



## PEMPAL Budget Community of Practice (BCOP) Action Plan for FY2020 (*version as of March 2020*)

PEMPAL BCOP Action Plan for FY2020 in the attached **Annex B** presents the proposed activities of BCOP in the period July 2019 to June 2020 including event objectives and format, target participants, and estimated budget, for the revised budget scenario as of March 2020 – COP allocation of 250,000 USD plus the FY19 COP savings and taking into account postponement of face to face events due to COVID-19. These have been linked to the BCOP priorities as outlined in **Box 1** below and have been developed in the context of the PEMPAL Strategy for 2017-22. Additional BCOP activities related to ensuring the results of the PEMPAL Strategy 2017-22 are achieved are outlined in **Annex A** below.

### **Box 1 BCOP Priorities as per 2017-2022 PEMPAL Strategy:**

- 1) **sharpening tools for effective fiscal management** with primary focus on performance and program budgeting, while identifying member countries' challenges and priorities in other relevant areas;
- 2) **strengthening fiscal transparency and accountability** with focus on budget literacy, transparency, and public participation initiatives; and
- 3) **expanding internationally available data on budgeting in PEMPAL countries** through identification and sharing of budget-related good practices and benchmarking within and outside of the PEMPAL region.

An essential part of the BCOP Strategy, is the **provision of effective oversight and management of BCOP and PEMPAL by the BCOP Executive Committee.**

The following formats of events were included in the BCOP's original and this revised Plan:

1. BCOP plenary meeting of all members (one per year) – *this meeting was originally planned for March 2019 and has now been postponed to November 2020 due to COVID-9*
2. Thematic meetings (including face-to-face joint workshop of BCOP's two working groups, VC meetings of each working groups, and additional meeting to discuss new urgent topic of on fiscal response to the current COVID-19 emergency and the challenges related to budgeting).
3. Joint collaboration with the Organization for Economic Cooperation and Development (OECD) through input and attendance to the annual Senior Budget Officers (SBO) meeting for the Central, Eastern and South Eastern European (CESEE) region and participation of leadership of BCOP's Program and Performance Budgeting Working Group in OECD's Performance and Results SBO network – *the 2019 meeting held in July 2019, while the 2020 meeting originally planned for May 2020 has been postponed due to COVID-19*
4. BCOP Executive Committee meetings (including face-to-face and VC meetings)

**The BCOP Executive Committee will leads implementation of this Plan.** As of March 2020, the BCOP Executive Committee currently comprises of government budget officials from the Ministries of Finance of the following 7 countries: Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Moldova, and Russia. Since Anna Belenchuk from the Ministry of Finance Russian Federation who performed the role of BCOP Chair (*as per the most recent BCOP Chair election held in November/December 2018*) departed from the Ministry of Finance of Russian Federation in March 2020, BCOP Executive Committee will hold elections in April 2020, while until then Deputies Mladenka Karacic from the Ministry of Finance of Croatia and Marina Tikhonovich from the Ministry of Finance of Belarus will perform leadership roles. The BCOP Executive Committee usually brings together all 21 BCOP member countries in an annual plenary meetings,



with other activities focused around two key thematic areas with work conducted within established groups i.e. the Program and Performance Budgeting Working Group and the Budget Literacy and Transparency Working Group; with WG membership of 16 and 17 countries respectively.

**These two working groups continue to drive most of BCOP activities in FY20**, as the most common budgeting reform priorities of BCOP countries continuously include the topics of these working groups (based on formal collection of country priorities undertaken by BCOP on annual basis, most recently in February 2019). Another feature of BCOP's recent work and planned work for FY20 is further evidence of increased quality of the work carried by BCOP working groups through increased focus on developing knowledge products, through working groups.

**The Budget Literacy and Transparency Working Group (BLTWG), established in 2015, 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.** To do so, the group reviews the best international practices in the area of budget literacy, transparency, and public participation; exchanges experience among budget experts from the member countries in order to develop standardized approaches in these areas; and creates BCOP knowledge products based on accumulated outcomes of the group's work, such as guidelines for the implementation of reforms in these areas in PEMPAL countries. Seventeen BCOP countries are members of this group: Albania, Armenia, Bosnia and Herzegovina, Belarus, Croatia, Kazakhstan, Kosovo, Kyrgyz Republic, Moldova, Republic of North Macedonia, Romania, Russian Federation, Serbia, Tajikistan, Turkey, Ukraine, and Uzbekistan. The group has partnered and work closely with several international organizations, including the World Bank, the International Budget Partnership (IBP), OECD, and Global Initiative for Fiscal Transparency (GIFT). After initially focusing on the topic of budget transparency and access, including citizen budget, as well as reviewing best practices in budget literacy, the BLTWG has turned its focus to the topic of public participation in the budget process. In FY20, BLTWG expects to finalize its work on a knowledge product on public participation at the national level, as well as to work on developing a new knowledge product on participatory budgeting at the subnational level.

**The Program and Performance Budgeting Working Group (PPBWG), established in 2016, aims to identify main trends and lessons learned in program and performance budgeting design and implementation and spending reviews in developed and PEMPAL countries to improve spending effectiveness.** BCOP members have consistently identified program and performance budgeting as a priority area in their countries' budgeting reforms, including in the survey conducted in February 2019, thus BCOP formed and continues to have a group dedicated to these areas. Sixteen BCOP countries are members of this group: Albania, Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kosovo, Kyrgyz Republic, Moldova, Republic of North Macedonia, Russian Federation, Serbia, Turkey, Ukraine, and Uzbekistan. The group has an extensive partnership and cooperation with the OECD, including through participation in the OECD Performance Budgeting Surveys and participation and contribution to the OECD Network on Performance and Results. After focusing in previous years on taking stock of performance budgeting in member counties, examining performance budgeting practices in international country cases, as well as examining specific subtopic of performance indicators and program structure, the PPBWG has turned its focus on spending reviews. In FY20, PPBWG expects to examine most recent international best cases in spending reviews and start developing a knowledge product on spending reviews.

**Moreover, in FY20, these two BCOP working groups held the first joint workshop in Fall 2019 on the topics that are relevant for both groups – i) capturing citizens' satisfaction, perceptions, and engagement in performance indicators used for budgeting and ii) technical methodology and process for spending reviews in advanced countries.** In addition, the workshop served for progressing work on knowledge products for both working groups. These include the knowledge products on results of survey on performance budgeting and spending reviews (PPBWG) and public participation at national level (BLTWG), which



are expected to be completed in FY20, as well as initiating the work on the new knowledge products on spending reviews (PPBWG) and public participation at local level (BLTWG).

Key activities and focus of these groups for FY2020 are provided in both [Annex A](#) (as they pertain to achievement of the PEMPAL Strategy) and [Annex B](#) (in event calendar format with budget figures), with achievements and activities in earlier years included in PEMPAL Annual Reports and under BCOP activities available at the PEMPAL website [www.pempal.org](http://www.pempal.org) BCOP continues its close and valuable cooperation with other development partners, including the Organization for Economic Cooperation and Development (OECD), World Bank, the International Budgetary Partnership (IBP), and Global Initiative for Fiscal Transparency (GIFT).

### **Annex A: BCOP activities aimed at achieving the PEMPAL Strategy 2017-22 results**

The measurement of overall impact of BCOP activities has been strengthened with the start of implementation of the new PEMPAL Strategy with the implementation of a survey of all BCOP members (modelled on the IACOP approach). In addition to network-level PEMPAL impact survey of the high-level senior officials in the Ministries of Finances of PEMPAL member countries, BCOP has also started conducting the impact survey of its individual members. First such survey was conducted in April 2017 and the second one was conducted in February 2019. Increased focus will also be directed to strengthening the methodology and collection of success stories within BCOP. The third impact survey was planned to be conducted within the pre-event survey for 2020 plenary meeting, originally planned for March 2020 and now postponed to November 2020 due to COVID-19.

#### **PEMPAL Strategy 2017-22 Result 1: PFM reform priorities of member countries in the functional areas of budget, treasury, and internal audit/internal control, including cross-functional priorities, are addressed by the network platform.**

The BCOP Executive Committee will continue to identify member governments' priorities within the context of the annual plenary meeting, and within the established working groups. With the start of the new Strategy and in accordance with recommendations from the mid-term review of the last strategy, the BCOP Executive Committee formalized this process by collecting priorities via pre-meeting surveys issued before each plenary meeting of all members, starting with the 2017 plenary meeting and same approach has been implemented in 2018 and 2019. This FY2020 Action Plan is based on priorities collected from BCOP member countries in February 2019. With this information and that collected from ongoing face-to-face consultations within the working groups, the BCOP Executive Committee undertakes a prioritization process within the available budget and time constraints set by the Steering Committee. This is done as transparently as possible, with the Executive Committee meeting analyzing the collected country priorities within the pre-event survey of annual plenary meetings and presenting the results and planned approach to the entire BCOP membership during those annual plenary meetings and with the most common PFM reform issues being dedicated to annual plenary meetings. The budget development and implementation will continue to be done within the budget management guidelines approved by the Steering Committee.

Cross-functional priorities will also be investigated through the annual cross-COP Executive meetings, quarterly Steering Committee meetings, and review of other COP Action Plans to identify any synergies. The BCOP Executive Committee will also participate in the cross-COP Executive Committee meetings to



contribute to preparations for the next cross-COP meeting of all members. Starting in FY2019, BCOP also started collecting ideas for cross-COP priorities from BCOP members within the pre-event surveys for BCOP annual plenary meeting and will continue to do the same in the next years.

**PEMPAL Strategy 2017-22 Result 2: High quality and relevant network services and resources are developed and delivered to support the PFM practices and reform needs of member.**

The BCOP Executive Committee will continue to provide strong leadership and oversight of the BCOP and will meet regularly to monitor the implementation of the BCOP Action Plan and the PEMPAL Strategy. The BCOP Resource Team (comprising the core team of Iryna Shcherbyna, Naida Čaršimamović Vukotić, and Deanna Aubrey from the World Bank) will continue to identify technical resources both in the form of thematic materials and expert speakers/organizations to support events. Ksenia Malafeeva (World Bank) will also continue to provide high quality administrative and logistical support to BCOP as part of her role in the PEMPAL Secretariat, which will include ensuring the PEMPAL website is regularly updated and maintained (with the help of the BCOP Resource Team). Decisions related to what materials will be translated will be based on an assessment of cost-effectiveness in consultation with the BCOP Executive Committee, and materials will continue to be distributed electronically in line with the new Strategy's 'go green' initiative. Monitoring of the performance of these support mechanisms strengthened in this Strategy period with the inclusion of questions to members incorporated in the standardized post event surveys (i.e. questions on quality of services provided by event speakers, COP resource teams and COP Executive Committees). BCOP will continue to collect and analyze this data and use it for further improvement of its work.

As in the previous three years, BCOP's focus in FY2020 has continued to be on knowledge product development, with the Budget Literacy and Transparency Working Group (BLTWG) finalizing its knowledge product on public participation at national level and Program and Performance Budgeting Working Group (PPBWG) finalizing its knowledge product on performance budgeting current practices, challenges, and recommendations. BCOP Executive Committee introduced a review process for each knowledge product to capture learnings in the process of development and to monitor usefulness of the products developed, as per the current PEMPAL Strategy - starting in FY2019, BCOP collects feedback on quality of knowledge product from its members within the survey conducted prior to plenary meetings.

**PEMPAL Strategy 2017-22 Result 3: PEMPAL is a viable network which is supported by committed PFM professionals, member countries, and a range of development partners, who see the value and benefit in the network as a tool to improve member country PFM performance.**

BCOP continues its close cooperation with its development partners, including the Organization for Economic Cooperation and Development (OECD), the World Bank, the International Budgetary Partnership (IBP), and Global Initiative for Fiscal Transparency (GIFT). BCOP members continue to promote the benefits of PEMPAL to high and political levels including active participation in OECD meetings where presentations by PEMPAL are delivered. The Secretariat and Resource Team continues to collect attendance information about higher level officials opening BCOP events including capturing quotes made at opening speeches and hosted dinners with the help of the BCOP Executive Committee. The BCOP Executive Committee also continues to report any promotional activities involving PEMPAL such as media presence, television news reports, and releases on government websites, which will be collated in a central location by the PEMPAL Secretariat as part strengthened network-wide efforts in collecting and reporting on success stories as part of the new strategy.



The BCOP Executive Committee, as represented by 7 member countries facilitates a viable network by participating in regular BCOP Executive Committee meetings to maintain and grow BCOP and PEMPAL. The BCOP Chair/Deputy Chairs also attend quarterly Steering Committee meetings and report on BCOP's progress, opportunities and challenges while reporting back to the BCOP on network progress, decisions and results. The BCOP Resource and Secretariat teams continues to facilitate a viable network by targeting program savings through implementing the 'go green' initiative (as mentioned earlier). The BCOP Executive Committee also participates in network wide initiatives to strengthen member contributions during the period, where needed.

Each year the listing of links to knowledge resources and materials provided by BCOP over last several years will continue to be circulated for the benefit of new BCOP members. New members will continue be identified and welcomed at BCOP annual plenary meetings and informed of the induction materials.



## Annex B: Revised plan of BCOP activities for FY2020: LOWER BUDGET SCENARIO AND ADJUSTMENTS DUE TO COVID-19

#	Date	Event	Objective	Participants	BUDGET	Links to BCOP's Priorities
1	July 2019	<b>Small group meeting</b> – Attendance of small BCOP delegation (mostly Executive Committee countries) at the annual OECD CESEE Senior Budget Officers meeting  Minsk, Belarus	To examine priority reform topics and experiences of to the Ministries of Finance in the CESEE region and also use OECD SBO CESEE network as a platform to share PPEMPAL countries' achievements and progress with reforms. Topics chosen by OECD with some PEMPAL input collected from meeting held year before: key performance indicators, spending reviews, fiscal risks, and capital budgeting.	7 countries (16 attendees)	<b>USD 28,400</b>  (budget figure shows actual cost and is net of some cost sharing with OECD)	BCOP Priority 1. Sharpening tools for effective fiscal management  BCOP Priority 2. Strengthening fiscal transparency and accountability  BCOP Priority 3: Expanding internationally available data on PEMPAL countries
2	November 2019	<b>Small group meeting</b> – Two-day joint workshop of PPBWG and BLTWG held back to back with the participation of PPBWG leadership at the OECD Network on Performance and Results meeting  Paris, France	To examine good practices from advanced countries and assess potential application to PEMPAL countries in two subtopics: i) capturing citizens' satisfaction, perceptions, and engagement in performance indicators used for budgeting and ii) technical methodology and process for spending reviews. The workshop speakers in part sourced with in coordination with the OECD. In addition, the workshop served for progressing work on knowledge products for both working groups. Participation at the meeting of the OECD Network on Performance and Results allowed to learn about the current state of affairs and plans of OECD countries in performance budgeting reforms and to disseminate information about PEMPAL and PPBWG work.	13 countries (26 participants) for BCOP workshop and 6 members from PPBWG leadership for the OECD meeting	<b>USD 110,100</b>	BCOP Priority 1. Sharpening tools for effective fiscal management  BCOP Priority 2. Strengthening fiscal transparency and accountability  BCOP Priority 3: Expanding internationally available data on PEMPAL countries
3	Originally planned for March 2020, <b>postponed to November 2020</b>	<b>Annual face-to-face plenary meeting</b> of all BCOP members to discuss thematic PFM priority issue chosen by members. Based on BCOP countries' reform priorities collected in February 2019 the plenary will devote one day to the topics of each of the two BCOP WGs, while additional new topic - methodologies for costing reforms  Brussels, Belgium	This meeting will: i) provide the opportunity for BCOP member countries to review approaches and trends in costing methodologies and discuss possible approaches and options for PEMPAL countries, ii) provide the opportunity for broad BCOP membership to review the work of BCOP Working Groups, and iii) update members on BCOP progress since the last plenary meeting and report back on countries' priorities gathered in the pre-meeting survey to inform the development of the BCOP FY2021 Action Plan.	21 countries (approx. 70 attendees)	<b>USD 36,000</b> for "prepayment" for postponing to November 2020 to be paid in FY20, while the remaining costs are to be paid in FY21	BCOP Priority 1. Sharpening tools for effective fiscal management  BCOP Priority 2. Strengthening fiscal transparency and accountability  BCOP Priority 3: Expanding internationally available data on PEMPAL countries



5	Originally planned for May 2020, <b>postponed FY21</b>	<b>Small group meeting</b> – Participation at annual OECD SBO CESEE meeting and potential joint workshop of PPBWG and BLTWG held back to back with the participation of BCOP Executive Committee at the meeting of the OECD SBO CESEE Network  Sofia, Bulgaria	Topics of the OECD CESEE SBO meeting to be chosen by OECD with PEMPAL input collected from meeting held year before.	9 countries (approx. 10 attendees)	<b>USD 0</b>  (30.000 USD for originally planned for this event – since the event was postponed to FY21, no costs will be made in FY20)	BCOP Priority 2. Strengthening fiscal transparency and accountability  BCOP Priority 1. Sharpening tools for effective fiscal management
6	October 2019	<b>VC meeting of BCOP Executive Committee</b>	Conducted final preparation for November 2019 even and, monitored and progressed BCOP action plan implementation, including those activities in the PEMPAL Strategy 2017-22 and BCOP Chair's report on decisions made in PEMPAL Steering Committee meetings.	7 countries (approx. 8 attendees)	<b>USD 39,500</b>	Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee
7	February 2020	<b>VC meeting of BCOP Executive Committee</b>	Urgent meeting to make decisions on postponing BCOP 2020 plenary meeting due to CIVID-19 and discuss options for the revised work of BCOP for the remainder of FY20 and in FY21.	7 countries (approx. 8 attendees)		Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee
8	April 2020	<b>VC thematic meeting on fiscal response to COVID-19 emergency</b>	To discuss international organizations' advices and country experiences and challenges related to the the new urgent topic of fiscal response to the current COVID-19 emergency and the challenges related to budgeting	All 21 BCOP countries to be invited		BCOP Priority 1. Sharpening tools for effective fiscal management
9	May 2020	<b>VC meeting of Program and Budget Literacy and Transparency Working Group</b>	To finalize the work on PPBWG knowledge product; OECD and World Bank partners will also deliver presentations			BCOP Priority 2. Strengthening fiscal transparency and accountability
10	May 2020	<b>VC meeting of Program and Performance Budgeting Working Group</b>	To finalize the work on BLTWG knowledge product; OECD and World Bank partners will also deliver presentations			BCOP Priority 1. Sharpening tools for effective fiscal management
11	June 2020	<b>VC meeting of BCOP Executive Committee</b>	To monitor and progress BCOP action plan implementation	7 countries (8 attendees)		Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee
12	<i>Continuous throughout FY20</i>	<b>Translation, professional editing, and design of BCOP knowledge products</b>	<i>Includes translation of extensive materials related to WG knowledge products; translation of OECD Good Practices in Performance Budgeting for PPBWG, and professional editing and design of knowledge products.</i>	N/A		
<b>TOTAL FY20 BCOP COSTS</b>					<b>USD 214,000</b>	
<b>FY2020 SAVINGS TO BE CARRIED OVER TO FY21</b> (Note: Total BCOP FY20 Budget is USD 304,000, of which USD 54,000 were savings from FY19 mainly for the OECD CESEE SBO meeting in Minsk which was held in July 2019 instead of June 2019)					<b>USD 90,000</b>	

