

MINUTES

B COP leadership group meeting
December 8, 2010 (through Adobe)

Present: Ms. Alena Slizhevskaya (Belarus, replacing Mr. Ermolovich, B COP Chair), Ms. Liuba Ivanciucova (Moldova), Ms. Salamat Kussainova (WB Kazakhstan), Ms. Iulia Timotin (Translator), Ms. Deanna Aubrey (PEM PAL Community Facilitator), Ms. Senka Maver (PEM PAL Secretariat)

Objectives:

- To discuss preliminary progress and preparations for the PEM PAL Plenary meeting.
- To make decisions related to approach to BCoP Plenary break sessions for Topic 1 (managerial accountability) and Topic 2 (budget reporting and formats).
- To enable reporting of BCoP agreed approach to Steering Committee meeting.

The following topics were discussed:

1. Update of progress of Plenary meeting preparations

As of December 8, 2010, the PEM PAL Secretariat received 125 applications. Information to the participants on the visa procedure will be provided by the Croatian Ministry of Finance in the following few days.

An overview of the draft agenda was provided.

2. Possible approach to BCoP break out sessions

Discussion:

The Plenary should provide as many practical examples (case studies) as possible. The more the better. Moldova, for example, would like to learn from experience with fiscal rules, as they are drafting a law on public finance. Case studies on the Netherlands and the UK might be useful, but might be too specific, and reflecting a situation in a developed country. Learning from the experience of a country at the same level of development would be better. Kazakhstan could share its experience with performance budgeting; their representatives at the Plenary or maybe Bill Dorotinsky of the WB could do it. Participants should get documents ahead of the Plenary to be able to prepare.

A pre Plenary survey is being prepared which will inform the break out discussions. This survey will cover the two themes of managerial accountability and budget formats/reporting and will be distributed next week to determine the status of reforms in these areas by countries participating in the Plenary.

For Theme 1, managerial accountability, the country cases presented in the morning of day one (Netherlands and Croatia) and the results of the pre Plenary survey could be discussed in the BCoP break out session planned for the afternoon. Alternatively, or in addition, a small presentation could be prepared to initiate discussion. From the annex of the Plenary concept note, the BCoP leadership group are most interested in BCoP question number 2:

- The extent to which present budget rules for budget implementation actually inhibit the development of management and managerial accountability by excessively limiting managerial discretion and what reforms are needed before greater discretion to managers can be permitted?

For the morning of day 2, representatives from the UK government will present the UK budget and reports as the country example for Theme 2. In the breakout sessions later in the day, it is proposed to combine T CoP and B CoP given the synergies in the theme to both groups. Australian consultant David Krywanio will demonstrate examples of budget formats from several countries. He will also provide a reference manual of budget reporting templates and his presentation will guide people through these examples. His draft presentation will be sent to the leadership group for comments in one week. This presentation and associated materials will be shared with other members of BCoP by the CEF just prior to the Plenary once they are finalised and translated.

Within the context of Theme 2, from the annex of the Plenary concept note, the BCoP leadership group are most interested in the TCoP questions numbers 1 and 6:

- In developing Treasury accounting systems how far should managerial requirements be taken into account, or should the Treasury accounting system only be concerned with budgetary control and cash flow management?
- How to combine program based approach, which is more and more often used for budget presentation, and the budget execution reporting, which is frequently not program based?

3. Other business

It was agreed that the BCoP action plan would be reviewed as part of Day 3 of the Plenary. Specifically, some of the events have changed in priority and an additional cost of translating the World Bank 'Results, Performance Budgeting and Trust in Government' document should be added. World Bank will be approached to determine if a translation already exists or is underway.