

Global Public Finance Partnership (GPFP) Operational Guidance Note

Proposal: January 31, 2024

A. Steering Committee (SC)

1. The Steering Committee (SC) of the GPFP,¹ composed of representatives of i) contributors to the GPFP subaccount, and ii) the IMF, will provide strategic guidance on the CD priorities and plans financed by the GPFP. Contributors to the subaccount should nominate maximum two official representatives, while maintaining the option of having more than two representatives attend the meetings.
2. The SC will be invited to i) review and endorse the annual workplan of the GPFP, ii) review and approve the annual report of activities, and iii) endorse the minutes of SC meetings.
3. The SC will be chaired by a representative of a contributor to the GPFP. The IMF will propose to the SC a chair and a vice chair for non-objection endorsement. The term of the chair and vice chair will be one year but may be renewed for another year. When a chair's term expires, the vice chair seated at that time becomes the chair. When a vice chair is unable to assume the role of the chair, the current chair can stay in the role for another year. The maximum length of service of a chair is two years.
4. The principal role of the chair of the SC is to preside over the SC. The chair will be consulted on the preparation of the agenda for the SC meeting, and on any potentially difficult or urgent issues, before bringing them to the broader SC. When decisions are required of the SC outside of the meetings, after consulting with the SC Chair, the IMF will seek the SC's LOT endorsement via email.
5. The vice chair takes over the role of the chair when the chair is absent.
6. The SC will meet bi-annually. The chair, in consultation with the GPFP Secretariat, may also convene meetings on an ad hoc basis. The venue and timing of the SC meetings will be proposed by the GPFP Secretariat, in consultation with the chair.

¹ The GPFP will integrate three existing multi-partner fiscal capacity development vehicles (Tax Policy and Administration - Revenue Mobilization Thematic Fund (TPA RMTF), Managing Natural Resource Wealth Thematic Fund (MNRW), and the Tax Administration Diagnostic Assessment Tool (TADAT) and the activities of several bilateral vehicles under the umbrella of one Partnership Program (EBS23116).

7. All decisions of the SC (including endorsement of the work plan) will be made by consensus. If consensus is not possible, then a proposed decision (or an element thereof) will be postponed or withdrawn. The SC reserves the right to further define the decision-making process during the SC meetings.
8. Observers may be invited to participate in the SC meetings on a case-by-case basis, at the invitation of the SC. The SC will decide which observers may be invited, and in which specific part of the SC meeting the observer(s) will participate.

B. GPFP Secretariat

9. To ensure the smooth implementation of the GPFP, the IMF will constitute a Secretariat comprised of IMF personnel. The GPFP Secretariat will be supported by the IMF's ICD Global Partnerships Division for all partnerships, fundraising and resource mobilization matters.
10. The GPFP secretariat will plan, implement, and oversee the management and execution of the CD program, under the guidance of the SC. Its key responsibilities are to; (i) propose and circulate for SC review and endorsement, the annual workplan and budget, as well as related operational strategies and procedures for the GPFP; (ii) manage the GPFP brand, including communications and visibility ; (iii) assist in the coordination of CD provision, through consultation and cooperation with SC members and other CD deliver agencies, including other IFIs; (iv) report to the SC progress achieved under the work program; (v) prepare the annual report; (vi) facilitate the SC meetings and compile minutes; and (vii) represent the GPFP externally.
11. The purpose and actions of the GPFP Secretariat equally benefit CD delivered under both the Spending and Revenue Component Funds. The costs of the GPFP Secretariat will be covered by the resources of the GPFP subaccount.

C. Work Plan

12. Each year, the IMF will submit to the SC a workplan, consisting of CD Funding Programs and other initiatives for implementation. Detailed project proposals will be available and annexed to the workplan. The workplan may contain multi-annual proposals. If required, changes to the workplan can be submitted to the SC during other SC meetings including mid-year and other meetings convened by the SC chair.
13. The workplan will have three distinct elements: 1) projects and costs at the GPFP level, 2) projects and costs at the Revenue Component level, and 3) projects and costs at the Spending Component level.

14. All SC members have equal input into the decision to endorse a workplan, regardless of the nature of their contribution (i.e., whether they contribute to the GPFP as a whole, or to one component fund, does not limit their participation in that decision making).
15. The SC will review proposals and endorse the work plan during its meetings. Proposed additions and changes to the work plan will be included as decision points in the annual reports.
16. Following the endorsement of the workplan, any required transfer of resources from the GPFP level to the Component Fund level will be actioned by the IMF.
17. New CD Funding Programs and other initiatives may be submitted for SC endorsement on a lapse-of-time (LOT) basis, outside of the SC meetings.
18. Any strategic changes to a CD Funding Program will require SC endorsement. Specifically, the SC will be asked to endorse i) any changes to objectives of CD Funding programs; and ii) the addition/removal of outcomes that result in CD Funding Program budget changes of more than 25%.
19. Any expansions or reductions of existing CD Funding Programs that account for more than 25% of a program's endorsed budget will be submitted for SC endorsement at the SC meeting or on a LOT basis. Expansions or reductions of less than 25% can be made without SC endorsement but notification must be provided to the SC at the next reporting point. Any cumulative changes that exceed the above threshold require SC endorsement.
20. Extensions to the timeframe of endorsed CD Funding Programs for periods longer than twelve months will be submitted for SC endorsement on a LOT basis. Extensions of twelve months or less can go ahead without SC endorsement (subject to provisions in #18-19).
21. Any changes made in accordance with paragraphs 15, 16, 17, 18, 19 and 20 above will be noted in the annual report of the GPFP.
22. The IMF can, without prior endorsement of SC, conduct small projects (with a budget of less than US\$100,000), if those projects serve as an input to multiple, endorsed CD Funding Programs, or improve the visibility and accountability of the GPFP. In the annual reports to the SC, the SC will be informed of such activities.
23. The IMF may facilitate scoping missions to support the development of the GPFP workplan. The GPFP Secretariat will inform the SC of the results of each scoping mission during the subsequent SC meeting.

24. At the end of each IMF financial year, the IMF will review the status of the GPFP workplan and if needed, reallocate those resources within the respective operating unit (OU). In addition, programs lacking traction as evidenced by no activities for more than one year will be terminated or scaled back. These resources can then be used for new proposals or the extension/expansion of existing programs and other activities, as per the workplan process mentioned above.
25. The lapse-of-time (LOT) approval period is two (2) weeks.

D. GPFP Financial Structure and Management

26. Three financial operating units (OUs) will be established within the GPFP Subaccount to ensure accountability to partners on their contributions. The GPFP's revenue and spending component funds will each have their own operating unit; a third financial operating unit will be established at the GPFP-level.
27. Partner contributions provided to a specific component fund will be utilized for activities under that component (e.g., Revenue or Spending), and for GPFP Secretariat costs.
28. Notwithstanding paragraph 27, funds can be transferred from a component fund OU to the GPFP-level OU if all earmarks are satisfied and taking note of the priority of consumption and interest earned.
29. Contributions that are not earmarked will be held at the GPFP-level until such time as they are programmed within an endorsed workplan. The IMF will transfer funds from the GPFP-level OU to component fund OUs as program needs require, and as defined in the workplan.
30. Interest earned from resources held in each OUs is accrued at the OU level but will be made available for GPFP needs as per endorsed workplans.
31. At the end of the phase, and in accordance with partners individual Letters of Understanding, the remaining balance of the subaccount will be pooled and carried over to the next phase. The GPFP Secretariat will seek the SC's non-objection endorsement during the last SC meeting of the phase.

E. Reporting

32. Financial reporting will be provided at Component Fund level, while narrative reporting will be conducted at CD Funding Program level.

33. The annual reports will be circulated three (3) weeks prior to the respective SC meeting with the following information: key developments, status of all CD Funding programs and endorsed initiatives (including program assessments), priorities for the coming period, outreach activities, budget and fundraising/liquidity updates, and proposals for decisions by the SC.
34. The SC will be asked to endorse the annual report.
35. In addition to annual reports in connection with the SC meetings, the IMF will provide on the Partners Connect portal or other secured shared electronic platform, to which all donor partners to the GPFP will have access:
 - a) detailed information on the CD Funding Programs, including proposal documents and progress reports;
 - b) information on the financial status of the CD Funding Programs, adjustments made to the work plan, and updates of the drawdown of resources; and
 - c) final assessment reports for completed CD Funding Programs.

Endorsed by the SC: January 31, 2024