

### **Attending**

**Virtually:** Thea Schepers (Netherlands, Chair); Zainab al-Azzawi (UNICEF); Charlie Ngounou (AfroLeadership, Vice-Chair); Siem Vaessen (Open Data Company – Zimmerman); Motai Ramokoinihi (Lesotho); Mohammad Gele, (Somalia); Anand Nair (Fields Data), Yemesrach (Yemi) Workie (Executive Director, UNDP), Annelise Parr (UNDP); Adriel Amaral (UNOPS); Steven Flower, (ODS); Margarita Bernardo (UNDP); Cody Wallace (UNDP / Notetaker)

### **Opening**

Governing Board members met virtually for a scheduled quarterly meeting to assess progress during the period since their previous meeting in person on June 4-5. Minutes of that earlier meeting were formally adopted, and the agenda was agreed. After setting out the objectives for the meeting, the Chair invited IATI Executive Director to elaborate on a proposal shared with Board members on new working arrangements at UNDP to become more office-based to allow the team to work more closely together. She referred to pressures as a result of understaffing on a small team which currently lacks an Engagement Specialist and an Operations Associate. The ED noted the reason for bringing this to the Board was that it was a change from the original hosting proposal, but explained that this proposal was budget-positive and would strengthen the team and build capacity. The Board approved, with the Chair adding that this kind of management decision related to team structuring would not need to go to the Board in future and could be handled internally.

### **Actions/Decisions**

- ***Approval for UNDP to implement its proposal on staff restructuring .***
- ***Agreement that management decisions of this type do not in future need Board approval.***

### **Q3 preliminary results**

The IATI Executive Director provided a brief update on key results achieved in Q3, noting that a full written report would be provided by October 15th after the close of the third quarter, as agreed during the Q2 GB meeting. Highlights include completion of the SOP update to incorporate new text on waivers and financial good standing with thanks to the SOP working group; management of risks through the risk register; work advanced on the Strategic Planning roadmap as presented during the recent Board drop-in session, allowing this work to accelerate; TORs developed for two consultancies for evaluation of the current strategic plan and drafting of the new plan; development of an engagement strategy and action plan and external landscape analysis, both pieces as important contributions to the preparation and positioning of IATI for its next Strategic Plan.

The IATI ED also referred to her many direct engagements with the Netherlands, Fiji, Vanuatu, missions in New York and IMF, TOSSD, OCHA-FTS, Open Contracting and Open Partnerships among others, all with a view to actively positioning IATI for its next phase of strategic planning. In addition to these direct interactions, she also referred to initiatives with which IATI has actively been engaging at the technical level, such as the Global Alliance for Food Security. She mentioned excellent progress by technical and

policy teams developing a translation guidance and a data policy, and noted that insights gained through the recent data use brainstorm sessions which will all be used to inform further policy development.

### **Q3 Technical update**

IATI's technical delivery partner ODS also gave an update on technical scopes, referring to the recent Standard Stewardship working group first meeting; implementation of translation guidelines with French and Spanish now live in the IATI validator; progress in aligning design across IATI's systems and tools. Further updates were provided on bulk data service and networked data validation; work on organisation identifiers, improvements to the dashboard, exploration on options for improving registration and single sign-on; enhancements to the Publisher tool and integration with Aidstream in planning stages, and conversations in this context with donor governments on their publisher guidance. Work is also underway to improve the framework and content of the IATI website to strengthen user experience.

### **Operational and financial report**

On behalf of UNOPS and UNDP, ED updated on progress on operational and financial management work, noting that 24 contribution agreements have been signed with a further 46 currently being processed. UNDP has finalised contribution agreements with Germany and Canada, however the agreement with Switzerland is still pending. A new proposal has been submitted to the EU which includes a new focus on data quality work, in addition to the earlier sponsorship of the MA. An amendment has been signed to the agreement between UNDP and UNOPS which will allow the transfer of funding of \$1.42m for implementation of remaining 2024 activities.

The Board Chair expressed appreciation for the updates and for the hard work and good results achieved during the summer period. Suggestions such as a Gazette were offered on better communicating on technical updates to the community, and ODS will follow up and look into these suggestions.

### **Q4 priorities**

Discussion moved to the fourth quarter priorities, and to the calendar of internal and external events. The Board noted an upcoming regional workshop in East Africa (Kenya, November 4-6) and proposal for a West Africa workshop (tbc before December 15th) A technical workshop with OCHA-FTS is also taking place in Istanbul (October 10-11). These events will serve as a bridge to bring the community together in person without waiting an entire year between physical meetings (since the Colombia MA in Q2). Other online and in-person events within the context of strategic planning are planned in early 2025.

An online MA is planned for Q4 for essential governance matters such as approval of the budget and work plan for 2025, evaluation of the Strategic Plan if already available, progress against the roadmap for the new SP, any decisions from active working groups, and agreement on any next steps in light of financial sustainability findings. There will not be a community exchange component. The Board requested to bring this forward by one week from the planned December 4th to November 27th. A Board meeting is scheduled for November 20th. The Secretariat was requested to explore new ways of communicating calendar events with the Board and membership.

### ***Action / Decision***

- ***Board Meeting to take place on 20th November and Next MA: November 27th 2024 (virtual), all papers should be sent 7 days before the meetings, as approved by the Board on an exceptional basis, noting the SOP expectation for circulation 14 days prior.***
- ***Subsequent MAs to take place in October/November from 2026 onward***
- ***Secretariat to examine better ways to share and promote the calendar of events currently in IATI Connect.***

## **Financial sustainability**

UNOPS provided a financial status overview, drawing from a detailed paper shared with the Board on financial sustainability. IATI income has stabilised at \$2.9m, while expenditure has increased at around 24% annually, and average expenditures around \$3m annually for the past four years. Forecasted expenditures for 2025 is \$4.3m. This does not cover replenishment of the contingency fund, leaving the initiative in deficit in 2025 in this projection. UNOPS presented various scenarios based on current projections out to 2029, referring to the fact that there has been no membership contribution increase for 8 years while the cost of living and doing business have both significantly increased. UNOPS' recommendation was to increase membership contributions significantly from 2026, by 56.3%, which would take membership income from \$2.9m to \$4.4 covering operations until 2029. Additional measures are suggested, including following up with members in arrears, seeking new memberships, increasing voluntary contributions and more expenditure management. \$1.1m should be retained at all times covering 3 months of salary expenses. Other measures would include encouraging highest-paying members to pay in advance, increase voluntary contributions at least 15% annually, and replenish the contingency fund annually by \$200,000. Given the complexity of this matter, the Secretariat requested the Board to approve sharing the detailed financial sustainability plan, by reconvening the members of the SOP Working Group, inviting others with specific expertise in this field, and initiate discussion with members.

The IATI ED expressed confidence in the options on the table to increase voluntary contributions, already underway with a good proposal with the EU, and initial discussions with Hewlett Foundation and other potential partners such as Australia on future strategic plans around climate finance.

There was recognition that failing to address the financial situation represents a significant threat to the initiative, and the Board discussed different options including incorporating an annual increase of around 3% built into the SOP in addition to the proposed one-time increase. Other discussions touched on looking in more detail some of the cost categories in the budget and seeking additional analysis of where costs could be cut. The ED responded pointing to the main cost category as one of personnel including technical provision, and indicated that other non-essential costs are quite low given the scope of delivery. A further option could be revisiting the tiers and setting a new strategy for larger private sector organisations who could make bigger contributions. There was some discussion on seeking higher interest rates for cash held and UNOPS provided information on the current status and agreed to explore possibilities of higher rates. A clear point made by the Board was the importance of careful and strategic communication with members about any decisions to be taken.

The IATI ED and Board agreed that the initiative needs a sharp value proposition and resource mobilisation strategy and plan for engagement in order to ensure the initiative's offer appeals to existing members and attracts new members. This makes the strategic planning process especially critical. She returned to the request for the Board to bring the matter to a working group to socialise the situation with members and work towards a sustainable solution. Above all, members need to be exercised on this important matter and decisions finally taken.

### ***Action / decision***

- ***Secretariat to quickly stand up a governance working group on financial sustainability, (starting with reaching out to former SOP WG members).***
- ***Secretariat to ensure this matter is carefully managed and tracked in the risk register.***
- ***Board requested the IATI Secretariat to undertake a detailed scenario for the proposed scenario 1 so all understand the potential impact of a bare bones scenario where IATI is able to deliver a bare minimum delivery of ongoing business and services.***

- **Board requests the IATI Secretariat to explain financial feasibility as part of scenario 3 as even scenario 3 has a deficit in year 5.**

### **Emerging 2025 priorities**

Leading on from the earlier segment on Q4 planning, the IATI ED shared an outline of the direction of travel for 2025, seeking guidance of the Board to proceed with more detailed work planning. She emphasised that much of this will be ongoing work where strong foundations and groundwork are already underway.

First and foremost will be strategic planning based on the roadmap with a series of consultations underpinning this work. Intensified engagement will be critical to position IATI within global processes, such as Financing for Development, as well as to bring new members into the initiative. A further important aspect will be exploring thematic areas like climate finance, and to engage data users in new sectors. The Board has received a technical tools maturity analysis which will guide technical work planning. A further focus will be on enhancing data quality, to include undertaking analysis of data user support requests and looking at usefulness. Work is already underway on improving the appearance and content of the IATI website, and this will continue.

Responding to a clarifying question by the Board's technical seat on process of decision-making regarding the proposed single sign-on, ODS indicated that this is currently at the stage of gathering options and considering different means of implementation (ie in-house or third party build). It will be important to engage with the wider IATI community with decisions and next steps, though it is important to do something in order to end the current state of fragmentation and confusion for users, particularly those approaching IATI for the first time.

There was a suggestion from the Board's communication focal point to develop a specific online engagement strategy, and to bolster engagement with CSOs generally as well as with the private sector and international advocacy organisations. Expanding outreach in many different directions is very much in the mind of the ED, once capacity in the Secretariat is restored. In the meantime, strategic engagement will allow IATI to leverage the dedicated IATI teams of other initiatives such as GAFS and Education Cannot Wait. The Board supported the different engagement activities proposed by the IATI ED and shared some other upcoming activities, pointing out the value of publicising both IATI and external events. Connect should not be the only place for promoting events.

### ***Action / decision***

- Secretariat to share options for single sign-on with the community
- Secretariat to add online engagement to the engagement strategy with focus on CSOs and private sector
- Secretariat to update the calendar of known events and explore ways of better promotion of those events, including on the IATI website.

### **Follow-up actions for Q4 and the next MA**

Given the tight deadlines and planning activities needed, the IATI ED requested some additional time for preparation of the work plan; this was agreed. Regarding the package of papers shared with the Board, some members felt that such long and detailed papers were unnecessary, and encouraged shorter, more concise papers where possible. Board members had some final questions including on next steps based on the technical maturity analysis paper, particularly in view of the financial sustainability challenges raised earlier.

ED indicated that the landscaping paper is designed to serve as background document for the SP consultation; while the maturity assessment paper is a critical paper that warrants discussion at Board level in Q4 due to the critical guidance and decision needed.

***Action / decision***

- Secretariat to present work plan on November 13th one week ahead of the November 20th Board meeting.
- When making the calendar available publicly to members, the Secretariat should ensure it also includes important deadlines such as consultations and working group sign-ups.

**Closing**

Further conversation took place around the possibilities for strategic transition, with general agreement that this was a timely discussion for new ambition in view of the new phase of strategic planning for the initiative. The Board chair thanked the ED and team once more for hard work and good results in Q3.