

Steering Committee Meeting

June 15, 2010

Overview of the PEM PAL Strategy and funding outlook for the next 24 months

MINUTES

Present at the meeting were: Salome Steib, SECO Switzerland (Chair); Judith Hoffmann, InWent (via VC); Elena Nikulina and Marius Koen (both the World Bank); Anila Cili, Ministry of Finance of Albania; Albana Gjinopulli, Ministry of Finance of Albania; Nargiza Djumaeva, Ministry of Finance of Kyrgyz Republic; Tatia Eliadze, Ministry of Finance of Georgia; Maksim Ermolovich, Ministry of Finance of Belarus (via VC); Ion Chicu, Ministry of Finance of Moldova; Lulzim Ismajli, Ministry of Finance and Economy of Kosovo; Mira Dobovisek, Senka Maver, Tina Zagar and Natasa Zmrzljak (all CEF).

The meeting started at 2.00 PM and concluded at 5.45 PM CET.

1. Introduction and preview of the meeting

New members were introduced: B COP Chair Maksim Ermolovich, MoF of Belarus, as a future Chair of the B COP; Senka Maver, CEF, to replace Mira Dobovisek at the SC (and, Nargiza Djumaeva, representing T COP from the MoF of Kyrgyz Republic).

2. Update and approval of the Work Plans and Budgets

2.1. Internal Audit Community of Practice (IA COP)

[The IA COP strategic plan \(2010 – 2011\)](#) includes clear purposes, objectives and expected outcomes, but it could be expanded to also include study visits (multi country or mixed COP visits), face to face meetings of the Executive Committee (especially before the SC meeting) and cross COP cooperation. Besides, it should also plan activities for 2012.

InWent's contribution beyond end 2010 (first quarter of 2011) is subject to positive evaluation of the IA COP strategic plan and expected results. This should be reflected in IA COP's budget plan.

2.2. Treasury Community of Practice (T COP)

[T COP Activity Plan for 2010-2012](#) and the T COP event on [Use of Information Technologies in Treasury Operations](#) which was held in Chisinau, Moldova from May 18 - 20, 2010 were presented.

The view was that the Activity Plan could be updated periodically to reflect the interests and needs of T COP members, include more face to face meetings of the Executive Committee (in addition to VC) and study visits (open format, e.g. as in Albania in 2009). The plan is to strengthen the T COP knowledge base on priority themes of interest (virtual library).

2.3. Budget Community of Practice (B COP)

B COP still needs to consolidate the ideas into Action Plan format and prepare cost estimate (will be assisted by the WB and the CEF). An Executive Committee meeting should be organized to this end. A Senior Budget Officials (SBO) meeting to be organized by the OECD/CEF in

Montenegro (September 23 – 24, 2010), which the B COP could join as an observer, could be one option for such a meeting. A request should be submitted to the SC.

B COP's current plan is to have big, annual meetings rather than small workshops. Belarus (Minsk) could host the next B COP plenary meeting (Oct/Nov 2010) to discuss anti crisis measures.

2.4. Conclusions:

- IA COP and T COP plans are approved as a basis for COP activities during the periods covered
- IA COP needs to prepare plan also for 2012;
- For the future, action plans of all COPs should include clear outcomes and benchmarks to be able to measure progress in time;
- B COP will get some help in elaborating the strategy and activity plan and will submit it to SC as soon as it is ready (and before the next SC meeting);
- By the next SC meeting, B COP will come back on the T COP proposal to have a joint meeting on *Link between the financial reporting and report on budget performance* to be held in February 2012;
- CEF will prepare comparable table of all budgets until the next SC meeting;
- COP budget revisions exceeding 10% of the initial (approved) estimates require additional SC approval.

3. Strategic outlook for the next 24 months

Document on *Ideas on PEMPAL program development for FY2011-12* was presented by Elena Nikulina. The document provides a framework for strategic planning by the COPs. It follows recommendations of the 2009 Mokoro Evaluation Report.

3.1. The following suggestions were made in regards to the document:

- The main objective of the PEM PAL network is “peer learning”, but it is essential to have some analytical knowledge invested as well. COP contributes in defining the topics they need, experts input is also needed. It is important to use the knowledge gained also after the events (follow up).
- A Resolution, like the one adopted at the IA COP workshop in Yalta, Ukraine on May 28, 2010, can be help in implementing the reform agendas.
- Surveys would need to be revisited to increase the response rate. CEF practices exit surveys immediately after each event, and post evaluation (survey monkey) following six months after its completion.
- It is essential to develop leadership roles of the Executive Committees.
- Training on facilitation, moderation, and good organization of meetings could be included into COPs Action Plans.
- Topics of interest to all three COPs could be identified and included in the activity plans and budgets. Cross cooperation among the COPs should be encouraged.

3.2. Conclusions:

- All comments on *Ideas on PEMPAL program development for FY2011-12* need to be sent to Elena Nikulina within 2 weeks;
 - SC endorses new expenditure lines in the budget but also approves to use Knowledge Management phrase;

- Plenary is included in the 2011 COP budget line;
- Contribution of InWEnt should be included in an adequate way as well.

4. Plenary meeting 2010

The Leadership Group meeting held on June 14th tried to identify common topics for the plenary and agree on the format.

4.1. Topics

IA COP proposed the following topics: Managerial accountability, IA legal set-up, Quality assurance of IA, CHU organization, and Relation between external and internal audit.

T COP proposed the following topics: Financial management and control, Strategy of PFM, Links between accounting information and budget implementation, Project management.

B COP did not take part in the June 14th meeting and was not ready with the proposals on the topics for the SC meeting, it has to conduct additional consultations on this subject.

4.2. On format of the plenary, two options were discussed:

Option 1:

Day 1 – 2: Plenary session on one topic; COPs hold separate discussions on this topic (how it affects their area, and challenges with implementation); COPs reconvene in a Plenary session to report back on their conclusions, and wrap up the discussion.

Day 2 – 3: Three topics, one by each COP (the one each COP wants to discuss)

Option 2:

Day 1 – 2: Plenary on three topics; COPs discuss these three topics; COPs reconvene in a Plenary session to wrap up the discussion.

Day 2 – 3: Discussions within each COP.

Potential locations:

- Bled, Slovenia
- Dubrovnik, Croatia
- Istanbul, Turkey (WB staff proposal in regard to availability of facilities, logistical arrangements and visa options)

4.3. Conclusions:

- Proposed timing for the plenary is last week of January 2011.
- Organization committee for the plenary will be established (members are representative of each COP, WB team and the CEF - Senka Maver will coordinate the activities)
- The location needs to be decided before end of July.
- Organization committee will take decision on venue, structure and topic by mid-September.

5. Community Facilitator—CF

Elena Nikulina reported on the hiring process. The first attempt to hire a CF failed. The position will be re-advertised through the WB portal, and the employment will also be contracted through the WB. Current expectations are to have the CF on board in October 2010.

Conclusions:

- The advertisement will be made before the summer break;
- World Bank and SECO will discuss additionally the details of the hiring process and proposed adjustments to the TORs;
- The goal is to have a CF on board by October 2010 at the latest.

6. *Miscellaneous*

6.1. Rules of Operation

Rules of Operation need to be adjusted to include the role of the CF, and that of the donors in the SC. The plan is also to invite new donors (also in-kind) to help on B COP content. Rules of Operation should also include provisions on non (limited) attendance at the events by the participants.

6.2. 2011 evaluation

DGF which will close at the end of 2010. DGF rules require the next evaluation of the program to be completed by end-2011. It is proposed to use as a basis the TORs that were used for 2008-2009 evaluation and consider hiring the same company to do the evaluation to assure comparability of results.

6.3. Lessons learned; Preparation of the workshops

The two documents, prepared by Judith Hoffmann of InWEnt, will be circulated among SC and COPs. Comments are expected within 2 weeks. The guidelines for preparation of COP meetings will be published on the PEM PAL web site.

6.4. Next SC meeting

- The next SC is planned for October 2010 through VC (proposed dates are October 12th, 14th, 19th, 20th, 28th or 29th). The Secretariat will propose dates on DOODLE.
- Agenda items for October meeting:
 - Evaluation 2011
 - Community Facilitator
 - Plenary Meeting

All documents for the SC meeting must be distributed at least one week before the meeting.

Minutes prepared by Natasa Zmrzljak