**MINUTES OF BCOP EXECUTIVE COMMITTEE MEETING**

**Wednesday, March 14, 2018, 10.30**

**Vienna, Austria**

**Participated:**

1. Anna Belenchuk (Chair – Russian Federation)
2. Gelardina Prodani (Albania)
3. Vahagn Arshakyan (Armenia)
4. Marina Tikhonovich (Belarus)
5. Emil Nurgaliev (Bulgaria)
6. Mladenka Karacic (Croatia)
7. Kanat Asangulov (Kyrgyz Republic)
8. Nikolay Begchin (Russian Federation)
9. Maya Gusarova (Resource Team)
10. Naida Carsimamovic (Resource Team)

**Observers:**

1. Ksenia Galantsova (Secretariat)

**Agenda items:**

1. **Welcome and update on key decisions/discussions from February 2018 Steering Committee meeting**
2. **Announcement of BCOP Executive Committee Deputy Chair(s)**
3. **Acceptance of the minutes of the previous meeting held in December 2017**
4. **Update on Working Groups:**
	* **Program and Performance Budgeting Working Group**
	* **Budget Literacy and Transparency Working Group**
5. **BCOP 2018 Annual Plenary meeting**
6. **BCOP Action Plan**
7. **Discussion on potential meeting to be organized for Deputy Ministers in Zagreb, Croatia, back to back with the OECD CESEE SBO meeting in May 2018**
8. **BCOP’s input to PEMPAL Steering Committee related to leadership strategic monitoring of the network**
9. **Other business**

**Minutes:**

1. **Welcome and update on key decisions/discussions from February 2018 Steering Committee meeting**

Ms Belenchuk welcomed all participants and reported on discussions and outcomes of the last SC meeting, held on February 14, 2018. During that meeting the preliminary results of the survey on PEMPAL impact was discussed. Response on PEMPAL impact is overall quite positive, with no respondents viewing PEMPAL as having low impact and many viewing PEMPAL’s impact as high.

At that SC meeting, it was confirmed the Cross-COP Executive meeting of all 3 COPs will be held in Budapest, Hungary, in the first week of July 2018. An organization committee for preparation of this event was established and BCOP Executive Committee needs to nominate its representatives that will participate in the work of the organization committee. Two meetings of this committee are envisaged, first to take place in April.

***Conclusions:***

* The Executive Committee decided that BCOP’s representatives in the organization committee for the preparation of the Cross-COP Executive meeting will be Ms Anna Belanchuk, Ms Mladenka, and Mr Kanat Asangulov.
1. **Announcement of BCOP Executive Committee Deputy Chair(s)** (BCOP Chair, Anna Belenchuk)

***Conclusions:***

* Ms Belenchuk announced that her Executive Committee Deputy Chairs are Ms Mladenka Karacic and Mr Kanat Asangulov.
1. **Acceptance of the minutes of the previous meetings** held in December 2018 over VC (to be circulated with agenda)

***Conclusions:***

* The Executive Committee accepted the minutes of the previous meeting that was held on December 21, 2017 via videoconference.
1. **Update on Working Groups:**
	* **Program and Performance Budgeting Working Group (PPBWG)**

Ms Naida Carsimamovic updated the Executive Committee on work of the Program and Performance Budgeting Working Group (PPBWG). Since the last Executive Committee meeting in December 2017, the main focus was to formalize the knowledge product on Performance Indicators in PEMPAL Countries: Trends and Challenges. Ms Carsimamovic explained that the draft formal product has been prepared and circulated to all BCOP members within materials for this plenary meeting. The participants will be invited to provide their comments to draft product based on summary presentation that will be given during this plenary meeting and the 50-slide set of the main information circulated as additional background material. Based on comments received during and after the plenary meeting, the PPBWG will finalize the formal product.

She also briefed the Executive Committee members on the successful workshop that was held a day before the plenary, after which the PPBWG decided that its focus of work for the next period will be on the topic of spending reviews. As the first step, the Resource Team and the PPBWG Lead will prepare a background paper on spending reviews, which will be presented at a PPBWG VC meeting in Fall 2019, based on which a template for collecting the information on challenges in conducting spending reviews in PEMPAL countries, which will then serve as a potential knowledge product on considerations that should be taken into account when conducing spending reviews in PEMPAL countries.

Finally, she reminded that the 2nd day of the plenary meeting will be dedicated to PPBWG.

Mr Begchin also informed the Executive Committee that the PPBWG will explore the possibility of facilitating the PPBWG country members’ participation in the new round of the OECD Performance Budgeting Survey. This will be discussed with the OECD.

* + **Budget Literacy and Transparency Working Group (BLTWG)**

Ms Belenchuk reported that the BLTWG’s knowledge product on citizens’ budgets has been praised by the international organizations such as GIFT and IBP, noting that the IBP asked for a permission to use it for discussions with students. Ms Belenchuk also notes that this knowledge product could be updated to include the IBP’s 2017 Open Budget Survey results, as the current version includes data of 2015.

Ms Gusarova reported that Ms Harika Masud from the World Bank is now assisting the BLTWG in its work on the knowledge product on public participation, which she will present on the 3rd day of this plenary meeting.

Ms Belenchuk also noted that along with the next OECD CESEE SBO meeting taking place on May 24-25 in Zagreb, Croatia, a GIFT workshop on digital tools, information technologies, and citizen engagement will be held.

Regarding future activities of BLTWG, Ms Gusarova reported that Portugal seems as the best option as they began spreading participatory budgeting to the national level since 2017. Resource Team had prepared and sent a request to the Ministry of Finance in Portugal for a potential BLTWG learning visit, however, no response was received. Ms Gusarova explained that based on other information from the World Bank, the Portuguese authorities may be overwhelmed with the increased international interest in their work and organization of several events. The resource team will discuss with GIFT options of organizing an event in Portugal and align a visit with it. Another potential option for a learning visit on public participation may be Scotland, based on GIFT's suggestion. This BLTWG learning visit has now been moved to FY2019.

Ms Belenchuk informed the Executive Committee that the Ministry of Finance of the Russian Federation will hold the Moscow Financial Forum on September 13-14, 2018, which will include discussion on topics of relevance for the BLTWG, and that BLTWG members are invited to participate. Mr Kanat Asangulov thanked Ms Belenchuk and the Ministry of Finance of the Russian Federation and noted that BCOP countries would be interested to attend. Ms Gusarova also thanked Ms. Belenchuk, noting that this is a high level event and that it is an honor to be invited. Before the next meeting of the Executive Committee scheduled for May, the Executive Committee will make the final decision on the BLTWG event schedule for FY2019, depending on the budget available.

1. **BCOP 2018 Annual Plenary meeting**

Ms Gusarova gave an overview of the agenda of the plenary.

She noted that Mr Alija Aljovic, who was assigned to moderate the 1st day of the plenary meeting had to cancel his participation in Vienna events due to last minute unforeseen health circumstances.

***Conclusions:***

* It was decided that Mr Emil Nurgaliev will moderate the first day of the plenary meeting instead of Mr Aljovic.
* The plenary moderators for each day will remind and encourage all participant to leave a feedback (positive and negative) at flipcharts during all days of the meeting.
1. **BCOP Action Plan**

Ms Carsimamovic informed the Executive Committee that due to some remaining uncertainties about the funding of the new PEMPAL Strategy, the initial resources currently allocated by the Steering Committee to each COP for FY2019 are 180,000 USD and some potential savings from FY2018. She also noted that it is expected that the Steering Committee will revisit FY2019 budgets in mid-2018, after which each COP will need to finalize their action plans for FY2019.

The Executive Committee held discussion on potential events and activities of the two working groups for FY2019, as well as the BCOP FY2019 plenary meeting.

In terms of two working groups, for PPBWG Ms Carsimamovic and Mr Begchin explained that based on the PPBWG discussions, a VC working session will be held on spending reviews in early Fall 2018, while for a potential face-to-face meeting, a learning visit to a country which is advanced in spending reviews was discussed. She noted that the PPBWG will need to decide on whether to participate at the meeting of the OECD’s Network for Performance and Results, which will take place in Tallin in late 2018, depending on the Steering Committee’s budget decisions and the number of PPBWG countries that will be invited by the OECD.

For the BLTWG, Ms Belenchuk and Ms Gusarova discussed the two potential face to face events, participation at the Moscow Financial Forum and a learning visit on public participation at national level to Portugal or Scotland. The final decision and timing of events will depend on the Steering Committee’s budget decisions.

Ms Carsimamovic reported on budgeting reform topics listed as the priorities for the BCOP countries in the BCOP pre-event survey conducted in February 2018. The most common priorities are related to topics of the two BCOP working groups. Overall most common priorities are:

* + 1. topics related to program and performance budgeting (i. programs, ii. performance indicators, and iii. monitoring and evaluations of expenditure including spending reviews);
		2. topics related to budget literacy and transparency (i. citizens’ budgets, ii. budget literacy, and iii. public participation); and
		3. Integrating capital budgeting/public investment in budget planning (assessing its effectiveness, prioritizing).

She noted that one option for the Executive Committee to consider applying the same approach to the FY2019 plenary as was applied to FY2017 and FY2018 plenary meetings - to dedicate one day each for each working group and devoting a half day to a new topic, which based on the pre-event survey results could be the topic of integrating capital budgeting/public investment in budget planning. However, Ms Belenchuk and Mr Begchin then noted that before introducing new topics, there may be need and space to discuss some of the topics which BCOP started discussing but not in much depth, such as fiscal rules or intergovernmental fiscal relations. They noted that for one of these topics creation of a new BCOP working group could also be considered. Ms. Gusarova noted that the influence of potential establishment of a new working group on BCOP budget should also be taken into account. Ms Prodani and Ms Tikhonovich noted that the topic of fiscal risks is very important and that it should be further explored, while Mr Nurgaliev noted that the topic of capital budgeting is also very important. It was proposed that the Executive Committee in its next meeting in May makes the final decision of the format and topics of the next plenary meeting.

Ms Carsimamovic reported that Uzbekistan proposed to host the BCOP 2019 plenary meeting, noting that the initial proposed data is March 2019.

***Conclusions:***

* The Executive Committee held preliminary discussion on BCOP events and activities for FY2019, while the exact events, activities, and timetable will be specified in the next Executive Committee meeting, noting that the final FY2019 COP action plans will depend on PEMPAL Steering Committee’s final decision on FY2019 COP appropriations, which is expected in mid 2018.
* The Executive Committee accepted Uzbekistan’s proposal to host the 2019 BCOP plenary meeting.
1. **Discussion on potential meeting to be organized for Deputy Ministers in Zagreb, Croatia, back to back with the OECD CESEE SBO meeting in May 2018**

Mr. Begchin noted that the original idea to invite Deputy Ministers was very interesting, but after a detailed examination, several questions and potential risks arise. It may be logistically challenging to organize the event in the case of attendance by some highest-level officials which may include security considerations. In addition, the topic of the event may not be interesting to high-level officials. Ms. Prodani added that the OECD is sending out separate invitations to some of the PEMPAL countries for the OECD CESEE SBO events in which it is noted that this event is most suitable for technical staff, so it may not be interesting for high-level officials. She noted that it may also not be most appropriate to invite such high-level officials to an event that is not PEMPAL event. Ms Karacic and Mr Begchin agreed. However, Mr Asangulov and Ms Tikhonovich noted that they had already talked with their Deputy Ministers, who expressed the interest to attend this meeting.

***Conclusions:***

* The Executive Committee decided to invite Executive Committee members to the events in Zagreb in May 2018, as well as one additional representative, an additional senior level official dealing with the issues to be discussed during the meetings.
1. **BCOP’s input to PEMPAL Steering Committee related to leadership strategic monitoring of the network –** announcement of the individual PEMPAL member survey to be used for the 2012-2017 PEMPAL Strategy Completion Report and BCOP input needed to PEMPAL Steering Committee for Implementation of 2017-2022 PEMPAL Strategy Action Plan on preparation of induction kits for new members(Anna Belenchuk/Naida Carsimamovic)

Ms Carsimamovic informed the Executive Committee that a survey of all BCOP members will be conducted soon, to be used for the 2012-2017 PEMPAL Strategy Completion Report. The survey will be based on the survey conducted previously for the Mid-Term Review of the 2012-2017 PEMPAL Strategy. In the case of non-responsiveness of some members, the Executive Committee members may be contacted to assist in reaching those members.

Ms Carsimamovic also explained that PEMPAL Steering Committee is seeking the input of COP Executive Committees related to the 2017-2022 PEMPAL Strategy Action 14 (*Communication and marketing plan for new Strategy to be developed, including induction kit for new members*) in terms of who should be developing induction kits and what their contents should be. Ms Nikulina suggested that amendments to this Action should be considered so that the COP Executive Committees participate in kit preparation and that it is clarified whether one induction kit should be prepared for each COP or one joint kit for all COPs. It is proposed that this is also further discussed at the next cross-COP Executive meeting. Following the discussion of the Steering Committee it was also suggested that each Executive Committee discusses it internally before the July cross-COP Executive meeting, at which it will be further discussed to decide how the Action will be reformulated. As IACOP already has some induction materials/processes, they can present it also present it at the cross-COP Executive meeting to be taken into account on final decision on this Action going further.

***Conclusions:***

* The Executive Committee believed that the induction kits should be developed for each COP separately, but include some introductory general remarks about PEMPAL. The COP induction kits should be developed by the respective COP Executive Committee with assistance of the Resource Team and they should be a short introduction on COP membership, leadership, and operations, including the process of deciding on BCOP Action Plans. The Executive Committee thinks that it is not possible for the BCOP induction kits to include detailed information about the content of BCOP topics and suggests that the kits include the list of resource materials of each COP by the main topics discussed by BCOP in the last five years.
1. **Other business**

***Conclusions:***

* The Executive Committee welcomed Mr Vahagn Arshakyan to the Executive Committee, as he will be representing Armenia in the Executive Committee after Mr Armen Manukyan’s departure from the Ministry of Finance in 2017.
* As per the policy of the Executive Committee of the PEMPAL Budget Community of Practice (referring to the conclusions of the meeting from April 11, 2017, circulated to Executive Committee members on June 28, 2017) and based on the absence of any representative of Turkey in the last two meetings of the Executive Committee (meetings on December 21st, 2017 and March 14, 2018), Turkey has been revoked from Budget COP Executive Committee.

Given this, there is room for potentially adding one more country to the BCOP Executive Committee, thus the Executive Committee members will observe BCOP members' contributions in this plenary meeting to identify any potential candidates (noting that active Moldovan participant was mentioned as a potential option) and discuss further in the next Executive Committee meeting.

* As Wiki page is closing this year, the Executive Committee decided to move all materials posted under internal BCOP Wiki space to a different platform, also for internal use only.
* The next BCOP Executive Committee will take place in Zagreb, Croatia in May 2018.