

## **Minutes of the PEMPAL TCOP Leadership Group meeting, December 6th, 2012.**

TCOP Leadership Group held a videoconference meeting on December 6th, 2012.

The meeting was attended by: Mimoza Peco (Ministry of Finance, Albania), Vugar Mehman Nassyrov (Ministry of Finance of Azerbaijan), David Tsekvava (Ministry of Finance, Georgia), Zaifun Yernazarova (Ministry of Finance, Kazakhstan), Nazguli Duishembieva (Ministry of Finance of Kyrgyzstan), Angela Voronin (Ministry of Finance, Moldova), Natalia Sushko, Ludmina Voroshkevich (State Treasury of Ukraine), Rustam Boboev (Ministry of Finance, Tajikistan), Elena Nikulina (PEMPAL TTL, WB), Mark Silins (PFM Expert, WB), Ion Chicu (TCOP Advisor, WB).

### **Agenda items discussed:**

- 1. Baku workshop –main conclusions**
- 2. Kiev TCOP workshop preparation**
- 3. Study visit to Estonia**
- 4. Revision of the TCOP Activity Plan for 2012-2014**
- 5. Cooperation with other PEMPAL COPs**
- 6. Miscellaneous**

#### **1. Baku TCOP workshop**

The meeting started with a brief update on the status of the Baku TCOP workshop post-event activities performed by TCOP resource team. The workshop report has been prepared with support of Mark Sillins, international PFM expert working with TCOP. Full information related to the Baku workshop, including all presentations and small groups reports, has been posted on the TCOP wiki page and PEMPAL website.

Resource team has summarized the results of the survey conducted among Baku workshop participants. These results will be considered in the process of TCOP midterm Activity Plan revision.

The meeting participants have been informed about the results of the Evaluation Survey conducted following the Baku workshop. Very positive feedback has been received from all workshop participants who completed the survey. At the same time, there were some comments

suggesting improvements for some specific activities, and TCOP Leadership Group and PEMPAL Secretariat have to consider them in the future.

**Elena Nikulina** has suggested to the Leadership Group members to pay particular attention to the comments made by participants in their answers to the surveys conducted in Baku and to use this information while planning and organizing future TCOP events.

## **2. Kiev TCOP workshop preparation**

Discussions started with a brief update on the current status of the Kiev TCOP workshop preparation, provided by **Natalia Sushko**. Ludmila Voroshkevich and Natalia Sushko have been appointed to coordinate the process of the workshop preparation from the host country side. The information regarding possible options for the workshop venue will be provided by December 15<sup>th</sup>, 2012. Hosting country suggestions for the presentations demonstrating Ukraine's experience in developing treasury controls and some other PFM dimensions, have been communicated to the meeting participants. Approximately one day was suggested to be reserved in the workshop agenda for the hosting country presentations. The following presentations have been proposed by Natalia Sushko:

1. Treasury system in Ukraine;
2. Treasury control competences in Ukraine;
3. Preliminary and current control organization in the treasury system of Ukraine;
4. Treasury control competences in financial reports preparation;
5. Role of the IT systems in treasury activities in Ukraine;
6. Development of Internal Audit system in Ukrainian treasury;
7. Treasury competences in coordination the hiring of the chief accountants in the budgetary institutions in Ukraine.

Natalia Sushko has proposed to conduct a workshop preparatory thematic survey among TCOP members, in order to collect information regarding treasury control organization in PEMPAL member countries.

Videoconference participants have supported Natalia's suggestions for the proposed hosting country presentations. At the same time some additional suggestions have been made in this context. **Zaifun Yernazarova** and **David Tsekvava** have suggested the live demonstration of Ukrainian IT treasury system and to share hosting country's experience in developing and implementing the new information system in the treasury. **Mimoza Peco** has asked to reflect in presentations the budget revenues collecting data processing (through TSA). Natalia Sushko has expressed hosting country's availability to ensure the live demonstration of the existing treasury IT system, as well as functioning of the TSA in Ukraine. As for demonstration of the country's experience in developing and implementing the new IT system, an answer will be provided soon.

**Angela Voronin** has suggested to develop the workshop agenda considering the issues and topics agreed by TCOP Leadership Group members at the meeting in Baku. Also, TCOP

members suggestions expressed in the survey conducted in Baku have to be taken into account while designing the Kiev TCOP workshop agenda.

**Rustam Boboev** and **Nazguli Dushembieva** suggested to identify countries with successful experience in treasury control area and invite their representatives in Kiev (the case of France has been mentioned).

**Mark Silins** has suggested to invite representatives of Belgium to present their country's experience in Kiev, considering Belgium's recent transition from ex ante to ex post control approach in treasury activities.. Also, the case of Bulgaria or Croatia, as countries which recently joined EU, could be useful for TCOP members. Mark Silins has suggested to consider for discussions in Kiev the following issues:

1. Internal Control;
2. EU experience in implementing internal control framework, including internal control certification systems;
3. Internal Control in treasury activities;
4. Linkage between IC and treasury functions.

Mark Silins has suggested to TCOP leaders to prepare the list of questions they want to address in Kiev, as input into the preparation of the event agenda.

**Elena Nikulina** has advised the audience that TCOP workshop in Kiev is being prepared according to the standard Guidelines for event preparation adopted within treasury community. A new page has been created on the TCOP wiki page in order to post all information and materials related to workshop organization. As the workshop will be devoted to the treasury control issues, Elena suggested focusing the live demonstration of the Ukrainian IT treasury system on the issues related to the workshop main topic. If the workshop participants would have any specific questions regarding hosting country's IT system, they will have the opportunity to request bilateral meetings with Ukraine representatives. There was a suggestion to Natalia Sushko to provide the TCOP resource team with the list of proposed presentations of the workshop hosting country and their duration, by December 15<sup>th</sup>, 2012.

Elena Nikulina has informed the meeting participants about the status of the workshop Concept and preliminary agenda development. These drafts will be completed by December 20<sup>th</sup>, 2012 and submitted to the TCOP Leadership Group members for comments and suggestions (deadline – January 15<sup>th</sup>, 2013).

Also, the idea of conducting a workshop preparatory thematic survey has been supported by Elena. The survey should be jointly developed by TCOP Leadership Group members and TCOP resource team and be ready for distribution by February 15<sup>th</sup>, 2013.

Beside the above mentioned countries, Elena Nikulina suggested to ask the representatives of Russian Federation to present in Kiev their country's experience in treasury control system implementation. The Russian representatives have provided already the TCOP resource team with the documents related to the treasury internal control in their country. Also, the idea to

invite representatives of Bulgaria or Croatia has been supported by Elena Nikulina. She has suggested, also, to look for an example of a country with decentralized treasury system to present its experience in treasury control area in Kiev. Regarding the suggestions to invite French representatives to present France experience in treasury control area in Kiev, Elena has advised the meeting participants to assess additionally the rationale for including this country case in the event agenda. If confirmed, the resource team will launch the process of identifying the appropriate French representatives in order to invite them in Kiev.

The meeting participants have agreed to provide all needed support to the Kiev workshop Organizing Committee, comprising following members: Natalia Sushko, Angela Voronin, Zaifun Yernazarova and Vugar Abdullayev. Workshop logistical issues will be discussed and arranged by Ion Chicu, Natalia Sushko, Ludmila Voroshkevich and the PEMPAL Secretariat representatives.

### **3. Study visit to Estonia**

**Zaifun Yernazarova** has updated the meeting participants with the current status of preparation of the study visit in Estonia, devoted to topic of public sector accounting and reporting. An official confirmation has been received from the Ministry of Finance of Estonia accepting to host TCOP delegation in February 2013. Final dates of the visit will be established with Estonian counterparts by the end of next week. The list of participants to the study visit has been completed and submitted to the Estonian hosts. Zaifun Yernazarova will provide the TCOP Leadership Group with the visit draft agenda in few days.

**Elena Nikulina** has warned the meeting participants about the necessity to speed up the process of this study visit preparation, considering short time remaining till February and PEMPAL program requirements for events preparation (timely budget preparation, venue identification and reservation, etc.)

### **4. Revision of the TCOP Activity Plan for 2012-2014**

**Ion Chicu** has updated the meeting participants on the current status of TCOP Activity Plan revision and the related steps undertaken following Leadership Group meeting in Baku. The meeting participants have been provided with the first draft of the revised TCOP Activity Plan for 2013-2015, developed in line with the decisions taken in Baku and the results of survey performed among TCOP members in Baku.

**Elena Nikulina** invited TCOP leaders to participate more actively in the process of the Plan revision and to decide on the Plan development timeframe. The meeting participants have decided to complete the Plan revision by mid March 2013. Following discussions on this item held during the videoconference Ion Chicu will prepare an updated draft Plan and circulate it

among TCOP leaders. Their comments on the updated draft are expected by January 20<sup>th</sup>, 2013, and a new iteration of the draft Plan revision will follow after receiving relevant comments and suggestions. The updated draft Plan will be discussed at the TCOP Leadership Group meeting scheduled for the first decade of March 2013.

Elena Nikulina reminded the meeting participants about the decision taken in Baku to create small thematic working groups within TCOP and to reflect this process in the Activity Plan. TCOP members' preferences for joining this kind of working groups were specified in their responses to the Survey conducted in Baku. According to this data the updated Plan will envisage creation of several such groups. TCOP members will have to confirm their intentions to join these groups and nominate specific specialists.

The first in line is working group devoted to the issue related to Budget Classification and Chart of Accounts integration. This group will comprise Azerbaijan, Georgia and Ukraine. The group will be joined, as well, by Moldova and Kyrgyzstan, as countries with a successful experience in developing integrated BC and CA. The group will be supported by Mark Silins, one of the leading international experts in this area. By December 20<sup>th</sup>, 2012, TCOP leaders representing these countries will provide the information concerning specific specialists from their ministries appointed to join this working group.

**Mark Silins** has expressed his hope, that in the result of the BC&CA Integration thematic group activity some methodological documents could be developed, including some recommendations for BC and CA integration implementation.

## **5. Cooperation with other PEMPAL COPs**

TCOP leadership members have been informed about the interest expressed by the PEMPAL BCOP representatives to attend some TCOP events devoted to topics of common interest for both communities. TCOP leaders have decided to invite two representatives from each other PEMPAL COPs (IACOP and BCOP) to attend TCOP workshop in Kiev.

The meeting participants have been informed, also, about the invitation submitted by BCOP to the TCOP Leadership Group to delegate two representatives to attend the workshop devoted to the issues of program budgeting scheduled for February 26-28<sup>th</sup>, 2012 in Tirana, Albania. TCOP leaders will inform about their interest to attend this workshop by December 17<sup>th</sup>, 2012.

## **6. Miscellaneous**

The meeting participants have agreed on the timeline for the next TCOP Leadership Group videoconference, which tentatively will be held in the first days of March 2013. The final date of the meeting will be set closer to the event. The meeting agenda will include issues related to the Kiev workshop preparation and TCOP Activity Plan revision.

### **Main conclusions of the TCOP Leadership Group meeting:**

- TCOP leaders have agreed to apply conclusions and results of Baku workshop, including members feedback on surveys conducted there, in the community's future activities planning and implementation;
- Natalia Sushko will provide the TCOP resource team with the list of proposed presentations of the workshop hosting country and their duration, by December 15<sup>th</sup>, 2012;
- The live demonstration of the Ukrainian IT treasury system will be focused on the issues related to the workshop main topic – treasury control. If the workshop participants would have any specific questions regarding hosting country's IT system, they have the opportunity to request bilateral meetings with Ukraine representatives;
- Besides the experience of Ukraine, presentations from Russian Federation, Belgium, Bulgaria or Croatia, and possibly, France will be demonstrated in Kiev. Also, a country with decentralized treasury system will be identified and invited to present its experience in treasury control area in Kiev;
- Draft workshop Concept and preliminary agenda will be completed by December 20<sup>th</sup>, 2012 and submitted to the TCOP Leadership Group members for comments and suggestions (deadline – January 15<sup>th</sup>, 2013);
- A workshop preparatory thematic survey will be conducted among TCOP countries invited in Kiev. This survey should be jointly developed by TCOP Leadership Group members and TCOP resource team and be ready for distribution by February 15<sup>th</sup>, 2013;
- Kiev workshop will be prepared by the Organizing Committee, comprising following members: Natalia Sushko, Angela Voronin, Zaifun Yernazarova and Vugar Abdullayev. Workshop logistical issues will be discussed and arranged by Ion Chicu, Natalia Sushko, Ludmila Voroshkevich and the PEMPAL Secretariat representatives;
- Agenda of the study visit to Estonia will be developed by the end of December 2012;
- Based on discussions on TCOP Activity Plan revision held during the videoconference, Ion Chicu will prepare an updated draft Plan and circulate it among TCOP leaders. The new version of the plan updated according to TCOP leaders' comments and suggestions will be discussed at the TCOP Leadership Group meeting scheduled for the first decade of March 2013;

- The revised Activity Plan will envisage creation of several thematic working groups within the TCOP. One of them will be devoted to the issues of Budget Classification and Chart of Accounts integration;
- Two representatives from each of the other PEMPAL COPs (IACOP and BCOP) will be invited to attend TCOP workshop in Kiev;
- The next TCOP Leadership Group videoconference will be held in the first days of March 2013. The final date of the meeting will be set closer to the event;
- Ion Chicu will prepare and circulate the draft Minutes of the meeting.