



MINUTES OF THE STEERING COMMITTEE MEETING, June 17, 2021, Videoconference

Participating SC Members:

1. Thomas Stauffer (SECO – Donor, Chair)
2. Daria Kirillova (Ministry of Finance of the Russian Federation, Donor)
3. Vincent Bigot (EC Directorate-General for International Cooperation and Development - Donor)
4. Arman Vatyan (WB - PEMPAL Team Leader)
5. Aynura Bakaybaeva (Ministry of Finance of Uzbekistan- BCOP Chair)
6. Petru Babuci (Ministry of Finance of Moldova – IACOP Deputy Chair)
7. Mladenka Karacic (Ministry of Finance of Croatia – BCOP Deputy Chair)

Observers:

8. Elena Nikulina (WB – TCOP Resource Team Coordinator)
9. Iryna Shcherbyna (WB – BCOP Resource Team Coordinator)
10. Galina Kuznetsova (WB – PEMPAL Secretariat Team Coordinator and TCOP Resource Team member)
11. Naida Carsimamovic Vukotic (WB – PEMPAL Network-level Advisor and BCOP Resource Team Member)
12. Yelena Slizhevskaya (WB – TCOP Resource Team Member)
13. Lusine Grigoryan (WB – IACOP Resource Team Member)
14. Ksenia Malafeeva (WB – PEMPAL Secretariat)
15. Kristina Zaituna (WB – PEMPAL Secretariat)

1. Opening of the meeting

Mr. Thomas Stauffer welcomed participants. Minutes of the previous SC meeting, held on March 2, 2021, were endorsed.

2. Progress of implementation of the Activity Plan and related activities

Mr. Vatyan reported that the Medium-Term review (MTR) of Implementation Progress of PEMPAL Strategy was endorsed internally by the World Bank, concluding the extensive MTR process, which earlier included the external evaluation and adoption of the MTR inputs by the SC. He stressed that the World Bank management acknowledged the SC's strong network leadership and the positive remarks made by Mr. Stauffer in the World Bank's MTR Decision Review Meeting. Mr. Stauffer noted that substantive and useful discussions were held in the World Bank's MTR Decision Review Meeting and that the role of the World Bank in the PEMPAL network is very important and positive. The final MTR report was circulated to the SC members within materials for this meeting, including Annexes on Strategy addendum and the new PEMPAL Strategy Implementation Activity Plan for FY22-25, which reflects the revised results framework indicators and revised risk mitigation activities.

Mr. Vatyan also informed the SC on the implementation status of the actions agreed during the previous SC meeting, noting that all four actions have been implemented, including the finalization of the external evaluation and the MTR report, organization of this SC meeting, and preparation of the proposed FY22 Action Plans, which were circulated to the SC for this meeting. He also reported on the progress in implementation of the FY17-22 Activity Plan, noting that all activities have been implemented, except for the Action 4 on cross-COP meetings. This Action was implemented only partially, since the cross-COP leadership meetings were not held since FY19 and a cross-COP plenary meeting has not been conducted yet in this Strategy period, all due to Covid-related traveling restrictions. The next face-to-face cross-COP leadership meeting (postponed due to the pandemic) is now indicatively planned in Bern on June 14-16, 2022.

The SC noted the progress in implementation of the FY17-22 Activity Plan and actions agreed during the previous SC meeting and endorsed the final MTR report including the PEMPAL Strategy Implementation Activity Plan for FY22-25.

3. Implementation Progress of the FY21 COP Action Plans and FY22 Proposed COPs' Action Plans

Summary notes of COPs' FY21 events and knowledge products were circulated to the SC for this meeting within the document on COP FY21 budget status (also attached below in Annex). COPs' FY22 Action Plans were also circulated to SC members prior to this meeting and are attached in Annex of these minutes.



Ms. Aynura Bakaybaeva, newly elected BCOP Chair, presented [BCOP's FY21 activities and events](#), noting that despite limitations to virtual work, FY21 has been very active and successful for BCOP, with more knowledge products than ever before and with the most contribution from member countries in terms of data and information collected on different budgeting aspects. She also presented the proposed BCOP's FY22 Action Plan. The thematic focus of BCOP in FY22 will be on the following topics: (i) step-by-step analysis of a spending review approach in an advanced country based on one specific spending review example in a selected sector, (ii) ways for Ministries of Finance to improve transparency and budget literacy/understanding within the budget planning process, and (iii) medium-term budgeting for baseline versus new policy scenarios.

Mr. Petru Babuci, IACOP Deputy Chair, and IACOP Resource Team members Ms. Lusine Grigoryan and Mr. Arman Vatyan presented [IACOP's FY21 activities and events](#), highlighting that FY21 was very successful for IACOP, which held and participated in more events than ever before in FY21, including the newly established practice of numerous joint events with the member countries. The events had a large number of participants, including high-level officials from member countries. Mr. Babuci also presented the proposed BCOP's FY22 Action Plan. The thematic focus on IACOP in FY22 will be on the following topics: (i) improved value and impact of internal audit, (ii) practical implementation of the audit cycle, (iii) the role of CHU in public sector reform coordination, and in internal audit and internal control, and (iv) synergy of integrity management and anti-corruption with public internal control.

Ms. Yelena Slizhevskaya and Ms. Elena Nikulina from TCOP Resource Team presented [TCOP's FY21 activities and events](#) and proposed TCOP's FY22 Action Plan on behalf of the TCOP Chair. FY21 was also very successful for TCOP and was marked with extensive and innovative work and events. In particular, TCOP's plenary meeting had high attendance and excellent discussions and knowledge exchange took place over four plenary meeting days in June 2021. The thematic focus of TCOP in FY22 will be refined once the responses to the thematic survey from member countries are finalized, but it will continue around the following four topics: (i) evolution of the role and functions of the treasury institutions, (ii) cash management, (iii) use of information technologies in treasury operations, and (iv) public sector accounting and financial reporting.

4. Adoption of FY22 Action Plans by the SC

The SC adopted the FY22 COP Action Plans submitted and presented by the COPs in this meeting, in the amount of USD 200,000 COP budget allocation per COP. The Action Plans presented by the COPs included smaller face-to-face meetings in the second half of FY22. The SC will revisit the COPs' budgets in its next meeting if traveling restrictions are lifted and full plenary is possible (with further reallocation of the activities within the current Action Plans).

5. PEMPAL Finances

Mr. Vatyan and Ms. Galina Kuznetsova reported on the status of received donor funding, the network's estimated FY21 actual costs, and members' and non-members' contributions in FY21. They and Mr. Stauffer thanked the Ministry of Finance of the Russian Federation for the final tranche of donor contribution to the program in the amount of USD 1,000,000. Mr. Vatyan informed that the World Bank team will be reaching out to all donors for adjusting the administrative agreements to extend the closing date of the program and for the EC to also revise the dates of the final two tranches to the program. The network's overall financial standing is good, significant savings are made in FY21 on the Resource Team and the Secretariat costs, while members' in-kind contributions are strong.

6. Next Meeting and SC Chair Elections

The next SC meeting will take place between November 22 and December 10, 2021. The Secretariat will explore the availability of SC members in that period and schedule a date accordingly. The SC Chair elections will be held during that meeting.



SUMMARY OF ACTIONS ARISING FROM THE MEETING

| | Action | Due Date | Responsible |
|---|---|--|---------------------------|
| 1 | Start reporting on the implementation of the PEMPAL Strategy to the SC using the PEMPAL Strategy Implementation Activity Plan for FY22-25 | To start with the SC meeting in November/December 2021 | WB, Secretariat |
| 2 | Amending the administrative agreements with donors to extend the closing date of the program and for the EC to also revise the dates of the final two tranches. | December 2021 | WB, SECO, Russian MOF, EC |
| 3 | Confirm the date and organize the SC meeting between November 22 and December 10, 2021. The agenda to include the SC Chair election. | November/December 2021 | WB, Secretariat |
| 4 | Start planning the cross-COP leadership meeting, if the travel restrictions allow. | November/December 2021 | SC |

ANNEXES:

1. Minutes of the Previous SC Meeting Held in March 2021



1a. SC Minutes
March 2 2021_eng.pdf

2. Status of Actions from the Last SC Meeting



2b. Status of Action
Plan from last SC me

3. FY17-22 Strategy Implementation Activity Plan Progress



2c. Implementation
of the Strategy Activit

4. COP Budgets as of June 2021



3. COP Budgets as of
June 2021-ENG.pdf

5. BCOP FY22 Action Plan



3a. BCOP Action Plan
FY22.pdf

6. TCOP FY22 Action Plan



3c. TCOP Action Plan
FY22.pdf

7. IACOP FY22 Action Plan



3b. IACOP Action
Plan FY22.pdf

8. PEMPAL Program Budget as of June 2021



5. PEMPAL program
budget table_June 20: