

**Independent Evaluation
of the
Global Initiative for Fiscal Transparency
(2013-2016)**

FINAL REPORT

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Abbreviations

CBPP	Center for Budget and Policy Priorities
CSO	Civil Society Organizations
DGF	World Bank Development Grant Facility
EITI	Extractive Industry Transparency Initiative
FT-ROSCs	Reports on Observance of Standards and Codes – Fiscal Transparency Module
FOWG	Fiscal Openness Working Group (GIFT/OGP)
GFS	IMF’s Government Finance Statistics Manual
GIFT	Global Initiative for Fiscal Transparency
HLP	GIFT’s High Level Principles
IBP	International Budget Partnership
IAASB	International Auditing and Assurance Standards Board
IFAC	International Federation of Accountants
IFI	International Financial Institutions
IFRS	International Financial Reporting Standards
INTOSAI	International Organisation of Supreme Audit Institutions
IMF	International Monetary Fund
IMF-FAD	IMF’s Fiscal Affairs Department
IMF-SD	IMF’s Statistics Department
IPSASB	International Public Sector Accounting Standards Board
MoF	Ministry of Finance
NAP	National Action Plans (commitments by OGP countries)
NGO	Non-governmental Organizations
OBI	Open Budget Index
OBS	Open Budget Survey
OECD	Organisation for Economic Co-operation and Development
OGP	Open Government Partnership
PEFA	Public Expenditure and Financial Accountability
PEMNA	Public Expenditure Management Network in Asia
PEMPAL	Public Expenditure Management Peer Assisted Learning – East Europe / Central Asia
PFM	Public Financial Management
SAI	Supreme Audit Institution
SAI-PMF	SAI Performance Measurement Framework
SBO	Senior Budget Officials (OECD working groups)

Executive Summary

In recent years, fiscal transparency has become an integral part of a broader Open Government agenda and a well-established part of good public financial management. Fiscal transparency aims to improve accountability and government performance by combining transparency with public participation. The Global Initiative for Fiscal Transparency (GIFT) was initially created in 2011 as a multi-stakeholder initiative of International Financial Institutions (e.g. the International Monetary Fund and the World Bank), civil society organizations (CSOs) such as the International Budget Partnership (IBP) and national governments (of the Philippines and Brazil).

In 2013 the World Bank provided a Development Grant Facility (DGF) to be used by GIFT between 2013 and 2016. This evaluation assesses the performance of GIFT against the outcomes and targets established in the DGF agreement and was carried out by Swedish Development Advisers. It is a desk review complemented by interviews with the Stewards of the network, beneficiaries and the GIFT coordination team and other external stakeholders. The period of review is 2013 to mid-2016.

GIFT's focus has been on creating action regarding fiscal transparency and public participation in the governmental budget process. It has worked in four areas:

- Promoting convergence and increasing the coherence of standards/norms regarding fiscal transparency.
- Creating a forum to share experiences, good practice where CSOs, governments and International Financial Institutions (IFIs) could meet.
- Creating incentives to change by supplying research, evidence and practical advice.
- Helping with technological advances to publicize budget data and to take advantage of ICT developments.

This evaluation concludes that the GIFT network has been highly successful in achieving three of its four Development Outcomes established and substantially achieved the final one. It has been highly successful in:

1. Harmonizing norms and standards regarding both fiscal transparency and public participation. The revised *IMF Code*, *PEFA 2016 Framework*, the *Open Budget Survey* and *OECD Best Practice*, show substantial adherence to GIFT's High Level Principles

(HLP). Evidence gathered also shows that the HLP are important to different practitioners in this area: Government staff, IFIs and CSOs.

2. Contributing to the implementation of fiscal transparency reform by offering a forum for learning “how to” and access to technical resources.

A lightly staffed GIFT Coordination Team with only a few permanent staff, has established a network for a broad set of stakeholders sharing a common interest in pursuing fiscal transparency. The multilevel network and peer learning approaches have proved efficient in terms of achieving the planned outcomes, and the flexible and un-bureaucratic structure of GIFT has ensured that knowledge sharing has led to results. There has been a sharp increase in number of countries taking part in GIFTs knowledge-sharing activities. Motivating factors for governments to be involved in GIFT include improving OBI scores and sovereign credit ratings, finding both technical solutions and advocacy strategies to improve fiscal transparency and/or public participation and goodwill awarded the country/governments in ability to show advances in fiscal transparency.

GIFT has, during the period produced 33 research articles; both research on the impact of fiscal transparency, practical case studies as well as monitoring of NAP commitments. This effort is impressive and of high value but the use of it by stakeholders has been limited. Work stream IV focusing on the Open Fiscal Data Package, has produced significant results and reached its development objective; to develop a tool for publishing micro-level budget and fiscal information in open data formats.

Although GIFT has a substantial network this has not translated into a broader geographical representation of governments in GIFT’s membership. GIFT could consider finding new Stewards and ensuring that more geographical regions are represented as well as LIC countries.

GIFT still has challenges going forward:

1. Context-specific mechanism – GIFT works with Upper Middle Income Countries, with a majority of its General Stewards being governments in Latin America. There is a need to provide advice that is context specific i.e. for Lower Income- and Lower Middle Income Countries and/or geographical regions.

2. Prioritization – what to do first, and which will have the largest effect. Disaggregating overall results in transparency to show reformers which specific action/change has an effect and on what part of the budget cycle/institution/service delivery etc. is necessary.
3. Technical solutions – implementing fiscal transparency and public participation means changing an incumbent system and investing in new and reformers need help in selecting platforms/systems that work for them and advice on how to implement them.
4. Broadening the General Stewards to include also governments and CSOs from Africa, Asia and Europe.
5. GIFT also needs to increase the number of donors providing funding.

1. Introduction

1.1 Background

In recent years, fiscal transparency has become an integral part of a broader Open Government agenda and a well-established part of good public financial management. Fiscal transparency aims to improve accountability and government performance by combining transparency with public participation. This so that stakeholders can contribute ideas and information to the public sector and collaborate through partnerships with stakeholders in decision-making when implementing public policy. Open government has important implications for public expenditure management, requiring greater engagement of civil society throughout the budget process.

The Global Initiative for Fiscal Transparency (GIFT) was initially created in 2011. It was created as a multi-stakeholder initiative and at the opportune time when institutions having established norms related to Fiscal Transparency (IMF, the IBP, the multi-stakeholder PEFA initiative, and the Organisation for Economic Co-operation and Development - OECD) were considering revising their norms/standards.

In 2013 the World Bank provided a Development Grant Facility (DGF) to be used by GIFT between 2013 and 2016. Additional grants were made by the William & Flora Hewlett Foundation and the Omydar Network. One condition of the World Bank DGF agreement is that an independent evaluation of the achievements of the GIFT network is to be carried out as the World Bank grant is ending. GIFT therefore posted a call for tenders and selected Swedish Development Advisers to carry out the evaluation.

The evaluation team comprised Ms. Åsa Königson (Team Leader), Mr. Erlend Nordby and Mr. Tony Bennett and was carried out between June-November 2016.

1.2 Methodology

As per the Terms of Reference (ToR), this evaluation will respond to the five objectives;

- Verify if GIFT has met the indicators related to the intermediate and the development outcomes as stated in the *Results Framework* forming part of the DGF,
- Measure performance against five evaluation criteria listed in the ToR; relevance, efficacy, efficiency, governance and management and sustainability
- Verify whether funds were used effectively and efficiently,

- Record lessons, and
- Provide input to the future design and strategies for the initiative.

The period reviewed is the same as the DGF grant period i.e. 2013 to 2016. The evaluation has been carried out as a desk review complemented by face to face interviews and telephone/Skype interviews with the Stewards of the network, beneficiaries and the GIFT coordination team and other external stakeholders. In total 34 persons from Government authorities, CSOs, International Finance Institutions and GIFT's donors were interviewed (see Appendix 1 for the list of persons interviewed). An *Implementation Plan* was presented by the team to GIFT in early July which formed the basis for the evaluation team's work.

1.3 This report

The report begins with an overview of GIFT, its set-up and the main activities carried out since 2013. The following section presents the finding of the evaluation team regarding achievement of results relevant to each of GIFT's four work streams. This section also presents findings related to the five evaluation criteria. The final chapter summarizes the conclusions drawn and sets out the evaluation team's input with regard to the future direction of the GIFT network.

This report is the result of three rounds of comments provided by the GIFT coordination team as well as the GIFT Evaluation Committee.

2. Describing GIFT

2.1 *The Beginning*

GIFT was founded in July 2011 with the first Stewards' meeting. The meeting had been preceded by discussions between the World Bank and the IBP. The IBP was formed in 1997 to promote transparent and inclusive government budget processes as a means to improve governance, service delivery and equity in the developing world. IBP is a US-incorporated CSO with a network of partner CSOs in over one hundred countries, and works for citizens and CSOs worldwide.

Following the global financial crisis in 2008, there was an increased and strong focus on fiscal transparency. Numerous research studies and articles on Public Financial Management (PFM) and Fiscal Transparency were published between 2010 and 2015 by academics, CSOs and IFIs and there was evidence to show that improved transparency in budgeting would lead to improved accountability and to better service delivery. The IMF was motivated by transparency failures to revise its Fiscal Transparency Code (hereinafter referred to as the IMF Code). There was also an increasing number of CSOs in various countries with competence in PFM and Fiscal Openness. However, the World Bank and the IBP found that there were few governments working on improving fiscal transparency and therefore there was a need to create incentives and a forum where CSOs, governments and IFIs could meet and thereby generate both commitments and assistance to get fiscal transparency reforms to happen.

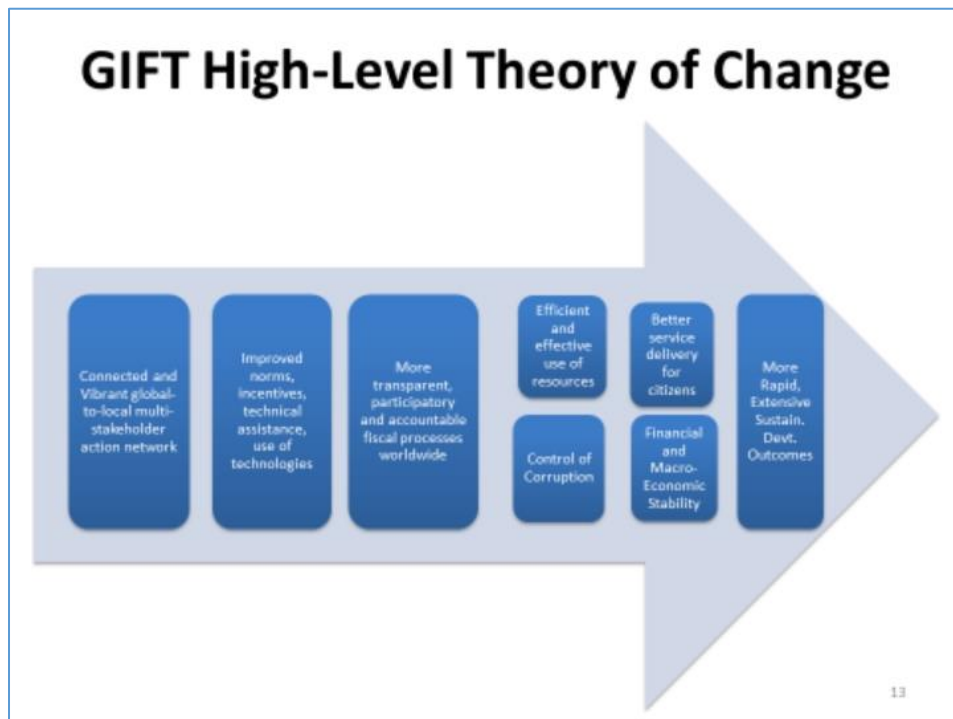
GIFT was created as a network with the specific goal of joining country governments with international and national CSOs and institutions providing technical assistance and support to PFM reform (IMF and the World Bank). It was created as an action network i.e. a forum for these different organizations to meet in order to “make things happen”. The IBP's purpose was to monitor budget transparency while the World Bank and IMF provided loans and technical assistance to improve it. However, there was a need to strengthen incentives for governments to implement changes in fiscal transparency and the founders had felt that the pace of improvement was too slow. There was some evidence from country and cross-country research but also a strong belief that fiscal openness (including principles and practices around both transparency and participation in fiscal matters) could have a positive impact on:

- macroeconomic outcomes (improved sovereign debt ratings and lower borrowing costs for countries),

- budget allocation and more effective service delivery,
- governance (reducing government corruption), and
- livelihoods (e.g. improved health, increased school enrolment).

The GIFT network was established to “advance and institutionalize global norms and significant, continuous improvements in fiscal transparency, participation and accountability in countries around the world”. The theory of change is illustrated below:

Graph 1. GIFT High-Level Theory of Change



Source: GIFT. Multi-Stakeholder Action as a Strategy Framework. Presentation April 2012.

2.2 Activities 2012-2016

GIFT’s focus was on creating action and four areas of work were identified as assisting in that:

- promoting convergence and increasing the coherence of standards/norms regarding fiscal transparency that were being used by different institutions at the time
- creating a forum to share experiences, good practice and advice and where CSOs, governments and International Financial Institutions (IFIs) could discuss
- creating incentives to change by supplying research, evidence and practical advice

- helping with technological advances to publicize budget data and to take advantage of ICT developments to increase state/citizen interactions.

These became GIFT’s four work streams described below:

Table 1. Description of GIFT’s work streams

GIFT work stream	Type of activities 2012-2016
Work Stream I: “Advancing Global Norms on Fiscal Transparency”	<ul style="list-style-type: none"> • GIFT <i>High Level Principles on Fiscal Transparency, participation and Accountability</i> (HLP) endorsed by the UN in December 2012 • IMF’s <i>Code on Good Practices on Fiscal Transparency</i> (referred to as the <i>IMF Code</i>) include principles on public participation (2014) • <i>Draft Principles for Budgetary Governance of the OECD</i> harmonized with HLP February 2015 • IBP <i>Open Budget Survey</i> updated after 2012 in alignment with GIFT HLPs • GIFT Stewards approve HLP (Dec 2015) • PEFA 2016 framework greater emphasis on transparency in line with HLPs
Work stream II: “Increasing and Improving Peer-Learning and Technical Assistance”	<ul style="list-style-type: none"> • GIFT initiates establishment of the FOWG and takes on the co-anchorship of the Open Government Partnership’s (OGP) Fiscal Openness Working Group (FOWG) in 2013. Through this GIFT has held 6 meetings in 2015 and 2016 bringing CSOs, governments and IFIs together. • GIFT has monitored OGP members National Action Plans (NAP) and provided advice on how to advance fiscal transparency. • GIFT has organized and/or facilitated more than 20 meetings/workshops/seminars to enable an exchange of experience.
Work stream III: “Aligning Incentives Work with Greater Knowledge and Private Sector Involvement”	Commissioning of 33 pieces of research ¹ to provide evidence and examples of fiscal openness. Includes case studies, meta evaluation, papers on incentives and on open budget access.
Work stream IV: “Harnessing New Technologies/Open Data to engage the General Public”	Work to develop a global tool for publishing budget information in open data formats. Work with Open Knowledge (technical platform), World Bank BOOST (providing budget data) governments of among other Brazil to test the tool and comment. Work on this is progressing with a presentation and launch expected early 2017.

¹ See appendix 2 for a list of research commissioned by GIFT.

The evaluation team's analysis of results achieved (at outcome level) for each of these areas will be presented in separate sub-chapters below.

2.3 GIFT Network Governance

The GIFT network was founded in 2011. At that time it was a loosely formed network consisting of a Committee of Stewards with a social enterprise, Innovations for Scaling Impact (iScale), pulling together an initial coordination team and working to develop a strategy and preliminary milestones. The GIFT network was, then, funded by the IBP, the Hewlett Foundation and Metanoia. The Committee of Stewards, at that time, included the

- governments of Brazil, the Philippines, South Africa, UK and USA,
- international organizations, the World Bank, the IMF, International Organization of Supreme Audit Institutions (INTOSAI), Inter Parliamentary Union (IPU); and United Nations Development Programme (UNDP),
- philanthropic foundations: Transparency & Accountability Initiative (TAI); Metanoia Fund, and
- CSOs: International Budget Partnership (IBP); Centre for Public Integrity (CIP)-Mozambique; FUNDAR-Mexico; Greenpeace International; and The ONE Campaign;

Four working groups were created composed of the Stewards and other stakeholders to design each of the work streams. A coordination team was created composed of iScale and supported by the IBP.

The GIFT network was officially launched in 2012 and in July 2013 and received a DGF grant from the World Bank in 2013. IBP agreed to host GIFT, and to administer the World Bank grant. IBP's parent organization at the time, the Center for Budget and Policy Priorities (CBPP), was signatory to the grant agreement for the first two years; IBP became a separate legal entity in 2015 and became signatory for the third and final year. This meant that a full-time Network Director could be employed and the Coordination Team could be created with staff and contractors working on the different work streams. Additional grants were provided by the Hewlett Foundation and Omydar Network in 2014 and 2015, respectively. The Coordination Team currently includes five persons including the Network Director.

The GIFT *Operating Procedures* (July 2015) establish the roles and responsibilities of the General and Lead Stewards and the Network Director, how to become a Steward and the hosting and funding.

The initial Stewards are divided into Lead and General Stewards. The General Stewards (23) delegate to the Lead Stewards (now 6) decision-making and executive functions, as well as the direct responsibility to guide and oversee the activities of the Coordination Team that executes the decisions of the Lead Stewards. The General Stewards meet twice a year and the current 23 General Stewards include several national governments (Ministries of Planning or Finance), CSOs, bilateral and philanthropic donors and international organizations. The General Stewards have the following responsibilities:

- Define the guiding principles and norms and ensure that they continue to evolve to meet the value proposition of the network;
- Set the global agenda and provide strategic advice to the action network;
- Ensure that GIFT continues to support its stewards in meeting their fiscal openness goals;
- Support a wide range of stakeholders within the fiscal openness community;
- Propose and agree upon the work streams and participate in them;
- Lead efforts to implement agreements and report on products and results;
- Establish working groups and contribute their expertise and resources to them;
- Participate in the general stewards meetings;
- Provide intellectual and financial support, including through in-kind and human resource support;
- Mobilize additional financial resources for the long term sustainability of the network;
- Conduct ongoing outreach with other engaged stakeholders on fiscal openness.

The General Stewards thus have the responsibility of both defining the goals and activities of GIFT and contributing to the work.

The Lead Stewards can be likened to GIFT's Board of Directors and have a more active decision-making role. They have met twice per year in 2014 and in 2015 and three times in 2016. The Lead Stewards are the founders of GIFT plus IFAC, and are responsible for:

- Defining the strategic priorities with the network director and consider general and specific policy issues affecting GIFT;
- Assuming the leadership role in one or more GIFT activities, clarifying their contribution to the network, their level of engagement, the deliverables and outcomes expected, and reporting regularly on the matter;
- Managing stakeholder membership as stewards, including eligibility and participation;
- Overseeing and directing the work of the Network Director and of the working groups and work streams teams;
- Approving the annual work plan and the budget of the network director and review her/his performance;
- Appointing and removing the Network Director;
- Participating in periodical lead stewards meetings;
- Mobilizing additional resources through fund raising;
- Adopting procedures and rules for the management and operation of GIFT;
- Inviting stewards to become lead stewards;
- Encouraging attendance and equal participation of all stakeholders;
- Representing GIFT at high-level meetings and in other discussions forums relevant to the broader fiscal transparency agenda as necessary, acting as an advocate for the initiative.

GIFT's Network Director works full-time. He, as well as others of the Coordination Team, is employed or contracted through IBP. He, together with the General Stewards, the Coordination Team and additional resources provided by IBP works to fulfil GIFT's goals.

The Network Director actively takes part in the workshops/seminars that GIFT organizes or is invited to, advises countries and governments separately, oversees the activities of the Coordination Team and communicates with the Lead Stewards and donors on activities carried out and achievement of outputs and outcomes.

3. Findings

This chapter presents the findings of the evaluation team. It is structured in accordance with the ToR where the effectiveness i.e. the achievement of the development outcomes and intermediate outcomes (as per the DGF agreement) of the program/network is presented first. In ensuing sub-chapters, the relevance, efficiency, governance and management and sustainability of the network is presented.

3.1 Effectiveness

This chapter begins with an analysis of the results achieved under each of the work streams and compared these to the original idea and the expected development and intermediate outcomes as established in the DGF agreement with the World Bank. The DGF agreement establishes four development outcomes and several more targets for GIFT to achieve by June 2016. These are presented below.

Table 2. Outcomes and Targets established for GIFT in the DGF Agreement

Development outcome (DGF Agreement 2013)	Target by June 2016
1. A more coherent and comprehensive global architecture of norms on fiscal transparency institutionalized through the harmonization of IMF Fiscal Transparency Code and PEFA indicators and the adoption of a new public participation guide	1.1 Revised <i>IMF Code</i> is aligned with GIFT HLP and are more consistent and complementary
	1.2 Revised PEFA indicators are aligned with GIFT HLP
	1.3 Guide on Public Participation in Fiscal Policy is developed and endorsed by diverse communities
2. A broader group of countries actively pursuing fiscal transparency and participation through the Open Government Partnership (OGP)-GIFT Fiscal Openness Working Group, including developing countries and donors	2.1 OGP-GIFT FOWG is supporting OGP and other governments and country stakeholders through knowledge exchanges, analysis and case studies
3. New knowledge and learning on fiscal transparency incentives, development impacts and practical approaches and innovations in fiscal transparency reforms accessed	3.1 Meta evaluation of current analysis on impact
	3.2 an original research study analyzing further evidence
	3.3 a study on government incentives
	3.4 country case studies of impacts practical approaches and innovations in fiscal transparency reforms completed
4. The number of new governments and funders participating in GIFT increased	4.1 Majority of new members are developing country governments or organization providing funding

The development outcomes are largely in line with GIFT’s four work streams. The fourth work stream “Harnessing New Technologies/Open Data to engage the General Public” is not reflected in the DGF agreement.

Throughout the period, Intermediate outcomes (equivalent to one-year outcomes) were established and reported against by the GIFT Coordination Team. The following sections present the achievements of each work stream.

3.1.1 Coherent and comprehensive global architecture of norms on fiscal transparency

This sub chapter analyzes GIFT’s achievement with regard to what is referred to as work stream I: “Advancing Global Norms on Fiscal Transparency”. The achievement of the following development outcome and targets is analyzed:

Table 3. Outcome and target for Work Stream I

Development outcome (DGF Agreement 2013)	Target by June 2016
1. A more coherent and comprehensive global architecture of norms on fiscal transparency institutionalized through the harmonization of IMF <i>Fiscal Transparency Code</i> and PEFA indicators and the adoption of a new public participation guide	1.1 Revised <i>IMF Code</i> is aligned with GIFT HLP and are more consistent and complementary
	1.2 Revised PEFA indicators are aligned with GIFT HLP
	1.3 Guide on Public Participation in Fiscal Policy is developed and endorsed by diverse communities

In this section each of the main sources of global norms and the changes in those norms regarding fiscal transparency and public participation are assessed in accordance with the TOR.

GIFT’s activities regarding global norms on fiscal transparency

When analyzing GIFT’s first development outcome (see above) the term “global norms” has been interpreted as the corpus of standards, guidelines, statements of principles, best practices and other normative statements issued by the following institutions:

1. GIFT (*High-Level Principles on Fiscal Transparency and Principles of Public Participation in Fiscal Policy*).
2. IMF (*Fiscal Transparency Code and Government Financial Statistics Manual*)
3. PEFA Program (2011 and 2016 PEFA Frameworks)
4. IBP *Open Budget Survey*
5. OGP
6. International Federation of Accountants (IFAC)/IPSASB/IAASB

7. International Organisation of Supreme Audit Institutions (INTOSAI)
8. OECD Public Governance and Territorial Development Directorate (*Best Practices for Budget Transparency and Principles of Budgetary Governance*)

Some institutions are standard setting bodies, such as the IMF, the Executive Board of which endorses the successive Fiscal Transparency Codes with respect to its global membership; and IPSASB, which sets international public sector accounting standards. Others do not claim to be “standard-setting bodies” and draw largely on standards from other sources, but their pronouncements are nevertheless accepted by governments and their advisers and incorporated into action plans or monitored in surveys (e.g. *Open Budget Survey*) or evaluations (e.g. PEFA, INTOSAI). Some instruments might be described as de facto standards e.g. PEFA, OBS. It should be noted that none of them have powers of enforcement, as governments are not subject to their authority. The list is not comprehensive, as it omits many manuals and guidelines by regional development banks, research institutes and CSOs working on public governance. The Extractive Industry Transparency Initiative (EITI) is also an important standard-setting body for resource-rich countries, and the Aid Transparency Initiative (publishwhatyoupay.com) is important for aid-dependent countries, but these are not covered in this report.

A major issue in treating this subject is that fiscal transparency is viewed and defined differently by each institution. The baseline for the World Bank DGF grant to GIFT referred to “Inconsistencies” among the *IMF Code*, IBP’s *Open Budget Survey* and PEFA indicators. At that time (March 2013), there was a plethora of standards and this was one of the drivers in the establishment of GIFT. One target in the *DGF Results Framework* was greater consistency and complementarity through revision in line with the *GIFT High Level Principles*.

GIFT issued a set of 10 *High-Level Principles on Fiscal Transparency, Participation and Accountability* in 2012. They were endorsed by a resolution of the UN General Assembly in December 2012. Following extensive public consultations in 2014 and 2015, the GIFT Stewards approved and launched the *Principles on Public Participation in Fiscal Policy* at the beginning of 2016. A Guide providing orientation and assistance on how to integrate public participation into fiscal policy is being produced by GIFT together with an External Review Group comprising IMF’s Fiscal Affairs Department (IMF-FAD), World Bank, IBP and high-level representatives of the governments of Brazil, Croatia and the Philippines. The finalized Guide is targeted for presentation at the OGP summit in December 2016.

GIFT is working with IBP on the revision of its questions on public participation for the next *Open Budget Survey* in 2017. A workshop on public participation indicators was held in February 2016 with close involvement of GIFT. Some GIFT Stewards are testing the principles and draft indicators in their countries.

GIFT is also working with OECD. A meeting was held in June 2016 between GIFT, OECD/Public Governance and Territorial Development Directorate, finance ministers and CSOs from a number of European countries. The first draft of the *OECD Shared Toolkit on Budget Transparency* is to be further discussed and revised.

GIFT is collaborating with the PEFA Program on a stand-alone indicator on public participation that the GIFT partners and Coordination Team developed. This is being tested in South Africa (by a CSO, Global Integrity) and in the Philippines (by a World Bank PEFA assessment team). The intention is that the new instrument may be used for self-assessment by governments, or as an agreed addition to the 31 standard indicators in the *PEFA 2016 Framework*, or by CSOs for social monitoring.

Analysis of the current coherence and comprehensiveness of the global architecture of norms on fiscal transparency

The evaluation team has selected the norms/standards that the GIFT initiative was to address in accordance with the *DGF Grant Agreement*, but also taken into account other norms/standards that GIFT's stakeholders have referred to. Each of the main norms and standards are analyzed below.

The **IMF** is a Lead Steward of GIFT and has two global standards on PFM, one on the definition and presentation of fiscal data, and the other on fiscal transparency. They are briefly explained below.

IMF Statistics Department (IMF-SD) developed a set of definitions of key fiscal flows and stocks (revenue, expenditure, financing, assets, liabilities) and their economic and functional classification in a *Government Finance Statistics Manual* (GFS) completed in 1986. IMF-SD collects annual data (actuals not budget) from almost all 186 member countries, which are published in *Yearbooks*. The GFS was designed for fiscal analysts and other users of financial data. In particular, GFS data is an input to the compilation of the national accounts and other macroeconomic accounts. There is considerable overlap between data compiled according to

accrual-IPSAS (see below) and GFS data. The major difference is in the requirement for consolidation of “government business enterprises” where these are capable of being controlled by the government. IPSASB and IMF are aiming at greater alignment of the two frameworks. The GIFT *High Level Principles* are not visible in the GFS as the manual describes the conceptual framework and resulting numbers, not the process by which they are generated or their accountability context.

Following the Asian financial crisis in the late 1990s, the IMF and World Bank started a Standards and Codes Initiative. Codes were developed in 12 areas. The IMF’s *Code on Fiscal Transparency* (the *IMF Code*) was developed by the IMF FAD in consultation with World Bank and the OECD, primarily to support IMF’s surveillance role and World Bank’s capacity building role. It was issued in 1998, together with a *Manual on Fiscal Transparency. Reports on Observance of Standards and Codes – Fiscal Transparency Module* (FT-ROSCs) were made by IMF staff periodically to assess compliance with the *IMF Code*. 110 FT-ROSCs had been prepared up to 2011, with the annual output falling from 21 in 2002 to 3 in 2010.

IMF staff teams from FAD and SD carry out evaluations of country practice on request from governments, so they are not mandatory and global coverage is not complete. Evaluations assess compliance with the *IMF Code* and make recommendations for improvement. They are all published on the IMF website. These evaluations nor FT-ROSC, however, are calibrated for levels of transparency: there is no scoring or benchmarking or ranking of countries.

The *IMF Code* was revised in 2001, in 2007 and in 2014. The *IMF Code* of 2007 included an early statement on the need for a citizen’s budget: “a clear and simple summary guide to the budget should be widely distributed at the time of the annual budget”. The 2014 *IMF Code* is radically restructured compared with the previous version. It comprises a set of principles built around four new pillars: (I) fiscal reporting; (II) fiscal forecasting and budgeting; (III) fiscal risk analysis and management; and (IV) resource revenue management. Comments were received on the draft in 2015 from a number of persons and institutions, including an 18-page comment from GIFT (published on the IMF and GIFT websites). The calibration of levels of practice on 45 principles allows an assessment of the extent to which a country meets the basic/good/advanced practices for each principle, and identification of priorities for increasing transparency and accountability. Evaluations are made by IMF-FAD and SD staff on request and published as *Fiscal Transparency Evaluations* (<http://imf.org/fiscaltransparency>). A supplementary *Natural Resource Fiscal Transparency Code* has been drafted.

The *IMF Code* 2001 included the principle of providing a statement of objectives of each major budget program. This was expanded in the revision of 2007 to a statement of results achieved (ie. physical performance information) relative to each objective. The *IMF Code* 2014 includes the further principle, absent in 2007, of public participation. These path-breaking enlargements to the concept of fiscal transparency, and indeed to the coverage of PFM, are shared with other stakeholders in the international PFM community. A close inspection of the *IMF Code* 2014 shows that almost all the 10 GIFT HLP are reflected in the *IMF Code*, as follows:

- HLP 1. The right of every citizen to seek and receive information on fiscal policies is met by the Code's principles that make it a government obligation to satisfy that right
- HLP 2. The publication of clear and measurable objectives, actual progress and explanation of deviations is met by 2.3.1 (Fiscal Policy Objectives) and 1.4.3 (comparability of fiscal data)
- HLP 3. High quality financial and non-financial information is reflected in several principles, such as 1.3.1 (facilitate international comparisons), 1.3.2 (consistency), 1.4 (integrity) and 2.3.2 (performance information)
- HLP 4 Objectives, outputs and outcomes: met by 2.3.2 (performance information)
- HLP 5 All transactions based in law. 2.2 requires that the powers and responsibilities of the executive and legislature be defined in law, though it does not say that the legal framework should be accessible to the public.
- HLP 6 Government sector clearly defined. Principle 1.1.1 requires coverage of fiscal reports according to international standards (i.e. GFS)
- HLP 7 Roles and responsibilities for revenue and expenditure clearly assigned. Principle 2.2.1 requires legal definition of the powers and responsibilities of the executive and legislature, but not within the executive, or by level of government
- HLP 9. Independence and powers of the SAI are covered by the IMF Code 1.4.2
- HLP 10 Right of public participation, as mentioned above, is explicitly included as IMF principle 2.3.3

The only HLP not covered in the *IMF Code* is GIFT principle 8 on the authority to raise taxes and incur expenditure vested in the legislature.

The IMF does not monitor the implementation of the GIFT principles. IMF loans are usually subject to structural conditions including PFM reforms agreed with a national government.

The **World Bank** is a strong advocate for fiscal transparency as a means of strengthening governance. Fiscal transparency is an important consideration in PFM and fiduciary risk assessments at the country, sector and project level. Performance indicators for both fiscal transparency and public participation are included in the World Bank's performance framework for its own country lending operations. Moreover, the progress that a country makes towards fiscal transparency can affect the level of development assistance it receives. For instance, countries that have not published their budget within the last twelve months are not eligible for financing from development policy operations.

The World Bank uses the GIFT HLP as a reference in discussions with governments. The World Bank program staff may also involve GIFT directly when working with national governments as a capacity building support (see next sub-chapter). GIFT is then useful in connecting governments and CSOs in specific country programs.

The **PEFA Program** is a multi-stakeholder network housed in the World Bank. It has developed and maintains the *PEFA Framework* which is a tool for assessing the state of a government's PFM at a point of time and, by comparing successive assessments, assessing the changes (improvements achieved or deteriorations suffered) in the interim. It covers only central government but supplementary guidelines have been issued for sub-national governments. The framework was issued in 2005, slightly revised in 2011 and substantially reworked in 2015.

The *PEFA Framework* covers all phases of PFM, including financial planning and budget preparation, budget execution (including procurement and payroll), asset and liability management, fiscal risk management, internal control and audit, accounting and reporting to the legislature and the public, and oversight by external audit and the legislature. Several indicators are concerned with fiscal transparency, but the scope is wider, covering all the systems contributing to aggregate fiscal discipline, allocation of resources in line with policy, and efficient delivery of services. Reports are widely used as an information base for designing PFM reform programs and as a framework for monitoring reforms. Assessments are made of 31 standard indicators on a four-point ordinal scale: A, B, C or D according to precise criteria and evidence requirements. An A score represents "good international practice". In other words, it is

a de facto standard. Mostly the requirements for “A” scores are derived from existing standards issued by others, such as IMF, World Bank and INTOSAI.

The new *PEFA 2016 Framework* was launched in February 2016 and places greater emphasis on transparency. 14 out of 31 performance indicators of the *PEFA 2016 Framework* require public access to government documents and processes, as part of the scoring criteria. In addition, many other government documents and processes are embedded in PEFA’s indicator scoring criteria, though without reference to public access.

The *PEFA 2016 Framework* does not include any assessment of public participation in budget preparation or any other phase of budget management.² During the public consultation on the *PEFA 2016 Framework*, GIFT submitted comments proposing an extra dimension assessing direct public participation in the budget preparation process and additional three indicators. The PEFA Steering Committee took the view that the executive is held to account by the legislature and the legislature is held to account by the public. Therefore, public participation is limited to the two legislature indicators (public hearings in PI-18 and PI-31), whereas public access to information is widespread in the requirements across the indicators. There was also concern about how to measure ‘public participation’ at central government level and set realistic standards that could be sufficiently specific to be measurable on the scoring scale.

An analysis of the changes from the PEFA 2011 to the PEFA 2016 framework shows some changes in the direction of alignment with the GIFT HLP:

- PEFA 2016 (PI-9) requires a pre-budget statement made available to the public at least four months in advance of the fiscal year, though it is not classified as a “basic” element and counts less in the scoring. This appears to be adopted from OECD Best Practice and is in line with GIFT HLPs 3 and 4

² PEFA 2016 includes requirements for public consultation in the legislative review of the proposed budget (PI-18.2) and public hearings on the legislative scrutiny of audit reports (PI-31.4), but these do not constitute public participation in the executive preparation of the budget nor its monitoring.

- PEFA 2016 (PI-9) also requires a clear simple summary of the executive budget proposal or the enacted budget, “often referred to as a citizen’s budget”, though again it is not classified as a “basic” element and counts less in the scoring. In line with GIFT HLP 3 and 4.
- PEFA 2016 (PI-8) requires public access to information on performance objectives, indicators, planned targets and actual outputs and outcomes. This is a major change in the concept of fiscal transparency and accountability, which now covers both sides of the coin, requiring information on both expenditure and results. This is in line with GIFT HLP 4.
- PEFA 2016 (PI-31) was modified to include a requirement that all hearings are conducted in public, which is in line with GIFT HLPs 1, 9 and 10.

The report on the PEFA 2016 launch conference (Budapest, April 2016, p.30) noted that PEFA assessments could be implemented in coordination with other fiscal transparency assessments such as the *Open Budget Survey* and that public participation could be the subject of an optional add-on indicator, similar to standard PEFA indicators. An indicator on public participation on public service delivery, investment management and external audit, prepared by GIFT, is undergoing testing in two countries. This is a voluntary add-on that a country can choose to have assessed, but is not part of the PEFA 2016 Framework.

The **IBP** is a CSO dedicated to promoting open, participatory, and accountable public budgeting. It launched its *Open Budget Index (OBI)* in 2006. This assessment tool draws on indicators used in the *IMF Code* and the *OECD Best Practices* (see below), focusing on the availability of key budget reports and the extent to which there are opportunities for citizen engagement in the budget process through consultations, complaint mechanisms and the publication of simplified, citizen-friendly documents at key points in the budget cycle. Data is collected by CSOs in each country in an *Open Budget Survey* every two years and verified by IBP. The index, which covered 102 countries in 2015, ranks countries by their performance against a composite indicator of budget transparency. The OBI is a powerful tool as it highlights relative cross-country performance in a way that can be easily communicated. IBP also uses the OBI as a diagnostic tool to identify areas where governments can improve transparency and to inform discussions of CSOs with the authorities on fiscal transparency issues.

Following the release of the 2012 *Open Budget Survey*, IBP began an intensive review of the survey methodology and questionnaire. At roughly the same time, the international standard setters in the fiscal arena (IMF and OECD) initiated reviews of their existing criteria in an effort to recognize the developments in accepted good practice as well as to harmonize the various standards. There was also a coordinated effort between the IBP, the PEFA Secretariat and the IMF to increase alignment of their respective assessment tools. Each organization followed its own internal review process, but there were efforts to align these processes and joint discussions on the reasons for divergence and the scope for convergence. IBP shared drafts of its proposals, and commented on the drafts of other proposals. In some cases, GIFT provided an opportunity to share ideas and discuss potential changes to the different assessment tools.

The updating of the guide and questionnaire continues with main focus of the update of the *Open Budget Survey* on the questions that measure transparency and comprise the OBI. The basic methodology that IBP uses, however, remains unchanged. A comparison of the 2012 questionnaire and guide and the 2017 questionnaire and guide shows slight expansion in the content and level of detail of questions. 125 questions in 2012 have been increased to 142. For the OBS 2017, the IBP has revised the indicators that assess the extent of public participation in national budget processes and the role and extent of oversight institutions. The indicators on public participation were revised to align with GIFT's principles on public participation which the IBP views as serving as a basis for widely accepted norms around public participation and giving guidance on what should be measured.

As in 2012, the focus in 2016 is on eight key documents – pre-budget statement, executive's budget proposal and supporting documents, the enacted budget, citizen's budget, in-year reports, mid-year review, year-end report, and audit report). As before, citizen versions are expected at four stages of the budget cycle (formulation, enactment, execution and audit, per 2012 Q.112), but questionnaires are ambiguous on citizen versions of all documents and the 2017 survey appears to count citizen versions of all documents into the calculation of the OBI of each country.

It is noteworthy that a pre-election report is not included in the *Open Budget Survey* (cf. *OECD Best Practices*). Where an election results in a handover of responsibility, the outgoing government should prepare a special report on the state of the public finances. Also it does not include a long-term report assessing the sustainability of current government policies, which is covered in the *IMF Code* and which the *OECD Best Practices* recommend should be prepared at least every five years.

Reaching out to citizens is part of a greater emphasis on transparency, which is characteristic of the period under evaluation. Other OBS changes oriented to transparency are as follows:

- To be considered as publicly available, documents must be made available on the Internet and free of charge: publication in newspapers or official gazettes, for instance, is no longer sufficient
- Published numerical data must be available in a machine-readable format, such as Excel. PDF versions of official documents are no longer acceptable
- Dates of release are important. The pre-budget statement must be released at least one month before the budget is submitted to the legislature, to allow time for public discussion.

The survey instrument is evolving in the light of experience. In the 2015 survey, IBP made three types of changes to strengthen the questionnaire:

- New questions were added to further align the survey with other fiscal transparency instruments (including recent revisions), an increase in the number of questions of about 17%. These additions slightly increased the emphasis on the seven key budget documents other than the Executive's Budget Proposal.
- Questions were excluded where the evidence base for the responses was weak or subjective, such as the question on the usefulness of non-financial data.
- The language and structure of questions were improved to increase their objectivity and reliability.

The *Open Budget Survey* and OBI are closely aligned with GIFT's HLP and the *Open Budget Survey* is one way of measuring adherence to the HLP. Countries track and compare their OBI scores over time and with other countries, and interviews with government officials show that the OBI score is an important benchmark and target for country government. Also, research has shown (de Renzio, P. 2016 and Petrie, M. 2012) that improvements in OBI scores are correlated with higher sovereign ratings and lower spreads.

The **OGP** was launched in 2011 to promote transparency, empower citizens, fight corruption and harness new technologies to strengthen governance. It covers 10 cross-cutting topics and 12

focused topics. There are four eligibility criteria for a country to join OGP, one of which relates to budget transparency. Participating countries (at present, 70) are required to commit themselves to action plans in any of the topics. Each participating government creates a two-year *National Action Plan* (NAP) together with CSOs in that country.

Fiscal transparency comes within a number of topics but mainly the Budget topic. In this topic, possible commitments are divided into four levels – initial, intermediate, advanced and innovative. Thus, the initial level consists of publication of four core budget documents, and public access to budget hearings in the legislature. The intermediate level requires publication of all eight budget documents, effective oversight, and public consultation. At the advanced level, the country publishes also off-budget financial information and resources received by service delivery units, and enables citizen participation in budget preparation. The innovative level is “full implementation of the ten high-level GIFT principles on fiscal transparency”.

The OGP supports five thematic Working Groups, of which one, the Fiscal Openness Working Group (FOWG), is co-anchored by GIFT together with the governments of Brazil and the Philippines. The FOWG is a “peer learning network” of eight governments, 15 CSOs and the World Bank, UNDP, IMF and OECD, with the goal of convening OGP counties that have formally committed to fiscal transparency reforms and developing a community of practice. The FOWG has also engaged countries that are not members of the OGP in an effort to encourage them to join. The FOWG prepares an annual work plan in consultation with the OGP Support Unit including technical assistance, workshops, peer exchanges, study visits, etc. (OGP Revised Working Group Guidelines, July 2015).

OGP does not issue standards. It uses established standards, norms and guidance from relevant bodies, such as GIFT, IMF, IBP, OECD and INTOSAI. Achievements on all the above commitments are verified from the IBP’s *Open Budget Survey*. In 2015, OGP endorsed the UN Sustainable Development Goals and with the Transparency and Accountability Initiative produced a special edition of its *Open Government Guide*, illustrating how OGP principles can assist in achieving the 17 goals.

The OGP is also an important forum for GIFT to encourage peer to peer learning, provide assistance directly with governments and to help CSOs and governments work together (see next sub-chapter for how GIFT works in the FOWG). GIFT has also regularly monitored achievement

of the fiscal transparency and public participation commitments in NAPs, using information in the OGP's Independent Reporting Mechanism, and provided advice to countries on their NAPs.

Accounting and reporting standards are needed to ensure a consistent framework for financial information. This facilitates interpretation and reduces the scope for omitting, disguising or manipulating data.³ Accounting standards have changed significantly over the last ten years as the **International Public Sector Accounting Standards Board (IPSASB)** under the **International Federation of Accountants (IFAC)** have sought to base public sector standards on the *International Financial Reporting Standards (IFRS)*. Government financial reporting standards have been issued for cash-based accounting systems and for accrual-based accounting systems, though to date few countries have succeeded in complying fully with either.⁴

The **International Auditing and Assurance Standards Board (IAASB)** is the standard setting board for audit and members of IFAC are obliged to follow the International Standards of Audit (ISA) or the public sector equivalent (see under INTOSAI below). IFAC is one of GIFT's General Stewards and GIFT has been invited to the launch of the Accountability.now campaign which aims for higher standards of public sector information around the world. The role of the Accountability.now coalition is to challenge governments to recognize the importance of working toward financial reporting that meets international standards. GIFT and the IBP were also invited to two conferences organized by IFAC and held sessions on the benefits of engaging citizens in the budget process. GIFT is, in this capacity, cooperating with the standard setters.

³ A common charge against cash-based government financial reports is that they do not show the liability to pay civil servant pensions or certain other benefits, which impacts decisions affecting inter-generational equity. The cash basis also allows "tricks" such as were practiced by some countries attempting to meet the Maastricht fiscal deficit requirements for entry to the European Community (see Timothy Irwin (2013) *Shining a Light on the Mysteries of State: the Origins of Fiscal Transparency in Western Europe*).

⁴ At December 2011, there were just 12 countries (out of a total of 184) using full accrual accounting, up from 9 in 2004. 52 used partial accrual and 120 were still on cash accounting (IMF-FAD (2012) *Public Sector Financial Management Transparency and Accountability*, paper by Mario Pessoa). There are no reliable data on the number of countries fully complying with either the cash-IPSAS or the accrual-IPSAS standard, though many countries are moving towards compliance. An Exposure Draft on the cash-based IPSAS has proposed making this standard more achievable (IPSASB ED61, February 2016). The main constraint is the availability of professional accountants.

INTOSAI plays an important role in supporting the development of national standards for auditing in the public sector. Public sector audit standards (called International Standards for Supreme Audit Institutions - ISSAIs) are based on globally accepted ISAs issued by the IAASB. Standards have been issued for financial audit, compliance audit and performance audit.

INTOSAI does not conduct a systematic assessment of compliance with standards: Supreme Audit Institutions (SAIs) may request peer review by other INTOSAI members. Since 2010, however, INTOSAI has been developing a SAI Performance Measurement Framework (SAI PMF), a diagnostic tool to establish how far an SAI complies with the ISSAIs. The SAI PMF standards are intended to raise the quality of assurance on fiscal reports. ISSAIs are relevant to GIFT HLP 9. A SAI PMF may be a self-assessment by a SAI, or a peer assessment by another SAI or an INTOSAI regional body, or an external assessment by consultants, donors, external auditors, etc. The decision to have a SAI PMF and, if so, when, how and whether it will be published rests with the head of each SAI. No published SAI PMF reports have been seen.

Since 1980, budget directors from **OECD** member countries have been meeting regularly in the Working Party of Senior Budget Officials (SBO) on public sector budgeting and management issues. It is a forum for the highest level officials from OECD member countries to discuss major budgetary issues on the basis of specialized reports prepared by the OECD Secretariat. The SBO has been assisted by five regional networks and six associated networks.

OECD issued *Best Practices for Budget Transparency* in 2002. This is a concise 7-page summary of recommendations on budget reports, specific disclosures, and on the quality and integrity of reports. It was not intended to be a formal “standard” but after a consultation round, was adopted as a legally binding document for all OECD countries and renamed *Recommendation on Budgetary Governance* (February 2015, see box). The recommended budget reports are: pre-budget report, the budget (executive budget proposal and enacted budget are not separate requirements), monthly reports, mid-year reports, year-end report, pre-election report, and long-term report. Audit report is cited under Part 3 on integrity of reports. Citizens’ budget and public participation in the budget cycle are included in the 2015 Recommendation.

Whereas the *Best Practices* focus on the budgetary reports - their purpose, frequency, timing and content, the *Principles* expand on all aspects of budgetary governance. The *Best Practices* appear to be complementary to the *Principles* rather than superseded by them. It is noted that principle 5 above brings in public participation: the government should, inter alia, “facilitate the engagement of parliaments, citizens and CSOs in a realistic debate about key priorities, trade-offs, opportunity costs and value for money”. This echoes the GIFT Principles.

The OECD Public Governance Committee monitors the implementation of these *Principles* and members' and non-members' adherence and is expected to report after three years.

The OECD has recently (September 2016) released a draft *Toolkit on Budget Transparency*. This is intended to provide practical guidance to governments and their stakeholders on improving openness and integrity in public financial management. It sets out the generally accepted standards applicable in 13 “themes”, distinguishing basic good practices, emerging good practices and advanced practices. The standards and norms are all aligned with the GIFT HLPs. The sources are mainly OECD instruments and manuals, the IMF FTC, PEFA, and the OBS. Other sources could have been cited in particular themes, such as the Institute of Internal Auditors in theme E on Management and Internal Control. Procurement is covered, but not payroll. The draft *Toolkit* is under discussion in the GIFT network.

In interviews with stakeholders, many point to the development of GIFT's HLP as a major accomplishment as well as an element important in their work:

- Government staff refer to these when arguing for fiscal transparency with decision-makers and the fact that these are measured through the OBI and with reference to the government undertaking through the OGP.
- The OBI score is stated as a clear motivating factor by four of the nine governments interviewed as part of this evaluation and thus the implementation of the HLP.
- The IMF including the HLP in its new Code is seen by several stakeholders as extraordinarily successful.

Conclusions

GIFT has been highly successful in its work to harmonize norms and standards regarding fiscal transparency and public participation. The table below sets out the main changes in the latest revisions of the *IMF Code*, the *PEFA 2016 Framework*, the *Open Budget Survey* and *OECD Best Practice*, and how far the revised versions appear to be in line with the GIFT HLP. It can be seen that, post-2012, there is substantial adherence to the HLP.

Table 4. Adherence between the HLP and four frameworks/tools/codes analyzed

	IMF Code (2014 version)	PEFA 2016 Framework	2017 Open Budget Survey	OECD Principles of Budgetary Governance (2015)
Main changes from previous version	Public participation and performance information included	Performance information included. More public disclosure (pre-budget statement, citizen budget, management of assets, debt strategy, fiscal strategy and risk, tax expenditure, investment appraisal and monitoring, macro-fiscal sensitivity analysis)	Tighter requirements for public access (posting on Internet, machine readable data) and indicators on public participation were revised to align them with GIFT's principles on public participation	Public participation included
In line with GIFT HLP?	Yes, almost all	Yes, except for public participation	Yes	Yes
Adherence calibrated and monitored?	Yes	Yes, at indicator level	Yes (OBI)	Yes
Results published?	Yes, if agreed	Yes, if agreed	Yes	Not yet
Working with GIFT?	Yes	Yes	Yes	Yes

The development outcome has been largely achieved by GIFT:

Table 5. Achievement of Outcomes of Work stream I

Development outcome (DGF Agreement 2013)	Achievement
1. A more coherent and comprehensive global architecture of norms on fiscal transparency institutionalized through the harmonization of IMF Fiscal Transparency Code and PEFA indicators and the adoption of a new public participation guide.	The architecture on norms on fiscal transparency is composed of: Principles/standards: <ul style="list-style-type: none"> • GIFT's HLPs, which were designed to sit above all the standards and norms and help to promote more comprehensive and coherent norms. • IMF FTC, assessed on a voluntary basis in Fiscal Transparency Evaluations. • GFSM 2014 • OECD's Recommendation (2015)

Development outcome (DGF Agreement 2013)	Achievement
	Monitoring compliance: <ul style="list-style-type: none"> • The OBI • The PEFA 2016 Framework (a tool that measures parts of the HLP for compliance) A Guide on Public Participation in Fiscal transparency is being completed and expected to be presented in December 2016.

The targets have also been largely achieved:

Table 6. Achievement of targets for Work stream I

Target by June 2016	Achievement
1.1 Revised <i>IMF Code</i> is aligned with GIFT HLP and is more consistent and complementary.	Achieved
1.2 Revised PEFA indicators are aligned with GIFT HLP.	Mostly, but not regarding public participation
1.3 Guide on Public Participation in Fiscal Policy is developed and endorsed by diverse communities.	Not yet achieved: A Guide on Public Participation in Fiscal Transparency is being completed and expected to be presented in Dec 2016. Also participation principles endorsed by GIFT stewards, case studies put into suitable format for Guide, and web platform largely developed.

There are many differences on how transparency should be improved, and differences of detail persist, apart from differences in their applicability in different countries. It appears that differences are mainly at lower levels. In-year budget execution reports, for instance, should be at least monthly and issued within two weeks of the end of the month (PEFA 2016) **or** within the following four weeks (OECD) **or** month (Open Budget Survey 2016 and IMF-FTC 2014) **or** on a “frequent and regular” basis (IMF Natural Resource code - draft 2016). It may be argued that these differences are far less important than the principle and that reliability and comprehensiveness of information are equally important.

3.1.2 Pursuing fiscal transparency through peer to peer learning

This sub chapter analyzes GIFT’s achievement with regard to what is referred to as work stream II: “Increasing and improving Peer-Learning and Technical Assistance”. The achievement of the following development outcome and target are assessed:

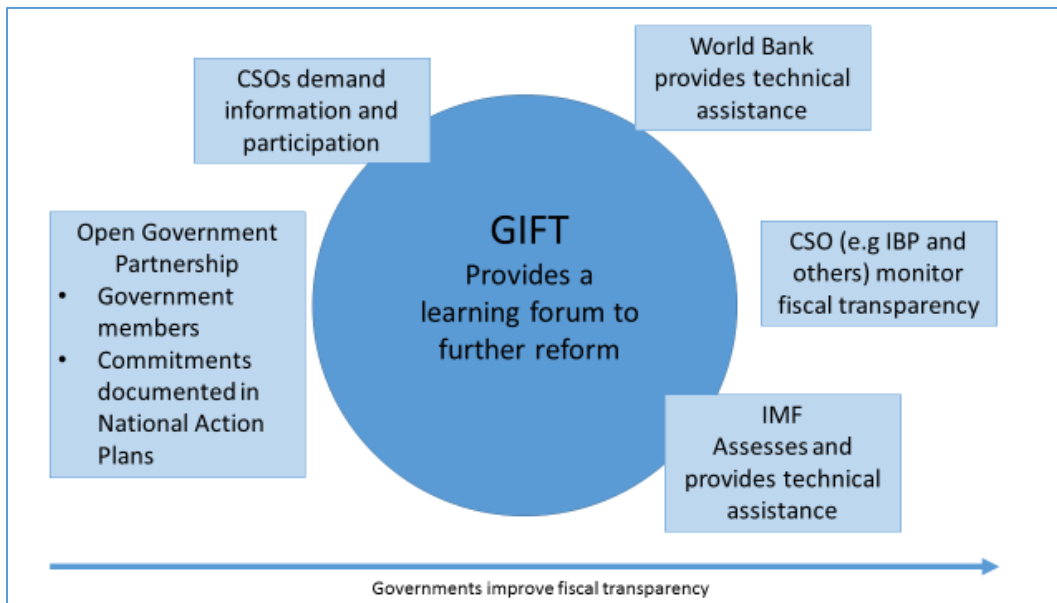
Table 7. Outcomes and targets for Work stream II

Development outcome	Target by June 2016
2. A broader group of countries actively pursuing fiscal transparency and participation through the Open Government Partnership (OGP)-GIFT Fiscal Openness Working Group, including developing countries and donors.	2.1 OGP-GIFT FOWG is supporting OGP and other governments and country stakeholders through knowledge exchanges, analysis and case studies

The objective of this work stream for 2014 -16 is to increase and improve peer learning and technical assistance on fiscal openness, and to broaden the group of countries actively pursuing improvements on fiscal transparency and public participation through the FOWG. The theory of change behind this work stream, as outlined in the GIFT *Concept Document* (2011), was for committed stakeholders with established practices to provide peer-level technical support to other practitioners. GIFT would thus not “compete” with the IMF or the World Bank and other similar institutions that provide technical assistance but provide a platform for practical advice to be shared at a relatively low cost.

The rationale of this work stream, to help in knowledge sharing, fits well with the aims of other actors working to further fiscal transparency and complements their activities. The picture below attempts to, in a simplified manner, show GIFT’s role in helping governments to improve fiscal transparency.

Graph 2. GIFT's role in improving fiscal transparency



When engaging in this work stream, the GIFT network, plays the role of “matchmaker” and “facilitator” bringing together IFIs, governments, academic institutions, private sector and civil society stakeholders that are committed to improving fiscal transparency and public participation. The objective is to share experiences and to learn from each other. The following sections describe GIFT’s activities during the period 2013 to 2015, which is when the work started in earnest. Outcomes are analyzed and conclusions on the effectiveness of GIFT’s work stream II and achievement of objective are presented.

Activities carried out

In the annual report for 2014-15 and the work plan for 2015-16 the categorization of activities in this work stream is listed as:

- Peer to peer learning;
- Embracing new technology for peer to peer learning;
- Engaging countries on GIFT principles and work streams; and
- Providing technical assistance to countries on their OGP National action plans and commitments. For each work stream a set of activities are outlined.

The table below groups the different activities and results according to the more refined categorization in the latest annual report and work plan.

Table 8. Programmed and actual activities in Work stream II

Results area	Programmed activities October 2013 – June 2016	Activities carried out by June 2016
Peer to Peer learning	<ul style="list-style-type: none"> • Establish FOWG and develop and update a FOWG working paper, examining, benchmarking and providing recommendations to NAPs • Organize FOWG multi-stakeholders working group meeting, seminars and study tours • Facilitate virtual and in- person meetings for sharing and learning knowledge and experience among the OGP- GIFT FOWG members 	<ul style="list-style-type: none"> • FOWG work group was established in November 2013. • 20 new countries joined the FOWG from the launch to December 2014, and 8 new countries joined in 2015. More than 50 countries now engage in the process on NAPs. GIFT stewards have been working with Central Budgeting Agencies (CBAs) and CSOs on national actions plans in a number of countries; Brazil, Croatia, Dominican Republic, El Salvador, Guatemala, Mexico, Moldova, Mongolia, Papua New Guinea, Indonesia, Paraguay, South Africa, Tunisia and Uruguay. • In 2014-15, GIFT organized six sessions at the OGP meetings, and nine workshops at OGP annual high level meetings, and in regional OGP events in Africa, Americas, Europe (Dublin) and Asia. Country experiences, studies and OGP commitments were shared. • FOWG working paper is updated annually, mapping and analyzing fiscal transparency commitments and progress on implementation. Blogged and disseminated through OGP. • Two workshops on donor coordination on improving accountability in aid-recipient countries were hosted by the World Bank in Washington in 2015 and in 2016. • Webinars were held in 2014.
Embracing new technology for peer to peer learning	<ul style="list-style-type: none"> • Facilitate virtual “Community of Practice” 	<ul style="list-style-type: none"> • Community of Practice was created in 2015 with English and Spanish platforms.
Engaging countries on GIFT principles and work streams	<ul style="list-style-type: none"> • Engaging in discussions at national levels around principles on fiscal transparency and public participation 	<ul style="list-style-type: none"> • Workshops facilitating dialogue and cooperation between government and CSO stakeholders have been held in Mexico (January 2015), Jakarta (April 2015), Cape Town (May 2015), and in Washington and Guatemala in 2016. • Learning tour / regional workshops was held in Brasilia, identifying interests for peer learning between Brazil, Paraguay and Uruguay, in 2015. • In 2015 and 2016 FOWG / GIFT organized regional FOWG meetings, seminars and conferences on public participation where national experiences and challenges were discussed, with participation from a large number of countries in the regions.

Results area	Programmed activities October 2013 – June 2016	Activities carried out by June 2016
		<ul style="list-style-type: none"> The technical assistance from the GIFT secretariat provided to Paraguay and Uruguay in 2016 was related to the countries' development of fiscal transparency portals.
Technical assistance to countries on their OGP NAP and commitments	<ul style="list-style-type: none"> Analyzing the state of fiscal transparency Reviewing the implementation of OGP commitments Developing tools for the OGP peer to peer learning stream. 	<ul style="list-style-type: none"> The state of fiscal transparency is mapped and analyzed annually in the FOWG working paper. GIFT provided feedback on draft NAP in Ghana, the Philippines and Liberia in 2015 and Italy, Tunisia, Guatemala and Macedonia in 2016. GIFT provided technical assistance related to Paraguay on NAP strategy and establishing peer learning, to Liberia on NAP strategy development, to Georgia on public participation to Turkey and Paraguay on development of Fiscal transparency portals. Development of tool to apply the high level principles has been put aside while the instruments are refined.

Achievement of results

With regard to **peer to peer learning**, a key milestone was achieved in November 2013 with the establishment of the FOWG. GIFT is officially co-anchoring the FOWG with the countries of Brazil and the Philippines, but GIFT has been the driving force. The work group increased its members by 20 countries in 2014 and another 8 new members in 2015. According to stakeholders consulted, the FOWG is among the most active of the OGP Working Groups, and that which has achieved the best results so far.

All Lead Stewards consulted expressed a high degree of satisfaction with the FOWG as a forum for peer learning where GIFT facilitated sharing of country experiences, studies and OGP commitments among stakeholders. For example, a representative from the Philippines explained that GIFT, through the FOWG, “*provides a forum where deliberations are very focused on fiscal transparency and public participation, where participants are committed to both sharing and learning from each other*”, and, in the view of the World Bank, the FOWG events lead to more serious discussions with the countries on reform of the budget systems and incorporation of fiscal openness concepts.

Interviews with stakeholders confirmed that this view is representative also among GIFT Stewards and other stakeholders. It was pointed out that GIFT, through its regional conferences, have facilitated and made possible dialogues and learning processes across countries and regions on fiscal transparency that engages government officials, CSOs, private sector, academic institutions, and politicians, that is not likely to have happened without GIFT. For example, several government and CSO representatives highlighted that fiscal transparency issues are challenging to address, and that the FOWG provides a unique arena for sharing experiences that does not exist elsewhere. Moreover, a government representative from Paraguay expressed that the forum has “*provided easy access to practical actions on fiscal transparency*”, as it connects practitioners with specific technical knowledge on fiscal transparency and public participation across the globe, whereas representatives from both the Institute of Public Finance in Zagreb and from the Ministry of Finance in Croatia expressed that the regional events provided important meeting points for “*focused technical discussions*”.

The dialogue and relations facilitated by GIFT during the FOWG meetings have in many cases also led to **sharing of technical expertise between countries**, without direct participation from GIFT. The evaluation team found that more than 15 countries are working together in projects on fiscal transparency and/or public participation without the direct participation of GIFT. Peer countries, including the Philippines, Brazil and Mexico, expressed that they have shared their experiences and technical knowledge with institutions in other countries interested in learning from their experiences.

Several stewards emphasized that despite that GIFT had not always been directly involved in the peer learning, the role of GIFT in establishing and developing relationships between technical staff in different countries is highly recognized, and have been important to them for example in terms of developing strategies for consultations with civil society stakeholders, in terms of technical advice on design issues, and in terms of addressing policy challenges. Moreover, a government representative explained that the distinctive aspect of GIFT is that “*GIFT contributes is to unpack the experience and outlook from other countries that are highly valuable in country settings. To do this in an intimate setting is probably the only way, this is not science and documents does not reflect personal strategies and solutions.*” Other stakeholders, for example from Indonesia, Paraguay and Uruguay,

specifically highlighted that the technical assistance from peer countries had contributed to build their capacities to design fiscal transparency portals.

Since 2014 GIFT has also gradually increased its engagement at national levels, facilitating national level work-shop discussions based on international experiences, contributing to improving national level dialogues and the processes of institutionalization of the HLP at national levels. The assistance from the GIFT coordination team has been perceived by recipients as highly flexible and without delaying bureaucratic processes often required by traditional donors.

During the national conferences GIFT has contributed with sharing of knowledge and experiences, and often ensured that Stewards from other countries have contributed with their knowledge. One example is Guatemala where both a government official and a representative from Instituto Centro Americano de Estudios Fiscales (ICEFI), emphasized the important contribution of GIFT in the facilitation of a national stakeholder dialogue on fiscal transparency: *“Gift has offered a space where we can talk and learn from international experiences, and in these discussions have brought together government, private sector and civil society and exposed them to international experiences provoking a dialogue among stakeholders in Guatemala.”* According to the representatives from Guatemala, GIFT’s engagement also contributed to political ownership of the fiscal transparency agenda in government, which is very significant after corruption scandals and change in government. In some countries this broad and consultative interaction among national level stakeholders facilitated by GIFT have been carried forward by the government in its work on design on fiscal transparency instruments. For example, representatives from both South Africa and Indonesia emphasized the added value of GIFT in connecting the government with civil society institutions in their work on fiscal transparency and public participation.

With regard to **technical assistance to countries on their OGP NAP and commitments**, GIFT has played an important role with respect to development and implementation of NAPs, both through the FOWG and by the GIFT Coordination Team providing technical assistance on request from member countries.⁵ The FOWG working paper maps OGP countries’ commitments to fiscal transparency and analyses the progress on implementation of the national actions plans. The report that is discussed in thematic work-shops at regional events, has been updated annually and for different geographical regions, most recently in the summary report from high level meeting in Mexico in 2016. According to country stakeholders, this mapping and underlying analysis, and the attention this receives at regional events, contributes to peer pressures among FOWG members to achieve improved

⁵ In 2015 GIFT provided feedback on draft NAPs in Ghana and the Philippines and thus far (in 2016) Italy, Tunisia, Guatemala and Macedonia have received inputs on drafting of their NAPs.

benchmark scores, both at technical levels and among policymakers in many member countries.⁶

The motivations expressed by governments interviewed to work with and through GIFT were:

- To find manners to improve the OBI scores
- For government technical staff to find strategies when working with higher government officials and decision-makers to advocate for fiscal transparency.
- To find technical solutions in specific areas e.g. public participation activities, fiscal transparency portals, prioritizing projects to result in open budget data portals, how to communicate and consult CSOs.
- To gain access to IFIs providing help in the fiscal transparency arena.
- Goodwill awarded the country government when able to show advances to other countries
- Improved sovereign credit rating (example of the Philippines).

Though the actual outcomes of these activities in general are not measurable, GIFTs sharing of experiences, either directly or through facilitating discussions among peers, often with contribution from “Champions” like Mexico, the Philippines and Brazil, clearly appear to have contributed to improved knowledge at country levels and assisted countries in strategy development and implementations, and hence to the process of institutionalizing the high level principles on national levels among GIFT stewards.

Conclusion

The outcomes of GIFT’s work with regard to peer to peer knowledge sharing are:

- GIFT providing a forum for practical discussions between government staff,
- GIFT providing a forum for discussions between governments and the civil society and the private sector,
- GIFT helping countries in discussions with IFIs,
- GIFT providing direct technical advice to governments, and
- Government-government and government-and-CSO support and work occurring beyond events organized by GIFT but that were made possible by GIFT.

GIFT’s peer to peer work stream has filled a gap among stakeholders engaging in fiscal transparency agenda by improving the dialogue among national level actors and the capacity on fiscal transparency and public participation, hence contributing to the process of

⁶ Four of the nine country governments interviewed as part of this evaluation stated that the OBS scores were important to them and increasing these was a major focus and accomplishment when successful. This was also one of the reasons for working and getting involved with GIFT.

institutionalizing the HLP at national level among GIFT stewards. There has been a sharp increase in number of countries taking part in the FOWG, which is a main arena internationally for dialogue on fiscal transparency and public participation, and stakeholders consulted by the review team consistently perceived the peer learning approach as useful and the work stream activities and outputs as relevant.

Though a target value for this work stream was not specified, the assessment of results demonstrates that the development outcome has been achieved.

Table 9. Achievement of outcomes Work stream II

Development outcome	Achievement
2. A broader group of countries actively pursuing fiscal transparency and participation through the Open Government Partnership (OGP)-GIFT Fiscal Openness Working Group, including developing countries and donors.	Achieved: The FOWG membership has grown substantially with 28 new member countries in 2014 and 2015, to more than 50 countries.

Also the target has been achieved.

Table 10. Achievement of targets Work stream II

Target by June 2016	Achievement by June 2016
2.1 OGP-GIFT FOWG is supporting OGP and other governments and country stakeholders through knowledge exchanges, analysis and case studies	GIFT is through the FOWG actively contributing to knowledge sharing and exchanges, directly in meetings/seminars/ workshops but has also has a multiplier effect in that FOWG members are working in projects regarding fiscal transparency outside of GIFT.

Moreover, though not specifically noted as outcome achievements in GIFTs reports or in the agreed results frameworks, the GIFT annual reports and the discussions with GIFT stewards consulted has revealed that two important additional outcomes have been achieved in this work stream.

- The peer learning activities taking place in the network in some member countries have resulted in improved engagement among different national level stakeholders in the fiscal transparency agenda, and consequently increased momentum in fiscal transparency and public participation agendas. Important factors contributing to this are:
 - the GIFT Coordination Teams' facilitative role in setting up national and regional work-shops and conferences, and
 - the incentive created by mapping OGP countries commitments to fiscal transparency and the progress on implementation of NAPs. The publication is followed with significant interest among country level actors and different levels, and used both by government officials and by policy makers, often for marketing purposes but more importantly to influence fiscal transparency actions. This has created a pressure on e.g. presentation of fiscal data in budget publications in several countries.

- An additional outcome is increased capacity in some countries to implement NAPs. Through the peer learning activities many country level stakeholders, from government, civil society, media, private sector and academia, have improved their knowledge and technical capacity on fiscal transparency and public participation. This is reflected among other things in the significant number of fiscal transparency portals being developed, e.g. in Indonesia, Paraguay, Uruguay and Tunis, and already launched in Mexico.

3.1.3 New knowledge and learning on fiscal transparency incentives

This sub chapter analyzes GIFT’s achievement with regard to what is referred to as work stream III: “Aligning Incentives Work with Greater Knowledge and Private Sector Involvement”. The achievement of the following development outcome and targets is assessed:

Table 11: Outcomes and targets Work stream III

Development Outcome	Target by June 2016
3. New knowledge and learning on fiscal transparency incentives, development impacts and practical approaches and innovations in fiscal transparency reforms accessed.	3.1 Meta evaluation of current analysis on impact
	3.2 an original research study analyzing further evidence
	3.3 a study on government incentives
	3.4 country case studies of impacts practical approaches and innovations in fiscal transparency reforms completed

The analysis focuses on the amount and type of research and other learning that GIFT has shared. The relevance of the data is analyzed, based on stakeholder’s input, in the next sub-chapter.

The theory of change behind the expected outcome was to, in combination with a) establishing a more coherent norm structure for fiscal transparency and b) support and peer-learning on good practices, support these with evidence of the impact of improved practices. These three activities would contribute to making governments improve fiscal transparency. There was, at the time of GIFT’s conception, a substantial amount of research available on fiscal transparency, some evidence-based but country specific, other cross-country but possibly not sufficiently rigorous to be able to draw general conclusion on impact from. The number of academic articles related to PFM and Fiscal Transparency between 2010 and 2015 was 88 compared to 57 for the preceding five year period.

The aim was for the research to stimulate incentives for countries to improve by building global learning on what approaches work best in what environments and at what stages of development. This was established as one of the four objectives of the DGF Grant Agreement in 2013.

This work appears to have got off to a slow start, with the research agenda and ToR for research studies prepared in September 2014. Prior to that, as part of GIFT’s work with the

FOWG, GIFT carried out a cross-country review of fiscal transparency engagement in the NAP of all OGP countries. GIFT commissioned a large number of research studies during 2014 that were finalized in 2015 or 2016 (see Appendix 2).

In total GIFT has produced and published 33 research studies. There has been a combination of research based on first hand collection of primary data (interviews, surveys and digital data) as well as analysis of research by other academics. This has been combined with case studies providing practical examples of government actions and their results. GIFT has thus attempted to provide both rigorous evidence-based research that can contribute to further developments at the theoretical level as well as providing evidence of the practical application of principles of fiscal transparency and public participation.

It is an impressive amount of information available to the public, however, feedback from stakeholders interviewed on how it is used shows that, so far, few of the documents published have been used:

- The IFIs have used some of the research in their argumentation for fiscal transparency, both within their organizations and in public forums.
- The countries interviewed did not appear to read or make use of the research and some commented on it being “too academic”. The research they had read was deemed trustworthy, but government officials appreciated the peer to peer learning more highly.
- CSOs interviewed did make use of some of the research, especially in their argumentation for fiscal transparency/public participation with governments or to the general public.
- GIFT’s efforts to make the research more available by presenting it in seminars, meetings etc. was highly appreciated by CSOs and government officials.

Conclusions

The targets for this development objective can all be said to have been met with GIFT’s research.

Table 12: Achievement of outcomes Work stream III

Development Outcome	Achievement
3. New knowledge and learning on fiscal transparency incentives, development impacts and practical approaches and innovations in fiscal transparency reforms accessed.	Knowledge published and accessed by GIFT’s stakeholders. Focus in 2016 has been on disseminating the cases studies and research through videos, infographics, blogs and webinars to make it more accessible.

The targets established have been achieved:

Table 13: Achievement of targets Work stream III

Target by June 2016	Achievement
3.1 Meta evaluation of current analysis on impact	Achieved
3.2 an original research study analyzing further evidence	14 original research studies

Target by June 2016	Achievement
3.3 a study on government incentives	6 research studies and one discussion paper
3.4 country case studies of impacts practical approaches and innovations in fiscal transparency reforms completed	8 country case studies + papers comparing cases

Considering the future, should GIFT focus additional time and effort on research? A recent study mapping the research published regarding the effect of PFM interventions on outcomes in low and middle income countries shows that there is a substantial amount of research available on fiscal transparency and accountability through effective scrutiny of public expenditure. These are the two areas where the largest amount of research has been done since 2005.

GIFT's future research agenda needs to consider the target audience of the research.

- Government officials appreciate practical, context-specific “how to” advice on reforms/actions/strategies. The eight case studies have not been read by all stakeholders interviewed. The Guide on public participation in fiscal transparency may therefore be the answer to the demands from government officials.
- There is a need for evidence on the impact of fiscal transparency reforms, as highlighted in the Meta evaluation (de Renzio. 2016). There are country-specific studies on specific interventions and correlations between the OBI score and improved sovereign credit ratings, but disaggregating to examine the impact of specific reforms is of use to both IFIs, governments and CSOs. Such disaggregation could also include specific analysis of the revenue side of government fiscal management (tax and income from natural resources) as well as how fiscal transparency could contribute to better service delivery and ultimately achieving the Sustainable Development Goals (SDGs).

3.1.4 Harnessing New Technologies/Open Budget Data to engage the General Public

This sub chapter analyses GIFT's achievement in work stream IV: “Harnessing New Technologies/Open Data to engage the General Public”. The achievement against the following development outcome and target is analyzed:

Table 14: Outcomes and targets Work stream IV

Development outcome	Target by June 2016
A tool for publishing micro-level budget and fiscal information in open data formats and with data visualization and data analysis tools produced to help non-experts use financial data.	The Open Fiscal Data Package is being piloted.

The objective of this work stream, as formulated in the World Bank's DGF Grant agreement (2013), is to initiate a set of activities around open data, such as research on sharing and use of fiscal open data, supporting peer learning, and contribution to identification of an appropriate tool. In GIFT's reporting to the Omydar Network, the objective of the work stream is specified as producing a tool for publishing micro-level budget and fiscal

information in open data formats and with data visualization and data analysis tools to help non-experts use the data. The development of the tool is to be done as collaborative work between the World Bank and GIFT.

The theory of change is that the Open Fiscal Data Package, through provision of useful, practical, free and widely-accepted mechanism for publishing budget information, will become an effective means to promote budget data specifications and standards among governments in the future.

According to the program document and annual work plans, there were two programmed activities in this work stream:

- A survey on demand and uses of fiscal open data
- A comprehensive report, consisting of a series of research papers, presenting trends, needs, barriers and use of budget information across specific categories, providing a global knowledge platform to promote awareness and knowledge exchange among peer practitioners.

An operational roadmap that complied with the terms of the operational metric of the Omydar Network grant for the Open Fiscal Data Package was approved by the GIFT lead stewards in July 2015. Following this, an Advisory Group for the Open Fiscal Data Package was created, including open data experts, ministry of finance representatives, and some of GIFT’s lead stewards, and the first meeting of the Open Fiscal Data Package Advisory Group took place in December 2015..The only output delivered in 2015 was a report mapping the landscape of Open Budget. However, activities have picked up considerably in 2016.. The box below presents an overview of the planned activities and the activities carried out by September 2016.

Work stream 4, programed activities carried out:

Table 15: Programmed and actual activities Work stream IV

Programmed activities October 2013 – July 2015	Activities carried out by 2016
<ul style="list-style-type: none"> • A survey on demand and uses of fiscal open data. • A comprehensive report, consisting of a series of research papers, presenting trends, needs, barriers and use of budget information across specific categories, providing a global knowledge platform to promote awareness and knowledge exchange among peer practitioners. 	<ul style="list-style-type: none"> • A report mapping the landscape of Open Budget Data was published in 2015. • A draft report from survey on demand and uses of fiscal open data was produced in 2016. • Pilot used by Mexico to publish the budget for 2017 was presented September 2016. • Guide for MoF to pilot the Open Fiscal Data Package was produced and disseminated in 2016. • The guide / tool was presented to GIFT Stewards in two workshops in 2016. • The tool was tested in a workshop by Indonesia, Uruguay, Brazil and Paraguay, September 2016.

The overview presented shows that there has been a significant increase in activities the last year, after the first Advisory Group's meeting. A draft report from the survey has been produced, a guide and a tool has been presented to the GIFT stewards and tested in a workshop, and the pilot has been used to publish Mexico's budget for 2017.

The strong progress in activities undertaken and outputs delivered a year after the Advisory Group's first meeting, is an indication that the Open Fiscal Data Package offers a tool that is in demand by country governments. This impression was confirmed in interviews with some of the stakeholders consulted. For example, a high level official from MoF in Croatia was first made aware of the tool at a presentation in Mexico in March 2016, but the presentation and follow up discussions created a strong interest, and an informal agreement was made with the World Bank to follow up the dialogue on the Open Fiscal Data Package. A steward, from Uruguay emphasized the potential value of the Open Fiscal Data Package in terms of its simplicity and user friendly interface, *“enabling them to re-use information, for example in international comparative analysis, thus helping to produce new knowledge on fiscal and policy issues.*

It is also noteworthy that Mexico has already produced an outcome by using the pilot report to publish the 2017 budget on the Open Fiscal Data Package. Given Mexico's prominent role in GIFT and stakeholders' willingness to share experiences and knowledge, this may trigger more countries to follow suit, both within GIFT where about half of the stewards interviewed expressed no current interest, and among the almost 20 countries already using the World Bank BOOST platform independent of GIFT.

Despite the significant achievements noted above, a concern raised by one of the stakeholders was that there is a lack of technical assistance following the Open Fiscal Data Package. Moreover, whereas the quick wins were easy to identify for some stakeholders, the issue raised appears particularly important with respect to possible users of the data, such as CSOs, media and not least local governments and communities, that may need some capacity building to ensure that the potential impacts of the Open Fiscal Data Package are fully realized both at national and local levels.

Conclusion

In essence, work stream IV has produced significant results and reached its development objective, to develop “a tool for publishing micro-level budget and fiscal information in open data formats and with data visualization and data analysis tools produced to help non-experts use financial data”. The achieved results are likely to produce interest also among other stewards and non-stewards. However, to ensure outcomes and impacts, it is important that the Open Fiscal Data Package adequately target user groups in respective countries to make sure that user groups gain sufficient capacity to use the data analytically when budget data is published on the Open Fiscal Data Package platform.

3.1.5 The GIFT Network

This sub chapter analyzes GIFT’s achievement with regard to its membership, the General Stewards, as well as other parts of its network namely the FOWG and involvement with other non-OGP member countries. The achievement of the following development outcome and targets is assessed:

Table 16: Outcome and target regarding the GIFT Network

Development outcome	Target by June 2016
4. The number of new governments and funders participating in GIFT increased	4.1 Majority of new members are developing country governments or organization providing funding

The number of GIFT General Stewards has increased from 16 active Stewards in 2014 to 29 General Stewards by September 2016. Within this group of 29, six are now Lead Stewards, the decision-making body of GIFT. GIFT has been successful in attracting both additional governments and CSOs and the CSOs (see table).

Table 17: General Stewards 2014, 2015 and 2016

Type of General Steward	2014	2015	2016
IFIs/Donors	7	7	7
Governments	3	5	10
CSOs	6	7	12
Total	16	19	29

Four of the governments that are General Stewards are from Low Middle Income Economies (LMIC) and five are classified as Upper Middle Income Economies (UMIC) (in addition to the US Treasury Department). The government members are still fewer than the donor/IFI- and CSO-members and they represent mainly Latin-American governments (5) and Asian governments (2). The MoF of Tunisia, the National treasury of South Africa and the US Treasury Department are also among the General Stewards. GIFT’s goal is to have 34 General Stewards by the end of 2016 of which 12 are Governments.

Of the 13 new Stewards joining during the period 2014 to 2016, seven were country governments all representing emerging and developing economies⁷ which is a majority of the new members.

The donors/IFIs that are General Stewards have remained the same throughout the period. As the World Bank DGF Grant is coming to an end, the Network Director will, during 2017 begin to fundraise. GIFT will need to increase either the funding from the remaining donors, or find new financiers. The last option would be preferable and there may be a case for approaching bilateral donors working in the PFM area. Examples include USAID, AusAID, Gesellschaft für Internationale Zusammenarbeit (GIZ), the Swiss, some of the Scandinavian

⁷ As per the IMF’s and World Bank’s new definition in 2016.

bilateral donors and the regional development banks that currently fund PEFA assessments in countries in Lower Income Countries (LIC) and LMIC countries.

GIFT has also expanded its **network** during the period by leading the OGP’s FOWG (as described in Chapter 3.1.2 above) that has a memberships of 27 organizations and institutions. Of these, eight are governments and the governments of Liberia and South Korea are members that are not part of GIFT’s General Stewards.

GIFT has also acted as the “matchmaker” in contacts between governments taken apart from any activities organized by GIFT. The interviews held have given examples where General Stewards have been working with countries that are neither part of GIFT or the FOWG such as for example Tunisia working with Morocco and Cote d’Ivoire (non-OGP members), and Croatia is working with Bosnia and Herzegovina, Montenegro, Macedonia, Slovenia and the Czech Republic (all OGP members) in a project on Local Government Budget.

The stakeholders interviewed have commented that GIFT would benefit from broadening its General Stewards or having a rotating membership. The number of General Stewards has increased, but bringing in new members with new experiences and needs is important for the sustainability of the network (further discussed below). Also, to bring in Low Income Countries, until now not represented, and more countries from Africa, Asia and Europe is important. The contexts are different and experiences from Latin-America are perceived as very different for European General Stewards.

The evaluation team has also reviewed the documentation on GIFT’s activities throughout the period to assess the network beyond the Stewards and FOWG. The analysis showed that during 2013, GIFT worked mainly with the Stewards and the FOWG members. During 2014 the network was expanded to 16 where GIFT began working with several Central American governments. In 2015, GIFT held a number of meetings attended by governments from 37 countries including governments in Europe, Asia and to a lesser degree, Africa. The 37 include both OGP member and non-OGP members. During the first half of 2016, GIFT has held meetings/workshops attended by 28 country governments including new acquaintances such as Ghana, Georgia and Senegal. This shows that GIFT has substantially increased its network, and now needs to consolidate this by encouraging countries to apply to become Stewards and/or join the FOWG.

Conclusion

The achievement of the development outcome has largely been achieved:

Table 18: Achievement of outcome GIFT Network

Development outcome	Achievement
1. The number of new governments and funders participating in GIFT increased	<ul style="list-style-type: none"> • The number of funders has remained the same. • The number of new governments has increased.

The target has partially been achieved.

Table 19: Achievement of target GIFT Network

Target by June 2016	Achievement
4.1 Majority of new members are developing country governments or organization providing funding	A majority of the new members (7 of 13) are emerging or developing economies.

The GIFT network is composed of funding organizations (7), CSOs (12) and Governments (10) and the Latin-American region is highly represented. With the completion of the World Bank DGF grant there will be a need to find new funding agencies.

Although GIFT has a substantial network, and has had representatives from more than 50 countries attend their meetings/seminars or view GIFT presentations at meetings hosted by other organizations, this has not translated into a broader geographical representation of governments in GIFT’s membership. Nor does the stewardship or network include many countries from LMIC economies. Stakeholders interviewed have commented that “the usual suspects” turn up at events and that there is a need for new members. GIFT could consider a time-limitation to its General Steward membership thereby forcing the issue of finding new Stewards and ensuring that more geographical regions are represented as well as LIC countries.

3.2 Relevance

The relevance has been assessed in terms of the usefulness and relevance to different type types of stakeholders within GIFT’s network. This analysis has focused on comparing against “the counterfactual” i.e. posing the questions what if GIFT had not existed.

GIFT’s relevance to the **IFIs** (the World Bank, the IMF the OECD) has been to create alignment around the norms/standards on fiscal transparency and public participation. This is a key success to ensure that diverse institutions all are in adherence as to principles of fiscal transparency. This would, according to most IFI stakeholders interviewed, not have happened had not GIFT worked hard on this issue. The details of how fiscal transparency is to be measured in detail varies and there is no uniform “manual/instruction” for how this is best done. There is therefore no single institution/organization responsible for monitoring compliance with any set of norms/standards/principles on fiscal transparency or public participation. GIFT’s *Guide on Principles and Mechanisms of Public Participation in Fiscal Policy* may be a first step within the public participation arena to create a soft norm, which might perhaps be developed over time into a statement of good practices. But its uptake will depend on country governments’ view of its quality and usefulness.

GIFT has provided **government officials** interviewed with the following value that would otherwise not have been available:

- A standard/principle to follow and to which the government has committed itself (and which is monitored in the OBI and through the OGP). This is stressed by several government staff interviewed as an important tool for them when working with decision-makers in their respective departments

- A unique forum to openly and intimately discuss issues, problems, strategies and ways forward among government staff working with the same problems. Government officials can be isolated and several of those interviewed commented on the value in GIFT-organized events where both technical as well as organizational issues to move forward with fiscal transparency, open budget platforms etc. were useful.
- The network approach combined with peer learning activities have provided government officials access to technically skilled experts on fiscal transparency and public participation in sister institutions in other countries, as well as access to expertise among other non-governmental institutions from academia, private sector and IFIs, in addition to the capacity offered by the GIFT Coordination Team.
- Government officials have also been linked up with other national level stakeholders, often facilitated by GIFT Coordination Team, including civil society actors that has proved particularly useful during the implementation of the fiscal transparency and public participation strategies, for example in the development of fiscal transparency portals. In some countries these national networks of government officials, civil society actors and other non-governmental stakeholders have created a strong momentum for improved fiscal transparency.

For **CSOs**, GIFT is a unique platform for access to the national governmental staff. This sets GIFT apart from other platforms such as the IBP (working directly with CSOs) and OGP (working with national governments) and without GIFT, CSOs may not have had such open access to governments. In addition GIFT provides opportunities for CSOs to link up with non-government and government stakeholders in the GIFT network, learning and sharing experiences from other countries. This contributes to increased capacity that improves the relevance of their organizations.

The research commissioned by GIFT has given rise to a large number of recommendations on future directions, on what GIFT should focus on and on further research to be carried out:

- Some of the first research carried out in 2011 helped shape GIFT's work. A discussion paper by M. Petrie in 2012, presented GIFT with an action agenda as well as organizations important for GIFT to partner or work with. These recommendations have, to a large degree, been followed, with GIFT becoming one of the co-anchors and active facilitator of the OGP's FOWG, by developing the high level principles and providing input into norms on fiscal openness e.g. the *IMF Code*. The area mentioned in this study where GIFT still has work remaining is regarding the link between the sovereign bond market/financial sector actors and the incorporation of fiscal transparency principles into their norms and basis for debt ratings.
- GIFT has, and is, following Paolo de Renzio's recommendations from the *Interim Synthesis Note on Incentives for Fiscal Openness* by developing a guide on public participation in fiscal openness and disseminating and linking up with other complementary communities of practice such as other working groups of the OGP, other similar initiatives (e.g. Accounatbiliyt.now, GSPA)

- Additional ideas for research were presented in de Renzio's *Meta evaluation* in 2015. These are general research ideas that GIFT or other independent researchers can take on. The ideas for research would, however, require a substantive research effort and data analysis and may be beyond the scope of GIFT.
- The recommendations from Jonathan Gray's research on Open Budget Data are being implemented by GIFT. The survey of CSO's use of budget data, the project implemented with Open Knowledge on the user-friendliness and readability of public financial data is being supported by GIFT. There are still recommendations on exploring how fiscal data can be used to track money from revenues (taxes) to results and on the implication of opening up information on public finance that GIFT could explore.

The research has been used by certain of GIFT's stakeholders. Some of the General Stewards have made use of some of the research, mainly for information purposes. The research is useful when emphasizing impact or stating examples in discussions between technical governmental staff and decision makers in the Government, the HLP on Fiscal Transparency are referred to by IFIs, bilateral donors and government officials.

The purpose of the research was to contribute information that could be helpful to incentivize governments to improve public transparency. The case studies have been widely publicized and officials from the countries for which case studies have been prepared are invited to well-publicized events to speak about their experiences. This creates a sense of both ownership and pride in achievements and therefore a wish to continue the good work.

However, many of the stakeholders interviewed are not aware of all the data available and some have found the research "too academic" and would prefer "more practical advice of how to". This was mentioned especially in terms of public participation where government officials sought practical advice. In response to this, GIFT has, published blogposts and infographics on its website, prepared webinars to disseminate the research. In addition, GIFT is working on a *Guide to Public Participation in Fiscal Transparency* which will provide practical examples of mechanisms and guidance.

GIFT has possibly, been the main user of the research, but has also implemented or is in the process of implementing recommendations from the research. As such, the research has been highly relevant and provided GIFT with an evidence base on which to base its activities.

Conclusion

The evidence gathered has shown that GIFT is a highly relevant network and unique. There is consensus that uniformity around the norms/standards on fiscal transparency would not have happened without the efforts of GIFT. Both Government officials and civil society actors state that GIFT has provided a unique forum to openly and intimately discuss issues, problems, strategies and ways forward among government staff or civil society actors working with the same issues. For government institutions, GIFT provides possibilities to access technical capacity from a broad set of institutions across the globe, in dealing with

specific issues related to fiscal transparency and public participation, both from GIFT Coordination team and from other stewards without GIFT formal engagement. There is no other such forum available which is so much valued by those involved.

3.3 Efficiency

The following chapter analyzes the use of the World Bank DGF Grant in relation to GIFT’s achievements.

The World Bank has been the GIFT network’s single donor (in 2013) and largest donor during the period 2014-2016. The World Bank DGF grant spent so far is USD 1.8 million. In addition, the GIFT network received a grant covering the period 2014-2017 of USD 1 million from the Hewlett Foundation and USD 1 million in 2015 from the Omydar Network (to cover 2015 to 2017).

The main part of the World Bank funding has been spent as follows:

Table 20: GIFT spending of the World Bank funding

Expenses on GIFT activities	Total DGF grant spending (2013-2016)	
FOWG	324 084	18%
Global architecture norms work	216 967	12%
Research on evidence and impacts	270 163	15%
Development and execution of GIFT governance network	131 444	7%
Global engagement and program coordination	743 317	41%
Overheads	118 241	7%
Total	1 804 216	100%

As shown above, the largest amount is spent on GIFT’s coordination activities (41%). The type of costs that the GIFT network has spent its funds on are mainly professional services (58%) and travel conferences and meetings (23%), other types of expenditure includes, Open Data Budget specifications, postage and office supplies and overheads. The cost of the coordination team is the largest single budget line, and comprises professional services of the four-person coordination team and other experts (58 % of the total spent) outreach activities (travel meetings and conferences 23%). These costs appear modest bearing in mind the four-person team and the amount of travel needed to maintain the network. All other expenses are modest. The low cost of the research activities also needs to consider that some of the researchers are full-time employees of IBP that provides their time “pro bono” for GIFT’s research activities. As GIFT is hosted by IBP, part of the actual administration cost may also be covered by IBP.

The approach used by GIFT has been efficient in terms of achieving the intended results. Though difficult to rigorously measure, the feedback from stakeholders consulted by the Evaluation Team confirms that a connected and vibrant global network that moves the fiscal transparency agenda forward has been created by GIFT. A lightly staffed Coordination Team with only a few members, has established a network for a broad set of stakeholders sharing a common interest in pursuing fiscal transparency, from IFIs, civil society, the private sector

and academia, where sharing of views and experiences and peer learning is taking place on a regular basis.

The benefits of the network approach is particularly evident in work stream I, Advancing Global Norms on Fiscal Transparency and work stream II, Increasing and Improving Peer Learning and Technical Assistance. With regard to the harmonizing norms and standards, GIFT has managed to successfully achieve the intended results by actively using different actors in the multi-stakeholder network to engage in consultation processes. An example is the engagement with the PEFA secretariat, where Global Integrity (a Washington based think tank) has supported the Coordination Team, and a steward (the Philippines) has been willing to pilot the instruments agreed. Given the relatively low cost of this work stream, it is the Evaluation Team's assessment that the achievement of results has been cost-effective, and that the network approach applied by GIFT appears to have contributed to the results achieved.

Also with regard to institutionalization of these norms and standards at national levels, the multi-stakeholder approach combined with the peer learning approach has proven very efficient. At a relatively low cost, GIFT has in regional and national conferences and workshops facilitated interaction between actors which has led to direct contact between GIFT stewards without involvement of GIFT Coordination Team and provided access to practitioners of fiscal transparency.

Another important factor that has contributed to efficiency is the flexible and un-bureaucratic structure of GIFT, with effective communication lines between Coordination Team and GIFT stewards. Both lead stewards and stewards pointed out that the Coordination Team is highly accessible and provides quick response to challenges faced by stewards at national levels, either by providing technical assistance, or by directing the request to other stewards that are able to assist. Moreover, the formal requirements for receiving technical assistance, either from the Coordination Team or from other stewards, are perceived as few, and contrary to the formal procedures to IFIs and donors.

However, further efficiency gains could be possible. It was pointed out by some stakeholders that some of the lead stewards, in particular the IFIs that have significant technical resources, in the future could take a more active role on the supply side, supplementing the GIFT Coordination Team and GIFT stewards by providing technical assistance in a flexible manner on demand from other stewards.

Conclusion

The GIFT network has achieved almost all of the development outcomes, has undertaken a substantial amount of activities (a large amount of workshops, FOWG meetings, other networking meetings and study tours, 33 research studies, bilateral meetings and technical assistance activities) with a very small budget. The multilevel network and peer learning approaches has proved efficient in terms of achieving the planned outcomes in a cost efficient manner. At the same time the flexible and un-bureaucratic structure of GIFT has contributed

to efficiency. Looking forward, further efficiency gains could be achieved provided that IFIs takes a more active role by providing TA in a flexible manner on demand from other stewards.

3.4 Governance and management

GIFT was established as a network with working groups comprising the initial stakeholders mandated to design the work streams. It was made operational during 2011 and 2012 by relying to a large extent on the stakeholders to take ownership of the priorities, develop what was to become the work streams and establish working procedures.

The GIFT network was officially launched in 2012. Coordination of the working groups was carried out by a small Coordination Team working part-time. It was hosted by the IBP and funded by IBP, the Hewlett Foundation and Metanoia. In 2013 the World Bank provided DGF grant funding to finance the GIFT initiative specifically with a separate budget that allowed the recruitment of a full-time Network Director.

GIFT is now governed by its General Stewards that encompasses the Lead Stewards. The Lead Stewards are the founders of GIFT in addition to IFAC that joined as a Lead Steward in 2015. The General Stewards have responsibilities of assisting GIFT in outreach activities, in fundraising and in actively participating in the work that GIFT does. This has meant hosting seminars/meetings, participating in such events hosted by other institutions, contributing time and resources to participate and/or organize learning tours and assisting in research projects e.g. case studies and interviews.

In GIFT's document *Network Governance, Legal Structure and Operating Procedures Proposal* (July 2015) GIFT proposed three options for the future of GIFT:

- For GIFT to continue being hosted by a Lead Steward
- To create an independent international secretariat, and
- To create an intergovernmental organization hosted by one of the founding governments.

Each of the options are analyzed below from the points of view of ownership and engagement of the General Stewards, representation and democracy and ability to fulfil its mandate.

The current **hosted option** has meant that General Stewards can join the network without substantial investments in either funds or resources (time). Governments, CSOs and IFI have committed to participating in two meetings per year, and to helping GIFT in the activities/ seminars etc. that GIFT plans to carry out. The responsibility for delivering against the DGF grant outcomes and targets has been mainly on the Network Director and the Coordination Team. This despite the responsibilities listed in GIFT's *Operating Procedures*, requiring the Stewards to "lead efforts to implement agreements" and to "propose and agree upon the work

streams and participate in them”. There is substantial engagement in GIFT but limited ownership and sense of responsibility for GIFT’s survival.

The loose formation of the GIFT network may also have been a contributing factor to the substantial increase in the number of Stewards. As such it becomes a democratic governance structure where membership is very open. It is easy to join and requirements are low. By requiring more (time, funds, responsibility) potential Stewards may carefully consider joining.

Creating an **independent secretariat** would mean creating a legal stand-alone entity, effectively an NGO. Its board/lead stewards would have more formal ownership and responsibility and could be selected by a General Assembly of General Stewards. By creating an NGO, ownership needs to be defined and funding secured. Funding could come through grants, membership fees or service delivery. Irrespective, the creating an NGO also means creating formal ownership. This may deter some potential General Stewards from joining. Country governments may not have the mandate to become members of NGOs or be able to dedicate the funds or time. This may thus be a hinder to engagement. The governance structure would need to be determined in a democratic manner with voting or other options for selecting a board and for agreeing on strategies etc.

The third option of creating an **intergovernmental organization** would require the commitment of governments to host and fund such an organization for a medium to long period of time. The rationale to create such an organization would be if GIFT had a long-standing commitment to e.g. monitor compliance of an international standard or similar.

The evidence collected by the Evaluation Team has shown that, the GIFT network provides the following value to its target audience (the governments of countries as fiscal transparency and CSOs):

- Personal knowledge is enhanced among government officials through the network. In order to continue to be relevant, GIFT needs to provide national decision-makers, government technical staff and CSOs knowledge, techniques, short-cuts to implement reforms/systems for improving fiscal transparency in order to continue to be relevant.
- Institutional knowledge, by learning about what to do and how to, institutions are able to implement fiscal transparency reforms better, quicker and at less cost.
- Collective value where the governments, CSOs and individuals can realize change at a higher/global level that they are unable to realize as single countries or individuals.

Therefore GIFT’s focus should be on creating a membership that is global, encompassing LIC as well as higher income countries from all geographical regions. Before requiring more of its General Stewards in terms of ownership, as in the case of an independent secretariat, GIFT needs to amass the engagement of governments and CSOs. Only once this is achieved, can GIFT begin the process towards becoming an NGO.

There are, however, other considerations regarding GIFT's governance:

- GIFT's General Stewards need to, as pointed out in the Governance Plan, more actively contribute to GIFT and fulfil the responsibilities established for the General and Lead Stewards. This includes assisting in fundraising, in establishing the direction for GIFT and helping to recruit additional Stewards
- Consider having a revolving membership i.e. the Lead Stewards remain the same but the General Stewards are recruited for a fixed period after which the General Steward recruits the replacement Steward. This introduces new ideas, learning and if the General Stewards are engaged only for a specific time period, their engagement may increase.

The Network Director has been diligent in organizing General and Lead Steward summits/meetings and reporting against the established outcomes to each donor (the World Bank and the Omydar Network). The outcomes established for the World Bank DGF grant were non-measurable in terms of outcome at the launch stage of GIFT, were appropriate. As GIFT is now established and seen as a separate initiative (stakeholders perceive it as separated from IBP) new outcomes need to be established for GIFT going forward. The evaluation team recommends the Lead Stewards to consider new, measurable outcomes, for example:

- Agreeing on a guide on how to integrate public participation and any other guides related to fiscal transparency.
- Adoption of the above mentioned guide by countries – number of countries
- Evidence of implementation of the guide
- Existence of an open budget data specification
- Use of the open budget data specification
- General Stewards involved in GIFT (geographical spread, country income level spread)
- Level of involvement of General Stewards in GIFT's governance.

Conclusion

GIFT needs to broaden its membership of Stewards to include LIC countries as well as governments from Africa, Asia and Europe. The Stewards also need to take on a stronger leadership role and assume the responsibilities as established in the Operation Procedures. The GIFT network should consider actively involving/delegating tasks to Stewards in any design or development work needed (e.g. norms/manuals/guides) in order to create ownership and ensure the use.

3.5 Sustainability

The growth in the FOWG membership, the high activity level and the outcomes already achieved indicates a strong demand for peer learning and technical assistance on fiscal transparency and public participation.

The responses from government, CSOs and research institutions consulted uniformly expressed that the contributions of GIFT to peer learning has been highly valued, in particular in terms of providing an arena for exchange of experiences in an un-bureaucratic manner, with flexible and targeted responses to requests for information. Also much valued is the multi-layered participation of technical staff and decision-makers in government as well as CSOs and IFI/donor representatives. This has, according to both government and non-government stakeholders, provided an added value to peer learning, not provided in any other arena. As GIFT's flexible and un-bureaucratic structure, combined with its multi-stakeholder and peer learning approaches, has been fundamental to GIFT success, the continued sustainability of the GIFT network is partly dependent on that the future organizational model maintains a high degree of flexibility and openness towards its users, and that the peer to peer and multilevel stakeholder approaches are further built upon in future strategies and work-plans.

The support from champions, such as Brazil, Mexico, the Philippines and South Africa has clearly had an impact on peer learning for many Stewards, not only on the success of the network, but also on the outcomes achieved at country levels. Also in the future, the contributions from champions is likely to be very significant, as their experiences provide technical input and solutions to issues that are often not available in research or reports. This contribution is, however, often anchored to officials in central positions, and hinges on their continued interest to participate as well as on their respective institution's ability to contribute in the network, and is therefore such vulnerable to personal and institutional factors, that in some cases also depends on economic and political circumstances.

The sustainability of this network depends on the members having a common interest/need in moving the fiscal transparency and public participation agenda forward. The different GIFT General Stewards and OGP members all have one common interest: to improve fiscal transparency in their own country and learn how to do this effectively. However, the network depends on Stewards willing to provide advice/support/ help to their peers in other countries and gain something in return. There are several demands from Stewards that have been put forward to the evaluation team:

- To include more/different General Stewards – some General Stewards have been able to supply advice/support/learning to a large extent but also need to gain from the exchange. Also, some General Stewards commented on the applicability of case studied to them and argued for a broader geographical mix of countries represented.
- To assist countries (government staff) in countries where there has been a change in administration and where commitments to fiscal transparency and public participation principles may be weakened.
- To delegate tasks to countries to take the lead on.

Another aspect of sustainability is the direct involvement of the Stewards in developing products such as the HLP. By involving the Stewards in this work (both Lead and General

Stewards) a sense of accomplishment and ownership is developed and the governments directly involved in designing and commenting on such normative work are more likely to apply these.

Financial sustainability depends on the GIFT network's ability to attract a more diverse group of donors. International donors in the development cooperation arena may, at times, be focusing on specific issues, but the evaluation team's recent research shows that there are some donors that have a long-standing commitment to improving PFM in developing countries. Examples are: GIZ, AusAID, the Inter-American Development Bank, the African Development Bank.

Inviting new and a broader set of Stewards would have implications on the current staffing of GIFT as well as funding and activities. In order to be able to attract Stewards from the regions that are currently under-represented (low-income and low-middle income countries) may mean that additional resources with relevant networks in Africa and Asia may need to be brought into the Coordination Team. The ability to network with PFM-decision makers in governments as well as will PFM expertise in the civil society sector is needed in order to bring new governments and CSOs on board.

This would also have implications for funding. The cost of the current Coordination Team (of four persons) was about USD 260,000 during the first half of 2016. The total Coordination team budget for 2016 is USD 464,000. An additional resource of relevant experience and competence to assist the Network Director in recruitment of new Stewards would mean additional funding needed, estimated to USD 150,000-200,000. Additional budget for travel and overheads may also need to be sought as more members would mean additional coordination, logistics etc.

Conclusion

GIFT's flexible and un-bureaucratic structure, combined with its multilevel stakeholder and peer learning approaches, has been fundamental to GIFT success. The sustainability of the GIFT network therefore needs to ensure that the future organizational model maintains a high degree of flexibility and openness towards its users, and that the multi-stakeholder network and peer to peer learning approaches are built upon in future strategies and work-plans.

GIFT's ability to recruit new, and to the extent possible, a broader set of Stewards that add particular value to the demands from other Stewards is of great significance to ensure long term sustainability. The growth in number Stewards engaging with GIFT through the FOWG and other forum provides a good opportunity for GIFT to reduce this risk, as there appears to be a high interest among stakeholders to share their experiences.

One option to consider is a revolving stewardship model, where Stewards are members for a fixed period (say 4 years) and then obliged to find a new Steward to take their place. This would ensure that new knowledge and initiatives are brought in, a broader geographical and country income-level membership. By having a fixed stewardship period, Stewards may be

more motivated to actively engage in GIFT as it is during a specific period. As the network depends on countries sharing their experience, this would be done during a period, after which the Stewards could remain in the network but as less active members partaking of other Stewards sharing.

4. Conclusions and Lessons Learned

The GIFT network has been highly successful in achieving the Development Outcomes and Targets established in the DGF Grant Agreement (a summary of outcomes, targets and the achievement of these can be found in Appendix 3). The GIFT network has achieved three of the four Development Outcomes established and substantially achieved one. It has been highly successful in:

- Harmonizing norms and standards regarding both fiscal transparency and public participation applied by different institutions. The revised *IMF Code*, *PEFA 2016 Framework*, the *Open Budget Survey* and *OECD Best Practice*, show substantial adherence to the HLP. Evidence gathered also shows that the HLP are important to different practitioners in this area: Government staff, IFIs and CSOs.
- Contributing to the implementation of fiscal transparency reform by offering a forum for learning “how to” and access to technical resources. This forum has been the way for countries to find manners to improve their OBI ratings and implement the OGP commitment.

The idea of GIFT to help in knowledge sharing, fits well with the aims of other actors working to further fiscal transparency. A lightly staffed GIFT Coordination Team with only a few permanent staff, has established a network for a broad set of stakeholders sharing a common interest in pursuing fiscal transparency. The multilevel network and peer learning approaches has proved efficient in terms of achieving the planned outcomes, and the flexible and un-bureaucratic structure of GIFT has ensured that knowledge sharing has been leading to results.

GIFT is found to uniquely fill a gap between the OGP – where governments commit to improving fiscal transparency, the IBP monitoring improvement and deterioration in fiscal transparency, the IFI’s providing technical assistance and CSOs, simplified, representing the demand side i.e. the users of fiscal information. There has been a sharp increase in number of countries taking part in the FOWG and in GIFTs knowledge-sharing activities, and stakeholders consulted consistently perceived the peer learning approach as useful and the work stream activities and outputs as relevant. GIFT’s peer to peer work stream has also improved the dialogue among national level actors, and their capacity on fiscal transparency and public participation, hence contributing to the process of institutionalizing the high level principles at national level. Motivating factors for governments to be involved in GIFT include:

- To find approaches to improve the OBI scores.
- To find advocacy strategies when working with higher government officials.
- To find technical solutions in specific areas.
- To gain access to IFIs providing help in the fiscal transparency arena.
- Goodwill awarded the country government when able to show advances to other countries

- Improved sovereign credit rating.

GIFT has, during the period produced 33 research articles; both research on the impact of fiscal transparency, practical case studies as well as monitoring of NAP commitments. This effort is impressive and of high value but the use of it by stakeholders has been limited. The governments reforming their PFM systems seek practical advice on both techniques, sequencing and strategies – “how to”. IFIs and CSO seek disaggregated evidence of impact of fiscal reform – “what works and why”.

Work stream IV focusing on the Open Fiscal Data Package, has produced significant results and reached its development objective; to develop a tool for publishing micro-level budget and fiscal information in open data formats.

Although GIFT has a substantial network this has not translated into a broader geographical representation of governments in GIFT’s membership. GIFT could consider finding new Stewards and ensuring that more geographical regions are represented as well as LIC countries.

GIFT may consider whether other global transparency initiatives, such as the Extractive Industries Transparency Initiative and the Aid Transparency Initiative should be brought under the GIFT umbrella. For example, there may be countries that have successfully implemented the EITI standard where there is scope to build on the momentum of the EITI initiative, to ensure sustainability of the EITI initiative and to strengthen fiscal transparency and public participation outside the extractive industries sector. A collaboration with EITI may also prove useful in countries where there is currently a shrinking space for civil society and civic action, as GIFT’s work modalities with peer learning may be particularly useful to expand the knowledge of the potential benefits for government to actively work with civil society. Hence, to initiate a dialogue with the EITI secretariat in Oslo, and/or national secretariats in EITI member countries that GIFT may already see as potential stewards, is recommended.

GIFT’s sustainability lies in its ability to create action around fiscal transparency reform and improvements in public participation. The HLP are high level and governments are seeking manners of how to implement these. GIFT’s flexible and un-bureaucratic structure, combined with its multilevel stakeholder and peer learning approaches, has been fundamental to GIFT success, and the sustainability of the GIFT network therefore needs to ensure that the future organizational model maintains a high degree of flexibility and openness towards its users. It also need to ensure that the multilevel network and peer to peer learning approaches are built upon in future strategies and work-plans.

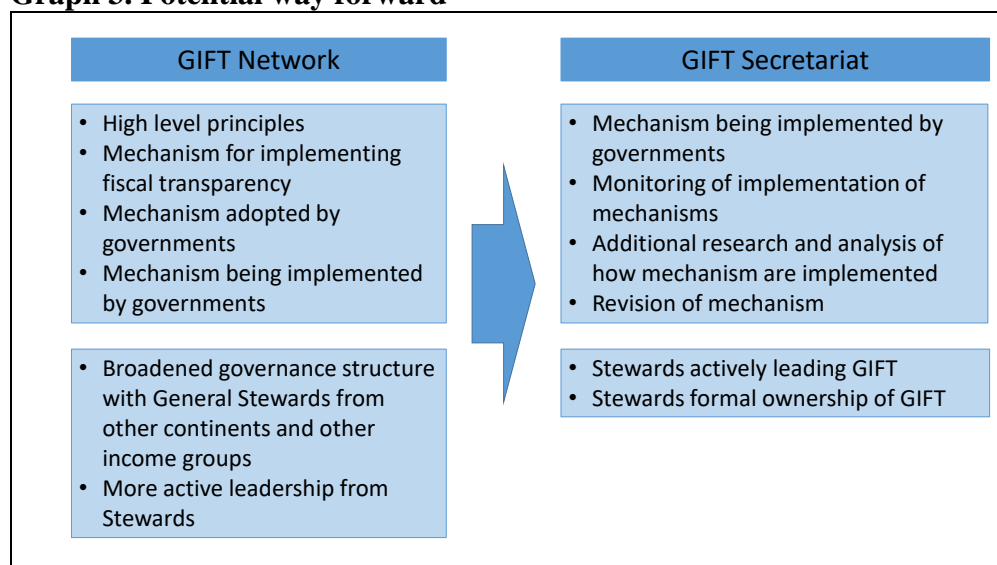
5. Way forward

In going forward, there is still a need for more detailed instructions on how to improve fiscal transparency. Challenges include

1. Context-specific mechanism – GIFT works with Upper Middle Income Countries, with a majority of its General Stewards being governments in Latin America. There is a need to provide advice that is context specific i.e. for Lower Income- and Lower Middle Income Countries and/or geographical regions.
2. Prioritization – what to do first, and which will have the largest effect. Disaggregating overall results in transparency to show reformers which specific action/change has an effect and on what part of the budget cycle/institution/service delivery etc. is necessary.
3. Technical solutions – implementing fiscal transparency and public participation means changing an incumbent system and investing in new and reformers need help in selecting platforms/systems that work for them and advice on how to implement them.

Going forward could be illustrated as follows.

Graph 3. Potential way forward



GIFT needs to broaden its membership of Stewards to include LIC countries as well as governments from Africa, Asia and Europe. The Stewards also need to take on a stronger leadership role and assume the responsibilities as established in the Operation Procedures.

The different norms/standards and the HLP need to be translated into more practical instructions, or alternatively, that the existing norms are reviewed to assess if there is convergence in applicability or not. The devil is in the details and this is necessary to help reformers.

The practical instructions need to begin being adopted and implemented by countries and GIFT has an important role in helping governments to find practical solutions either through technical assistance from IFIs, from other country governments or from CSOs.

GIFT also needs to keep track of how fiscal transparency reform is being implemented. Is there best practice, are there failures where the instructions need to be changed or is there a need for context-specific instructions.

The evaluation team recommends the Lead Stewards to consider establishing measurable outcomes for the future strategic period. The GIFT network should consider recruiting new Stewards, and especially governments and CSOs from Africa, Asia and Europe. The GIFT network should consider actively involving/delegating tasks to Stewards in any design or development work needed (e.g. norms/manuals/guides) in order to create ownership and ensure the use. GIFT needs to increase the number of donors providing funding and could consider a revolving stewardship model where Stewards are members for a fixed period and then replaced.