



# PEMPAL

## FACT SHEET

### WHAT IS PEMPAL?

**The Public Expenditure Management Peer-Assisted Learning (PEMPAL) is a demand-driven peer-learning platform for Public Financial Management (PFM) practitioners from the ECA region, which aims to strengthen PFM capacities and practices in member countries by developing and disseminating information on good PFM practices and their application.** Since its creation in 2006, PEMPAL has emerged as a unique and globally esteemed peer-learning platform for budget, IA, and treasury practitioners. The network is organized around three thematic communities of practice:

- **Budget Community of Practice (BCOP)** which seeks to strengthen budget methodology, planning, and openness in member countries;
- **Treasury Community of Practice (TCOP)**, which seeks to strengthen the treasury function in member countries; and
- **Internal Audit Community of Practice (IACOP)**, which seeks to establish modern and effective internal audit systems in member countries aligned with international standards.

### WHO ARE PEMPAL MEMBERS AND PARTNERS?

**PEMPAL members are central ministries or agencies responsible for budget planning, preparation, execution, and monitoring and for coordination/harmonization of the internal audit function across ECA.** BCOP's members are typically high or mid-level

managers from budget planning, budget policy and methodology units in central finance agencies' budget entities. TCOP members come from central treasuries with diverse cash, asset and liability management functions. IACOP members are responsible for the internal audit and internal audit central harmonization function, internal audit units, and financial inspection. Depending on the topic, participants from related units are also invited (such as IT specialists for TCOP events related to FMIS). As of 2024, PEMPAL membership includes 1,000+ officials from 21 countries: Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic (IACOP only), Georgia, Hungary (IACOP and TCOP), Kazakhstan, Kosovo, Kyrgyz Republic, North Macedonia, Moldova, Montenegro, Romania, Serbia, Tajikistan, Türkiye, Ukraine, and Uzbekistan.

**PEMPAL membership is informal, there are no membership fees: the network is financed from a multi-donor trust fund (managed by the World Bank) and in-kind content contributions from member countries and partner organizations.** Member countries make financial contributions by paying for parts of the costs of the events and/or sending self-paying representatives to meetings. PEMPAL external partners include the Swiss Secretariat for Economic Cooperation and the European Commission.

### WHAT IS PEMPAL'S GOVERNANCE FRAMEWORK?

**PEMPAL operates within a well-established institutional and governance structure and strong accountability framework. COPs are led by the COP**

### **Executive Committees consisting of representatives of up to nine member countries.**

Executive Committees elect a Chair annually. The Executive Committees steer the work of COPs. The World Bank Resource Team provides technical content expertise and coordination. Administrative and logistical support is provided by the PEMPAL Secretariat managed by the World Bank. Strategic oversight is provided by the Steering Committee, comprising representatives of external partners, the World Bank, and COPs' leadership, who review and approve budgets and monitor progress against an agreed results framework. The Steering Committee approves COPs' annual action plans developed by the Executive Committees. About 60 percent of PEMPAL's budget is allocated to COP activities and events and 40 percent to the resource team, secretariat and steering committee meetings. The accountability framework includes standardized and anonymous online post-event surveys, annual COP surveys of members and collection of examples of usages of PEMPAL knowledge in member countries, biennial surveys of high-level government officials of member countries, and annual reports to the Steering Committee and Ministers of Finance of member countries supplemented by periodic in-depth evaluations.

\$'000, financed by MDTF	FY23	FY24
COP activities	812	1,161
Resource Team, Secretariat & Steering Committee	615	757
Total	1,427	1,918

## **WHAT DOES PEMPAL OFFER?**

**PEMPAL provides demand-driven peer-to-peer learning.** Participants work together face-to-face and online to share knowledge and develop approaches to addressing common PFM problems. Participants formulate their activity plans and play the role of experts within the peer groups, so they are not only receivers but also providers of technical assistance. COP activity plans include face-to-face learning events, virtual meetings, and study visits, and the development of knowledge products. Events include annual plenary meetings for each COP and smaller thematic meetings, including thematic working groups. Cross-COP leadership meetings and whole-of-networks meetings are conducted periodically.

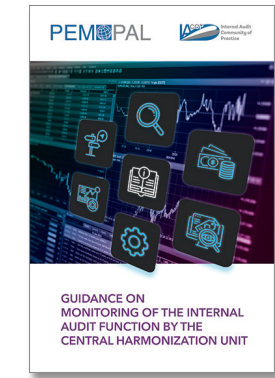
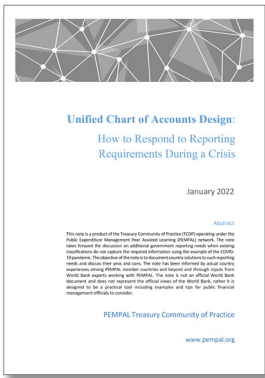
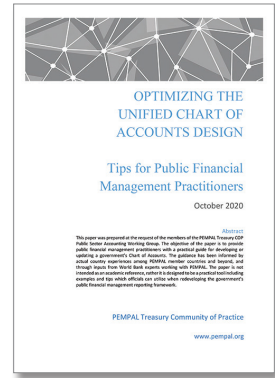
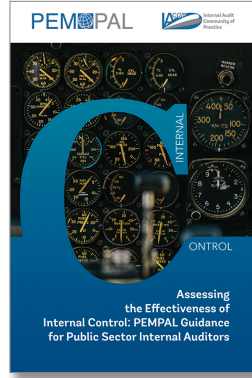
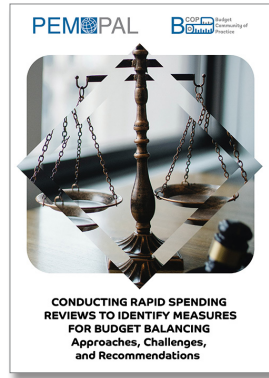
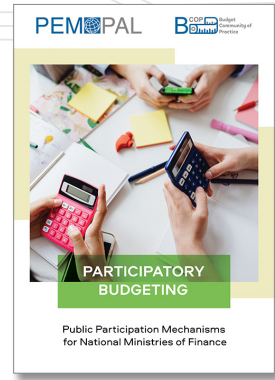
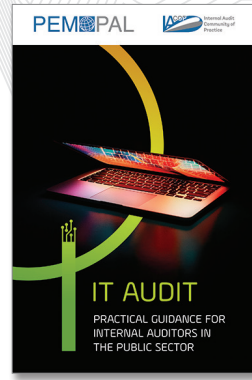
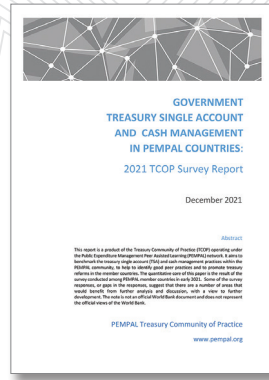
**The PEMPAL model has unique characteristics and a comparative advantage over other networks and modes of capacity building.**

- PEMPAL provides professional advice that builds on the skills and experience of member practitioners in areas such as reform design and implementation, leadership, strategic thinking, and communications.
- PEMPAL is operated by and for its members in a self-management demand-driven approach, working on priority topics identified by the member countries.
- PEMPAL is a professional community within which members develop effective and trusted networks at in-person and virtual events and can share and learn from other countries' experiences.
- PEMPAL provides access to leading international expertise allowing members to stay updated on the latest global trends and developments in their professional field.
- PEMPAL focuses on practicability and provides different reform options to be considered according to national context and capacities.
- PEMPAL has delivered a wide range of knowledge products, each demand-driven and developed by the members with support as required.
- PEMPAL has developed partnerships with global standards setters, international organizations, and central finance agencies in a wide range of countries, all of whom contribute to events and knowledge creation.

## **WHAT HAS PEMPAL ACHIEVED?**

**PEMPAL monitors program impacts on PFM practices and participants' professional capacities.** Sources include participants' post-event feedback; COP membership surveys; examples of the use of PEMPAL knowledge; periodic impact surveys of members and high-level officials; and periodic external evaluations. The status and progress of PFM reforms are monitored by COP thematic surveys and from independent assessments.

**Monitoring data show high member satisfaction with PEMPAL outputs and resources.** Almost 150 PEMPAL events were held in 2017-2023, of which 2/3 were in VC format. Total event participation was close to 5,000. Feedback shows that members use the knowledge gained to improve their PFM practices. Feedback on the quality and usage of COPs' knowledge products is exceptionally positive: products are tailored to the needs of PEMPAL members.



**BCOP has contributed to progress in fundamental budgeting practices. PEFA scores demonstrate improvements in technical elements of the budget process, classification, and documentation.** 11 member countries now fully implement program budgeting with performance targets, while the remaining eight are in the preparation phase or expanding from the piloting stage. ECA has seen significant improvements in budget transparency. ECA is the only region with consistent and significant transparency gain since 2008 on the transparency pillar of the Open Budget Index.

**IACOP has supported the establishment of the internal audit function across the region.** Internal Audit Units have been established in 14 countries, central

harmonization/coordination units in 12 countries, and internal auditors are active in 16 countries. Specific legislation regulating internal audit activity has been adopted in 17 countries, while Internal Audit standards or manuals have been developed in 16 countries.

**PEMPAL has contributed to national treasury reforms.** All member countries now operate a Treasury Single Account (TSA) in the Central Bank, with a large majority including the accounts of the subnational governments in the TSA. There is significant use of electronic funds transfer, with revenues flowing directly to the TSA. Most countries have direct access to the banking system, with 10 of the 16 countries a member of the Real Time Gross Settlement system.



PEMPAL SECRETARIAT

**Budget Community of Practice (BCOP)**

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**Internal Audit Community of Practice (IACOP)**

E: [IACOP@pempal.org](mailto:IACOP@pempal.org)

**Treasury Community of Practice (TCOP)**

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