

PEMPAL TREASURY COMMUNITY OF PRACTICE (TCOP)

Minutes of the TCOP Executive Committee Meeting

March 12, 2024

An extended meeting of the PEMPAL TCOP Executive Committee (ExCom) took place on March 12, 2024, in the virtual format.

The meeting was attended by: Nazim Gasimzade (State Treasury Agency, MoF, Azerbaijan), Rakhat Tokbayev (Treasury Committee, Kazakhstan), Mimoza Pilkati (MoFE, Albania), Erekle Gvaladze (MoF, State Treasury, Georgia), Maxim Ciobanu (MoF, Moldova) and Tamas Pal Torok (State Treasury, Hungary). The World Bank was represented by Elena Nikulina (TCOP Resource Team Leader), Galina Kuznetsova (TCOP Resource Team member) and Tetiana Shalkivska (PEMPAL Secretariat). Additional participants included Sandra Vranes (MoF, Serbia).

Summary of Discussions

1. Preparation for FY2024 TCOP Plenary Meeting – update from the resource team on the meeting with the hosts; discussion of the inputs from ExCom members to the concept/agenda

Treasury of Serbia looks forward to welcoming everyone in Belgrade. Most of the organizational issues were discussed with the World Bank resource team, preparatory activities are proceeding as planned, presentations are being developed. The Treasury will organize a social event (a boat tour) and a dinner. Owing to the upcoming elections, they haven't received the information about the possibility to get visas upon arrival yet. In response to Mimoza's question on a possibility to have a presentation on cash forecasting, Sandra clarified that this function is currently the responsibility of the National Bank, but maybe once the data warehouse (DWH) is fully functional, they will utilize it for this purpose as well. Rakhat noted that we haven't had the IT day for a while, and it would make sense to have a day led by IT colleagues. Kazakhstan can prepare a short presentation on their modules of reporting and data sharing. Sandra stated that they intend to cover the reporting aspects in the DWH presentation, it will be quite extensive. Nazim noted it would be interesting to hear where Serbia is on the higher level system integration agenda (e-government). Sandra promised to check if an addition of such presentation would be feasible. In response to Mimoza's question on the accounting reform and the role of Treasury in moving towards accrual accounting, Sandra explained that accounting is done by the Treasury, but only on a cash basis, while the plans to move to accruals are on halt at the moment. Elena asked to highlight the functions of the treasury in the presentations. Moldova was interested to hear about operational risks of the Treasury and their clients.

In summary, everyone supported the thematic focus proposed in the draft concept. It was agreed to extend the length of the event to 3.5 days. If the budget permits, extra participants can be invited covered by the program. The concept is fine, we will wait for Sandra's confirmation on the GovTech presentation.

2. Update of the TCOP Activity Plan for the rest of FY24 – the discussion of ideas from the ExCom members

Elena reiterated that the study visit originally planned for this fiscal year will need to be moved to the fall of 2024. The plenary meeting in Belgrade in early June will be the last event in this FY, and it would be good to have a preparatory VC before the plenary. It will cover the discussion of the agenda, work in small groups, etc., but it would be good to have a thematic content as well, e.g. news from some countries. Another option is to hear from the colleagues supporting PEMNA, who work on the use of analytics in Treasury operations, such examples can be a good introduction into the agenda of the plenary.

Rakhat and other members supported the idea of inviting colleagues from Indonesia to hear about their experience. MIMOZA expressed an interest in learning more about linking the IFMIS to the tax systems to avoid the manual entering of invoices. Elena noted that it could be an interesting idea to look into in the future.

3. Update on the Cross-COP Leadership Team meeting in Vienna in July 2024 and the required inputs for the meeting from the ExCom members and the resource team

Galina provided the update on the upcoming Cross COP RLT meeting in Vienna, 8-10 July 2024. In addition to hearing from the Austrian hosts on PFM topics relevant to each COP on the first day and having the ExComs and the SC meetings on the last day, the main focus of the RLT meeting will be to discuss the Cross-COP Plenary tentatively planned for March-May 2025 and the new PEMPAL Strategy for 2026-2030. As inputs, each COP must present key thematic priorities for the new Strategy period; the examples of the PEMPAL impact on PFM reforms in member countries; the Activity Plan for FY25 and activities performed and results achieved for FY23-24. This information must be presented in the format provided by June 20, 2024. After discussion, the ExCom members decided to have another VC in mid-May 2024 to discuss these topics and finalize the presentations during the plenary meeting in Serbia.

4. Update from the Secretariat on the elections of the ExCom Chair and next steps

Elena announced that three candidates were nominated in the first round – Erekle, Nazim and Rakhat. Ludmila communicated earlier that she would support anyone who would become the new chair. The floor was given to all of the three candidates, and Nazim withdrew his candidacy. Thus, the remaining two candidates will take part in the final round of voting.

5. Miscellaneous.

Tamas announced that he would be moving to Brussels on April 1, 2024 to assume the new role as a national expert at the EC. He will continue to be staff of the Hungarian Treasury and will be able to join the meetings virtually until his replacement arrives.

The Key Meeting Outcomes and Decisions:

- The plenary concept is approved. The plenary will be held for 3.5 days, and budget permitting, extra participants can be invited at the program expense.

- There will be a VC in mid-April to: (1) hear about Indonesian experience in data analytics in Treasury operations, and (2) discuss the preparation for the plenary meeting in Belgrade.
- The ExCom will meet in mid-May to discuss the inputs into the presentations for the Cross-COP leadership team meeting (to be submitted by June 20, 2024).
- The final round of voting for the Chair will be between the two confirmed candidates.