PEMPAL Treasury COP Plenary Meeting 2018

 **Treasury Performance Monitoring**

Concept Note

**Location**: Tirana, Albania

**Dates**: May 21 - 23, 2018

**Background**

The main objective of the PEMPAL program is to strengthen professional skills of public finance specialists in the member countries and support them in implementing various aspects of reforms of their national PFM systems. The main tools used by the program to achieve this objective are exchange of experiences and knowledge transfer among the practitioners. The work of PEMPAL is organized around three thematic communities of practice (Budget COP, Treasury COP, Internal Audit COP).

Representatives of the national treasuries and ministries of finance of 21 country from the Europe and Central Asia region are currently members of PEMPAL Treasury Community of Practice (TCOP). The COP activity plan is formulated by the Executive Committee composed of volunteers from the participating countries. TCOP plenary meetings are held annually as part of the COP activity plan. The topics for the plenary meetings are identified through the member surveys undertaken during the plenary meetings.

Through its last member survey, TCOP has identified performance monitoring as an area of priority interest for the COP members and decided to dedicate its next plenary meeting to this topic. While the topic has been touched upon during some of the earlier COP events, this will be the first occasion for TCOP to address it systematically.

The growing focus on performance in public finance management is a general trend in PEMPAL member countries. Many countries have PFM reform strategies and/or action plans that cover treasury functions. In many instances these documents were developed and their implementation is monitored with the support of the development partners. In this context, many countries also have experience with various external PFM performance assessments. At the same time, the degree of development of internal performance monitoring systems varies across countries and there is a lot of interest to learn from the experiences of the peers in developing such systems. Treasury COP members are particularly interested to explore the key performance indicators and tools that could be used to monitor performance of the core functions performed by the national treasury institutions, including management of the government accounts, payment processes and budget execution controls, cash management, consolidated financial reporting, management of financial management information systems.

**Objectives**

The main objective of the TCOP annual plenary meeting in Tirana is to deepen the understanding of approaches to performance monitoring and share the ideas and experiences on how these could be applied to the core national treasury functions in the participating countries. The event will also serve the forum to review the results of TCOP activities over the last year and update the COP medium-term strategic plan for the future period.

**Contents**

Following the tradition of TCOP meetings and based on agreements reached with the hosts of the event, the meeting will commence with the presentations by the Ministry of Finance and Economy of Albania on existing mechanisms for monitoring performance of the core functions. The focus will be on the functions falling within the direct responsibility of the Treasury Directorate as well as those closely interconnected with the treasury functions. Agenda will start with an overview of the Albanian Public Finance Management Strategy and existing mechanism for monitoring its implementation. This will be followed by the presentations by the representatives of the General Directorates of Treasury, Harmonization of Public Internal Financial Control, Budget and Debt Management. Presentations will focus on the key performance indicators and monitoring tools used to monitor performance of selected functions and processes at different levels. The first day will conclude with the group discussion on the presentations delivered by the hosts with focus on lessons applicable for other participating countries.

Day 2 will be devoted to discussions on member country and international experience with monitoring treasury performance. The day will commence with the presentations on modern approaches and tools used for performance management by PFM institutions in advanced countries and the latest PEFA framework, as an internationally recognized tool for assessing PFM performance, to be delivered by the resource experts. This will be followed by presentations by the participating countries on how monitoring of performance of the core functions is organized within the national treasury institutions. The second half of Day 2 will be devoted to group discussions on this topic. The groups will discuss the important messages from the thematic presentations and discussions, including highlighting issues, challenges and possible solutions. Each group will develop a PowerPoint summary of the key messages.

Day 3 will commence with the reports on the group discussions from Day 2. The rest of Day 3 will be devoted to the review of the results of the COP activities over the past year and update of the COP medium-term strategic plan for the future period.

All member countries will be invited to the meeting in Tirana. The total number of participants expected is around 65, including experts and invited speakers. The format of the meeting will be very informal and aimed at stimulating debate and encouraging participation by country representatives. The working languages for the event will be Russian, English and Bosnian-Croatian-Serbian, using simultaneous interpretation.

The event preparation and implementation will be facilitated by the World Bank resource team working with the TCOP, including Elena Nikulina, Team Leader for the PEMPAL program, and Mark Silins, TCOP Lead Thematic Expert.

PRELIMINARY AGENDA

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| **May 20th**  |
|   | Welcome reception |
| **May 21st 1-st day**  |
| Session 1  | Welcome and introductions |
|   | ”**Albanian PFM reform monitoring indicators**” Directorate for Managing the Reforms in the Public Finance Management |
|  | ”**PIFC Performance Indicators**” General Directorate of Public Financial Internal Control Harmonization |
| Session 2  | ”**Treasury Performance Indicators”** General Directorate of Treasury  |
|   | **”Public Accounting Reform Indicators**” General Directorate of Public Financial Internal Control Harmonization |
| Session 3 | ” **Debt Indicators**” General Directorate of Budget and Debt Management |
|  | **”Improving the performance of the budgeting, execution and reporting process through automation”**Treasury Business Processing Unit, General Directorate of Treasury |
| Session 4 | Round table discussions on **Albanian** presentations |
| **May 22nd, 2-nd day** |
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| Session 1  | Expert presentation on international experiences in performance monitoring for the core treasury functions |
|  | Application of indicators used to assess performance of the core treasury functions under the PEFA framework  |
| Session 2  | PEMPAL country experiences – mix of country cases to illustrate approaches and tools used to monitor performance of the core treasury functions (representatives of TCOP thematic groups)  |
| Sessions 3, 4  | Small group discussions on challenges in monitoring treasury performance |
| **May 23rd , 3-rd day** |
| Session 1  | Reports from the discussion groups and wrapping up thematic agenda  |
| Session 2  | Updating TCOP activity plan for 2019-20 |
| Session 3  | Event wrap up and closure |
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|   | Social program and dinnerhosted by the Albanian Ministry of Finance & Economy  |