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

**Minutes of the TCOP Executive Committee Meeting**

**March 26, 2020**

A regular meeting of the PEMPAL TCOP Executive Commmitte (ExCom) took place on March 26, 2020 in the format of the videoconference (VC).

The meeting was attended by: Ms. Angela Voronin (TCOP Chair, MoF, Moldova), Ms. Lyudmila Gurianova (Deputy Chair, MoF, Belarus), Mr. Nazim Gasimzade (MoF, Azerbaijan), Ms. Mimoza Pilkati (MoF, Albania), Mr. Levan Todua (MoF, Georgia), Mr. Ilyas Tufan (MoTF, Turkey). Ms. Anna Alekseeva attended the meeting on behalf of the Federal Treasury of Russia, and Aigul Baiguzhina represented the Treasury Committee of Kazakhstan. The World Bank was represented by Ms. Elena Nikulina (TCOP Coordinator), Ms. Yelena Slizhevskaya (TCOP Adviser), Ms. Galina Kuznetsova (Secretariat Coordinator), and Ms. Ekaterina Zaleeva (PEMPAL Secretariat), all World Bank.

**Summary of Discussion**

1. **Update on the COVID-19 situation and its implications for the PEMPAL events**

Ms. Angela Voronin opened the meeting by briefing the leadership group on the decisions of the Budget and Internal Audit COPs to reschedule their face-to-face meetings to the fall and replace them with virtual events to be organized in spring-summer due to COVID-19 pandemic, and invited the participants to comment on the feasibility of the virtual mode of operation for the TCOP.

During the discussion that followed it was clarified that as of the day of the videoconference: the Belarus treasury operated as usual; the Treasury of Moldova operated as usual but is able to switch to remote operation; the Kazakhstan Treasury organized its operation in shifts with reduced working hours and shortened lunch break, an intergovernmental committee was working on simplification of the public procurement procedures; in Azerbaijan the majority of the public agencies, including the treasury, are working from home (one of the exceptions is the ministry of finance); officials in Georgia are working from home, with the core treasury staff attending the office in two shifts so that if one will be quarantined the next one will continue operating; Federal Treasury of Russia is also considering partial home-based arrangements to minimize exposure of the staff when using the public transport; in Albania part of the treasury staff is working from home, while another works in the office part time (in shifts) as their information system does not allow for remote access; it was also shared that many public institutions are closed in Turkey, with some of them operating part time.

Wrapping up the discussion the members of the *Executive Committee confirmed availability of their agencies to participate in the virtual events of the TCOP* and reiterated their interest in continuation of the knowledge exchange through the PEMPAL network.

Ms. Nikulina followed up by thanking the leadership group for their continued interest in the TCOP activities and informed the participants that the Bank staff is currently operating in the remote mode with limited access to their offices that allows to conduct videoconferences with simultaneous interpretation, but this option will not be available if access to the Moscow office restricted. It was agreed that *the Secretariat will investigate the options to organize simultaneous interpretation for the videoconferences on alternative (non-Bank) technological platforms*.

1. **Update on the TCOP activities held since the last Executive Committee meeting**

*Videoconference of the TCOP Thematic Group on Evolution of the Role and Functions of the Treasury (February 27, 2020)*

Ms. Yelena Slizhevskaya started by sharing the outcomes of the videoconference during which Mrs. Mimoza Pilkati (Director of the Treasury Operations Department of the Ministry of Finance and Economy (MoFE) of Albania and the member of the TCOP Executive Committee) shared with the TCOP peers the experience of Albania in clearing government expenditures arrears and improving commitment controls. The videoconference was attended by 23 participants from 10 countries, as well as by the representatives from the PEMNA network. The participants learned about comprehensive approach of the Albanian authorities that included development of the public financial management strategy, adoption of the law on late payments that defined due dates for the public contracts payments, introducing registration of the multiyear commitments, establishing the database of commitments and payment arrears, as well as improvements to the treasury information system to support these initiatives. The leadership group thanked Ms. Pilkati for her presentation which is highly relevant for many of the TCOP countries that are going through similar reform processes.

1. **Discussion on the revised approach to next TCOP plenary meeting (its timeline, etc)**

Ms. Nikulina started the discussion by updating the leadership group on the work undertaken by the resource team and the Treasury Committee of Kazakhstan to prepare the concept of the next plenary meeting. The preliminary outline of the plenary includes familiarization with the Kazakhstan treasury system and reforms during the first day of the meeting, discussions on cash management and forecasting on the second day, and looking into risks management in treasury operations during the third day. Ms. Aigul Baiguzhina followed up and provided the leadership group more details on Kazakhstan’s thematic inputs for the first day of the event. Ms. Baiguzhina also noted that Kazakhstan will also be interested to learn from the peers, especially on the topic of risk management in treasury operations, and Ms. Nikulina confirmed that the participating countries will be invited to share their relevant experiences at the event, including through participation in the news sessions. Ms. Guryanova advised the Kazakhstan Treasury to clarify during their presentations the types of the multiyear commitments that are registered and recorded in the treasury information system, and how these processes are organized, as well as asked the colleagues to share their progress in public sector accounting reforms, including IPSAS implementation and the use of accrual data in budget preparation. Ms. Aigul Baiguzhina took note of the proposal.

The leadership group discussed the potential dates of the plenary meeting and agreed *to reschedule it tentatively to the week of September 14, 2020*, conditional to normalization of the worldwide epidemiologic situation. The Secretariat was advised to revise the event preparation checklist accordingly. It was also agreed *to reconfirm the timing of the meeting during the next TCOP Executive Committee meeting tentatively planned for June 2020*.

1. **Discussion on other TCOP activities scheduled (to be scheduled) until the end of FY 2020**
	1. *Work on the knowledge product on optimization of the chart of accounts design.*

Ms. Nikulina informed the leadership group about good progress achieved by Mr. Mark Silins in his work on the new knowledge product on optimization of the Chart of Accounts design. Its next version was prepared by Mr. Silins in February, and reviewed and commened by the resource team in March. The next, close to final, version is expected to be ready in April. Ms. Nikulina explained that the paper became a comprehensive, detailed and, therefore, lengthy document, and its translation into two other network languages will require time. The leadership group agreed *to schedule the discussion on this knowledge product for the second half of May 2020*.

* 1. *Discussion of future VCs*

The leadership group agreed that two other thematic videoconferences could be organized in April and June. The resource team brough to participants’ attention recent blog of the International Monetary Fund on how to prepare public financial management systems to the COVID-19 challenges. The publication contains useful recommendations relevant for the treasuries’ operation, and the document was shared with the participants in advance of the meeting. The Executive Committee members agreed that this is a topical issue and exchange of experiences withing the TCOP countries will be highly useful. The leadership group agreed *to schedule the videoconference for the period of April 28-30, 2020* and advised the resource team and the Secretariat to proceed with preparing the videoconference.

It was agreed that the topic of the June videoconference will be discussed and agreed additinally.

1. **FY2021 TCOP action plan**
	1. *Discussion on the draft TCOP action plan for FY 2021*

Ms. Nikulina reminded the Executive Committee that regular allocation for the COP’s next year budget is USD250,000. This will be supplemented by FY2020 savings which due to COVID-19 outbreak and cancellation of the face-to-face events are estimated at USD160,000. The available budget allows the TCOP to organize in FY2021: i) one plenary meeting, ii) one small group workshop or a study visit for the cash management thematic group, iii) one joint workshop of the TCOP thematic groups on public sector accounting and reporting and on the use of information technologies in treasury operations, iv) a series of thematic videoconferences on the topics of interest for the members, as well as to support v) quarterly meetings of the Executive Committee. The leadership group discussed and agreed with the proposed approach conditional to normalization of the worldwide epidemiologic situation.

* 1. *Update on the preparations for July 6-8, 2020 Cross-COP Leadership meeting in Bern, Switzerland*

Ms. Nikulina informed the leadership group that decision on the possibility to hold the face-to-face Cross-COP leadership meeting in Bern is not made yet, and additional discussions are expected to be held during the Steering Committee meeting on April 21, 2020. The TCOP Executive Committee discussed that if the meeting in Bern needs to be rescheduled for later period the leadership group would appreciate an opportunity *to learn about operation of the Federal Treasury of Switzerland during one of the TCOP videoconferences* (tentatively in June 2020). It was agreed to raise the question during the next Steering Committee meeting.

1. **Other questions**

The draft inception guide was presented to the members of the Executive Committee. It was discussed that the guide will not only be aimed at new participants of the network but could serve a useful reference tool for the current members as it contains a summary and guiding links for the numerous topics discussed and resources developed by the TCOP during the years of its operation. *No material comments were received on the draft from the leadership group*. Ms. Nikulina explained that the draft guide is currently missing one annex on activities of the public sector accounting and reporting thematic group, and once the annex will be added the guide will be ready for posting on the webpage and distribution to the members as needed.

Ms. Voronin reminded the leadership group that during its last meeting it was agreed to include into the agenda of the next face-to-face Executive Committee meeting a vote on Aidyn Ashuev’s membership in the TCOP leadership group. This meeting was planned to take place in Kazakhstan in June 2020 back-to-back to the TCOP plenary meeting. Since the meeting is being postponed till September 2020 at the earliest Ms. Voronin proposed to hold elections in the virtual mode during this meeting. The members of the Executive Committee agreed with the approach and gave their *no-objection for including Mr. Aidyn Ashuev, the Head of the Treasury Committee of Kazakhstan, into the TCOP Executive Committee*.

**Key Meeting Outcomes and Decisions**

* The TCOP will continue operating in the virtual mode. The Secretariat will investigate the options to organize simultaneous interpretation for the videoconferences on alternative (non-Bank) technological platforms;
* To reschedule the next plenary meeting tentatively to the week of September 14, 2020. Dates to be reconfirmed in June 2020;
* To organize the videoconference on enhancing the operation of the treasury systems to address the COVID-19 challenges during the period of April 28-30, 2020;
* To schedule the videoconference on the new knowledge product on the optimization of the Chart of Accounts design for the second half of May 2020;
* If the Cross-COP leadership meeting in Bern to be rescheduled – to ask the Federal Treasury of Switzerland to replace it with a videoconference session;
* Mr. Aidyn Ashuev, the Head of the Treasury Committee of Kazakhstan, was elected a member of the TCOP Executive Committee;
* Next meeting of the Executive Committee is tentatively planned for June 2020.