**MINUTES OF THE STEERING COMMITTEE MEETING**

**VIDEOCONFERENCE, November 12, 2019**

**Participating Steering Committee Members: Observers:**

1. Anna Valkova (Ministry of Finance of the Russian Federation, SC Chair)
2. Thomas Stauffer (SECO – Donor)
3. Daniel Boyce (WB - Practice Manager, ECA EAST, Governance Global Practice)
4. Arman Vatyan (WB – PEMPAL Team Leader)
5. Anna Belenchuk (Ministry of Finance of the Russian Federation - BCOP Chair)
6. Angela Voronin (Ministry of Finance of Moldova – TCOP Chair)
7. Edit Nemeth (Ministry of Finance of Hungary – IACOP Chair)
8. Mladenka Karacic (Ministry of Finance of Croatia– BCOP Deputy Chair)
9. Armanai Bekturova (Ministry of Finance of Kazakhstan – IACOP Deputy Chair,)
10. Elena Nikulina (WB – TCOP Resource Team Coordinator)
11. Iryna Shcherbyna (WB – BCOP Resource Team Coordinator)
12. Naida Carsimamovic Vukotic (WB – BCOP Resource Team Member)
13. Yelena Slizhevskaya (WB – TCOP Resource Team Member)
14. Diana Grosu-Axenti (WB – IACOP Resource Team Member)
15. Galina Kuznetsova (WB – PEMPAL Secretariat Team Coordinator)
16. Deanna Aubrey (WB – PEMPAL Strategic Adviser/BCOP Resource Team Member)
17. Ksenia Malafeeva (WB – PEMPAL Secretariat)
18. Ekaterina Zaleeva (WB – PEMPAL Secretariat)
19. Kristina Zaytuna (WB – PEMPAL Secretariat

**1. Opening of the meeting**

Ms. Anna Valkova welcomed participants. She looked forward to chairing the Steering Committee (SC) in the next period. The SC adopted the minutes of its previous meeting.

**2. Progress on PEMPAL Strategy and implementation of actions agreed in the previous SC meeting**

Mr. Arman Vatyan reported that all actions agreed at the last SC meeting had been implemented. The PEMPAL Strategy Activity Plan 2017-2022 had been updated and circulated. The organizational committee preparing the 2020 Cross-COP Leadership Meeting had met and would next meet on January 21, 2020, to finalize the agenda. Progress was being made on learning from other networks’ financing mechanisms, a first stage analysis had been finalized and a second stage questionnaire for three targeted networks was prepared and agreed with the SC. Two of these networks, PEMNA and OECD SBO, had already been interviewed.

The draft Concept Note for the Mid-term Review (MTR) of the 2017-2022 PEMPAL Strategy and the draft Terms of Reference (ToR) for External Evaluation for input into the MTR were discussed and agreed in principle. The SC noted the following, to be incorporated in the MTR Concept Note and the ToR for External Evaluation: (i) the OECD-DAC Quality Standards for Development Evaluation and relevant OECD-DAC Evaluation Criteria should be incorporated into the MTR Concept Note; (ii) the external evaluation must make specific recommendations; (iii) while keeping the current deadline for the final MTR report, target to complete it by the end CY 2020; (iv) the external evaluator should take account of PEMPAL internal reviews in annual reports and the *PEMPAL in 2012-2017* report; and (v) the external evaluation must focus on the key indicators of PEMPAL’s impact and the extent of achievement of objectives, rather than taking stock of the overall scope of PEMPAL activities. The SC approved engaging an external evaluator. The methodology and content of the evaluation and MTR would be further elaborated with the external evaluator at the cross-COP leadership meeting organizational committee meeting on January 21, 2020, and the 2020 Cross-COP Leadership Meeting would further discuss the structure of the MTR report.

**3. PEMPAL FY19 Annual Report**

The draft annual report had been circulated to the SC and comments received so far had been incorporated. The SC provided additional comments during the meeting and requested the inclusion of an executive summary. The SC approved the PEMPAL FY19 Annual Report and would approve the new executive summary by email. The SC also requested that the following information be included in next year’s Annual Report:

to capture not only the value attached to the opportunities in the network by individuals, but also by institutions.

to provide if possible the rate of replacement of paid-for external experts through member experts from the network.

For the first point above, it was noted that the evaluator will be collecting information on the impact on institutions (as seen by high level management) and will investigate possible mechanisms for PEMPAL to collect this information on a more regular basis, if feasible. For the second point above, the Secretariat and World Bank will investigate establishing a mechanism to capture this rate of replacement.

**4. Implementation progress of the FY20 COP action plans**

***BCOP***

Ms. Anna Belenchuk, who had been reelected as BCOP Chair, gave an update on BCOP FY20 activities since the last SC meeting, including:

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| [Joint Workshop: Program and Performance Budgeting Working Group and Budget Literacy and Transparency Working Group](https://www.pempal.org/events/joint-workshop-program-and-performance-budgeting-working-group-ppbwg-and-budget-literacy-and) | [Participation at OECD Network for Performance and Results meeting, Paris, France](https://www.pempal.org/events/joint-workshop-program-and-performance-budgeting-working-group-ppbwg-and-budget-literacy-and) | [VC meeting of the BCOP Executive Committee](https://www.pempal.org/events/meeting-bcop-budget-literacy-and-transparency-working-group-bltwg) |

# The BCOP were continuing work on two knowledge products, on performance budgeting and public participation in budgeting, and had initiated preparations for the BCOP annual plenary meeting, planned for March 2020 in Belgium. Ms. Belenchuk gave an overview of the revised BCOP FY20 Action Plan, already circulated to the SC. She informed the SC of her reelection to BCOP Chair and reported on the BCOP’s plans to formalize the cooperation between BCOP and OECD.

***TCOP***

Ms. Angela Voronin, TCOP Chair, gave an update on TCOP FY20 activities since the last SC meeting, including:

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| [VC meeting of the TCOP Thematic Group on Public Sector Accounting and Reporting](https://www.pempal.org/events/videoconference-pempal-tcop-thematic-group-public-sector-accounting-and-reporting) | [VC meeting of the TCOP Executive Committee](https://www.pempal.org/about/governance/ex-com-tcop) | [Meeting of the Group on Public Sector Accounting and Reporting in Moscow, Russia](https://www.pempal.org/events/tcop-meeting-thematic-group-public-sector-accounting-and-reporting) |

# The TCOP continued to work on a knowledge product on the chart of accounts design and had initiated preparations for the annual plenary meeting, planned for May/June 2020 in Kazakhstan. Ms. Voronin also gave an overview of the updated TCOP FY20 Action Plan, circulated to the SC. She informed the SC that she had been reelected as TCOP Chair and reported on new approaches being piloted in TCOP, including video-recording and live broadcasting of TCOP events.

***IACOP***

Ms. Edit Nemeth, IACOP Chair, gave an update on IACOP FY20 activities since the last SC meeting, including:

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| [IACOP VC on the Three Lines of Defense Model and submission of IACOP comments on the Exposure paper on the Three Lines of Defense to the Institute of Internal Auditors](https://www.pempal.org/events/iacop-videoconference-3-lod-model) | [IACOP Audit in Practice WG and Internal Control WG Meetings in Sochi, Russia](https://www.pempal.org/events/iacop-audit-practice-wg-and-internal-control-wg-meetings) | Meeting of the IACOP Executive Committee in Sochi, Russia |

# The IACOP had completed work on a knowledge product on guidance for assessing the effectiveness of internal control, and had initiated preparations for the IACOP plenary meeting, planned for March/April 2020 in Uzbekistan. Ms. Nemeth gave an overview of the revised IACOP FY20 Action Plan, circulated to the SC. She also outlined new approaches implemented in the IACOP, including using webex for thematic VC meetings.

**5. PEMPAL finances and administration agreements**

Mr. Vatyan reported that the administrative agreement with the Russian Federation MOF had been signed and that the first tranche of funds was expected to be disbursed soon. The text of the administrative agreement with the EU had also been finalized and processed for signature, with the first tranche of funds expected to be received in January 2020. Mr. Vatyan presented data on the current overall status of PEMPAL finances, which was circulated prior to the meeting. With the expected contributions from the Russian Federation and the EU, the 2017-2022 Strategy was financed in full, with a significant balance of savings accumulated due to the expenditure restraint in force since the beginning of the Strategy period. The improved status of PEMPAL finances enabled COP annual allocations to return to the US$300,000 for each COP originally planned within the Strategy. All COPs had submitted revised FY20 Action Plans for the higher allocation (previously circulated and already discussed by the COP Chairs). The SC took note of the current status of PEMPAL finances and approved COP FY20 budget allocations of US$300,000 each, plus any carried over COP savings from FY19. The SC accordingly approved the revised FY20 COP Action Plans.

1. **Closing of the meeting**

The next SC meeting was scheduled indicatively for March-April 2020, the exact date to be agreed via email. Starting FY21, SC meetings will be held semi-annually.

**SUMMARY OF ACTIONS ARISING FROM THE MEETING**

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|  | Action | Due Date | Responsible |
| 1. | **Continue preparations for the Cross-COP Leadership Meeting planned for July 2020 in Switzerland,** including finalization of the agenda (SECO will confirm the PFM topics to be presented by the hosts), logistic preparations, preparation of agendas for the parallel meetings of the COP Executive Committees, and preparation of the agenda for the SC meeting taking place in Switzerland back-to-back to the Cross-COP Leadership Meeting. | Agenda of the Cross-COP Leadership Meeting to be finalized at January 21, 2020 meeting of the Organizational Committee  Logistic preparations ongoing  Preparation of COP meeting and SC meeting agendas until March 2020 | Leadership Meeting Organizational Committee  Secretariat and SECO  COP Executive Committees and WB |
| 2 | **Continue the second stage of analysis of learning from other networks’ financing mechanisms** | To be finalized and presented at the July 2020 Cross-COP Leadership Meeting | WB |
| 3 | **Adjust the MTR Concept Note and the ToR for External Evaluation.** Launch the processes for engaging the external evaluator of the PEMPAL program for input into the MTR, taking into account the SC’s comments. | External evaluator to be contracted by January 2020 and to take part in the January 21, 2020 meeting of the Organizational Committee | WB |
| 4 | **Finalize the FY19 Annual Report** (including an executive summary to be drafted and agreed with the SC) and distribute electronic and limited hard copies with thank you letters. | January 2020 | WB |
| 5 | **Prepare the agenda and organize the next SC meeting** | Meeting to be organized in March-April 2020 | WB, PEMPAL Secretariat |
| 6 | **Establish a mechanism to capture replacement of external paid-for experts with member country experts.** | By next SC meeting | Secretariat, WB |

**Annexes:**

1. **Financial paper on Learning from experiences of other networks in achieving financial sustainability**

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1. **COPs Activity Plans**

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1. **PEMPAL program budget**

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1. **COPs budget**

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1. **MTR Concept (2017-22)**

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