



MINUTES

PEM PAL Steering Committee meeting March 14, 2013; Video Conferencing

1. Present

Members: Salome Steib (Chair, SECO), Diana Grosu Axenti (IA COP Chair, Moldova), Angela Voronin (T COP Chair, Moldova), Gelardina Prodani (B COP Chair, Albania), Konstantin Krityan (B COP Deputy Chair, Armenia), Olga Koroleva (Ministry of Finance of the Russian Federation), Joop Vrolijk (OECD/SIGMA), Elena Nikulina (PEM PAL Task Team Leader, The World Bank), Marius Koen (The World Bank);

Permanent Observers to the Steering Committee (SC): Deanna Aubrey (PEM PAL PFM Advisor), Senka Maver (PEM PAL Secretariat);

Observers: Maya Gusarova (The World Bank Country Office, Russia), Arman Vatyan (The World Bank Country Office, Armenia), Ion Chicu (The World Bank T COP Advisor), Annes McGoogan (OECD/SIGMA), Nataša Verbnik and Robert Bauchmüller (both PEM PAL Secretariat).

2. Welcome and outline of the Steering Committee meeting agenda

The chair welcomed everyone attending and confirmed the agenda for the meeting. She also extended a warm welcome to Ms. Olga Koroleva, a new member of the SC representing the Russian MoF.

3. PEM PAL Rules of Operation

3.1. Background

The SC discussed draft Rules of Operation (RoO) at its December 2012 session, and decided to have the final draft of the RoO ready for approval by the March 2013 session. In the meantime, additional comments and suggestions would be collected, including from the OECD legal expert.

The updated version of the RoO – including comments from the SC members, but not yet from the OECD legal expert -- was circulated to the SC on January 25, 2013 (Attached as Annex 1). One comment was received on that version, namely to limit country representation in the Executive Committee (EC) to one, with a special provision extending the current situation with more than one country representatives in the EC until 2014¹.

In early February 2013 the OECD legal expert commented on the nature of the RoO, in particular in regards to the PEM PAL's legal status, and how it affected program operations. His view, in short, was that if PEM PAL wanted to have »Rules«, the current rules need to be rewritten to comply with the basic and universal principles of »Rules« with respect to managerial accountability of decision-makers, transparency of decision-making processes, predictability of decisions, absence of arbitrariness, and fair and equal treatment of members.

¹ Subsequently, after the Steering Committee meeting, the question was raised whether the decision to change the Rules of Operation into Operational Guidelines was a bit premature, as »Guidelines« are usually considered only as instructions and recommendations, and as such are not strict and legally binding, while, on the other hand, »Rules« are linked to managerial issue, which is closely related to accountability for a proper spending of the Trust Fund money. A suggestion was also made to have a clearer understanding of the role of the members of the Steering Committee and the »contribution to all three COPs«.

3.2. Discussion

The meeting expressed appreciation for the work done by OECD legal expert, who provided many valid comments, although some of them seem to affect the substance of the underlying principles that have already been previously agreed. The WB team felt that given that PEM PAL was not a legal entity but a program operating under the Trust Fund administered by the World Bank, the RoO were rather an internal program document of administrative nature, closer to »Guidelines«. As such, the »Guidelines« would normally, in the WB operational work, describe the program thematic focus, procedures, roles of different stakeholders, governance mechanisms, and provide for enough flexibility.

Therefore, a practical solution would be to use the term »PEM PAL Operational Guidelines« instead of »PEM PAL Rules of Operation«, as by nature the »Rules« are much more strict, while the »Guidelines« seem to be the ideal vehicle for the PEM PAL.

Therefore, the OECD legal expert, in light of his vast experience, should be asked to screen the »Guidelines« in order to make sure they are understood. A small working group including the WB team will be set up to work with the OECD legal expert, and, if need be, provide further clarifications on the substance.

In order to make sure the COPs could move with the implementation of the principles included in most recent version, postponing the SC approval until the next SC meeting would be undesirable.

3.3. Conclusions

- (i) The SC, in principle, approved the PEM PAL Operational Guidelines (formerly PEM PAL Rules of Operation);
- (ii) The OECD legal expert will be asked to edit /clarify the wording, and the WB team is available for additional clarifications;
- (iii) The deadline for the revision by the OECD legal expert is end-April; and, for the virtual review by the small working group and approval by the SC mid-May 2013.

4. Update on funding

The WB TTL updated the SC on available resources and planned spending for PEM PAL activities (see attached Annex 2).

4.1. Available resources

The PEM PAL continues to be in good financial shape. The discussions with the sponsors -- the SECO and the Russian MoF -- were successfully completed. As of March 2013, total confirmed resources available for FY13-16 spending amount to USD 8,345 K, including contributions of USD 4,975 K from SECO; USD 2,850 K from the Russian MoF; and, the unspent balance from FY12 of USD 520 K. Of USD 8,345 K, USD 5,405 K is available in FY13. Given that in total USD 10,540 K has been projected for the PEM PAL program over the next five years, additional USD 2,200 K will need to be secured to finance activities beyond FY16 for the entire window of the Strategic Plan.

The above amounts are net of administrative fee charged by the WB MDTF. The SECO contribution has been converted from CHF to USD at the current USD/CHF exchange rate.

Of USD 4,975 K contributed by SECO, the first installment of USD 995 K has already been received in August 2012, and the second of USD 1,990 K in March 2013; the remaining amount is expected to be received in two equal installments, in February 2014 and February 2015.

Of USD 2,850 K contributed by the Russian MoF, the first installment of USD 950 K has been received in September 2012, an additional contribution of USD 950 K in December 2012, and one more installment of USD 950 K will be transferred by July 2013.

4.2. Planned spending

For FY13, USD 2,415 K has been budgeted all together for PEM PAL activities. In March 2013, USD 2,316 K is expected to be spent in FY13. Of USD 2,316 K, USD 1,296 K for COPs activities, USD 30 K for the Type B

study visit, USD 70 K for leadership meetings (e.g., Paris Cross COP meeting), USD 480 K for resource teams, USD 40 K for the SC activities, USD 300 K for the Secretariat, and USD 100 K is a contingency.

For FY14, USD 2,746 K has been allocated all together for PEM PAL. Earlier, in December 2012, the budgeted amount for FY14 was lower, USD 2,530 K. This increase reflects (i) a change in the PEM PAL Secretariat line, in light of the move to full time Secretariat staff from part time staff; and, (ii) projected overrun for the resource teams given that the COPs requested more speakers for their activities, which have intensified.

5. Updated COPs budgets and action plans

An update on COPs budgets is a standard item on every SC meeting agenda. The COPs budget envelopes for each fiscal year are approved by the SC. The principles and limits for the use of the approved COPs budget are set by the Budget Management Guidelines that were endorsed by the SC in May 2012. The guidelines set three limits, which (i) apply to the COPs annual budgets (planned +/- 15%), (ii) individual events (planned +20%) and (iii) plenary events (USD 180 K + 20%). The Guidelines proved to be a helpful tool for the COPs, also providing for ownership and accountability in implementing their action plans. The Secretariat monitors the use of the COPs budgets and posts the updated tables on the website from time to time.

The Secretariat's background document (see attached Annex 3) briefed the SC on the status of the COPs budgets, showing the already implemented activities and those still in the pipeline for FY13, and concluding that all COPs budgets were, and were expected to stay through FY13, within the limits set by the SC and the Guidelines.

6. Next cross COP Plenary: venue and time

6.1. Background

The SC at its December 2012 session decided to confirm the timing/venue of the next Cross COP Plenary at its March 2013 session. The Secretariat's comparison table, prepared for the SC meeting, looked at the venue/timing of the next Plenary from two perspectives: ownership and expenses (see attached Annex 4). The table included four countries and five cities. The Secretariat has received in November and December 2012 the expression of interest in writing from three countries, Ukraine, Russia and Georgia. All three stressed the significance of PEM PAL agenda for their reform efforts, and were willing to share their reform experiences. Ahead of the March SC meeting, the Chair of the SC suggested that the venue of the meeting be discussed within each COP and that for the meeting clear views would be ready. She also indicated that, expressing the Swiss position, she would propose to hold the next Cross COP Plenary in Russia, for several reasons: convenient location; Russia as important donor and beneficiary; Russia as the Chair of the SC in 2014; and, Russia's G20/G8 chairmanship providing the opportunity to promote PEM PAL at a high political level.

6.2. Discussion

The representative of the Russian MoF, Ms. Koroleva, expressed Russia's strong interest to host the next Cross-COP Plenary in May 2014. Russia considers the PEM PAL program a useful instrument in their PFM reform implementation, also because PEM PAL has contributed to increased interest for multi-country experience sharing. Russia would be happy to promote PEM PAL, given its G20 and G8 chairmanship in 2013 and 2014, respectively. Transparency and accountability in PFM could be the topic of the next Plenary, also because it links nicely with the G8 (2014) agenda. The Russian MoF would be happy to assist with the logistics. The COPs supported the idea to hold the next cross COP Plenary in Moscow, and agreed with the proposed timing.

6.3. Conclusions

- (i) The next Cross-COP Plenary will be held in Moscow, Russia, on May 12-14, 2014;
- (ii) Topic and the concept of the next Cross-COP Plenary will be discussed in more detail at the next face-to-face Cross-COP and SC meetings in early July 2013.

7. 2012 PEM PAL Annual Report

7.1. Background

The emphasis of the 2012 PEM PAL Annual Report prepared by the PEM PAL Secretariat (see attached Annex 5) is on accountability. It shows various ways in which the PEM PAL as a program tries to demonstrate this accountability, both internally and externally, looking from the short term as well as long term perspectives, and evaluating its relevance. In this context, the 2012 Annual Report shows how the PEM PAL manages donors' funds, monitors performance through a set of various indicators, internal and external evaluations, etc.. It also provides an overview of the activities and initiatives that took place in 2012.

7.2. Discussion

The SC members commended the report prepared by the PEM PAL Secretariat for being very informative and focusing on the right topics. They also provided several valuable comments and suggestions.

As regards the Report's performance indicators section, suggestion was made to bring it to the attention of the COPs in order to discuss how to use these messages and lessons learned in practice. Specifically the collection and use of feedback through post-event surveys is of interest to the Steering Committee and is currently the subject of an internal WB analysis. Currently, the results of these surveys are reported back to the Steering Committee as part of the Secretariat's reports (refer to 2012 Annual Report, Section 5.3.1. and its Attachment 1).

7.3. Conclusions

- (i) The Secretariat should arrange for the publication of the PEM PAL 2012 Annual Report, in English, Russian and Bosnian version (150 / 100 / 70 copies), for the total cost not exceeding EUR 7,000;
- (ii) The PEM PAL PFM Advisor, Deanna Aubrey, will liaise with other Bank staff on the current WB analysis on post-event surveys and will incorporate the lessons learned and suggestions aimed at improving the use of feedback as one of the themes in the concept note for the proposed Cross COP July meeting.

8. PEM PAL Steering Committee Chairmanship

The Chairmanship of the SC was taken up by Marius Koen of the WB from Salome Steib of SECO for a period of nine months. Ms. Koroleva, representing the Russian Ministry of Finance, confirmed the Ministry would be happy to chair the SC from January 2014 on.

The new Chair, Marius Koen, was pleased with the opportunity to chair the SC, and said he would do his utmost to keep the PEM PAL's strong momentum. He thanked Ms. Steib for her excellent leadership, and praised her strategic vision and admirable way in which she led the SC discussions. Ms. Steib, who has been the Chair of the SC since December 2009, stressed how immensely she had enjoyed the work, and that for SECO, PEM PAL has become a role model for peer learning because of its many specific success factors.

9. Other

9.1. PEM PAL Secretariat contract

The WB TTL, Ms. Elena Nikulina, announced that the Center of Excellence in Finance (CEF) won a PEM PAL Secretariat contract in a competitive bidding. The contract will become effective on April 1, 2013. The CEF will continue to provide Secretariat services for another two years, with the full time staff. With the new contract, Robert Bauchmüller will take over from Senka Maver as a Head of the Secretariat team. A pre-launch VC meeting will be held with the WB team on March 25, 2013 to discuss the implementation of the new contract.

9.2. Next SC and Cross COP meeting

Conclusions

- (i) Next SC and Cross COP meetings will be held on July 1-3, 2013, face-to-face in Ljubljana (Slovenia), and will include internal COPs leadership meetings, discussion on core topics (Topics, concept and logistics of the 2014 Cross-COP Plenary; Using lessons learned to make PEM PAL

- efficient and effective; Amendments of the PEM PAL Operational Guidelines in light of Afghanistan's request for a PEM PAL observer status²), and the SC meeting;
- (ii) An initial draft of the concept note for the July 2013 Cross COP meeting will be prepared by Deanna Aubrey by end March and the guidelines for event preparation will be prepared by Robert Bauchmüller and the PEM PAL Secretariat. An Organizational Committee will be established shortly after to progress the event; it will include the three COPs Chairs and the WB team plus the Secretariat;
- (iii) The COPs Chairs should inform the COPs Executive Committees about the July 2013 Cross COP meeting, so that they can plan their time for the event.

Prepared by Senka Maver
PEM PAL Secretariat

Annexes:

Annex 1: PEM PAL Rules of Operation (Version January 25, 2013)

Annex 2: Update on funding

Annex 3: Update on COPs budgets

Annex 4: PEM PAL Plenary Comparison Table

Annex 5: PEM PAL 2012 Annual Report: See: <http://www.pempal.org/reports/>

² After the SC meeting the Russian representative informed the SC about a similar request by Morocco.

ANNEX 1

PEM PAL Rules of Operation

ARTICLE I – MISSION AND OBJECTIVES

Section 1. Mission

Launched in 2006, PEMPAL (Public Expenditure Management Peer Assisted Learning) is a network of practitioners in public financial management in Central and Eastern Europe as well as Central Asia referred to as “Europe and Central Asia” or ECA countries. PEMPAL aims to contribute to PEMPAL member governments more efficiently and effectively using public monies resulting from applying new public financial management practices. Peer learning, facilitated through learning events, study visits and resource materials, and in accordance with member driven action plans, is undertaken within three Communities of Practice (COP) called Budget COP (BCOP), Treasury (TCOP) and Internal Audit (IACOP), in three official languages, English, Russian and Bosnian, and presented through the PEMPAL web page (www.pempal.org).

Section 2. Objectives

These Rules of Operation (RoO) regulate the organization, activities and financial aspects of the PEMPAL network, and set out the functions and responsibilities of its constituent bodies.

Section 3. Membership

As of December 2012, the following countries are members of the PEMPAL network: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Hungary (IACOP only), Kazakhstan, Kosovo, Kyrgyz Republic, Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Tajikistan, Turkey, Ukraine and Uzbekistan.

Eligibility for country membership is considered by the Steering Committee through written application which will be considered within a month of submission.

Members from “High Income Countries” (as per the World Bank definition) are expected to actively contribute (financial or in-kind) for participation in PEMPAL activities.

ARTICLE II – ORGANIZATION

Section 1. Organization

The bodies of and parties to PEMPAL are:

- Community of Practice
- Steering Committee
- World Bank Task Team Leader
- Secretariat
- Resource Team
- Alumni.

Section 2. Community of Practice

Community of Practice (COP) is a learning partnership among practitioners, who find it useful to learn from and with each other about experiences and solutions in public financial management. They engage in joint activities and discussions, help each other, and share information. They also join forces in developing a shared repertoire of resources: experiences, stories, tools and ways of addressing challenges in public financial management reform that they face individually and collectively.

Members of the COP are public finance officials in the PEMPAL member countries, who have been nominated by public administration institutions that provide services to the governments in these countries’ existing functional areas of budget, treasury and internal audit as interpreted/evaluated by the Executive Committee of the respective COP.

Executive Committee (EC) is a governing body of a COP. Membership is determined through nomination by the current members of the EC through consideration of the level of active involvement of a member of the COP. Sub-regional representation is encouraged, and total membership is limited to up to nine country representatives (including the Chair of a COP), with no more than one representative per country having a voting right. Back up arrangements are encouraged to increase diversity and representation in the EC.

The EC contributes a vision for the PEMPAL network; provides overall guidance and leads the collaborative development of the COP strategy, action plan and budget; fosters informal and formal communication among members; encourages knowledge creation, sharing and learning; and, promotes accountability and participation.

Chair of a COP is appointed by the members of the EC in a confidential vote, overseen by an independent party, e.g. member of the Secretariat, whereby in the first round each member of the EC may nominate one person, and in the second round the two candidates with the highest number of nominations are voted on through a ballot (also may be electronically), with one vote per EC members from the same country. Resource persons may not vote. The Chair shall be elected for one year, and may be re-elected.

The Chair of a COP with support of deputy/ies contributes to the collective governance of the PEMPAL network; works at keeping members involved in the COP; and, promotes new activities, technologies and means of connecting the COP members.. (S)he also attends the Steering Committee meetings or designates a deputy to attend on her/his behalf, in order to represent the interests and issues of the COP; facilitates the Steering Committee's review and approval of the COP's action plans, budgets, strategies and other initiatives; and, contributes to the development, implementation and monitoring of the initiatives aimed at improving the effectiveness and sustainability of the PEMPAL network. The Chair of a COP should be known within the COP for her/his active contribution to the network and have extensive relevant experience in the COP functional area.

Section 3. Steering Committee

The Steering Committee (SC) represents the PEMPAL network. It is comprised of two representatives of the World Bank; two members of each COP, including the Chair; one representative of each sponsor that provides financial contribution to PEMPAL through the World Bank administered multi-donor trust fund (MDTF); one representative of each sponsor that provides annual financial assistance outside the MDTF of USD 100,000 or more; and, one representative of each sponsor that provides substantive annual in-kind assistance (for example providing active and effective support to all the three COPs). The Secretariat and Resource Team representatives act as permanent observers.

The SC sets the direction of the PEMPAL network; oversees the implementation of the PEMPAL's objectives and mission; adopts the decisions necessary for the PEMPAL's effective and efficient functioning; approves COPs action plans and budgets; approves country membership in the PEMPAL network; devises its own work program; provides guidance to the Resource Team; and, fulfils other tasks to ensure effective and sustainable functioning of the PEMPAL network.

The Chair of the SC is appointed by the members of the SC for one year and may be re-elected for another year. S(he) opens and closes all meetings of the SC; conducts debates; offers the floor to speakers and sets time-limits; resolves matters and puts them to vote; informs of results; signs documents; in coordination with the Secretariat, sets the agenda of the SC meetings; and, carries out other tasks entrusted to her/him by the SC.

The decisions of the SC shall be adopted by consensus.

Section 4. World Bank Task Team Leader

The World Bank Task Team Leader (TTL) is a representative of the World Bank responsible for approving activities within PEMPAL World Bank administered budget and assuring overall budget implementation. As such, the TTL makes the final decision on any World Bank administered spending and related issues that may arise, in consultation with the Secretariat. The TTL monitors and controls the work of the Secretariat and the Resource Team recruited by the World Bank, and reports to the SC on program and budget execution at least twice a year. The TTL is also responsible for fundraising activities including attracting new sponsors of PEMPAL.

Section 5. Secretariat

The Secretariat is an institution contracted to perform the PEMPAL Secretariat function, as defined by the contract between the World Bank and the Secretariat. As such, the Secretariat reports to the SC and the TTL.

The beneficiaries of Secretariat activities are members of the COPs, ECs, the SC and the Resource Team.

The main tasks of the Secretariat include providing logistical and administrative support to COP events and study visits as outlined in the COPs action plans; providing advice on managing the budget assigned to COPs action plans, and monitoring and reporting on budget execution, as well as sustainability of the network over time; establishing, revising and implementing policies and guidelines related to the administrative operation of the network (e.g. guidelines for event and study visit); maintaining PEMPAL program archives; administering the program web site; administering an electronic library of relevant documents and the "ASKPEMPAL" functionality to the website; facilitating communication between the members of the PEMPAL network, including facilitation of ECs and SC meetings; providing quarterly progress reports and annual program performance reports based on a wide range of performance information; implementing targeted marketing of PEMPAL and communication; supporting the work of the Resource Team and short term experts; and, other assignments as requested by the beneficiaries.

Section 6. Resource Team

The Resource Team is a group of thematic experts who provide professional expertise, coordination support, technical assistance, and strategic guidance on activities and events to the SC, EC and COP members.

Section 7. Alumni

All members of the COPs, representatives of the sponsors as well as experts are encouraged to continue to stay engaged with PEMPAL even after their retirement from the position that made them eligible for PEMPAL participation. They are able to contribute by maintaining and expanding the network through promotion of the benefits of involvement; by exchange of ideas and experiences gained from their current assignments; and by assisting with fundraising in order to ensure PEMPAL sustainability.

ARTICLE III – ACTIVITIES

Section 1. Events

Events are planned and devised by the ECs, and as such are included and budgeted in the COPs action plans.

Participation of maximum two people per PEMPAL member country will be sponsored by the PEMPAL for plenary meetings, unless the country (i) has membership on the EC, (ii) is a host country, and (iii) participants were requested to make presentations, in which cases the participation is increased accordingly. This cap applies to plenary meetings only. For smaller events, the EC determines the total representation by country, based on the nature of the event.

The Resource Team invited to participate on the event are also sponsored by PEMPAL.

The ECs are in charge of defining the lists of participants, and for sending the lists, through the Secretariat, for information to the SC.

Eligible institutions of the PEMPAL member countries may send more participants provided they cover their travel and accommodation expenses.

Section 2. Study visits

There are two types of study visits, Type A and Type B. The main distinction is based on the budget source from which the visit is paid.

PEMPAL contributes to the travel and accommodation expenses of a study visit lasting up to four working days and including a group of up to fifteen (15) participants, subject to ex-ante confirmation of the group size by the host country. PEMPAL may also cover the translation and moderation expenses.

The countries participating in the study visit are in charge of defining the lists of participants, and for sending the lists, through the Secretariat, for information to the SC.

Section 3. Resource materials

PEMPAL encourages creation of resource materials to help members of the COPs improve skills and knowledge, and facilitate change.

These resource materials include case studies, success stories, manuals, performance indicators, etc. through publications and virtual tools (e.g., virtual library and glossary of terms; frequently asked questions web portal; virtual meeting room; collective learning portals; etc.) to promote advances in public financial management reform.

ARTICLE IV – FINANCE

Section 1. Funding

The PEMPAL network is funded by its sponsors through financial contributions allocated through or outside of the World Bank MDTF, and in-kind contributions (e.g., providing experts to the Resource Teams).

Sponsors who are entitled to serve on the SC may display their logos on the PEMPAL products.

Section 2. Financing activities

All PEMPAL activities related expenses must be actual, economic and necessary, and in line with the usual practice in the public sector. The Secretariat shall refuse any payment, which does not comply with these criteria.

To assist COP Executive Committees to effectively manage their financial budgets, Budget Management Guidelines are provided in [ANNEX 1](#).

The Secretariat may request a member of the COP to reimburse the PEMPAL for the travel and accommodation expenses in case of non-attendance of more than one quarter of sessions of the COP activity without an acceptable justification.

ARTICLE V – AUDIT

The Secretariat shall have its annual financial statements audited by independent auditors in accordance with the generally accepted international auditing standards. These audited financial statements shall include PEMPAL activities, and separately present income, expenditures, assets and liabilities related to PEMPAL in a clear and transparent way (for example, by way of note or supporting schedule or statement).

The annual audited financial statements of the Secretariat shall be presented to the SC no later than six months after the end of the Secretariat's fiscal year.

The Secretariat shall ensure that all accounting records and documents evidencing expenses related to the activities funded by PEMPAL budget are retained until at least five years from the end of the specific fiscal year. These records shall be put at the SC's or sponsor's disposal at any time when requested during an audit of PEMPAL funds.

Institutions in the PEMPAL member countries shall ensure the right of the SC and the Secretariat to carry out audits or control on any final beneficiary whose expenses are reimbursed in full or in part by the PEMPAL financial contribution. The Secretariat shall supply the auditors all documents and information required for the performance of their duties and shall assist them in the fulfilment of their tasks.

ARTICLE VI – FINAL PROVISIONS

Effective (insert date), these RoO replace the earlier version of the RoO dated March 1, 2009, as amended on December 9, 2010; November 30, 2011; and, March 23, 2012.

ANNEX 2: Program budget under World Bank administration, FY13-FY16 , USD thous.

Resources available

as of
mar.13

MDTF

o/w SECO	4975	1st installment of \$995 thous. received in August 2012; 2d installment of \$1990 thous. received in March 2013, the rest of amount is expected to be received in two equal installments - Feb 2014, Feb 2015
Russian MOF	2850	first installment of \$950 thous. received in September 2012, additional contribution of \$950 received in December 2012; one more installment of \$950 to be received by July 2013
Unspent balance from FY12	520	
TOTAL confirmed resources available FY13-16	8345	
o/w resources available in FY13	5405	

For reference: Cost estimates included in PEMPAL Strategy 2012-2017, USD mln.

FY13	2,15
FY14	2,34
FY15	2,08
FY16	2,01
FY17	1,96
TOTAL	10,54

Spending

	FY13 APPROVED PLAN	FY13 EXECUTION			FY14	
		PAID + EXISTING COMMITMENTS	EXPECTED COMMITMENTS	TOTAL	APPROVED	PLAN
COP activities	1350	1176	120	1296		1076
Cross-COP activities						
leadership meetings	50	70		70		
type A study visits	70	30		30		70
whole network plenary meeting						450
Resource teams*						
o/w COP -specific	440	440	40	480		450
cross-COP		290	40	330		
150			0	150		
Steering Committee activities	40	40		40		50
Secretariat	200	300		300	400	**
TOTAL	2150	2056	160	2216	2496	
Contingency	265		100	100		250
GRAND TOTAL	2415	2056	260	2316	2746	

* breakdown is indicative

** amounts revised based on the outcomes of the Secretariat tender

ANNEX 3

Subject: Update on COPs FY13 budgets

This report is intended to brief the Steering Committee (SC) on the status of the COPs FY13 budgets. The message that it conveys to the SC is that **all COPs budgets are expected to remain, through the remaining months of FY13, within the approved limits set by the SC and the Budget Management Guidelines.**

At its session on May 15, 2012, the SC approved the COPs budgets for FY13 (July 1, 2012 to June 30, 2013) totaling USD 1,3 million, of which USD 393 K for B COP, USD 464 K for T COP and USD 429 K for IA COP³.

The Budget management guidelines (<http://www.pempal.org/rules/>) define principles that guide the COPs spending, and three limits to be applied with respect to the amounts endorsed by the SC: for COPs annual budgets (+/-15%); small group meetings (+20%); and, individual COPs plenary events (USD 180 K + 20%). All spending outside these limits requires prior SC approval. Information on COPs updated budgets is available here: <http://www.pempal.org/about/action-plans/bcop>.

The Table 1 below shows *indicative budgets* as approved by the SC, and the budgets' *upper (15%) limits*. The *Actual committed* column shows amounts earmarked for expenses for the events currently in preparation or just concluded, where the final financial statement is not yet available. The *Actual expenses* column includes the amounts from the final financial statements. The *Remaining budget* column shows the amounts that at present have not yet been allocated.

Table 1: COPs budgets as per March 1, 2013; amounts in 000 USD

#	COP	Indicative budget	Upper (+15%) budget limit	Actual committed	Actual expenses	Remaining budget g (=c-e-f)
a	b	c	d	e	f	g
1	B COP	393	452	332	11	50
2	IA COP (see Footnote 1)	429	493	180	228	36
3	T COP	464	534	229	196	39
4	Total (4=1+2+3)	1,286	1,479	741	435	125
5	Type B study visit	70			30	40

The Table 2 lists already completed events and those still in the pipeline. In CY2013, three events already took place: IA COP Risk Assessment working group meeting in Tirana; T COP study visit to Tallinn; and, B COP plenary in Tirana. Looking ahead, April will be busy with four events: two B COP study visits, one to Tbilisi and one to London; IA COP back-to-back Quality Assessment working group and plenary meetings in Tbilisi; and, T COP plenary in Kiev.

³ The SC in October 2012 approved an increase of USD 15 K of the IA COP budget, from USD 429 K to USD 444 K.

Table 2: List of FY13 activities; amounts in 000 USD

#	COP	Type	Topic	Venue / Time	Expenses
1. COPs activities in the first half of FY13					
1	All	Cross COP	Results Framework + French PFM system	Paris; Sep 3-6	33
2	IA	SV	Bulgaria's IA methodology and legislation	Sofia; Sept 24-27	37
3	IA	3 WG	Three b-t-b- WG meetings: RA, T&C, QA	Lvov; Oct 8-12	97
4	T	Plenary	Public sector accounting and reporting	Baku; Nov 6-8	149
5	IA	SV	Poland's PIFC system, CHU and QA	Warsaw; Nov 15-16	19
6	IA	WG	Risk Assessment WG meeting	Tirana; Jan 28-30	64
7	T	SV	Public sector accounting and reporting	Tallinn; Feb 6-9	36
8	B	Plenary	Selected aspects of program budgeting	Tirana; Feb 25-28	216 est
TOTAL 1 (=1+..8)					651 est
2. Type B study visit					
1	TypB	SV	Uzbekistan to Croatia's: Bdget and treasury	Zagreb; Oct 22-25	30
TOTAL 2					30
3. COPs activities planned for the second half of FY13					
1	B	SV	IT systems for budget planning	Tbilisi; Apr 15-18	50 est
2	IA	Plenary+1WG	Plenary plus QA WG meetings	Tbilisi; Apr 19 -24	180 est
3	B	SV	Per capita budgeting in education	London; Apr 23-26	66 est
4	T	Plenary	Financial management and control	Kiev; Apr 24-26	229 est
5	IA	SV	Executive Committee to Ireland and Portugal	June 2013, TBC	45 est
6	B	ExCom	ExCom mtg combined w/ SBO mtg in Latvia	June 2013, TBC	30 est
7	B	WG	WG on Knowledge Products, TBC	TBC	45 est
TOTAL 3 (=1+ ...+ 7)					645 est
TOTAL 1+2+3					1,326 est

Legend: WG: working group meeting; SV: study visit

Prepared by Senka Maver; March 6, 2013.

ANNEX 4: PEM PAL Plenary 2013/2014:

Comparison table

Expected date of the meeting: Q2 2014

Participation: 220 - 250; all amounts in EUR; Status: December 5, 2012

Criteria /Venue	Moscow	Russia St. Petersburg	Ukraine Kiev	Serbia Belgrade	Georgia Tbilisi
Availability of hotel/conference facilities	WB Office	WB Moscow office	WB Office	WB Office	WB Office
Convenience of travel / complexity of connections			Letter of interest received in November	Authorities considering the candidacy	Letter of interest received on Dec13
Availability of local support for the logistics					
Ownership of the country		Letter of interest received on Dec 13			Learning and sharing experience in PFM given many ongoing reforms. Positive experience with PEM PAL event organization (T COP in 2012; two events in Apr2013).
Relavance for PEM PAL agenda	Will take over Chairmanship of the SC in 2014. Positive experience with PEM PAL. Many ongoing reforms in PFM. Importance of PFM in the context of Russia's G20. Sucessful organization of the Moscow/Vladimir event.		Positive improvements in reforming PFM: new Budget Code, accounting and reporting standards, IA CHU and PFIC. Valuable experience with PEM PAL. Successfully organized two events (Yalta, Lvov).		
Travel cost (See Note *):					
a. From Central Asia, average	433	428	463	672	576
b. From SE Europe, average	331	470	375	251	549
c. Average	399	442	434	532	567
Hotel (see legend):	1	2	3	4	5
			110-133/165-	6	7
a. Standard room w/breakfast	224	235	197	115-140	265-305
b. Lunch/p.p.	See Note ***	62	43	40	25
c. Dinner /p.p.	66	75	59	40	38
Main conference room (250 persons)/day	See Note ***	3.287	2.366	1.961	See Note **
Conference room 1 (100 persons)/ day	5.230		946	5.190	gartis
Conference room 2 (80 persons)/day	1.618	1.096	1.619	980	3.243
Conference room 3 (70 persons)/day	1.494	628	872	980	gratis
					1.850
					1.050
					600
					138-220
					138-220
					500
					138-220

Note:

* Travel costs reflect quotes for January/February 2013; average price calculated as weighted average, assuming 2/3 participants from Central Asia and 1/3 participants from SEE.

** The hotel offers a package including lunch, coffee breaks and rent of the big conference hall for EUR 144/person/day.

*** The hotel offers a package including lunch, coffee breaks and rent of the big conference hall for EUR 105/person/day.

Legend for the hotels:

1. Royal SAS (Radisson), Moscow; 2: Grand Hotel Europe, St. Petersburg; 3: Astoria Rocco Forte & Angletere, St. Petersburg; 4: Hotel President, Kiev;
- 5: Intercontinental, Kiev; 6: Metropol Palace, Belgrade; 7: Hyatt Regency, Belgrade; 8: various hotels in Tbilisi (incl. Marriott, Courtyard, Holiday Inn, Sheraton, Radisson).

Legend for quality:

Good	Neutral
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