



Impact of PEMPAL on reforms in Azerbaijan

2024



GREEN CORRIDOR

To simplify and streamline processing of payments, the Green Corridor system was implemented starting from the beginning of 2024 for payroll and utility payments. The system allows to process the payments within the approved budget appropriations automatically without requests for authorization by treasury staff. This has allowed us to bypass a multi-level authorization process and to save time for over 20,000 payment requests sent for direct payment.

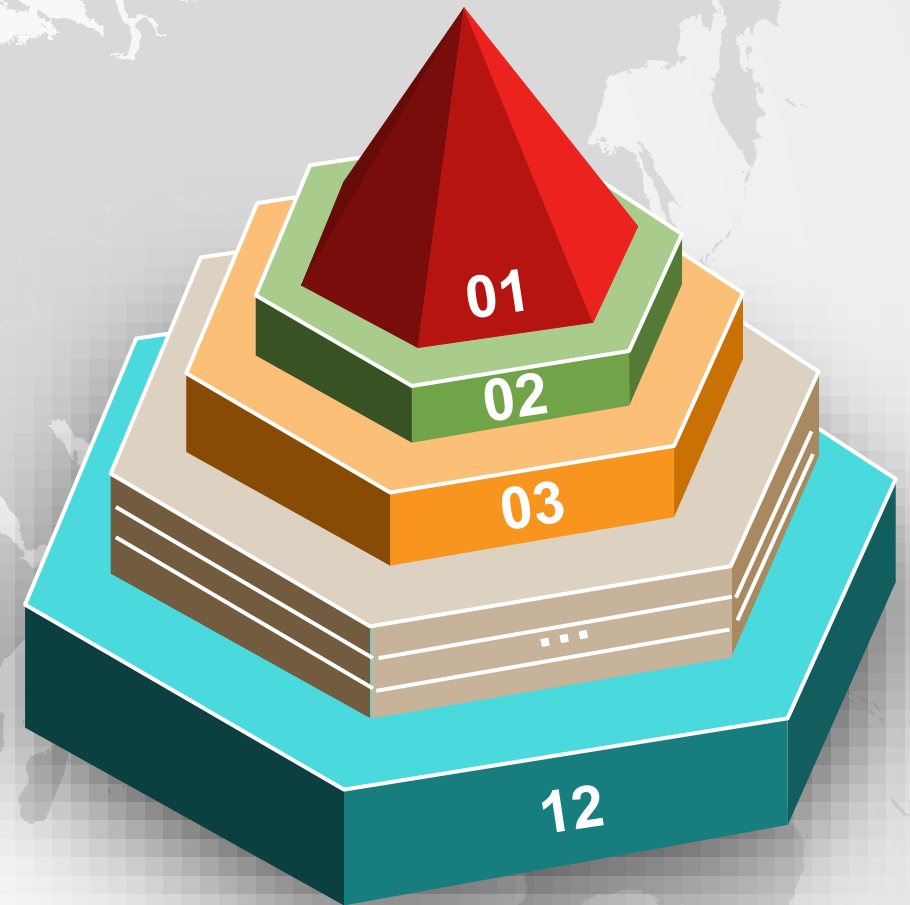


REFORMS

Based on the experience of other countries in order to optimize the structure of the State Treasury Agency, raise the efficiency of its local branches and public authorities as a whole, 12 Treasury Departments in the City of Baku have been merged. As of now, there is only one Treasury Agency in Baku. At the next stage it is planned to optimize the structure of Regional Treasury Departments.

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**TREASURY
DEPARTMENT**



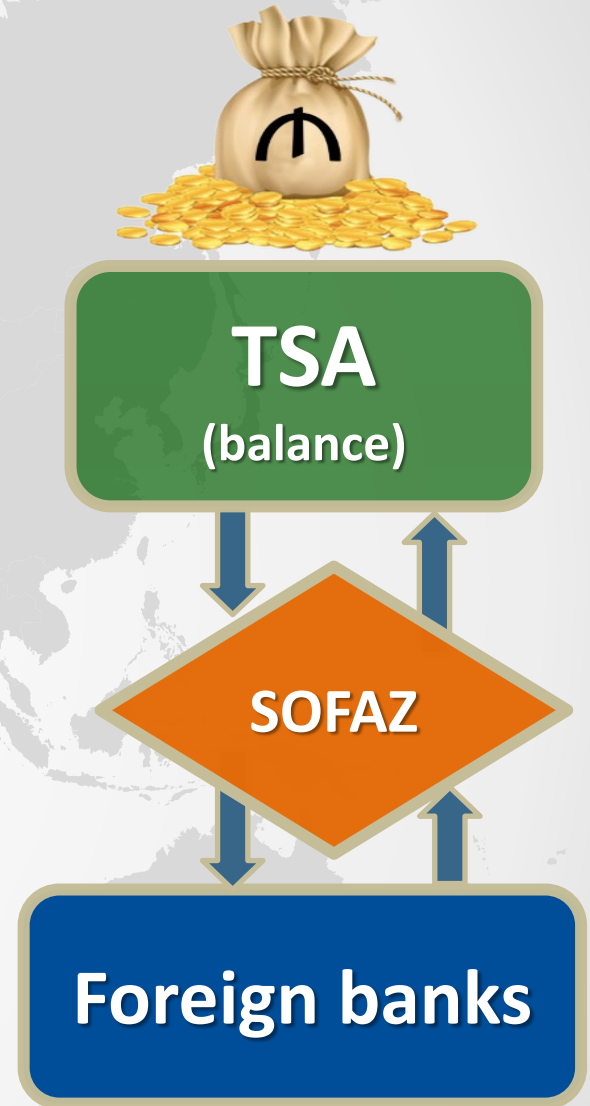
RESTRUCTURING

New divisions, including the Internal Control Division have been established in the Treasury. Selective control of documents has been introduced, and statistics on the number of documents, ratio of processed and rejected documents, processing time, rejection time, and other indicators are estimated. Based on the performance evaluation, bonuses are allocated to treasury departments. Currently the work is underway on introducing the practice of measuring performance at the individual treasury staff level.



LIQUIDITY

Starting from 2025, Treasury will start to place TSA cash balances in commercial banks. It is planned to use our own approaches to cash forecasting but we also plan to use the Cash Flow Forecasting and Analysis Tool (CFAT).





THANK YOU