## PEMPAL Budget Community of Practice (BCOP) Action Plan for FY2020 *(version as of October 11, 2019)*

PEMPAL BCOP Action Plan for FY2020 in the attached **Annex B** presents the proposed activities of BCOP in the period July 2019 to June 2020 including event objectives and format, target participants, and estimated budget, for two budget scenarios – lower budget scenario (i. COP allocation of 250,000 USD plus the FY19 COP savings) and higher budget scenario (COP allocation of 300,000 USD plus the FY19 COP savings). These have been linked to the BCOP priorities as outlined in **Box 1** below and have been developed in the context of the PEMPAL Strategy for 2017-22. Additional BCOP activities related to ensuring the results of the PEMPAL Strategy 2017-22 are achieved are outlined in **Annex A** below.

---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**Box 1 BCOP Priorities as per 2017-2022 PEMPAL Strategy:**

1. **sharpening tools for effective fiscal management** with primary focus on performance and program budgeting, while identifying member countries’ challenges and priorities in other relevant areas;
2. **strengthening fiscal transparency and accountability** with focus on budget literacy, transparency, and public participation initiatives; and
3. **expanding internationally available data** **on budgeting in PEMPAL countries** through identification and sharing of budget-related good practices and benchmarking within and outside of the PEMPAL region.

An essential part of the BCOP Strategy, is the **provision of effective oversight and management of BCOP and PEMPAL by the BCOP Executive Committee.**

---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The following formats of events preferred by BCOP members are included in the Plan:

1. BCOP plenary meeting of all members (one per year,)
2. Thematic meetings (for the purposes of the two thematic working groups, which will in the lower budget scenario include one joint face-to-face meeting of both WGs together and one VC meeting for each of the groups and in the higher budget scenario include two joint face-to-face meetings of both WGs together and one VC meeting for each of the groups).
3. Joint collaboration with the Organization for Economic Cooperation and Development (OECD) through input and attendance to the annual Senior Budget Officers (SBO) meeting for the Central, Eastern and South Eastern European (CESEE) region and continued participation of leadership of BCOP’s Program and Performance Budgeting Working Group in OECD’s Performance and Results SBO network
4. BCOP Executive Committee meetings (to be held regularly, face-to-face in conjunction with the annual plenary, annual OECD CESEE SBO, and annual cross-COP Executive Committee meetings and as needed via videoconference)

**The BCOP Executive Committee will lead the implementation of this Plan**. The BCOP Executive Committee currently comprises of government budget officials from the Ministries of Finance of the following 7 countries: Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Moldova, and Russia, with Anna Belenchuk from the Ministry of Finance Russian Federation performing leadership roles as BCOP Chair *(as per the most recent BCOP Chair election held in November/December 2018)* and and Mladenka Karacic from the Ministry of Finance of Croatia and Marina Tikhonovich from the Ministry of Finance of Belarus performing leadership roles as BCOP Deputy Chairs. The BCOP Executive Committee will continue to bring together all 21 BCOP member countries in an annual face-to-face meeting, with other activities focused around two key thematic areas with work conducted within established groups i.e. the Program and Performance Budgeting Working Group led by Nicolay Begchin from the Ministry of Finance Russian Federation, and the Budget Literacy and Transparency Working Group led by Anna Belenchuk; with WG membership of 16 and 17 countries respectively.

**In FY20, BCOP will continue to facilitate discussions on common challenges member countries are facing in an annual plenary meeting format, while for more focused discussions on specific issues and targeted assistance to member countries, it will facilitate information exchange and knowledge resource development through its two working groups**: Budget Literacy and Transparency Working Group (BLTWG) and Program and Performance Budgeting Working Group (PPBWG).

**These two working groups will continue to drive most of BCOP activities in FY20**, as the most common budgeting reform priorities of BCOP countries continuously include the topics of these working groups (based on formal collection of country priorities undertaken by BCOP on annual basis, most recently in February 2019). Consequently, BCOP will continue the practice started a couple of years ago - BCOP annual plenary meetings are formatted around the themes of two working groups, each planning for one day of the event, while additional most common priority topic introduced in the third day. Another feature of BCOP’s recent work and planned work for FY20 is further evidence of increased quality of the work carried by BCOP working groups through increased focus on developing knowledge products, through working groups.

**The Budget Literacy and Transparency Working Group (BLTWG), established in 2015, aims to learn from international experience related to improving budget literacy, openness, and access to citizens, as well as public participation in the budget process.** To do so, the group reviews the best international practices in the area of budget literacy, transparency, and public participation; exchanges experience among budget experts from the member countries in order to develop standardized approaches in these areas; and creates BCOP knowledge products based on accumulated outcomes of the group’s work, such as guidelines for the implementation of reforms in these areas in PEMPAL countries. Seventeen BCOP countries are members of this group: Albania, Armenia, Bosnia and Herzegovina, Belarus, Croatia, Kazakhstan, Kosovo, Kyrgyz Republic, Moldova, Republic of North Macedonia, Romania, Russian Federation, Serbia, Tajikistan, Turkey, Ukraine, and Uzbekistan. The group has partnered and work closely with several international organizations, including the World Bank, the International Budget Partnership (IBP), OECD, and Global Initiative for Fiscal Transparency (GIFT)*.* After initially focusing on the topic of budget transparency and access, including citizen budget, as well as reviewing best practices in budget literacy, the BLTWG has turned its focus to the topic of public participation in the budget process. In FY20, BLTWG expects to finalize its work on a knowledge product on public participation at the national level, as well as to work on developing a new knowledge product on participatory budgeting at the subnational level.

**The Program and Performance Budgeting Working Group (PPBWG), established in 2016, aims to identify main trends and lessons learned in program and performance budgeting design and implementation and spending reviews in developed and PEMPAL countries to improve spending effectiveness.** BCOP members have consistently identified program and performance budgeting as a priority area in their countries’ budgeting reforms, including in the survey conducted in February 2019, thus BCOP formed and continues to have a group dedicated to these areas. Sixteen BCOP countries are members of this group: Albania, Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kosovo, Kyrgyz Republic, Moldova, Republic of North Macedonia, Russian Federation, Serbia, Turkey, Ukraine, and Uzbekistan. The group has an extensive partnership and cooperation with the OECD, including through participation in the OECD Performance Budgeting Surveys and participation and contribution to the OECD Network on Performance and Results. After focusing in previous years on taking stock of performance budgeting in member counties, examining performance budgeting practices in international country cases, as well as examining specific subtopic of performance indicators and program structure, the PPBWG has turned its focus on spending reviews. In FY20, PPBWG expects to examine most recent international best cases in spending reviews and start developing a knowledge product on spending reviews.

**Moreover, in FY20, these two BCOP working groups will hold the first joint workshop in Fall 2019 on the topics that are relevant for both groups** – i) capturing citizens’ satisfaction, perceptions, and engagement in performance indicators used for budgeting and ii) technical methodology and process for spending reviews in advanced countries. In addition, the workshop will serve for progressing work on knowledge products for both working groups. These include the knowledge products on results of survey on performance budgeting and spending reviews (PPBWG) and public participation at national level (BLTWG), which are expected to be completed in FY20, as well as initiating the work on the new knowledge products on spending reviews (PPBWG) and public participation at local level (BLTWG). **In the higher budget scenario, an additional face-to-face meeting of Working Groups is also planned to be held back-to-back to the Executive Committee’s participation in the OECD CESEE SBO meeting in May/June 2019.** The Working Groups are expected to finalize their new knowledge products on spending reviews (PPBWG) and public participation at local level (BLTWG) in this Spring 2020 meeting, as well as to hold joint working sessions (to either deepen their examination on the joint topics started to be examined in the Fall 2019 joint WG meeting or to examine new topic - will be determined during the Fall 2019 joint WG meeting).

Key activities and focus of these groups for FY2020 are provided in both **Annex A** (as they pertain to achievement of the PEMPAL Strategy) and **Annex B** (in event calendar format with budget figures, for two scenarios – lower budget scenario and higher budget scenario), with achievements and activities in earlier years included in PEMPAL Annual Reports and under BCOP activities available at the PEMPAL website [www.pempal.org](http://www.pempal.org)

BCOP will continue its close and valuable cooperation with other development partners, including the Organization for Economic Cooperation and Development (OECD), the International Budgetary Partnership (IBP), and Global Initiative for Fiscal Transparency (GIFT).

**Annex A: BCOP activities aimed at achieving the PEMPAL Strategy 2017-22 results**

The measurement of overall impact of BCOP activities has been strengthened with the start of implementation of the new PEMPAL Strategy with the implementation of a survey of all BCOP members (modelled on the IACOP approach). In addition to network-level PEMPAL impact survey of the high-level senior officials in the Ministries of Finances of PEMPAL member countries, BCOP has also started conducting the impact survey of its individual members. First such survey was conducted in April 2017 and the second one was conducted in February 2019. Increased focus will also be directed to strengthening the methodology and collection of success stories within BCOP.

**PEMPAL Strategy 2017-22 Result 1: PFM reform priorities of member countries in the functional areas of budget, treasury, and internal audit/internal control, including cross-functional priorities, are addressed by the network platform.**

The BCOP Executive Committee will continue to identify member governments’ priorities within the context of the annual plenary meeting, and within the established working groups. With the start of the new Strategy and in accordance with recommendations from the mid-term review of the last strategy, the BCOP Executive Committee formalized this process by collecting priorities via pre-meeting surveys issued before each plenary meeting of all members, starting with the 2017 plenary meeting and same approach has been implemented in 2018 and 2019. This FY2020 Action Plan is based on priorities collected from BCOP member countries in February 2019. With this information and that collected from ongoing face-to-face consultations within the working groups, the BCOP Executive Committee undertakes a prioritization process within the available budget and time constraints set by the Steering Committee. This is done as transparently as possible, with the Executive Committee meeting analyzing the collected country priorities within the pre-event survey of annual plenary meetings and presenting the results and planned approach to the entire BCOP membership during those annual plenary meetings and with the most common PFM reform issues being dedicated to annual plenary meetings. The budget development and implementation will continue to be done within the budget management guidelines approved by the Steering Committee.

Cross-functional priorities will also be investigated through the annual cross-COP Executive meetings, quarterly Steering Committee meetings, and review of other COP Action Plans to identify any synergies. The BCOP Executive Committee will also participate in the cross-COP Executive Committee meetings to contribute to preparations for the next cross-COP meeting of all members. Starting in FY2019, BCOP also started collecting ideas for cross-COP priorities from BCOP members within the pre-event surveys for BCOP annual plenary meeting and will continue to do the same in the next years.

**PEMPAL Strategy 2017-22 Result 2: High quality and relevant network services and resources are developed and delivered to support the PFM practices and reform needs of member.**

The BCOP Executive Committee will continue to provide strong leadership and oversight of the BCOP and will meet regularly to monitor the implementation of the BCOP Action Plan and the PEMPAL Strategy. The BCOP Resource Team (comprising the core team of Iryna Shcherbyna and Naida Čaršimamović Vukotić from the World Bank) will continue to identify technical resources both in the form of thematic materials and expert speakers/organizations to support events. Ksenia Galantsova (World Bank) will also continue to provide high quality administrative and logistical support to BCOP as part of her role in the PEMPAL Secretariat, which will include ensuring the PEMPAL website is regularly updated and maintained (with the help of the BCOP Resource Team). Decisions related to what materials will be translated will be based on an assessment of cost-effectiveness in consultation with the BCOP Executive Committee, and materials will continue to be distributed electronically in line with the new Strategy’s ‘go green’ initiative. Monitoring of the performance of these support mechanisms strengthened in this Strategy period with the inclusion of questions to members incorporated in the standardized post event surveys (i.e. questions on quality of services provided by event speakers, COP resource teams and COP Executive Committees). BCOP will continue to collect and analyze this data and use it for further improvement of its work.

As in the previous three years, BCOP’s focus in FY2020 will continue to be on knowledge product development, with the Budget Literacy and Transparency Working Group (BLTWG) finalizing its knowledge product on public participation at national level and also working on developing a knowledge product on participatory budgeting at the subnational level, while Program and Performance Budgeting Working Group (PPBWG) will be working on its next knowledge product on spending reviews. BCOP Executive Committee introduced a review process for each knowledge product to capture learnings in the process of development and to monitor usefulness of the products developed, as per the current PEMPAL Strategy - starting in FY2019, BCOP collects feedback on quality of knowledge product from its members within the survey conducted prior to plenary meetings.

**PEMPAL Strategy 2017-22 Result 3: PEMPAL is a viable network which is supported by committed PFM professionals, member countries, and a range of development partners, who see the value and benefit in the network as a tool to improve member country PFM performance.**

BCOP will continue close cooperation with its development partners, including the Organization for Economic Cooperation and Development (OECD), the International Budgetary Partnership (IBP), and Global Initiative for Fiscal Transparency (GIFT). BCOP members will continue to promote the benefits of PEMPAL to high and political levels including active participation in OECD meetings where presentations by PEMPAL are delivered. BCOP countries are also hosting events and efforts will continue to be made for Ministers for Finance or Deputy Ministers to open events, subject to availability. The Secretariat and Resource Team will continue to collect attendance information about higher level officials opening BCOP events including capturing quotes made at opening speeches and hosted dinners with the help of the BCOP Executive Committee. The BCOP Executive Committee will also continue to report any promotional activities involving PEMPAL such as media presence, television news reports, and releases on government websites, which will be collated in a central location by the PEMPAL Secretariat as part strengthened network-wide efforts in collecting and reporting on success stories as part of the new strategy.

The BCOP Executive Committee, as represented by 7 member countries will also facilitate a viable network by participating in regular BCOP Executive Committee meetings to maintain and grow BCOP and PEMPAL. The BCOP Chair/Deputy Chairs will also attend quarterly Steering Committee meetings and report on BCOP’s progress, opportunities and challenges while reporting back to the BCOP on network progress, decisions and results. The BCOP Resource and Secretariat teams will continue to facilitate a viable network by targeting program savings through implementing the ‘go green’ initiative (as mentioned earlier). The BCOP Executive Committee will also participate in network wide initiatives to strengthen member contributions during the period, where needed.

Each year the listing of links to knowledge resources and materials provided by BCOP over last several years will continue to be circulated for the benefit of new BCOP members. New members will continue be identified and welcomed at BCOP annual plenary meetings and informed of the induction materials.

**Annex B: Calendar plan of BCOP events for FY2020: LOWER AND HIGHER BUDGET SCENARIOS**

| # | **Date** | **Event**  | **Objective** | **Participants** | **LOWER BUDGET SCENARIO** | **HIGHER BUDGET SCENARIO** | **Links to BCOP’s Priorities** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | July 2019 | **Small group meeting** – Attendance of small BCOP delegation (mostly Executive Committee) at the annual OECD CESEE Senior Budget Officers meetingMinsk, Belarus | To examine priority reform topics and experiences of to the Ministries of Finance in the CESEE region and also use OECD SBO CESEE network as a platform to share PPEMPAL countries’ achievements and progress with reforms. Topics chosen by OECD with some PEMPAL input collected from meeting held year before: key performance indicators, spending reviews, fiscal risks, and capital budgeting.  | 7 countries (16 attendees) | USD 28,400(budget figure shows actual cost and is net of some cost sharing with OECD) | USD 28,400(budget figure shows actual cost and is net of some cost sharing with OECD) | BCOP Priority 1. Sharpening tools for effective fiscal managementBCOP Priority 2. Strengthening fiscal transparency and accountabilityBCOP Priority 3: Expanding internationally available data on PEMPAL countries  |
| 2 | November 2019 | **Small group meeting** – Two-day joint workshop of PPBWG and BLTWG held back to back with the participation of PPBWG leadership at the OECD Network on Performance and Results meetingParis, France | To examine good practices from advanced countries and assess potential application to PEMPAL countries in two subtopics: i) capturing citizens’ satisfaction, perceptions, and engagement in performance indicators used for budgeting and ii) technical methodology and process for spending reviews. The workshop speakers in part sourced with in coordination with the OECD, so that the speakers from Ministries of Finance who will attend OECD P&R meeting speak at the BCOP workshop held prior to the OECD meeting. In addition, the workshop will serve for progressing work on knowledge products for both working groups. Participation at the meeting of the OECD Network on Performance and Results will allow to learn about the current state of affairs and plans of OECD countries in performance budgeting reforms and to disseminate information about PEMPAL and PPBWG work.  | 16 countries (approximately 30 participants attendees) for BCOP workshop and 6 members from PPBWG leadership for the OECD meeting | USD 90,000 | USD 90,000 | BCOP Priority 1. Sharpening tools for effective fiscal managementBCOP Priority 2. Strengthening fiscal transparency and accountabilityBCOP Priority 3: Expanding internationally available data on PEMPAL countries |

| 3 | February/ March 2020 | **Annual face-to-face plenary meeting of all BCOP members to discuss thematic PFM priority issue chosen by members. Based on BCOP countries’ reform priorities collected in February 2019 the plenary will devote one day to the topics of each of the two BCOP WGs, while additional new topic - costing methodologies**  **or expansion of a topic** *TBC*  | This meeting will: i) provide the opportunity for BCOP member countries to review approaches and trends in costing methodologies and discuss possible approaches and options for PEMPAL countries, ii) provide the opportunity for broad BCOP membership to review the work of BCOP Working Groups, and iii) update members on BCOP progress since the last plenary meeting and report back on countries’ priorities gathered in the pre-meeting survey to inform the development of the BCOP FY2021 Action Plan. | 21 countries (approx. 70 attendees) | USD 150,000 | USD 150,000 | BCOP Priority 1. Sharpening tools for effective fiscal managementBCOP Priority 2. Strengthening fiscal transparency and accountabilityBCOP Priority 3: Expanding internationally available data on PEMPAL countries Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 4 | February/ March 2019 | **Face-to-face meeting of BCOP Executive Committee** held back-to-back to the annual BCOP plenary meeting*TBC* | To monitor and progress BCOP action plan implementation, including those activities in the PEMPAL Strategy 2017-22. Will include BCOP Chair/Deputy Chair report on decisions made in PEMPAL Steering Committee meetings. | 9 countries (approx. 10 attendees) | N/A Costs included in the plenary meeting above | N/A Costs included in the plenary meeting above | Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee |
| 5 | May/June 2020 | **Small group meeting –** Participation at annual OECD SBO CESEE meeting*TBD (possibly Sofia, Bulgaria)* | Topics of the OECD CESEE SBO meeting to be chosen by OECD with PEMPAL input collected from meeting held year before. Exact time and location to be confirmed by OECD. | 9 countries (approx. 10 attendees) | USD 30,000 | USD 70,000 | BCOP Priority 2. Strengthening fiscal transparency and accountabilityBCOP Priority 1. Sharpening tools for effective fiscal management |
| 6 | May/June 2020 | **Small group meeting** – Two-day joint workshop of PPBWG and BLTWG held back to back with the participation of BCOP Executive Committee at the meeting of the OECD SBO CESEE Network*TBD (possibly Sofia, Bulgaria)* | To finalize WG new knowledge products on spending reviews (PPBWG) and public participation at local level (BLTWG) in this meeting, as well as to hold joint working sessions (to either deepen their examination on the joint topics started to be examined in the Fall 2019 joint WG meeting or to examine new topic - will be determined during the Fall 2019 joint WG meeting). Participation at the meetings of the OECD CESEE SBO provides BCOP an important opportunity for PEMPAL BCOP countries to share and benchmark their progress and challenges in budgeting reforms with countries from other networks on a regular basis and to learn and discuss newest trends in budgeting areas in OECD and CESEE countries. | 16 countries (approximately 30 participants attendees) for BCOP workshop and 9 countries (approximately 10 attendees) from BCOP Executive Committee for the OECD meeting |  | BCOP Priority 1. Sharpening tools for effective fiscal managementBCOP Priority 2. Strengthening fiscal transparency and accountabilityBCOP Priority 3: Expanding internationally available data on PEMPAL countries |
| 7 | May/June 2020 | **Face-to-face meeting of BCOP Executive Committee held back-to-back to the OECD CESEE SBO meeting and BLTWG workshop****TBD**  | To monitor and progress BCOP action plan implementation, including those activities in the PEMPAL Strategy 2017-22. Will include BCOP Chair/Deputy Chair report on decisions made in PEMPAL Steering Committee meetings. | 9 countries (approx. 10 attendees) | N/A Costs included in the OECD CESEE SBO meeting above | N/A Costs included in the OECD CESEE SBO meeting above | Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee |
| 8 | October 2019 | **VC meeting of BCOP Executive Committee**  | To monitor and progress BCOP action plan implementation, including those activities in the PEMPAL Strategy 2017-22. Will include BCOP Chair/Deputy Chair report on decisions made in PEMPAL Steering Committee meetings. | 9 countries (approx. 10 attendees) | USD 5,600\* |  USD 15,600\* | Effective oversight and management of BCOP and PEMPAL by BCOP Executive Committee |
|  9 | May 2020 | **VC meeting of Program and Performance Budgeting Working Group** | To work on knowledge product on spending reviews. | 16 countries (approx. 32 attendees) | BCOP Priority 1. Sharpening tools for effective fiscal managementBCOP Priority 3: Expanding internationally available data on PEMPAL countries  |
| 10 | June 2020  | **VC meeting of Program and Budget Literacy and Transparency Working Group** | To work on knowledge product on public participation at local level. | 17 countries (approx. 34 attendees) | BCOP Priority 2. Strengthening fiscal transparency and accountability |

 **TOTAL BCOP PLAN: USD 304,000\* USD 354,000\***

|  |
| --- |
| **N/A Not Applicable; TBC To be confirmed; TBD To be determined****\* Costs related to development of knowledge products (including translation and design) are also included here.****\*\* Includes carried over BCOP FY19 savings in the amount of USD 54K, most of which is directed towards the July 2019 OECD SBO CESEE meeting.** |
| **Cells in blue denote events planned for Budget Literacy and Transparency Working Group** |
| **Cells in red denote events planned for Program and Performance Budgeting Working Group** |
| **Cells in orange denote events planned for the BCOP Executive Committee** |   |   |
| **Cells in green denote joint meetings of both BCOP Working Groups** |  |  |