**Date:** 12 May 2015

IATI Budget Sub-Group Quarterly Call

**Attendees:**

Martin Akerman (UNFPA), Craig Fagan (Transparency International), Joni Hillman (Development Initiatives), Yohanna Loucheur (Canada), Annelise Parr (UNDP), Argjira Belegu-Shuku, Katrin Lichtenberg (UNOPS). **Not present:** Frank Wissing Madsen (World Bank), Zefania Romalahy (Madagascar)

**Main Takeaways:**

* The Sub-Group will not recommend a budget to the SC that shows a deficit;
* The Secretariat is requested to provide more timely budget/workplan documents to the Sub-Group in advance of quarterly calls (providing the documents so close to meeting dates diminishes the group’s added value);
* In addition, the Sub-Group should be included in the strategic decision-making processes around any significant decisions about the IATI budget (e.g. a proposal in an austerity budget on reducing funding developing country participants for meetings).
* When proposing cuts to notable budget items, the Secretariat should clearly present the tangible impacts on IATI of those cuts;
	+ Efforts to present impacts should be linked to 1) staff costs and 2) to the percentage of time/effort/time intensity to ensure the sub-group and then the SC better understands the implications of cutting specific staff/activities from the budget.
	+ The Secretariat is working on a way to better present the staff costs in the budget in line with the above suggestion, though this can be done at the output level (not per activity).

**Challenges:**

* The Secretariat does not think it is feasible to cut the budget down to the $1.1 million USD requested by the sub-group. This represents a core budget in which a certain level of fixed costs are required to keep the lights on; with reductions below the $1.55 austerity budget presented the Secretariat will struggle to continue providing services at this level;
* The 70/30 model has been in operation for almost two years and has not proven to be functional; the broad question of funding of the initiative will be the subject of a focused workshop session in the SC meeting.

**Way forward:**

* In response the sub-group suggests presenting a $1.1m budget which the sub-group will quickly recommend for approval, together with clear narrative on the strategic benefits of carrying out additional activities up to the proposed $1.55m (or more) (should additional members pay, voluntary contributions come in, etc.); the Secretariat should further include any proposals it has around mobilising additional resources up to the $1.55m or further to the fully-funded budget level ($2.6m).
* WG would like to receive updated papers based on $1.1m budget that clarify the strategic implication of not carrying out specific activities (output level) and conversely the added benefit of carrying out these activities, together with the cost implication. This can be presented by Martin at the SC meeting and also used as a fundraising tool.
* Secretariat will revise and revert with updated documents to the Sub-Group by week’s end.