



SUCCESS STORIES

Kazakhstan

Strengthening Treasury Controls and Improving Cash Management

Context

The budget system of Kazakhstan includes 2,569 budgets at four levels (republican budget, oblast and city budgets, county budgets, and local budgets). The Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan ensures budget execution at all levels. This involves developing treasury controls, improving cash management, and ensuring the sustainability of information systems. In addition to the traditional treasury functions, since 2020, the Treasury Committee has been responsible for public procurement which made integration of the treasury information system and e-procurement system very relevant for the country.

PEMPAL Impact

The experience of PEMPAL member countries and the knowledge gained during the events organized by the PEMPAL Treasury Community of Practice

(TCOP) have made a strong impact on developing and implementing treasury modernization activities in several critical areas:

- The discussions in the framework of the TCOP Cash Management Working Group and TCOP knowledge products, including the report on *Government Treasury Single Account and Cash Management in PEMPAL Countries* have influenced the **extension of the treasury single account**, including extension of treasury coverage to budget organizations, extra-budgetary funds, and other recipients of public funds which, in turn, has resulted in improved transparency of public spending and strengthened accountability.
- The activities of the TCOP Working Group on the Use of IT in Treasury Operations, including study visits to Seoul (2015) and Budapest (2019), have impacted the **integration of the Treasury information systems with other government systems** in the areas of public procurement and e-invoices and the legal entities database. This

integration has supported strengthening financial discipline, improving cash management, and reducing the risks of financial violations.

- The insights gained from the TCOP thematic discussions at the Plenary meeting in Vienna (2017) have helped to implement a **risk-oriented approach to treasury controls** based on the experience of the Green Corridor project presented by the Treasury of Georgia. Automation of treasury controls for utility payments helped to optimize treasury control procedures and focus control activities on higher-risk transactions.

PEMPAL TCOP activities have also facilitated the development of international cooperation and exchange of experience between the Treasury Committee and national treasuries in other countries (**Box**).

Box. The Role of PEMPAL in Strengthening International Cooperation

In 2024, an extended delegation from North Macedonia joined the TCOP Plenary in Belgrade to learn more about the experience of Serbia and other PEMPAL countries in developing integrated FMIS and using business intelligence, data warehouses, and other advanced approaches for unlocking the potential of public financial management data. In addition to the discussions at the plenary, separate meetings with the Treasury Administration of Serbia were organized to present the existing systems. The knowledge gained at this event and just-in-time advice were highly valued by the representatives of the Ministry of Finance of North Macedonia.



PEMPAL Treasury Community of Practice is a valuable platform uniting public financial management practitioners and enabling them to exchange their experiences and knowledge on various issues, including information technology development, evolution of the treasury functions, strengthening treasury control and raising quality of treasury services.

— **Dauren Kenbeil**

Vice-Minister of
Finance, Republic of
Kazakhstan



Next Steps

Experience and knowledge received during the PEMPAL TCOP activities remain relevant for further development of treasury operations in Kazakhstan. Thus, the results of the discussions at the TCOP Cash Management Working Group on the issues of active cash management will be useful for the planned extension of the available range of instruments used by the Treasury Committee to manage cash. The experience of **Hungary** and **Serbia** in integrating financial management information systems with payroll systems in the public sector is also of high interest to the Treasury of Kazakhstan.



PEMPAL SECRETARIAT

Budget Community of Practice (BCOP)

E: BCOP@pempal.org

Internal Audit Community of Practice (IACOP)

E: IACOP@pempal.org

Treasury Community of Practice (TCOP)

E: TCOP@pempal.org

www.pempal.org

© PEMPAL Secretariat

This work is a product of PEMPAL Secretariat.

Rights and Permissions:

The material in this work is subject to copyright. Because PEMPAL encourages dissemination of its knowledge, this work may be reproduced, in whole or in part, for noncommercial purposes as long as full attribution to this work is given.

Any queries should be addressed to PEMPAL Secretariat.