**CONCEPT NOTE AND AGENDA**

**PEMPAL 2019 Annual BCOP Plenary Meeting**

**March 18-21, 2019**

**Radisson Blu Hotel, Tashkent, Uzbekistan**

**Background**

**Public Expenditure Management Peer Assisted Learning (PEMPAL) is a unique peer-learning platform that facilitates knowledge exchange among public finance practitioners representing 23 member countries from the Europe and Central Asia (ECA) region and helps the members to develop solutions to common public financial management (PFM) problems**. This interaction contributes to strengthened management of public finances across the region, as well as to increased trust and better regional relationships. PEMPAL has been in operation for over 10 years and can demonstrate tangible results at the individual and country member level[[1]](#footnote-2). PEMPAL ([www.pempal.org](http://www.pempal.org)) was launched in 2006 with the help of the World Bank and a number of donors, and is currently supported by the World Bank, the Ministry of Finance of the Russian Federation, and the Swiss State Secretariat for Economic Affairs (SECO).

**The Budget Community of Practice of PEMPAL (BCOP) is one of the three PEMPAL’s Community of Practices and it focuses on enhancing budget policy, methodology, and transparency**. BCOP has with membership of 21 PEMPAL countries[[2]](#footnote-3) and its priorities are: i) sharpening tools for effective fiscal management, ii) strengthening fiscal transparency and accountability, and iii) expanding internationally available data on PEMPAL countries[[3]](#footnote-4).

**BCOP, led by the BCOP Executive Committee[[4]](#footnote-5), facilitates discussions on common budgeting reform challenges encountered by member countries at the annual plenary meetings. For more focused discussions on specific topics and more targeted assistance to member countries in addressing challenges, BCOP establishes working groups which comprise a sub-set of members who meet more regularly**. There are currently two BCOP working groups: Budget Literacy and Transparency Working Group (BLTWG), active since 2015, and Program and Performance Budgeting Working Group (PPBWG), active since 2016[[5]](#footnote-6). Working groups meet via videoconference and periodically face-to-face and they develop knowledge products. Learning visits to specific countries are also held to examine reforms in depth. In 2013-2018 BCOP held over 45 knowledge sharing and learning events. For more information refer to <https://www.pempal.org/event/budget>.

**The 2019 BCOP Annual Plenary Meeting will include a three-day working agenda and will follow the format implemented in the previous two years, with one day dedicated to each of the topics of the two BCOP’s working groups**, **while introducing a new topic for one day of the plenary meeting**. BCOP Executive Committee selected these focus areas for the 2019 plenary meeting based on the analysis of the BCOP countries’ PFM priorities collected from 17 BCOP countries in January/February 2018 as inputs into the BCOP 2018-19 Action Plan. Based on the mentioned analysis, program and performance budgeting and budget transparency, literacy and citizen participation remain the topics of highest interest to BCOP members. Outside of the topics that fall into realms of the work of the two BCOP working groups, the topic of integrating capital budgeting/public investment in budget planning was the most frequent priority. Thus, the Executive Committee has decided that the 2019 Annual Plenary Meeting will also cover this topic in the plenary meeting. Within this topic, a special attention will be paid to the following issues: i) assessing effectiveness and prioritizing capital expenditure; ii) role of independent fiscal institutions in capital budgeting context; iii) role of rainy funds/sovereign funds in capital budgeting; and iv) role of private sector in capital budgeting.

**The topic of program and performance budgeting continues to dominate the reform agenda of most PEMPAL countries. The majority of PEMPAL member countries seeks to improve the quality of programs and performance indicators and simplify them, connect them better with the overall strategic planning, as well as increase the use of performance information (*inter alia*) to inform policy decision making and budget formulation**. Moreover, most of the countries look to improve the process of monitoring and evaluation of programs’ performance, to make their results more useful for policy development. These priorities are broadly in line with the overall global trends including in the most advanced countries, as evident for example in the recent Evidence-Based Policy Initiative in the Unites States (US)[[6]](#footnote-7) and the European Commission’s Initiative on Budget Focused on Results[[7]](#footnote-8), as well as the recent work to define modern best practice of performance budgeting by the OECD[[8]](#footnote-9).These new OECD Best Practices for Performance Budgeting recommend: i) setting clear objectives of performance budgeting that reflect interests of key stakeholders; ii) ensuring that performance budgeting aligns expenditure with the government’s strategic goals and priorities linking the performance budget to the strategic goals of government; iii) incorporating flexibility in performance budgeting to handle the varied nature of government activities and the complex relationships between spending and outcomes; iv) investing in human resources and infrastructure to support performance budgeting; v) ensuring that performance budgeting facilitates systematic oversight by the legislature and civil society, reinforcing the government’s performance orientation and accountability; vi) ensuring that performance budgeting complements other tools designed to improve performance orientation, including program evaluation and spending reviews; and vii) incentivizing performance-oriented behavior and learning.

The Program and Performance Budgeting Working Group (PPBWG) of BCOP, which comprises 15 member countries, aims to identify main trends and lessons learned in the design and implementation of the PPBWG in developed and PEMPAL countries to improve spending effectiveness. PPBWG has an extensive cooperation with the Organization for Economic Cooperation and Development (OECD), including through participation in the OECD Performance Budgeting Surveys and participation in the meetings of the OECD Network on Performance and Results. Main activities of this group since 2016 included: participating in the 2016 OECD Performance Budgeting Survey and analyzing and benchmarking the survey results among PEMPAL countries and with the OECD countries; examining performance budgeting in France; examining spending review practices in the Netherlands and Ireland; participating and contributing to the annual meetings of the OECD Network on Performance and Results including contributions to working sessions to provide inputs on OECD’s Best Practices in Performance Budgeting; review of international country case studies through presentation of a World Bank study on seven countries; examining country cases presented by several PEMPAL member countries; collecting and analyzing comprehensive full sets/examples of performance indicators from ten member countries; examining performance budgeting in Austria; and developing a knowledge product *Performance Indicators in PEMPAL Countries: Trends and Challenges*. This year, the focus of the PPBWG is on facilitating participation of PEMPAL countries in the OECD 2018 Performance Budgeting Survey and on the topic of spending reviews.

**The topic of budget literacy and transparency** **has been another top budget reform priority of BCOP countries, based on the information collected from the country members in early 2018.** The Budget Literacy and Transparency Working Group (BLTWG) of BCOP comprises 16 member countries and aims to learn from international experience related to improving budget literacy, openness, and access to citizens, as well as public participation in the budget process. BLTWG has partnered and worked closely with several international organizations, including the World Bank, the Global Initiative for Fiscal Transparency (GIFT), the International Budget Partnership (IBP), and OECD. Main activities of this group since 2015 included: documentation of member countries’ practices and status of reforms through a custom-designed survey; review of international country case studies through presentation of a World Bank study on budget literacy practices; examination of approaches of engaging citizens by Canada, United Kingdom (UK), Russian Federation, and Croatia; detailed on-site examination of citizens’ budgets and public participation in Croatia at the state and local levels; consultations with the IBP to discuss success factors for the IBP’s Open Budget Index including examining practices of good PEMPAL performers; developing a knowledge product *Overcoming Barriers in Citizen’s Budget Preparation in PEMPAL Member Countries*; contributing to OECD/GIFT Toolkit for Budget Transparency; examining country cases presented by several PEMPAL member countries; and initiating the work on a knowledge product on public participation in the fiscal policy and budget process.

In 2017-2018 the BLTWG turned its focus to public participation and has recently been working on the knowledge product *Public Participation in the Fiscal Policy and Budget Process: How to Create and/or Strengthen the Mechanisms in PEMPAL Countries*. In this work, the group has focused on public participation mechanisms at the national level and while reviewing the theory and mechanisms used in advanced countries, the group acknowledged the importance of work with public stakeholder groups at the national level and would like to explore good practices in this area. In addition, the group would like to review progress and recently introduced mechanisms of public participation in PEMPAL countries. Last but not least, the group has reviewed participatory budgeting practices implemented in Portugal and the Russian Federation at sub-national level and would like to review in depth methodological approach implemented in the Russian Federation.

**Integrating capital budgeting/public investment in budget planning has been identified as another current high priority topic in PEMPAL countries, as mentioned above.** Capital spending of state and local governments benefit countries’ economy by investing in the basic physical infrastructure, health, social services, and education that leads to higher productivity and/or higher living standards. Private investments in these areas are traditionally much smaller, partially because public investments produce benefits that cannot be measured, such as cleaner water and air and healthier population, which eventually provide economic benefits, but these benefits do not generally show up in measurable cash incomes. Annual amount of public investments is not homogeneous across regions and countries. In European Union (EU) countries, the share of public investments in GDP range around 3 percent. At the same time, in PEMPAL countries, this share averages around 1.5 percent, while in a few countries it exceeds 5 percent. Increasing public investment would boost jobs in the short run and strengthen productivity growth in coming decades. However, nowadays capital spending cuts are broadly used for restraining a budget deficit despite the international experience suggesting that the gains from improving public investment management (PIM) can be significant. Thus, ensuring the efficiency of public investments and maximizing their outcomes in line with country strategic priorities has become a core critical issue of public capital spending. To resolve those issues, countries should define modern mechanisms of strategic planning and implementation of public investments, including project prioritization and selection. To assist countries in these tasks, the World Bank recently developed a methodology for public investment planning based on a multi-criteria approach - Infrastructure Prioritization Framework (IPF). IPF was successfully piloted in several countries in Asia and Latin America and is currently piloting in Japan and Belarus. This methodology aims to prioritize project concepts within sectors or sub-sectors, rather than across sectors, but it can provide useful information for guiding reallocation of financial resources between sectors in an iterative approach to strategy formulation. In addition to project prioritization and selection, other features of an efficient PIM system include adequate and sustainable financing, as well as monitoring and evaluation of achieved results. The World Bank Group’s PIM Diagnostic Framework (PIMA) analyzes the presence and quality of institutional arrangements required to support performance of eight must-have functions across the project and capital budgeting cycles[[9]](#footnote-10), thus enabling a gap assessment against good international practice.

**Meeting Objectives and Format**

**The key objectives of the meeting** are to:

* provide the opportunity for BCOP member countries ***to review approaches and trends in capital budgeting/public investment planning (including the developments in OECD countries), familiarize themselves with assessment tools used by the World Bank, and discuss possible approaches and options for PEMPAL countries;***
* provide the opportunity for BCOP member countries ***to* *review the most recent work and advance discussions within the topics of the two BCOP working groups***, including:
  + the newest status and trends in performance budgeting in PEMPAL and OECD countries and the newest developments in the area of spending reviews
  + mechanisms of engagement of stakeholder groups in budget discussion at the national level in advanced countries and PEMPAL member countries and implementation of participatory budgeting approach at sub-national level
* update members on overall BCOP progress since the last plenary meeting and to report back on countries’ priorities gathered in the pre-meeting survey to inform the development of the BCOP Action Plan 2019-20.

**The format will comprise 3 full working days of meeting agenda,** in addition to BCOP Executive Committee and BCOP Resource Team meetings that will take place prior to the plenary meeting, as illustrated in the ***Table 1*** below and in more detail in the agenda (see ***Attachment 1)***.

**Two BCOP Working Groups will host parts of the agenda to share their recent work on these topics and discuss planned future work with boarder membership**. Similar format was tested in last two plenary meetings and it received overwhelming support from BCOP members. This approach to the annual plenary agenda also reflects the maturity of the network, whereby a significant proportion of BCOP’s work is now undertaken by working groups, especially having in mind that both of these groups have a broad membership with around ¾ of BCOP countries participating in each.

***Table 1 – Schedule of BCOP Annual Plenary Meeting 2019***

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|  | **DAY 0,**  **March 17** | **DAY 1,**  **March 18** | **DAY 2,**  **March 19** | **DAY 3**  **March 20** | **DAY 4**  **March 21** | **DAY 5**  **March 22** |
| **Morning Agenda** | *Arrivals*  *for Executive Committee and Resource Team members*  *and for other participants for whom flight schedule does not permit arrival on the morning of next day* | Executive Committee meeting      Meeting of the Resource  Team      *Arrivals*  *for participants for whom flight schedule permits* | **CAPITAL BUDGETING:**  **Presentations of international organizations**(two presentations from the World Bank, one introductory and covering pre-event survey results and the second one on new World bank IPF assessment tool; and  OECD) | **PROGRAM AND PERFORMANCE BUDGETING:**  **Presentations** (PPBWG update, presentation on the results of the OECD-PEMPAL Performance Budgeting Survey and additional presentation on spending reviews in PEMPAL countries, as well as a presentation by OECD on spending reviews) | **WORKSHOP ON IMPLEMENTING PARTICIPATORY BUDGETING** (based on Russian Local Initiatives Support Project experience) | *Departures* |
| **Afternoon Agenda** | **BUDGET LITERACY AND TRANSPARENCY:**  **Presentations**(BLTWG update and presentations from GIFT, PEMPAL country cases on Uzbekistan and Croatia, as well as presentation from a regional level in Russia) | **CAPITAL BUDGETING:**  **PEMPAL country presentations by specific subtopics and joint discussion** | **DISCUSSION GROUPS:**  Spending reviews | **Cultural program organized by the hosts** |  |

**On the first half of the Day 1, after a brief overview of BCOP progress over the past year, the Budget Transparency and Literacy Working Group will discuss mechanisms of public participation, focusing on good practices of engaging stakeholder groups at the national level and reviewing public participation mechanisms recently implemented in PEMPAL countries.** Specifically:

* **GIFT will provide an overview presentation on public participation mechanism at the national level.** The presentation will focus on engaging stakeholder groups in discussion on budget and budget policy and will include examples of advanced countries in this area (e,g, New Zealand).
* **Uzbekistan Ministry of Finance will provide an update on advancing in fiscal transparency and public participation reforms that were implemented over the past two years using lessons from PEMPAL countries.**
* **Two PEMPAL countries will present innovative public participation practices that were recently implemented.** Ministry of Finance of Sakhalin, Russia, will present participatory budgeting practices, currently applied in the region. Ministry of Finance of Croatia will present lessons from a recently implemented public participation tool.
* **Finally, the World Bank Russia Local Initiatives Support Project team will conduct a workshop on implementing participatory budgeting in countries with multi-level budget structure.** The workshop will explain in the detail the mechanism that has been implemented in Russia since 2008 and in the last decade got traction in over 50 regions of the Russian Federation with support of the Ministry of Finance of the Russian Federation and the World Bank.

**Day 2 will be devoted to the topic of capital budgeting/public investment and will include presentations by the World Bank, OECD, as well as four mini PEMPAL country cases**:

* **World Bank will provide an introductory presentation on key concepts and issues and challenges in PEMPAL countries to set the scene for discussion on the topic of capital budgeting/public investment**. Overview of the key concepts main issues and core assessment tools will be provided. In addition, the results of the pre-event survey of PEMPAL countries on their main challenges related to capital budgeting/public investment will be presented, to frame the discussions of the rest of this day.
* **World Bank will deliver a presentation on Infrastructure Prioritization Framework (IPF), the new tool for public investment planning approach.** Specifically, the methodology and results of its implementation in several countries will be presented.
* **OECD is invited to provide a presentation on capital budgeting/public investment in OECD countries.** This will include overview of tends in public investment governance and prioritization in OECD countries and the work of OECD’s Network on Public-Private Partnerships and Infrastructure.
* **Four PEMPAL countries (TBC) will present short country cases to discuss main issues and challenges in their countries specific to the four sub-topics identified by the BCOP Executive Committee as key challenges in capital budgeting/public investment in PEMPAL countries.** As mentioned above, these four specific subtopics of: i) assessing effectiveness and prioritizing capital expenditure; ii) role of independent fiscal institutions in capital budgeting context; iii) role of rainy funds/sovereign funds in capital budgeting; and iv) role of private sector in capital budgeting.

**Day 3 will be devoted to the topics of Program and Performance Budgeting Working Group (PPBWG), with the focus on the results of the 2018 OECD Performance Budgeting Survey and the topic of spending reviews.** Specifically, the agenda will comprise the following presentations:

* **Information on progress and plans of the Program and Performance Budgeting Working Group will serve as an introduction to Day 3** and will be delivered by the Working Group Chair, Mr. Nicolay Begchin from the Ministry of Finance of the Russian Federation.
* **The results of the PEMPAL countries on 2018 OECD Performance Budgeting Survey and Comparison to OECD countries will be presented by PEMPAL Resource Team (excluding the part of the survey dealing with the spending reviews, which will be presented separately, as discussed below)**. This will serve to identify progress in PEMPAL countries since 2016 (as PPBWG also facilitated participation of the PPBWG countries in the 2016 OECD survey on the same topic) and to compare current practices in PEMPAL countries to those in the OECD countries.
* **OECD will provide a presentation on the new OECD trends and best practices in spending reviews.** This will serve to provide PPBWG with information on developments and plans in OECD countries in the area of spending reviews, which is a chosen sub-topic for the focus of the PPBWG over the next period.
* **A separate presentation will be delivered on PEMPAL countries’ practices, challenges, and plans in spending reviews**. This will be based on both the results of PEMPAL countries in the spending review part of the 2018 OECD Performance Budgeting Survey and on the additional questions on spending reviews in PEMPAL pre-events survey. This will serve to identify common trends and challenges of the PEMPAL countries and shape the discussions about the focus of work of PPBWG in the next period, as well as the discussions on this topic in the rest of Day 3.
* **Day 3 will also include afternoon discussion groups**, in which the participants will discuss specific questions related to the topic of spending reviews in small groups and report back findings of these discussions to the plenary meeting.

**Finally, the last half of the day of the event program on Day 4 will include a workshop of the Budget Transparency and Literacy Working Group on participatory budgeting, facilitated by the Task Team Leader for Russia Local Initiatives Support Project (LISP).**

**Meeting Preparations**

**A pre-meeting survey will be distributed to collect the following data:**

1. **Inputs for BCOP 2019-20 Action Plan.** As in previous couple of years, the electronic survey will include questions on country level priorities to assist with the development of the BCOP Action plan. This is the second year in which BCOP will collect this input in pre-plenary meeting survey, to have a formal recording of priorities. The preliminary prioritization will be presented by the BCOP Executive Committee during the meeting, as done in previous years.
2. **Inputs on questions for the small groups discussions**. The discussions will take place in the afternoon of Day 3, focusing on spending reviews.
3. **Countries’ approaches and challenges related to capital budgeting.** This will serve as a mini-overview of BCOP countries’ practices, which will be presented by the World Bank on Day 1 of the event, to set the scene for discussion.
4. **Countries’ plans and challenges related to spending review.** This will serve to supplement data on spending reviews in PEMPAL countries from the OECD Performance Budgeting Survey and will be presented as a min-overview of spending review practices and plans in PEMPAL countries on Day 3.
5. **Data for monitoring of the 2017-2022 PEMPAL Strategy.** This will include questions on usefulness of knowledge products and questions to demonstrate and track impact of BCOP on country level reforms.
6. **Inputs on potential cooperation of BCOP with other two COPs.** This will include questions on potential topics for cooperation with the Treasury Community of Practice and Internal Audit Community of Practice.

**Participants**

**It is envisaged that this event will bring together around 50 participants** including BCOP members and external experts. Experts from international organizations (including World Bank, OECD, and GIFT) will also participate given their key role in providing advice, research and support to countries in public financial management reforms.

**Partners**

**The BCOP plenary meeting is being organized by the World Bank resource team and PEMPAL Secretariat in collaboration with a number of key partners,** including SECO, the Ministry of Finance of the Russian Federation, and Ministry of Finance of Uzbekistan**.**

**Contacts**

**BCOP Resource Team members:** Iryna Shcherbyna ([ishcherbyna@worldbank.org)](mailto:ishcherbyana@worldbank.org)), Maya Gusarova ([mgusarova@worldbank.org](mailto:mgusarova@worldbank.org)), Naida Čaršimamović Vukotić [naidacar@gmail.com)](mailto:naidacar@gmail.com)),

**PEMPAL Secretariat:** Ms. Ksenia Malafeeva (kmalafeeva@worldbank.org)

**Attachment**  - Agenda of plenary meeting

**Background documents**

**Will be available at www.pempal.org – link to be been provided to all meeting participants via email**:

1. Plenary meeting presentations in network languages – English, Russian, and BCS
2. Listing of links for all by BCOP resources - English, Russian, and BCS
3. Final BCOP Program and Performance Budgeting Working Group knowledge product *Performance Indicators in PEMPAL Countries: Trends and* Challenges – English, Russian and BCS
4. Final OECD Best Practices for Performance Budgeting – English (to be translated into Russian and BCS in April)

For information on PEMPAL please visit [www.pempal.org](http://www.pempal.org). All materials for this event will be posted at <https://www.pempal.org/events/2019-annual-bcop-plenary-meeting>.

***Important Note****: In accordance with the PEMPAL Executive’s decision to ‘go green’ to achieve efficiencies in PEMPAL events, the only documents that will be distributed at the meeting will be the agenda and information letter. Thus, all participants are requested to print out their own documents and bring them to the meeting. Thank you for your understanding and cooperation.*

**ATTACHMENT 1**

**AGENDA**

**PEMPAL 2019 Annual BCOP Plenary Meeting**

**March 18-21, 2019**

**Tashkent, Uzbekistan**

**Objectives**

**The key objectives of the meeting** are to:

* provide the opportunity for BCOP member countries ***to review approaches and trends in capital budgeting/public investment planning (including the developments in OECD countries), familiarize themselves with new assessment tools used by the World Bank, and discuss possible approaches and options for PEMPAL countries;***
* provide the opportunity for BCOP member countries ***to* *review the most recent work and advance discussions within the topics of the two BCOP working groups***, including:
  + the newest status and trends in performance budgeting in PEMPAL and OECD countries and the newest developments in the area of spending reviews
  + mechanisms of engagement of stakeholder groups in budget discussion at the national level in advanced countries and PEMPAL member countries and implementation of participatory budgeting approach at sub-national level
* update members on overall BCOP progress since the last plenary meeting and to report back on countries’ priorities gathered in the pre-meeting survey to inform the development of the BCOP Action Plan 2019-20.

**Day Zero, Sunday, March 17**

*Arrivals for Executive Committee and Resource Team members and for other participants for whom flight schedule does not permit arrival on the morning of next day*

**Day One – Monday, March 18 – Preparations and Half-Day Hosted by the BCOP Budget Literacy and Transparency Working Group**

*Arrivals for participants for whom flight schedule permits*

09.00-11.00 **Meeting of BCOP Executive Committee**

11.00-12.00 **Meeting of technical** **Resource Team**

12.00-13.00 **Lunch in Hotel**

13.00-17.45 **Half-Day Hosted by the BCOP Budget Literacy and Transparency Working Group**

Moderators: Anna Belenchuk (BCOP Chair, Ministry of Finance, Russian Federation), Iryna Shcherbyna (Lead Coordinator of BCOP Resource Team, Senior Public Sector Specialist, World Bank)

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| Time | Activity |
| 12.30-13.00 | **Registrations** |
| 13.00-13.30 | **Welcome** and opening:   * Djamshid Kuchkarov, Deputy Prime Minister and Minister of Finance of Uzbekistan * Hideki Mori, Country Manager, World Bank * Anna Belenchuk, BCOP Executive Committee Chair, Ministry of Finance, Russian Federation and BCOP Chair * Brief introductions of all participants |
| 13.30-14.15 | **Presentation 1: BCOP Executive Committee - Update on BCOP Activities (Including Development of BCOP Action Plan 2019-20) and Introduction of the BLTWG Plenary Agenda, and Brief Report on BTLWG Activities -** Anna Belenchuk, BCOP Executive Committee Chair, Ministry of Finance, Russian Federation |
| 14.15-14.45 | **Presentation 2: Public Engagement at the National Level: Specific Features, Examples and Lessons from Working with Stakeholder Groups,** Murray Petrie, GIFT |
| 14.45-15.15 | **Presentation 3: Progress in Fiscal Transparency and Public Participation Reforms in Uzbekistan,** Sherzod Muhamedov, Head of Unit, Main Department of State Budget and Numon Djuraev, Deputy Head, Department of Budget Process Management, Ministry of Finance of Uzbekistan |
| 15.15-15.45 | Group Photo and Coffee Break |
| 15.45-16.15 | **Questions to the Panel of Speakers** |
| 16.15-16.45 | **Presentation 4: Public Participation Innovations in Croatia,** Mladenka Karačić, Croatia Ministry of Finance |
| 16.45-17.15 | **Presentation 5: Participatory Budgeting Practices in Sakhalin, Russian Federation,** Anna Kharchenko, Minister of Finance of Sakhalin oblast, Russian Federation |
| 17:15-17.45 | **Questions to the Panel of Speakers** |
| 19.00 | **Welcome** **Dinner with guests from the Ministry of Finance of Uzbekistan** |

**Day Two, Tuesday, March 19 – Capital Budgeting**

Moderators: Kanat Asangulov (BCOP Executive Committee Deputy Chair, Head of Directorate for Budget Policy, Ministry of Finance of Kyrgz Republic), Iryna Shcherbyna (Lead Coordinator of BCOP Resource Team, Senior Public Sector Specialist, World Bank)

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| Time | Activity |
| 09.00-09.30 | **Introduction to Day’s Agenda**  **Presentation 6: World Bank – Key Concepts and Trends in Capital Budgeting and Results of the Pre-event Survey of PEMPAL Countries -** Iryna Shcherbyna, Senior Public Sector Specialist, World Bank |
| 09.30-10.15 | **Presentation 7: World Bank – New Methodology for Public Investment Planning approach: Infrastructure Prioritization Framework (IPF) –** Darwin Marcelo, Senior Infrastructure Economist, World Bank |
| 10.15-10.45 | Coffee Break |
| 10.45-11.15 | **Presentation 8: OECD – Trends in Public Investment Governance and Prioritization in OECD Countries -** Jungmin Park, Senior Policy Analyst, Budgeting and Public Expenditure Division, OECD |
| 11.15-12.30 | **Questions to the Panel of Speakers** |
| 12.30-14.00 | Lunch |
| 14.00-15.30 | **Mini PEMPAL Country Case Studies (15 minutes each) on Issues in Capital Budgeting/Public Investment by Specific Subtopics**   * **Presentation 9: CROATIA – Issues Related to Assessing Effectiveness and Prioritizing Capital Expenditure,** Nevenka Brkić and Mladenka Karačić, Ministry of Finance of Croatia * **Presentation 10: BULGARIA – Issues Related to Role of Independent Fiscal Institutions in Capital Budgeting Context**, Emil Nurgaliev, Ministry of Finance of Bulgaria * **Presentation 11: BOSNIA AND HERZEGOVINA – Role of Rainy Funds/Sovereign Funds in Capital Budgeting**, Edvin Granić, Federal Ministry of Finance in Bosnia and Herzegovina * **Presentation 12: RUSSIAN FEDERATION – Role of Private Sector in Capital Budgeting**, Andrei Panin, Ministry of Finance of Russian Federation |
| 15.30-16.15 | **Questions to the Panel of Speakers** |
| 16.15-17.00 | **Brief Concluding Presentation on Main Developments and Challenges in PEMPAL Countries** – 2-3 minute per country |
| 19.00 | Dinner in Hotel |

**Day Three – Wednesday, March 20 – Hosted by the BCOP Program and Performance Budgeting Working Group**

Moderators: Nicolay Begchin (BCOP Executive Committee, Ministry of Finance, Russian Federation), Naida Čaršimamović Vukotić (Public Finance Management Consultant, BCOP Resource Team, World Bank).

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| Time | Activity |
| 8.30-9.15 | **Introduction to Day’s Agenda**  **Presentation 13 PPBWG - Update on Progress of the Program and Performance Budgeting Working Group and Future Plans,** Nicolay Begchin, BCOP Executive Committee, Deputy Director, Department of Budget Methodology and Financial Reporting. Ministry of Finance, Russian Federation |
| 9.15-10.00 | **Presentation 14: PPBWG - Presentation on Results of the PEMPAL Countries on 2018 OECD Performance Budgeting Survey and Comparison to OECD Countries**–Naida Čaršimamović Vukotić, Public Finance Management Consultant, BCOP Resource Team, World Bank |
| 10.00-10.45 | **Questions to the Panel of speakers** |
| 10.45-11.15 | Coffee Break |
| 11.15-12.00 | **Presentation 15: OECD – Trends and Best Practices in Spending Reviews in OECD Countries -** Jungmin Park, Senior Policy Analyst, Budgeting and Public Expenditure Division, OECD |
| 12.00-12.30 | **Presentation 16: PPBWG** – **Presentation on PEMPAL Countries’ Practices, Challenges, and Plans Related to Spending Review,** Naida Čaršimamović Vukotić, Public Finance Management Consultant, BCOP Resource Team, World Bank |
| 12.30-13.00 | **Questions to the panel of speakers** |
| 13.00-14.30 | Lunch |
| 14.30-16.30 | **Reform Issues and Challenges Discussion on Spending Reviews** (parallel discussions on topics as proposed by the participants, in language-based groups where possible)   * **Two questions to be addressed**: Participants will break into language-based groups to discuss 2 questions (to be circulated by email a few days before the meeting based on member feedback from pre-meeting survey). A scribe and presenter should be appointed at the beginning of the discussions.   **Coffee served from 15.30 (in or near discussion rooms)** |
| 16.30-17.00 | **PEMPAL member group presentations** from Groups 1, 2, and 3 (5-8 minutes each) |
| 19.00 | Dinner in the hotel |

**Day Four – Thursday, March 21 – Half-Day Hosted by the BCOP Budget Literacy and Transparency Working Group and Cultural Program Hosted by the Ministry of Finance of Uzbekistan**

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| 9.00-10.30 | **Workshop on Participatory Budgeting**, facilitated by the Ivan Shulga, Task Team Leader for Russia Local Initiatives Support Project (LISP) |
| 10.30-11.00 | Coffee Break |
| 11.00-12.30 | **Workshop on Participatory Budgeting**, facilitated by the Ivan Shulga, Task Team Leader for Russia Local Initiatives Support Project (LISP) - continued |
| 12:30-13:30 | Lunch in Hotel |

14.00-17.00 **Cultural program organized by the hosts**

19.00 **Dinner organized by the Ministry of Finance of the Republic of Uzbekistan**

**Departures - Morning of March 22**

1. Source: PEMPAL Strategy 2017-22, https://www.pempal.org/sites/pempal/files/pempal\_strategy\_pages\_11-09-2017for\_website.pdf. [↑](#footnote-ref-2)
2. Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kosovo, Kyrgyz Republic, Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Tajikistan, Turkey, Ukraine, and Uzbekistan. [↑](#footnote-ref-3)
3. For more information, see PEMP AL Strategy 2017-22. [↑](#footnote-ref-4)
4. Comprising 9 members from Ministries of Finance from 8 member countries: Armenia, Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Kyrgyz Republic, and Russian Federation. [↑](#footnote-ref-5)
5. For more information on the work and impact of BCOP, see the report PEMPAL in 2012-2017, <https://www.pempal.org/sites/pempal/files/pempal2012-2017_web_eng.pdf>. [↑](#footnote-ref-6)
6. The Promise of Evidence-Based Policy Making published by the Commission on Evidence-Based Policy Making of the US Congress in late 2017, <https://www.cep.gov/content/dam/cep/report/cep-final-report.pdf>. [↑](#footnote-ref-7)
7. See more details at <http://ec.europa.eu/budget/budget4results/index_en.cfm>. [↑](#footnote-ref-8)
8. OECD Public Governance Committee Working Party of Senior Budget Officials, Draft OECD Best Practices for Performance Budgeting, <https://one.oecd.org/document/GOV/PGC/SBO(2018)7/en/pdf>. [↑](#footnote-ref-9)
9. The eight must-have functions are: investment guidance, formal appraisal, independent review, project selection and budgeting, project implementation, project adjustment, facility operation, and completion review and evaluation. [↑](#footnote-ref-10)