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World Bank, Korean Ministry of Strategy and Finance, and AusAID support formation of Asia’s public financial management network

New peer-learning network to help governments across Asia improve management of public spending

BANGKOK, JUNE 7, 2012—A peer-learning network of public financial management practitioners in Asia was launched today with the aim of supporting governments across the region in addressing public financial management challenges and improving efficiency and effectiveness of public spending.

Called the Public Expenditure Management Network in Asia (PEMNA), the group will provide opportunities for public financial management practitioners across the region to share their knowledge and experiences in implementing public financial management reforms, and to learn from successes and challenges of others. Such shared knowledge will lead to improvement in each country’s public financial management systems.

“Similar to other countries in Asia, Government of Thailand has implemented major public finance management reforms over the last decade. These reforms have helped improve delivery of public services and provided macro-fiscal discipline, effectiveness and efficiency of public resources,” said Mr. Woravat Auapinyakul, Minister attached to the Prime Minister’s Office in Thailand who discussed public finance management issues and challenges in Asia in his keynote address during PEMNA’s launch workshop.

“I strongly believe that there is much to learn from our own experiences and I am a big supporter of peer learning, understanding our challenges, discussing them openly with other officials facing similar issues, and coming up with appropriate solutions for our uniquely Asian systems,” said Mr. Woravat.

Over a hundred delegates gathered for the launch workshop at the Peninsula hotel from countries including Cambodia, China, Indonesia, Laos, Malaysia, Mongolia, Myanmar, Philippines, Timor-Leste, Vietnam, and Thailand. Representatives of development partners including Korea, the Australian Agency for International Development (AusAID), International Monetary Fund (IMF), Japan, Asian Development Bank (ADB) and the World Bank also participated in the two-day workshop.

Public financial management professionals will meet periodically and engage in a various activities such as face-to-face workshops, exchange visits, videoconferencing and internet-based interactions to learn from their counterparts from neighboring countries of the region. Members will also participate in two “communities of practice” in budget and treasury where members can share specific knowledge and expertise with one another.
The Korea Institute of Public Finance (KIPF), a quasi-governmental research and training institute associated with the Ministry of Strategy and Finance, has been identified as a possible secretariat.

“Korea is eager to share its experience and know-how with others that seek to improve public financial management. I am convinced that the PEMNA is a meaningful platform to share ideas and foster information exchange with counterparts in the region,” Mr. Dong Yeon Kim, Vice Minister of Strategy and Finance in Korea, said in welcoming the creation of PENMA. “Korea is willing to host the PEMNA Secretariat and government will sponsor and carry out joint research projects to mark the launch of PEMNA.” said Mr. Kim.

“Peer-to-peer learning is a core part of World Bank’s knowledge agenda. Across East Asia, governments have demonstrated both the drive and the capacity to look beyond their own borders for examples of effective means of strengthening public financial management and public sector performance,” said Ms. Annette Dixon, World Bank Country Director for South-East Asia.

Ms. Dixon added: “There is a growing realization that effective and efficient service provision is a key element in maintaining growth and development throughout the region—and that by drawing on the collective knowledge of practitioners throughout the region, governments can access a powerful resource in support of this goal.”

She said that PEMNA is an innovative approach compared to the World Bank’s traditional roles, which are advisory and operational. The core concept behind the new network is to utilize the Bank’s and its partners’ convening power as a trusted partner for development. The World Bank’s role is to facilitate network building, and is expected to diminish over time as PEMNA member countries develop incentives to participate and manage the network.

The World Bank and AusAID are providing initial funding for establishing the network including the PEMNA launch workshop and future knowledge activities. Other development partners are invited to participate in the network as stakeholders and providers of expertise and financial support.

Korea, Thailand, OECD, the IMF, the World Bank along with other member countries, have agreed to serve in the PEMNA Steering Committee.

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