by the relevant applicant. Situations should be avoided where action plans depend on other parties not controlled by the relevant subnational government.
* Looking at the OGP example, they wanted to encourage more collaboration and learning at the subnational level because of their proximity to citizens and the greater potential for innovation. There was also a subnetwork of parliamentarians that was considered . It might be useful to look into this too, to see what its outcome was and why .
* A possible way forward is to conduct a pilot, where one or two local governments are invited to temporarily join the network for a year to see what their needs are, how much they learn, and how much additional effort this will require from GIFT staff. This information gathered will be useful in assessing the benefits and feasibility of bringing subnational governments into the network on a permanent basis.
* Another suggestion put forward, is to rely on the national governments in the network to bring in local government allies in discussions on decentralization and devolution, as and when appropriate.
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| 3.3 | Juan Pablo Guerrero thanked Lead Stewards for their useful comments and suggestions, and stated that these would be used to develop the current discussion document and proposal further, with an updated version to then be presented to Lead Stewards for their consideration.  |
| **4.0 Governance**  **relationship between IBP Board and**  **GIFT Lead Stewards** |
| 4.1 | Juan Pablo Guerrero explained the importance of looking at GIFT’s medium and long-term perspective, based on the document that had been distributed prior to the meeting.  |
| 4.2 | Warren Krafchik shared that as IBP is the fiduciary agent for GIFT and also given the close relationship of the work they do in the field, it is good to cultivate closer relationships between GIFT and the IBP Board. The following are three points from the IBP Board meeting with GIFT that was held in December 2020:* IBP B oard confirmed the value of GIFT both for IBP and the field and wants to be as supportive as possible.
	+ For IBP, the neutral roundtable on norms is still very useful, however, the push on participation and increased government support is most important.
	+ The Board also does not consider hosting GIFT as significantly increasing its risk exposure, given existing governance and membership arrangements.
* IBP Board is happy with the proposal in the two-year plan that GIFT stays hosted by IBP in its current form.
	+ The Board is also happy with the proposal to meet once a year with the L ead S towards instead of, or to complement GIFT presentations to the Board.
	+ Two members of the Board, likely Malado Kaba and one other, will join a small group to finalize aspects of the two-year plan, including in respect of fundraising and the business model.
	+ IBP is happy to provide as much as it can in money and in-kind contributions – lower amount in budget is due to lower general support funds received, not lower interest in GIFT.
	+ Also, the Board argued that it is important to continue to recognize the fundamental role of the WB and the IMF in maintaining GIFT and in looking for ways to deepen that contribution further.
* IBP Board shares the concern that this is a fast moving field, with significant shifts in donors, in priorities, in south/north relations, not to mention climate, pandemics and other existential threats that will change public finance practices and donor relations going forward.
	+ These are going to have significant implications for GIFT (and IBP and others).
	+ There is a need to make space for a more fundamental re-think of GIFT in the next two years alongside preparations for the next leadership of GIFT. This should include considering options for hosting the initiative.
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| 4.3 | Juan Pablo Guerrero expressed how grateful he is that this discussion has evolved in such a positive way. He thanked Warren Krafchik and Vivek Ramkumar for their help. GIFT is now in a much more stable and certain position for the medium and long-term.  |
| 4.4 | The WB said it is happy with the outcome of this process, and they are thankful for the incubation of GIFT in IBP and it being able to grow . In the next year, it is also important to define a process on how to derive the answers that IBP is looking for. The IMF also thanked Warren Krafchik and relayed that they will be more than happy to play their role in discussions about the future.  |
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| **5.0 Closure and way forward**  |
| 5.1 |  The next steps are as follows :* The next lead stewards meeting scheduled will consider a more accessible time for the representatives from the Philippines.
* Further discussion of membership criteria and options on the way forward will be presented at the next meeting.
* Juan Pablo Guerrero will also be following up and speaking to some lead stewards individually on the requests and action points emanating from the meeting.
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| 5.2 | Juan Pablo Guerrero thanked all participants for attending the meeting and contributing to fruitful discussions. The meeting was adjourned at 5:15PM, EST. |

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