



Ministry of Finance of Georgia State Treasury



BRIEF OVERVIEW OF THE GEORGIAN STATE TREASURY

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TREASURY

MISSION AND VISION



Ensure Comprehensive, Effective and Transparent Public Financial Management



- ✓ Provide simple, user-friendly and transparent systems for budget users to perform budget operation
- ✓ Accurate and timely accounting and reporting on budget and related operations
- ✓ Implement International Public Sector Accounting Standards

Ensure Efficient and Safe Investment of Public Funds



- ✓ Manage and Operate Treasury Single Account
- ✓ Develop reliable and appropriate mechanisms and instruments for Public Cash Management



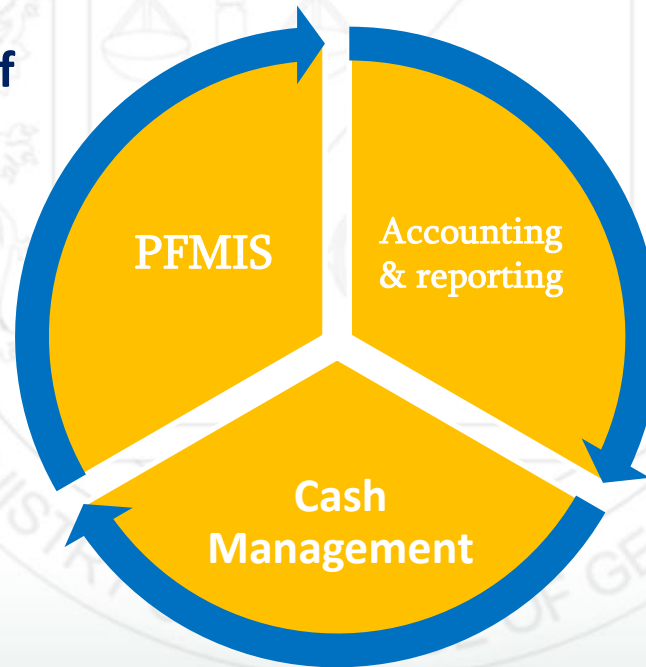
TREASURY IN THE CONTEXT OF A BROADER PFM STRATEGY



PFM Strategy typically aims to achieve the following objectives:

- Maintain fiscal discipline and enhance the accuracy of fiscal forecasting
- Improve financial and budget planning
- Strengthen internal control and audit systems
- Expand digital public financial management services
- Improve management, accounting, and reporting of public funds

The main contributions of the Treasury include:





ACCOUNTING AND REPORTING

SOME INITIAL STEPS



Long-term IPSAS Implementation Strategy Developed and Approved (2009);

Georgia Public Sector Accounting Standards Board Established as a consultative body to the Government agreeing and approving all the decisions and activities within the project;

Treasury People trained and prepared as trainers for Budget Organization staff trainings

After the successful Pilot Exercise (2011), first International Standards Based Financial Statement prepared for the Y2012.

IPSAS translated in Georgian. The official Georgian Edition of IPSAS was published upon IFAC's endorsement.

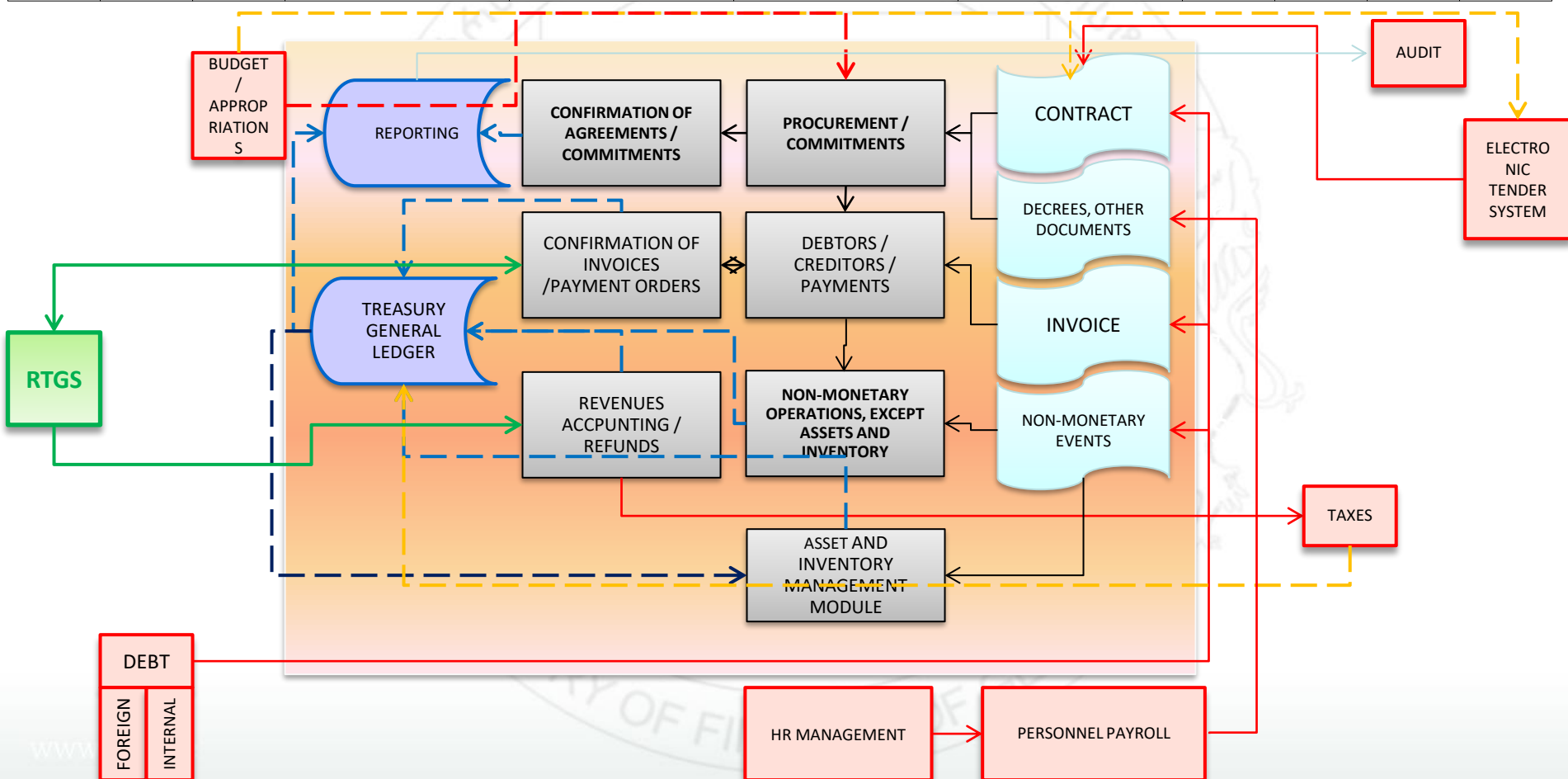


TREASURY SERVICE

PFMS MODEL



| | | | | | | | | | | |
|-----|-----------------|-------------------|------------------------------|------------------------|------------------------|-----------------------|-----------------------|-----------------|-------|--------------------|
| NBG | DEBT MANAGEMENT | BUDGET MANAGEMENT | STATE TREASURY | | BUDGET ORGANIZATION | | CIVIL REGISTRY AGENCY | REVENUE SERVICE | AUDIT | PROCUREMENT AGENCY |
| | | | THE GENERAL LEDGER REPORTING | THE FUNCTIONAL PROCESS | THE FUNCTIONAL PROCESS | THE INITIAL DOCUMENTS | | | | |





PFMS

SUMMARY OF SELECTED ACCOMPLISHMENTS



Late
2010s

- Concept of the PFMS developed based on the World Banks Treasury Reference Model
- Main sub components identified. Business analytics and software developing started.

2011-
2012

- Electronic Treasury Launched (2011);
- Integrated with the E-budget in 2012. Integrated with the External Debt and grants management in 2013.
- State Budget Loan Management module developed and integrated in the Core Treasury from 2013. Payroll in General Ledger – on accrual (2013)

2013

- TIS Integrated with the Public Procurement Agency's Electronic Procurement System in 2011. Integration deepened in 2012-2013, enabling two-way information flow.

2015

- First Wave of Enhancement of TSA Coverage

2016

- Implementation of the Single Tax Code

2017

- Implementation of the Cash Management Module

2023-
2025

- Second Wave of Enhancement of TSA Coverage

2024-
2026

- Implementation of Artificial Intelligence / Machine Learning Solutions



CASH MANAGEMENT FUNCTION EVOLUTION



Major objectives:

- ✓ Adequate cash is available; Borrow only when needed; Maximize returns on idle cash.

Selected Milestones:

- ✓ Y 2015 - Cash Forecasting and Management Department established
- ✓ Y 2016 - Adoption of Government decree regulating money auctions
- ✓ Y 2016 - Cash forecasting models developed
- ✓ Y 2017 - Technical tools adopted
- ✓ July, 2017 - Treasury launched first deposit auction successfully

Results:

- ✓ Total Interest Revenue: > 800 MLN GEL



MAJOR PREREQUISITE: TSA



TSA Coverage

Already Covered

Central budget; Municipalities, Autonomous Republics; LEPLs

In progress

Public Schools (To be finished by July, 2025)

In progress

General Government State Owned Enterprises (To be finished by December, 2026)



STATE TREASURY

FUTURE PLANS



Accounting &
Reporting

Cash
Management

Directions

PFMS

Cutting-Edge
Technology



TREASURY SERVICE



Thank you

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TREASURY

ORGANIZATIONAL STRUCTURE



- 75 Staff Members
- 5 Departments
- 9 Divisions
- No Regional Offices

