

## Report on stewardship applications Lead Stewards Meeting, September 6, 2022

### Background

Nineteen institutions became GIFT Stewards upon the approval of the Operating Procedures in 2015, as they were active members of the network since its foundation. After that, various institutions have submitted applications to become GIFT Stewards.

*Stewards* are the members of GIFT's multi-stakeholder action network. Participation in GIFT is inclusive and open to any agency, institution, organization, or body willing to advance fiscal openness and to contribute to, or benefit from, the network's streams of work. Eligible stewards can join GIFT by submitting a letter of intent that, in accordance with section 3 of [GIFT's Operating Procedures](#), includes the following:

- Their willingness to become members of the network, assuming the terms of reference of the stewards;
- Their commitment to intensify efforts to enhance fiscal transparency, participation and accountability in fiscal policies, including the consideration of the High-Level Principles on Fiscal Transparency, Participation and Accountability;
- Their willingness to present a plan of action with concrete and verifiable goals and regular reports on the progress of this plan;
- Their engagement to promote discussions on advancing the common goal of transparent, participatory and accountable management of fiscal policies; and
- Their disposition to promote cooperation and information sharing between all stakeholders to assist peers in building their capacity and to exchange experiences with regard to transparency, participation and accountability in fiscal policies.

In accordance with section 6 of the Operating Procedures, the Lead Stewards are responsible for managing GIFT's steward membership. Against the background of the current membership of GIFT, this report puts forward the new stewardship applications received for the Lead Steward's consideration. It provides a brief description of how each of these institutions have been increasingly engaging, contributing and benefiting from the network's activities.

### Current membership

Currently, the Network has 54 stewards, of which 19 formally joined in 2015, 10 in 2016, 11 in 2017, 6 in 2018, 1 in 2019, 6 in 2020, and 1 in 2021 (Lead Stewards are marked with an asterisk):

1. The International Budget Partnership\* (2015)
2. The World Bank Group\* (2015)
3. The International Monetary Fund\* (2015)
4. Ministry of Economy/General Comptroller of the Nation, Brazil<sup>1</sup>\* (2015)
5. The Department of Budget and Management, the Philippines\* (2015)
6. The International Federation of Accountants\* (2015)
7. The US Treasury Department (2015)
8. The Organization of Economic Co-Operation and Development (2015)
9. The Center for Research and Analysis (Fundar), Mexico (2015)
10. The Institute of Public Finance, Croatia (2015)
11. The Instituto de Estudos Socioeconômicos, Brazil (2015)

<sup>1</sup>. In 2015, the name of the Ministry was The Federal Secretary of Budget and Planning

12. Luminate<sup>2</sup> (2015)
13. The National Campaign for Dalit Human Rights, India (2015)
14. The Ford Foundation (2015)
15. The UK Department for International Development (2015)
16. The William and Flora Hewlett Foundation (2015)
17. The Center on Budget and Policy Priorities (2015)
18. Ministry of Public Finance and Credit, Mexico (2015)\*
19. The Budget Office of the National Treasury, South Africa (2015)
20. Technical Secretariat of Economic and Social Development Planning/Min. of Finance, Paraguay (2016)
21. Ministry of Finance, Indonesia (2016)
22. Ministry of Finance, El Salvador (2016)
23. Ministry of Finance, Dominican Republic (2016)
24. Ministry of Finance, Tunisia (2016)
25. ICEFI (based in Guatemala, working in various countries in Central America) (2016)
26. SEKNAS FITRA, Indonesia (2016)
27. Fundación Nacional para el Desarrollo (FUNDE), El Salvador (2016)
28. The Emerging Markets Investors Alliance, USA (2016)
29. Global Integrity, USA (2016)
30. Ministry of Finance, Guatemala (2017)
31. The Office of the Budget and Planning, Presidency, Uruguay (2017)
32. The MITRE Corporation, USA (2017)
33. Ministry of Finance, Croatia (2017)
34. Public Service Accountability Monitor (PSAM), South Africa (2017)
35. Social Watch, Benin (2017)
36. The Collaborative Africa Budget Reform Initiative (CABRI) (2017)
37. Open Contracting Partnership (2017)
38. Ministry of Budget and National Planning, Nigeria (2017)
39. The Fiscal Observatory Foundation<sup>3</sup>, Chile (2017)
40. Latin American Open Data Initiative (ILDA), (2017)
41. Civil Association for Equality and Justice (ACIJ), Argentina (2018)
42. Ministry of the Finance, Chile (2018)
43. Ministry of Finance, Ukraine (2018)
44. Ministry of Economy and Finance, Benin\_(2018)
45. Ministry of the Economy<sup>4</sup>, Argentina (2018)
46. The General Directorate of the National Public Budget of the Ministry of Finance and Public Credit, Colombia (2018)
47. The Public Expenditure and Financial Accountability, (PEFA) (2019)
48. Fundación Solidaridad, Dominican Republic (2020)
49. The Ministry of Finance of Costa Rica (2020)
50. The Collaborative Laboratory for Public Innovation of the Public Administration School of the University of Costa Rica, Innovaap (2020)
51. Centro de Investigación Económica y Presupuestaria (CIEP) of Mexico (2020)
52. The Ministry of Finance of Georgia (2020)
53. Europe Foundation, Georgia (2020)
54. City of Bogota, Colombia (General Secretary and District Treasury Secretary) (2021)

<sup>2</sup> In 2015, the name of the organization was Omidyar Network

<sup>3</sup> In 2017, the name of the organization was Observatory of Fiscal Spending

<sup>4</sup> In 2018, the name of the institution was Ministry of Finance

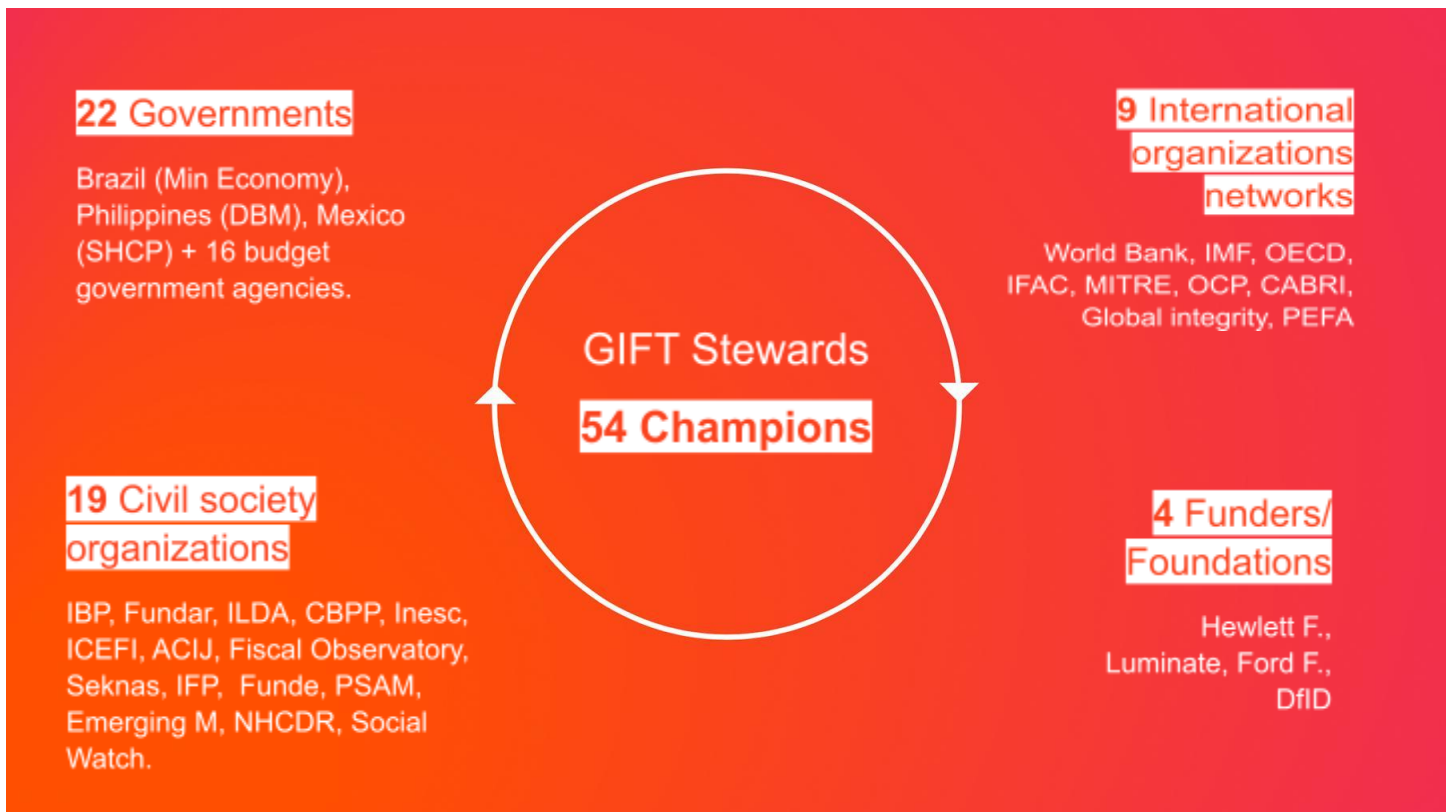


In terms of sectors, there are:

- 22 budget related government institutions
- 19 civil society organizations
- 5 expert/regional organizations and technical networks
- 4 international organizations
- 4 private foundations and development agencies

In terms of regional representation:

- 13 are global
- 24 are from the Americas, of which 22 are from Latin America
- 4 are from Asia
- 6 are from Africa
- 7 are from Europe



## Expanding the Network's membership

Lead Stewards agreed at their meeting of 17<sup>th</sup> January 2017, that when considering expanding the Network, it should be borne in mind that the Network should not grow beyond a manageable size in order to keep it flexible as well as manageable by a small coordination team. Moreover, attention should be paid to keeping the membership balanced, not only in geographical terms, but also in terms of the mix of the different kinds of organizations.

During a meeting held on 21<sup>st</sup> August 2021, Lead Stewards also agreed to move forward with the pilot implementation of the local government membership in the GIFT Network. This pilot phase, which takes place from August 2021 to July 2023, aims to better understand subnational government needs, knowledge gains, additional effort needed, and other benefits from sustained and collaborative work with subnational government on fiscal transparency initiatives. The *GIFT Guidelines for Local Government Membership* ([link](#)) presents the rationale, criteria, as well as general considerations in the assessment of the success of the pilot.

## Stewardship applications

Based on the criteria outlined by the Lead Stewards, as well as the objectives set out in consecutive work plans and network strategies ([link](#)), discussions regarding potential stewardship have taken place with 4 institutions, of which 1 is a Ministry of Finance in the African continent (Liberia) and 3 are subnational governments of 3 different regions (Ozurgeti – Georgia, Europe/Asia, Guanajuato- Mexico, Latin America, and Cascais- Portugal, Europe). A brief description is provided below, by institution, of how these institutions have been working closely with the GIFT Network to advance the fiscal transparency and participation agenda.

### **1. Ministry of Finance and Development Planning, Liberia** <https://www.mfdp.gov.lr/>

The Ministry of Finance and Development Planning (MFDP) of Liberia started official collaboration with GIFT in July 2018, when a national budget office representative (Mr. Johnson Williams) was invited to a GIFT international meeting held in Brasilia on fiscal transparency portals. In September 2019, the MFDP became one of the pilot countries of the Fiscal Openness Accelerator (FOA) Project. Supported by the US State Department, this initiative aims to enhance selected fiscal transparency indicators and establish public participation mechanisms at the national level in Liberia.

In January 2020, Liberia signed a Memorandum of Understanding with GIFT and IBP that formalized the cooperation under the FOA initiative. MFDP representatives also participated in the Kick-Off Workshop of the FOA Project held in Pretoria, South Africa in March 2020, where participants were introduced to the core concepts of fiscal transparency and public participation reforms implementation and assessment, including relevant case studies from international experience. In the past three years, Liberia has also been actively participating in technical workshops and peer-learning activities under the FOA Project including a state-owned enterprises workshop, public participation action plan workshops, and sessions on mainstreaming public participation in budget processes during the GIFT Stewards General Meetings.

According to the results of the Open Budget Survey (OBS) 2021, Liberia's Open Budget Index (OBI) increased significantly from a score of 38 in 2019 to 45 in 2021, reaching the global average score. This upward movement in their OBI global ranking is attributable to the steps taken by the MFDP to enhance fiscal transparency efforts, including the timely online publication of the Citizens Budget and In-Year Reports.

Currently, Liberia is piloting its pre-budget consultations aimed towards the development of a Shadow Budget Options paper that will consolidate citizen inputs in the formulation of their FY 2023 executive's budget proposal, for consideration of the MFDP and the Cabinet.

In their application, dated 20<sup>th</sup> July 2022, the Ministry states that it aims to take advantage of the Network's cooperation and peer learning exchange platforms to further promote capacity building and it is committed to intensify efforts to enhance fiscal transparency, participation, and accountability in fiscal policies in Liberia.

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## **2. Municipality of Ozurgeti, Georgia**

<http://ozurgeti.mun.gov.ge>

In 2020 Georgia's Ministry of Finance and the Europe Foundation became official stewards of the GIFT network. From there, and even in the adverse context presented by the pandemic, collaboration with the MoF and Europe Foundation intensified through two main workstreams:

- Dedicated technical assistance for municipalities and civil society organization on fiscal transparency and public participation, and
- In depth research on fiscal transparency during the pandemic, focusing on the national level, but including the framework that was applicable for the subnational entities.

This work resulted in the conduct of three days of online capacity building sessions during August 2<sup>nd</sup> and 5<sup>th</sup>, and September 9<sup>th</sup> of 2021; and an in-person conference on December 7<sup>th</sup> and 8<sup>th</sup> for the presentation of the COVID-19 related report alongside the MoF, the IMF and IBP representatives; as well as a to showcase of international good practices on public participation. In both events, participants were municipal level civil servants, as well as local CSOs, who developed an increased interest in GIFT's work.

The Ministry of Finance informed that Ozurgeti is part of a group of municipalities participating in an effort to pilot the PEFA subnational evaluation, which includes a pillar on fiscal transparency, with the support of the World Bank. Also, Ozurgeti was selected in 2020 as a member of the Open Government Partnership Local Program (OGP Local) and included the following topics in their action plan:

- Eliminate corruption risks and strengthen anti-corruption mechanisms at the local level.
- Strengthen citizen participation and inclusive decision-making process.

On July 29<sup>th</sup> 2022, Ozurgeti's Mayor formally requested to join the GIFT network, expressing their acknowledgement of GIFT's principles and assuming the commitments and responsibilities expressed in the terms of reference for stewards. It is also worth noting that Georgia's current Fiscal Decentralization Strategy mandates the strengthening of fiscal transparency and public participation.

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- Municipality's email: meriaozurgeti2018@gmail.com

### **3. Ministry of Finance, Public Investment and Administration, Guanajuato, México** <https://presupuestoabierto.guanajuato.gob.mx/>

The State of Guanajuato has designed and implemented the "360° Budget Transparency" to provide citizens with information across all stages of the budget cycle in an accessible language and format, allowing them to know more about the local budget and results of public spending.

GIFT collaborated directly with Guanajuato on the development of this strategy, with a diagnosis on the state of their internal systems and the disclosure of their contents, and with specific disclosure recommendations including the use of international open data standards (CSV, JSON, API format) and other user-friendly formats (infographics, interactive maps, etc.). In the same effort, GIFT provided intensive technical assistance that led to the successful implementation of the specifications of the Open Fiscal Data Package, as well as capacity-building on user-centered design that led to the development and launch of the State's first fiscal transparency portal, including a citizen's budget that subscribes to international standards.

This project was recognized in the National Institute of Transparency, Access to Information and Protection of Personal Data (INAI)'s *Innovation in Transparency contest*; as well as by the National Council for the Evaluation of Social Development Policy (CONEVAL)'s as *Best monitoring and evaluation practice* in the category of Accountability, Transparency, and Access to Information.

Guanajuato held their first Budget Dataquest in 2021 where they promoted the use of the fiscal transparency portal's information. On 18<sup>th</sup> May 2022, Guanajuato's Secretary of Finance, Investment, and Administration formally requested to join the GIFT network, expressing their gratitude and acknowledgment of GIFT's principles and assuming the commitments and responsibilities for being Steward member. They also attended the Stewards General Meeting 2022 from August 2-4 in Bogotá, Colombia, in which they shared progress in the promotion of fiscal transparency and public participation in fiscal policy.

They are also implementing the second edition of their Dataquest from August to December 2022. They have also announced that they will be publishing revenue information in open data in their portal, as well as develop specific visualizations and user-centered tools to showcase said information.

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### **4. Municipality of Cascais, Portugal** [www.cm-cascais.pt](http://www.cm-cascais.pt)

In September 2017, the Participatory Budgeting Initiative of the Municipality of Cascais was recognized as one of the top three winners of GIFT's Public Participation in Fiscal Policy and Budget Making Award. The other two winning projects were the Budget Monitor by the State Audit Office in Georgia and Farm Subsidies initiative of Fundar, Center for Analysis and Research in Mexico. The Cascais Participatory Budget initiative is well-documented in a case study published on the GIFT website in the same year.



In October 2018, Cascais organized the first edition of the Smart Citizenship Academy, which presented different examples of participatory budgeting around the world as well as its trends and evolution, with an in-depth analysis of the process and mechanisms. In the same month, Cascais also co-hosted the GIFT Stewards General Meeting that led to the updating of the GIFT Operating Rules and Procedures to establish that all members will present a set of concrete and measurable commitments to improve fiscal transparency and participation, with the engagement to report back periodically on progress to GIFT. The network members will continue to encourage and support each other by peer learning and technical collaboration. During the same meeting, Cascais presented their participatory budget initiative, a process in which community members directly decide how to spend part of a budget, enabling taxpayers to work with governments to make the budget decisions that affect their lives.

In January 2019, Cascais also participated in the session on Exploring effective ways to engage citizens under the GIFT Webinar Series, which highlighted how digital tools are being used to directly establish a dialogue between citizens and the state around the budget policy.

To date, the Municipality of Cascais, with a population of 210,000, has implemented their Participatory Budget initiative for 9 editions, receiving 1,347 proposals from 7,771 participants, leading to an investment of 38.14 million euros in projects that were voted by citizens. Their methodology has been cited by various international publications and organizations and replicated in more than 10 cities and observed by different continents.

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