Agenda

- Welcome Address
  Richard Bartholomew, US Treasury Budget Advisor, Chairman of the Advisory Board

- CEF Annual Report and Financial Statements for 2007
  Mira Dobovišek, Director, CEF
  Živa Može, Coordinator, CEF

  Jana Repanšek, Deputy Director, CEF
  Zdenka Vidovič, Senior Program Manager, CEF (Permanent Programs)
  Jana Repanšek, Deputy Director, CEF (Introduction to Central Banking)

- IMF Technical Assistance
  Eivind Tandberg, IMF Regional PFM Adviser
  Vincent Marie, IMF Regional GFS Adviser
  Cor Gorter, Deputy Division Chief, Government finance Division, IMF Statistics Department

- Change of Legal Status of the CEF
  Mira Dobovišek, Director CEF

- Comments From the Chair
  Richard Bartholomew, US Treasury Budget Advisor

- Conclusions
  Richard Bartholomew, US Treasury Budget Advisor

- Nomination of new Chairman of the Advisory Board
Participants

GTZ
Mr. Sebastian Gehart
IMF
Mr. Cornelius Gorter
IMF
Mr. Vincent Marie
IMF
Mr. Eivind Tandberg
CIPFA
Ms. Caroline Rickatson
The Dutch Ministry of Finance
Mr. Luc Bool
US Treasury Board
Mr. Richard Bartholomew
Ministrstvo za finance
Mr. Andrej Kavčič
The World Bank
Mr. Robert Talerico
East-West Management Institute
Mr. Geoffrey Mazullo
JVI
Mr. Clinton Shiells
ReSPA-OECD
Mr. Nicolas Dubois
SIGMA-OECD
Mr. Francois Roger Cazala

Representatives of the CEF

Ms. Mira Dobovišek, Director
Ms. Jana Repanšek, Deputy Director
Ms. Zdenka Vidovič, Senior Project Manager
Ms. Živa Može, Coordinator
Ms. Nataša Zmrzljak, Assistant
Ms. Maja Tomšič, Assistant
Ms. Ivana Gašparac, Assistant
Ms. Ana Frangež, Project Manager
Ms. Metka Sedej, Coordinator
Ms. Urška Zrinski, PEM PAL Secretariat
Mr. Andrej Kavar, Assistant
Ms. Mia Pavešič – Škerlep, IMF interpreter
MINUTES

The Supervisory Board meeting started with an opening speech by Mr. Richard Bartholomew, U.S. Treasury Budget Advisor and Chairman of the Advisory Board.


• 688 participants registered for 35 workshops and seminars. Donors’ contributions in kind are estimated at more than 0.25 mill EUR for 126 speakers at workshops and seminars.

• CBIPA project in Albania, Croatia and Slovenia successfully ended in December 2007 with 260 students obtaining certificates and 174 obtaining diplomas. The project in UNMIK/Kosovo, Macedonia, and Moldova started with selection of tutors and students;

• TIAPS project in Slovenia successfully ended in October 2007 with 45 students obtaining certificates or diplomas. Expression of interest has been shown by Albania, UNMIK/Kosovo, and Moldova.

• The CEF operations were in 2007 financed:
  • in cash
    • The MoF Slo: 0.48 mill EUR (plus 0.25 mill EUR for new investments);
    • Other donations: 0.2 mill EUR;
    • CBIPA and TIAPS in Slovenia: self-financed through participation fees (0.08 mill EUR);
    • TIAPS project -- EU Transition Facility 2004 grant to the Slovenian Government (0.4 mill EUR 2006 and 2007) – not in CEF books.
  • and in kind (estimates)
    • Various donor partners sponsored lecturers 0.23 mill EUR (materials, lecturers);
    • Participants were financed by their sponsoring institutions 0.56 mill EUR;
    • MoF Slo contributed office and classroom space (rent in kind 0.08 mill EUR);
    • CBIPA Project: Local coordination of the project and office support.

The Advisory Board suggested that the contributions in kind should be presented in more realistic figures (reports by donors and not estimates). The CEF will contact donors when preparing the next annual report.

Ms Živa Može presented Survey of CEF’s seminars and workshops in 2007. Only 22.7% of participants responded to the survey. The Advisory board recommended that participants are informed in advance about their obligation to respond to the post evaluation survey which shall help increase a respond rate and will make results more representative.

Ms. Jana Repanšek presented CEF Business plan for 2008/2009. She highlighted new workshop “Introduction to central banking” that will be delivered in November 2008. The workshop was developed by Max Watson, a Fellow of Wolfson College, Oxford (worked for the IMF and EC), during his visiting fellowship at the CEF in spring 2008. The goal of each session is to familiarize participants with key issues and operational policy challenges in the main areas of central banking, rather than aiming for a formal academic treatment of the topic.
The CEF operations and programs will in 2008 be financed by (fiscal year):
- 1 mill EUR + 0.094 mill EUR from deferred revenues (MoF Slo);
- 0.023 mill EUR to finance a joint research effort (World Bank);
- 0.072 mill EUR for PEM PAL secretariat (World Bank and US Treasury);
- 0.2 mill EUR for CBIPA in UNMIK/Kosovo, Macedonia, and Moldova;
- 0.015 mill EUR for CB training program (Bank of Slovenia);
- CBIPA and TIAPS in Slovenia (self-financed).

Ms. Zdenka Vidovič presented permanent programs CBIPA and TIAPS. She emphasized problems of the CBIPA program in Moldova, UNMIK/Kosovo and Macedonia.
- Insufficient knowledge of English
- Unsatisfactory professional base
- Weak participation at consultations
- Low motivation for training – not recognized in their country (legislation)
- Weak management support
- Students are not familiar with distance learning techniques and their discipline for learning is not strict enough
- Students are not equipped with computers or have no access to the internet
- No legal framework to support certification

Risks that jeopardize success of such projects are:
- Poor quality of translation of learning materials - terminology
- High percent of withdrawal from the training
- Low number of students with certificate at the end and consecutively training results under expected level
- Delays in localization
- Slow progress in accounting and internal auditing profession in the respective country
- Insufficient financial support by donors in the future

Mr. Eivind Tandberg, Mr. Vincent Marie and Mr. Cor Gorter presented IMF Technical Assistance program in the region. Financing of the project is committed by end of August (PFM Advisor) and by end of October (GFS Advisor). EU Commission was approached to assure long term financing of the project (3 years) and it is expected that the funds might become available in 2009. In the interim, if financing is not available the project might be suspended. The IMF approached bilateral donors and is waiting for their response. In addition participants at CEF Supervisory Board meeting will be asked to express their support and ownership of the IMF Technical Assistance project by sending a letter to the European Commission. The CEF and IMF will facilitate this by drafting the letter.

Ms. Mira Dobovišek explained that due to priorities that emerged, change in staff, and work on the additional facilities, the CEF decided to postpone preparation of materials for change of status. CEF wants to investigate a possibility of an international institution to become a cofounder of new international CEF.
1. **CONCLUSIONS OF THE 6th ADVISORY BOARD MEETING**

1. The Advisory Board that was held on July 3rd 2008 discussed the CEF financial report and financial statements for 2007. The Advisory Board suggested that the contributions in kind should be presented in more realistic figures (reports by donors and not estimates). The CEF will contact donors when preparing the next annual report.

2. It was also recommended that participants are informed in advance about their obligation to respond to the post evaluation survey which shall help increase a respond rate and does make results more representative.

3. The Advisory Board was informed and supported the CEF Business plan for the next year.

4. Financing for current IMF advisors to the region expires by end of August (PFM) and end October (GFS). The IMF and the CEF are trying hard to secure financing for next three years from the EC. However, to bridge the gap until the EU money becomes available, few bilateral donors were approached. In the worst, if financing cannot be provided, the project will be temporarily suspended.

5. Decision making on the change of legal status of the CEF was postponed because the CEF wants to investigate a possibility of an international institution to become a cofounder of new international CEF.

6. The Advisory board nominated Luc Bool from the Dutch Ministry of Finance as the new Chair of the Advisory Board.