

Workshop on Strengthening Cash Forecasting in Portugal

Context and Content

Pierre Messali

World Bank

Project Lead

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Background

- Goals of EC Europe 2020 Agenda are smart, sustainable and inclusive growth
- Portugal has requested support from EC for strengthening its treasury management as one of the pillars of the 2015 PFM reform Law
- EC/SRSS – World Bank agreement to provide this support
- Trust Funded project put in place on March 2017 for euro 550K till end 2019
- The project includes 3 main components: (i) cash forecasting; (ii) Budget execution control and (iii) non-tax revenue accounting and reporting.
- The project implementation started in May 2018.
- First component has been fully worked out and a draft concept note issued
- This workshop is intended to review and discuss the concept note prior hands-on support for implementation

Modalities of World Bank Advisory services

- WB provides technical support worldwide, not only in developing countries
- WB intervenes in EU countries through two different kinds of financial support:
 - partnership with the EU/SRSS – Trust Fund operation
 - on its own with the tool called Reimbursable Advisory Services (RAS)
- WB has some on-going RAS in Europe, mostly in countries linked to Neighborhood Agreement (Bulgaria, Romania) or others like Russia
- SRSS/WB partnership in Portugal is one of the first operation (another in Latvia for tax administration) of this kind. Model for other EU countries.

Agenda of the Workshop

First day: International practices

-3 countries (comparable size)

Finland

Austria

Ireland

Lessons learned for Portugal

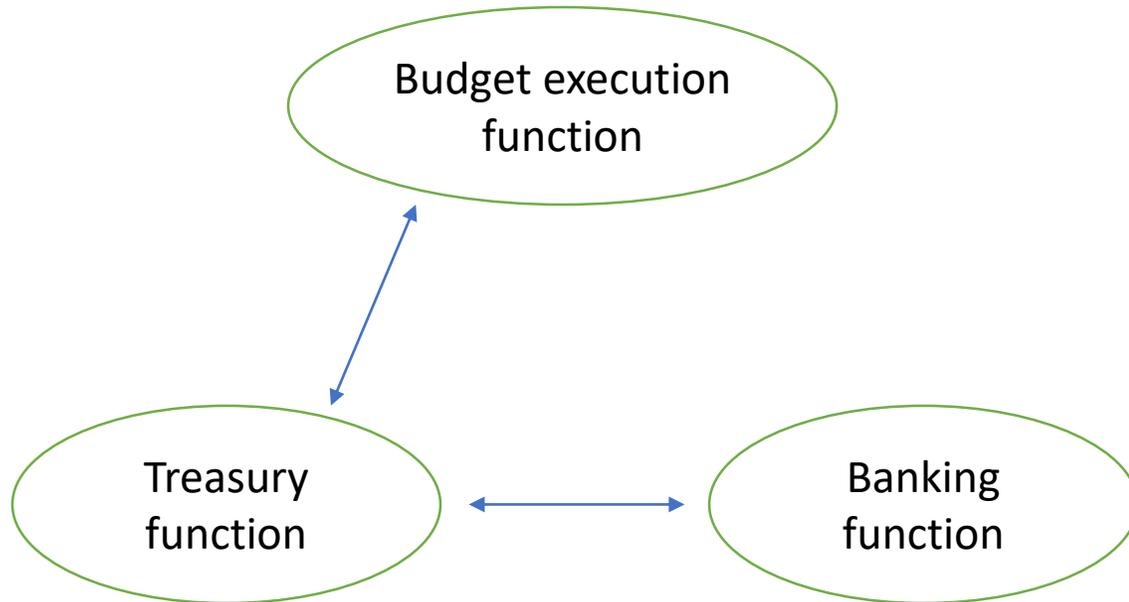
Second day: Portugal

-proposed new strengthened cash forecasting as one of pre-conditions for sound budget execution control and monitoring.

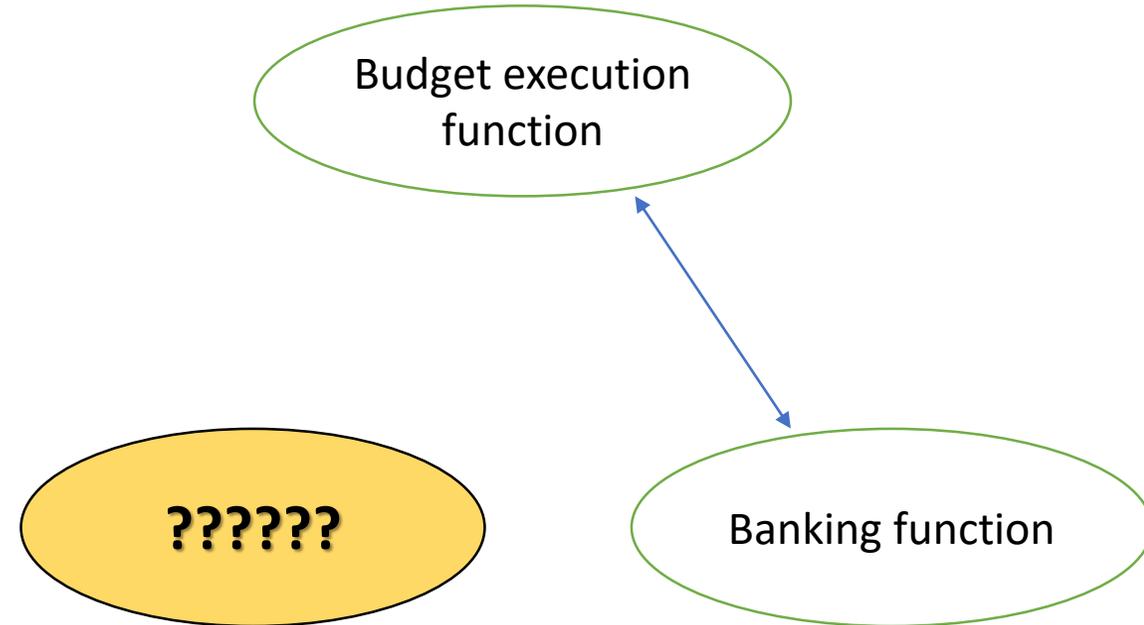
-Presentation of the proposed Model with associated budget execution monitoring and control model and ICT architecture systems

Main characteristics of Treasury management in Portugal

International practice



Portugal Model



Project's modalities

- UniLEO in charge of supervising PFM Law implementation
- UniLEO direct counterpart of World Bank team
- Working group set up for better coordination includes UniLEO, DGO, IGCP and EsPAP
- Production of Concept Notes and hands-on support for initiating implementation
- Validation of Concept Note after workshop gathering all stakeholders in the reform
- Three workshops planned for validation: cash forecasting; budget execution control and non-tax revenues

Team's composition

World Bank team

Mike Williams, international consultant, moderator of the workshop

Merle Wilkinson, international consultant

Claudio Manoel de Albuquerque, international consultant

Zohra Farooq Nooryar, Sr Financial Management Specialist

Khuram Farooq, Sr Public Sector Specialist, ICT architecture specialist

Pierre Messali, Sr Public Sector Specialist, Project lead

Manager in HQ: Roby Senderowitsch (European countries)

European Commission/SRSS

Guilhem Blondy, Public Financial Management advisor