**MINUTES OF BCOP EXECUTIVE COMMITTEE MEETING**

**Monday, March 18, 2019 (09.00 Tashkent time) – 1st part**

**Thursday, March 21, 2019 (08.15 Tashkent time) – 2nd part**

**Tashkent, Republic of Uzbekistan**

**Participated:**

1. Edvin Granic, on behalf of Alija Aljović (Bosnia and Herzagovina)
2. Marina Tikhonovich (Belarus)
3. Mladenka Karacic (Croatia)
4. Kanat Asangulov (Kyrgyz Republic)
5. Anna Belenchuk (Russian Federation)
6. Nikolay Begchin (Russian Federation)
7. Naida Carsimamovic (BCOP Resource Team)
8. Iryna Shcherbyna (BCOP Resource team)

**Observers:**

1. Elena Nikulina (PEMPAL Program Leader)
2. Ksenia Galantsova (Secretariat)
3. Kristina Zaituna (Secretariat)

**Agenda items:**

1. **Welcome, reminder of results of Executive Committee leadership election results, and update on key decisions/discussions from November 2018 and February 2019 Steering Committee meetings**
2. **Acceptance of the minutes to the previous meetings** held in October 2018 over VC
3. **Update on Working Groups:**
   * **Budget Literacy and Transparency Working Group**
   * **Program and Performance Budgeting Working Group**
4. **BCOP 2018 Annual Plenary meeting** - **Overview of the final agenda, participants, and roles of Executive Committee members**
5. **BCOP Action Plan - Update on FY2019 budget execution, discussion of coming events, review of country priorities for the upcoming period (collected in the pre- event survey prior to the plenary meeting)**
6. **Other business**

**Minutes:**

1. **Welcome, reminder of results of Executive Committee leadership election results, and update on key decisions/discussions from November 2018 and February 2019 Steering Committee meeting**

Ms. Anna Belenchuk welcomed all participants and thanked everyone for her re-election as BCOP Chair in late 2018.

Ms. Belenchuk gave an overview to the Executive Committee members of the key discussions and decisions at the two PEMPAL Steering Committee (SC) meetings held since the previous BCOP Executive Committee meetings. She informed that the SC reviewed and discussed progress on PEMPAM 2017-2021 Strategy Action Plan and that PEMPAL report for FY18 was drafted, discussed and is currently being finalized. She explained that she reported on BCOP activities to the SC, including the work on knowledge products and course of preparations for this plenary meeting.

1. **Acceptance of the minutes of the previous meetings held in July 2018**

***Conclusion:***

* The Executive Committee accepted the minutes of the previous meeting held on October 25, 2018 via videoconference.

1. **Update on Working Groups:**
2. **Program and Performance Budgeting Working Group (PPBWG)**

Ms. Carsimamovic reported that the Resource Team and PPBWG leadership have been analyzing the results of the 2018 OECD Performance Budgeting Survey. The preliminary aggregate results were presented by the PPBWG at the meeting of the OECD SBO Network for Performance and Results in November 2018. This Network is an important source of content for work of the PPBWG and provides the PPBWG with an opportunity to learn new trends and benchmark progress in program and performance budgeting with OECD countries, This year specifically, this meeting included a session on newest developments and recommendations on spending reviews in OECD countries, which was beneficial to PPBWG leadership, as this is the subtopic on which this WG will be working on in the next period. BCOP was represented this year by a small delegation presented by two countries invited by the OECD (Russia and Bulgaria).

Since November 2018, the WG has worked on more in-depth analyses of the OECD Performance Budgeting Survey and preparations for the PPBWG part of the agenda of the plenary meeting, which included designing, conducting, and analyzing additional data on spending reviews based on BCOP’s pre-event questionnaire. Upon receiving the OECD’s report on results of the OECD Performance Budgeting Survey, the results of PEMPAL’s countries on OECD Performance Budgeting Survey combined with the results of the BCOP’s pre-event survey will be formulated within an official PPBWG knowledge product in a report format, including benchmarking of PEMPAL and OECD countries.

In terms of future activities, Ms. Carsimamovic and Mr. Begchin reminded that PPBWG’s learning visit on spending reviews is moved to next FY due to PEMPAL’s budget constraints in this year. The next knowledge product planned by PPBWG will be focused on spending reviews. The timing, content, and format will be decided at a later point by the PPBWG.

1. **Budget Literacy and Transparency Working Group (BLTWG)**

Ms. Belenchuk reminded that the current focus of BLTWG is on public participation in the budget process. BLTWG has been working on planning for the BLTWG part of the agenda of the plenary meeting, which will also include a workshop by the World Bank Russia Local Initiatives Support Project on implementing participatory budgeting in countries with multi-level budget structure. That workshop will be organized during the last day of the plenary meeting.

In terms of future activities, BLTWG will be working on finalizing the knowledge product on engaging citizens and on detailed analysis on OBP survey. A VC meeting of the BLTWG will possibly be held in May to discuss finalizing of the knowledge product and discuss plans for FY20 in more detail.

1. **BCOP 2018 Annual Plenary meeting** - **Overview of the final agenda, participants, and roles of Executive Committee members**

Ms. Iryna Shcherbyna gave an overview of the Plenary Agenda. She also explained the last minor changes to the Agenda, based on hosts’ requests to hold additional presentation on results of PEFA assessment for Uzbekistan. The main presentation from Uzbekistan will be delivered by the Deputy Minister.

In terms of roles of Executive Committee during the plenary meeting in Tashkent, Ms. Carsimamovic reminded that three Executive Committee members will be co-moderating the event (Ms. Belenchuk, Mr. Begchin, and Mr. Asangulov) along with the Resource Team. She also reminded the Executive Committee members of the possibility to invite additional BCOP members to join the Executive Committee if Executive Committee members observe active participation of some BCOP country members. Mr. Kanat Asangulov announced that he is leaving the Ministry of finance and thus will not be able to continue his membership in the BCOP Executive Committee. He thanked all members and Resource Team for great and fruitful professional cooperation over the last years, as well as for personal friendships formed. Ms. Belenchuk and other Executive Committee members thanked Mr. Asangulov for his continuous great contribution to BCOP and wished him the best of luck in his next professional and personal endeavors.

***Conclusions:***

* Due to Mr. Asangulov’s departure from the Ministry of Finance of Kyrgyz Republic, his membership in the BCOP Executive Committee is terminated.
* BCOP Executive Committee members will observe membership to identify active members to potentially extend invitation for one or two additional countries to join the BCOP Executive Committee.

1. **BCOP Action Plan - Update on FY2019 budget execution, discussion of coming events, review of country priorities for the upcoming period (collected in the pre- event survey prior to the plenary meeting)**

Ms. Carsimamovic reminded the Executive Committee that, due to remaining uncertainties/delays in donor funding, PEMPAL Steering Committee’s decision to keep the program at the low budget scenario (COP budget of US$180K plus COP’s FY18 savings) for FY19 is still standing. She also reminded that the low budget scenario in BCOP’s FY19 Action Plan does not envisage BCOP’s participation at this year’s meeting of the OECD Senior Budget Officials’ regional network for Central, Eastern and South-Eastern European Countries (OECD SBO CESEE). However, BCOP thus has been operating in continuous savings mode and has achieved around 30,000$ in savings in the first half of FY19 (as a result of being able to get low hotel rates for Portugal event, sharing some costs with co-organizer GIFT for the Portugal event, as well as somewhat smaller number of participants than planned in Moscow and Portugal event) to redirect to participation at the meeting of the OECD SBO CESEE. Number of participants to be invited to the OECD SBO CESEE will be determined once final cost of the plenary meeting in Uzbekistan are knows and a budget estimate prepared.

Ms. Marina Tikhanovich reported that the Ministry of Belarus received the request from the OECD to confirm the dates for this year SBO meeting. OECD proposed June 27-28 or June 21-22; however, these dates are not suitable due to sport events taking place in Minsk in that week, for which all venues will be reserved. The most suitable dates currently considered are July 4-5. Final confirmation is expected in the next couple of weeks. Ms. Elena Nikulina added that it will be important to have dates confirmed as soon as possible given that PEMPAL cross-COP leadership meeting is also planned for the first half of July, thus there is a possibility that BCOP Executive Committee would have two events to attend, one in the first week of July and one in the following week. Attendance of BCOP Executive Committee members at the cross-COP leadership meeting is essential and SC’s decision to hold the cross-COP leadership meeting in July instead of September was made based on the BCOP members’ busy schedule in September due to budget preparation obligations.

No other face-to-face events are planned for the remainder of FY19, but that WGs may decide to hold VCs in May and June.

For FY20, PEMPAL SC has approved the initial COP FY20 budget allocations of US$250,000 for each COP, plus any carried over COP savings from FY19. COP activity plans for FY20 should be prepared/updated based on these amounts and be ready to be submitted to SC by June 2019, to be ready for SC’s review in their next meeting, which will be held during cross-COP leadership meeting.

Ms. Carsimamovic reminded that Resource Team has circulated summary analysis of countries’ priorities to Executive Committee prior to this meeting, based on the result of the pre-event survey in which countries were asked, inter alia, to specify their priorities. The most common priorities are:

1. Topics related to program and performance budgeting (i. monitoring and evaluations of expenditure including spending reviews, ii. program budgeting generally, and iii. performance indicators)
2. Topics related to budget literacy and transparence (i. informing and engaging citizens, ii. budget literacy, and iii. citizens’ budgets)
3. Costing methodologies (i. general costing methodologies, ii. assessment of costs of new reforms, and iii) medium term expenditure forecasting)
4. Capital budgeting

Thus, an overwhelming priority interest in the areas which fall under two BCOP working groups remain.

In drafting BCOP Action Plan for FY20, the amount of US$150,000 would need to be devoted to the plenary meeting. Thus, BCOP Executive Committee will need to decide how to distribute the remining US$100,000 to for the remaining activities that, based on BCOP’s activities in the last year, included the activities of the two working groups (within which PPBWG also devoted some funds for participation of a small delegation at the annual meetings of the OECD Senior Budget Officials’ Network on Performance and Results that occur in fall) and participation of the BCOP Executive Committee at the annual meetings of the OECD SBO CESEE that occur in summer. This should take into account that a PPBWG face-to-face event/learning visit on spending reviews was planned for FY19 in high budget scenario; but had to be moved to FY20 as in FY19 the low budget scenario was enforced, due to PEPMAL’s financial uncertainties.

Ms. Nikulina and Ms. Shcherbyna draw Executive Committee members’ attention that it would be advisable for them to reconsider the extent of BCOP’s participation at the OECD events in the future, especially for the events in which only a very small number of PEMPAL countries attends or for which PEMPAL does not provide any significant content contribution. Such an event, for example those which took place in Paris, had negative implications on cost efficiency of BCOP activities. Moreover, BCOP’s participation at such events cannot be classified as a pure BCOP event. The Executive Committee may want to consider organizing BCOP’s own events instead, to increase cost efficiency and provide an opportunity for more members to attend. Ms. Belenchuk and Mr. Begchin said that the Ministry of Finance of Russian Federation is very interested in continuing cooperation with the OECD, as it is a content source for BCOP and provides an access to exchange of knowledge with the practitioners from Ministries of Finance of most advanced countries, which PEMPAL countries would not otherwise have. This has also been an important factor for the Ministry of Finance of the Russian Federation in their consideration of the PEMPAL donor role. Ms. Belenchuk and Mr. Begchin also said that the approach to attending the meetings of the OECD events in which only a small number of countries could be reconsidered to for example include an organization of back-to-back meetings of BCOP to which additional countries can be invited (as was the case in November 2016, when an additional PPBWG workshop was organized at which speakers from Ireland and the Netherlands who were also attending the meeting of the OECD Senior Budget Officials’ Network on Performance and Results were invited to speak to PPBWG). This approach could be explored for FY20 to potentially combine the PPBWG face-to-face event with attendance of the meeting of the OECD Senior Budget Officials’ Network on Performance and Results. Another potential option suggested by Mr. Begchin is attendance of the small number of invited PPBWG members at the meeting of the OECD Senior Budget Officials’ Network on Performance and Results, but with members paying their cost partially or fully. Ms. Nikulina mentioned that in the case of additional BCOP events organized in Paris, a possibility of using World Bank premises could also be explored. Ms. Karačić noted that cooperation with OECD is very beneficial both in terms of SBO CESEE network and OECD SBO Network on Performance and Results and noted that if in the initial draft of the FY20 BCOP budget OECD meeting(s) are excluded, hopefully that could be reconsidered once expected funding from other donors is received.

***Conclusions:***

* BCOP’s savings from FY19 will be redirected towards participation at the meeting of the OECD SBO CESEE in July 2019 and thus included in the BCOP FY20 Action Plan and Budget, which will be submitted to the PEMPAL SC in June 2019.
* Ms. Tikhanovich will inform PEMPAL Secretariat as soon as the final dates for the OECD SBO CESEE are confirmed. If BCOP Executive Committee ends up needing to attend two separate events in different locations in the first two weeks of July 2019 (OECD SBO CESEE and PEMPAL Cross-COP Leadership meeting), Executive Committee countries will aim to delegate an Executive Committee member’s deputy to attend one of the event if the members cannot be absent from their Ministries to attend both.
* Based on countries’ priorities collected in pre-event survey, the Executive Committee will plan to continue to apply the same approach to the next plenary meeting - having one day of the plenary meeting to each of the two working groups, while introducing a new topic or expanding on a topic addressed briefly before for the third day of the plenary meeting.  The new topic based on priorities collected from member countries would be related to costing methodologies, however, detailed content and ways to address this topic would need to be specified by the Executive Committee prior to plenary meeting preparations.
* BCOP Executive Committee will hold a VC meeting in May 2019 to define specifications for the BCOP FY20 Action Plan and Budget, which will be submitted to PEMPAL SC in June as requested.

1. **Other business**

***Conclusions:***

* BCOP Executive Committee will be represented in the PEMPAL Cross-Cop Leadership Meeting Organizational Committee by Ms. Belenchuk and one more member, to be decided at a later point.