DAY 2:
GROUPS 7 and 8
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<th>Group 7</th>
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<td>Armenia</td>
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<td>Kyrgyzstan</td>
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Findings of discussions on Question 1

• All countries reported progress in transparency of public finance. Wide use of IT increases transparency of public finance.

• Efforts made to ensure participation of civil society in the budget process, from budget development to reporting on budget execution.

• In Armenia and other countries, there is a significant progress in implementation of program budgeting at the central and local levels.

• Tajikistan made substantial progress in implementation of internal audit.
Findings of discussions on Question 1

• Some countries register progress in implementation of IPSAS or development of national reporting standards in compliance with the international standards

• Public enterprises are included in the treasury system and reporting

• Higher requirements to budget execution reporting, including to how detailed information should be and how frequently it should be presented

• In many countries, the legislation strictly defines how to deal with citizens’ queries on use of budget resources
Findings of discussions on Question 1

• Wider use of non-fiscal information in planning and reporting

• Run transparency evaluations in order to identify strengths and weaknesses
Future plans

• Implement program budgeting at the central and local levels
• Apply IPSAS or develop national reporting standards in compliance with the international standards
• Develop internal audit systems
• Improve existing IT instruments reflecting information on use of public resources, including more detailed information, wider access and easier use
• Include public enterprises into the treasury system and reporting
• Implement successful experience of Russia and other countries shared at this PEMPAL event
• The group marked that it would be useful to develop some recommendations to the content of government websites that inform on use of budget resources
Risks and challenges

- Additional resources are required
- Lack of qualified personnel and methodology
- Risks associated with low level of financial literacy
- Transparency ≠ nakedness (exposure)
- IT security
- Lack of qualified personnel and methodology
- Unfair or biased use of information
- The biggest risk of transparency is insufficient (in society’s view) transparency

SOLUTION:

- Clear definition of criteria and limits to transparency of information on use of budget resources
Thank you!