



COMBINED MINUTES OF TWO BCOP EXECUTIVE COMMITTEE MEETINGS -

RIGA, JUNE 29, 2013 AND BOHINJ JULY 3, 2013

PRESENT AT THE MEETING IN RIGA ON JUNE 29, 2013:

1. Gelardina Prodani (Albania – Chair of BCoP ExCom)
2. Mladenka Karačić (Croatia – Member of BCoP ExCom)
3. Anna Belenchuk (Russian Federation – Member of BCoP ExCom)
4. Hakan Ay (Turkey – Member of BCoP ExCom)
5. Elena Nikulina (World Bank – PEM PAL Task Team Leader)
6. Maya Gusarova (World Bank – Resource team)
7. Naida Čaršimamović Vukotić (World Bank – Resource team)
8. Deanna Aubrey (World Bank – Resource team)
9. Dragica Todorović (Interpreter ENG-BOS)
10. Nataša Ristić (Interpreter ENG-BOS)
11. Irina Peremota (Interpreter ENG-RUS)
12. Marija Lapaine (Interpreter ENG-RUS)
13. Tamara Maisuradze-Simic (CEF – PEM PAL Secretariat)

PRESENT AT THE MEETING IN BOHINJ ON JULY 3, 2013:

1. Gelardina Prodani (Albania – Chair of BCoP ExCom)
2. Mladenka Karačić (Croatia – Member of BCoP ExCom)
3. Stevan Brkić (Bosnia and Herzegovina – Member of BCoP ExCom)
4. Volha Tarasevich (Belarus – Member of BCoP ExCom)
5. Maya Gusarova (World Bank – Resource team)
6. Naida Čaršimamović Vukotić (World Bank – Resource team)
7. Deanna Aubrey (World Bank – Resource team)
8. Brian Finn (OECD Sigma)
9. Marina Čvorović (Interpreter ENG-BOS)
10. Maja Popov (Interpreter ENG-BOS)
11. Marina Lazo (Interpreter ENG-RUS)
12. Robert Bauchmuller (CEF – PEM PAL Secretariat)

Given all BCOP Exec Comm members could not attend both the Riga and Bohinj meetings, the discussions covered both agendas and these minutes represent a summary for both meetings.

COMBINED AGENDA ITEMS (As discussed during meetings. All items discussed in both Riga and Bohinj, except for items 2 and 3 which were only discussed in Riga)

- 1. Welcome**
- 2. Reflections on OECD CESEE SBO meeting and on OECD Budget Survey Peer Review Workshop – ITEM DISCUSSED IN RIGA ONLY**
- 3. Sharing our Progress BCOP presentation – ITEM DISCUSSED IN RIGA ONLY**
- 4. BCOP Action Plan 2014**
 - Latest budget execution figures
 - Review of Tirana feedback in terms of country priorities
 - Updating BCoP Action Plan and Budget for FY2013-14 (including knowledge products/working groups)
- 5. The 2014 Cross-CoP meeting preparations – proposed BCoP contribution**
- 6. Review and response to Beverly Trayner’s Report on Strengthening BCoP**
- 7. Other business**

1. Welcome

Ms Prodani welcomed participants to the ExCom meetings in both Riga and Bohinj and outlined the proposed Agenda for the meeting.

She stressed the importance of preparation for the Cross CoP meeting for the discussions at the Steering Committee meeting to be held in Bohinj on July 1-4, as well as the importance of updating the BCoP Action Plan for FY 2013/2014 to reflect priorities of the countries taken during the Tirana BCoP Plenary meeting in February 2013.

2. Reflections on OECD CESEE SBO meeting and on OECD Budget Survey Peer Review Workshop (ITEM DISCUSSED IN RIGA ONLY)

- **Reflection on the OECD CESEE SBO meeting from June 27-28, 2013**

Upon Ms. Prodani’s suggestions, all participants shared their feedback from the OECD SBO meetings which took place on June 27 and 28), including general reflections and lessons learned.

Executive Committee members expressed satisfaction with BCoP Executive Committee members’ participation at the SBO meeting, noting that BCoP participation was strengthened this year, which is beneficial for both the PEMPAL network visibility and for individual PEMPAL countries’ whose positive practices were showcased at the SBO OECD meeting.

BCoP Executive Committee agreed to make it a regular practice and continue attending and contributing to OECD SBO meetings in the future.

- **Reflection on the OECD CESEE SBO meeting from June 27-28, 2013**

The Executive Committee members observed that the peer-review workshop was useful, since glossary provided earlier by the OECD is at times too generic since each country has a different budget process and different terminology used. However, they also noted that, given the complexities of the Survey and limited time during the peer-review workshop, it is likely that some PEMPAL countries may still have open questions, which will have to be addressed through direct contact between the country and OECD in the data cleaning process. It was agreed that the minutes of the workshop will be prepared by the Resource Team and sent to all countries participating in the survey to assist them with completing the survey.

Several of the Executive Committee members also noted that the OECD presentation on preliminary results of the OECD Budget Survey for OECD countries was useful. The Committee also concluded that a similar analysis of the results of the OECD Budget Survey for PEMPAL countries (and comparison with the OECD countries) would be a useful BCoP knowledge product and should be presented at the next BCoP Plenary meeting in March of 2014.

The Resource Team informed the Executive Committee members that the agreement with the OECD was made to collaboratively produce a report on OECD Budget Survey results for PEMPAL countries, which should be ready for presentation at the BCoP March 2014 plenary meeting and will also be used as a BCoP knowledge product. Ms Aubrey from the Resource Team and Mr Downes and Joung Jin Jang from the OECD will be preparing this report. The Resource Team also noted that the draft outline of this report will also be sent to BCoP Executive Committee members for comments, in order to ensure that the report covers all topics of interest of the Executive Committee.

3. Sharing our Progress BCOP presentation (ITEM DISCUSSED IN RIGA ONLY)

Ms Prodani confirmed she (in collaboration with the Resource Team) has the presentation of BCoP's progress Bohinj Cross-CoP meeting to be presented on July 1. The presentation listed the topics for the future, ways of collecting feedback, evaluation recommendations, strategies, the standing of the membership analysis and the main strengths and challenges for the BCoP leadership. It was agreed that the presentation would additionally include the discussions from this ExCom meeting (June 29).

4. BCOP Action Plan 2014

Preliminary data on BCoP budget execution for FY2012/2013 was analyzed based on a preliminary table of figures provided by the Secretariat. In order to avoid large differences between budget planned and actuals in the next FY, it was suggested that the Secretariat examines its current procedures for event cost estimates. The Executive Committee also suggested that the Secretariat provides them with frequent updates of estimated budget execution throughout the year, to be monitored at each Executive Committee meeting.

Discussion about the BCoP Action Plan for FY 2013/2014 was a follow up from the discussion during the last Executive Committee meeting at which it was explained that the feedback from all BCoP country members taken at Tirana plenary meeting was taken into account when drafting the updated Action Plan.

Total indicative BCoP budget for the FY13/14 is 510,000 USD out of which 150,000 USD is for the proposed Cross CoP event in the Russian Federation in May 2014.

The two possible 2014 BCoP plenary meeting topics have been identified based on feedback by all members in Tirana - (i) Strategic planning and budgeting and (ii) Program monitoring and evaluation.

The Executive Committee decided that the topic for 2014 BCoP Plenary meeting will be Program monitoring and evaluation (including spending reviews and sanctions).

Mr Ay announced Turkey's willingness to host the next plenary meeting in March 2014. The Executive Committee and the Resource Team thanked Mr Ay and the Ministry of Finance of Turkey for the offer to host the 2014 BCoP plenary meeting. Mr Ay will be in contact with the Resource Team and the Secretariat to inform them about the precise location preference of the host.

In order to have more time to reallocate the BCoP budget more efficiently and to also provide more continuous BCoP events, the Executive Committee noted that BCoP events in FY 2013/2014 should be spread out throughout the year (rather than focusing all events in Spring). It was also suggested and agreed that a meeting should be held before each study visit of all participating countries to identify problems and issues the countries are having to ensure the study visit addresses them.

The Executive Committee also discussed the BCoP 2013/2014 Action Plan for Study Visits and decided to have total of three Type A Study Visits (Spending Reviews in Developed Countries; Program Budgeting at Local Level; and Role of Parliament in Budget Process) and one Type B Study Visit (Inter-governmental transfers). In order to facilitate this increased interest in BCoP

events (as evidenced by BCoP country priorities noted in Tirana and as follow-up on successful BCoP Study Visits in FY 2012/2013), the Executive Committee decided to reallocate amounts in draft 2013/2014 BCoP Budget. Total amount for Study Visits will be 120.000 USD, while total amount for Working Groups/Knowledge Products will be 35.000 USD.

Detailed indicative updated BCoP 2013/2014 Action Plan and Budget as per preferences and decisions of the Executive Committee made during their June 29 and July 3 meetings are given below in Annex 1.

It was decided that the Resource Team will take into account noted preferences for events' timing and locations of the Executive Committee members (as outlined in Annex 1); and advise on their feasibility through research into best practices. The Executive Committee will then make final decisions on events based on this information.

Tentatively, Ms Prodani is nominated as the BCoP Executive Committee coordinator for the Study Visit on Spending Reviews, Ms Karacic as the BCoP Executive Committee coordinator for the Study Visit on Program Budgeting at Local Levels and Mr Krityan as the BCoP Executive Committee coordinator for the Study Visit on Role of Parliament in Budget Process (to be confirmed with Mr Krityan). From the logistical point of view, three planned Type A study visits will be split among three resource team member as well (to be assigned at later stage).

The Resource Team will contact Moldova and Ukraine representatives to inform them that the Study Visit on Intergovernmental Transfers is moved to Type B Study Visit and to also suggest possible host countries (based on the research which the Resource Team will undertake).

BCoP will devote some time to collect proposals on locations of study visits, however at the moment Poland is named as a potential location for the study visit on program budgeting at the local level.

The Executive Committee decided that the criteria for country participation for BCoP Study Visits will be based on country priorities expressed in Tirana while the Executive Committee members will be offered a possibility to participate in the cases of remaining open places. In addition, in order to optimize country participation in BCoP events, BCoP Executive Committee may introduce additional rules (e.g. stating that a country cannot participate in more than 2 events per year).

In terms of the working group thematic focus, Ms. Gusarova informed about the World Bank on-going analytical work on managing wage bill expenditures in ECA countries and the Bank's team is happy to share the findings from this analysis through a working group. Members of the Executive Committee supported this theme and agreed to include it into the action plan.

The Working Group will meet over video conference and share materials. Possible other types of meetings will be considered at later stage. Ms Gusarova will organize the work of the Working Group on behalf of the Resource Team. The Executive Committee members will also be consulted in the process of preparation of the work.

The Executive Committee decided on various materials which they would like to see as BCoP knowledge products in FY 2013/2014. This includes: annual budgets and explanations (this is to also include specific request from Belarus to provide translation of Austrian budget documentation); budget instructions; and budget methodologies. These materials will be collected and posted for internal use of all BCoP members on Wiki (however, it was decided that the communication in terms of BCoP event preparation will continue via emails rather than via Wiki). In addition, a synopsis of available research by international organizations on fiscal consolidations (restoring public finances) will also be prepared, as well as a regular short summary of the macro-fiscal outlook for ECA region (based on data from the international organizations such as the IMF and the World Bank). Such synopsis and summary overviews would be beneficial in terms of saving resources for translation, being less time-consuming for the readers, and preventing full documents that may not be read overloading the e-library. Ms Čaršimamović Vukotić will prepare synopsis of research on fiscal consolidations and a short summary macro-fiscal outlook for ECA region on behalf of the Resource Team. The Executive Committee members will also be consulted in the process of preparation of these documents.

5. The 2014 Cross-CoP meeting preparations – proposed BCoP contribution

BCoP Executive Committee confirmed that the BCoP suggestion for the 2014 Cross-CoP plenary meeting topic is budget transparency.

BCoP suggestions for the content of the Cross-Cop meeting in Russia included:

1. *Presentation of the new upcoming guidelines for transparency standards.* Upcoming IMF Fiscal Transparency Code and Manual and OECD Transparency Guidelines should be presented - BCoP can liaise with the OECD and IMF. Russia can contribute to the IMF Code presentation by showcasing its application of the Code as a pilot country (could be done as a presentation or as a booth)
2. *Presentation of the comparative transparency assessment results* (OBI, PEFA, IMF Fiscal ROSC, OECD Budget Survey) from transparency perspective. Invite high ranking countries from PEMPAL (including Russia) by OBI rankings to present their practices in the areas for which they score highest. Invite a country which scores highly globally in OBI rankings to present their procedures (e.g. France)

3. *Citizens Guide to Budget* - a presentation on methodologies/approaches to citizens budgets and country cases.
4. *Budget Portals* - Innovative ways of how e-technologies can contribute to public awareness of budget and increased public participation in budgeting
5. *In terms of showcasing BCoP-specific work, a presentation of the analytical work done by the BCoP and PEMPAL countries progress/country cases can be done.* This can include OECD Budget Practices and Procedures Survey results for PEMPAL countries and comparison to OECD countries (report and/or presentation).

On behalf of BCoP Executive Committee, Ms. Prodani and Ms. Anna Belenchuk or Elena Zyunina (to be confirmed with the representatives from the Russian Federation) are nominated to the 2014 Cross-CoP Plenary Meeting Organizational Committee.

6. Review and response to Beverly Trayner's Report on Strengthening BCoP

Mr Brkić noted that it takes time for a group to become established and to start to deliver results. He found Ms Wenger-Trayner's report very useful and it will add value to the development of the COP and its leadership. Ms Karačić noted that we have to be mindful of the time demands of the budget process so the model of COP development used by IACOP is not suitable for the BCoP. Similarly, Ms Prodani commented that the full COP model is not feasible due to the budget process demands but some of its elements could be implemented such as increased focus on discussion groups. Ms Tarasevich noted that the practical experience of participants was very important and the focus should be on sharing problems and scenarios.

The Executive Committee concluded that Ms Trayner's report was useful to understand the options for BCOP development.

They agreed that the scaled-down model of leadership groups which was used during the BCoP Tirana plenary worked well and they decided to continue using it at future events with roles being assigned before each event (rather than full-blown standing leadership groups covering all members as implemented by IACOP).

Also, the Executive Committee again reiterated its dedication to focusing more on discussion groups, working groups, and sharing country cases in future BCoP events.

7. Other business

Regarding membership in the ExCom, the group discussed the interest and will of the Kyrgyz Republic to become a member of the ExCom. The candidate for this is Ms Nurida Baizakova. This request was accepted after consulting the new operational guidelines (at the Bohinj

meeting). The revised action plan will be sent to the candidate with a positive response to the request for membership.

The issue of associate membership of Afghanistan will be raised in Bohinj at the Steering Committee meeting. The Executive Committee again emphasized that it is important to make sure that in the first place the interest of member countries are met and if empty seats remain, to accommodate external requests on the provision that they are fully funded and that the logistical impact does not negatively impact on members.

The Resource Team has reminded the Executive Committee about the requirement of the Rules of Operations to undertake annual election /confirmation of the Chair and Deputy Chair. It was agreed to the Resource Team will share more detailed information on the options and procedure and the elections / confirmation of appointment will take place in autumn of 2013, at the next ExecCom meeting (date TBC).

Prepared by: BCoP Resource Team and PEM PAL Secretariat

ANNEX 1: BCOP activities in the period from July 2013 to June 2014

Indicative annual budget: 510K including proposed 150K contribution to cross-COP event. **Last revision: July 2013 (during Executive Committee meetings of June 29 and July 3, 2013).**

Amounts in 000 USD

#	Plan						Execution					
	Nature	Location& time	Objectives	No. of attendees	Importance	Indicative budgets	Actual committed	Actual expenses	Location&time	Outputs	No. of attendees	ER USD/EUR
	A	B	C	d	e	F	g	h	I	j	k	l
1	A	March 2014, Turkey	BCOP Plenary Meeting - Program monitoring and evaluation (including expenditure reviews and sanctions)	80	I	160						
2	A	May 2014, Russia	Cross-COP Plenary Meeting - Budget transparency	TBA	I	150						
3	C	E early November 2013, Germany (TBC) Late November/ early December 2013, Poland (TBC) TBC	Study Visits 1) Spending Reviews Albania, Armenia, Belarus, Bosnia and Herzegovina, Croatia, Russia, and Turkey. Type A. 2) Program budgeting at local level¹ Croatia, Serbia, Bulgaria, Moldova, Russia, Turkey, Ukraine, Kyrgyz R. Type A. 3) intergovernmental transfers and funding formula and management. Ukraine and Moldova. Type B.	15	I	120						

¹ At the Bohinj BCOP plenary meeting, the following countries expressed an interest in program budgeting at the local level: Tajikistan, Belarus, Moldova, Azerbaijan, Georgia, Serbia, Macedonia, Montenegro, and Bosnia and Herzegovina.

		Late January/ early February 2014, Austria (TBC)	4) Role of Parliament in budgeting. Albania, Armenia, Azerbaijan. Type A.								
4	D	June (last week) 2013, the Netherlands	<u>BCoP Executive Committee face-to-face meeting combined with OECD SBO meeting</u>	15	I	30					
5	B		<u>Working Groups/Knowledge Products</u> - wiki postings for internal use: annual budgets and explanations (this is to also include specific request from Belarus to provide translation of Austrian budget documentation); budget instructions; budget methodologies; synopsis of available research on fiscal consolidations (restoring public finances); synopsis of macroeconomic outlook for ECA region; and examples of key performance indicators by sector. - working group on wage bill management (to be based on an upcoming World Bank study)	TBA	I	35					
6	E		<u>Members attend other COPs events</u>	6	II	15	11 ²				
8	Total (=1+2+...+6)					510					

Notes: Countries have been included in the above, who expressed a preference for particular topics at the 2013 BCOP plenary meeting in Tirana. These topic preferences were drawn from feedback and grouped regardless of format (ie could have been listed as preference for COP plenary, cross-COP or study visit). For each study visit a comprehensive report will be prepared which will serve as a valuable knowledge product for the rest of BCOP.

² This refers to 11.000 USD deducted from each CoP Budget for Cross-CoP event held in Bohinj on July 1-July 4, 2013.