



GIFT GLOBAL INITIATIVE FOR FISCAL TRANSPARENCY

STEWARDS GENERAL MEETING 2022

Sustaining Gains and Forging New Paths Ahead: GIFT Stewards Fiscal Openness Commitments for the Next Decade

Bogotá, Colombia, August 2-4, 2022

MEETING HIGHLIGHTS

Background

In partnership with the Ministry of Finance and Public Credit of Colombia and the City Government (Alcaldía) of Bogotá, the Global Initiative for Fiscal Transparency (GIFT) hosted the **Stewards General Meeting (SGM) 2022** from **August 2-4, 2022** in **Bogotá, Colombia**, in a hybrid setting.

As GIFT enters its next decade, the SGM 2022 was particularly timely and relevant. It provided an important space for GIFT stewards to revisit strategies, identify main goals for the next 10 years and find ways to work better together to address challenges that confront the network. Significant fiscal transparency improvements have been achieved, but public engagement in budget processes is only starting and efforts to achieve more inclusive and responsive budgeting are still incipient. Working together as a network, GIFT stewards must continue persisting, advancing, and innovating in fiscal openness.

Approximately 120 representatives from ministries of finance, civil society, international development institutions and other stakeholders came together in hybrid in-person and virtual meeting sessions, over the three days. Colombia's Ministry of Finance and Public Credit and the Alcaldía de Bogotá hosted field visits on the second day, that provided a unique opportunity to benchmark and learn from their inspiring budget transparency and public participation efforts.

Listed below are the names of the organizations that participated in the SGM 2022:

1. International Budget Partnership (IBP)
2. International Monetary Fund (IMF)
3. Inter-American Development Bank (IDB)
4. Global Integrity
5. Open Contracting Partnership (OCP)
6. United Nations Development Programme (UNDP), Colombia Office
7. Europe Foundation, Georgia
8. Transparency International
9. Transparency and Corruption Prevention Secretariat, General Comptroller of the Union (CGU), Brazil
10. Secretary of Planning and Management, Brazil
11. Ministry of Finance, Costa Rica
12. Ministry of Finance, Indonesia
13. Ministry of Finance, Dominican Republic
14. Ministry of Finance, Guatemala
15. Office of Planning and Budget, Presidency, Uruguay
16. Ministry of Economy, Argentina
17. Ministry of Finance, Guanajuato
18. Ministry of Finance and Public Credit, Colombia
19. Bogotá City Government, Colombia
20. Instituto Distrital de Patrimonio y Cultura, Colombia
21. Department of Budget and Management (DBM), Philippines
22. Ministry of Finance, Mexico
23. Ministry of Finance, Budget and National Planning, Nigeria
24. Open Government Partnership, Nigeria
25. Ministry of Finance, Paraguay
26. Ministry of Finance and Development Planning, Liberia
27. Ministry of Economy and Finance, Benin
28. National Treasury, South Africa
29. Centro de Investigación Económica y Presupuestaria (CIEP), Mexico
30. Instituto Centroamericano de Estudios Fiscales (ICEFI), Guatemala
31. Public Service Accountability Monitor (PSAM) / Imali Yethu, South Africa
32. Social Watch, Benin
33. Iniciativa Latinoamericana por los Datos abiertos (ILDA)
34. Fundacion Solidaridad, Dominican Republic
35. Institute of Public Finance, Croatia
36. Fundación Nacional para el Desarrollo (FUNDE), El Salvador
37. Asociación Civil por la Igualdad y la Justicia (ACIJ), Argentina
38. Fundación Observatorio Fiscal, Chile
39. Small Scale Women Farmers Organization (SWOFON), Nigeria
40. Human Sciences Research Council, South Africa
41. Emerging Markets Investors Alliance
42. University of Sheffield

Objectives

The SGM 2022 aimed to:

1. Provide updates and capacity-building on the latest initiatives, norms, and guidance in advancing fiscal transparency and public participation in the budget process;
2. Discuss budget strategies for inclusion and minorities responsive budgeting, such as SDG tagging (gender, children) and inclusive development budget alignment;
3. Facilitate in-field peer-learning on budget transparency and public participation;
4. Strengthen collaboration and cohesion among GIFT network members; and
5. Draft GIFT's strategic plan for the next decade.

SESSION HIGHLIGHTS

The following sections provide a summary of key inputs from the different sessions of the GIFT Stewards General Meeting 2022. English, French, and Spanish interpretation were made available for hybrid sessions. The Zoom teleconference platform was used for virtual connections. Available copies of presentations, selected photos and video recordings from each session can be accessed [here](#) via the event webpage.

SESSION TITLE	ACTIVITY HIGHLIGHTS
DAY 1 August 2, 2022 Tuesday, UTC -05:00	
OPENING SESSION Facilitator: Juan Pablo Guerrero, GIFT Coordination Team	Juan Pablo Guerrero (GIFT Director) officially opened the 2022 Stewards General Meeting. Claudia Marcela Numa, Vice Minister, Ministry of Finance and Public Credit, Colombia, and Juan Mauricio Ramirez, Secretary of Finance, City of Bogota, further warmly welcomed participants to the City of Bogotá and implored them to have very fruitful engagements over the next three days of the meeting. An overview of the agenda was provided by Marianne Fabian, Communications and Outreach Coordinator, GIFT.

SESSION 1: GIFT network updates from stewards

Facilitator: Marianne Fabian, GIFT Coordination Team

GIFT Stewards provided updates on their action plans and latest initiatives in advancing fiscal transparency and public participation in the budget process, highlights include:

- Open Contracting Partnership:
 - In 2021, pandemic procurement lessons were taken into consideration in the revised OCP strategy.
 - In 2022, a new sustainable procurement toolkit was launched towards enhanced adoption and measurement through an open, data-driven, inclusive approach.
 - Work is being done with partners across the globe to increase small and medium-sized enterprise, minority-owned, and women-led business participation in public procurement. This work supports teams of reformers in shaping clear goals, achieving strong political buy-in, and in building diverse technical, political, and institutional change skills towards enhancing frontline services.
 - A study of IMF rapid credit facility commitments to procurement transparency, confirmed that reforms had the most impact when there was an existing community of reformers who were fixing the system based on their customized needs and who were able to use the IMF's leverage to push through inertia and vested interests that were causing blockages.
 - Last year, the Group of Seven (G7) countries committed itself to open and participatory public procurement reforms, essential to ensure trillions of dollars set aside for pandemic recovery aren't wasted. This year at the Summit of the Americas, regional leaders made a strong declaration reiterating the commitment of Organization of American States (OAS) members to open contracting. The statement drew heavily on statements contained in an open letter to summit negotiators that the OCP drafted with a coalition of Latin American civil society partners.
 - The Open Contracting Data Standard and the Fiscal Data Package will continue to be a central offer from the OCP.
 - The Open Contracting Data Standard answers key questions including: How did the contracting process take place? What has been procured, by who, how, and for how much?
 - Questions answered by the Fiscal Data Package include: What budget was allocated to X? What has been spent on X?Together these are two very powerful tools to improve transparency, accountability, and most importantly, efficiency and effectiveness.
 - Successful examples, include:
 - Paraguay: OCP partnered with the country's procurement agency- Dirección Nacional de Contrataciones Públicas (DNCP), the Ministry of Education, and a CSO- reAcción- to improve investments in educational

infrastructure. This led to a module being established in DNCP's procurement system that collects key data fields allowing investments to be tracked in real-time, including in respect of what schools are receiving funds, whether prioritization rules have been followed, and the type of investment made, at the item level.

- India: OCP and Civic Data Lab are building an intelligent data model to assist decision-makers in improving flood response and relief procurement so that the poorest and most vulnerable people in the flood-prone state of Assam are better protected from the worst effects of extreme weather events.
- Argentina: In Buenos Aires' informal settlements, known as 'Villas', largely have no streets names, sewers, storm drains, or clean drinking water systems. For instance, in Villa 31, 40,000 inhabitants were 'invisible', often left without official recognition or access to even the most basic public services. OCP published a story about the work done by ACIJ in overcoming this, towards building inclusive infrastructure.

- ACIJ, Argentina:

- ACIJ promotes access to information on fiscal expenditure, and advocates for budget policies that ensure the application of human rights.
- The Space for Fiscal Work for Equity, a network of specialists, CSOs, academic experts, etc. has been created to discuss and advocate for fairer fiscal policies.
- The <https://monitorpresupuestario.acij.org.ar/> website provides information and key data on the national budget that can be used to monitor how state resources are used.
- Work is being done on environmental activities and on the fiscal benefits of the extraction industry, and how public participation can be beneficial in these areas.
- ACIJ is looking towards strengthening advocacy for an integral tributary reform in the country, including removal of secrecy on fiscal expenditures; and towards incorporating climate change mitigation in the fiscal realm.

- IMF (presentation made):

- During the pandemic, the IMF's main message was for countries to keep the receipts. Emergency financing conditions included those requiring transparency in respect of emergency procurement, beneficial ownership and the like. Twelve guidance notes published during the pandemic assisted country authorities and other key stakeholders in ensuring transparency.
- The Fiscal Monitor focuses on ensuring the credibility of public finances, towards transparent and accountable fiscal policies.
- The IMF continues to respond to country requests for it to conduct Fiscal Transparency Evaluations, 32 have been conducted thus far, of which 30 are published.

- The Fiscal Affairs Department has developed new relevant tools for PFM and transparency, including the: Public Investments Management Assessment (PIMA) and its Climate module (and Handbook 2022); State Owned Enterprises Health-Check Tool; Fiscal Risks Assessment Tool (FRAT); Public Private Partnerships Fiscal Risks Assessment Model (PFRAM); and Guarantees (both discrete and standardized) Assessment Tools. PFM digitalization guidelines are being drafted with a dedicated principle on the dissemination of fiscal information and PFM Outcomes.
- A hackathon was held in Costa Rica in 2019 and in Guatemala in 2022.
- Generally, the IMF has ongoing collaboration with GIFT, including by assisting it with the development of the Advancing Fiscal Transparency for Development online course; and through GIFT participating in IMF regional seminars/workshops.
- DBM, Philippines:
 - The Philippines is one of only four countries that demonstrated an adequate level of accountability in its early COVID-19 fiscal policy responses as shown in the IBP's May 2021 study titled: [Managing COVID Funds: The Accountability Gap](#) that documented the introduction of almost 400 emergency fiscal policy packages aimed at addressing the impact of the COVID- 19 emergency from March to September 2020 in 120 countries.
 - The Philippines Open Budget Index score of 68 in the IBP's 2021 Open Budget Survey is lower than its 2019 score of 76, ranking it 3rd in South Asia and 19th globally. The country's performance in terms of public participation secured top spot, with a score of 35, higher than its 2019 score of 31. The country maintained its strong position for budget oversight with a composite score of 74. Going forward, recommendations will be taken on board to improve scores.
 - A CSO Desk was established, tasked with publishing information on public engagement processes and feedback on how public inputs have been used in the formulation and implementation of the annual budget.
 - A new Facebook page, Usapang Budget, features updates on budget policies, plans, programs, activities and projects in a manner that is more easily understood by the public.
 - The budget form for CSO inputs and recommendations on new and expanded programs and projects has been revised to include a column providing for the central office agency's response in order to close the feedback loop.
 - There is a plan is to establish an interagency task force on fiscal openness with executive, legislative, and audit offices as members.
 - The DBM is also lobbying for the passage of the Budget Modernization Bill that promotes the use of the principles of fiscal sustainability to guide national government budgeting and strengthens the national budget oversight

powers of Congress. It also further ensures that budget information is understandable and made available to the general public.

- CGU, Brazil:
 - Federal government invoice information has been published such that the public can now link budget execution information data to the final beneficiaries of public expenditures.
 - Recent transparency initiatives include the enhancement of access to information laws in several states and municipalities, in line with a national transparency policy. Access to information is facilitated by a national tool that has been developed in this regard, managing compliance to requests. The Federal Office of Transparency, Monitoring and Control is advancing the development of policies and working with entities that have developed their own transparency plans of action, towards assisting the public in overseeing service delivery. Challenges remain, including those related to raising awareness among public officials of the importance of transparency and inclusive public participation opportunities in all public policy stages. This is important for building trust in the government.
 - Brazil reiterates its availability to all institutions within the GIFT network towards advancing fiscal openness.

- Ministry of Finance, Dominican Republic:
 - The IBP's 2021 Open Budget Index ranks the Dominican Republic 9th of 120 countries, 3rd in its region. The country has advanced significantly, steadily improving its score over the years. This is owing to a number of initiatives that have been taken, including by improving and linking systems, for instance procurement and budget systems, providing for enhanced transparency.
 - Fiscal classifiers, including those related to social inclusion, gender and climate are also being updated/introduced.
 - Transparency portals facilitate the release of disaggregated data and more frequent, regular reports, some on a weekly basis, including those related to COVID-19. Citizen friendly versions of fiscal information are also published facilitating public understandability and inviting feedback.
 - For the second consecutive year, public consultations have also taken place in the formulation phase of the budget.

- Institute of Public Finance, Croatia:
 - Annual research will continue to be published on all 576 local governments' budget transparency.

- Ministry of Finance, Dominican Republic:
 - Efforts to strengthen the fiscal transparency portal continue, including by increasing the frequency of data updates to a weekly periodicity, and by incorporating a new open data section. Work is also being done to redesign reports published in the portal, using a user-centered approach.

- Funde, El Salvador:
 - Recent work focuses on collaborating with other civil society organizations (CSOs) in tracking pandemic spending, as well as in highlighting the significant challenges faced by the Comptroller's Office in promoting public spending accountability.
 - They will be working with the Supreme Audit Institution to enhance the quality of its reporting.

- Europe Foundation, Georgia:
 - Work is being done towards enhancing the participatory fiscal policy capacities of CSOs, Data Protection Officers (DPOs), and local authorities.

- Ministry of Finance, Uruguay:
 - The country remains committed to improving transparency at all levels of government, including in respect of entities that receive transfers from the Central Government.
 - Progress has been made in relation to systems collecting and disseminating data on a real-time basis. There has also been a focus on improving the accessibility of information, in line with open government commitments. Improvements have been made to the fiscal transparency portal to facilitate this, including through the introduction of a tool that provides for the dissemination of state-owned company information, and through the publication of information on the attainment of the 2030 Sustainable Development Goals.
 - Financial and non-financial information will be published on State owned enterprises.
 - The agenda towards public financial management literacy will also continue.

- PSAM, South Africa:
 - PSAM is placing emphasis on systemic public resource management issues in the countries it does work in, particularly in South Africa, with a focus on fiscal policy and public participation.

- It has also been seeking to enhance its co-creation processes with government institutions, such as with the South African National Treasury, providing support to reformers. For example, a People's Guide to the 2021 Adjusted Budget was published as a civil society led initiative, with the support of the National Treasury.
- A procurement tracking tool was also developed.
- Engagements within the GIFT network, with the OCP, assisted in this regard.
- Work has also been done to further civil society coalitions towards working more effectively with government institutions.
- Civil society continues to be actively involved in *Vulekamali*, South Africa's fiscal transparency portal.
- There is also ongoing advocacy towards improvements in the Open Budget Survey, and in utilizing GIFT's fiscal transparency and public participation principles as a reference for work done in the area. Contributions have also been made to GIFT network peer learning activities, including those in the IBP/GIFT Fiscal Openness Accelerator project.

- IBP:

- The 2021 Open Budget Survey was published in May 2022. IBP is working with partners around the world to disseminate its findings, encouraging governments to improve their practices. Looking into the survey's historical data, IBP is encouraged to have found that there is no longer a statistical correlation between a country's income level and the open budget scores it attains. The 2023 survey will begin around August/September 2022.
- IBP is doing research pertaining to budget credibility, studying budget under and overspending. A previous study looking at 40 countries, found that there was underspending recorded of between 12% and 25%, and that this was mainly on social services, as opposed to other areas, such as defense and procurement. This concerning issue will be studied more deeply now to understand the causes of underspending and how they can be addressed.
- A paper will be published in the next few days on the relationship between the climate change agenda and public financial management. It uses the GIFT Public Participation Principles as a way of thinking systematically through public participation in the budget process.
- Work is being done towards widening the range of CSOs and social movements that participate in budget processes, not only through government established processes, or invited processes, but also by looking at ways that movements can begin to open up opportunities for fiscal accountability, fiscal practices, in expanding the civic space for budget work. In the pilot program in seven countries, IBP has been working with organizations advocating for marginalized people, including those with disabilities, in informal housing, and women, forming powerful coalitions towards bringing a different kind of intersectionality and power dynamic to budget processes.

- Ministry of Finance, Mexico:
 - Mexico's score in the IBP's 2021 Open Budget Index score remains unchanged from the 2019 score. Mexico remains the leader in its region, ranking 5th of 120 countries. It has been a challenge keeping this high ranking, the recommendations made in the Open Budget Survey country report are being taken into consideration towards making improvements going forward.

- City of Bogotá, Colombia:
 - 56 administrative units are active in 15 intervention sectors in 20 territorial localities in implementing the municipal budget, all of which are involved in initiatives to increase budget transparency. The transparency axis is based on a comprehensive IT system that records all budgetary and operational transactions, providing for real time updating. All this information is eventually published on the portal. Internally, spending units have opened their information databases to management and control units, including finance and monitoring units. This information is also accessible to the public after internal validation. The data can also be linked to the planning system that identifies the main development objectives. Challenges remain in holding discussions with citizens about these axes and development goals, on how to access, and understand this information.
 - In 2021-22, the finance team worked on cross-cutting budget lines or topics, such as gender, youth, ethnic minorities, and marginalized groups. In these cross-cutting areas, the City generated dialogue with the relevant population. Regarding procurement, progress has been made towards more open and transparent processes. These issues are the subject of the work of the recently created District Fiscal Observatory, in better understanding Bogota's revenues and public spending. The idea is to understand and illustrate links between tax information and public spending. It is expected that by 2024 this will facilitate debate regarding the city's fiscal situation, encourage the preparation of studies on fiscal matters, and ultimately support the design and formulation of public policies through dialogue and participation.

- Ministry of Finance, Colombia:
 - The COVID-19 pandemic accelerated the automation of processes, with Open data and technology making it possible to computerize entire processes. This has led to the simplification of budget processes that are more efficient. Some of this information has also been published in open data.
 - A new transparency portal is being developed, to be launched incorporating a series of exciting innovations.

	<ul style="list-style-type: none"> ● Ministry of the Economy, Argentina: <ul style="list-style-type: none"> ○ Detailed, complete budget information continues to be published. Now, with the systematization of cross-cutting labels, new cross-cutting reports (children, gender, disability) and new Application Programming Interfaces (APIs) enable an open and independent analysis of budget implementation and the monitoring of gender, children and disability spending. ○ Action will be taken to improve 2021 Open Budget Survey scores, fulfilling the commitment subscribed to in the 4th Open Government Plan to increase budget literacy and improve relations Open Budget site users. Cross-cutting analysis will be deepened in collaboration with UNICEF, specifically related to spending on children and adolescents. Improved visualizations and daily execution datasets will also be published in respect of children and the youth. ● ICEFI, Guatemala: <ul style="list-style-type: none"> ○ The importance of field visits, and of the cross-cutting priority budgeting session was highlighted. ○ ICEFI’s experience on budget tagging will be shared in the session devoted to this topic, including that pertaining to 5 distinct experiences, where a methodology was developed jointly with the United Nations Children’s Fund (UNICEF) and a monitoring scheme with Save the Children, which has been implemented in Ghana. Work has also been done on gender responsive budgeting. ● Ministry of Finance, Guatemala: <ul style="list-style-type: none"> ○ The push for public participation in the budget process will continue. ○ A new transparency platform will be released on the food security program, to be used by policy and decision makers for both decision making and follow-up. It will be available to the public. ○ The upcoming field visits will provide a valuable peer-learning opportunity, providing insight into the coalition building process that is happening in other countries, notably in the Bogotá government. ● Ministry of Finance, Guanajuato: <ul style="list-style-type: none"> ○ The relatively new subnational member of the GIFT network thanks the network for its commitment to subnational governments, pointing out that this provided inspiration for them to move forward in their openness agenda.
SESSION 2: Stewards General Assembly	This session provided updates on GIFT’s: <ul style="list-style-type: none"> ● Transparency Principles on Tax Policy and Administration

Facilitators: GIFT
Coordination Team

- Network membership
- 3-year work plan

Transparency Principles for Tax Policy and Administration

- Professors Andrew Baker and Richard Murphy presented the updated version of GIFT's [Transparency Principles for Tax Policy and Administration](#), that incorporated comments received during the public consultation process, for the stewards' consideration.
- The Principles will be translated into additional languages, including French and Spanish, to widen their potential reach.
- Several stewards stated that they would endorse the Principles to the revenue authorities in their countries, including ICEFI that will make the Guatemalan revenue authority aware of the principles and invite them to adopt them as institutional principles. The Indonesian revenue authority will also be made aware of the Principles. Juan Pablo Guerrero welcomed this and stated that the GIFT Coordination Team stood ready to assist, including by presenting the principles to revenue authorities, as and when requested.
- Regarding guidance on public participation in tax processes, the principles refer to the need for consultation and elaborate on the basic elements of such consultations. Civil society participation is however often limited, partially owing to it not always possessing the requisite resources to participate effectively. A scoping study titled [Tax Transparency and Informed Public Dialogue in Tax Policies: A civil society perspective on taxes: Scoping Study](#) provides useful information on how civil society uses tax information and what challenges they have in doing so. It would be useful if a set of tools were developed to translate what the principles say into what the associated practice should be.
- ACIJ added that the principles provide a guide for the participation of civil society in tax governance. ACIJ is advocating for the use of fiscal transparency principles towards enhanced legal frameworks. They are also creating a national network on this, working with other organizations and universities. They are waiting for an initiative to be confirmed by the Supreme Court into making these standards part of policy and regulations in Argentina. ACIJ is also interested as to how the principles can impact policies such as special regimes and tax exemptions. Members of the GIFT network should ensure that these principles translate into legal frameworks. ACIJ, is further undertaking related work on tax regimes and waivers where there isn't access to information, meaning CSOs cannot monitor the environmental impact created by certain industries. More fiscal information should be disclosed by company, such that CSOs can advocate for improved fiscal responsibility.
- On the issue of how the Principles take beneficial ownership into consideration, the role of government in delivering effective and accountable tax systems is often underplayed. Analyzing tax gaps and tax spillovers allows one to see the reasons why tax is not collected, including that related to the abuse of tax systems through failed company registers,

and the like. Beneficial registries are often open to abuse and manipulation, a problem that is typically highlighted at the end of the process, rather than the beginning. Principle 14, on spillover assessments, touches on this by looking into the need for a company register that is functioning effectively. The principles are designed to function in a way that allow national authorities to find their own ways to start plugging bad practices. For example, tax spillovers analyses assist in this regard and can be done by a government, as well as by other stakeholders including civil society, and private sector professionals. For instance, a tax spillover assessment exercise done by the Tax Justice Network in the United Kingdom found significant issues in company registration and in the administration of the process.

- Juan Pablo concluded the open discussion by saying that the principles are still a work in progress, strengthening the contributions of the GIFT network to the global architecture of fiscal transparency. It is important to now see how the Principles will be applied in practice, particularly for countries to appraise their practices against the 14 principles to see how many of them are met, and what they need to work towards. Feedback should be provided back to the Network in this regard, assisting in seeing the usefulness of the principles in practice, and in assessing whether revisions and related tools are required.
- The final version of the principles was then formally adopted by the GIFT General Assembly.

GIFT network membership

- The Liberian Ministry of Finance and Development Planning recently applied to be a GIFT Steward. Liberia forms part of the IBP/GIFT Fiscal Openness Accelerator (FOA) Project.
- Three new subnational governments were welcomed to the network:
 - State of Guanajuato, Mexico:
 - Access to information empowers citizens to form part of budget decisions. The State thus puts a premium on the importance of publishing government data and in ensuring that citizens are informed via social media and other platforms. Inclusive and accessible language is used to increase the information's reach.
 - An inaugural Dataquest was held in 2021 promoting the use of fiscal information on the online portal that is available to the public.
 - Transparency assists in ensuring the effective implementation and monitoring of government projects in areas such as education and infrastructure.
 - Gratitude was expressed to the GIFT network for the support received thus far.
 - Municipality of Ozurgeti, Georgia:

	<p>The municipality thanked GIFT for the opportunity to be part of the network, and the peer-learning opportunities provided, important in furthering the municipality’s efforts to become more democratic and in promoting public participation in the budget process.</p> <ul style="list-style-type: none"> ○ City of Bogotá, Colombia: <ul style="list-style-type: none"> - The City expressed that it is a proud member of the GIFT network, and appreciates the opportunities provided by it. - Key initial efforts undertaken include aligning the city’s development plan to the Sustainable Development Goals (SDGs). In this regard, a participatory process took place that consulted citizens on their needs and vision for the city. - Actions have also been undertaken towards the use of Open data, and on gender sensitive activities. - In drafting plans and budgets, communities are invited to participate, with the City supporting projects that are important to them, such as the construction of public parks. <p>2022-26 GIFT Workplan</p> <ul style="list-style-type: none"> • The GIFT Coordination Team presented GIFT’s 2022-26 Workplan. • Regarding the question raised on how GIFT is measuring the impact of citizen participation in fiscal policy, reference was made to the recently released paper titled: “(When) Do Open Budgets Transform Lives? Progress and Next Steps in Fiscal Openness Research” on the impact of fiscal openness. Studies on the impacts of fiscal openness have become richer and more nuanced. They show that most well-documented causal effects are positive, towards lower corruption and enhanced accountability at the ballot box. Moreover, these impacts have been shown to apply across different country settings.
<p>SESSION 3: Fiscal transparency as a tool for assessing and favoring resource allocation to cross-cutting priorities (i.e.</p>	<p>This session discussed budget strategies for inclusion and cross-cutting priority responsive budgeting. Presentations were made by the following panelists:</p> <ul style="list-style-type: none"> • Lorena Rivero, IMF: <ul style="list-style-type: none"> ○ A general framework for the session was provided, setting its main concepts, including those related to budgeting for cross-cutting priorities, budget tagging versus budgeting for cross-cutting priorities and where green, gender

SDGs, Gender, Child and Youth, and Climate Change)

Facilitator: Aura Martínez, GIFT Coordination Team

and SDGs meet. Interesting international experiences from Finland, Ghana, the Philippines, and Mexico, were also put forward.

- The advantages of priority budgeting using tools such as SDG budget tagging, include that:
 - They open the debate to relevant stakeholders, allowing civil society and other stakeholders to monitor execution and to advocate for policy corrections;
 - Within government itself, they facilitate internal review and the undertaking of appropriate corrective action; and
 - They facilitate the monitoring of follow-up action in daily operations as well as the undertaking of more in-depth analyses; and to some extent, international comparisons.
- Budget tagging limitations, include:
 - Most cases focus on reporting, not on creating informed processes for decision making, for example there is a risk of gender-green-SDG washing;
 - The quality of information varies between ministries and often depends on officials in charge of record management;
 - The balance between the administrative burden it imposes and its value add is not always clear;
 - Generally, the information is too aggregated, with tagging limited to the 17 SDGs, not providing the detail required for effective decision making; and
 - Successful tagging provides a diagnosis but cannot, in itself, accelerate the closing of development gaps.

- Teodora Recalde, Ministry of Finance, Paraguay:

- National planning, budget programs and result-based frameworks, including performance indicators, have been linked for a number of years. This approach enables a deeper look at budgets, and the trade-offs involved, as related to monitoring and evaluation mechanisms, allowing for the day to day operational embedding of SDG and priority-based budgeting in the budget cycle.

- Guillermo Valentino and Gustavo Merino, Ministry of Economy, Argentina:

- Argentina has adapted the existing financial management information system enabling it to generate data on national budget allocations to priority areas, such as gender and youth, and child related policies. This allows budget cross-cutting (transversalidad) analyses of different budgetary programs under specific umbrellas, facilitating an understanding of how budget allocations target these areas. For instance, Argentina now reports on spending on children and adolescents in the national budget on a quarterly basis. These reports are presented in open data formats, providing tools for public administration agents to design, share and publish dashboards

that show progress towards the achievement of different cross-cutting priorities. The openness of the data permits social control.

- Marcela Numa, Ministry of Finance, Colombia:
 - The following cross-cutting expenditure categories are being implemented: gender, peacebuilding, and the integration of ethnic minorities, for both investment/capital and current spending. The tracer (trazador) or cross-cutting subject is integrated from the planning stage, such that objectives and indicators related to these priorities are identified, together with the associated budget allocations and actual expenditure. For example, since 2019, the equity for women budget tracker has made information available by budget line and category. There are 5 categories: economic autonomy and access to assets; participation at levels of authority in decision-making processes; reproductive health and gender rights; education and access to new technologies; and combating gender-based violence.
- Mauricio Ruiz, UNDP, Colombia Office:
 - The publication of this type of information has enabled prospective analysis such as the Policy Priority Inference developed by the Alan Turing Institute, which allows the use of data in estimating the level of achievement expected in respect of an indicator, if current spending patterns persist. This type of analysis makes evident which trade-offs pay off, in terms of achieving priority development outcomes, possible only when SDG tagging practices are in place. Detailed research with associated graphs presented showed the outputs of the exercise.
- Aura Martinez, GIFT Coordination Team:
 - Meeting participants were invited to be part of the initiative developed by the Public Policy Program of the Alan Turing Institute through this [survey](#), that aims to collect inputs and expertise from the public sector and development professionals on the degree to which different SDGs can be directly impacted via existing policy instruments. It is available in English, Spanish, French, and Arabic.
- Meeting participants were also invited to provide feedback in writing on two key questions:
 - What is needed to have budget tracking in your country?
 - There is a need to initiate this discussion from a rights-based approach.
 - South Africa's participant highlighted the need to overhaul the state's prioritization of environmental priorities, as well as the need for system-wide implementation of relevant tagging processes, including at the national and subnational levels of government.

	<ul style="list-style-type: none"> - Costa Rica’s participants pointed out that the country is receiving technical assistance from both the IDB and the IMF regarding these topics, but they still have a way to go. - General obstacles noted include: inertial budgeting, the tagging of operational spending, the lack of specific human resources to perform the tagging and priority budgeting activities, difficulties in incorporating this approach throughout the budget cycle, and the lack of human resource capacity. ○ What is needed to have evidence-based budget allocation in your country? <ul style="list-style-type: none"> - ICEFI and UNICEF have developed a methodology to identify budget allocations targeting the child and youth demographics in Guatemala, and can collaborate with the government to use it to develop an official tool that enables budgeting and spending taking the interests of children and the youth into consideration. - There is a need to recognize the linkages between energy transition, climate, public finance and sustainable development. - Objectives and performance indicators should be linked to the SDG framework - Costa Rica and Guanajuato are incorporating the priority budgeting agenda through performance-based budgeting reforms and operational implementation.
<p>SESSION 4: Paths to openness: Trends arising from the Open Budget Survey (OBS) and the Global Data Barometer’s (GDB) Public Finance Module (PFM)</p> <p>Facilitator: Silvana Fumega, ILDA</p>	<p>This session aimed to provide participants with an understanding of the results of the OBS 2021 and the GDB’s Public Finance Module, specifically noting the experiences of selected high performing countries.</p> <p>The facilitator set the scene for the session, talking to the relevance of openness in public financial management, and the recent publications in May 2022 of the Open Budget Index and the Global Data Barometer, that for the first time includes a Public Finance Module, which was co-created with GIFT. Presentations were then made, providing an overview of both of these publications:</p> <ul style="list-style-type: none"> • Anjali Garg, IBP: <ul style="list-style-type: none"> ○ The 2021 OBS includes new features such as a more digital-friendly global report, 7 regional briefs, greater collaboration with OBS partners, an increased emphasis on public participation and more intensive engagement at the national level. ○ 2021 trends include: A one-point increase in the average global score for transparency, the stagnation in public participation, and a two-point decrease in average global oversight scores. 6 of the top 10 transparency performers for 2021 are GIFT stewards.

- Aura Martínez, GIFT Coordination Team:
 - Some basic concepts of GDB's Public Finance Module, a multi-dimensional/layered study were provided. It has created a new global data benchmark in 109 countries. The Public Finance Module is one of the 7 modules. It has 40 questions divided into governance and availability indicators, and details the characteristics of each indicator. Within the GDB at large, Public Finance datasets are the most widely available, whilst still only reaching a 49.32 global average.
 - Most country clusters have higher average scores for the availability indicator, showing that governance frameworks have further to go in terms of explicitly mandating the publication of structured, standardized, open-licensed and open formatted financial data.
 - Pertaining to the GIFT community of stewards and partners, 20 out of 26 countries have scores higher than the global average, including 4 in the top 10. This trend is consistent across both the governance and availability dimensions.
 - The OBS and the GDB-PFM are complementary, with the OBS providing insights about "What?" is published, and the GDB-PFM providing insight on the "How?". The presentation made provided their similarities and divergence, both in terms of geographic coverage and thematic scope.
 - Participants were invited to read further GIFT materials that are available in this regard, specifically:
 - A [blog](#) on the GDB website.
 - A [draft step-by-step guide](#) which is open for comments until September 15th 2022.

Comments were then made by high-performing country panelists:

- Roberto Viegas, Secretariat for Transparency and Prevention of Corruption, Brazil ((high performer on GDB-PFM):
 - The Secretariat will take these indexes into consideration when conducting reviews and open data policy work towards promoting accountability and public participation. It is important to continually expand transparency and open data portals that include not only public financial data but also information on other key topics, such as procurement.
- Juan Castillo, Fundación Solidaridad, Dominican Republic (high performer on OBS):
 - The OBS assists the public in gaining an understanding of the technical information emanating from the budget cycle. It also assists individuals and organizations in using political incidence opportunities, and in advocating for public service improvements.
- Ricardo Barrientos, ICEFI, Guatemala (high performer on GDB-PFM),

	<ul style="list-style-type: none"> ○ The OBS is a well renowned indicator that is constantly included in governmental publications and considerations. Its shift in focus towards public participation is key in understanding the complex relationships between fiscal transparency, economic indicators', corruption, and citizen trust levels. ○ Regarding the GDB, from an academic and CSO perspective, the existence of a complementary measurement to the OBS is a key development, as it brings more knowledge and a fuller understanding of the topic, including, very importantly, a focus on governance issues. ● Eko Kurniawan, Ministry of Finance, Indonesia (high performer on OBS and GDB-PFM): <ul style="list-style-type: none"> ○ The OBS is a constant feature in recent government documents, with specific recommendations taken into account in improving both the transparency and public participation dimensions. As an example of this, Indonesia's Ministry of Finance held its first public consultation on the budget executive proposal, aiming to institutionalize this as a permanent practice that can also be expanded to other line ministries. ○ Indonesia's GDB-PFM scores are largely attributable to legal framework enhancements that promote good open data practices. ● Sunny Villa, CIEP, Mexico (high performer on OBS and GDB-PFM): <ul style="list-style-type: none"> ○ Insights were provided on some of the tools that CIEP makes available online to advance fiscal information openness. This includes a fiscal policy simulator that resembles a calculator where by modifying the different most relevant revenue and expenditure parameters, simulated results are presented on the inequality and long-term sustainability of the Mexican fiscal system.
<p>DAY 2 August 3, 2022 Wednesday, UTC -05:00</p>	
<p>IN-FIELD VISITS: Fiscal transparency and public participation in Colombia</p> <p>Hosts: City of Bogota and Ministry of</p>	<p>Participants were taken on a guided on-site tour of local government projects that promote and integrate fiscal transparency and public participation initiatives. Sites visited include the Portal Tunal; Estación Manitas; Estación El Paraiso; and the Museo de la Ciudad Autoconstruida.</p> <p>The first stop was at Portal Tunal where City of Bogota and TransMilenio representatives provided an overview of Ciudad Bolivar's cable car system and its link to public care services provided by the local government. The Women's Secretariat and Undersecretary for Citizen Services also presented, placing emphasis on the results of the integration of elements of participatory budgeting and budget tracking in the way they implement program and deliver care services to marginalized</p>

<p>Finance and Public Credit of Colombia</p>	<p>sectors of the community. Representatives from the City of Bogota discussed the SuperCADE Network, including the infrastructure provided by it for citizen services, and the support offered to the Care System. Representatives of the Museo de la Ciudad Autoconstruida provided a guided tour of the museum, providing insights regarding participatory processes on the its development and construction. City of Bogota and the Ministry of Finance and Public Credit of Colombia representatives also made presentations on their open data initiatives and other participatory budgeting efforts.</p>
<p>DAY 3 August 4, 2022 Thursday, UTC -05:00</p>	
<p>SESSION 5: #BetterBudget DataQuest and Rallies: GIFT user engagement initiatives</p> <p>Facilitator: Aura Martínez, GIFT Coordination Team</p>	<p>During this fully virtual session, members of the GIFT network had the opportunity to hear from winners of GIFT’s user-engagement initiatives, the Dataquests and Rally #DataFromHome / Rally #DataOnTheStreets, as represented by Gonzalo Picón, Chile; Agung Septia, Indonesia; Olaco Morales Cesar, Mexico; and Alejandra Macías, CIEP, Mexico:</p> <ul style="list-style-type: none"> • The importance of user engagement initiatives as a way for different audiences, ranging from government officials, students, CSOs, and the general public, to engage with public finance data in a meaningful way, prompted by challenges and incentivized with a competitive orientation, and prizes, was emphasized. • Initiatives in Indonesia helped induce the publication of information that previously was not available in open formats, strengthened the government’s willingness to advance fiscal transparency and open formats, as well as opened new communication channels and feedback loops with data users from diverse backgrounds. • In the winners’ experience, ministries of finance and specialized CSOs can enhance their reach and motivate users, by doing a number of activities, including the following examples that have proved particularly helpful: <ul style="list-style-type: none"> ○ The quality and timely assistance provided by the organizing team from the Observatorio Fiscal in Chile, including the use of social media live interaction to hand-hold participants in the process was key to having an inclusive process, that allowed non-specialists to effectively participate and even win. ○ The introduction of mentors directly targeted to participant projects in Mexico have been beneficial in enhancing the quality of the participation in the events and final results. ○ The introduction of activities in Mexico that challenged participant creativity, such as a Data rap, made the experience more engaging and fun, motivating participants to keep on track and to reach the finish line of the Rally race. • When asked about the usefulness of these initiatives relative to their operative costs, the response was clear: user engagement initiatives promote the inclusion of different audiences in the analysis of public finance information which is of interest to all, and more inclusion, is always worth the cost. On a similar note, the participants also emphasized the importance of focusing these activities on the SDGs in assisting diverse audiences understand the link between the 2030 Agenda and public finances.

<p>SESSION 6: Innovative approaches to public participation in budget processes: Country experiences</p> <p>Facilitator: Zukiswa Kota, PSAM / Imali Yethu</p>	<p>The session focused on discussing the challenges and lessons learnt from public participation mechanisms that have succeeded in reaching marginalized groups while being impactful in the budget process. Presentations were made on different relevant topics, as follows:</p> <p>Public participation in the budget process: 2021 OBS findings</p> <ul style="list-style-type: none"> • Suad Hasan, IBP: <ul style="list-style-type: none"> ○ The 2021 OBS measured if governments opened opportunities for public participation in budget processes, assessing formal opportunities provided in all phases of the budget cycle, that is in budget formulation, execution, approval, and in the audit process. ○ OBS indicators are based on GIFT's Principles for Public Participation in Fiscal Policies. ○ Globally, out of 100, the average score for public participation recorded is very low at 14. ○ OBS found that many governments embrace the idea of public participation, but there is still a long way to go before this is translated into practice. Most public participation efforts take place at the budget formulation and approval phases. There is very little engagement observed during budget execution and audit. ○ The top 4 performers in the OBS public participation assessment are South Korea, United Kingdom, New Zealand, Georgia. ○ Good and innovative practices have been introduced in Indonesia, Ghana, Romania, Moldova, Argentina, Philippines, South Korea, Fiji and Sierra Leone. <p>Strengthening Public Accountability for Results and Knowledge (SPARK) Project</p> <ul style="list-style-type: none"> • Warren Krafchik, IBP: <ul style="list-style-type: none"> ○ An overview was provided of the SPARK Project. Over the last five years, this project focused on civic initiatives and different kinds of civic organizations, towards creating informal spaces for public participation. There are

now scores of CSOs in a wide range of countries that have acquired skills to engage in public budgeting. This was in response to the expansion in the availability of relevant timely quality information not effectively translating into gains in open budgeting, with advocacy work generally not having led to real change in the quality of life of marginalized or excluded communities.

- IBP worked with CSO movements, providing a combination of technical assistance, advocacy support, research support, and facilitation depending on what was necessary in the different countries. In South Africa, the focus was on water and sanitation in informal communities; in Senegal on disability movements; in Indonesia on fishermen; in Ghana on the fuel subsidy; and in Nigeria on small farmers.

- Mary Afan, SWOFON, Nigeria:

- SWOFON was able to secure three critical budget changes to bolster the livelihoods and contributions of the country's agricultural sector. As a result of its data-driven advocacy, the government increased its spending on agriculture and made new federal budget allocations towards the sector in the five focus states targeted by the program. Crucially, 111,000 smallholder women farmers gained access to new or improved seeds and fertilizer to grow crops, and lighter, more modern equipment to increase production.

Fiscal Openness Accelerator (FOA) Project

- Marianne Fabian, GIFT Coordination Team:

- With support from the U.S. Department of State, GIFT and the IBP signed memorandum of understanding documents in early 2020 with the Ministries of Finance of Benin, Liberia, Nigeria, Senegal and South Africa to improve fiscal transparency and to pilot public participation mechanisms in fiscal processes at the national level.
- Despite difficulties imposed by the COVID-19 pandemic, most of the FOA countries have been able to effectively implement key project milestones.

Further key insights were then provided through a panel discussion:

- Benin has developed a mobile application called Bousprob. It is an alert and monitoring tool freely available on the Google Playstore that features a library of budget information, informs citizens on opportunities to engage in the budget process and provides a platform to collect feedback. Currently, the Ministry of Economy and Finance, in partnership with civil society, is focused on promoting and disseminating the tool for public use. It has been tested in several budget committee hearings, reaching approximately 66 000 users. In recent public consultations a few groups raised issues related to the prices of agricultural equipment and machinery. Following additional consultations and interviews with

	<p>the business sector and other stakeholders in the agricultural sector, government is now exploring the development and implementation of a new measure to provide financial aid to organizations in procuring agricultural machinery.</p> <ul style="list-style-type: none"> • South African National Treasury representatives shared that some compromises were required on the design and topics of pre-budget hearings. These were related to issues of jurisdiction, the Treasury's mandate, and capacity. The inaugural event however went better than expected, prompting some colleagues to further support public participation initiatives. • Nigeria implemented a national consultation event in a hybrid format. The Minister of Finance, Budget and National Planning, presented the draft 2023-2025 Medium Term Fiscal Framework for citizen inputs. During the event, members of the public were able to ask questions with responses to citizen inputs provided by the Minister of Finance; the Minister of State, Budget and National Planning; and the Director General of the Budget Office. Leadership transition and other political issues within the Ministry initially hindered the project's progress, however, with support from GIFT/IBP, consistency and political commitment from the new Advisory Group chairperson, and the Budget Office, the project is back on track. • Under the FOA workplan, Liberia intends to implement town hall consultations to solicit citizens' inputs on the FY2023 National Budget priorities, develop a Shadow Budget Options Paper and support the participation of CSOs in executive budget hearings and in Cabinet meetings. There is a lot of momentum from civil society to push the government to make sure that it meets its commitment and ensure that there is a mechanism. Civil society has also seen new emerging dynamics that show the government's increased interest in ensuring that the mechanism works. • Challenges in promoting citizen engagement in the budget process, include those related to prioritizing issues put forward by different members of their sector; and technical capacity. In terms of unintended outcomes, panel members from the civil society expressed their appreciation for the level of engagement from the government to promote public participation, to train civil society and researchers, and to establish trust among different stakeholders in the process.
<p>SESSION 7: GIFT/PFM in the next decade</p>	<p>This session aimed to provide an opportunity for GIFT stewards and leaders of institutions working in the public financial management (PFM) space to reflect on the greatest challenges and opportunities expected in the PFM field in the next decade, providing an understanding of their implications for the GIFT community.</p>

Facilitator: Lorena Rivero, IMF

Sailendra Pattanayak, IMF; Mario Sanginés, IDB; and Warren Krafchik, IBP were discussion panelists. Their insights and those of meeting participants are reflected below, by topic:

Framing the discussion:

- Key issues dominating the current PFM discourse include: Increased inequality stemming from COVID-19 and the war in the Ukraine; soaring inflation; the policy/fiscal space squeeze; rising debt vulnerabilities; climate change threat; and the need for gender inclusion.
- The strategic focus of PFM going forward thus requires an accurate understanding of the fiscal challenge; restoring public debt sustainability; managing fiscal risks; and fiscal data integrity for decision making and accountability.
- PFM tools needed to address these issues include those that facilitate appropriate fiscal strategies; debt management and transparency; active cash management; and agile fiscal responses.
- Fiscal transparency has increased significantly over the past decades in part owing to technological improvements. The sustainability of this depends largely on the political will to institutionalize such practices. New technologies bring substantial new potential to the field, opening new PFM and fiscal transparency frontiers.
- Budgets need to be effectively linked with results (performance budgeting). To do this, a workable, simple model is required. The information produced by such tools should then be comprehensively published, available for civil society oversight.
- Civil society needs to enhance its ability to form coalitions to become informed, powerful players at the PFM table. Civil society with an expertise in PFM has an opportunity to serve key global movements, for example those related to climate change, gender, etc. assisting in forming effective PFM arguments and compromises.
- A holistic approach is important in shifting the conversation from being focused on the executive and civil society to incorporate other key stakeholders in the accountability ecosystem, including legislators, supreme audit institutions, the media and the judiciary.
- Regarding emergency PFM practices, as seen during COVID-19, there aren't sufficient standards or international norms providing guidance for countries. Robust good standards and practices should be developed to provide guidance in managing future emergencies.
- Gaps on the tax/revenue side of the fiscal equation require attention.

Thematic topic: Biggest challenges related to debt transparency

- Composition of debt transparency is key in assessing debt sustainability.
- Risks are rising that special clauses in debt contracts may not be met, adding to the importance of debt transparency.

- Collaborative dialogues between creditors are important when restructuring debt, such that a holistic approach can be taken in determining effective paths forward.
- Current high levels of debt and limited access to private credit is proving very challenging, particularly for emerging economies. This is, however, also providing opportunities by creating hard budget constraints thereby potentially assisting countries in making real fiscal policy adjustments, such as those related to fiscal rules, that may enable them to move forward.
- Political expedience may mean that long term fiscal sustainability is compromised for short-term goals. For instance, there are often political/social challenges in undertaking counter-cyclical fiscal policy, for instance in creating buffers in times of normality/prosper, even though these may be key in preparing for times of emergency. Well-developed fiscal anchors, such as fiscal rules, provided for in law can assist in overcoming this. The success of these, however, often depends on contextual factors. There are opportunities for civil society to engage in the fiscal conversation more in respect of medium- to longer- term planning, as opposed to concentrating merely on short-term goals.
- Some stakeholders have vested interests, benefitting from debt opacity, making it important that oversight institutions are aware of this and require transparency.
- A multi-stakeholder approach to debt transparency and its monitoring, one that not only considers debtors but creditors too, including private creditors, would be beneficial in developing effective standards for debt transparency and management, and in decreasing the trust deficit. This could take a similar approach to that followed by the Extractive Industries Transparency Initiative in respect of the extractives industry. The development and implementation of improved governance arrangements would be beneficial, especially in respect of private creditors.

Thematic topic: Challenges related to fiscal support measures with an emphasis on redistribution and inequality/inclusion

- The pandemic aggravated issues related to inequality and inclusion, disproportionately affecting vulnerable/marginalized members of society. Vulnerable members of society, including their special needs need to be provided for, in public policy responses.
- Redistribution revenue and expenditure policies are critical in overcoming this. For instance, Value Added Tax (VAT) is regressive, a policy where VAT eliminates all exemptions, and low-income individuals are directly compensated via direct money transfers, assists in this regard. Ecuador and Brazil provide examples of countries doing this.
- Decreasing levels of democracy and increased inequality are the main threats to fiscal transparency. Evidence showing the benefits of fiscal transparency for development is key in overcoming this, together with a multi-stakeholder ecosystem approach to advancing fiscal transparency.

- The lack of interoperability between systems and unjustified secrecy/confidentiality considerations often hamper fiscal transparency.
- PFM reforms can play a significant role in building the levels of public trust in governments, with the associated benefits thereof. These reforms can however be hampered by political economy considerations, including groups that may have vested interest in a lack of fiscal transparency and thereof seek to derail fiscal transparency reforms.
- Fiscal transparency should underlie all elements of government financing. This includes that fiscal transparency conditions should be included in fiscal response packages to ensure that the benefits thereof are reaped. Innovative financing mechanisms should be transparent, such that, for instance financing clauses within contracts and their implications are well understood. Underlying regulations should clearly stipulate the ambit of risks that governments are permitted to take, such that discretionary decisions are minimized, towards fiscal sustainability.
- Civil society plays a key role in creating a demand for fiscal transparency- meaningful fiscal transparency requires that the information provided by fiscal transparency is effectively used. Civil society has an important role in assisting governments in considering budget trade-offs and in taking appropriate decisions.
- The implementation of independent accountability measures, such as those required through the undertaking of independent audits, are key to effective fiscal transparency, public participation, and oversight.

Thematic topic: Leveraging technology

- Technological developments provide both opportunities, such as process optimization; and risks, such as cyber-attacks. This requires that a holistic approach is undertaken, including that risks are well-understood, prepared for, and mitigated against.
- Technological developments provide many innovative solutions to PFM challenges, and as such form key considerations over the next decade.
- The IDB recently published a book titled, "[Financial Management Information Systems \(FMIS\): Project Guide: Strategic, Functional, Technological, and Governance Issues in the Design and Implementation of New Platforms for Public Financial Management Systems](#)", that includes a section on new technologies, particularly relevant to fiscal transparency. For instance, the topic of cloud computing is discussed, including the substantive considerations it entails for countries, including those related to huge potential efficiency gains as well as legal aspects that limit its use. Block-chain is another area, where its potential benefit is still to be realized for PFM. Data analytics also hold vast potential to assist in bridging the trust deficit between governments and the public. Work thus needs to be done in these areas.
- A common challenge relates to published data being used to influence decision making. There is a need to improve public data understandability and use. In addition, the integration of data from sources outside of government would also be beneficial to decision making.

Thematic topic: Climate change

- The three main aspects for both adaptation and mitigation of climate change are: revenue, including tax incentives; climate financing; and budget policies.
- Clear performance measurement metrics need to be developed, allowing an assessment of whether climate change outcomes are being achieved.
- Uniform guidance should be provided to countries on how to effectively undertake climate budget tagging.
- Budget tagging should not only be done for green initiatives but also for brown expenditure, as is done in France, such that comprehensive assessments can be undertaken.
- There is also a need to go beyond budget tagging, including broadly improving literacy related to the public finance implications of climate change and how public finances can be managed towards measurable climate outcomes sought.

Thematic topic: Disinformation: Governments, oversight institutions, civil society and international financial institutions need to cope with and counteract the spread of fake news

- Full, open, disclosure is often a powerful weapon in dealing with misinformation.

Closing topic: What the GIFT network can contribute to the future of fiscal transparency

- A holistic ecosystem approach should be undertaken, in that the different key stakeholders, including the executive, civil society, the legislature, supreme audit institution, international financial institutions, the media, and the public each have important roles to play in addressing gaps in advancing fiscal transparency for development. The GIFT network has a key role to play in this regard, with many of these stakeholders already represented in it. Peer-learning can take place effectively within the network. Members of the network should also play an advocacy role, including to institutions outside the network.
- Over the last decade, there has been a global increase in the democratic and trust deficit, coupled with more inequality. There is thus a need to revisit the vision of fiscal openness in this environment, and what the GIFT community's response is, to overcoming these challenges.
- GIFT stewards were invited to share their further views in the closing session.

CLOSING SESSION

Facilitator: Raquel
Ferreira, GIFT
Coordination Team

In the concluding session of the SGM 2022, meeting participants were invited to reflect on the sessions that took place over the three days, providing their closing thoughts. In doing this, they were guided by the following questions:

- What was the most memorable part of the last three days?
- Gifts to GIFT, that is what are the key contributions your organization could make to the network?
- Do you have any collaboration/partnership requests to make to the network?
- Are there any other thoughts you would like to share with us?

Commonly expressed reflections include:

- Gratitude to the meeting hosts for their hospitality and the undertaking of a well-organized three-day meeting that was rich in content and engagements, providing inspiration for work to escalate in the pursuit of the network's agenda.
- There was great value in meeting in person, allowing meeting participants to engage in a frank open setting, building key relationships for effective peer learning and collaboration. Many organizations were able to utilize the opportunity to engage not only in a group setting, but also, bilaterally in their efforts to pursue the fiscal openness agenda on several fronts.
- Gratitude was expressed to all meeting participants for openly sharing their experiences.
- The field visits on the second day of the meeting were one of the most memorable, enriching parts of the agenda, providing great inspiration to attendants.
- GIFT's agenda should increasingly focus on fiscal transparency as a tool to address cross-cutting priorities, inclusive agendas, such as those targeted by gender; and more broadly the objectives of the SDGs that mainstream societal needs.
- GIFT's newly adopted Transparency Principles for Tax Policy and Administration are important for the network's holistic fiscal transparency agenda, an agenda expanding beyond the expenditure side of the fiscal equation.

Organizational specific reflections include:

- The Dominican Republic's Budget Directorate representative noted the institution's willingness to strengthen public participation mechanisms, taking into consideration GIFT's principles as well as the OBS recommendations.
- The Dominican Republic's Fundación Solidaridad representative highlighted the GIFT network's resilience during and after the pandemic, as well as the importance of including representatives from both governments and CSOs in strengthening constructive relationships over time.

- Costa Rica’s Ministry of Finance representative noted the need to include other units from ministries of finance, including those responsible for revenue and tax administration.
- Uruguay’s Office of Budget and Planning representative emphasized the transformative role that being a member of GIFT has had in the country’s fiscal transparency advancement. From this meeting, key lessons will also be taken on board, including those still to be gained from bilaterally collaborating with Argentinian and Mexican representatives towards strengthening SDG tagging.
- South Africa’s civil society representative expressed commitment to keep pursuing and advocating for the network’s fiscal openness agenda, including on the FOA project. Civil society is also aiming to assist with the implementation of the recently passed Southern African Development Community’s Model Law on PFM, utilizing some of the lessons learnt within the context of the GIFT network.
- Guatemala’s ICEFI experience on budget tagging can be shared with the GIFT network. It encompasses 5 distinctive experiences, includes a methodology developed jointly with UNICEF and a monitoring scheme with Save the Children, which has been implemented in Ghana. ICEFI has also done work on gender responsive budgeting that can be shared.
- Argentina’s Ministry of Finance representatives stated that they will continue advancing cross-cutting priority budgeting and collaborate with UNICEF, GIFT and other international organizations in this regard. They are also particularly interested in learning more about Colombia’s Ministry of Finance’s fiscal transparency portal’s chatbox function. They also appreciated the form of the SGM meeting, that included field and theoretical meetings, a hybrid setting, as well as networking and more direct peer-learning opportunities.
- Mexico’s CIEP representative committed to continue to undertaking research on PFM, fiscal transparency and public participation from the lenses of climate change, gender and specific demographic issues, as well as towards financing the reduction, recognition and ultimate elimination of non-remunerated work.
- Guatemala’s Ministry of Finance appreciated the coalition building process that is happening in other GIFT network countries, notably in the City of Bogotá. The Ministry will continue to push for public participation in the budget process. A transparency platform will be incorporated in the food security program, used by policy and decision makers for decision making and follow-up. It will also be available to the public.

- Guanajuato's Ministry of Finance thanked the network for supporting subnational governments, adding that this motivates them to keep improving within the network setting.
- Substantive work is being undertaken on Brazil's anti-corruption agenda, of which fiscal transparency forms a key element.
- The Latinamerican Open Data Initiative representative highlighted GIFTs key collaborative role in the GDB and committed to continue advocating for its use, enhancing its methodology, and to undertaking further research on the Public Finance Module.
- Insights gained from this meeting are valuable for the analytical/policy guidance work done by the IMF. The Fund has also been increasingly working with GIFT in collaborative events, including in regional events, and will keep exploring further opportunities to do so. It would also be valuable if GIFT stewards could be called upon to share their experiences in IMF regional events to facilitate peer learning with other countries.
- The IBP will continue to host the GIFT network and be actively involved in its work.
- The Transparency Principles for Tax Policy and Administration will be shared with the Indonesian tax office to gather their thoughts on testing them in the Indonesian context. Conversations will also take place with Indonesian subnational governments to see whether there would be benefit in them potentially joining the GIFT network, towards pursuing the fiscal transparency agenda at the provincial level.

Some key takeaways from the meeting include:

- GIFT will translate and broadly disseminate the approved Transparency Principles for Tax Policy and Administration. Organizations are invited to test them in practice, and to then provide feedback to the network.
- A need for the network to develop new Principles for inclusive development budgeting, followed by guidelines to assist ministries of finance on the knowledge, tools and systems that can support linking the budget with development outcomes.
- The importance of GIFT continuing to expand to include subnational governments.
- Public participation should continue to be pursued as a tool to bring the people closer to more effective public finances.

- There is potential value in having other stakeholders, such as Supreme Audit Institutions and Parliamentary Finance Committees, as members of the network.
- Some stewards have expressed the need for training and follow-up linked to the Advancing Fiscal Transparency for Development course. For this, possibilities will be explored to secure funding to do this important work.
- Meeting in person allowed meeting participants to build relationships towards collaboration on multiple fronts. These relationships proved highly beneficial during the pandemic, allowing the network to keep working in a virtual setting, and should as such be continually built on.

The Colombian meeting hosts, represented by Leonardo Buitrago- Advisor to the Ministry of Finance and Public Credit of Colombia- and Maria Clemencia Perez- General Secretary of the City of Bogotá- shared their final reflections and gratitude to all meeting participants.

Juan Pablo Guerrero - GIFT Network Director, then shared his deep gratitude to the Colombian meeting hosts for their hospitality, to all meeting participants for sharing their experiences so frankly, to the logical support staff for all their efforts, and to the GIFT Coordination Team, for the successful meeting held over the three-day period.