

PEMPAL TREASURY COMMUNITY OF PRACTICE (TCOP) Working Group on Evolution of Treasury Role and Functions

Videoconference on Leveraging Peer-to-Peer Learning to Support Treasury Development in Europe and Central Asia

March 30, 2026

Event Report

Introduction

1. On March 30, 2026, the World Bank and TCOP organized a video conference on **Leveraging Peer-to-Peer Learning to Support Treasury Development in Europe and Central Asia**. The objectives were to discuss the key trends in treasury institutional development and further reform priorities, showcase some country examples of treasury transformation, and exchange ideas on how peer-to-peer learning can support treasury development in ECA and other Bank client countries. Over 45 PFM practitioners, including representatives from nine PEMPAL countries (Albania, Armenia, Georgia, Hungary, Kazakhstan, Moldova, North Macedonia, Türkiye, and Uzbekistan) and interested World Bank staff joined the event. The meeting was facilitated by the World Bank Resource team comprising Fabienne Mroccka (TCOP Resource Team Leader), Galina Kuznetsova and Elena Dobrolyubova (TCOP Resource Team Members), and Mingul Seitkazieva (PEMPAL Secretariat).

2. The event was opened by **Fabian Seiderer**, Practice Manager, Governance, ECA West, who noted that national treasuries in ECA had transformed from transaction-based organizations to more complex institutions, taking on new functions related to cash management and forecasting and contributing significantly to strengthening public finance management (PFM) and often driving digital transformation. He highlighted significant progress in extending TSA coverage yielding opportunities for cost savings, strengthening commitment controls, and digitalizing treasury operations. The digital transformation has already resulted and optimizing treasury staff in many PEMPAL countries. However, embracing emerging technologies calls for strengthening digital staff competencies.

Evolution of Treasury Role and Functions in ECA: Key Trends and Priorities

3. **Elena Nikulina**, Sr. Public Sector Specialist, World Bank, briefly pointed to the role of PEMPAL TCOP in supporting treasury reforms in the region. For the last 15+ years, TCOP has built and supported a highly professional community of treasury experts from 20+ ECA countries in developing and implementing priority PFM reforms by enabling peer-to-peer learning and offering good quality resources and knowledge services. Since 2010, TCOP conducted **41 face-to-face** and **50 virtual events** and published **13 knowledge products**, rated as 'good' or higher by 98 percent of the community members (Fig. 1). The recent evaluations showed that **85%** of TCOP member countries have implemented treasury reforms and treasury development measures based on the knowledge gained through PEMPAL in 2018-2024.

Since 2006, PEMPAL enables PFM officials from 20+ ECA countries connect, collaborate, and engage in mutual learning and problem-solving to drive PFM reform design and implementation. PEMPAL operates through 3 communities of practice (Budget, Treasury, and Internal Audit COPs).

TCOP Objectives

- Supporting and enabling the promotion of priority PFM reforms for governments of PEMPAL member countries, focusing on reforms of the national treasuries' activities.
- Offering good quality resources and knowledge services on topics of priority professional interest to TCOP members.
- Building and enhancing a highly professional community of treasury experts in TCOP member governments, who consider PEMPAL an important tool in improving PFM systems in their countries.

TCOP Thematic Priorities



- Since 2010, TCOP conducted 41 face-to-face and 50 virtual events and published 13 knowledge products.
- In 2025 - 2026, over 600 PFM practitioners from all member states participated in TCOP events. The average satisfaction rate was 4.8 out of 5 (for face-to-face events) and 4.6 out of 5 (for virtual events).
- 98% TCOP members rate the quality of COP KPs as 'good' or higher. Over two-thirds of TCOP members use KPs and other TCOP materials frequently or all the time*

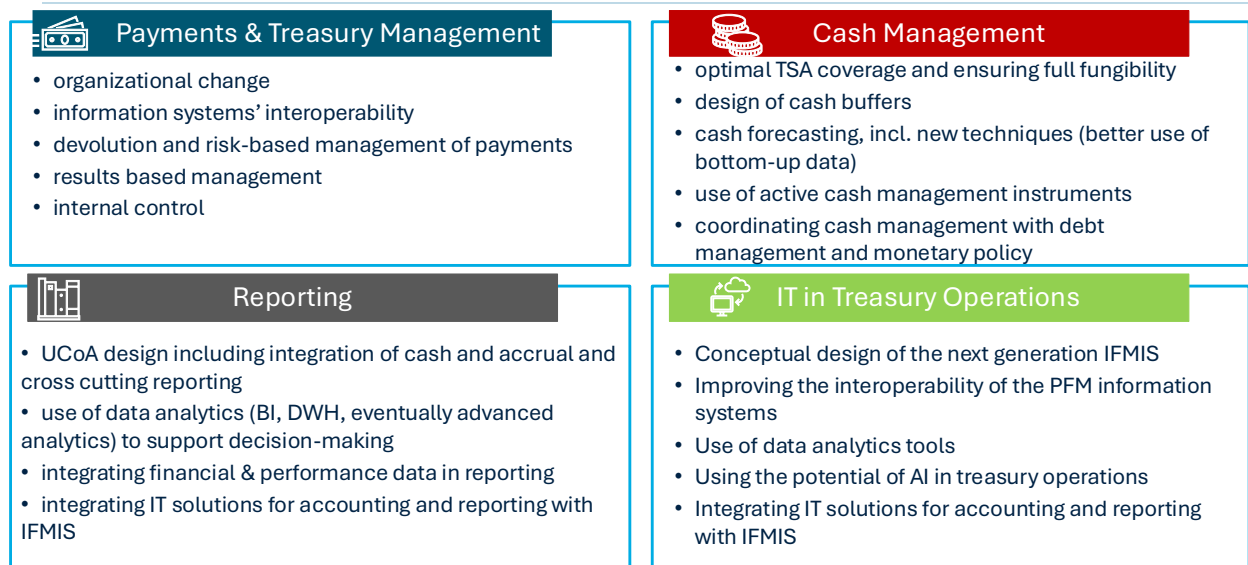
* Based on PEMPAL Member Survey (June 2025)

Source: presentation by E. Nikulina

Fig. 1 – PEMPAL Treasury Community of Practice: Summary

- Mark Silins, TCOP Thematic Advisor, shared the main insights from the recent TCOP knowledge product on treasury evolution in PEMPAL countries.¹ He emphasized that there was no single treasury model in the region, and national treasuries varied in terms of size, organizational structure, and functions.
- Thematic surveys conducted by TCOP in 2016 and 2022/23, helped identify three primary functional areas relevant for all or most treasury institutions: (i) payment authorization and processing, treasury controls, (ii) TSA management, cash management, and forecasting, and (iii) budget and financial reporting. Digitalization has been a driving force of transformation in all these three areas. In payment authorization and processing, national treasuries have moved from a traditional 'gatekeeper' role to implementing risk-based approaches in treasury controls and increasing the number of direct treasury clients. Significant extension of the TSA coverage has enabled national treasuries to move to more active cash management and highlighted the need for implementing modern cash forecasting practices and stronger coordination with debt management and monetary policy. The key trends in budget and financial reporting included designing Unified Charts of Account and implementing public accounting reforms entailing transition to IPSAS, as well as integrating accounting and reporting with the core treasury systems. Internal controls, risk management, and performance management were identified among treasury emerging functions. The review of historic and current trends allowed formulating future trends in treasury development and related TCOP learning needs (Fig. 2).

¹ Silins, M., Nikulina, E., & Dobrolyubova, E. (2025). *Evolution of the Role and Functions of the National Treasury Institutions in PEMPAL Countries*. PEMPAL Treasury Community of Practice. Available at: <https://www.pempal.org/evolution-role-and-functions-national-treasury-institutions-pempal-countries>



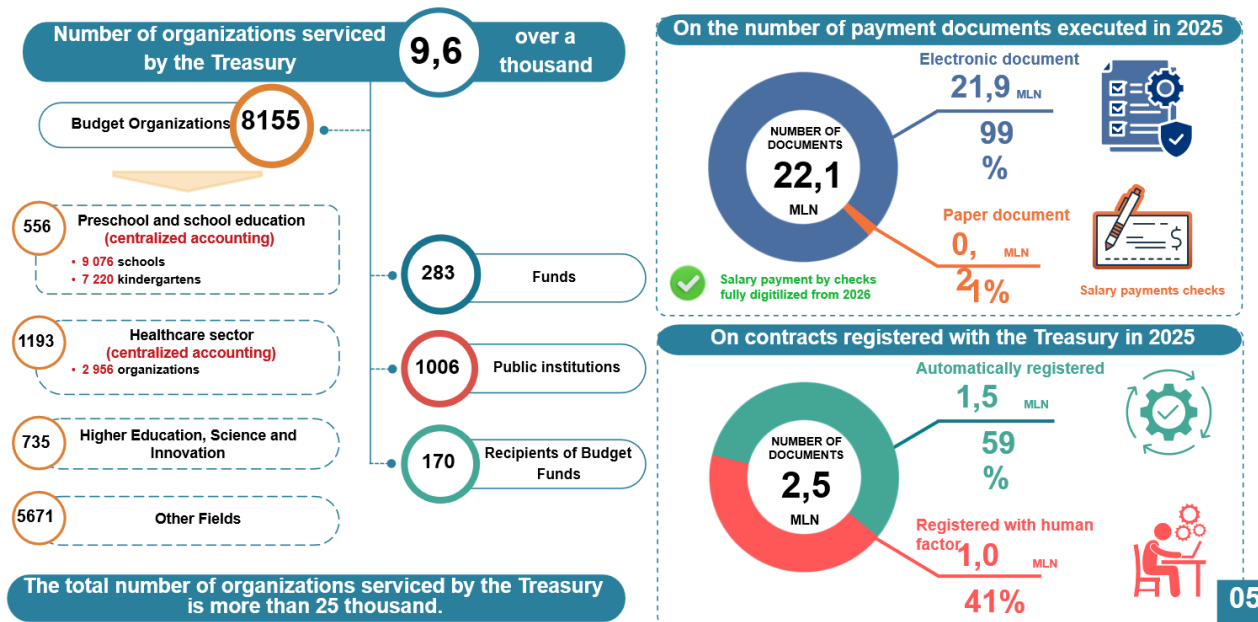
Source: presentation by M. Silins

Fig. 2 – Future Treasury Reform Trends and TCOP Learning Needs

Treasury Evolution: Examples from PEMPAL Countries

6. **Abdulaziz Khaydarov**, Chairman of the Treasury Service Committee under the Ministry of Economy and Finance, Uzbekistan, **Davit Gamkrelidze**, Head of State Treasury of Georgia, and **Yusuf Yavuz**, Head of Department, Ministry of Treasury and Finance, Ministry of Treasury and Finance, Türkiye, shared the experience of their countries in treasury evolution and the role of PEMPAL TCOP in supporting treasury reforms.

7. **Abdulaziz Khaydarov** presented an overview of treasury development in Uzbekistan which started as a pilot project in two regions in 2005 and has evolved into a modern highly digitalized system serving over 9.6 thousand clients across the country (Fig. 3). High integration of treasury and procurement functions has enabled Uzbekistan to implement strong commitment controls and eliminate payment arrears. Cash consolidation has improved the effectiveness of public funds use, with idle funds being temporarily invested in commercial banks following a transparent and fully digitalized process. As a result of business process automation, optimization of treasury organizational structure aimed at moving from two-tier to one-tier local office network is underway. Future treasury reforms entail further digitalization of business processes using risk-based approaches and exploring the potential of AI, further TSA extension, strengthening cash management and cash forecasting capacity, and focusing on risk prevention in treasury operations. **Abdulaziz** pointed out that PEMPAL has supported Uzbekistan by providing access to practical treasury experience and highlighted the need of continued peer-to-peer learning to support the implementation of future treasury reforms.



Source: presentation by A. Khaydarov

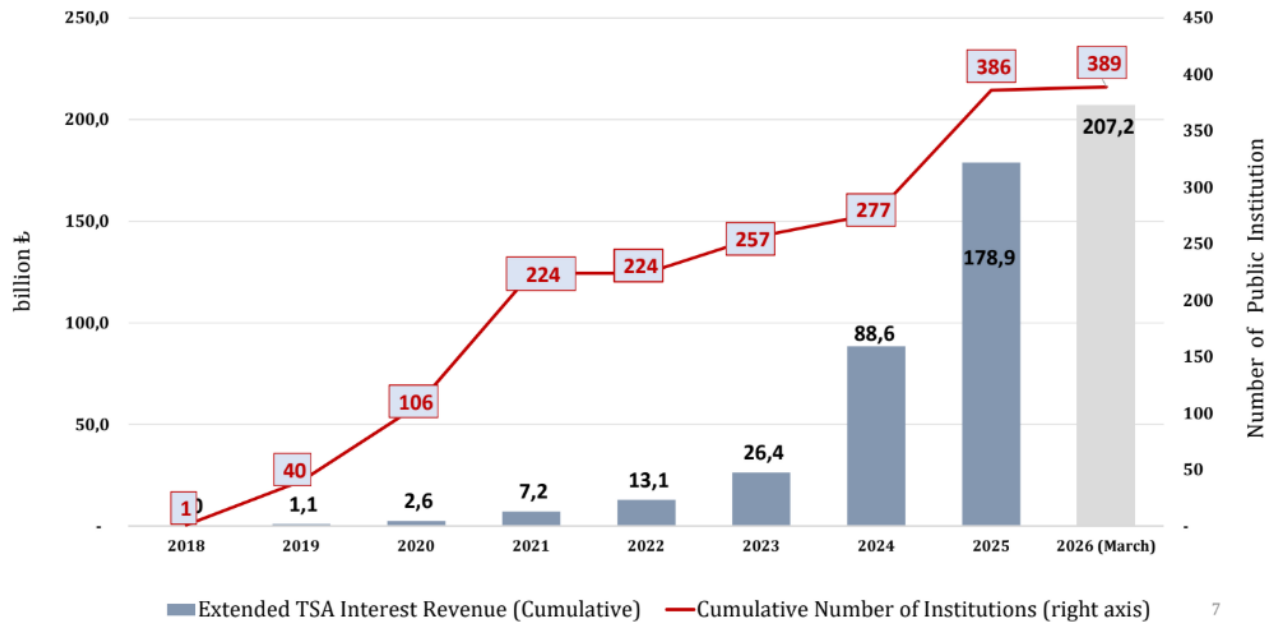
Fig. 3 - Treasury Coverage and Digitalization in Uzbekistan

8. **Davit Gamkrelidze** pointed out that national treasuries had evolved from payment processing organizations into institutions strengthening countries' ability to effectively manage public cash. As evidenced by Georgia's example, successful treasury transformation calls for synchronizing legal, institutional, operational, and technical changes. For the past two decades, State Treasury of Georgia has undergone several waves of treasury coverage extension and, since 2017, has implemented active cash management practices that proved very helpful in the times of COVID.² By the end of 2026, it is expected that cumulative interest revenue from depositing idle cash would reach 1 billion GEL (or about 1 percent of the country's GDP). The Georgian experience shows that successful treasury reforms call for both good operational solutions and strong institutional ownership. Georgia has played a dual role in PEMPAL TCOP both by sharing its experience (including risk-based payment authorization and processing and piloting AI in treasury operations) and learning from other countries in the areas, such as cash management. **Davit** pointed out that the State Treasury in Georgia continues its evolution. Currently, a pilot using AI in cash forecasting is underway; it is also planned to pilot AI in public accounting.

9. **Yusuf Yavuz** highlighted that formal and informal experience and knowledge sharing supported by PEMPAL TCOP had helped Türkiye to significantly extend its TSA resulting in improved efficiency (improved timeliness of transactions, reduced reconciliation period), increased interest rates and higher

² For more information on this, please refer to: <https://blog-pfm.imf.org/en/pfmblog/2020/06/cash-management-has-helped-manage-the-covid-19-crisis-in-georgia>

returns on idle funds, and reduced cost of carry for a formal cash buffer.³ Since 2018, cumulative TSA interest revenue reached ₺207.2 billion (equivalent to 0.3 percent of Türkiye’s GDP in 2025) (Fig. 4).



Source: presentation by Y. Yavuz

Fig. 4 – Impact of Cash Consolidation on TSA Interest Revenue in Türkiye

Expert Comments and Closing

10. **Srinivas Gurazada**, Global Lead, Public Financial Management and Head of PEFA Secretariat, the World Bank, noted the significant progress in PFM reforms achieved by ECA countries, as documented in the recent 2025 PEFA PFM Data Tracker.⁴ However, continuous improvements and regular performance measurement are necessary to sustain the achievements. Given the emphasis on digitalization, particular attention should be paid to ensuring systems interoperability. Efficiency of cash reserves, moving to more active cash management and developing cash forecasting should be important areas of further treasury reforms efforts.

11. In his closing remarks, **Adrian Fozzard**, Practice Manager, Governance, ECA East, thanked all presenters for a very informative session. He pointed out that the value of PEMPAL went far beyond individual network activities and highlighted the role of the network in catalyzing bilateral cooperation among the countries from ECA region. The key trends in treasury development identified by the TCOP study are important for successful implementation of the new *PEMPAL Strategy for 2026-2030*⁵ which entails more cross-COP cooperation within PEMPAL, as exemplified by the recent Joint BCOP and TCOP

³ See also: Can, B. & Dobrolyubova, E. (2025). *Measuring Cash Management Performance: Case of Türkiye*. PEMPAL Treasury Community of Practice. Available at: <https://www.pempal.org/measuring-cash-management-performance-case-turkiye>

⁴ Available at: <https://www.pefa.org/pfm-tracker-2025/en/report/global-pfm-performance/>.

⁵ Available at: <https://www.pempal.org/index.php/strategy-and-rules>

event on green budget reporting.⁶ **Adrian** highlighted the importance of legal framework, institutional fundamentals, and modern tools for implementing successful treasury reforms.

Conclusions

12. **National treasuries in PEMPAL countries have evolved from large transaction-based organizations into more complex institutions**, taking on new functions such as more active cash management and forecasting. As exemplified by all three countries (Georgia, Türkiye, and Uzbekistan), this evolution was largely enabled by the advance of digital technologies, but also called for implementing legal foundations, investing in institutional development and staff capacity.

13. **TSA extension was one of the direct outcomes of treasury evolution in our region**, and, as exemplified by Georgia and Türkiye, **this reform has direct financial efficiency gains**, related to reduced payment operational costs and reduced borrowing costs / increased interest revenues from idle government cash.

14. **Treasury evolution in PEMPAL countries has contributed to significant progress of the region in public financial management**. The recent PEFA report on Global Trends in Public Financial Management Performance shows that ECA is ahead of other regions both in predictability and control of budget execution and in accounting and reporting.

15. **In the future, national treasuries will play a greater role in ensuring fiscal resistance and supporting decision-making in PFM and will have a stronger focus on better service delivery**. Further treasury reforms will be challenging. Continued peer-to-peer learning and exchange of experience enabled by PEMPAL TCOP will be needed to support countries in this transformation journey.

⁶ Materials available at: <https://www.pempal.org/index.php/events/joint-bcop-and-tcop-thematic-vc-green-budget-reporting>