

# Final Minutes

## Extraordinary Governing Board Meeting 1 September, 2023

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**Present:** Henry Asor, Thea Schepers (chairing), Joseph Barnes, Charlie Ngounou (IATI Governing Board); Philip Drake, Faiza Effendi, David Berman, Annelise Parr (UNDP); Simona Durcova, Dan Bodunescu (UNOPS)

**Not present:** Pelle Aardema, Winnie Kamau, Innocent Mugabe

The Board had agreed during the June 21st (Q2) Board meeting when approving the most recent budget revision that if there was going to be a requirement for calling upon the contingency reserve fund, the Board should be informed through an Extraordinary Board meeting. This extraordinary Board Meeting was therefore called to assess the liquidity of IATI in light of the cash balance as outlined in the 31 July 2023 IATI financial statements (and updated IFS dated 29 August shared by UNOPS with the Board ahead of the meeting), its projected membership income and IATI's known costs and commitments over the next few months. The purpose of the meeting was for the Board to assess the financial situation and consider whether the current circumstances met the criteria (SOP excerpt below) for use of the IATI Contingency Fund.

*4.6.1.1 Does the unforeseen cost fall outside of the approved budget for the year in question.*

*4.6.1.2 Is the cost related to an urgent activity.*

*4.6.1.3 Can the cost be managed through a regular budget revision.*

*4.6.1.4 Has the Secretariat provided detailed financial estimates and clear explanation for the request for additional funds.*

*4.6.1.5 Does the amount requested fall within the amount of funds available.*

The Board received an overview of the circumstances leading to this request, namely that the working capital in the IATI Trust Fund currently held by UNOPS may be temporarily insufficient to meet the disbursements needed for UNDP to issue 12 month personnel commitment (USD \$1,565,012) along with other obligations; or that doing so may leave a low cash balance.

Papers presented by the Secretariat provided an analysis of the financial position, which is improving since first being identified as a risk. However, it was noted that the professional services costs for the new technology delivery partners Open Data Services were not yet incorporated in the analysis, and should be added through a subsequent budget revision.

UNDP informed the Board that since being alerted to a liquidity issue by the Transition Manager on August 13th, it had placed all UNDP recruitment processes on hold, pending resolution of this question. Current UNDP secretariat staff personnel contracts expire on 30 September, and the Board is keen to ensure that positions currently encumbered are not left vacant, and that

existing staff are afforded some certainty in good time. The Board urged UNDP to expedite and conclude recruitment processes for all remaining posts (with exception set out below for G6 Operations Associate), taking the view that further extensions should not be granted in light of the current financial status of the initiative.

It was noted that since the lack of liquidity came to light at the end of July, UNOPS had collected additional membership contributions which had improved the overall cash position. Nonetheless the IATI Board expressed its view that the IATI Executive Director, once on board, should undertake a thorough analysis of the affordability of the IATI secretariat and workplan to ensure that the current issue of liquidity caused by the exceptional circumstances of transition is not a broader structural issue within IATI. The findings of this affordability assessment should inform any necessary rationalisation of costs within the Secretariat as part of the 2024 work planning exercise. This analysis should be undertaken as a priority upon their arrival, estimated by early November.

Action points from the meeting are as follows:

- Use of the IATI \$1m IATI Contingency Reserve is approved, given the circumstances which meet the criteria set out for use of that fund. UNOPS is authorised to transfer funding to UNDP to cover all posts with the exception of the G6 Operations Associate, which is a new post, and three out of the four interns proposed to join UNDP throughout the coming year.
- The Board directed UNOPS to prepare a budget revision and update the analysis provided, to incorporate professional services costs of Open Data Services and costs for extension of the Partner Country and Data Use Specialist position to the end of December 2023.
- The Board directed UNDP to issue offers to selected candidates for the three positions for which recruitment actions are concluded, namely the P3 Operations Specialist, the IPSA-10 Engagement Specialist and the IPSA-10 Policy and Governance Specialist.
- The Board directed UNDP to proceed with recruitment actions for the P5 IATI Executive Director, P4 Policy and Technology Manager, P3 Communications & Advocacy Specialist and IPSA-10 Data Policy Specialist positions as quickly as possible.
- The Board directed UNDP to pause recruitment of the G6 Operations Associate, and take on interns only as / when needed to support key IATI events (as per current practice)
- Inform members of this decision by the Board on the use of the Contingency Fund in the next Chair's Bulletin and in IATI Connect.
- As part of the 2024 Work Planning exercise, preferably by early November 2023, the IATI Executive Director, once on board, undertake a thorough affordability analysis of IATI secretariat structure and workplan to determine any necessary rationalisation of costs. This analysis should be undertaken as a priority upon their arrival.

As an item of AOB, the Transition Manager indicated that the Letter of Agreement (LOA) between UNDP and UNOPS governing the operation of the Secretariat should be signed by the IATI Chair and representatives of the hosting parties at their earliest convenience. The second planned agenda item on the outstanding actions required in relation to fulfilling commitments made by the Board with Publish What You Fund was not discussed and will be tabled in a separate meeting at a time and date to be agreed.