

MEMBERS' WORKING GROUP ON IATI LONG-TERM INSTITUTIONAL ARRANGEMENTS

Terms of Reference

1. Background

The IATI community is a vibrant, diverse mixture of data publishers and users, advocates for transparency, technical specialists and general open data enthusiasts from all over the world and all kinds of organizations, working together to publish, improve the quality and support the use of IATI data.

The IATI vision is that “Transparent, good quality information on development resources and results is available and used by all stakeholder groups to help achieve sustainable development outcomes”. To realize this vision, the IATI mission is as follows: “The IATI community works together to 1) ensure transparency of data on development resources and results; 2) ensure the quality of IATI data is continually improved and responds to the needs of all stakeholders and 3) facilitate access to effective tools and support so that IATI data contributes to the achievement of sustainable development outcomes”.

Since 2013, IATI has been hosted by a consortium (the IATI Secretariat) coordinated by UNDP and comprising also UNOPS, Development Initiatives, and the governments of Ghana and Sweden. An [independent evaluation](#) of IATI, undertaken in 2015, recommended a review of long-term institutional arrangements for IATI to support IATI's renewed vision and strengthen its sustainability. In 2016 the Members' Assembly mandated the Governing Board to develop recommendations for long-term institutional arrangements, for a transition to take place during a two-year period of extension of the initial current arrangements, no later than August 2018

With the direction of the Members' Assembly, the Governing Board commissioned a study on IATI's institutional arrangements, including its governance structures, membership and funding. The [consultants' report](#) presented a summary review of four potential models for a new secretariat headed by an Executive Director, a range of recommendations on other related issues (including legal status, funding structure, Board structure) and a high-level transition plan to the new arrangements.

The Governing Board took into account the consultants' findings and recommendations and consulted IATI members in preparing recommendations to the 2017 Members' Assembly. The Governing Board reached consensus on some of the consultants' recommendations, but felt that it could not present clear recommendations to members on a number of inter-related issues, including the secretariat's structure, leadership, legal status and location, the Governing Board's structure and working methods, and the funding structure. [The Governing Board's paper](#) to the Members' Assembly rather presented the key factors to be taken into consideration in making a decision on the future secretariat arrangements.

Plenary discussions at the Members' Assembly revealed support from several members for the consultants' positions regarding the future secretariat's structure and leadership, but also concerns regarding the potential costs and legal implications of the proposed options, and potential loss of legitimacy of an independent secretariat. These discussions confirmed that additional information and analysis was necessary to achieve consensus. The Members' Assembly agreed to mandate a Working Group (WG) to fully assess the options presented by the consultants based on the factors outlined in the Governing Board's paper and the principles agreed at the assembly. The current secretariat arrangements were extended for one year, to enable this assessment and the transition to new arrangements. Draft [minutes from the MA meeting](#) are available here.

2. Objective

The overall objective of the WG is to present clear recommendations to the IATI membership to decide on the long-term institutional arrangements of IATI and the transition process.

More specifically, the Members' Assembly mandated the WG to present its analysis and recommendations to help members decide on the following:

- The best model for the IATI secretariat;
- Leadership of the secretariat (e.g. Executive Director);
- Governing Board arrangements (in terms of size, membership, voting procedures) to support the new secretariat;
- The legal status of the secretariat;
- The location of the secretariat;
- Transition process.

The WG should also present a transition plan to the recommended structure. This transition is anticipated to start from August 2018, following a decision at the next MA (planned for June 2018).

3. Approach

The WG will conduct an assessment of the options for IATI's long-term institutional arrangements and analyze how IATI may transition from the current consortium to new arrangements. The options to be considered are outlined in the consultants' report.

Members have requested that each option be analyzed in depth, with a focus on the benefits, costs (both for the transition and ongoing), value-for-money, risks and legal implications, ability to deliver on IATI's mission, and trade-offs associated with future hosting arrangements. In conducting this assessment, the WG should consider:

- The consultants' report (including comparison with other multi-stakeholder initiatives, as relevant);
- The analysis and factors presented in the Governing Board paper (these factors being: costs; predictability and stability of funding; financial management; legal status, role of IATI; agility and innovation);
- The principles agreed at the Members' Assembly (defined below);
- Views from members at the Members' Assembly and through consultations [the Secretariat will provide audio file or transcripts].

The principles agreed at the Members' Assembly are that IATI should be¹:

- **Legitimate.** IATI is a multi-stakeholder initiative, which derives its legitimacy from the commitment of all its members, and the value of the data it produces. Its legitimacy is enhanced by its role in global processes and the United Nations system.
- **Accountable.** IATI's Governing Board needs to be accountable to its members, and IATI's Secretariat needs to be accountable to the Governing Board. This accountability will be facilitated by clear lines of reporting and responsibility, including the appointment of an Executive Director.
- **Useful.** IATI is not interested in transparency or standardisation for its own sake. The Board believes that IATI's value is primarily derived from the use of the data it produces, and recognises that this may require making a priority of particular use cases.²
- **Sustainable.** IATI's funding model needs to be adequate to the task, and scale with the number of members and the demands placed on the Secretariat. IATI membership should be structured to encourage participation, and IATI data should be free to use and re-use.

The future of the IATI standard and associated tools is outside the scope of this working group. However, the Board recognizes that many IATI members find the current standard complex and difficult to use and

¹ These bullets are verbatim from the MA.

² This principle was to be strengthened after the MA; there hasn't been any discussion on Discuss or elsewhere

publish data in. The WG should therefore take into account the need both to maintain the existing standard and to manage its evolution through a process that is consultative, transparent and effective.

In conducting its work, the WG should endeavor to consult with members to the extent possible, through established constituency mechanisms or any other means deemed appropriate.

The IATI Governing Board and membership are committed to supporting the WG as much as possible. Individual members may provide funding or in-kind contributions to support or complement the WG's work; this should be coordinated by the WG co-chairs.

4. Deliverables and Timelines

The WG should present to the Governing Board a report that will include:

- An analysis of the value proposition of each of the options presented, including:
 - An estimate of costs (both for the transition and ongoing);
 - An assessment of the ability to deliver on IATI's mission;
 - An analysis of the potential risks and mitigation measures;
 - Legal considerations related to the option (including with regard to membership, members' contributions, legal entity);
 - Other pros and cons with regard to legitimacy, agility and innovation.
- Recommendations on each of the following issues (addressed individually or grouped as deemed appropriate by the WG):
 - Secretariat structure (i.e. which of the options is recommended);
 - Executive director position;
 - Legal entity;
 - Location of the secretariat;
 - Board structure and working methods;
 - Membership funding structure.]
- A process (including timelines) of transition from the current consortium to the proposed long-term institutional arrangements and recommendations on whether the transition requires a special management budget, with a focus on keeping operational disruption to a minimum.

A draft report should be presented to the Governing Board by January 19th, 2018, and a final report by March 31st, 2018.

5. Description of the WG

The WG is co-chaired by Governing Board Vice-Chair Madagascar (partner country constituency) and Governing Board member UNICEF (donor constituency).

The following IATI members have volunteered to be part of the WG:

- Partner country constituency: Somalia, Montenegro, Sierra Leone;
- Donor constituency: UNFPA, Netherlands, UK, France, AFDB, Germany, EC, World Bank
- CSOs and others constituency: Association of Freelance Journalists (Co-Chair CSO WG), InterAction
- Private sector constituency: Zimmermann & Zimmermann

6. Roles and Responsibilities

The WG: is responsible for delivering the analysis requested by the Members' Assembly in accordance with these Terms of Reference.

The WG co-chairs: are responsible for coordinating the work of the WG, reporting to and liaising with the Governing Board.

The Governing Board: provides overall direction regarding this assessment, will provide feedback on the draft report, receive the final report from the WG and seek decisions from the Members' Assembly on the preferred decision and to enable the transition to start in due course.

The IATI Secretariat, through the UNDP coordinator: provides support to the WG with regard to accessing IATI documents, facilitating coordination with the IATI Governing Board (e.g. to schedule discussions with the Board), and disseminating the WG report.