



Budget Community of Practice (BCOP)

*Setting the Scene: BCOP Approach and Reform
Priorities*

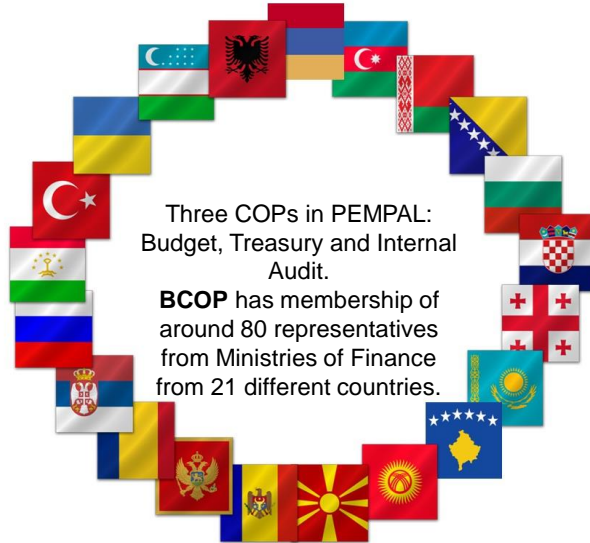
Gelardina Prodani, BCOP Deputy Chair,
Study visit, National Treasury of South Africa,
March 2015



OBJECTIVE OF VISIT

- To meet with representatives from National Treasury with objective to discuss and exchange information on public finance reforms
- To meet this objective, this presentation will outline BCOP approach and public finance reform priorities, which will be followed by a brief overview by each country on their reform progress.

BCOP MEMBERSHIP



Three COPs in PEMPAL:
Budget, Treasury and Internal
Audit.

BCOP has membership of
around 80 representatives
from Ministries of Finance
from 21 different countries.

BCOP MANAGEMENT

- Since March 2014 there were 10 events
- These were organized by:
 - The **BCOP Executive Committee** who provides strategic oversight
 - The **World Bank Resource Team** who provides content support
 - The **PEMPAL Secretariat** who provides logistical and administrative support (Center of Excellence in Finance, Slovenia)
- Annual budget assigned by **Steering Committee**, and BCOP must submit action plans for approval aligned with PEMPAL Strategy. Funding provided by Ministry of Finance of Russian Federation and Swiss Government SECO.



BCOP Executive Committee Members

<p><u>Mr. Konstantin Krityan</u> CHAIR Ministry of Finance Armenia</p>	<p>DEPUTY CHAIRS <u>Ms. Gelardina Prodan</u> Ministry of Finance Albania <u>Ms. Anna Belenchuk</u> Ministry of Finance Russian Federation</p>
<p><u>Mr. Alija Alijović</u> Ministry of Finance Federation of Bosnia and Herzegovina <u>Ms. Mladenka Karačić</u> Ministry of Finance Croatia <u>Mr. Hakan Ay</u> Ministry of Finance Turkey <u>Mr. Mikhail Prokhorik</u> Ministry of Finance Belarus</p>	<p><u>Ms. Elena Zyunina</u> Ministry of Finance Russian Federation <u>Mr. Nikolay Begchin</u> Ministry of Finance Russian Federation <u>Mr. Kanat Asangulov</u> Ministry of Finance Kyrgyz Republic</p>



PEMPAL Strategy 2012-17

Outcome: A sustainable, professional public financial management platform through which individual members are networked to strengthen their capacities and to enable them to share learnings and benchmarking between countries

IMPACT

- Objective 4: Awareness of high government and political levels is raised regarding the benefits and value of engaging through PEMPAL

QUALITY

- Objective 3: A financially-viable network of public financial management professionals, committed to improving PFM practices, is built and maintained
- Objective 2: Quality resources and network services, supporting relevant PFM practices, are provided to members

DEPTH AND RELEVANCE

- Objective 1: PFM priorities of member governments are addressed by the PFM network platform



Meeting with BCOP, TCOP and IACOP on Fiscal Transparency and Accountability in 2014, Moscow, Russia: Reforms of South Africa were presented here which raised our interest to know more.



RESULTS ACHIEVED BY BCOP

Independent evaluation and survey results: show that sharing of information and benchmarking through PEMPAL is contributing to improving public finance management systems in our member countries.

Annual Meetings on Priority Reform Areas: In last three years, meetings have been held on **program budgeting; results based monitoring and evaluation; and fiscal consolidation:** These annual meetings bring together up to 21 BCOP member countries, who together with World Bank, IMF and OECD, discuss good practices and processes, and international country case studies.

Links to more information:

<http://www.pempal.org/event/read/78>

<http://www.pempal.org/event/read/105>

<http://www.pempal.org/event/read/130>

February 2015 meeting, Fiscal Consolidation, Yerevan, Armenia



RESULTS ACHIEVED

Working Groups: These working groups comprise a sub-set of member countries who meet regularly via VC, to discuss and share reform progress (two groups: **wage bill management** and new group on **budget literacy**)

<http://www.pempal.org/event/read/123>

Cross-COP Meetings: Meeting held with other COPs every 2-3 years.

2014 meeting on **Fiscal Transparency and Accountability** resulted in information sharing by IMF, World Bank, OECD, International Budget Partnership, Global Initiative for Fiscal Transparency, and government representatives from South Africa, Mexico, Russia and Turkey. Discussions held on country based plans and progress. BCOP collated sample key performance indicators by sector, and examples of citizen guides to budget from around the world (including South Africa's guide).

<http://www.pempal.org/event/read/111>



RESULTS ACHIEVED OVER LAST YEAR

Workshops on specific topics:

- **PEFA Workshop:** presentations were delivered by PEFA Secretariat on the mechanics of the framework; and update on the PEFA revision process. Group work was conducted which allowed participants to experience common problems, working with indicators. Countries gained a better understanding of the value and constraints of this diagnostic tool.

<http://www.pempal.org/event/eventitem/read/112/297>

Study Visits to Other Countries:

- **Budget Planning and management of EU funds** – six countries from Western Balkans visited Slovenia and gained experience of how Slovenia plans, executes, and records EU funds, including issues of financial and statistical reporting. <http://www.pempal.org/event/read/126>
- **Inter-governmental Fiscal Relations** – Ukraine went to Estonia to gain knowledge on fiscal policy in Estonia and the relations between the state and local authorities <http://www.pempal.org/event/read/118>



RESULTS ACHIEVED OVER LAST YEAR

OECD SBO annual meetings: are attended by BCOP representatives each year. 2014 meeting examined 10 years of reform in CESEE countries (managing multi-year allocations for national development; effective parliamentary oversight and accountability; and strategic planning and the annual budget).

<http://www.pempal.org/event/read/112>

Documentation of Benchmarking Information:

Informal surveys – informal surveys are conducted before every major meeting to capture status of reforms to facilitate networking and benchmarking between countries

Formal surveys – During 2013-14, 13 BCOP member countries participated in the **OECD Budget Practices and Procedures Survey** which benchmarked practices with 33 OECD countries. Information added to OECD database of 100 countries

<http://www.pempal.org/event/eventitem/read/112/311>

BCOP FUTURE

- Plenary meeting February, 2016 – **Fiscal rules and long term budgeting** (Minsk, Belarus)
- Working group meetings/study visits on a) **wage bill management** b) **budget literacy**
- Study visit on **performance budgeting**
- Joint meeting with Treasury Community of Practice (TCOP) – **budget data and statistical reporting**
- Attendance at annual OECD Senior Budget Officers meeting
- Workshop – **Fiscal Risks**
- Input to the Mid-Term Review of the PEMPAL Strategy 2012-17
- Development of BCOP Strategic Plan aligned to PEMPAL Strategy and BCOP Action Plans

March 2014 meeting, Results-based Monitoring and Evaluation, Antalya Turkey





OUR INTEREST IN REFORMS OF SOUTH AFRICA

- Budget Framework
- Budget Calendar and Process
- Macroeconomic forecasting
- Budget planning and preparations
- Performance monitoring and evaluation
- Budget transparency and citizen/CSO engagement reforms
- Handbooks, guidelines and Toolkits
- Reform successes, challenges, lessons learnt

Thank you for organizing the agenda to address these interests



Roundtable update on progress
of PEMPAL country reforms

www.pempal.org

Thank you for your attention

Questions?