



Workshop on sustainable funding

Immediately actionable (work the Secretariat can do within current hosting limits)

1. To make informed decisions regarding (immediate) budgetary questions, many members felt IATI needed to more clearly define what it is and what it is supposed to do – this ties in with some outreach session comments and is also very tied to any longer term funding discussions – a clear value proposition supports longer term investment by members.
2. Some members suggested they needed clearer information about what is currently not working about the fee collection process though it was noted that the default rate amongst donor type members was quite low and higher on the PC side. A point strongly made by Partner Country members was that there were legal barriers to paying such a voluntary membership fee in their own countries. If the fee is not mandated by a formal statute domestically then justifying the payment of it internally was burdensome. There was a request that the Secretariat should provide some policy suggestion on how to recognize in-kind contributions as a substitute for paying the fee within the SOPs - suggestions as to what form this could take included self-financing travel, hosting workshops, supporting regional outreach activities or providing analytical support in data use/quality assessments. This should potentially be ready by the December Steering Committee.
3. Related to #1 in discussions – while the overall programme of work potentially needs a clearer explanation of its importance to support investment (comms/branding), this is also needed for each of the unfunded additional packaged items beyond the core (Y3 and future years) to support a business case for soft earmarked voluntary contributions to underwrite these items from members.
4. Some members suggested a cost analysis of the impact by return on investment in each of the five work streams of the current budget structure should be provided by the December Steering Committee if possible to better inform the issues of prioritization in future.
5. In terms of requests for payments of membership fees and general resource mobilization for the programmatic year, some members questioned whether these had been escalated to high enough political levels of the member organizations for action (related to outreach suggestion to more clearly communicate the impact/results and importance at a higher level). This might account for some of the fee defaults but the major impact has been in the drop in voluntary contributions.
 - a. High-level approach to members explaining results/impacts and longer term strategic vision to support resource mobilization from the Secretariat
 - b. Strong call from members for a joint approach to resource mobilization – this involved two dimensions (i) a strategy that a number of multilateral and bilateral donors with valuable expertise could help devise and (ii) actions by the members themselves or in groups to lobby for more voluntary funding (not necessarily separate from the strategy but not dependent on it either)
6. Related to #5, some members mentioned that amongst the bilateral membership, there was a three year cycle of programming arrangements which had been missed by the time the current Secretariat arrangements were in place but that this was coming around again – some

well-timed resource mobilization efforts around this time could reap some solid returns for the voluntary funding aspects in the immediate term.

7. A definitive decision on the consequences of non-payment would be beneficial within the current hosting lifespan if possible - considering the political and legal issues raised by PCs in #2 regarding capturing in-kind contributions in lieu of a fee then a paper proposing exclusion of those donor members who have not paid definitively and an approach to in-kind contributions for PC and CSO constituencies would be useful.

Medium-term measures (some requiring decision from members or are related to future hosting considerations)

8. Charging for technical services rendered was a suggestion from some members. This took a few slightly different forms; the first was a 'freemium' model whereby a certain amount of technical support to publishers is provided gratis to a certain level but after this it becomes fee based – some remarked that this could serve as a barrier to entry for publishers and would change some of the voluntary aspects of the community. Others suggested that there could be some form of subscription fees introduced for users of specific systems – datastore, APIs, dashboard etc. rather than fees for support services to cover some of the core operating costs. Another suggestion was that considering that the 'common standard' implicitly involved IATI reporting that OECD DAC members should be required to pay a flat fee for the upkeep of the technical standard.
9. In the medium term, some members felt that it was important for IATI to have new political hooks such as explicit references and commitments around IATI in high-level documents – the immediate suggestion was the Addis Ababa Financing for Development Conference outcome document. This was viewed as important as it would help support the business cases required for additional funds or PC membership fees currently encumbered by legal restrictions. It was suggested that the standard itself could incorporate a field for reporting against proposed SDGs as another way of 'futureproofing' IATI.
10. More long term suggestions for altering the funding model from some members included two potential diversions from the current restriction of the fee/VC ratio which leaves no element of contingency and which by design will not lead to a significant balance in the purse available for new administrative arrangements:
 - a. A replenishment model like that of the Global Fund whereby IATI would endeavour to receive pledges for advance years of financing to cover the strategic work of the initiative – in a way this is a more future oriented version of the proposed resource mobilization for the 'packaged' items in the annual budgets
 - b. An endowment model – a longer term, significant financial underwriting of IATI's strategic goals – questions about where such a philanthropic investment could come from and what consequences this could have for the membership elements currently in place would need more analysis and decision from members.
11. Suggestions around charging for services in #8 and the longer term changes to the model in #9 also implicitly include another question that requires long-term thinking and decision, potentially as part of the next hosting arrangements – service provision of the kind suggested or operating replenishment/endowment models may require IATI to have distinct legal personality of its own.

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12. To the extent that there is no immediate appetite among the donor members for raising the fee from its current rates (though some members pointed out that it is quite low when compared to other similar fees) in the medium term it may be worth considering asking for multi-year agreements for advance membership fees to be arranged with members – this supports predictability of cash flow.
 13. Related to #2, members felt that there were potentially some areas of what was agreed as being core to IATI's work that could also be taken up by members themselves and carried out as in-kind/off-budget support though examples of this were less concrete than the 'packaging' approach taken to the items beyond the core budget.
 14. Another suggestion from some members was specifically related to acquiring corporate support for events such as the TAG whereby commercial providers would underwrite event costs in return for exhibition space or brand visibility though this was viewed with some caution by other members – whether there would be commercial interest is not clear and members would need to approve such an approach considering the risks around influence etc.