



RECOMMENDATIONS FOR THE
LONG-TERM INSTITUTIONAL ARRANGEMENTS FOR THE
INTERNATIONAL AID TRANSPARENCY INITIATIVE

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August 8, 2017

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Acknowledgements

The authors would like to thank the IATI community for its enthusiastic participation in the research phase of this work. They would also like to thank the advisors for their input, as well as Leslie Cheung, Amy Melvin, and Nicholas Salter for their contributions.

Powered by Data would like to thank Mora Johnson for leading the research and writing of this report.



About Powered by Data

With the goal of enabling the social sector to benefit from the rapidly changing ways society handles information, Powered by Data works with leaders in non-profits, governments, and foundations to help them better use, share, and learn from data. Powered by Data operates on Tides Canada's shared platform, which supports on-the-ground efforts to create uncommon solutions for the common good. For more information, visit <http://poweredbydata.org>.

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LIST OF ACRONYMS AND INITIALISMS

CSO	Civil Society Organisation
DI	Development Initiatives
EITI	Extractive Industries Transparency Initiative
IATI	International Aid Transparency Initiative
GIFT	Global Initiative for Fiscal Transparency
GRI	Global Reporting Initiative
MSI	Multi-stakeholder Initiative
OCP	Open Contracting Partnership
OECD	Organisation for Economic Co-operation and Development
OGP	Open Government Partnership
SOP	Standing Operating Procedure
TAG	Technical Advisory Group
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services



1. INTRODUCTION

Powered by Data was contracted by the Government of Canada and the United Nations Development Programme (UNDP) to provide the Governing Board of IATI with options that enable it to make clear recommendations to members for the long-term institutional arrangements of IATI. The contract required us to consider the logistics of hosting the secretariat along with other elements of institutional arrangements including a sustainable funding model, membership criteria, and governance structures for the initiative. The options to be presented were to be accompanied by one clear recommendation, as well as a high-level plan for implementing the recommended options. Powered by Data assembled a team with diverse and complementary backgrounds to assist with developing the report. The team is comprised of organizations and individuals with expertise in the areas of multi-stakeholder initiatives (MSIs), bilateral funding, open data standard development, open data policy development and implementation, and software product development.

1.1. METHODOLOGY

The scope and timescale of this project was very limited. The contracts envisioned up to ten interviews and up to six focus group consultations, as well as document review. The team had not much more than one month to produce a draft report.

The response to our requests for interviews was enthusiastic and we were determined to hear from anyone with input to provide. We interviewed over 42 stakeholders (formal members as well as those in the broader IATI community) through over 30 interviews and group consultations (see Annex 1). We generally employed a questionnaire (see Annex 2); however, our goal was not to formally survey the IATI community, but rather to gain as deep an understanding as we could about the initiative in order to formulate the most informed options possible.

Our conclusions are based on the interviews, the document review, the research of other MSIs, and lastly, our experience based on involvement in other initiatives. Our recommendations represent our best judgment on the basis of the factors we outline. Most of the recommendations would not incur higher costs than are already expended. In cases where they would incur higher costs, even temporarily, we anticipate that the recommendations on funding (plus expected voluntary contributions) and potential decreases in expenditures would more than cover the costs of the totality of recommendations.

All amounts in this report indicated in dollars (\$) refer to US dollars.

1.2. CONTEXT: PROGRESS AND CHALLENGES IN IATI

Governance, hosting, and other aspects of the institutional arrangements can bolster or detract from an initiative's ability to accomplish specific goals. Additionally, those institutional arrangements need to evolve as initiatives grow and mature - especially for MSIs. What was required in the initial start-up phase will not necessarily serve the initiative through the next three or in ten years.

For this reason, many of our recommendations include a temporal element. We define short-term to mean one to two years, medium-term to mean between two to five years, and longer-term to mean beyond five years. Some of our advice has built-in flexibility, whereby the initiative could choose an option further down the road, even if it is not desirable right now.

Our work in developing this report included a review of other MSIs, particularly those focussed on developing and promoting transparency or open data standards. Our research confirms a variety of approaches to membership, funding, governance, and hosting, underscoring the need for IATI to chart its own path while simultaneously studying and learning from similar initiatives.

Before moving into the substantive review, we wanted to make a few overall observations about IATI's progress so far and the challenges ahead. These observations frame our recommendations for which institutional arrangements will best enable IATI to overcome its

immediate challenges and to accomplish its current goals, while still situating it for long-term success.

First, we were deeply impressed with the commitment and richness of the IATI community. The IATI organization and standard have an important *raison d'être* and there is a strong commitment to make it succeed from a wide range of stakeholders across the globe. This is a very encouraging indication of IATI's capacity to achieve its goals.

Second, it is worth highlighting how dramatically access to aid data has improved in the last 10 years. As was noted in the 2013 evaluation, IATI is an important factor in this success. Donors have significantly delivered on the commitments made in Accra and Busan and IATI has helped facilitate this.

Open data initiatives have a “chicken & egg” problem: a lack of standardized data results in a lack of demand for standardized data. We agree with the assessment of the 2013 Evaluation that IATI has had, broadly speaking, success stimulating the supply of IATI data. The existing institutional arrangements supported those efforts by underscoring IATI's credibility as well as broadening its recognition by key stakeholders, while simultaneously advancing the data standard, data quality, and tooling available for data production and use.

We agree that the increasing focus on fostering the use of IATI data and creating clear value for users is critical for the future success of IATI. This will require innovative and entrepreneurial practices, especially since IATI does not have the resources necessary

to fully fund the technological development that is required to allow for all of those use cases.

Our recommendations throughout the report endorse institutional arrangements which are aimed to help IATI succeed in turning its current goals into actions. Our proposals would help IATI consolidate its decision-making and implementation efforts through more streamlined, accountable structures. A compendium of recommendations is found in Annex 3.

In hearing from so many committed and engaged members of the IATI community, we are confident that IATI is up to meeting the challenges ahead.



2. MEMBERSHIP

The concept of membership does not always reconcile easily with MSIs created to benefit the greater good, including those focused on providing open data to all. Membership often implies a special status or special benefits in return for a financial contribution to the initiative, and possibly a commitment and/or in-kind contribution, such as time devoted to serving on the board or participation in launching new collaborations with other members to advance the initiative's mission.

Organizations focused principally on creating benefits for the world at large, rather than services for members, sometimes seek an alternative model to membership so as to create a community of support and to raise funds. In this section, we look briefly at the other governance models of various initiatives (both membership-based and non-membership-based), incentives to join IATI, categories of membership, and whether greater services should be provided.

Based on our interviews and analysis, our conclusion overall is, “if it ain’t broke, don’t fix it”. At this particular stage of its evolution, we generally find that the IATI membership system works reasonably well to create a community of interest and as a means of predictably raising funds for the initiative (more on this in the Funding chapter). Therefore, we suggest only minor tweaks to the membership system (below) in the short to medium-term to address minor concerns.

In the long-term, as IATI matures from its development stage into an established organization with greater stability and predictability, the initiative could explore whether it would be feasible to either i) move away from a membership system after securing alternative funding, or ii) focus more on providing tangible benefits to members. However, we agreed with most members that the most urgent priorities now are to create more value around the IATI Standard for a variety of users and to secure long-term institutional arrangements. Focusing on the provision of special services for members in the short-term might dilute resources otherwise dedicated to more crucial priorities.

BOX 1: MEMBERSHIP APPROACHES IN A VARIETY OF OPEN DATA/TRANSPARENCY INITIATIVES.

Under the **Extractive Industries Transparency Initiative (EITI)**, resource-rich countries commit to implementing the EITI Standard, a reporting standard which promotes transparency and good governance in the extractive sector. These implementing countries then periodically undergo “Validation,” i.e. a compliance audit. The EITI does not have a system of membership. Currently, 51 countries are implementing the EITI Standard. The benefits of participating in the EITI include improved governance and reputational benefits. EITI implementing countries are eligible for significant technical assistance from the World Bank Extractives Global Programmatic Support (EGPS) Multi-Donor Trust Fund and the EITI Secretariat.

The **Open Government Partnership (OGP)**, launched in 2011, is an initiative dedicated to making government more transparent. The OGP provides an international platform for domestic reformers committed to making their governments more open, accountable, and responsive to citizens. To become a Government Participant of the OGP, participating countries must endorse a high-level Open Government Declaration, deliver a country action plan developed with public consultation, and commit to independent reporting on their progress going forward. National and subnational government participants in the OGP make specific commitments pursuant to their respective action plans, and their progress is tracked on the OGP website. Like IATI, the OGP focuses on shared commitments and reputational benefits rather than specific services for participants. A

“Stories” page highlights success stories and positive collaboration between governments and civil society. Currently, 75 participating national governments and 15 subnational governments have made over 2500 open government commitments.

The **Open Contracting Partnership (OCP)** developed its reporting standard through a completely open process with input from a community of interested stakeholders, and it is available as a non-proprietary data standard. There are no members per se. The OCP operates as a convener, connecting a network of partners across government, NGOs, and civil society, interested in sharing and utilizing data.

The **Global Reporting Initiative (GRI)** is a series of widely-used sustainability reporting standards available for anyone, free of charge. It does not have a traditional membership system, however, it offers a bundle of services to those who join the “GOLD Community”. Services include significant support and information on reporting under the GRI standards but does not include a formal role in influencing the standard’s development.¹ Membership in the GOLD Community is based upon a sliding-fee scale from €500 for organizations under €1 million of gross revenue, to €14,000 for companies with a gross revenue of €1 billion or higher.

¹ Value Proposition of GRI “GOLD Community” available at <https://www.globalreporting.org/resourcelibrary/GRI%20GOLD%20Community%20Overview.pdf>

2.1. INCENTIVES TO JOIN IATI AS A MEMBER

In interviews and constituency consultations, we asked IATI members to describe the current value of membership: why would a country or another organization want to join IATI, as opposed to just using the standard? We were also interested in examining the potential of increasing the IATI value proposition by offering greater services to members.

There were a range of responses we received regarding current incentives to join. Many members noted that formally joining the initiative was essential to full participation in the initiative, to vote in the Members' Assembly, and to influence the development and evolution of the IATI Standard. Membership also benefits partner countries through financial assistance for travel costs to IATI events. More intangibly, many donors spoke about membership in the initiative as helping to provide a "collective good" which stems from their commitment to a common standard for aid data that came out of the Busan High Level Forum in 2011. Certain members talked about belonging to the initiative as providing some reputational benefits, including being seen to provide leadership, or in some cases, improving a country's reputation for transparency. Some directly cited the Aid Transparency Index as the reason for their bolstered reputations. Generally, we concluded that membership in IATI thus far has been based largely on a commitment to the principles of aid transparency, a commitment to implement the IATI Standard, and a commitment to help the IATI Standard succeed.

2.1.1. SHOULD IATI PROVIDE ENHANCED SERVICES FOR MEMBERS ONLY?

Some respondents advised that the value proposition of membership could be enhanced by offering greater services to members. Suggestions for these services include conferences, webinars, or other special events. One issue that was raised by some interviewees was whether provision of technical support by IATI should be prioritized for members, or conversely, whether non-members should pay for technical support that members receive for free.

We reviewed arguments for and against charging fees for the provision of technical support for non-members. We accept that there are free rider elements to some publishers making use of the technical support without paying a membership fee. However, given the important goals of IATI to increase the numbers of publishers, to increase numbers of users, and to improve data quality, there are serious risks in charging fees for technical support or making it conditional on becoming a member. These risks include publishers deciding not to publish at all, or not addressing data problems in publication. It also risks discouraging other potential users, including those without financial means. It is precisely these users who are most vulnerable to simply staying away from IATI.

Our assessment is that the risks of conditioning or charging for support are too great at a time when building value around uses of the IATI Standard remains such a high priority. One

variation on conditioning technical support for members is to prioritize support for members over those of non-members. The IATI technical team would have to assess the feasibility of this from a resource-allocation perspective, taking into account all other considerations. It could create an incentive for non-members to join IATI to receive more prompt assistance.

RECOMMENDATION 1: The IATI technical team should assess the feasibility of prioritizing technical support for members over non-members, subject to a consideration of all other factors, as a way of providing a modest incentive for non-members to join the initiative.

2.2. CLEARLY ARTICULATED MEMBERSHIP VALUE PROPOSITION

The current incentives to join IATI as a formal member, articulated in section 2.1, along with any new incentives the Members' Assembly may approve moving forward, should be clearly articulated as a value proposition on its website. Currently, it is difficult to find much information on membership on the website, including why an organization should be interested in joining.

RECOMMENDATION 2: The Members' Assembly should approve a clear value proposition statement for the website. This statement should be amended if the incentives are changed.

2.3. CATEGORIES OF MEMBERS

Currently, there are three formal categories of IATI members: i) aid providers; ii) partner countries; and iii) Civil Society Organizations (CSOs) and others.

We note that private sector members are subsumed into the “CSO and other” category. This may make sense from a numbers and early-term institutional development perspective, given the relatively small numbers of both CSOs and businesses in the initiative. However, we see strong arguments in favour of enhancing the number, participation, and contribution of private sector actors² in the broader initiative in the short or medium-term, rather than confining their involvement predominantly through the Technical Advisory Group. Private sector service providers could bring special insights into IATI’s response to use cases and user needs in both technical and non-technical discussions. Private sector organizations also bring a different perspective than governments, other donors, and civil society, and in some cases this perspective is very complementary.

In many MSIs, private sector participants play valuable roles, and in some cases, even provide strategic leadership as board members. Subsuming private sector actors into the “CSO and other” category presents some governance problems, particularly if CSOs and all others, including private sector actors, are expected to develop common positions. CSOs should have a safe space to

² Persons employed at corporations and firms engaged in for-profit business activities.

discuss, brainstorm, commiserate, and develop common ground. The same can be said for private sector actors. In our view, it makes sense to have separate categories of membership for these two types of members.

Greater involvement of private sector actors brings some challenges, although these can certainly be managed. Where businesses may encounter conflicts of interest, for example, where they wear one hat as a board member and another as service provider, the existing IATI Conflict of Interest Policy plays a critical role. The IATI Code of Conduct for Members of the IATI Governing Board states that “Board Members shall be under an ongoing obligation to disclose any actual, potential, or apparent conflict of interest to the board and shall take appropriate steps to avoid any such conflict. A member of the board having a conflict of interest concerning a proposal to be discussed by the board shall inform the chair and abstain from communicating with other Board Members regarding the proposal.”

However, we recommend that that the board amend the Code of Conduct to specifically require the recusal of members from certain discussions. For example, board discussions about drafting terms of reference for contracts, or awarding or renewing contracts would require anyone potentially benefitting from such contracts to recuse themselves from those discussions. This practice upholds the integrity of the board’s decision-making process and reduces potential risks that might emerge from having a more diverse board that includes private sector actors.

It should be noted that in many other MSIs, non-governmental organizations would find themselves in a similar position when they play a role in providing services to implement standards and programs. This could easily be the case for IATI in future. Members of the secretariat under hosting contracts would also be in a similar position when contracts are discussed.

The experiences of many corporate, non-profit, and MSIs demonstrate that it is often precisely the stakeholders with the greatest knowledge, experience and expertise in the subject matter that are the ones with conflicts arising from time to time. However, with a clear IATI conflict of interest policy in place and recusal practices strongly adhered to by all members, there should be no impediment to having a greater role for private sector participants, and indeed, a rich, knowledgeable and diverse board and membership in IATI.

RECOMMENDATION 3: IATI should amend the current Code of Conduct for Members of the IATI Governing Board in the Conflict of Interest section to specifically require that Board Members recuse themselves from any board discussion in which an actual, potential or apparent conflict of interest arises.. The IATI Governing Board should make a strong collective commitment to upholding the recusal practices.

RECOMMENDATION 4: A separate category of private sector membership should be spun out from the “CSO and other” category in the short to medium-term. Relevant private sector actors should

be encouraged to join the initiative as members and to serve on the board. A decision by IATI to follow this recommendation would generate governance consequences, namely a need to represent the private sector on the Governing Board. This is discussed further in Chapter 4: Governance of IATI.



3. FUNDING

Ensuring a sustainable and predictable flow of revenues is a major challenge and requirement for almost every MSI and non-profit organization. It is difficult to overestimate its importance as well as its inherent challenges. Stable funding can help ensure that the precious time and resources of an organization are used to create value and advance key priorities, whereas funding crises sap an organization's strength. Funding situations can be prone to changes over time, both major and trivial. Even the most stable organizations can experience funding crises after long periods of predictability, when, for example, once stable revenue sources change funding priorities or reduce funding. It is important to appreciate that what is working today may not work in 5 or 10 years' time.

This section will first review other initiatives which raise funds through different mechanisms, followed by a review of the membership contribution rules and the policy on partner country travel. It will conclude with some recommendations.

IATI currently raises funds through a combination of membership contributions, voluntary donations, and some in-kind contributions. For a number of years, these revenue streams have raised over \$1.5 million per annum.

Neither our interviews nor our desktop review revealed clear alternative sources of funding that would justify jettisoning the current funding arrangements. However, we make certain suggestions to fine-tune some of the current funding rules and practices. Our view is that the current system in place is serving IATI well. It provides stable and predictable funding and is flexible enough that adjustments can be made to ensure fairness and equity as the initiative evolves, without major reforms needed in the short term. Additionally, the current arrangement does not preclude some of the suggestions made by IATI members, such as seeking more support from foundations or large private sector companies. These will be discussed further below.

As we indicated in Chapter 2 on Membership, the IATI community may conclude in the future that the funding situation has evolved over the long-term, as IATI matures from development stage into an established standard and organization with greater longevity. At that point, should alternative sources of funding be secured, IATI can start to move away from the current model if it so chooses. For the short to medium-term, we recommend much more modest tweaks which can be revisited over time.

BOX 2: FUNDING SOURCES FOR OPEN DATA/ TRANSPARENCY ORGANIZATIONS

The **EITI** possesses two fundraising repositories: the EITI Secretariat and the World Bank Extractives Global Programmatic Support (EGPS) Multi-Donor Trust Fund, the latter which is devoted to helping implementing countries with technical assistance and funded entirely by donors. The EITI Secretariat has encountered some funding challenges in recent years. Earlier on, oil, gas and mining companies provided up to 65% of EITI Secretariat revenues; however, the commodity crash reduced the reliability of this source and it is currently closer to 40%. Supporting companies are encouraged to make a minimum contribution to the secretariat. For oil and gas companies, a minimum contribution of \$20,000, \$40,000 and \$60,000, depending on market capitalisation, is required. For mining companies, the recommended amount is the same depending on market capitalisation, and a minimum contribution of \$15,000 is required. Traditionally, bilateral donors have provided the remainder on a voluntary basis. At the end of 2016, the EITI Secretariat implemented an annual membership fee for implementing countries to cover the cost of validation.

The **GRI's** annual revenues in 2015-2016 were €9,100,840. Out of those, €2,391,841 were raised from provided services, €1,683,805 were from GOLD membership fees (also service-based), €2,353,709 were for grants or contributions for programs, and only €109,678 were from unrestricted donations. The GRI is planning for future

funding growth from bilateral and global programs focused on addressing climate change.

The **OCP** raised \$2.69 million in new funds in 2016. Approximately 96% of OCP's total support has come from private donors and foundations. The remaining 4% is from governments.

In 2016, the **OGP**'s budget was \$6.68 million and its total revenue was \$6.09 million. A large grant OGP received in 2015 made the higher expenditure than revenue possible, and the grant was intended to support the four-year strategy (2015–2018). Of the total revenue in 2016, 44% was from private foundations, 23% was from bilateral donors, and 38% was from OGP country contributions.

The OGP budget has grown significantly over the years: in fiscal year 2013, it was only \$2,485,716. In 2014, the Steering Committee agreed that, starting in 2015, the OGP will expect all participating governments to contribute towards OGP's budget. These contributions are based on each participating country's income level (according to the World Bank data). The Steering Committee set both minimum and recommended contribution levels. For low income countries, the minimum is \$10,000 and the recommended is \$25,000. For lower middle income countries, the minimum is \$25,000 and the recommended is \$50,000. For upper middle income countries the minimum is \$50,000 and the recommended is \$100,000. For high income countries the minimum is \$100,000 and the recommended is \$200,000.

3.1. SUPPLEMENTARY SOURCES OF FUNDING FOR IATI

Some IATI members suggested that it would be useful to more actively seek funds from foundations and large private sector companies, such as Google, Apple, or Omidyar Network. We agree that there are many foundations and companies that could be solicited for funding which have not yet been approached. The question is how to weigh fundraising, including soliciting new sources, against other priorities when considering valuable secretariat resources. We support a clear articulation of the number of person-years (or portion thereof) expressed as a percentage that the secretariat is expected to devote to raising funds from new sources, as well as clear financial targets, so that expectations are clear on all sides and so that it will be easier for the board and secretariat to adjust those expectations of return on investment.

When seeking new funds from new or existing donors, project-specific fundraising can be relatively more successful than simply seeking general support donations. We strongly support the current practice of including in the annual workplan the unfunded projects which have been developed and agreed-upon through consultation by all stakeholder groups. New and pre-existing donors may be more likely to fund specific projects which have already received multi-stakeholder buy-in, and reflect important priorities of IATI. Over time, alternate sources of income might become part of a more robust and sustainable funding model for IATI.

3.2. MEMBERSHIP CONTRIBUTIONS

As indicated, the membership contribution system in place provides a certain level of stable and predictable funding, therefore we recommend that it be retained, with some small modifications.

Through the course of the interviews and consultations, a number of concerns were raised by IATI members regarding the current fee structure. These concerns include:

- 🌐 While the fee structure is already progressive, it should be more progressive still. For example, very small companies or organizations might join, but \$1100 could be a barrier to entry, and the rates do not differentiate whether a partner country is low or middle income.
- 🌐 The transaction costs of tiny contributions from governments (\$2200) are too high, as they often require the labour-intensive negotiation and execution of contribution agreements. Small contributions from governments are not worth the effort required to process them, either by the contributor or the secretariat.
- 🌐 Some international assistance providers are having difficulty absorbing the fee increases to \$85,000. Some do not have budget lines to cover this type of expenditure, and question the value proposition of such a high fee.

- Some members felt that there was an inadequate consultation period prior to raising the annual contribution fees.

3.2.1. PARTNER COUNTRY FEES

Some partner countries explained that paying the annual contribution was not a problem, but that having travel funded was greatly appreciated because travel budgets were limited. Other partner countries indicated that it was very difficult to wrestle the annual contribution from that country's financial system but that there were adequate budgets for travel and these partner countries would prefer to pay the latter. We conclude that, under the circumstances, some flexibility for partner countries is warranted.

RECOMMENDATION 5: Each partner country should be provided with the option to either pay for its own travel or pay the annual fee. Payment of EITHER an annual fee or travel to one meeting in a year would deem that country in good standing.

There may be cases where certain partner countries are experiencing financial difficulties that make it difficult to pay the annual fee. Fairness would dictate that, in such circumstances, a partner country should be able to apply to waive its annual fee and remain in good standing.

RECOMMENDATION 6: A partner country experiencing financial difficulties may write to the Chair of IATI and request that the board waive its annual fee for that year, providing an explanation of the

financial difficulties it is encountering. The board should in all cases waive the fee if it is reasonable to do so under the circumstances.

3.2.2. ADJUSTMENTS TO THE FEE STRUCTURE

Ability to pay. One important principle that should underpin a fee structure is the ability to pay. We agree with members of IATI who expressed their view that the scheme is insufficiently progressive. In particular, we would propose reducing the fee for the smallest companies and CSOs to \$500 and \$300 respectively, as a means of reducing the barriers to entry for their participation in IATI.

Transaction costs. We also agree that the transaction costs for government contributions, often involving the negotiation of a contribution agreement, might easily outweigh, on both sides, the benefits gained from collecting the modest fee of \$2200. We would suggest increasing fees and creating a more progressive structure against an objective list of country incomes, for example the World Bank categories³ or the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee list.⁴ Conversely, transaction costs for companies or civil society will be minimal, involving only the processing of a cheque or credit card payment. IATI should pursue other ways of diminishing transaction costs, for example, encouraging members to pay multiple years in advance.

³ See <https://datahelpdesk.worldbank.org/knowledgebase/articles/378834-how-does-the-world-bank-classify-countries>

⁴ See <http://www.oecd.org/dac/stats/daclist.htm>. The list uses World Bank categories as well as all of the Least Developed Countries (LDCs) as defined by the United Nations (UN).

Development providers. Lastly, we wanted to note the concerns raised by some development providers, who were unable to pay the increased fees. We are not well placed to assess the ability to pay of any of the members of IATI. However, we note that another important principle of a healthy multi-stakeholder membership system and fee structure is its legitimacy. A fee structure seen as unresponsive to the particular needs of its membership will ultimately not be sustainable in the long term.

RECOMMENDATION 7: The IATI Governing Board and Members' Assembly should review the fee structure with a view of making it more progressive; raising or reducing the lowest fees to reduce barriers to entry and/or transaction costs, but also respecting the principle of ability to pay. The consultation phase of the review should be long enough to ensure that all constituencies have ample opportunity to voice their views about the fee structure.

While we have provided our best advice on a possible revised fee structure below based on the principles of ability to pay and fairness, we recognize that we may not be best placed to make the most granular assessments.

RECOMMENDED MEMBER CONTRIBUTION AMOUNTS BY CATEGORY

MEMBERSHIP CATEGORY	CONTRIBUTION PER MEMBER \$
PROVIDER OF DEVELOPMENT COOPERATION - BILATERAL DONOR	85,000
PROVIDER OF DEVELOPMENT COOPERATION - FOUNDATION	85,000
PROVIDER OF DEVELOPMENT COOPERATION - MULTILATERAL DONOR	*
PARTNER COUNTRY - OECD UPPER MIDDLE INCOME	10,000
PARTNER COUNTRY - OECD LOWER MIDDLE INCOME	7,500
PARTNER COUNTRY - OECD LOW INCOME AND LEAST DEVELOPED COUNTRIES	5,000
PARTNER COUNTRY - FINANCIAL DIFFICULTIES	0
CSO - ANNUAL EXPENDITURE EXCEEDING \$10 MILLION	10,000
CSO - ANNUAL EXPENDITURE \$3 MILLION - \$10 MILLION	5,000
CSO - ANNUAL EXPENDITURE UNDER \$3 MILLION	300
PRIVATE SECTOR - ANNUAL REVENUES EXCEEDING \$50 MILLION	50,000
PRIVATE SECTOR - ANNUAL REVENUES \$10 MILLION - \$50 MILLION	10,000
PRIVATE SECTOR - ANNUAL REVENUES \$3 MILLION - \$10 MILLION	5,000
PRIVATE SECTOR - ANNUAL REVENUES UNDER \$3 MILLION	500

* This amount is currently under discussion by stakeholders directly.

We estimate that the amount raised from this proposed fee structure would total at least \$2 million per annum, possibly as high as \$2.3 to \$2.5 million per annum.

3.3. TRAVEL COSTS AS PART OF THE IATI BUDGET

3.3.1. PARTNER COUNTRY TRAVEL

Given the importance of partner country participation in the initiative, travel costs and other expenses for some 15 partner countries have been covered. Some stakeholders we interviewed noted that the cost of travel has been too large a proportion of the relatively small IATI annual budget.

We agree with the importance of partner country participation but suggest that a cap be placed on the overall amount. This could be done by allocating annually in the budget an amount for partner country travel which would ensure that, for example, 8-10 partner countries would be able to send a representative to each annual assembly, and other meetings as appropriate. Partner countries themselves should manage this budget (subject to the usual rules for travel and per diems) and determine the best way to allocate the travel.

RECOMMENDATION 8: To ensure predictability in the annual budget, partner country travel should be a separate budget line that is funded at a set amount per annum. Partner countries as a group should manage this budget and determine the best way to allocate it to maximize partner country travel.

3.3.2. TRAVEL FOR OTHER STAKEHOLDERS

IATI should also consider whether travel funding should, in the medium to long-term, be covered for other IATI users from partner countries that are not in the government category of membership. Some MSIs, such as the OECD Forum on Responsible Supply Chains and the Global Initiative for Fiscal Transparency (GIFT), have a set travel budget for CSO stakeholders coming from developing countries. Under the OECD system, those wishing to have travel costs covered must apply for the funds to the secretariat on a first-come, first-served basis once the meeting has been announced. Given that IATI data users may increasingly be more diverse beyond partner countries, consideration should be given to whether, in the medium-term, such a travel fund tailored to IATI's needs should be established. This determination should flow from priorities set by IATI in identifying and engaging with IATI data user groups and whether partner country CSOs are a priority.



4. GOVERNANCE OF IATI

In the experience of many MSIs, finding consensus and leading an initiative with such a huge diversity of actors from around the globe can be challenging. There is a range of functionality between different initiatives, but it is not uncommon to find serious governance gaps or a lack of trust between constituencies in such initiatives.

We conclude that compared to many initiatives, IATI's overall governance is largely on the right track. We strongly support the new governance procedures adopted in July 2016 based on the 2015 consultant report, whereby IATI set up a Governing Board which has been in place for approximately one year. We find the Standard Operating Procedures (SOPs) (July 2016 and November 2013) well-crafted and workable. Relations between the constituencies appear to be reasonably harmonious and collaborative.

Our recommendations in this chapter build on the 2016 procedures and will help IATI as it shifts from building the supply of data to

focusing on the demand side. Where governance issues relate to the transition to new hosting arrangements (see Chapter 5), we will recommend more substantial changes to the SOPs.

This chapter will review decision-making, the capacity of the organization to deliver on its goals, the composition of the board, and the role of the Chair and make recommendations

BOX 3: GOVERNANCE MECHANISMS FOR OPEN DATA/ TRANSPARENCY INITIATIVES AND STANDARD-SETTING

In each country implementing the **EITI** Standard, companies and civil society work with governments to create a multi-stakeholder group to oversee and help to implement the standard. At the global level, a multi-stakeholder Board made up of implementing countries, companies, civil society, investors and donors oversee the broader initiative. The initiative is served by a permanent secretariat with a long-serving Head (Executive Director) and an external Chair. The latter has been in all cases a very high-profile and accomplished person: Peter Eigen, former Chair of Transparency International, Clare Short, former UK Cabinet Minister, and Fredrik Reinfeldt, former Prime Minister of Sweden.

In 2015, the **GRI** Board formally established the Global Sustainability Standards Board (GSSB), an independent standard-setting body, to transition GRI's Sustainability Reporting Guidelines into a set of global standards. By creating the GSSB to oversee this work, the GRI Board intended that the GRI

standards be developed and maintained in an objective and independent manner. The GSSB consists of 15 members, which combine technical expertise, diversity of experience and multi-stakeholder perspective, and perform their work according to a formally defined due process. The process includes extensive global consultation prior to developing or amending standards.

The **OCP** is governed by an independent, 11-member Advisory Board made up of a mix of renowned individuals from government, the private sector, civil society, the technology sector, and development organisations. The Advisory Board appoints and oversees the Executive Director, the OCP's strategy, and budget.

The **OGP** is overseen by a 22-member Steering Committee including 11 government representatives and 11 representatives from civil society organizations. It is co-chaired by one government and one civil society representative who are members of the Steering Committee. There is no general or members' assembly.

4.1. DECISION-MAKING

The Governing Board system appears to work reasonably well at representing the interests of constituencies on the one hand and acting in the best interests of the initiative on the other. The process for developing and approving the IATI's workplan appears satisfactory to the membership. We would suggest only one small change below to reflect the expected transition of the Governing Board to a board with greater delegated authority under future institutional arrangements.

The only areas of concern that arose with regularity were decisions related to changes to the IATI Standard. There is a concern by some users, especially by those on the ground, that the ongoing development of the IATI Standard is out of touch with the needs of many current and potential users. This issue will be returned to below in the section 4.5 on the Technical Advisory Group (TAG).

When it comes to the IATI Members' Assembly decision-making, a current rule requires a simple majority by all constituencies if decision requires resorting to a vote.⁵ This important rule is found in many MSIs and reflects an underlying principle that two or more constituency groups will be prevented from outvoting a third constituency. In other words, a reasonable level of support for all decisions will be required by all constituencies, even if complete unanimity does not prevail.

This principle creates a strong incentive toward collaboration consensus-building and mutual agreement in decision-making. In our view, a rule requiring a certain level of support by all constituencies should be developed for the Governing Board as well as the Members' Assembly, particularly if the former evolves toward having greater authority in a more independent institutional arrangement. The text of the rule should reflect the underlying principle that a certain level of support is required by all stakeholder groups before a decision can be taken.

⁵ International Aid and Transparency Initiative: Standard Operating Procedures Rev.1, November 2013, rule 3.4,

One way of effectuating this rule is to require that, should an item be voted upon, at least one vote from each key constituency (partner countries, providers, and civil society) is required in addition to a simple majority of board members (effectively creating a veto for a united constituency). If new constituencies are created over time and given board representation (for example, private sector actors, or possibly subdivisions of other constituencies), it is not a given that these should be automatically accorded veto powers. Instead, function should dictate form. An argument needs to be made on a case-by-case basis that a new constituency might possess a high degree of legitimate interests and a critical number of members such that it is fundamentally integral to decision-making.

RECOMMENDATION 9: IATI's SOPs should be amended to include the principle that for Governing Board decisions taken by vote, a certain level of support by each of the three key constituencies (partner countries, assistance providers, and civil society) is required. This could be effectuated by requiring at least one vote from each constituency.

4.2. BOARD COMPOSITION

The current multi-stakeholder Governing Board appears to work well, however, we would suggest that the board be slightly enlarged in the short to medium-term, moving from seven members to ten. A larger number of board participants would bring many benefits. Notably, it would provide a greater diversity of expertise, skills, and experience to leadership positions in IATI, including more

perspectives from the private sector. It may be easier to achieve quorum with a bigger board.

As of June 2017, the IATI membership was comprised of 37 development providers, 27 partner countries, 13 CSOs, three private sector participants, and one public-private partnership. Currently, there are two board positions each for development providers, partner countries, and the “civil society and other” category, plus the Chair of the TAG.

One important question is whether each constituency should have the same number of seats on the board, irrespective of its proportion of the membership. For example, should a potential new membership category of private sector (currently at three members) have the same number of board seats as development providers (currently at 37)? In our view, it is permissible for board positions to broadly reflect the proportion of membership, so long as their actual clout is not diminished as a result. For example, the Steering Committee of the OECD Forum on Responsible Mineral Supply Chains possesses twice the number of private sector positions as civil society or government positions. This reflects the size and diversity of private sector participation in the Forum, which represents different minerals and metals and different places in supply chains. Conversely, each private sector representative on the Steering Committee possesses only one vote, whereas each civil society and each government representative possess two votes each. This ensures that greater private sector participation on the

Steering Committee cannot be abused to outflank or outvote other constituencies.

Enlarging the IATI Governing Board could be done in different ways and we recognize that the structure must be legitimate internally to the IATI membership. We recommend enlarging the board from seven members to ten members, composed of three providers, three partner countries, two civil society organizations, and one private sector member, plus the Chair of the TAG. The quorum should be set at five or six participants, whichever the Members' Assembly thinks is more appropriate. Quorum would also require at least one member each from the categories of civil society, partner countries, and development providers. Tradition would suggest a simple majority (six participants) but if quorum tends to be difficult to attain, five members may be acceptable as a more workable solution.

As is the current practice, every effort should be made to achieve decisions by consensus.⁶ We note that an effective board should not just represent constituencies, but also act in the best interests of the initiative. If consensus is not possible and a vote is required, we would suggest that a simple majority be required, with at least one vote from each category of partner countries, development providers, and civil society as discussed more fully in section 4.1. In the event of a tie, the item voted on would not pass.

⁶ We like the ISO Definition of Consensus: "General agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments. Consensus need not imply unanimity."

It could be that the IATI Governing Board would benefit from being even bigger (13 members). However, boards that are too large can become unwieldy and decision-making can become bogged down. We would recommend an incremental approach to increasing the size of the Board and suggest that any further enlargement beyond 10 members would not take place until the 10-member Board is in place for at least two years.

RECOMMENDATION 10: In the short to medium-term, the Governing Board should be enlarged from seven members to ten members, composed of three providers, three partner countries, two civil society organizations, and one private sector member, plus the Chair of the TAG. The quorum should be set at five or six participants, in accordance with what is determined to be the most workable and appropriate by the Members' Assembly.

4.3. CAPACITY OF THE ORGANIZATION TO DELIVER

Another litmus test for the governance of an organization is its ability to deliver results on key priorities and a workplan agreed upon by the board. On this measure, despite a great deal of positive movement forward, there were a number of concerns raised. Many interviewees provided high praise for the professionalism, dedication, and competence of the Secretariat Consortium and all it has been able to achieve. At the same time, some identified a lack of clear lines of accountability between the Governing Board and the Secretariat Consortium, diffuse authority, and confusion over who

is responsible for what. Some members complained that despite a clear workplan being agreed upon by the Members' Assembly, in their view, the Secretariat does at times deviate from the workplan.

We suspect that these issues are due largely to the current hosting arrangements, and particularly the complex nature of a five-organization consortium. The hosting arrangements will be further discussed in Chapter 5.

From a governance standpoint, we suggest that, irrespective of the hosting arrangement, the position of IATI Executive Director be created and be directly accountable to the Governing Board. A direct line of accountability of the Executive Director to the Governing Board and, ultimately, the Members' Assembly, will reduce confusion and concentrate authorities and responsibilities.

While the exact nature of an executive director would vary in accordance to the hosting/secretariat model decided upon by the Members' Assembly, we would suggest that as much as possible, the following roles and responsibilities be agreed upon:

- 🌀 (With or without institutional support from other organizations), the Governing Board hires and has the ability to terminate the Executive Director, on reasonable grounds.
- 🌀 The Executive Director is responsible for hiring the IATI Secretariat staff, managing the IATI Secretariat and delivering on the key priorities and workplan of the initiative. The Governing Board should oversee, but not

micromanage the Executive Director and other members of the IATI Secretariat, who should possess significant latitude to manage the files as they see fit, so long as they deliver on the key priorities.

- 🌀 The Governing Board performance manages the Executive Director in a respectful, fair and reasonable manner, providing specific feedback on at least a yearly basis, based on professional indicators and performance management principles.
- 🌀 The Governing Board and broader membership provide various forms of support to the Executive Director and IATI Secretariat, including fundraising, communications and outreach.

A strong executive director would be entrepreneurial and possess excellent managerial skills, a background in the international field, and experience participating in, and ideally, directing, technological projects. We strongly recommend that the executive director position be paid a competitive salary and provided with generous benefits as means of attracting the most qualified and talented candidates. The recruitment of a strong and committed executive director would be an important driver of the future success of IATI.

RECOMMENDATION 11: The position of Executive Director should be created. The position's precise responsibilities and lines of accountability should be determined in accordance with the

institutional arrangements decided by the Members' Assembly, but generally, they should set out toward a strong level of accountability to the Governing Board. A competitive salary and generous benefits should be offered to help attract the most qualified candidates.

4.4. IATI CHAIR

The leadership, vision, and strategic direction offered by a strong chair can be a major asset to an organization. Where MSIs have difficulty finding consensus, the chair can play an invaluable role in building common ground and negotiating solutions to complex problems.

IATI's current practice is the board election of a Chair and Vice-Chair from amongst the Governing Board members. In some organizations, an external chair is recruited, although a chair internal to the organization is more common. For example, the EITI has always had a very high profile chair (currently the Former Prime Minister of Sweden).

An IATI external chair would likely offer certain advantages and disadvantages over IATI's status quo. If the Members' Assembly opts for a completely independent IATI Secretariat, a high-profile chair could bring profile, influence and the ability to open doors that would otherwise be less accessible. Such persons will often bring a strong network of personal contacts and act as an ambassador for the initiative. A high-level chair could also add a great deal of value by providing strong leadership and bringing a strategic vision to the initiative.

There are also potential risks to bringing on an external, higher-profile chair. Prominent and successful people often come with formidable personalities and strong convictions. While these are often positive attributes, a very strong chair might dilute the clear lines of accountability between the Governing Board and the Executive Director and otherwise complicate the governance of the initiative. For example, the secretariat may align its views with those of the chair, against those of the majority of the board. It may not be clear if the secretariat reports ultimately to the chair or to the board. To mitigate these risks, the roles of an external chair should be very clearly articulated in IATI governance documents.

In the experience of other international initiatives, including the EITI, the process of selecting a chair can be complex and divisive amongst the membership, particularly if the chair is perceived to have a pre-existing agenda or is affiliated with a particular constituency. The rules around nominating and electing an external chair should also be clear in the governance documents and strongly adhered to if IATI chooses to go in that direction.

Our assessment is that IATI does not, at least in the short-term, require an external, high-profile chair. IATI has already successfully achieved a strong degree of high-level political support and is rightly focusing on the nuts and bolts of improving IATI data quality, understanding and facilitating data uses, and otherwise building greater value around the IATI Standard for users.

RECOMMENDATION 12: The current model of chair selection via election of a board member should be retained in the short-term. We recommend that the Members' Assembly revisit the question of an external chair in the medium to long-term, for example, in five years' time, particularly if it decides to implement a completely independent, standalone secretariat. At that point, a determination could be made as to whether the potential benefits of an external chair would likely outweigh any risks.

4.5. TECHNICAL ADVISORY GROUP

The TAG is a vibrant and active community operating to provide advice on the development of IATI Standard. It is a key asset for the initiative, and we do not recommend any major changes. If the Members' Assembly adopts a more graduated membership fee schedule, including a moderate fee for small businesses and organizations, members of the TAG could be more easily encouraged to become formal members of IATI. Bringing a greater portion of the TAG into the IATI membership may help to reduce any bifurcation between the standard and the initiative.

In interviews with members of the IATI community, we heard many positive comments about the TAG and work around the standard, but also some concerns about whether changes made to the standard are developed through the best procedures and are sufficiently in touch with user needs. Despite the fact that technical and non-technical members are often on unequal footings when it comes to discussing the development of the

standard, our view is that it is appropriate for the membership to be the final decision-makers of the standard. However, the board and staff have a responsibility to ensure that the process of standard development remains subordinate to the larger goals and success of IATI. That could mean interventions by the board to ensure that the frequency of the upgrade approval process continues to meet the needs of the initiative, and that it does not overwhelm data publishers, tool developers, or other stakeholders who wish to or who should remain involved in the standard's development. The IATI Secretariat should also work to ensure that the process of standard development first meets the needs of the overall initiative.



5. SECRETARIAT AND HOSTING ARRANGEMENTS

Since 2013, the IATI Secretariat functions have been managed by a consortium of five organizations: the UNDP, United Nations Office for Project Services (UNOPS), Development Initiatives (DI), and the Governments of Sweden and Ghana.

In our interviews, we heard a great deal of recognition of the advantages of the consortium arrangement, especially in the early days, when a Governing Board did not exist. The broad IATI Consortium was able to reach out to various stakeholders and build significant progress over the years. The critical roles played by UNDP and DI were particularly remarked upon. UNDP provided essential high level advocacy and political leadership, as well as a steady hand in running the organization. DI's role was also remarked upon as being central to the development of the standard.

However, there was consensus that a consortium would not be the most effective long-term arrangement: the IATI membership seeks options for a more streamlined secretariat. In this

chapter, we provide the following: first, a range of options for the secretariat/hosting arrangements; second, a discussion about the legal entity; and third, a discussion on how to select the location of a new secretariat, if that is the option chosen by the Members' Assembly. Our recommendations are included throughout.

BOX 4: LEGAL STATUS OF OPEN DATA/TRANSPARENCY ORGANIZATIONS' SECRETARIAT AND LOCATION

The **GRI** is a legal entity - a *Stichting* or non-profit foundation - based in the Netherlands. It has field offices - "regional hubs" - located in Africa, Brazil, China, Latin America, North America and South Asia.

The **EITI** is a non-profit, standalone legal entity based in Oslo, Norway.

The **OCP** is not a legal entity. It is fiscally sponsored by the Fund for the City of New York.

The **OGP** is based in Washington DC. It is not a legal entity but operates as a project of Tides, which provides fiscal sponsorship, and legal and financial responsibility. In return for 9% - 15% of project revenues, Tides offers financial management, grants management, HR management, payroll management and other back office services.

5.1. FUNCTIONS OF THE IATI SECRETARIAT

We would expect that any IATI Secretariat, irrespective of how it is organized, would retain its current core functions. These include:

- 🌐 Overall management of IATI, including implementation of the annual workplan;
- 🌐 Financial management, including the collection of contributions and all disbursements and safeguarding the integrity of funds;
- 🌐 Technical development and support, including IATI Standard maintenance and upgrades, support to partner countries, members and others;
- 🌐 Communications and outreach, including improving and maintaining the website, TAG newsletter, etc.;
- 🌐 Supporting the board and Assembly, including Members' Assembly and Board meetings; and
- 🌐 Advice to the board on strategic planning, including the development and implementation of the annual workplan and fostering a strategic vision for the initiative.

5.2 SECRETARIAT/HOSTING OPTIONS

Option 1: Secretariat hosted by a large, international organization

Many MSIs are hosted within large, international organizations and others are hosted by smaller organizations. Often, initiatives will spend their first formative years at an international organization, then spin-off into more independent structures. There is a wealth of experience to provide lessons learned on the advantages and pitfalls of pursuing different options.

Locating IATI within an international organization such as the UN or the OECD would provide the advantages of strong institutional capacity, meaning a high degree of professionalism, knowledge, and skill of employees located within the larger organization available to support the smaller one. This includes financial administration, legal services, and program management, as well as policy and communications capacity. A large international organization can also provide high-level, strategic and outreach support to the initiative. Donors may have more confidence in such hosted initiatives, potentially improving their financial stability. In some cases, an international organization may directly cover some of the costs of the initiative, such as salaries. More generally, it may be incentivized to help the initiative succeed and above all, to prevent it from failing.

However, with all these benefits come some downsides, chiefly that such organizations can be very bureaucratic and lack the nimbleness of small, standalone secretariats. Following institutional

procurement rules, hiring, and other human resource policies can be very cumbersome, time-consuming and frustrating. Staff can also be very expensive in such organizations and increase overall costs.

One major risk of locating IATI at an international organization, particularly one in a similar policy field, is the potential lack of independence of the smaller initiative. Other initiatives have found that larger institutional priorities and an institutional culture can subsume a small secretariat.

Locating a secretariat within an international organization may complicate decision-making and governance. Entities which sign contracts on behalf of others nonetheless remain the ones that are ultimately responsible for legal implications, and in such cases often reserve the right to make final decisions (more on this in the section below on legal entity). This could create situations where the host agency overrides the wishes of IATI regarding who is awarded a particular contract, or perhaps even, who is hired by the organization.

If IATI were to decide to be hosted at a large, international organization long-term, we would suggest that the governance recommendations in this document be followed as closely as possible so as to mitigate risks inherent in this option. Revised SOPs should spell out clearly the lines of accountability and the role of the international organization. The Governing Board could include a member of the hosting international organization, but it must be clear that the Executive Director reports to the board, not to any person at the international organization.

The executive director search committee could include a member of the international organization, but again, it would be the Governing Board that would have the final say on candidate selection. To avoid perceptions of a lack of independence, IATI should retain its own website, and the language used to denote the relationship between the initiative and the international organization should say “hosted by” rather than “a project of.” Lastly, in order to ensure maximum independence and clear lines of accountability, the Executive Director should not be drawn from staff employed at the international organization.

Option 2: Hosted but more independent

There are ways of mitigating the above-mentioned risks to a certain extent. One of them is to locate IATI in an organization that is not in the same policy field. This may reduce risks to its independence. Another option is to host the initiative at a smaller organization, such as a non-profit corporation or equivalent.

If IATI were to select Option 2, it would be important to explore ways of structuring the relationship such that the hosting organization still plays a fiduciary role, but with lowered risks of interference. As above, the governance documents could stipulate that the host has a seat on the Governing Board, but otherwise does not get involved in the decision-making of the organization. Other indicators of independence, such as a standalone website, are also relevant for this option. A good example of a hosted but more independent secretariat is GIFT which is currently hosted by the International

Budget Partnership. A host without a financial stake is also less likely to interfere in decision-making.

Many organizations have had good experiences with different hosting structures to strengthen independence. However, if complete autonomy is desirable, it is best achieved through the creation of a legally separate, independent secretariat.

Option 3: Standalone, independent secretariat

A standalone, independent secretariat implies an entity with its own legal standing (this is discussed further below – section 5.3).

A number of MSIs have created their own standalone secretariats. There are many benefits to this legal independence. Decision-making powers and authorities are much more concentrated in a small number of actors. Executive directors are directly accountable to boards; and while decision-making may on occasion be contested between those actors, power and influence are not siphoned off by a host organization. This direct accountability can help the organization have clear goals and deliver clear results. Having a separate legal personality means the organization can be nimble in hiring and entering into contracts, making it easier to build a strong, efficient, and effective team and to move quickly. Perhaps most importantly, the organization can take risks and be innovative and entrepreneurial in a way that might be difficult in a large, bureaucratic setting.

With these benefits come risks. The organization must be set up from scratch. It alone is responsible for all its contracts and financial management, and it must outsource all kinds of services such as IT, accounting, auditing, and legal services. It will, by necessity, be small, and it may lack the high-level advocacy support received by initiatives hosted by larger organizations. Also worth considering is that it may have cash flow challenges from time to time.

If IATI were to select Option 3, it would be essential that an Executive Director and a Financial Manager with strong administration and management skills be hired to ensure that proper systems are developed and followed scrupulously. The board would need to create an active and effective finance and audit committee to ensure adequate oversight of the organization. However, once competent staff and good procedures are in place, Option 3 has the potential to unleash a highly effective organization, as other MSIs and non-profits have shown.

Option 4: Independent secretariat, but supported

There are ways of mitigating the main risks of independent secretariats. A key factor of an independent secretariat's success is whether it is anchored in a strong, supportive broader community, and we think that IATI most certainly is. If influence has diminished and high-level support is lacking, a small secretariat could seek to attract a high-profile chair, as discussed in the previous chapter.

With regard to the financial management of the organization, we note that many small non-profits do this entirely in-house

without a problem. One competent financial manager in other organizations often manage budgets, including projects, of approximately \$1-2 million.

There are, however, options to provide support and to help manage the administrative burdens and costs of independent status. Some organizations share space and professional staff, such as financial managers, to reduce costs. Others employ shared services platforms that operate to administer grants and budgets in return for a set percentage of amounts managed, for example, 7-10%. In addition to providing more certainty to donors, these platforms may additionally provide temporary insulation from fluctuations in cash flow, as well as assistance with program management.

If IATI were to select Option 4, it would be important to select the Secretariat's location first, and then to seek organizations who could support the Secretariat in that location. This is because organizations operating under a platform or in cooperation with others may decide in the medium to long-term that it would be preferable and more efficient to simply hire competent staff to perform those roles in-house. In our view, under options 3 and 4, the long-term location is a far more important consideration, as will be discussed in the following chapter.

RECOMMENDATION 13: All things considered, we recommend Option 3 or 4, which we believe represent the options most likely to help IATI succeed in meeting its medium and long-term goals. IATI has an important mission, a challenging agenda, but a very strong and committed community. A streamlined secretariat with capable

and entrepreneurial staff, a governance system which consolidates authority, clarifies accountability, and facilitates action, and a dependable revenue flow for years to come will help IATI move from vision to action with greater speed and clarity.

5.3. LEGAL ENTITY

One important issue is whether IATI will need to create a legal entity. The term legal entity simply means that an entity (such as a non-profit corporation) would be created that possesses legal personality – that is, can enter into contracts in its own name, open a bank account in its own name, and form other legal relationships.

The form that the legal entity would take would vary between jurisdictions as determined by domestic laws. For example, an IATI legal entity could be a “501(c)(3)” in the United States, a “charity” under English law, a *fondation* in Switzerland, or a “non-profit corporation” in Ghana. Each of those would be governed by its respective national and subnational laws.

Creation of a legal entity would confer benefits and responsibilities on IATI. In essence, IATI could enter more freely into binding legal relationships and agreements, but it will also bear the responsibility and consequences of those relationships and agreements.

The greatest advantage to IATI of the creation of a legal entity is the enabling of its full autonomy. The person or entity who signs the contracts or agreements is ultimately responsible for them, therefore IATI acting for itself would never risk a host organization

disagreeing with IATI or overriding its wishes as to whom a contract would be awarded, for example.

Of course, the other side is that IATI will be legally responsible for its own decisions. However unlikely, there is always the possibility that legal agreements lead to legal disputes or a frivolous action will be launched. IATI as a legal entity must purchase director and officer liability insurance to cover the legal defense of board members and staff from any potential lawsuits filed as a result of the actions of IATI.

It should be noted that Governing Board members might be more vulnerable under the current situation than if IATI were to create its own entity. IATI Secretariat staff are undoubtedly covered by their own insurance/immunities in their respective workplaces. But is not clear whether the insurance of any organization would cover the legal defense of board members if the latter were named in a suit under the current arrangements. It is strongly suggested that board members seek clarity on whether they are currently insured for legal defense regarding any actions and decisions taken by IATI.

In the final analysis, if the Members' Assembly chooses an independent secretariat option, IATI will be required to seek legal entity status. However, this can be done only once a location is agreed upon.

5.4. SELECTING AN IATI SECRETARIAT LOCATION

If the Members' Assembly opts for an independent secretariat, it will need to select a location. We considered the question of whether a distributed secretariat without a specific location would be feasible. However, when considering our conclusions and recommendations together, we determined that one secretariat location would be necessary, at least in the first number of years, to bring together a cohesive team that is best equipped to work together to deliver results, and move IATI forward under the clear direction of an executive director and a board. Opening a satellite office or allowing employees to telework might be feasible some years after the team is functioning well within an executive director-led structure.

It is not always easy for a global initiative to decide where to locate a long-term secretariat. There are a multitude of factors and these will rarely point to one location.

One method that many other MSIs have employed is to develop a process to ask participating governments for expressions of interest in locating the organization in their jurisdiction. It is hoped that governments in such situations may compete and offer inducements, such as promises of financial or in-kind support.

The expressions of interest process has at times worked well, such as with the GRI, but also in many cases has led to difficulties and sub-optimal decisions. Boards may feel obliged to go with the best offer, even if other factors are lacking in that jurisdiction.

Government priorities may change, and generous contributions may dry up after a number of years.

Some of the interviewees provided views on IATI location and we found diverse preferences that were sometimes difficult to reconcile. For example, some interviewees indicated a strong preference for locating the IATI Secretariat in the Global South, as “there are too many organizations already in the North, especially Europe.” Another argued that IATI should be centrally located in the world and easy to get to from all regions – namely, somewhere in Europe.

Given the inherent challenges and factors at play, we decided to review the factors we think will be most determinative of whether IATI will succeed in a particular location.

Will IATI be able to recruit and retain the most talented staff to this location?

Effective recruitment is a make-or-break issue for small organizations. IATI will greatly benefit from a highly qualified and competent executive director (and/or other senior leadership positions). Organizations located in smaller centres (New Haven, Oslo, and Ottawa, for example) reported more difficulties in persuading potential candidates to move there. Factors such as standard of living indicators (access to services, cultural attractions, crime rates, air quality, etc.) and employment opportunities for spouses can play important roles in decisions to relocate. Overall, it is simply easier to recruit highly qualified

staff to large centres with high standards of living such as New York, Washington DC, London, or Paris than to smaller centres. Additionally, the pool of candidates already living in those cities is larger.

Is there an existing, dynamic hub of comparable experts already in this location?

It is very beneficial for an organization to be located in a dynamic place with lots of talented people working in similar fields. These offer opportunities for collaboration, cross-fertilization of ideas, strategic partnerships, and easier recruitment if there is already a talented pool living there. Conversely, it can be quite isolating for an organization to be in a city without the possibility of forming strong relationships with many organizations in proximity. The Hague is an example of a global hub in international law, to the extent that virtually every new international law organization seeks to be established there.

Is this location seen as legitimate for a global initiative about international development?

Some feel that IATI would be better served by being located in a partner country. This is an important consideration, as it would support shifting power to the Global South as well as encourage focus on one of the most important users, partner countries. Some of the other benefits of a partner country location might include lower costs, improved contact with users in the field, and access to a different pool from which to recruit. Risks could include lower quality

of life indicators, problems with staff recruitment and retention, language barriers, and physical remoteness from similar global initiatives, which could result in reduced participation in the fast-moving open data community of practice.

What is the cost of living and doing business in this location?

Expensive cities increase the required expenditures for both salaries and living expenses, such as rent. Sometimes exchange rates of local currencies can mean that funds raised in US dollars do not go nearly as far, especially in places such as Switzerland, Japan, and Australia.

Is the political and legal climate of this location favourable to a successful secretariat?

The laws and political climate of each jurisdiction can impact the ease of doing business for the secretariat. It is important to select a location which would allow IATI to flourish. Regulations applying to non-profit organizations may facilitate or hinder IATI's everyday operations. Some jurisdictions may impose complex red tape, or in the worst cases, unacceptably impede the work of MSIs through intrusions on their financial freedoms, security, or autonomy. Jurisdictions in which governments are excessively opaque in their own dealings with their citizens would not be a good fit either. Arbitrary decision-making by the government or the lack of a rule of law would also present a red flag. IATI will want to recruit the most talented senior staff members from around the world and will expect that with an offer in hand, they will be able to obtain work visas in a reasonably expeditious time frame. Because elected govern-

ments come and go, there may be some ebb and flow when it comes to the political and legal climate of any particular jurisdiction. It is recommended that the assessment look at the longer term record of each location as a more reliable measure rather than short-term trends.

5.5. CONCLUSIONS

We recognize that the IATI Governing Board and the Members' Assembly may weigh the factors differently than we have and could come to a different result. Our highest priority goes to ease of recruitment and retention of senior staff given its supreme importance in assuring the future success of the IATI. On that basis alone, we favour the risk-averse option of locating IATI in a large centre with a high standard of living. Given the importance of partner countries and data users in the field, it would make a great deal of sense in the long-term, subject to funding, to open a small, one or two-person IATI satellite office in a major centre in Africa or Asia, focused on outreach, connecting with partner country users, and serving their needs.

RECOMMENDATION 14: We do not recommend that IATI solicit expressions of interest from governments. We recommend instead that IATI select a city which most likely favours a successful secretariat, taking into account all factors.



6. TRANSITIONAL ARRANGEMENTS

If IATI selects options 3 or 4, a number of steps will be required to effectuate an independent secretariat. The total duration of such transition is uncertain as it depends on many variables, but will require well over one year of sustained effort at a minimum. The steps described below should not be sequential, but can run in parallel, to some degree, subject to resources. IATI has already successfully undertaken this type of work in constituting the current secretariat, and can benefit from experience gained during that process.

Step 1: Marshall resources and select a person to coordinate the transition.

A transition will require a sustained effort by many, and IATI's strong community of support should be harnessed to the full extent possible. Early on, Governing Board members and other IATI members should be canvassed for their interest and potential commitment to serve as volunteers on time-consuming yet

critical tasks, such as serving on an executive director search committee, among others.

Similarly, the expertise, professional judgment, and experience of the current Consortium are very valuable and should be utilized to the fullest extent possible in the transition, including participating in recruitment and regulatory, legal and logistical transition issues, as appropriate. Early on, it would be useful for the board to gain an understanding of how much of its time can be devoted to transition activities.

The smoothest transition will result if one person is selected to manage the transition. A Transition Coordinator should have strong organizational, human resources, and managerial skills. Their function is to keep track of all procedures, details, and documents related to the transition, and to keep the process moving forward. This job will be something between part-time and full-time, and could possibly be filled by a competent member of the current Consortium, if they are able to reallocate current tasks to others.

Many organizations find that in a transition period, it is invaluable to hire a part-time or full-time temporary “Interim Executive Director” who is able to lead the transition, keep track of and manage all procedures and help set up the new office. Management consultants with strong organizational skills and experience in helping MSIs succeed have been very effective in making complex transitions move quickly and smoothly until new senior staff members arrive. There are also a number of individuals

who have led MSIs in the past who could be tapped. The Interim Executive Director could also step in and perform some of the activities of the organization, if needed.

Step 2: Research and select location

As discussed in section 5.4, a range of considerations need to be weighed in selecting a location. If the decision will be contentious, it is recommended that a small working group of Governing Board members and IATI members be created to help research and evaluate options. First, the membership could be solicited for suggested cities, with a request that these be accompanied by some rationales in accordance with the factors listed in section 5.4. The Transition Coordinator/Interim Executive Director, in consultation with the working group, could prepare a short list of the 2-3 most promising options for consideration by the Governing Board and IATI members, with the key benefits and drawbacks listed for each option. The Governing Board should consult the membership on the basis of the most promising options on the list. Every effort should be made to arrive at a decision by consensus.

Step 3: Identify underwriter or supportive organization

The new IATI Secretariat will need to establish a track record of good financial management over the first few years in order to meet due diligence requirements of many donors. It will be important to identify a donor or organization that is willing to partner with the new IATI Secretariat and offer mentoring, support, and can act as a financial guarantor or underwriter. This could be UNOPS, a

bilateral donor or a trusted non-governmental organization. A shared services platform may also be able to provide the same functions, if donors agree.

Step 4: Creation of legal entity

The Transition Coordinator/Interim Executive Director will lead the process of retaining a local lawyer and managing the paperwork required to create a legal entity. Because IATI is not a start-up but already has a vision, mission and agreed-upon purposes, the paperwork should not be too challenging. Creating a legal entity can be complicated by the presence of States on the board, but fortunately, there are some useful precedents in other MSIs, so there need not be lengthy negotiations around how to address some of the issues. This work should start early, as it might take up to a year, particularly in jurisdictions where charitable status is part of the non-profit entity.

Step 5: Set up an executive director recruitment committee and process

It will be important to identify a small group of individuals within the Governing Board, IATI membership, and, if possible, to include a person in the current Consortium with managerial or human resources backgrounds, who will form an executive director recruitment and hiring committee. These individuals will be required to commit and devote many hours over many months to developing a rigorous and transparent process for recruiting, interviewing, checking references, and ultimately recommending to the board the hiring of a specific candidate. It will be important

to advertise the position widely to reach potential candidates in institutions and workplaces around the world, particularly those devoted to open data, open government, and other transparency and technology-based organizations. A strong process including a good job description, statement of qualifications, and interviewing/reference checking procedures and questionnaires should be developed and followed closely. All first interviews should be conducted by at least two members of the search committee with notes and impressions summarized and circulated to all members of the search committee. Under Options 3 and 4, members of the current Consortium should be invited and encouraged to apply for positions in the new secretariat if they are interested, including the position of executive director. As mentioned earlier, under Options 1 and 2, it would be important for the executive director to come from outside the hosting organization to ensure the initiative's independence and to establish that position's direct accountability to the Governing Board.

Many non-profits have made the mistake of hiring a subject-matter expert as the executive director, only to face high staff turnover and/or financial difficulties because the executive director was not focused on or equipped to run the organization effectively. A strong manager is essential to having loyal and hardworking staff and a smooth operation. It is recommended that an ideal executive director profile is developed, but at the same time, the hiring committee should have latitude to select the best overall candidate. Sometimes a candidate is missing one key attribute, but in every other respect is outstanding.

Overly rigid processes should be avoided but they should remain rigorous, objective and transparent.

Step 6: Preserving institutional memory

The members of the Consortium should develop detailed electronic and hard-copy transition binders which include all staff functions, timetables, expected actions in the year to come, and lists of contacts and coordinates. Computer files should be backed up for handover to the executive director.

That said, it is very likely that retention of certain staff members through permanent hiring or on contract for a time period would be highly beneficial to the organization. The executive director will be at liberty to make the greatest possible use of the institutional memory available. Members of the Consortium should be encouraged to apply for positions that become available at the secretariat although it should be made clear that they will be competing against external candidates in merit-based hiring processes, which provide no preferential treatment to current staff. Other arrangements such as a temporary secondment to the new IATI Secretariat could also be explored where a staff member would enjoy a year at the new secretariat but would like to return to his/her permanent employment. For specific functions, such as technical ones, a lengthy overlap period might be warranted in which a new employee has a chance to work with DI through an extended contract.

Step 7: Setting up the new office; hiring new staff

Once the new Executive Director has accepted the offer of employment, he or she should work with the Transition Coordinator to locate office space. Computers will have to be purchased, a photocopier contract entered into, phone and internet systems established. Insurance must be obtained, both director and officer liability Insurance, as well as building insurance. A bank account will have to be opened, and employee benefits and payroll services retained.

The Executive Director, with the support of the Governing Board and Consortium, if possible, will hire the remaining staff, again through strong processes including job descriptions, statement of qualifications and interviewing/reference checking procedures. Positions such as Director of Technology, Financial Manager, and Communications Officer would be important to fill early.

Step 8: Professionalize the new organization

The new IATI Secretariat will be busy with new staff and activities and it will be an exciting time for the organization. However, it is critical not to overlook an essential step in ensuring that the new organization has all the policies and procedures required of a professional organization. These include all human resources policies such as hiring practices, vacation policies, sick day policies, sexual harassment prevention, etc. A mechanism must be in place to track employee leave, holidays, and accrued benefits. Governance SOPs must be kept up-to-date, as well as minute books of meetings

and whatever statutory requirements exist for non-profits. There will be other requirements and a good checklist will need to be developed. An experienced executive director may not find all this daunting, but as most of the work is upfront, the Interim Executive Director or a management consultant can help get things in place so the operation will run smoothly.

ANNEX 1: Contributing IATI stakeholders

INTERVIEWS

Adams, John	Chair of the TAG, DfID
Anderson, Bill	Secretariat/Development Initiatives
Belegu-Shuku, Argjira	Secretariat/UNOPS
Besseling, Roderick	CordAid, Netherlands and CSO co-chair
Chan, Swandi	Gates Foundation
Culey, Helen	Secretariat/Development Initiatives
Davies, Tim	Open Data Services Cooperative
Densham, Anna	DFID
Elmstam, Carl	Secretariat / Government of Swed
Flower, Stephen	Open Data Services Cooperative
Gasagara, Elie	World Vision
Hillman, Joni	Secretariat/Development Initiatives
Johns, Sarah	Bond, Board Member
Kamau, Winnie	Journalist
Lichtenberg, Katrin	Secretariat/UNOPS
Loucheur, Yohanna	Government of Canada
Lundstrom, Brenna Clerkin	International Finance Corporation
Madsen, Frank Wissing	World Bank
Marinescu, Simona	Secretariat/UNDP
Martinez-Soliman, Magdy	Secretariat/UNDP

McCoy, April	Gates Foundation
Mckie, Neil	DfID
Milde, Hannah Milde	Secretariat/UNOPS
Mugabe, Innocent	Government of Rwanda
O’Cathail, Cillian Domhnall	Secretariat/UNOPS
Parr, Annelise	Secretariat/UNDP
Patrick, Morag	DFID
Potter, Stephen	Government of Canada, Board (Chair)
Powell, Joshua	Development Gateway
Romalahy, Isaora Zefania	Government of Madagascar
Scott, Rory	Open Data Services Cooperative
Simons, Rupert	Publish What You Fund
Tuladhar, Anjesh	Young Innovations
Vaessen, Siem	Zimmerman & Zimmerman
Vaessen, Tristan	Zimmerman & Zimmerman

PARTICIPANTS IN FOCUS GROUP CONSULTATIONS

Chan, Swandi	Gates Foundation
Hirji, Murad	The Global Fund
Kanda, Chiyo	World Bank
Lundstrom, Brenna Clerkin	International Finance Corporation
Madsen, Frank Wissing	World Bank
Marinescu, Simona	UNDP
Mckie, Neil	DfID

Mitchell, Leigh	Government of Myanmar
Porter, Reid	InterAction
Potter, Stephen	Government of Canada
Rosenberg, Aaron Shane	International Finance Corporation
Takona, Tim	UNICEF
Van de Sande, Theo	Government of the Netherlands
Vaughn, Andie	USAID
Wieland, Ursula	IFAD

PROVIDED WRITTEN COMMENTS

Aupperle, Adrian	European Investment Bank
Johns, Sarah	Bond
Lundstrom, Brenna Clerkin	International Finance Corporation
Madsen, Frank Wissing	World Bank
Simons, Rupert	Publish What You Fund
Takona, Tim	UNICEF / Board Member

ANNEX 2: Questionnaire

IATI PROGRESS AND CHALLENGES SINCE THE 2015 EVALUATION

A formal evaluation of the IATI was conducted in 2015. The evaluation found some important progress in implementing the 2008 Accra commitments and the 2011 Busan Partnership Agreement, as well as some significant challenges. The next series of questions will describe some of the findings in 2015 and request your views on what has changed since this evaluation.

- 1) The 2015 review pointed to some specific challenges, including: i) making sure the data meets partner countries' planning needs; ii) enhancing data quality (insufficiently complete, reliable and forward-looking); and iii) increasing the number and diversity of publishers. In your view, what progress has occurred since 2015 on these challenges?
- 2) Are there sufficient incentives for donors to publish?
- 3) The 2015 evaluation noted that IATI had attained some key achievements since 2008, including the development of the common standard, the creation of common platforms, and a significant number of publishers utilizing the standard. Are there any key achievements since 2015 that you wish to highlight?
- 4) Where would you like to see the IATI in 5 years?

5) Could you see IATI data being used in innovative ways in the development space? What formats, what uses?

6) Could the IATI play a bigger role in helping track activities related to the Agenda 2030 Sustainable Development Goals?

IATI OUTREACH

7) In your view, is IATI outreach sufficient? Does everyone know about IATI who should?

8) What do you think should be the key outreach priorities of IATI?

MEMBERSHIP AND FUNDING

9) In your view, what are the benefits of membership in the IATI, as compared to the situation for donors or partners who are simply IATI users without being members? What are the incentives to join?

10) What is the realistic potential to recruit new members as a way of raising revenues?

11) The collection of membership dues creates high transaction costs for the Secretariat as well as for certain governments and others paying membership dues. Could you envisage a membership regime without a membership fee attached?

12) Some standards-based initiatives do not differentiate between members and non-members, but raise funds entirely through other means than membership fees. Would you see advantages in moving in that direction?

13) Do you have any views about the following means of raising funds?

- a) Focusing on large grants from donors, thereby diminishing transaction costs?
- b) Retaining or raising membership fees whilst providing special services to members?
- c) Moving toward a cost-recovery / user-fee basis for providing technical services?
- d) Do you have other views or ideas on sustainable sources of funding?

DECISION-MAKING

14) Do you think decisions made by the IATI reasonably reflect the interests and perspectives of all multi-stakeholder constituencies? Do you think the decision-making process is inclusive and fair?

SECRETARIAT

15) What are the most essential activities and services the IATI Secretariat performs?

16) What are the advantages and disadvantages of the current Secretariat model?

17) What do you see as the advantages and/or disadvantages of a standalone, professional, long-term Secretariat?

18) What do you see as the advantages and /or disadvantages of a Secretariat based at an international organization such as the OECD, the United Nations or the World Bank?

OTHER

19) Are there any questions I missed, or anything else you would like to add about the future of the IATI?

ANNEX 3: Compendium of recommendations

RECOMMENDATION 1: The IATI technical team should assess the feasibility of prioritizing technical support for members over non-members, subject to a consideration of all other factors, as a way of providing a modest incentive for non-members to join the initiative.

RECOMMENDATION 2: The Members' Assembly should approve a clear value proposition statement for the website. This statement should be amended if the incentives are changed.

RECOMMENDATION 3: IATI should amend the current Code of Conduct for Members of the IATI Governing Board in the Conflict of Interest section to specifically require that Board Members recuse themselves from any board discussion in which an actual, potential or apparent conflict of interest arises.. The IATI Governing Board should make a strong collective commitment to upholding the recusal practices.

RECOMMENDATION 4: A separate category of private sector membership should be spun out from the “CSO and other” category in the short to medium-term. Relevant private sector actors should be encouraged to join the initiative as members and to serve on the board. A decision by IATI to follow this recommendation would generate governance consequences, namely a need to represent the private sector on the Governing Board.

RECOMMENDATION 5: Each partner country should be provided with the option to either pay for its own travel or pay the annual fee. Payment of EITHER an annual fee or travel to one meeting in a year would deem that country in good standing.

RECOMMENDATION 6: A partner country experiencing financial difficulties may write to the Chair of IATI and request that the board waive its annual fee for that year, providing an explanation of the financial difficulties it is encountering. The board should in all cases waive the fee if it is reasonable to do so under the circumstances.

RECOMMENDATION 7: The IATI Governing Board and Members' Assembly should review the fee structure with a view of making it more progressive; raising or reducing the lowest fees to reduce barriers to entry and/or transaction costs, but also respecting the principle of ability to pay. The consultation phase of the review should be long enough to ensure that all constituencies have ample opportunity to voice their views about the fee structure.

RECOMMENDATION 8: To ensure predictability in the annual budget, partner country travel should be a separate budget line that is funded at a set amount per annum. Partner countries as a group should manage this budget and determine the best way to allocate it to maximize partner country travel.

RECOMMENDATION 9: IATI's SOPs should be amended to include the principle that for Governing Board decisions taken by vote, a certain level of support by each of the three key

constituencies (partner countries, assistance providers, and civil society) is required. This could be effectuated by requiring at least one vote from each constituency.

RECOMMENDATION 10: In the short to medium-term, the Governing Board should be enlarged from seven members to ten members, composed of three providers, three partner countries, two civil society organizations, and one private sector member, plus the Chair of the TAG. The quorum should be set at five or six participants, in accordance with what is determined to be the most workable and appropriate by the Members' Assembly.

RECOMMENDATION 11: The position of Executive Director should be created. The position's precise responsibilities and lines of accountability should be determined in accordance with the institutional arrangements decided by the Members' Assembly, but generally, they should set out toward a strong level of accountability to the Governing Board. A competitive salary and generous benefits should be offered to help attract the most qualified candidates.

RECOMMENDATION 12: The current model of chair selection via election of a board member should be retained in the short-term. We recommend that the Members' Assembly revisit the question of an external chair in the medium to long-term, for example, in five years' time, particularly if it decides to implement a completely independent, standalone secretariat. At that point, a determination could be made as to whether the potential benefits of an external chair would likely outweigh any risks.

RECOMMENDATION 13: All things considered, we recommend Option 3 or 4, which we believe represent the options most likely to help IATI succeed in meeting its medium and long-term goals. IATI has an important mission, a challenging agenda, but a very strong and committed community. A streamlined secretariat with capable and entrepreneurial staff, a governance system which consolidates authority, clarifies accountability, and facilitates action, and a dependable revenue flow for years to come will help IATI move from vision to action with greater speed and clarity.

RECOMMENDATION 14: We do not recommend that IATI solicit expressions of interest from governments. We recommend instead that IATI select a city which most likely favours a successful secretariat, taking into account all factors.

ANNEX 4: Biographies of authors and advisors

MORA JOHNSON - Barrister & Solicitor

Mora Johnson is an international lawyer and consultant with almost 20 years' diverse experience in government, private and non-profit sectors in leading teams, in cutting-edge norm and policy development, and in consensus-building amongst diverse stakeholders. Mora chaired the OECD Forum on Responsible Mineral Supply Chains, served on the steering committees of other multi-stakeholder initiatives, and has facilitated the multi-stakeholder negotiation of global standards. Mora's expertise includes extractive sector corporate social responsibility policies and implementation, anti-corruption policies and compliance, the Canadian government CSR Strategy, implementation of the UN Guiding Principles on Business and Human Rights, including human rights due diligence, conflict minerals supply chain due diligence, and the facilitation of and governance of multi-stakeholder initiatives.

Within the Government of Canada, Mora served as Legislative Assistant to the Hon. Lloyd Axworthy, Minister for Foreign Affairs and to the Hon. Pierre Pettigrew, Minister of International Trade. Outside of government, Mora served as Executive Director of the Iran Human Rights Documentation Centre, and as a Law Clerk in the Office of the Prosecutor, Special Court for Sierra Leone.

Mora studied law at the University of Toronto where she received awards for academic excellence. Mora is a regular conference presenter and guest lecturer at universities.

MICHAEL LENCZNER - CEO of Ajah & Director of Powered by Data

Michael splits his time between serving as the CEO of Ajah, a Montreal-based company that develops online tools for fundraisers, and being the Director of Powered by Data, a nonprofit initiative launched by Ajah that helps the nonprofit sector access and use data to increase its impact.

Michael founded Île Sans Fil, a community wireless organisation whose model and FLOS software was adopted by dozens of communities around the world. Working in open data since 2005, he has co-founded national, provincial and municipal data advocacy groups such as Montréal Ouvert, as well as coordinated numerous hackathons on issues such as sustainability, corruption and municipal service delivery. He co-founded Ajah in 2010 and in 2013, Ajah created Powered by Data, which was quickly recognised as one of the top 10 innovations in philanthropy by New Philanthropy Capital.

Michael is a frequent collaborator on academic-community partnerships and has published peer-reviewed articles in the areas of epidemiology and nonprofit management. He has spoken at over 150 conferences and workshops and regularly advises government agencies on the use of Open Data.

DAVID EAVES - Lecturer, Harvard Kennedy School

David is an expert in public policy, strategy, open government, disruptive innovation, open source, negotiation, and collaboration;

and a recognised public thinker. Eaves speaks to companies and groups confronting disruptive innovation and those engaging in social marketing, mobile, and crowdsourcing activities. As one of North America's most exciting public policy entrepreneurs, he is retained by governments to advise on these burgeoning fields. Eaves serves as a Research Fellow and adjunct lecturer in the Science, Technology and Public Policy Program (STPP) at the Belfer Center for Science and International Affairs at the Kennedy School of Government at Harvard University. He regularly evaluates government and public policy initiatives as part of his work with the Harvard Kennedy School Case Program.

As a negotiation expert, Eaves advised on critical negotiations, such as the Canadian Boreal Forest Agreement, and helps create opportunities where there are currently log jams. Eaves served as the first Director of Education at Code for America where he trained all the Fellows on how to foster open innovation inside government. He has also provided training and support to 18F and the Presidential Innovation Fellows program at the White House. He sits on the advisory board of Code for All and the board of the Environics Institute. He was appointed to the Ontario Government's Open Government Taskforce, sits on the Canadian Government's Open Government Advisory Panel, and was a member of the City of Vancouver's Digital Strategy External Advisory Group.

DR. SANJEEV KHAGRAM - Young Professor of Global Political Economy, Occidental College

Dr. Khagram is known for his interdisciplinary and cross-sectoral scholarship, teaching, leadership and management in the areas of globalization and transnational studies, international relations and comparative politics, good governance and transparency, sustainable development and human security, cross-sectoral problem solving and inter-organizational networks, nongovernmental organizations and civil society, corporate citizenship and entrepreneurship, leadership and strategic management, impact evaluation and learning, data and evidence.

Dr. Khagram is currently the John Parke Young Professor of Global Political Economy in Diplomacy and World Affairs at Occidental College in Los Angeles, California. He has previously held a variety of other academic positions including Professor of Public Affairs and International Studies at the University of Washington and Associate (and Assistant) Professor Harvard University's JFK School of Government and Visiting Professor at Stanford University's Institute of International Studies. Dr. Khagram most recently led the establishment of the Global Partnership for Sustainable Development Data. He also founded and was the architect of the Multi-Stakeholder Global Initiative for Fiscal Transparency (GIFT).

Dr. Khagram has published widely including: *Dams and Development*, with Cornell University Press; *Restructuring World*

Politics: Transnational Social Movements, Networks and Norms with University of Minnesota Press; The Transnational Studies Reader with Routledge Press; Open Budgets: The Political Economy of Transparency, Participation and Accountability with Brookings Press; “Inequality and Corruption” in the American Journal of Sociology; “Future Architectures of Global Governance” in Global Governance, “Environment and Security” in the Annual Review of Environment and Resources, “Social Balance Sheets” in Harvard Business Review, “Evidence for Development Effectiveness” in the Journal of Development Effectiveness, and “Towards a Platinum Standard for Evidence-Based Assessment,” in Public Administration Review, as well as numerous policy reports.

Dr. Khagram has worked extensively with governments, civil society groups, multilateral organizations, corporations, social enterprises, cross-sectoral action networks, public-private partnerships, professional associations and universities all over the world from the local to the international levels. He has lived and worked for extended periods in Brazil, India, Mexico, Nigeria, South Africa, Thailand, Germany and the United Kingdom. He holds a B.A. in development studies/engineering, an M.A. and PhD Minor in economics (from the Food Research Institute), and a Ph.D. in political science, all from Stanford University.

JEAN-NOÉ LANDRY - Executive Director of Open North

Open North Inc. is Canada’s leading non-profit organisation specialised in open data standards, policy, engagement

strategies, and applied research. It has deployed its online Citizen-Budget simulator to more than 75 local-level governments and continued to build infrastructure and tools that facilitate the access and usability of government and legislative data.

Since its creation in 2011, Open North has established itself as an international leader in open data, having contributed to standards development through local, regional, and global initiatives, including Open Contracting Data Standards, Popolo, and Open511. It also has helped to represent Canada on the Legislative Openness Working Group and participates in the development of a Canadian strategy for the Extractive Industry Transparency Initiative (EITI). Open North co-leads, with the U.S. General Services Administration, the Standards stream of the Open Government Partnership (OGP) Open Data Working Group (ODWG) and is an advisor to the Global Initiative on Fiscal Transparency.

Prior to joining Open North, Jean-Noé Landry specialized in quantitative and qualitative research methods, and led research teams for the National Democratic Institute (NDI). Jean-Noé is regularly solicited to give keynote presentations and workshops on data innovation.