

Minutes of the PEMPAL TCOP ExComm Videoconference on 16 September 2014

The regular meeting (videoconference) of the PEMPAL Treasury Community of Practice (TCOP) Executive Committee took place on 16 September 2014.

The meeting was attended by: Mimoza Peco (Ministry of Finance, Albania), Vugar Abdullayev (Ministry of Finance, Azerbaijan), Nino Chelishvili (Ministry of Finance, Georgia), Zaifun Ernazarova (Ministry of Finance, Kazakhstan), Angela Voronin (Ministry of Finance, Moldova), Alexander Demidov (Federal Treasury, Russia), Rustam Boboyev (Ministry of Finance, Tajikistan), Natalia Sushko (State Treasury of Ukraine), Elena Nikulina (PEMPAL Team Leader, World Bank), Ion Chicu (TCOP Advisor, World Bank), Bojana Crnadak (Representative of PEMPAL Secretariat).

Meeting Agenda:

1. Update on recent TCOP events

2. TCOP Activity Plan for FY 2015

- *TCOP thematic meeting on Use of information technologies in treasury operations, 15-17 October, Minsk, Belarus;*
- *TCOP thematic videoconference on financial reporting consolidation (25 September 2014);*
- *TCOP thematic videoconference on public assets accounting (7 October 2014);*
- *TCOP thematic meeting on public accounting and reporting, 10-12 November, Podgorica, Montenegro;*
- *TCOP Executive Committee face-to-face meeting scheduled for January 2015 in Vienna, Austria.*

3. Results of the TCOP Chair elections

4. Miscellaneous

1. Update on recent TCOP events

Under this point of the agenda, the participants in the videoconference received a brief on the TCOP events that had taken place after the last EC meeting on 2 July 2014.

On 30 July, the videoconference of the TCOP thematic group on use of IT in treasury operations took place and was dedicated to the experience of the Russian Federation in implementing a Treasury Information System Upgrade Project. This project has been one of the most successful PFMIS projects recently implemented with the support of the World Bank. It has been unique both by scale and outcomes. Along with financing from the World Bank, a significant contribution to the project was made by the beneficiary country - the Russian Federation. The project used interesting approaches to arranging management of the implementation process, as well as resulted in a lot of useful lessons learned. Russian representatives made several presentations on various aspects of project implementation.

On 11 September, at the regular videoconference of the TCOP thematic group on cash management, the participants discussed Turkey's experience related to cash forecasting and management in the public sector. This videoconference was conducted according to the Action Plan of the group and laid the basis for future discussion of the cash management issues within TCOP.

Detailed reports on these videoconferences have been posted on the PEMPAL web page.

2. TCOP Activity Plan for FY 2015

Members of the TCOP Executive Committee discussed a series of events scheduled according to the TCOP Activity Plan until June 2015, and namely:

- TCOP workshop on the use of information technologies in treasury operations, 15-17 October, Minsk, Belarus

Ion Chicu informed the participants in the videoconference about the preparations for the meeting of the TCOP thematic group on use of IT in treasury operations that would take place on 15-17 October in Minsk, Belarus. The participants of the event in Minsk will continue discussions on the topic of implementation of treasury information system upgrade projects launched at the videoconference held by the group on 30 July 2014. Group members received invitations to take part in the event in due time, the workshop concept and draft agenda had been developed. According to the TCOP tradition, the first day of the event will be dedicated to the experience of the host country. On the second day, there will be a presentation by Cem Dener, as well as presentations on the experience of PFMIS project implementation in such countries as Azerbaijan, Georgia and Russia. The workshop agenda also includes small-group discussion sessions on the issues of priority interest for the group members. As of the moment of the TCOP

ExComm meeting, all the organizational arrangements related to the Minsk meeting had been made according to the event preparation timetable.

➤ TCOP thematic videoconference on financial reporting consolidation (25 September 2014);

According to its Action Plan, the thematic group on financial reporting consolidation will have a videoconference on 25 September 2014, where they will discuss issues related to development of the Guide on Financial Reporting Consolidation. It is planned to discuss the draft chapters of this document developed by representatives of Russia and Moldova at the videoconference, as well as to plan further work on the Guide development. Apart from that, the videoconference participants will discuss issues related to preparation of the face-to-face meeting of the group on 10-12 November 2014 in Podgorica, Montenegro.

➤ TCOP thematic videoconference on public assets accounting (7 October 2014)

According to the decisions made by the members of TCOP thematic group on public assets accounting at their meeting on 13 June 2014, another videoconference of the group was scheduled for early October. As agreed at that videoconference, Mark Silins has prepared several examples of asset accounting policies in different countries around the world that will be presented at the forthcoming videoconference. The videoconference participants would also discuss issues related to development of the Guide on Public Assets Accounting Policies, the structure of which was coordinated at the videoconference on 13 June.

The videoconference participants will also discuss the issues related to preparation of the face-to-face meeting of the group on 10-12 November 2014 in Podgorica, Montenegro.

➤ Meeting of the thematic groups on public accounting and reporting scheduled for mid-November 2014

The TCOP Activity Plan includes several events of the thematic groups on public accounting and reporting. Taking into account the similarity of examined issues, it was decided at the TCOP EC videoconference on 2 July 2014 to hold a joint meeting of all the three groups: (i) on accounting standards; (ii) on public assets accounting; (iii) on financial reporting consolidation. Elena Nikulina informed the videoconference participants that, as a result of discussing this proposal with representatives of the Ministry of Finance of Montenegro, it was decided to have a joint meeting of the TCOP thematic groups on 10-12 November in Podgorica, Montenegro. It is planned to discuss the issues included in the action plans of each group at this meeting, as well as to assess progress made in the process of developing methodological materials within the groups¹.

¹ The groups on financial reporting consolidation and public assets accounting have planned to develop manuals in their areas.

The concept of the Podgorica event and draft agenda have been developed based on the interests of the thematic group members. The experience of the host country in public accounting and reporting reforms will be presented on the first day of the event. The event agenda also includes two plenary sessions that are prepared by the thematic groups on public assets accounting and financial reporting consolidation. It has been proposed to these groups to discuss approaches to preparation of these sessions at the forthcoming videoconferences. One of the possible scenarios for organization of these sessions is presentation of brief reports on the progress made by the groups in implementing their action plans complemented by presentations made by invited experts and case studies from group member-countries (Russia, Georgia, and Kazakhstan). The final decisions on the design of the corresponding sessions will be made by members of these groups at the videoconferences scheduled for 25 September and 7 October.

The groups will also have to develop agendas of their separate meetings within the event in Podgorica that will last for about one working day of the agenda of the general meeting. The group on accounting standards plans to discuss the Strategy of Montenegro on implementation of accrual accounting in the public sector. The group on public assets accounting will continue discussions launched in Tbilisi and at the following two videoconferences held in June and October. It was expected that the group would focus its work on development of the Public Assets Policies and Procedures Guide, the structure of which was discussed and approved at the videoconference held by the group in June. The group on consolidation of financial reporting will continue working on the development of the Guide on Public Financial Reporting Consolidation. This work was launched in Tbilisi with development of the document structure and would continue at the video conference scheduled for 25 September 2014.

As of the moment of the TCOP ExComm meeting, all the organizational arrangements on the Podgorica meeting had been made according to the event preparation timetable.

➤ Meeting of the TCOP Executive Committee in January 2015

A meeting of the TCOP Executive Committee dedicated to the issues of TCOP activities within the last 2 years and future plans is scheduled for January 2015. The videoconference participants were informed that a report on the implementation of the TCOP Activity Plan for 2013-2015 reflecting the progress made according to all the performance indicators stipulated in the plan would be ready by the January meeting. Also, the new draft TCOP Activity Plan until 2017 will be developed and presented for discussion at the meeting.

Apart from the issues related to TCOP coordination activities, the agenda of the January meeting will also include thematic issues of professional interest for the participants. As of the moment of holding the videoconference, the final place (country) and dates had not been coordinated yet. The work on coordinating the place and dates of the January meeting will continue by e-mail.

3. Results of the TCOP Chair elections

Bojana Crnadak, who attended the videoconference, presented the results of the electronic voting in the elections of the TCOP chair to the Executive Committee members. The elections had been organized by the PEMPAL Secretariat according to the established procedure. Based on the results of the two-stage voting, Vugar Abdullayev representing Azerbaijan in the TCOP Executive Committee was elected as a new TCOP Chair until 15 September 2015.

TCOP EC members congratulated the new TCOP Chair with his election in this honorary position and wished him good luck in TCOP activities. All TCOP Executive Committee members, as well as members of the TCOP resource team thanked Angela Voronin for successful activities and excellent results achieved by TCOP within the two years of her chairmanship. Angela Voronin thanked her colleagues for cooperation and expressed her willingness to provide any kind of support to the newly elected chair of the community.

As proposed by Vugar Abdullayev, two TCOP deputy chairs will be elected at the next meeting of the TCOP Executive Committee scheduled for mid-November 2014.

4. Miscellaneous

The videoconference participants discussed the request on the part of Rustam Boboyev, the representative of Tajikistan, about assistance in organization of a study visit of specialists from their Ministry of Finance to one of the TCOP countries with successful experience in public accounting and reporting reforms. Tajikistan has approved the Strategy on PFM Reform and requires additional information on the relevant experience of other countries. They expressed a particular interest in organizing such a study visit to Russia, Kazakhstan or one of the Baltic States. The proposed study visits will be financed at the expense of the Tajikistan PFM system upgrade project. Zaifun Ernazarova, the representative of Kazakhstan, informed that it was difficult to organize such a study visit until the end of 2014 since the specialists of the Ministry of Finance of Kazakhstan were very busy. Representatives of the Russian Federation proposed to Rustam Boboyev to send an official request for such a visit to the address of the management of the Federal Treasury.

Main Outcomes of the Meeting:

- On 15-17 October, in Minsk, Belarus, there will be a meeting of the TCOP thematic group on the use of information technologies in treasury operations. The event will be dedicated to the issues of treasury information system upgrade projects. As of the moment of the TCOP ExComm meeting, all the organizational arrangements on the Minsk meeting had been made according to the event preparation timetable;
- On 25 September 2014, there will be a videoconference of the TCOP thematic group on financial reporting consolidation, where they are going to discuss the issues related to

development of the Guide on Financial Reporting Consolidation. The videoconference participants will also discuss the issues related to preparation of the face-to-face meeting of the group that will take place on 10-12 November 2014 in Podgorica, Montenegro;

- On 7 October 2014, there will be a videoconference of the TCOP thematic group on public assets accounting, where they will discuss examples of assets accounting in different countries. Also, the group will discuss the work on development of the Guide on Public Assets Accounting Policies.
The videoconference participants will also discuss the issues related to preparation of the face-to-face meeting of the group on 10-12 November 2014 in Podgorica, Montenegro;
- On 10-12 November, in Podgorica, Montenegro, there will be a meeting of the three TCOP thematic groups on public accounting and reporting. The program of the event supposes plenary sessions of all groups, as well as separate group meetings according to individual agendas;
- Following the conducted elections, the new TCOP Chair now is Vugar Abdullayev, the representative of Azerbaijan in the TCOP Executive Committee;
- The next meeting (videoconference) of the TCOP Executive Committee will take place on 19 November 2014;
- Ion Chicu will draft and present the Minutes of this TCOP Executive Committee meeting.