



PEMPAL TREASURY COMMUNITY OF PRACTICE (TCOP)

Minutes of the TCOP Executive Committee Meeting September 29, 2021

A regular meeting of the PEMPAL TCOP Executive Committee (ExCom) took place on September 29, 2021 in the videoconference (VC) format.

The meeting was attended by Ms. Lyudmila Gurianova (TCOP Chair, Ministry of Finance, Belarus), Mr. Ilyas Tufan (Deputy Chair, Ministry of Treasury and Finance, Turkey), Mr. Levan Todua (Ministry of Finance, Georgia), Mr. Tengiz Chikanaev (Treasury Committee of Kazakhstan), Mr. Nazim Gasimzade (Ministry of Finance, Azerbaijan). The World Bank was represented by Ms. Elena Nikulina (TCOP Resource Team Leader), Ms. Yelena Slizhevskaya (TCOP Adviser), and Ms. Ekaterina Zaleeva (PEMPAL Secretariat).

Summary of Discussions

1. Discussion on the TCOP activities proposed for October-December 2021.

1.1. A videoconference (VC) of the Cash Management and Cash Forecasting Thematic Group to (i) present a draft report (knowledge product) on treasury single account (TSA) and cash management practices in PEMPAL countries and (ii) learn from a case of a TCOP member country (October 20 or 21, 2021)

Ms. Yelena Slizhevskaya informed the participants that October 20, 2021 had been identified as the date for the VC, and that colleagues from the Treasury of Georgia had confirmed their readiness to present the Georgian TSA model as well as their approaches for liquidity management and forecasting. Mr. Levan Todua confirmed that the draft presentation will be submitted to the Resource Team on October 1, 2021.

As regards the second part of the VC, Ms. Lyudmila Gurianova indicated that during the TCOP plenary held in June only brief results of the survey were presented, and given the very narrow professional focus of the survey some respondents may have misinterpreted the questions and have submitted insufficiently accurate responses. Therefore, she advised the Resource Team to share with the respondents the full version of the draft report for review. Ms. Yelena Slizhevskaya confirmed that it will be sent to the Thematic Group members prior to the VC.

1.2. A VC of the Thematic Group on the Use of Information Technologies in Treasury Operations (November 2021)

Ms. Elena Nikulina advised the ExCom members that as a follow-up to the discussions held during the previous ExCom meeting the Resource Team had contacted the Korea Public Finance

Information Services (KPFIS) that operates the Korean IFMIS (dBrain) and is working on its next generation. The KPFIS representatives confirmed their readiness to share relevant experience; the VC is tentatively planned for November 18, 2021.

1.3. A VC of the Thematic Group on Public Sector Accounting and Reporting (December 2021)

Ms. Yelena Slizhevskaya reminded the ExCom members the discussions on the recent developments in public sector accounting and reporting in member countries held during 2021 Virtual Plenary Meeting of the TCOP, including recent reforms in Georgia, Moldova, Uzbekistan and Ukraine. Ms. Lyudmila Gurianova also reminded about centralization of the public accounting and reporting implemented by the Federal Treasury of Russia – the participants of 2019 meeting in Moscow leaned about the initial stages of the reform, and now it would be interesting to get more information on the outcomes and lessons learned. The Resource Team supported the idea, and would discuss a possible virtual event with the Federal Treasury of Russia. Ms. Elena Nikulina stressed that some interesting reforms were planned in Moldova, and it might be useful to look at their experience.

The ExCom agreed that the member countries are at different stages of reforming their public accounting and reporting systems, and thus it is difficult to identify topics that would be of interest to the vast majority. Ms. Lyudmila Gurianova suggested to consider a more in-depth discussion of specific reform aspects (e.g. consolidation of financial statements or procedures for collection of the reports), this could be reviewed jointly with the Thematic Group on the Use of Information Technologies in Treasury Operations. The Resource team took note of the proposal.

Ms. Yelena Slizhevskaya advised the ExCom that as part of cooperation with PULSAR, the PEMPAL Secretariat had circulated an announcement on the forthcoming PULSAR webinar on the Index of Public Sector Financial Accountability (IPSFA), scheduled for October 6, 2021.

The Resource Team also advised the ExCom that based on the plenary discussions Mr. Mark Silins had developed a brief note summarizing country experiences in the use of the Chart of Accounts to track COVID-related receipts and expenses. Besides, the note presents an overview of advantages and disadvantages of each of the approaches as well as provides recommendations on the use of cross-cutting segments of the Chart of Accounts to record the data and facilitate generation of financial reports on emergency spending or other non-standard information requests. Ms. Lyudmila Gurianova supported the initiative and indicated that such summary notes could be very valuable for the TCOP members. The note will be circulated among the TCOP members for review and possible additional comments by the end of the year.

2. Discussion of a draft concept for a new knowledge product on analysis of treasury functions in PEMPAL countries, including benchmarking them against internationally recognized models.

The draft concept was shared with the TCOP ExCom prior to the meeting. Overall, the leadership group supported the proposed approach, including initial collection of publicly available information from relevant websites by the Secretariat and the Resource Team. Ms. Lyudmila

Gurianova noted that in some instances the Resource Team might need support from country representatives to navigate such websites. Mr. Levan Todua mentioned that some information on the website of the Ministry of Finance of Georgia is also available in English which may facilitate data collection. Mr. Tengiz Chikanaev noted that strategic documents of the Treasury Committee are available on the website of the Ministry of Finance. Mr. Ilyas Tufan indicated that since the previous survey there had been some changes in the organizational structure of the Treasury, and therefore it would be useful to update the information.

The leadership group agreed that the Resource Team and the Secretariat should perform initial data collection for the knowledge product by the end of 2021 with the view of discussing the findings at the next ExCom meeting.

3. Exchange of views on the possibility and approach for face-to-face events in CY2022, including update from the ExCom members on international travel restrictions and requirements in their countries.

The ExCom members discussed international travel requirements and restrictions in their countries in the context of the pandemic. The discussion revealed many aspects that may affect feasibility and logistics of the face-to-face events in the future, including that some countries: (i) have a limited choice of vaccines recognized by European countries which may affect participants' travel; (ii) have a 7-day self-isolation requirement that applies to foreign nationals; (iii) a PCR test is required every 72 hours of stay; (iv) ministries do not budget for travel expenses of their staff; (v) there are restrictions regarding in-door events and/or table occupancy during events; (vi) no business travel is allowed except when authorized by the head of the government; (vii) mutual recognition of COVID-19 passports is still pending; (viii) a 7-day self-isolation is mandated upon return from another country, etc.

The meeting participants agreed that the face-to-face format would not be feasible before next spring. Going forward, first events are most likely to be delivered in a hybrid mode, with some attendees connecting remotely.

4. TCOP Chair Elections Outcomes

Ms. Ekaterina Zaleeva announced the outcomes of the voting - Ms. Lyudmila Gurianova was unanimously elected the TCOP Chair. Lyudmila expressed her gratitude for the trust put in her, and invited Mr. Ilyas Tufan to continue as a Deputy Chair, to which he agreed.

5. Other Matters

A regular meeting of the ExCom is planned for late January 2022.

Key Meeting Outcomes and Decisions:

- The ExCom endorsed October 20, 2021 as the date of the next VC of the Cash Management and Forecasting Thematic Group;

- A VC of the Thematic Group on the Use of Information Technologies in Treasury Operations is planned for November 18, 2021;
- The Resource Team was instructed to discuss with the Federal Treasury of Russia and the Ministry of Finance of Moldova a possible VC in late 2021 - early 2022 on centralized accounting and reporting in the public sector;
- Finalize the draft note on the use of the Chart of Accounts to track COVID-related receipts and expenses and share it with the TCOP members for review and comments (by the end of 2021);
- The Resource Team and the Secretariat will perform an initial fact-finding for a new knowledge product on treasury functions in PEMPAL countries with the view of discussing the findings and next steps at the next ExCom meeting;
- The ExCom endorsed Ms. Ludmila Guryanova as a TCOP Chair and Mr. Ilyas Tufan as a Deputy Chair of the TCOP;
- Next meeting of the ExCom is tentatively planned for late January 2022.