



MINUTES OF BCOP EXECUTIVE COMMITTEE MEETINGS -

Antalya, Turkey, March 3 and 5, 2014

PRESENT AT THE MEETINGS:

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| 1. Gelardina Prodani | (Albania – Chair of BCoP Executive Committee) |
| 2. Konstantin Krityan | (Armenia – Deputy Chair of BCoP Executive Committee) |
| 3. Nurida Baizakova | (Kyrgyz Republic - Member of BCoP Executive Committee) |
| 4. Mladenka Karačić | (Croatia – Member of BCoP Executive Committee) |
| 5. Stevan Brkić | (Bosnia and Herzegovina – Member of BCoP Executive Committee) |
| 6. Anna Belenchuk | (Russian Federation – Member of BCoP Executive Committee) |
| 7. Hakan Ay | (Turkey – Member of BCoP Executive Committee) |
| 8. Maya Gusarova | (World Bank – Resource team) |
| 9. Naida Čaršimamović Vukotić | (World Bank – Resource team) |
| 10. Deanna Aubrey | (World Bank – Resource team) |
| 11. Živa Lautar | (CEF – PEM PAL Secretariat) |

Interpreters:

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| 1. Marina Čvorović | (Interpreter ENG-BCS) |
| 2. Nataša Ristić | (Interpreter ENG-BCS) |
| 3. Iulia Timotin | (Interpreter ENG-RUS) |
| 4. Anastasia Kulikovskaia | (Interpreter ENG- RUS) |

AGENDA ITEMS:

Meeting on March 3rd, 2014.

1. Welcome (BCOP Chair, Gelardina Prodani)
2. Confirmation/**announcement of Deputy Chair(s) of the Executive Committee** by the Chair (BCOP Chair, Gelardina Prodani)
3. Confirmation of membership in Executive Committee (All)

4. Review of the implementation and updated **budget realization for 2013/2014 Action Plan** (Maya Gusarova and Ziva Lautar)
5. Process to collect **feedback during plenary meeting** – roles of Executive Committee members within leadership groups (Konstantin Krityan/All)
6. Progress on current **Knowledge Product Development** (Naida Čaršimamović Vukotić/All)
7. Progress on work of **Working Group for Wage Bill Management** (Maya Gusarova)
8. Revised **BCOP Action Plan 2014-15** (Deanna Aubrey/All)
 - i. Review of current Draft Action Plan and Budget
 - ii. Decision on process to gain member input during the plenary meeting
 - iii. Knowledge Products/Working Groups/small events in 2014/2015 (some possibilities could include i) a Working Group/small event on PEFA Framework update with the PEFA Secretariat ii) teaming up with the OECD to do a survey on fiscal consolidation/restoring public finances in PEMPAL, iii) regular updates of some of the Knowledge Products already prepared – such as PEMPAL Macro-Fiscal Update)
9. Progress on **cross-COP May meeting** in Russia (Deanna Aubrey)
10. **Communication** between Executive Committee – frequency, approach, use of wiki
11. Other business

Meeting on March 5th, 2014.

1. Review of the **country priorities for 2014/2015** filled out by the participants and identification of common plenary meeting priorities to be put up to the BCoP membership for voting on the last day of the plenary meeting

Meeting on March 3rd, 2014.

1. Welcome

Ms. Prodani welcomed participants to the Executive Committee meeting, noting that the period from the previous plenary meeting in Tirana in February 2013 has been the busiest period ever for the BCoP, with many activities having been implemented successfully. She also noted that the BCoP 2013/2014 budget execution is going well, proving that the Executive Committee is planning and implementing the 2013/2014 Action Plan ambitiously and efficiently.

Ms. Prodani also outlined the proposed Agenda for the meeting.

2. Confirmation/announcement of Deputy Chair(s) of the Executive Committee by the Chair (BCoP Chair, Gelardina Prodani)

Ms. Prodani suggested, which was in turn supported and confirmed by all participants, that Mr Konstantin Krityan remains Deputy Chair of the BCoP Executive Committee.

3. Confirmation of membership in Executive Committee (All)

Ms. Gusarova informed participants, that Ms. Olga Tarasevich, who was member of BCoP Executive Committee until beginning of this year, left the Ministry of Finance (of Belarus) and explained that, should the Executive Committee decide to do so, new member(s) of the BCoP Executive Committee could be recruited by the Executive Committee, given that the current Executive Committee now comprised of representatives from seven countries, while the PEMPAL Guidelines prescribe that the Executive Committee membership is limited to up to representation of nine countries.

Executive Committee members agreed to observe and search for active participants during the forthcoming plenary meeting (within the process of collecting feedback during the plenary meeting within the leadership groups, as discussed under item 5 of the Agenda below) and to recruit them as potential new members of the Executive Committee.

4. Review of the implementation and updated budget realization for 2013/2014 Action Plan (Maya Gusarova and Ziva Lautar)

The Executive Committee members reviewed the data on actual/estimated BCoP 2013/2014 budget execution in the period of 2013-14 provided by the Secretariat. Current data (which included estimates for Vienna Study Visit from January 2014 and for the plenary meeting in Antalya, while the data for previously held activities was final) indicated that the budget execution is on track and is in line with the budget plan, with some slightly higher-than-planned (but still within the limits set out in the Operational Guideline) spending on cumulative Study Visits (to Ireland, Poland, and Austria) being compensated entirely by lower-than-planned spending for the plenary meeting in Antalya. If any small savings are made, it was agreed to use them for translation of documents (e.g. documents from Irish government on spending review).

5. Process to collect feedback during plenary meeting – roles of Executive Committee members within leadership groups (Konstantin Krityan/All)

Ms. Aubrey and Ms. Čaršimamović Vukotić briefly explained the possible options of collecting feedback during the plenary meeting, reflecting on the approach which the Executive Committee and the Resource Team used during the previous plenary meeting in Tirana (with assistance from the professional facilitator Ms. Beverly Trainer), when three leadership groups were established:

1. Agenda activists (which collect feedback from the participants in terms of their opinion on how the Agenda of the current plenary meeting is going – in terms of format and content)
2. Community builders (which collect overall feedback from the participants on the work of the Community, focusing on identifying active participants and recruiting potential new Executive Committee members)
3. Social reporters (collecting impressions from event, photos, comments).

The Resource Team suggested that, in the interest of taking more ownership of this process by the Executive Committee, this year the Executive Committee members alone perform the tasks of the leadership groups (in comparison to the last year, when the Resource Team members also assisted the Executive Committee in this process), which was accepted by all members of the Executive Committee.

The Executive Committee next discussed the best possible approach of organization of leadership groups for this plenary meeting.

Mr. Brkić remarked that first two groups would be sufficient, given that the Secretariat performs duties of social reporting, while the feedback from the participants anticipated to be collected by the first two groups is essential in assisting the Executive Committee to ensure

high-quality planning of the future activities of the Community. The rest of the Executive Committee members agreed and accordingly, the Executive Committee members formed two leadership groups for this plenary meeting:

- A) Agenda activists: Gelardina Prodani, , Stevan Brkić, Hakan Ay and Mladenka Karačić
- B) Community builders: Konstantin Krityan, Anna Bellenchuk, and Nurida Baizakova It was decided that social reporting would remain the task of the Secretariat (photos, video, etc).

6. Progress on current Knowledge Product Development (Naida Čaršimamović Vukotić/All)

Ms. Čaršimamović Vukotić pointed out three knowledge product recently developed by BCOP resource team, based on the previous requests of the Executive Committee:

1. Synopsis of Main Macro-Fiscal Trends in PEMPAL Countries Compared to Other Regions data from autumn 2013)
2. Synopsis of Selected Recent Research (by international organizations) on Fiscal Consolidation Efforts
3. Illustrative Key Performance Indicators by Sector

The materials were circulated to the Executive Committee in draft format. Ms. Čaršimamović Vukotić and Ms. Aubrey briefly explained the contents of the documents and asked the Executive Committee members for the feedback on these documents and general feedback on whether such products are in practice used by the Executive Committee/BCoP membership for their work (given the resources which go into preparing such products). In addition, more specific feedback was asked on whether the Executive Committee thinks that Synopsis of the Main Macro-Fiscal Trends in PEMPAL Countries should be updated on a regular basis, as was initially proposed by the Executive Committee in Bohinj in July 2013.

The Executive Committee members expressed satisfaction with such efforts; they think these knowledge products will be very useful for their work and the work of the wider BCoP membership (who could get internal access to these and future knowledge products via BCoP Wiki), including the regular update of the Synopsis of the Main Macro-Fiscal Trends.

It was agreed that additional time will also be provided for the Executive Committee to send more detailed feedback on these knowledge products to the Resource Team via email in the coming weeks.

7. Progress on work of Working Group for Wage Bill Management (Maya Gusarova)

Ms. Gusarova reported on recent activities of working group on Wage Bill Management: 1st video conference meeting was organized in November, six countries participated (Albania, Armenia, Croatia, BiH, Belarus and Kyrgyz Republic). The 2nd meeting (workshop) was organized in February, focusing on country case of Kyrgyz Republic. The next meeting of the Working Group (also via video-conference) will focus on another country case (possibly Serbian case) and is planned for April.

She pointed out the plan of having the 4th Wage Bill Management meeting organized in the format of face-to-face workshop back-to-back with the Cross COP Meeting in Moscow in May 2014. The ideal outcome of the working group will be if representatives of countries, participating in the working group and the survey, develop presentation on their country and present at the face-to-face workshop. The World Bank resource team would be happy to assist with preparation of the presentation. The participants, interested in making presentation, are requested to contact Maya Gusarova as soon as possible.

8. Revised BCOP Action Plan 2014-15 (Deanna Aubrey/All)

Ms Aubrey outlined the framework of the approved BCOP Action Plan for 2014-15 whereby the Steering Committee has agreed to allocate BCOP 415,000 USD. In the current draft plan, these funds are allocated to one plenary meeting (180,000 USD), two study visits (100,000 USD), participation by Executive Committee at the annual regional OECD SBO meeting (45,000 USD), and development of knowledge products (e.g. working groups, preparation of reports, and participating in further surveys such as OECD surveys – 90,000 USD).

In terms of knowledge products specifically, the Resource Team briefly presented some possibilities for 2014/2015, which could include:

- i) Working Group/small event on PEFA Framework update with the PEFA Secretariat in which the PEFA Secretariat would present draft new PEFA framework to BCOP to get their feedback (the PEMPAL was approached by the PEFA Secretariat with this idea and the Executive Committee concluded that this would be useful).
- ii) Continued representation of the BCOP Executive Committee at the OECD CESEE SBO meetings.
- iii) Continued cooperation with the OECD to do another survey which would allow PEMPAL countries to benchmark themselves to OECD countries. One of the possibilities here could be to do OECD survey on fiscal consolidation/restoring public finances in PEMPAL. Another possibility is participation in OECD performance budgeting survey.
- iv) Regular updates of some of the Knowledge Products already prepared – such as PEMPAL Macro-Fiscal Update.

- v) Formation of other Working Groups which would perform their work mostly via VCs, similarly to the current work of the Wage Bill Working Group. The topic could be decided based on the country priorities which will be gathered during this plenary meeting.

The Resource Team asked the Executive Committee for their feedback.

The Executive Committee agreed with this general approach in the draft 2014/2015 Action Plan, noting that at a later stage, once the feedback on country priorities is collected from the membership, the research performed in terms of host countries for plenary meeting and study visits, and the more detailed decisions made in terms of knowledge products for 2014/2015, the Executive Committee will consider adjusting the Action Plan and budget if needed. This could be done at the next Executive Committee planned for May 2014 in Moscow.

Next, the Executive Committee discussed the approaches for collecting the country priorities for 2014/2015 during this plenary meeting. Ms. Aubrey asked the Executive Committee members to suggest how the process of collecting participants' feedback on the PFM priorities to be addressed in the plan should be performed. She explained, that for this purpose, the Resource Team prepared for the consideration of the Executive Committee a template form to collect the feedback from the participants on their priorities in terms of topics for plenary meeting, study visits, and knowledge products (along with the asking the countries to express interest for hosting the plenary meeting and study visits). Based on the country responses, most frequent topics could then be voted on by the whole BCoP membership during the last day of the plenary meeting.

A few other suggestions for the approach were discussed:

Mr. Ay suggested the option, where 3 topics would be prepared in advance by the Executive Committee, and one additional option would be left opened for participant's decision. The participants would then vote on their preference among the possible topics during the last day of the meeting.

Mr. Brkić suggested that the template is circulated to the participants, based on which the Executive Committee would rank the topics in terms of frequency.

After the discussion of each proposed approaches, the Executive Committee agreed on the following approach, summarized by Geraldina Prodani, as follows:

- a. Template forms for country priorities would be distributed at the beginning of the plenary meeting (during Ms. Prodani's presentation of the approach)
- b. The participants to fill out the form by the end of Day 1 of the meeting (one per country)

The Executive Committee shall meet again after closure of Day 2 (March 5th) to review the priorities and identify 2-3 most frequently mentioned priorities

- c. On Thursday (March 6, day 3) the Executive Committee would present the most frequent priorities to the membership and put up for voting the most frequent priorities

9. Progress on cross-COP May meeting in Russia (Deanna Aubrey)

Ms. Aubrey announced the forthcoming CrossCOP meeting, which will be held from May 27-29 in Moscow. Invitations would be sent out shortly and all COPs would be attending to discuss the topic of fiscal transparency and accountability. BCOP is represented on the Organizing Committee by Gelardina Prodani and Anna Belenchuk from the Executive Committee and the knowledge product of key performance indicators by sector has been developed by the BCoP Resource Team (with the assistance/feedback of Anna Belenchuk) for this meeting on request of the TCOP and IACOP.

10. Communication between Executive Committee – frequency, approach, use of BCoP Wiki

Ms. Čaršimamović Vukotić informed the Executive Committee members, that BCoP Wiki has now an upgraded account, which requires registration and is no longer public.

As decided by the Executive Committee in earlier meetings, the plan is for BCoP Wiki to be used for BCoP internal use only for the following purposes:

1. Posting additional un-official (in terms of receiving the official permission for PEMPAL to publish them) material (which is not always translated into all PEMPAL languages), such as additional material received from the host Governments after Study Visits,
2. Posting Knowledge products based on the material from other international organizations (for example, Synopsis of Macro-Fiscal Trends in PEMPAL Countries) or original material of other international organizations (e.g. IMF or OECD)
3. Work-in-progress/unofficial PEMPAL material

She explained that the BCoP Wiki will be used as proposed for the next year, after which its usage will be reviewed to decide whether the upgraded Wiki account will again be purchased for continued private use.

She encouraged the Executive Committee members to start using the wiki (more frequently) as it can be a better option than sharing information via email accounts, given all internal documents can be stored in one place and accessed more easily.

11. Other business

Next Executive Committee will be held in Moscow (CrossCOP event)

Meeting on March 5th, 2014.

1. Review of the **country priorities for 2014/2015** filled out by the participants and identification of common plenary meeting priorities to be put up to the BCoP membership for voting on the last day of the plenary meeting

The Executive Committee reviewed all of the forms with country priorities.

The two most common general potential topics for the 2015 BCoP plenary meeting were identified to be put up for voting by the BCoP membership during the last day of this plenary meeting:

- I. Linking strategic planning with budgeting based on results
- II. Tools for fiscal consolidation (including spending reviews, efficiency and effectiveness reviews)

In terms of the potential study visits, the Executive Committee identified the three possible topics: Managing and budgeting of EU funds (identified by the Western Balkans countries), PFM reform in South Africa, and budget transparency.

Several countries expressed interest or possible interest (subject to confirmation with the MF management) in hosting the next plenary meeting: Armenia, Belarus, Croatia, Georgia, Kosovo, Moldova, Montenegro, Romania, Serbia, Uzbekistan, Ukraine, and Tajikistan.

Several countries expressed interest or possible interest in hosting a study visit: Georgia – program budgeting, Azerbaijan – IT system for budgeting, Belarus – PFM reform (concept), Croatia – IT system for budgeting, Kyrgyz Republic – budget transparency, Romania – regulation of public assets, Russia – methodology of program evaluation, Tajikistan – single salary grid in civil service, Turkey – performance budgeting and MTEF, and Ukraine – program budgeting.

In terms of potential knowledge products identified by the participants, most common included:

- Program budgeting material (instructions and methodologies of PEMPAL countries on strategic planning and program budgeting, translation of documents for purpose of info

exchange on program budgeting, Key Performance Information guide, translation of WB and IMF documentation on program budgeting)

- Monitoring and Evaluation material (translation of M&E of programs; translation of Irish manual for value-for-money evaluation, practical materials on process and tools related to M&E)
- Fiscal rules examples
- Access to international advice

Given that several documents mentioned under knowledge products are already prepared/collected by BCoP (e.g. Key Performance Information guide is currently being developed for Cross-COP meeting; there are already translated manuals on program budgeting from last two plenary meetings; translation is available of Mark Robinson's manual of program budgeting, GIZ's manual on program budgeting, and budget documentation reporting formats from South Africa, New Zealand, Australia; Irish Value-for-Money Manual is available from the Irish Study Visit and it was decided that this Manual will also be translated), it was decided that the Resource Team will draft a detailed list of all available material (on PEMPAL website and on BCoP Wiki) and send the list with links to BCoP members via email. It was also decided that David Shand will provide a list of most relevant manuals/material for RBME which will also be sent to the members (and posted on Wiki).

The Executive Committee decided that the final decision on the study visits will be made by the Executive Committee at future meetings (May 2014 meeting in Moscow and/or June/July meetings in the Hague), based on research into the costs and possible host countries, as well as on the knowledge products.

It was decided that all of the information from the country priorities and suggestions/conclusions of the Executive Committee outlined above will be presented to the membership during the last day of the plenary meeting (March 6), and the voting by all countries will take place on the 2015 plenary meeting topic.

MEMO ITEM: During the final day of the 2014 BCoP plenary meeting, based on the voting by all of the 20 BCoP countries represented at the plenary meeting, it was decided that the topic for the 2015 BCoP plenary meeting will be: **Tools for fiscal consolidation (including spending reviews, efficiency and effectiveness reviews)**