***The Global Initiative for Fiscal Transparency***

***Report of Activities, July 2017***

This document provides a broad account of the activities of the Global Initiative for Fiscal Transparency ([GIFT](http://www.fiscaltransparency.net/)) in the period January 2016-June 2017. It has been prepared as a background document for the 2017 second General Stewards Meeting (Washington DC, October 10-11).

GIFT's purpose consists of advancing fiscal transparency, participation and accountability, by bringing together a diverse group of governments, civil society organizations, international financial and specialized institutions, private sector and other stakeholders, to find and share solutionsto challenges on such matters, and to commit to a dialogue between suppliers of fiscal information and its users.

In the last 18 months, the network has worked towards the following main outcomes:

* Advancing global norms on fiscal transparency;
* Increasing and improving peer-learning and technical assistance;
* Using research on the impact of fiscal transparency to encourage greater government commitment and private sector involvement;
* Harnessing new technologies and open data to engage the public; and,
* Consolidating a GIFT governance model that has enabled the further expansion of the network’s membership and reach.

This report contains five sections describing specific activities related to these outcomes.

**1 - Building a coherent and comprehensive global architecture of norms on fiscal transparency**

GIFT works to promote a more consistent set of norms on fiscal transparency at the global level and to encourage efforts to persuade international organizations and governments to adopt the GIFT principles of public participation. After the review process to which they were submitted since 2015, global norms such as the International Monetary Fund Fiscal Transparency Code, the OECD Principles for Budgetary Governance, the International Budget Partnership Open Budget Survey and the Public Expenditure and Financial Accountability Program indicators, have become more consistent, comprehensive and complementary, and are better aligned with the GIFT High Level [Principles](http://www.fiscaltransparency.net/giftprinciples/) for Transparency, Participation and Accountability. The GIFT coordination team reviewed each of the draft new instruments and provided detailed comments and recommendations. The independent [evaluation](http://www.fiscaltransparency.net/documents/Evaluation_Plan.pdf) of GIFT in 2016 found that “convergence and increased coherence around the norms and standards on fiscal transparency would not have happened without it [GIFT]”.

GIFT produced an [expanded version](http://www.fiscaltransparency.net/ft_principles/#toggle-id-1) to the GIFT High Level Principles and developed the [Principles](http://www.fiscaltransparency.net/pp_principles/) of Public Participation in Fiscal Policy (2015). In December 2016, GIFT launched a practical [Guide](http://guide.fiscaltransparency.net/) on public participation with several graphic learning tools, categorizations and illustrations in a modular electronic document. This initiative responds to the limited systematic guidance available on how public entities should engage directly with the public in managing public resources; nine initial public participation country studies published in 2016 will grow to twenty during 2017.

The following points describe how the principles of public participation have been considered as references in discussions aimed at increasing citizen engagement in public spending.

1. IBP, with input from the GIFT coordination team, engaged in a process to revise the participation questions of the OBS with the explicit purpose to align it with the GIFT principles as well as to better capture the diversity of institutional formats that national governments are using to incorporate public engagement into budgetary processes. As a result, the 2017 edition of the OBS includes 17 new questions on public engagement that will generate important new information on country practices as well as guidance for the adoption of public participation practices in OBS countries (see the discussion on the role of the GIFT principles [on line](http://www.internationalbudget.org/opening-budgets/open-budget-initiative/open-budget-survey/2017-news/)).
2. A number of Mexican stewards and partners (Mexican Federal Treasury, *Colectivo Peso* including FUNDAR, GESOC, CIEP and others) took part of a conference at the Federal Chamber of Deputies on public participation, taking stock of these policies from an international comparative perspective, using the GIFT participation principles as a conceptual framework. GIFT ensured the participation of partner experts from Slovenia, Brazil and the Philippines. This effort led to a legislative initiative (available [on line](http://www.colectivopeso.org/propuesta-para-la-regulacion-de-la-participacion-publica-ante-el-poder-legislativo/)) that has been under discussion since then.
3. The Principles were also a conceptual framework for discussing the formation of a citizen observatory for the quality of public spending in Guatemala. In a workshop organized in February of 2017 by the Ministry of Finance -GIFT steward- and the support of the World Bank, more than one hundred participants from government agencies and civil society organizations discussed for two days about public observatories of government spending. Additional consultations among public servants and further dialogue with civil society representatives have followed throughout the year. Several civil society organizations with experience on independent budget analysis have been were involved in the discussion, including ICEFI (see [report](http://www.fiscaltransparency.net/giftevents/)).
4. Mechanisms of public participation in fiscal policies are found in every phase of the budget cycle, including external control. As such, GIFT experience on the matter was presented and discussed before the Supreme Audits Institutions representatives from Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Paraguay, and Peru in a technical assistance workshop for the Public Participation Technical Commission of the SAI Latin America & Caribbean Organization (OLACEFS), in Asunción, Paraguay. The objective of the February [meeting](http://www.fiscaltransparency.net/presentations/Agenda_Asuncion_11Feb17.pdf) was to share experience and tools on public participation to strengthen the tasks performed by the SAI.
5. The OECD’s new *Budget Transparency* [*Toolkit*](http://www.oecd.org/gov/budgeting/budget-transparency-toolkit.htm), endorsed by the G20 Anti-Corruption Working Group in January 2017 and published in July 2017, refers to the public participation principles in a significant manner. Widely discussed within the GIFT network during drafting, the OECD Toolkit maintains consistency with existing standards, emphasizing the core role of these normative frameworks, but also includes some features that are new to the fiscal transparency global architecture, such as the public participation principles, which are referenced in the chapters on making the budget more accessible, inclusive and participative.
6. Another significant ongoing discussion on the public participation principles has been taking place within the OECD Senior Budget Officials group of the Central, Eastern & South-Eastern European regions and in European and Central Asian members of the Public Expenditure Management Peer Assisted Learning ([PEMPAL](https://www.pempal.org/news)), where the GIFT principles and the Guide have been a central content of their meeting agendas in Ljubljana in June 2016, Bishkek in April 2017, Ljubljana in May 2017 and again in Paris in July 2017. After focusing their efforts on publishing citizen’s budget, the PEMPAL countries have committed to devote time and actions in the future to include public participation in the budget cycle (see [PEMPAL report](https://www.pempal.org/events/bcop-plenary-meeting)).
7. The GIFT network has designed a supplementary module on public engagement for the Public Expenditure and Financial Accountability assessment. This [module](http://www.fiscaltransparency.net/resources/) uses the PEFA approach to performance measurement to facilitate assessment when requested and the integration of the results into a PEFA Performance Report as appropriate.
8. The IMF has been undertaking public consultation on the proposed Pillar IV of the Fiscal Transparency Code, covering resource revenue transparency, with important issues of public participation part of the discussion.
9. Finally, the GIFT public participation work was presented before ministry of finance representatives of Benin, Senegal, Madagascar, Mali, Comoros, Democratic Republic of Congo and Cote d’Ivoire, in a workshop held in Paris in April. The workshop was co-organized by the IBP, the Ministry of Economy and Finance and the Ministry of Foreign Affairs and International Development of France, and GIFT. Members of the GIFT network, namely the Collaborative Africa Budget Reform Initiative, IBP and the Coordination Team, continue working with the OGP Support Unit and MoF of the region in organizing a meeting in November on fiscal transparency and public participation in Francophone Africa.

In sum, the GIFT principles as inputs in international and national fora have facilitated the promotion of national policies and reforms that foster greater government transparency and increase citizen voice in decisions about how public resources are allocated and used.

**2 - Increasing and improving peer sharing/learning and associated technical assistance on fiscal transparency**

GIFT has continued to facilitate the exchange of experiences, lessons and technical expertise on peer-to-peer activities in the [OGP](https://www.opengovpartnership.org/) Fiscal Openness Working Group ([FOWG](https://www.opengovpartnership.org/about/working-groups/fiscal-openness)) meetings, as well as providing technical support on draft National Actions Plans and the design and implementation of fiscal transparency commitments. GIFT has also engaged with additional countries seeking for support in their efforts to disclose fiscal information and engage in a dialogue with the users of such information (Guatemala, Vietnam, Uruguay, Benin, Croatia, Slovenia, Kenya, Colombia, Argentina and Chile). Although more governments are now publishing more fiscal information, citizens seldom use that information to hold authorities accountable to improve the quality of government services. GIFT continues to search for ways in which governments, in dialogue with citizens and civil society groups, can provide budget data in formats and via process that can be used to engage citizens in the effort to improve public services.

Peer-to-peer learning activities

During the period covered by this report, over twenty workshops and eight meetings engaging more than 34 countries provided an effective forum for officials and CSOs to interact, including practical methods for adopting the High Level [Principles](http://www.fiscaltransparency.net/giftprinciples/), innovative ways to advance fiscal transparency and participation, and techniques that governments and CSOs can adopt to communicate useful budget information ([reports](http://www.fiscaltransparency.net/fowg/)). As an important background for these meetings, GIFT has continued to update the **FOWG background paper, which was developed as an analytical and policy contribution to OGP working groups** (*Fiscal Transparency in OGP Countries:* [*An Analysis*](http://www.fiscaltransparency.net/resourcesfiles/files/20151028136.pdf)).

In these meetings, four subjects have received special emphasis:

1. Design or redesign of a fiscal transparency portal, where GIFT has been actively supporting peer networking through a number of learning and technical assistance activities, following the lead of Brazil and Mexico: Indonesia, Uruguay, Guatemala, El Salvador, South Africa have been working on their proactive budget information websites.
2. Introduction of the Open Fiscal Data Package, a tool designed to publish budget information in a high-quality open data source (more information in the next section).
3. Introduction of open contracting standards, as the Open Contracting Partnership is a GIFT steward and leads an initiative to increase transparency and integrity in public procurement.
4. Discussions on -and possible adoption of- the [Principles on Public Participation](http://www.fiscaltransparency.net/pp_principles/) and work on public engagement in various phases of the budget cycle.

Comments directly formulated on draft National Action Plans

As a network in charge of the FOWG, GIFT supported fiscal transparency commitments in the NAPs of countries who requested technical support via the OGP Support Unit. As such, from January 2016 through May 2017 GIFT provided comments and recommendations on their draft Action Plans to Italy, Nigeria, Tunisia, Guatemala, Macedonia, Liberia and the Philippines (communications are available [here](http://www.fiscaltransparency.net/fowg/)). Furthermore, in July 2017 Argentina presented its new [National Action Plan](https://back.argentina.gob.ar/sites/default/files/tercer_plan_accion_nacional_gobierno_abierto_argentina_2017.pdf) 2017-19 which refers to the GIFT Principles in two ambitious fiscal transparency commitments. One is related to an accessible and friendly budget transparency portal and the second one refers to engaging different communities in understanding and using budget information. Similarly, and for another country, the new NAP of Croatia includes the Ministry of Finance official commitment to publish budget information in open data sources using the fiscal open data package.

Technical support missions to OGP and non OGP countries

GIFT members and stewards representatives visited a number of countries to help improve fiscal transparency and public participation, including Vietnam and Guatemala. Over the past 18 months, as part of the collaboration between FOWG and the Open Parliament Working Group, GIFT participated in [Parl-Americas](http://www.parlamericas.org/es/new-home.aspx) conferences on accountability in the legislative branch in Chile, Colombia and Paraguay. GIFT also provided technical support to the Paraguay and Uruguay stewards in their dialogue with CSO representatives to disclose budget information.

**3 - Strengthening the incentives that motivate governments to advance and institutionalize fiscal openness**

From January 2016 through May 2017, GIFT has worked on producing dissemination tools using the analytic research produced in 2015: infographics, videos, blogs and webinars have been generated to spread the main lessons of the research stream of work (all available [here](http://www.fiscaltransparency.net/resources/)). GIFT also produced three animated gifs and five postcards for the network’s social media channels using the open data case [studies](http://www.fiscaltransparency.net/resourcesfiles/files/20150902128.pdf). GIFT also produced a comparative analysis of the level of ambition of fiscal transparency commitments in OGP Action Plans, and how well they have been implemented, including cross-country rankings, in an attempt to strengthen reform incentives.

As part of the discussion among the stewards on the need to know more about the uses and needs of budget information by users, Paolo de Renzio (IBP) and Massimo Mastruzzi (WB) concluded their work on a pioneer research [project](http://blogs.worldbank.org/governance/what-can-governments-do-bridge-gap-between-producers-and-users-budget-information) to deepen learning in the field of demand side of fiscal transparency. The [document](http://www.fiscaltransparency.net/resources/) brings together the findings from a global survey of civil society groups that use budget information for their analysis and advocacy activities.

Finally, [six interviews](http://www.fiscaltransparency.net/blog/) were concluded in early 2017, in which the rationale and considerations of high-level government officials are documented and analyzed, as part of the effort to better systematize the motivations of decision-makers who push the fiscal transparency agenda in their countries. This effort complements previous work on the incentives for fiscal transparency, based on a [set of think-pieces](http://www.fiscaltransparency.net/resourcesfiles/files/20150727120.pdf) written by senior academics and practitioners.

GIFT collaboration with emerging markets investors

GIFT and its private sector steward, the [Emerging Markets Investors Alliance](http://eminvestorsalliance.org/), have continued producing country briefs that focus on the status of fiscal transparency in countries borrowing on international capita markets (country briefs on fiscal transparency for Peru, Ghana, South Africa, Brazil, Mexico, India, Kenya, Nigeria, Senegal and Romania are available [here](http://www.fiscaltransparency.net/blog/)). This work aims at encouraging governments to consistently publish budget information in accessible formats to the public and generates ways for CSO and private investors to use budget information to monitor budget implementation.

**4 - Harnessing New Technologies and Open Budget Data Activities**

Communications and the Community of Practice

As a way to use the Community of Practice platform for learning purposes, Mexico's Treasury Department collaborated with GIFT in developing videos and blogposts as peer-to-peer learning tools on specific topics. The goal of these efforts is to ensure that the technical teams of government agencies have access to experiences about developing a fiscal transparency portal. GIFT produced 31 new videos and 17 newsletters since November 2015 to inform stewards and partners on a regular basis about the main activities of the action network, and published 24 new blog posts.

GIFT continued working on a communications strategy while improving its strategies on social media. Its [Twitter](https://twitter.com/FiscalTrans) account grew to 5,100 followers from 3,407 at the beginning of 2016, and its [Facebook](https://www.facebook.com/FiscalTransparency/) page currently has 4,000 followers (July 2017, compared to in 643 at the beginning of 2016). GIFT’s official website reported an increasing number of visits with an average of 1,029 visits per month during 2016/May 2017 at GIFT’s official website.

Last, but certainly not least, GIFT Stewards launched an IT working group at the March 2017 stewards meeting, with the objective of generating a continuous discussion of the common topics and challenges that the network’s members face, seeking to also create joint solutions.

The Open Fiscal Data Package ([OFDP](http://www.fiscaltransparency.net/eng/webinar_open_public.php?IdToOpen=20170131107))

A series of discussions provided key feedback and inputs for the first pilot of the Package which was tested in Mexico throughout 2016. Based on the experience of the Mexico pilot, the OFDP created a generic "pilot scope" template, which can be used for other pilots. An Advisory Group of experts in fiscal management and/or open data, including government and CSO representatives, have been supervising this work (composition and summaries of this [group](http://fiscaltransparency.net/presentations/OFDP_AG_Executive%20Summary.pdf) are [here](http://www.fiscaltransparency.net/ofdp/)).

Mexico has adopted the OFDP successfully at the federal level since the 2016 Federal Budget was presented in open format ([datos abiertos](http://www.transparenciapresupuestaria.gob.mx/en/PTP/Datos_Abiertos)). Key benefits of the specification include ensuring budget information publication in a high-quality machine readable open data format; reliability of the published budget information; comparability of the data, both between different periods and between national, sub-national and international data. The finance ministries of Croatia, Uruguay, Guatemala, Paraguay and in 2017, Brazil, decided to follow suit following the Mexican Government lead. In June 2017, [Paraguay](https://github.com/stppy) published budget, program and performance data in open data format as well. Taking a step further, Mexico has started working with GIFT steward [Open Contracting](https://www.open-contracting.org/) Partnership to link the federal budget data with detailed (transaction-level) procurement information. From there, citizens and CSOs should be better able to use budget information to monitor budget implementation.

**5 - GIFT governance, strategic plan and outreach**

GIFT independent evaluation, strategic planning meeting, and definition of the strategy for the new phase of the network

In early 2016, the GIFT Lead Stewards established an Evaluation Committee that selected a firm to undertake the independent [evaluation](http://www.fiscaltransparency.net/documents/Evaluation_Plan.pdf) of the network ([selection](http://fiscaltransparency.net/documents/Evaluation-GIFT_23May16.pdf) process). The overall findings were that GIFT is a “successful network, uniquely placed as a learning platform to offer support for reforms aimed at increasing its goals”. Evidence gathered by the evaluation team showed that GIFT is “highly relevant and, crucially, that convergence and increased coherence around the norms and standards on fiscal transparency would not have happened without it”. The network “has been highly successful in contributing to the implementation of fiscal transparency reform by offering a forum for learning “how to” and access to technical resources”. According to this report, GIFT’s unique comparative advantage is its convening power, which enables all the major institutions to sit around one table, bringing key actors together, to challenge them and to encourage them to work in a coordinated way: a multi-stakeholder action network that transcends official actors and civil society, bringing diverse interests together to promote effective cooperation. For its members, GIFT gives the opportunity to commit and collaborate on initiatives of joint interest that they could not do separately: global norms, peer-to-peer learning and making sure that fiscal transparency is useful to potential users.

The evaluation constituted a valuable input for the lead stewards to define, in a strategic planning meeting ([summary](http://www.fiscaltransparency.net/accountability/), September 2016) followed by a lead stewards meeting discussion (January 2017), the core strategic objectives and areas of work for the next phase of the multi-stakeholder action network, from 2018 to 21 ([Strategy Note](http://www.fiscaltransparency.net/accountability/)). The lead stewards have decided that for it next period, GIFT will continue to strongly promote public participation in fiscal policies, emphasizing the right’s perspective and aiming to link fiscal transparency with the effective use of information. On the peer-to-peer learning work stream, GIFT will continue to facilitate the exchange of experience, lessons and technical expertise, playing the critical role of running the FOWG. Finally, GIFT will continue developing tools such as the public participation guide and the OFDP for publishing fiscal information.

Outreach, network expansion, and sustainability of collaboration activities

A number of agencies became members of the network in January 2017, after the Lead Stewards accepted their applications: Office of Planning and Budget ([OPP](http://www.opp.gub.uy/)), Presidency, Uruguay; Ministry of Public Finance ([MINFIN](http://www.minfin.gob.gt/)), Guatemala; Ministry of Finance ([MoF-HR](http://www.mfin.hr/en)), Croatia; Public Service Accountability Monitor ([PSAM](https://www.ru.ac.za/psam/)), South Africa; Social Watch ([SWB](http://socialwatch-benin.org/)), Benin; The [MITRE](https://www.mitre.org/) Corporation (USA); The Collaborative Africa Budget Reform Initiative ([CABRI](http://www.cabri-sbo.org/)) and, Open Contracting Partnership ([OCP](https://www.open-contracting.org/)). The addition of these new members to the action network brings GIFT’s membership to thirty seven. GIFT’s [stewardship](http://www.fiscaltransparency.net/about/) of 37 members now includes 13 government institutions, 15 budget civil society organizations, as well as 9 international donors, international financial institutions, specialized organizations, think-tanks and networks. Another important positive change to report regards the Secretariat of the Treasury and Public Credit of Mexico ([SHCP](https://www.gob.mx/hacienda)) which joined the group of lead stewards, the executive leading body of GIFT.

In the near future, the network’s membership will expand to achieve more global coverage, with additional stewards from Africa, Europe and Asia. In the period 2016-17, GIFT has been working to include Slovenia, Ukraine, Benin, Cote d’Ivoire and Madagascar as new members of the network and has started a more active collaboration with the governments of France and the Treasury in the United Kingdom.