

SUCCESS STORIES



RUSSIAN FEDERATION

Representatives of the Russian Federation hold positions in all three PEMPAL COP Executive Committees and its Ministry of Finance has been a key donor to PEMPAL since 2010

illustrating the value it sees in the network. It uses the network to access the latest in international and regional trends and practices and has established valuable

relationships with peers and practitioners from across the region to provide a pool of experts from whom to seek advice and support in its reform program. It also leads several working groups, and regularly shares its approaches and expertise with PEMPAL, and has also hosted several meetings including a major meeting of the whole network on fiscal transparency and accountability held in 2014 in Moscow.



Anton Siluanov
Minister of Finance of the Russian Federation

“Openness of government is very important. It is a continuous process where governments can benefit from the new developments in other countries.”

The success of the Russian Federation has also contributed significantly to PEMPAL as the country shares details of its reforms widely across the network through presentations at events;

and sharing methodologies, guidelines and approaches with other PEMPAL member countries. For example the Russian Federation provided an in-depth overview of its transparency reforms during the 2014 Moscow plenary meeting, in addition to hosting several meetings for TCOP on FMIS and IACOP on internal audit approaches, and presenting its reforms in treasury modernization, program budgeting, MTEFs, Citizens Budgets, information portals, fiscal consolidation tools including fiscal rules, and budget literacy reforms to PEMPAL.

The Russian Federation has also benefited from the insights gained from the good practices of other countries which have been identified as leaders in reforms, and who PEMPAL has invited to share their approaches (eg BCOP study visit to South Africa in 2015, and PEMPAL participation in the OECD SBO meetings for CESEE region and the OECD SBO meetings on performance and results). Some other specific examples of how PEMPAL has been of value to the Russian Federation are:

- Best practices presented in TCOP assisted in fiscal legislation amendment process (Budget Code and instructions on regulating methodology of accounting and reporting in public sector).
- Best practices presented in BCOP on international budget literacy initiatives supported by a World Bank study, were input into strategies to improve

The Head of Treasury of the Russian Federation, Mr. Roman Artyukhin, leading a group discussion session during the TCOP meeting in Moscow in 2012.



knowledge of government budgeting in school children. Approaches used by Canada and UK were also examined in a PEMPAL workshop which outlined innovative ways of engaging citizens and students with complex budget information through online media and games. Similar approaches will be adopted in the next stage of citizen budget portal reforms to be implemented by the MoF of the Russian Federation.

- Cross-COP and BCOP initiatives in budget transparency and accountability have assisted in targeting improvements in Russia's Open Budget Index, which is currently one of the leaders in the region with a score of 74/100, in addition to targeting regional weaknesses in performance as made evident by the 2015 Index results.
- Guidelines (Templates) on internal audit in the public sector produced by the IACOP were used in 2014-2015 to design regulations of the Russian Federation on arranging and performing internal financial control and audit of key spending units.

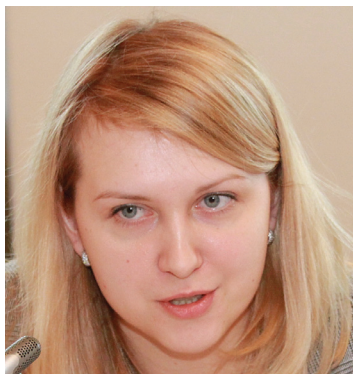


Roman Artyukhin
Head of Treasury of the Russian Federation

"As one of the participants to the first TCOP event held in 2006, and several others recently conducted, I am impressed by the PEMPAL significant progress in creating and offering knowledge products and opportunities for sharing experience among the members. I am glad to remark the increasing role of the TCOP members themselves in preparing the content of the events. The PEMPAL member-countries act both as PFM knowledge donors and beneficiaries, which contributes to the efficiency of the network and peer to peer learning."

The Russian Federation also leads a number of Working Groups in PEMPAL. The BCOP Working Group on Budget Literacy and Transparency is assisting 15 member countries participating in the group with improving accessibility of budget documentation and public participation initiatives. The group prepared a knowledge product whereby challenges in preparing citizens budgets were documented and options on how

to address those challenges developed from peer and international advice. Citizens budget examples and guidelines already developed in some of the member countries and from international sources were also translated and shared to provide ideas on ways forward. The leader of the Working Group Ms Anna Belenchuk (Head of the Unit of Budget Transparency in the MoF of the Russian Federation) noted that citizens' budgets are not common in the region.

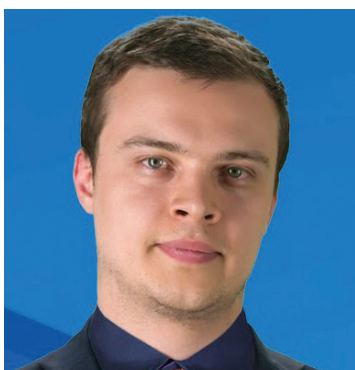


Anna Belenchuk
Head of the Unit for Budget System Development and Analysis, Department for Budget Methodology and Financial Reporting in Public Sector, Ministry of Finance of the Russian Federation; Leader of PEMPAL Working Group on Budget Literacy and Transparency

"Thus this group decided to focus its work on this reform and identify and address challenges together. The International Budget Partnership has also been involved so countries could directly seek advice on how to implement reforms. Future work includes participation in a major conference in budget literacy in Moscow in 2017 and further knowledge products are planned to assist countries in reform implementation."

The BCOP Working Group on Performance and Program Budgeting has recently benchmarked member country practices against OECD countries. The group was established in 2016 by the Russian Federation given the continued priority of these reforms in the region. Participation of the Working Group members in the OECD Performance Budgeting Survey documented progress and practices and provided

baseline data to measure progress of reforms planned over the next two years under the group's support. Reforms have also been discussed during annual meetings, with speakers from Australia, Austria, Estonia, France, Ireland, Netherlands Sweden, and South Korea presenting their country approaches, and study visits arranged to examine approaches more in-depth to Ireland for expenditure reviews, and Poland for program budgeting at the local levels.



Nikolay Begchin
Deputy Director of the Department for Budget Methodology and Financial Reporting in Public Sector, Ministry of Finance of the Russian Federation; Leader of PEMPAL Working Group on Performance and Program Budgeting

"This is an important Working Group as most of BCOP's 21 member countries are at various stages of introducing these reforms and have requested additional assistance through PEMPAL. The key objective of the Working Group is to identify main trends observed in PEMPAL countries in introducing program budgeting and expenditure reviews so that efficient approaches to the adoption of such practices can be subsequently developed. This group also enables us to communicate with each other despite the language differences, and to share reforms and approaches not only between each other, but with international experts and country cases from around the world."



Anna Valkova

Deputy Director of the Department for International Financial Affairs, Ministry of Finance of the Russian Federation; PEMPAL Steering Committee Chair in 2014-2015

"As one of the donors to the program from 2012 and former Chair of the PEMPAL Steering Committee for two years from 2014 to 2016, I have been very impressed with the results achieved under the program. We welcome the PEMPAL current successful results in the field of exchange of professional information and knowledge sharing between practitioners from member countries, international experts and others. PEMPAL

certainly is a unique platform for the efficient and effective exchange of experience in the field of PFM, especially in such core areas as budget, internal audit and treasury, on problem-solving approach and learning by doing. Collaboration of more than twenty countries in PEMPAL activities contributes to demonstrable improvements in various dimensions of PFM performance, through institutional capacity building in an individual country or group of countries of the region."



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