



## PEMPAL Budget Community of Practice (BCOP) Action Plan for FY2021 (*version as of July 14, 2020*)

PEMPAL BCOP Action Plan for FY2021 in the attached **Annex B** presents the proposed activities of BCOP in the period July 1, 2020 to June, 30 2021 including event objectives and format, target participants, and estimated budget, for the COP allocation of 250,000 USD plus the FY20 COP savings and taking into account postponement of face to face events from FY20 to FY21 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 2017-2022. Additional BCOP activities related to ensuring the results of the PEMPAL Strategy 2017-2022 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 preferred by BCOP members are included in this Plan:

1. BCOP annual plenary meetings of all members– given the postponement of 2020 plenary meeting from March 2020 to November 2020, BCOP FY21 Action Plan includes two annual plenary meeting – annual 2020 meeting in November 2020 and annual 2021 meeting in May 2021
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.** The BCOP Executive Committee comprises of officials from the Ministries of Finance of the following 7 countries: Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Moldova, and Russia. Ms. Marina Tikhonovich from the Ministry of Finance of Belarus is BCOP Chair since April 2020 and Deputy Chairs are Mr. Nikolay Begchin from the Ministry of Finance of Russian Federation and Ms. Mladenka Karacic from the Ministry of Finance of Croatia. In FY21, the BCOP Executive Committee will bring together all 21 BCOP member countries in 2020 and 2021 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.

**It is expected that thematic focus of BCOP in FY21 will reflect the new budgetary challenges stemming from COVID-19 crisis.** BCOP already started examining the COVID-19 related budgeting and budgeting reform challenges in early April 2020 already in VC workshop devoted to this issue, as well as in additional three VC workshops held in May and June 2020, in which COVID-19 related challenges and potential impacts of specific themes covered in the workshop was also discussed. Potentially, a new working group may be formed on this. In addition, the two existing BCOP working groups are expected to continue to drive rest of BCOP activities in FY21, 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. 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. 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). An important feature of BCOP's recent work and planned work for FY21 is further evidence of increased quality of the work carried by BCOP working groups through increased focus on developing knowledge products, through working groups. Each of the two existing working groups is expected to finalize their current knowledge products (KPs) by end FY20 and they are expected to be officially launched in the November 2020 plenary meetings and widely distributed. These are PPBWG's KP *Performance Budgeting and Spending Reviews in PEMPAL Countries: Current Practices, Challenges, and Recommendations*, on which the PPBWG has worked since FY19 and the BLWTG KP *Public Participation in Fiscal Policy and the Budget Process at National Level – Establishing and/or Strengthening Mechanisms in PEMPAL Countries*, on which the BLTWG has worked since FY18. The plan is for the WGs to work on their next KPs in FY21 – BLTWG KP on exploring participatory budgeting mechanisms and PPBWG KP on spending review methodologies and processes. The discussions on these next KPs have been initiated in FY20 during the joint WG workshop in Paris in November 2019 and in collected written feedback from member countries on their suggestions on content of these next knowledge products. 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. 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. The World Bank also provides important content contribution to PPBWG.

Key planned BCOP activities for FY2021 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)

### **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. In addition to network-level PEMPAL impact survey of the high-level senior officials in the Ministries of Finances of PEMPAL member countries, BCOP also conducts impact surveys of its individual members on annual basis, within the pre-event online surveys



conducted props to each annual BCOP plenary meeting. Within these surveys, BCOP also collects concrete examples from member countries on how knowledge gained through BCOP assists their budgeting reforms.

**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. The topics of the 2020 annual plenary meeting moved to November 2020 were determined based on member countries' priorities collected in 2019, noting that some adjustments/expansion of the agenda of the November 2020 plenary meeting is expected to include new emerging urgency topics related to budgeting challenges related to COVID-19. Exact topics of other events planned for FY21 in this Action Plan will be based on further priorities that will be collected from BCOP member countries in Fall 2020 and ongoing consultations within the working groups, based on which the BCOP Executive Committee will, as usual, undertake 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. BCOP will also collect further ideas for cross-COP priorities from BCOP members within the pre-event surveys for BCOP annual plenary meeting.

**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, 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 several years, BCOP's focus in FY2021 will continue to be on knowledge product development. BCOP will continue to conduct 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. BCOP collects feedback on quality of knowledge product from its members within the survey conducted prior to plenary meetings. In addition, working group meetings are used to collect additional information and examples of how KPs are used. Moreover, in FY20, an additional online questionnaire was sent to members to collect additional and more detailed information on specific uses of current KPs and countries' needs and suggestions related to next KPs. BCOP Executive Committee and WG leadership analyzes all of this information in a transparent way when deciding on BCOP and WG activities.

**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 will 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 will continue 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 will also continue 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.

As in previous years, 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: Proposed plan of BCOP activities for FY2021

#	Date	Event	Objective	Participants	BUDGET	Links to BCOP's Priorities
1	November 2020  (meeting postponed from March 2020 due to COVID-19)	<b>Annual 2020 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 further activities.	21 countries (approx. 70 attendees)	<b>USD 104,000</b>  (in addition, the "prepayment" of USD 36,000 paid in FY20)	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 2020	<b>Small group/network exchange meeting</b> – Participation of PPBWG leadership at the OECD Network on Performance and Results meeting and back-to-back meeting of the PPBWG  Paris, France	Participation at the meeting of the OECD Network on Performance and Results will allow PPBWG 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. In PPBWG meeting the work on PPBWG knowledge product will be progressed.	6-8 members from PPBWG leadership for the OECD meeting	<b>USD 20,000</b>	BCOP Priority 1. Sharpening tools for effective fiscal management  ECOP Priority 3: Expanding internationally available data on PEMPAL countries
3	May, 2021	<b>Annual 2021 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 expected to be collected in November 2020  TBD  <i>BCOP Executive Committee also to take place</i>	This meeting will: i) provide the opportunity for BCOP member countries to review approaches and trends in the priority topic to be chosen based on members' priorities, 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 further activities.	21 countries (approx. 70 attendees)	<b>USD 147,000</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



4	June 2021 (TBD)  (meeting postponed from May 2020 due to COVID-19, new date TBD)	<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 40,000</b>	BCOP Priority 2. Strengthening fiscal transparency and accountability  BCOP Priority 1. Sharpening tools for effective fiscal management
5	October 2020	<b>VC meeting of BCOP Executive Committee</b>	To conduct final preparation for November 2020 plenary meeting and monitor and progress 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 21,000</b>	Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee
6	March 2021	<b>VC meeting of BCOP Executive Committee</b>	To conduct final preparation for March 2021 plenary meeting and monitor and progress 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)		Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee
7	<i>Continuous throughout FY21</i>	<b>Translation related to BCOP knowledge products</b>	<i>Includes translation of extensive materials related to WG new knowledge products to be initiated in FY21.</i>	N/A		

**TOTAL FY21 BCOP COSTS**

**(Note: This includes USD 250,000 of COP FY21 allocation, plus FY20 BCOP savings of USD 82,000 for events postponed from FY20 to FY21, from postponed March 2020 plenary meeting and May 2020 OECD CESEE SBO meeting)** **USD 332,000**