## PEMPAL Budget Community of Practice (BCOP) Action Plan for FY 2017

PEMPAL BCoP Action Plan for FY2017 presents the proposed activities of BCOP in the period July 2016 to June 2017. These have been linked to the PEMPAL Strategy for 2012-2017.

**The main mid-term objectives of the BCoP following from the PEMPAL Strategy are:**

**Output objective 1: PFM priorities of member governments in budget related areas of Ministries of Finance are addressed by BCOP.**

The BCOP Executive Committee will continue to identify member governments’ priorities within the annual plenary meeting, and within the established working groups, which are nominated by the most member countries as the most common PFM reform issues that require discussion. With this information, the Committee will endeavor to do their best to prioritize an action plan within the available budget and time constraints. This budget development and implementation will continue to be done within the budget management guidelines approved by the Steering Committee.

By way of background, the Wage Management Working Group finished activities in FY 2016 and a new Working Group was established on program budgeting. The Budget Literacy and Transparency Working Group, established in FY 2016 will continue its activities in FY 2017, given the ongoing priority of budget literacy, citizens budgets and citizens participation initiatives. It is currently working on a knowledge product which it hopes to finalize in FY 2017.

In addition to the annual plenary meeting of all members, and participation in the annual OECD Senior Budget Officers network meetings, back-to-back meetings for these two major face-to-face events will also be held to ensure cost-effective planning of activities. The BCOP Executive Committee will also take part in a meeting of all COP Executives Committees and the Steering Committee planned for early July 2016 to progress the development of the PEMPAL Strategy 2017-22.

During the period FY 2016 BCoP organized its activities around the **following four main themes which will continue during FY 2017**:

1. Sharpening tools for effective fiscal management (eg program budgeting and other tools).
2. Strengthening fiscal transparency and accountability with a focus on budget literacy, citizens budgets and public participation initiatives
3. Facilitating Knowledge exchange between a) OECD member and accession countries in Europe and Central Asia at SBO annual meetings b) between Budget related Departments of our 21 member country MoFs c) other COPs, through monitoring and sharing progress at annual cross-COP Executive meetings and quarterly Steering Committee meetings.
4. Expanding internationally available data on PEMPAL countries on e.g. budget transparency and program budgeting practices.

 (Under PFM priorities identified under Output Objective 1 in the plan at **Annex A**, each priority is categorized according to these themes.)

Looking back over the following FY2015-2016 period, the following PFM themes have been discussed within this framework and this work will be built on during FY 2017:

* Fiscal Consolidation (2015 plenary meeting)
* Fiscal rules for sustainable budgeting (2016 plenary meeting)
* Wage bill management (finalization of work of the group)
	+ Wage bill forecasting model (VC)
	+ Pay flexibility in the civil service (VC)
	+ MIS for Personnel Expenditure Management – Lessons from Turkey (VC)
	+ Improving HRM efficiency – learning from Latin America countries experience (VC)
	+ Wage bill management approach of Croatia (VC)
	+ Pay reform and wage bill management approach of Slovenia (Study Visit)
* Budgeting for fiscal space, inclusive growth, and performance budgeting (OECD SBO)
* Budget literacy and transparency
	+ Transparency and public reforms of South Africa (study visit by BCOP Executive Committee)
	+ Strengthening Budget Literacy - Learning from International Experiences (workshop, Poland 2015)
	+ Overview of international budget literacy practices (VC)
	+ Citizens budgets at the local level – Croatia (study visit)
	+ Learning from International and PEMPAL Experiences in Citizens’ Budgets and OBI (workshop, Belarus 2016)
* Program budgeting
	+ Participation in OECD Annual Meetings on Performance and Results (2014 and 2015)
	+ Participation in OECD performance budgeting survey (spring 2016)
	+ Program budgeting approach in Russia (VC)

Significant contribution by BCOP Executive Committee to the mid-term review of the PEMPAL Strategy 2012-17 was also provided, including making a submission, and providing examples of positive impact on PFM reforms by BCOP and quotes from senior levels showing support for PEMPAL. BCOP members also contributed via on-line survey. This work will feed into the development of the PEMPAL Strategy 2017-22 being conducted during FY 2017.

**Output objective 2: Quality resources and network services, supporting relevant PFM practices, are provided to BCOP members.**

The BCOP Executive Committee members will identify and share any related country documents that may be of use and upload them to the library. The BCOP Resource Team (comprising core team of Maya Gusarova, Deanna Aubrey, and Naida Carsimamovic from the World Bank) will also continue to identify technical resources that may be of benefit for members and have them translated and posted on wiki and circulated to support events. Zac Mills, who assisted the Wage Bill Working Group, will continue to provide ad hoc support where needed. Ksenia Galantsova will continue to provide administrative and logistical support to BCOP from the PEMPAL Secretariat. What to have translated will be based on an assessment of cost-effectiveness. Given the volume of materials that may need to be translated for the OECD Performance Budgeting Survey – for which the Program Budgeting Working Group plan to take part during FY2017 - an additional translation budget has been included in the plan. PFM experts in the thematic area under discussion, will also be identified and invited to meetings, on direction of the Executive Committee.

Knowledge products, including resources developed by the working groups, will be shared through wiki and the PEMPAL library. Each year the listing of useful links to materials provided for events held over the last several years will be circulated for the benefit of new members. Events will continue to be designed in a way that the needs of countries at all reform levels are addressed (eg more advanced PEMPAL countries will share their experiences, and those countries assessed as international good practice will be invited to share their experiences). Wiki and other technology solutions will continue to be trialed as they emerge and advance.

**Output objective 3: A financially viable network of budget professionals, committed to improving PFM practices in the ECA, is built and maintained.**

A membership analysis was conducted as part of the mid-term review of the PEMPAL Strategy, and it was found that target members are attending events. Membership will be continually monitored and any issues addressed. The BCOP Executive Committee will also take part in the development of the PEMPAL Strategy 2017-22 which will focus on strengthening the financial sustainability of the network. Improvements identified in monitoring in-kind and financial contributions as identified in the mid-term review process will also be supported.

BCOP will also continue its collaboration with the OECD SBO network given the benefits to members in being exposed to the discussions and work of a broader network, and any potential new collaborations that arise will be investigated. Participation in the OECD Performance Budgeting Survey will also involve benchmarking practices of PEMPAL countries and comparing them to those of OECD countries, thus facilitating closer ties with the OECD SBO network and contributing to OECD’s database on international practices.

**Output objective 4: Awareness of high government and political levels is raised regarding the benefits and value of engaging through BCOP.**

BCOP members will continue to promote the benefits of PEMPAL to high and political levels. BCOP countries are increasingly hosting events and efforts are always made for the Minister for Finance or Deputy Minister to open events, subject to availability. In addition, the participation of the highest-level civil servants in the PEMPAL events is on the rise – as indicated by the results of the mid-term review process. We are also continually collecting positive feedback provided from these levels as a demonstration of their support. BCOP will also continue to work where needed, to assist with the development and implementation of PEMPAL’s marketing program, including inputting to the development of the new PEMPAL Strategy 2017-22.

Information on BCoP activities, objectives, target audience, tentative locations and estimated budget of the events envisaged by the Plan is presented in **Annex A**. The tentative calendar plan of events and budget summary is presented in **Annex B.**

The following formats of events preferred by the BCoP members are included in the Plan:

1. BCOP plenary meeting of all members (only one per year, given the demands of the budget process)
2. Thematic video conferences (for purposes of two working groups a) budget literacy b) program budgeting in addition to face-to-face meetings scheduled along side other face-to-face events. A study visit is also planned for the program budgeting working group
3. Joint collaboration with OECD through input and attendance to the annual Senior Budget Officers meeting for Central, Eastern and South Eastern European (CESEE) region.
4. BCOP Executive Committee meetings (a minimum of four a year, three of which will be face-to-face in conjunction with the annual plenary, annual OECD SBO, and annual cross-COP Executive Committee meeting and one via video-conference. More will be held where needed to meet event preparation demands)

To maximize budget efficiencies where possible events will be held back-to-back with other events, to minimize logistical costs of face-to-face meetings.

The total BCoP Budget for FY 2017 is **USD 330 thousand as allocated by the Steering Committee.**

 **Annex А**

**BCOP Action Plan FY 2017**

| Activity | Type and *description of activity*  | Target participants | Place and duration  | Preliminary budget |
| --- | --- | --- | --- | --- |
| **Output objective 1: PFM priorities of member governments in budget related areas of Ministries of Finance are addressed by BCOP** |
| BCoP PFM priority theme:**1. Sharpening tools for effective fiscal management****4. Expanding international data on PFM practices (ie Benchmarking)** | 1. One plenary meeting *with topic to be chosen by Executive Committee as most common PFM theme selected by most member countries*2. Back to back meeting of Program Budgeting Working Group *(OECD performance budgeting survey)*3. One small-group study visit/workshop for Program Budgeting Working Group*In depth county case discussion on implementation of program budgeting* 4. One thematic video-conference of Program Budgeting Working Group *on World Bank study on performance budgeting shared by Ivor Beazley* | All 21 BCOP member countries (*about 70 members)*WG membersWG members (up to 15 people)WG members | Location - TBCDuration – **3 days****February or March 2017** (to be confirmed by hosts)Duration – **1 day**Duration **– 2-3 days**Location **– TBC**Fall 2016 TBC - Timing subject to availability of host country.Duration - **3 hours**Date – **Fall 2016** | USD 175.000Costs included in aboveUSD 40.000USD 500 |
| BCoP PFM priority theme: **2.0** **Strengthening Fiscal Transparency** | **1** One thematic video-conference of Budget Literacy and Transparency Working Group*Progressing Knowledge Product* **2**  One Budget Literacy Conference*To be attended by Working Group members***3**  Face-to-face meeting of Budget Literacy and Transparency Working Group *To be held back-to-back with Budget Literacy conference* | Members of the thematic Working Group on Budget literacy and Transparency *(about 20 participants)* | Duration – **3 hours** Date – **Fall 2016**Duration – **2-3 days**Date – TBCLocation - **Moscow**Duration **– 1 day** (Back-to-Back with Conference) | USD 500 USD 64.500Part of above costs |
| BCoP PFM priority theme: **3 Facilitating Knowledge Exchange****1 Sharpening Tools for effective fiscal management**  | 1. OECD SBO CESEE meeting *Addressing issues of relevance to OECD and PEMPAL countries in annual SBO format.*
2. Face-to-face Working Group meeting *to be held back-to-back with OECD SBO meeting on topic prioritized by members*
 |  *(approximately 20 BCOP people)*  | Duration - **3 days** (2 for SBO and 1 for back-to-back workshop and meeting of BCOP Exec Com) Date – **May 2017** TBCLocation – TBC by OECD | USD 40.000Part of above costs |
| **Output objective 2: Quality resources and network services, supporting relevant PFM practices, are provided to BCOP members** |
| **2.1** Use/ contribution to common PEMPAL network resources.  | Further additions to PEMPAL library and wiki *Uploading various materials originated from the BCoP events into the PEMPAL library, BCOP wiki. This will also include an annual update of the listing of useful resources for new members and development and/or translation of knowledge products* | BCoP members, BCoP Resource Team | On regular basis | 9000 (translations) |
| **2.2** Involvement of international experts  | Inviting international PFM experts to participate in preparation and implementation of BCoP events and surveys *Various inputs (presentations, questionnaires, comments to the prepared papers, etc) by PFM experts contracted to work with the BCoP* | International PFM experts contracted to work with PEMPAL BCoP | On the BCoP Executive Committee request | Will be covered from events budget in section 1 |
| **Output objective 3: A financially viable network of budget professionals, committed to improving PFM practices in the ECA, is built and maintained.**  |
| **3.1** Assessment of the level of effectiveness and usefulness of the participation of BCoP members in COP activities | Review of member feedback and implementation of improvements*Feedback survey reports and the MTR survey results report will be examined and areas of improvement identified and implemented*Ongoing review of membership quality*To ensure target members are participating to maximize peer learning and donor investment value* | BCOP Executive Committee, BCoP resource team | Following each event conducted within BCoP  |  |
| **3.2** BCoP Executive Committee activities  | Executive Committee meetings (1 videoconference and 3 face-to-face meetings[[1]](#footnote-1) are envisaged for this period)*Discussions on the BCoP current activities and preparation of future events* | Executive Committee members  |  | USD 500 (for VC)Face-to-face meetings held back to back with other events, so costs included elsewhere |
| **3.3** Joint activities of PEMPAL CoPs | Joint meeting of PEMPAL COPs Leadership*Discussions on the development of the PEMPAL Strategy 2017-22.*  | Members of all CoP Executive Committee (9 BCoP participants) and PEMPAL Steering Committee | Tentative location – **Bern Switzerland/Budapest Hungary**Duration - **3 days**Date – **early July 2016** | Will be financed from the PEMPAL general budget |
| **3.4** Participation in activities of the PEMPAL Steering Committee | Steering Committee meetings | BCoP Chair and deputies  | Meetings held every quarter subject to decision by Committee | Will be financed from PEMPAL general budget |
| **Output objective 4: Awareness of high government and political levels is raised regarding the benefits and value of engaging through BCOP** |
| **4.1** Increasing the level of awareness of the top managers of MOFs member countries about the results of BCoP activity | Targeted marketing and promotion of BCOP activities | Input to promotional reports and marketing plan. Also Executive Committee and BCOP resource team to identify and document any positive feedback and quotes made from senior levels. | Ongoing. |  |

 **Draft calendar plan of BCOP events for FY2017 Annex B**

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| --- | --- | --- | --- |
| # | **Event** | **Planned time**  | **Budget** |
|  |  **Events for July 2016- June 2017** |  | USD |
| 1 | BCOP Executive Committee participation in face-to-face Cross-COP Executive workshop to progress PEMPAL Strategy 2017-22 + BCOP Exec Com meeting | July, 2016 | **N/A** |
| 2 | Video-conference for BCOP Executive Committee on progress of action plan implementation  | November/December 2016 | **500** |
| 3 | Thematic video-conference for Program Budgeting Working Group on World Bank study of performance budgeting presented by Ivor Beazley  | Fall 2016  | **500** |
| 4 | Thematic videoconference of Budget Literacy and Transparency Working Group on knowledge product development | Fall 2016 | **500** |
| 5 | Study visit of Program Budgeting Working Group (TBC) | Fall 2016 | **40,000** |
| 6 | Plenary meeting + one Back-to-Back Meeting of Program Budgeting Working Group + BCOP Executive Committee meetings  | February/March 2017 | **175,000** |
| 7 | Small group meeting of OECD SBO + Back-to-Back Working Group Meeting + BCOP Executive Committee meeting– Location TBC | May 2017 | **40,000** |
| 8 | Budget Literacy Conference + Back-to-Back Meeting of Budget Literacy and Transparency Working Group - Moscow | TBC 2017 | **64,500** |

**(i) + 9,000 for translation needs for BCOP Working Groups TOTAL BCOP PLAN: 330,000 (i)**

1. Combined with the joint meeting of PEMPAL’s Executive in July 2016, Annual BCOP Plenary meeting February 2017, and annual SBO meeting in May 2017 [↑](#footnote-ref-1)