



SUCCESS STORIES

USE OF IT IN TREASURY OPERATIONS

HISTORY OF DISCUSSIONS

Modern financial management information systems are a powerful tool for assuring transparency and efficiency of public finance management.

This is well understood in ECA countries, many of which have established well functioning national treasury information systems and are either considering or already moving towards expanding their functionality and creating on their basis integrated financial management information systems. Implementation of modern information systems within the treasuries of member countries, contribution and use of such systems for supporting different aspects of PFM reforms, as well as their integration with other information systems used by public authorities are therefore topics that appear regularly in the agendas of PEMPAL Treasury COP (TCOP) events.

In the early years, IT issues received a lot of attention at two consecutive plenary meetings of TCOP (2010 plenary in Chisinau, Moldova, and 2011 plenary in Astana, Kazakhstan). Besides, agendas of several smaller COP

meetings addressed various IT dimensions. During the meetings held in 2012 in Tbilisi, Moscow and Baku live demonstrations of financial management information systems of the hosting countries took place.

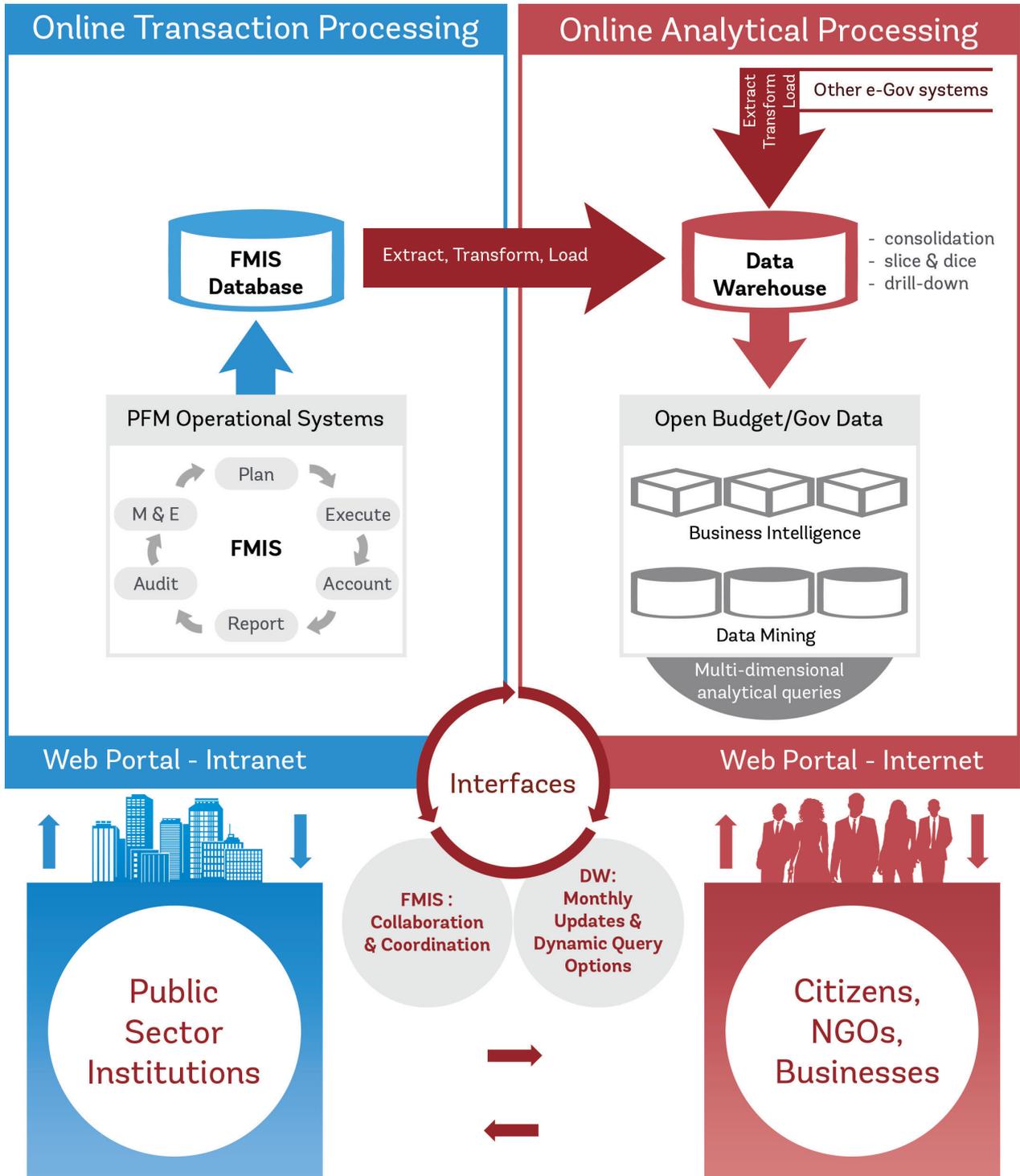
Since 2013 a new approach in addressing this topic was applied within TCOP by establishing a dedicated thematic group,

enabling deeper and more regular discussions on specific issues for the interested members from 10 TCOP countries (Albania, Azerbaijan, Belarus, Georgia, Kazakhstan, Moldova, Montenegro, Russian Federation, Tajikistan and Turkey). The group unites treasury specialists as well as IT specialists involved in development and maintenance of information systems operated by the Treasuries and/or Ministries of Finance. The group puts an emphasis on studying member country experiences as well as best international practices, with particular focus on practical lessons learnt from implementation of FMIS and live demonstrations of the systems' functionality. The group has also established a contact with the World Bank FMIS COP.

WHY INTEGRATED FMIS?

- GOAL**
- + Sustainable public resource management
 - + Effective public service delivery
 - + Open and accountable government

Integrated FMIS Solutions



Source: Issues of integration of FMIS as discussed and presented in the TCOP Working Group on use of information technologies in treasury systems.

Since its launch, the group conducted three thematic workshops, two study visits, and five thematic videoconferences.

- During the study visit to Ankara in November 2013 the group members had the opportunity to get familiar with the information system used by the Government agencies of Turkey for public finance management (GBS.NET). The visit was initiated by the colleague from Tajikistan who at that time were in the process of adapting the Turkish system to their needs.
- In October 2014 the group met in Minsk, focusing its discussions on selected issues related to FMIS projects implementation. During the event the group provided peer comments and recommendations on the “Concept of the new PFMS of the Republic of Belarus”.

Thematic group meeting in Minsk, 2014



- The March 2015 study visit to Seoul offered an opportunity to the group members to learn about the main features of “dBrain” information system used in the public finance management system of South Korea which is considered to be one of the most developed IFMI systems in the world.
- In October 2015 the group met in Tbilisi, to review Georgia’s experience in implementing the Public Finance Management System and discuss institutional models for organization of IT support function within Ministries of Finance / Treasuries.
- The group met again in Chisinau in June, 2016 to discuss how IT can change the role and functions of the Treasury. The members of the group learned from Moldova’s recent experience in implementing the new PFMS.
- The topics discussed through videoconferences included country experiences in information security (Azerbaijan, October 2013; Belarus, December 2015); treasury modernization projects implementation (Russian Federation, July 2014); interaction between the treasury system and the electronic procurement system (Georgia, June 2015); interaction with the service providers (Kazakhstan, April 2016).

WHAT HAS CHANGED AND HOW HAS PEMPAL HELPED?

The group membership enables the participants to gain valuable information and practical advice which are not otherwise available from other sources. The opportunities offered by the group are highly appreciated by the participants and group events receive a lot of attention from the members. Some examples of the group impact are provided below

- Tajik team deepened the understanding of the functionality of the Turkish information system which helped to adapt the system to the needs of Tajikistan
- Belarus colleagues used peer advice from the group in development of their Concept of new FMIS, which became the conceptual foundation for the ongoing work on the design of the new system
- Colleagues from Georgia got new ideas on integrating treasury information system with the procurement system during the visit to South Korea and demonstration of DBrain system
- Following the experience of other countries, State Treasury of Azerbaijan decided to undertake the review of business processes for budget execution with the focus on improving automation and integration
- Members of the group have deepened their understanding of practical issues related to organization of IT support function within the MoF / Treasury
- Members of the group became familiar with resources of the World Bank FMIS COP and are now able to access these for their needs

CONTACTS

Group leaders are:



Nazim Kasum-zade
Head of IT Department
of the Public Treasury
Agency of Azerbaijan

n.gasimzade@dxa.gov.az



Andrey Narchuk
Head of Prospective
Development
Department, Belarus
Ministry of Finance

a.narchuk@minfin.gov.by

The group activities are supported by the World Bank resource team including:

- **Mrs. Elena Nikulina**, PEMPAL program Team Leader
enikulina@worldbank.org
- **Mr. Ion Chicu**, TCOP Advisor
ichicu@worldbank.org

PEMPAL

PEMPAL SECRETARIAT

36/1 B. Molchanovka, str.
121069 Moscow, Russia
T: +7 495 745 70 00

Budget Community of Practice (BCOP)

T: ext. 2038
E: BCOP@pempal.org

Internal Audit Community of Practice (IACOP)

T: ext. 2002
E: IACOP@pempal.org

Treasury Community of Practice (TCOP)

T: ext. 2078
E: TCOP@pempal.org

www.pempal.org

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