

The logo for PEMPAL, featuring the word "PEMPAL" in a bold, blue, sans-serif font. The letter "M" is replaced by a stylized globe icon.

FACT SHEET

TREASURY COMMUNITY OF PRACTICE (TCOP)



WHAT ARE PEMPAL AND TCOP?

The **Public Expenditure Management Peer-Assisted Learning Network (PEMPAL)** facilitates the **exchange of professional experience and knowledge transfer among public finance management (PFM) practitioners across Europe and Central Asia (ECA) countries**. The network, launched in 2006, aims to contribute to strengthening PFM practices in the member countries through developing and disseminating information on good PFM practices and their application.

The network is funded from a multi-donor trust fund and is organized around three thematic communities of practice (COPs) **focusing on budget, treasury and internal audit issues** (BCOP, TCOP, IACOP). Each COP has its membership, and activities are driven by member-led action plans that address key PFM priorities of member countries.

Through its activities, the **TCOP** aims to:

- Support and promote priority **PFM reforms** in the member countries, **focusing on reforms of the national treasuries' activities**.
- Offer **quality resources and knowledge services** on topics of **priority professional interest for TCOP members**.
- Develop and maintain a **highly professional community of treasury experts** across TCOP member countries, who consider PEMPAL an important tool in improving PFM systems in their countries.

WHO LEADS TCOP AND PEMPAL?

TCOP is led by the **TCOP Executive Committee** consisting of representatives from the national Treasuries of up to nine member countries, who annually elect a Chair.

Technical expertise, coordination, and support are provided by the World Bank TCOP Resource Team, and administrative support is provided by the PEMPAL Secretariat.

At the network level, PEMPAL is led by the **Steering Committee** comprising of COP Chairs, Deputy Chairs, World Bank and donor representatives.

WHO ARE TCOP MEMBERS?

TCOP members are mid- to high-level officials from the central government agencies responsible for government budget execution and monitoring, mostly national Treasuries and Ministries of Finance from ECA countries. Heads and deputy heads of national treasuries as well as Deputy Ministers of Finance in charge of budget execution regularly participate in TCOP events.

PFM practitioners from other countries, regional networks, and organizations, such as PEMNA and IMF are invited to take part in TCOP events.

WHAT LEARNING MECHANISMS ARE USED?

Peer-to-peer learning is the main instrument PEMPAL uses, a proven powerful approach to increase individual and organizational capacities. Participants work together face-to-face and online to share knowledge and develop approaches to solving common PFM problems. In contrast with traditional training approaches, participants formulate their activity plans themselves and play the role of experts within the peer groups, so they are not only receivers but also providers of technical assistance.

Since 2018, TCOP conducted **11 face-to-face events** (including four plenary meetings in Tirana, Budapest, Almaty, and Belgrade) and **31 virtual events** (including a virtual plenary meeting in 2021).

In its activities, the TCOP emphasizes sharing experiences in applying relevant good practices, discussing challenges faced by the member countries, and practical solutions to overcome them. Many presentations are prepared and delivered by the COP members and formats used for discussions promote active involvement of all the participants. Most face-to-face TCOP events are organized in member countries and are hosted by beneficiary institutions (national Treasuries or Ministries of Finance). Agendas of events hosted by the member countries typically include sessions devoted to the experience of hosting institutions and discussions tailored to their needs.

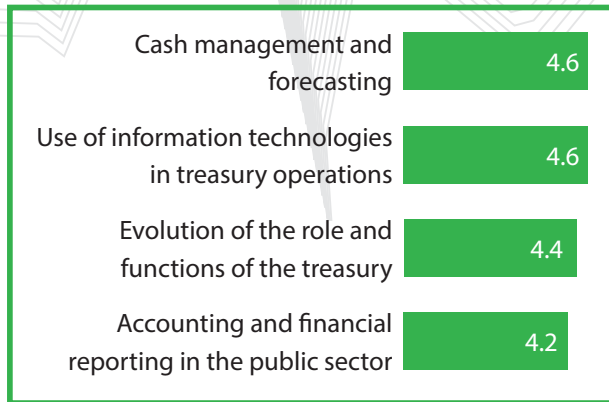
In addition to face-to-face and virtual events, TCOP conducts **thematic surveys** and prepares **knowledge products** that address specific questions of interest to the participants. TCOP members are the key contributors to the thematic surveys and play a growing role in drafting knowledge products. Overall, **9 knowledge products** have been published so far, and **three more** are under preparation.

WHAT ARE TCOP PRIORITY THEMATIC AREAS?

The Thematic Survey of TCOP members conducted in June 2024 reconfirmed the relevance of the four main priority thematic areas (**Figure 1**). Each thematic area is led by a Working Group comprising interested member countries.



Figure 1. Average Rating of TCOP Thematic Areas in Terms of Priority for 2026-2030 (points on scale from 1 to 5)



Cash Management and Cash Forecasting

Cash management and forecasting is a relatively new function in the national treasuries of PEMPAL countries. TCOP plays a unique role in building capacity in cash management by providing access to peer knowledge for most treasury staff performing this function. The focus of discussions includes cash consolidation, TSA design, cash forecasting, active cash management instruments, cash buffers, interagency cooperation, measuring cash management performance, and using advanced technologies for cash management. TCOP has produced several knowledge products on cash management and cash forecasting, including *The Service Level Agreement between the Treasury / Ministry of Finance and the Central Bank (2017)*,¹ *Government Treasury Single Account and Cash Management in PEMPAL Countries (2021)*,² and *Optimal Coverage of the Treasury Single Account (2024)*.³ Currently, two knowledge products (*Measuring Cash Management Performance: Case of Türkiye* and a note on *Liquidity Committees*) are under preparation.

Use of Information Technologies in Treasury Operations

The Working Group focuses on learning about advanced country experiences of FMIS implementation and discussing their potential application in the member countries. The Working Group is cooperating with the World Bank FMIS COP closely. The priority themes for the future include using PFM data to improve transparency

and accountability of public spending, emerging technologies in treasury operations (Big Data and AI), and digital transformation of treasury operations.

Evolution of the Treasury Role and Functions

The Working Group focuses on a range of issues, including strategic development of treasury systems, performance measurement and performance management, treasury control and risk management, and the evolution of treasury functions and responsibilities in the modern world. TCOP has produced a thematic survey on *Measuring Treasury Performance in PEMPAL Countries (2025)*.⁴ Currently, the flagship knowledge product on the Evolution of the Treasury Role and Functions is being prepared.

Working Group on Public Sector Accounting and Reporting

The Working Group discusses the challenges of public sector accounting reforms, involving transition to broader use of the elements of accrual accounting and introduction of national public sector accounting standards aligned to various degrees with international public sector accounting standards (IPSAS). The knowledge products prepared per request of this Working Group include *Unified Chart of Accounts Design: How to Respond to Reporting Requirements During a Crisis (2022)*⁵ and *Optimizing the Unified Chart of Accounts Design: Tips for Public Financial Management Practitioners (2020)*.⁶

IMPACT OF TCOP

TCOP activities have made a significant impact on PFM reforms and treasury development in PEMPAL countries. **90% of TCOP member countries** have implemented and/or plan treasury reforms and treasury development measures based on the knowledge gained through PEMPAL in 2018-2024. **85% of TCOP member countries** have implemented such reform measures at least in some areas. The reforms and treasury development measures cover **all** TCOP priority thematic areas (**Figure 2**).

¹ <https://www.pempal.org/node/3359>

² <https://www.pempal.org/knowledge-product/government-treasury-single-account-and-cash-management-pempal-countries>

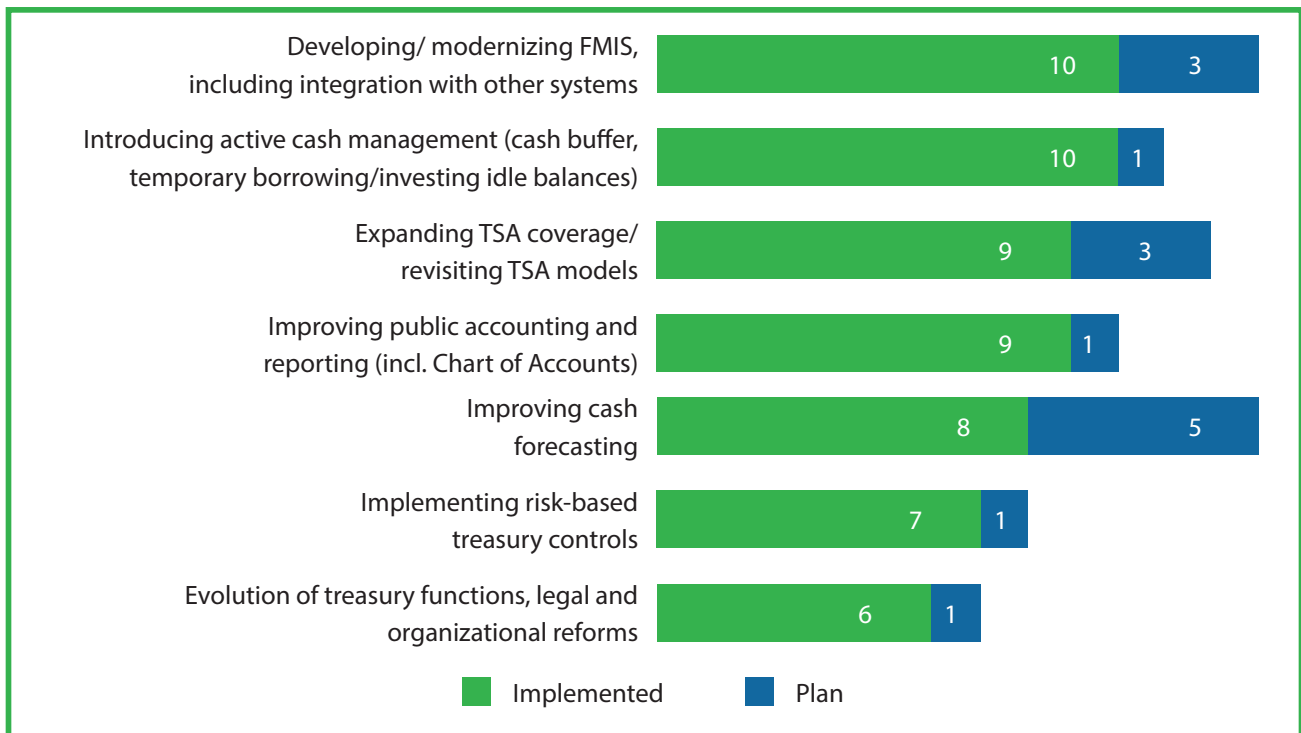
³ <https://www.pempal.org/knowledge-product/optimal-coverage-treasury-single-account>

⁴ <https://www.pempal.org/knowledge-product/measuring-treasury-performance-pempal-countries-thematic-survey-results>

⁵ <https://www.pempal.org/knowledge-product/unified-chart-accounts-design-how-respond-reporting-requirements-during-crisis>

⁶ <https://www.pempal.org/knowledge-product/optimizing-unified-chart-accounts-ucogas-design-tips-public-financial-management>

Figure 2. Countries that Have Implemented / Plan Treasury Reforms By Reform Activity Area (number of countries)



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