

Minutes of the PEMPAL TCOP Leadership Group meeting, July 30th, 2012.

TCOP Leadership Group held a videoconference meeting on July 30th, 2012.

The meeting was attended by: Anila Cili (Ministry of Finance, Albania), Vugar Abdullayev (Ministry of Finance of Azerbaijan), Zaifun Yernazarova (Ministry of Finance, Kazakhstan), Nasguli Duishembieva (Ministry of Finance of Kyrgyzstan), Angela Voronin (Ministry of Finance, Moldova), Andrei Gurovich, Renolid Rubinov, Ekaterina Parhomenko (Federal Treasury, Russia), Natalia Sushko (State Treasury of Ukraine), Elena Nikulina (WB TTL), Ion Chicu (TCOP Advisor).

Agenda items discussed:

1. Status of Baku TCOP workshop preparation
2. TCOP Strategy 2012-2017 development issues
3. Results of the online voting for the election of the new Chair of TCOP
4. Cross -COP leadership meeting in Paris

I. Baku workshop preparation

The discussions on this point started with a brief update on the current status of Baku TCOP workshop preparation. As envisaged by TCOP Activity Plan for 2012-2014, the workshop in Baku will be devoted to the topic of public sector accounting and reporting. A number of proposals for thematic issues to be discussed during the workshop have been made by videoconference participants.

Angela Voronin has mentioned, that TCOP countries are at the different stages of reforms in the area of public sector accounting and reporting. Therefore, general thematic issues of common interest for all workshop participating countries are to be discussed in Baku. She proposed, in particular, to discuss during the workshop the linkage between the Chart of Accounts (CoA) and Budget Classification (BC). Another issue of high interest for Moldova is the structure of the CoA.

Zaifun Yernazarova supported the proposal of discussing the issues of common interest for all countries, but also proposed to include in the agenda the discussions on specific accounting standards harmonized with IPSAS. A wide range of reforms in the public sector accounting and reporting area is being implemented now in Kazakhstan, and Kazakh representatives are interested to discuss in Baku specific issues related to these reforms.

Natalia Sushko, Andrei Gurovich and Anila Cili supported the proposals made by Angela and Zaifun.

Anila Cili has proposed to develop TCoP Action Plan for further CoP activities related to the public sector accounting and reporting. For example, if the topic of unified CoA and BC is a priority for many TCOP countries, then this could become a priority topic of the Action Plan. This plan has to cover a medium term period. **Andrei Gurovich** and **Elena Nikulina** have supported Anila's proposal, specifying a 2 year period for such Plan.

Nazguli Dushembieva supported the idea of discussing the structure of CoA and the role of the treasury in the implementation of the accrual method in accounting.

Andrei Gurovich has asked the World Bank support for collecting information regarding the status of reforms of public sector accounting and reporting in TCOP member countries. This will help to identify the issues of prior interest for member countries and areas for sharing the professional experience among TCOP members. Federal Treasury representatives are ready to provide their support in developing the Survey

Vugar Abdullayev has proposed the name of general topic of the Baku workshop – “Accounting policy in the public sector”. As the workshop hosting country, Azerbaijan is ready to make a number of presentations devoted to:

- Development and implementation of the public sector accounting standards based on the IPSAS;
- Development and implementation of the treasury information system, including live presentation of the system;
- An overview of the PFM reforms implemented in Azerbaijan

Elena Nikulina has mentioned, that a number of questions proposed by previous speakers have been already discussed during TCOP events in the past. In order to meet the workshop participants' expectations, more concrete proposals on the issues for discussion are required. She also mentioned that the information on the status of accounting and reporting reforms implemented in the member countries is available and will be used for preparing the Baku meeting. The resource team representing the World Bank can provide the following assistance in the process of preparation of Baku event:

- Summarize available information on the regional experience of public sector accounting and reporting reforms;
- Help to develop a preparatory thematic survey for the Baku event;
- Collect and post on the wiki page various materials on the topic of accounting and reporting, available from the previous TCOP events;
- Assist with development of the thematic Action Plan proposed by Anila Cili;

To assure high quality of preparation of the Baku event, Elena Nikulina has proposed to set up a working group composed of accounting specialists represented in the TCOP Leadership Group. It was agreed that **Zaifun Yernazarova, Natalia Sushko, Anton Dubovic** and **Vugar**

Abdullayev will participate in this working group. Other interested members are welcome to join.

II. TCOP Strategy 2012-2017 development issues

A number of proposals for the structure of the TCOP Strategy 2012-2017 have been made by the meeting participants.

It was decided that by **August 10th, 2012**, all TCOP leaders will provide their proposals on the structure of the document. Based on these proposals, the resource team will revise the draft Strategy structure, which will be circulated among TCOP Leadership Group members, on **August 15th, 2102**. The revised structure of the TCOP Strategy 2012-2017 will be discussed during the group meeting in Paris, on September, 6th, 2012, and the final version of the structure is expected to be approved at that meeting.

II. Results of the online voting for the election of the new Chair of TCOP

The meeting participants have been informed about the results of the online voting for the election of the new Chair of the PEMPAL TCOP. From a number of 8 valid votes, **Anila Cili** accumulated 4 votes, and **Angela Voronin** – 4 votes.

Anila Cili has informed the meeting participants, that she didn't participate to the online voting and wants to withdraw from the competition and give her vote for Angela Voronin. Taking into account Anila's proposal and vote, accepted by TCOP leaders attending the meeting, Angela Voronin became the Chair of the PEMPAL TCOP, elected for one year.

All meeting participants have expressed their gratitude to Anila Cili for her extremely valuable contribution to the development and activity of the TCOP. Anila Cili was kindly asked to continue to participate in the TCOP leadership group activities.

IV. Cross -COP leadership meeting in Paris

The meeting participants have been provided with the latest information on the status of the Paris cross -COP leadership meeting. All materials related to the event preparation, as well as a number of thematic materials, are posted on the PEMPAL cross-COP activity wiki page. All Paris meeting participants are invited to join the page.

The videoconference participants have discussed the draft agenda of the Paris meeting. The following issues to be discussed during the TCOP Leadership Group separate meeting on September 6th, 2012, have been proposed by attendees:

- Baku TCOP workshop preparation;
- TCOP Strategy 2012-2017 development.

Main conclusions of the TCOP Leadership Group meeting:

- On November 6-8th, 2012, a workshop on the topic “Accounting policies in public sector” will be held in Baku, Azerbaijan;
- A working group for the preparation of the Baku TCOP workshop has been created. The final list of thematic issues to be discussed in Baku will be developed by the working group and included in the workshop concept;
- The workshop hosting country will make several presentations devoted to the experience of Azerbaijan in reforming PFM system, including the live presentation of the treasury information system;
- A thematic Survey will be organized among the TCOP member countries in preparation for the Baku meeting, in order to update information on the status of the public sector accounting and reporting reforms in the member countries;
- TCOP leaders will provide their proposals on the structure of the TCOP Strategy 2012-2017, by August 10th, 2012. Based on those proposals, the resource team will update and circulate by August 15th, 2012, the draft structure of the document. The revised structure of the TCOP Strategy will be discussed during the Paris meeting and its final version is expected to be approved at that meeting;
- Angela Voronin has been elected the new Chair of the PEMPAL TCOP for one year term, with the 5 votes of the Leadership Group members. The meeting participants have thanked Anila Cili, the outgoing TCOP Chair, for her contribution to the community’s development;
- The meeting participants have agreed with the proposed agenda of the PEMPAL cross-COP leadership meeting, which will be held in Paris;
- The agenda of the TCOP Leadership Group separate meeting, scheduled for September 6th, 2012, in Paris will include the issues related to the Baku workshop preparation and TCOP Strategy development;
- Ion Chicu will develop and circulate the Minutes of the meeting, by August 3rd, 2012