**PEMPAL TREASURY COMMUNITY OF PRACTICE (TCOP)**

**Minutes of the TCOP Executive Committee Meeting**

**January 26, 2022**

A regular meeting of the PEMPAL TCOP Executive Commmitte (ExCom) took place on January 26, 2021, in the videoconference (VC) format.

The meeting was attended by: Ms. Lyudmila Gurianova (TCOP Chair, MoF, Belarus), Mr. Ilias Tufan (Deputy Chair, MTOF, Turkey), Ms. Mimoza Pilkati (MoF, Albania), Mr. Levan Todua (MoF, Georgia), Mr. Nazim Gasimzade (MoF, Azerbaijan). Ms. Marina Sopova (Federal Treasury) took part in the ExCom on behalf of Alexandr Demidov, Mr. Tengiz Chikanaev (Treasury Committee of Kazakhstan) represented Anuar Dzhumadildaev. The World Bank was represented by Ms. Elena Nikulina (TCOP Resource Team Leader), Ms. Yelena Slizhevskaya (member of the TCOP Resource Team), Ms. Galina Kuznetsova (PEMPAL Secretariat Leader), and Ms. Ekaterina Zaleeva (PEMPAL Secretariat).

**Summary of Discussions**

1. **Update on the TCOP activities held since the last Executive Committee meeting** 
   1. *VC of the Thematic Group оn Cash Forecasting and Management (October 20, 2021)*

Ms. Elena Slizhevskaya summarized the results of the October 20, 2021 videoconference, during which representatives of the Treasury of Georgia presented their model of the Treasury Single Account (TSA) and approaches to forecasting and managing its balances. The videoconference and the quality of the speakers’ work were highly rated by attendees, which was reflected in the post-event feedback survey. Overall satisfaction with the event was 4.8 points on a 5-point scale.

The following topics were proposed by the survey participants as topics for future consideration by the Thematic Group: treasury experience in Albania, Hungary, Georgia, Russia and Turkey; technical aspects of cash management, debt management and cash forecasting arrangements (report templates, software solutions in use, etc.); TSA and subnational government balances; cash management risks; new tools used by e-Treasuries. The above proposals were noted by the members of the COP Executive Committee.

* 1. *Joint VC of the Korean Public Finance Information Service (**KPFIS) and Thematic Group on the Use of IT in Treasury Operations (November 18, 2021)*

Ms. Elena Slizhevskaya briefly described the results of the November 18, 2021 VC, during which KPFIS representatives informed the TCOP members about the goals and principles of KPFIS, the history of the dBrain information system, the planned features of the new generation of this system and the current business processes of the public procurement in the Republic of Korea. The videoconference and the quality of the speakers' work were also highly appreciated by the participants. Overall satisfaction with the event was 4.8 points. The members of the ExCom and the Resource Team agreed that the event was successful despite the non-standard time of the event due to the time difference, and the difficulty in organizing translation from/to the Korean language.

During the ensuing discussion, the ExCom members expressed their interest in continuing cooperation with the KPFIS, in particular to learn about the accounting and reporting functionality of the dBrain system (request from Georgia); budget planning and execution (request from Belarus); macroeconomic planning and reporting on the effectiveness of debt and liquidity management (request from Turkey). Members of the ExCom instructed the Resource Team to explore opportunities for continued cooperation with KPFIS in these areas.

The following topics were proposed in the post-event survey as topics for future consideration by the Thematic Group on the Use of IT in Treasury Operations: the experience of Hungary, Turkey, Russia, and European countries; algorithms for automation of treasury processes; application of new technologies, including artificial intelligence; distribution of functions for accounting and periodic/annual reporting between budget organizations, treasuries and ministries of finance; authorization of processes; complete elimination of paper-based documents in the workflow between treasuries and budget organizations; electronic invoices and interaction between the treasury and tax service information systems; treasury execution of expenses; linkages between payment orders, public procurement contracts and fiscal accounts. These proposals were noted by the ExCom members. Ms. Elena Slizhevskaya also noted that some of them are already reflected in the TCOP action plan (for example, by the VC on public accounting and reporting, scheduled for February 9, 2022).

1. **Discussion of the TCOP Action Plan for February-June 2022.**
   1. *Finalization and dissemination of two new TCOP knowledge products*

Ms. Elena Slizhevskaya informed the Leadership Group that the *draft report on the approaches of the TCOP member countries towards the organization of the TSA and cash management* was finalized taking into account the comments provided by representatives of the treasuries of Russia and Turkey. After its formatting is finalized and translation into all PEMPAL languages is updated, the report will be disseminated to TCOP members and posted on the PEMPAL's website. Ms. Elena Nikulina also noted that the mentioned report could be of great interest for the staff of international organizations and specialists of all countries dealing with TSA and cash forecasting and management, and the members of the Resource Team will be ready to present it to a broader audience. The proposal was supported by the ExCom members.

Ms. Elena Slizhevskaya informed the ExCom members that the *brief note on use of the Unified Chart of Accounts (UCoA) to respond to reporting requirements during the pandemic* was almost ready (comments from Kosovo representatives were received and taken into account) and would be distributed to the TCOP members and published on PEMPAL website in early February.

* 1. *VC of the Thematic Group on Public Sector Accounting and Reporting (Treasury of Russia), February 9, 2022.*

Ms. Elena Slizhevskaya informed the leadership that, in response to a request from the ExCom, the Resource Team invited the Treasury of Russia to participate in the next event of the Thematic Group on Public Sector Accounting and Reporting, and that the invitation was accepted by the Federal Treasury. On February 9, representatives of the Russian Federation will present the results of the pilot project to centralize the accounting and reporting functions at the Federal Government level, the main lessons learned as well as the plans for redistribution of the accounting and reporting functions between the different units of the general government sector. Ms. Lyudmila Guryanova thanked the Federal Treasury for their willingness to share their experience and noted that this topic is of great relevance for many TCOP countries, including Belarus.

* 1. *VC of the Thematic Group on the Evolution of the Role and Functions of Treasuries (Treasury of Albania), March 17, 2022.*

Ms. Mimoza Pilkati briefly presented the outline of the presentation to be delivered by the representatives of the Treasury Department of Albania, including the main risk management concepts, risks associated with treasury operations, as well as how these risks are reflected in the treasury business processes. Ms. Elena Nikulina thanked the Department of the Treasury of Albania for the willingness to share their experiences with colleagues and noted that the topic of risk management had already been touched upon several times during previous TCOP events, and that it seemed very interesting to move on to a more detailed discussion.

* 1. *VC of the Thematic Group on Cash Forecasting and Management (Ministry of Treasury and Finance of Turkey), April 2022 (TBD)*

Mr. Ilyas Tufan confirmed that his colleagues from the Ministry of Treasury and Finance are ready to present the results of the TSA reform to the TCOP colleagues. It was noted that the treasury information system is being improved and its functionality expanded; the number of institutions serviced through the TSA (most of the central government and extra-budgetary funds) has significantly increased. During the discussion of the possible date for the videoconference, the ExCom members and the Resource Team agreed that it should be set after determining the date(s) and concept of the upcoming plenary meeting in order to avoid overlaps in the schedule. The VC was tentatively scheduled for the second half of April 2022.

* 1. *Preparation of a new knowledge product on treasury functions of the TCOP member countries, including a discussion of a draft questionnaire*

Ms. Elena Nikulina reminded the leadership group that this new knowledge product will be prepared based on a survey of participating countries and invited the ExCom members to share their comments and suggestions on the draft questionnaire, she also invited the volunteers to test the electronic version of the questionnaire.

During the discussion the Leadership Group suggested that most of the questions should be supplemented with a field for additional text comments to enable respondents to explain their answers if necessary. The meeting participants promised to send their additional comments (if any) to the Resource Team no later than February 7. Ms. Lyudmila Guryanova, Ms. Mimoza Pilkati and Mr. Tengiz Chikanaev volunteered to test the electronic version of the questionnaire. Ms. Elena Nikulina thanked the ExCom members for their support and noted that this would allow to launch the survey in the second half of February.

* 1. *The TCOP 2022 annual plenary meeting (discussion on the dates, content and format of the event)*

The meeting participants discussed that at the time COP budgets were approved, there was an expectation that the 2022 plenary could be held in face-to-face format, but due to continued uncertainty about the pandemic and the long lead-time for the face-to-face events (at least 3 months) it would be advisable to hold the upcoming plenary in a virtual format.

Considering the experience of 2021 virtual plenary meeting, the ExCom members proposed to reduce the number of sessions to two or three, keeping the conceptual approach to the first day of the plenary meeting (discussions with participation of top treasury officials and international experts). Representatives of Azerbaijan, Georgia, Kazakhstan, Russian Federation and Turkey confirmed the possibility of their treasury heads' participation in the plenary meeting.

Most of the ExCom members proposed to make the topic of the forthcoming plenary meeting a cross-cutting one (without separate sessions for the thematic groups) and formulate it under the theme of the evolution of the role and functions of treasuries, based on the results of the February-March survey.

The virtual plenary meeting was tentatively scheduled for the middle to second half of May 2022. In case of significant improvements in the epidemiological situation, a face-to-face meeting may be considered in the fall of 2022 (representatives of Kazakhstan and Russia volunteered to host it in their countries subject to the epidemiological situation). It was decided to confirm the final format and dates of the plenary at the next TCOP ExCom meeting.

The TCOP ExCom members instructed the Resource Team to prepare a draft concept of the plenary meeting, which will be considered at the next ExCom meeting.

1. **Miscellaneous**

Ms. Lyudmila Guryanova noted that the post-event surveys sent to the participants were quite difficult and time-consuming to fill out and invited the members of the ExCom to submit their suggestions on how to reduce the number of questions in such surveys.

Lyudmila also noted that there is a vacancy on the Executive Committee and suggested to discuss the membership during the next meeting of the committe.

Ms. Elena Slizhevskaya noted that due to the new personal data policy of the World Bank the lists of event participants are no longer posted on the program’s website, but will be exclusively shared with events participants.

The next ExCom meeting is tentatively scheduled for March 2022.

**Key Meeting Outcomes and Decisions**

* The ExCom members requested the Resource Team to explore opportunities for continued collaboration with KPFIS on the topics discussed at this meeting
* February 9, 2022 confirmed as the date for the next VC of the Thematic Group on Public Sector Accounting and Reporting
* March 17, 2022 confirmed as the date for the next VC of the Thematic Group on the Evolution of the Role and Functions of Treasuries
* The date for the VC of the Thematic Group in Cash Forecasting and Management will be set after determining the date and the concept of the upcoming virtual TCOP plenary meeting (the VC is tentatively scheduled for the second half of April 2022)
* The deadline for the ExCom members to submit additional comments on the draft questionnaire on treasury functions is February 7, 2022
* The format (virtual or face-to-face) and dates of the plenary meeting to be confirmed at the next ExCom meeting
* The Resource Team was requested to prepare a draft concept of the plenary meeting to be considered at the next ExCom meeting
* ExCom membership to be discussed at the next ExCom meeting
* The next TCOP ExCom meeting is tentatively scheduled for March 2022