



PERSPECTIVES FOR
THE FUTURE

**FINCOP &
EDUCOP**

SMART INTERACTIVE TALK

**INTERPRETATION OF
FINANCIAL INFORMATION
AND THE USE OF
PERFORMANCE INDICATORS
IN THE PUBLIC SECTOR**

November 11, 2020

CFRR»

**Centre for Financial
Reporting Reform**



Centre for Financial Reporting Reform (CFRR)
Governance Global Practice, The World Bank

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PULSAR

The Public Sector Accounting and Reporting Program

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Forum of Accountants General of Latin America

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SMART INTERACTIVE TALK
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CONTEXT

One of the key objectives of accounting in general is to produce in timely fashion financial information that is reliable, relevant, comparable, understandable and, most importantly, useful for decision making.

One way to increase value added of financial information and reporting is by development of methodology and usage of financial and performance indicators, such as liquidity, leverage, and debt to net assets ratio, among others, which aim to facilitate analysis and interpretation of financial statements. The use of financial indicators also facilitates international comparisons, and they could also allow to assess COVID-19 impact on public finances.

The main objective of this Smart Interactive Talk (SIT) is to: (i) discuss the existent methodology and the best way of its use in public sector; (ii) present IPSASB position on the topic; (iii) explore the benefits of financial statements for investors and Credit Rating Agencies; (iv) present countries/cities experiences in using performance indicators.

LOCATIONS AND TIME

- **07:00** – Guatemala City, Managua, Mexico City, Quito, San Jose, San Salvador, Tegucigalpa
- **08:00** – Bogota, Lima, Panama City, Washington DC
- **09:00** – La Paz, Santo Domingo
- **10:00** – Asuncion, Brasilia, Buenos Aires, Montevideo, Santiago
- **14:00** – Belgrade, Podgorica, Prishtina, Sarajevo, Skopje, Tirana, Vienna, Zagreb
- **15:00** – Chisinau, Kiev
- **16:00** – Minsk
- **17:00** – Baku, Tbilisi, Yerevan

AGENDA | WEDNESDAY, NOVEMBER 11, 2020, 14:00 (CET)

Opening Remarks

14:00

Dmitri Gourfinkel | PULSAR FINCOP Task Team Leader; Sr. Financial Management Specialist, The World Bank (Moderator for the event)

Daniel Boyce | Practice Manager, Governance ECA region, World Bank

Xiomara Morel | Practice Manager, Governance LAC region, World Bank

14:15

IPSASB position on the use of financial and performance indicators

Ross Smith | Program and Technical Director, IPSASB

14:30

The benefits of financial statements for investors and Credit Rating Agencies

Fergus McCormick | Director of Sovereign Research, Emerging Markets Investors Alliance

14:45

Existent methodology and Swiss experience

Andreas Bergmann | Director, Public Sector, ZHAW School of Management and Law, Switzerland; former Chair, IPSASB

15:00

European cities (CEFG/CSPF groups) experiences

Alexander Heichlinger | International expert in Local/City Government

Emanuele Padovani | Associate Professor of Public management and accounting, University of Bologna, Italy

15:15

FOCAL opening remarks and Paraguay experience

Magdalena del Pilar Vicuña Cevallos | Deputy Ministry for Governmental Accounting, Ministry of Economy and Finance, Ecuador, and FOCAL Chair

María Teresa Díaz de Agüero | Director General of Public Accounting, Ministry of Finance, Paraguay

15:30

Questions & Answers

Jose Rezk | PULSAR EduCoP Co-Task Team Leader; Sr. Financial Management Specialist, The World Bank

Juan Carlos Serrano | FOCAL liaison and Sr. Financial Management Specialist, The World Bank

Closing remarks

15:40

Arman Vatyán | PULSAR Program Manager; Governance Focal Point for Central Asia, The World Bank

15:45

End of Virtual Workshop

BIOS OF THE SPEAKERS AND MODERATOR

(in order of appearance)



DMITRI GOURFINKEL

Senior Financial Management Specialist, PULSAR FINCOP Team Leader,
World Bank

Dmitri Gourfinkel is a Senior Financial Management Specialist at the World Bank's Governance Global Practice and has 16 years of professional experience in public financial management and fiduciary compliance in a number of countries. Before joining the Bank in 2007, he held several posts in both national and sub-national governments in Mexico, including Adviser to the Minister of Finance, Chief Adviser to the Deputy Treasurer of the Federation, and Chief Adviser to the Auditor General of Mexico City. Dmitri is a Certified Public Accountant by Mexican Institute of Charter Accountants and holds a master's degree in Public Administration from the Maxwell School of Citizenship and Public Affairs at Syracuse University. Dmitri is the Task Team Leader of the PULSAR Community of Practice on Financial Reporting.



DANIEL BOYCE

Governance Practice Manager, World Bank

Daniel Boyce is Practice Manager for Eastern Europe and Central Asia in the World Bank's Governance Global Practice. His unit covers 11 countries in Eastern Europe, South Caucasus and Central Asia. He is a Certified Public Accountant (CPA) and holds a Bachelor's degree in Accounting from Florida A&M University and a Masters and Ph.D. in Political Science from the University of California, Los Angeles (UCLA). Previously he managed the World Bank's financial management unit for Latin America and the Caribbean. Mr. Boyce is responsible for overseeing quality in the World Bank's Governance work, including operational financial management work and the capacity building activities in public sector management. Themes addressed by the Governance practice include those related to Justice Reform, State Owned Enterprises and Public Financial Management, among others. He also has leadership of regional initiatives related to Public Expenditure Management and Public Sector Accounting.



XIOMARA MOREL

Governance Practice Manager, World Bank

Ms. Morel is a Practice Manager in the Governance Global Practice in Latin America and Caribbean (LAC) region of the World Bank Group. She is a Certified Public Accountant and holds a master's degree in finance. Ms. Morel's professional experience includes 25 years of Bank's experience, including portfolio management, quality enhancement, public accounting and financial reporting, risk management, and capacity development of public institutions in client countries. During her tenure at the Bank, Ms. Morel have had numerous achievements with significant operational impacts in client countries in a variety of lending operations and public financial management initiatives approaching governance from fiduciary assurance to capacity building and strategic public financial management reforms. In her current position, Ms. Morel is responsible for overseeing the implementation of financial management policy in Bank-financed operations, manage effectively and further develop the existing portfolio of operations and analytical work in the LAC region in support of the regional strategy and the governance agenda in client countries.



ROSS SMITH

Program and Technical Director of the International Public Sector Accounting Standards Board (IPSASB)

Ross Smith is the Program and Technical Director of the International Public Sector Accounting Standards Board (IPSASB). Ross leads the IPSASB staff team in their work to develop International Public Sector Accounting Standards (IPSAS). Since joining the IPSASB staff in 2013 Ross has led the development and implementation of the IPSASB's governance activities, and the establishment of the IPSASB Consultative Advisory Group. Ross also oversaw the IPSASB's projects related to financial instruments accounting (Public Sector Specific Financial Instruments and IPSAS 41, Financial Instruments) and the development of the IPSASB Strategy and Work Plan 2019-2023, including the research and initial project launch of the Natural Resources project. Prior to joining the IPSASB, Ross worked for several years for a big-4 accounting firm in Canada and Japan. Ross focused on complex accounting and audit assignments related to public utilities, large industrial companies, and financial institutions. Ross is a Canadian Chartered Professional Accountant.



FERGUS MCCORMICK

Director of Sovereign Research at the Emerging Markets Investors Alliance

Fergus McCormick is Director of Sovereign Research at the Emerging Markets Investors Alliance. He is also a Consultant at the World Bank and a Senior Advisor at the Kazarian Center for Public Financial Management. Before this, Fergus was Chief Economist and Head of Sovereign Ratings at DBRS Morningstar, a Latin America Economist at Morgan Stanley, a Global Equity Strategist at Bear Stearns, a Sovereign Analyst at Fitch Ratings, and an Economist/Statistician at the Inter-American Development Bank. Fergus holds degrees from Reed College and the Paul H. Nitze School of Advanced International Studies at Johns Hopkins University.



ANDREAS BERGMANN

Director, Public Sector, ZHAW School of Management and Law, Switzerland; former Chair of IPSASB

Andreas Bergmann is a Full Professor of Public Finance and Director Public Sector at the Zurich University of Applied Sciences, School of Management and Law since 2002. He was Chair of the International Public Sector Accounting Standards Board (IPSASB) from 2010 until 2015, after serving the board as a public member since 2006. He is a member of the Swiss Accounting Standard Setter for the Public Sector (SRS-CSPCP) since 2009, and a member of the European Commission Accounting Advisory Group since 2010, both ongoing. In 2010, Mr. Bergmann was a Visiting Professor at Victoria University in Wellington, New Zealand. He is a scientific advisor on PFM reforms in Switzerland, Europe, Central Asia, Latin America, South East Asia, and to various international organizations. From 2003 to 2009, he was the Scientific Advisor for the public sector accounting reforms at the federal and state level in Switzerland. He was also a member and later Chair of the advisory committee for GFSM2001/ESA95 implementation in Switzerland. In 1999, he joined Zurich University of Applied Sciences as a Senior Lecturer and became a Full Professor in 2002. Mr. Bergmann started his career as a business consultant before joining the Ministry of Education of the State of Zurich as a Project Manager for NPM Reforms/Head of Controlling. He holds a diploma from Lancaster University, and a master's degree and a Ph.D. from St. Gallen University.



ALEXANDER HEICHLINGER

International Expert in Local/City Government

Alexander Heichlinger was until February 2020 a Senior Expert and Manager at EIPA Barcelona, the antenna of the European Institute of Public Administration (EIPA). He was Co-founder and Chair of the European City Economic & Financial Governance Group (www.cefg.eu) (2014-2020), which brought together the CEOs/CFOs of major European cities to promote quality management, transparency, accountability and sustainability in public finances at city level. He was also Observer in the European Commission – Eurostat Working Group on EPSAS. Over the past 20+ years, he also managed and delivered numerous large-scale and both multi-disciplinary and cross-national assignments, as a consultant, academic and trainer, for public sector organizations from across Europe and beyond, as well as for almost all the European institutions and other international organizations.



EMANUELE PADOVANI

Associate Professor of Public Management and Accounting,
Department of Management and Bologna Business School,
University of Bologna, Italy

Emanuele Padovani, Ph.D., is associate professor at the Department of Management, University of Bologna, Italy. His area of expertise concerns accounting and financial management, management control systems, and performance measurement and management in regional and local governments. He has collaborated on research and consulting projects with major local, national and international public institutions throughout Italy, Europe and U.S., including EIPA - European Institute for Public Administration (The Netherlands and Spain), KDZ - Zentrum für Verwaltungsforschung (Austria), Bertelsmann Stiftung and Hertie School (Germany), SFIL (public owned development bank, France), and MSU Center for Local Government Finance and Policy, Michigan State University (United States). He cooperates with CNEL - Consiglio Nazionale dell'Economia e del Lavoro, the national constitutional body that advises the government and parliament on economic and work-related issues, on the evaluation of Italian local governments' performances. From September 2020, he is scientific director of the Local Public Finance executive master at Bologna Business School, University of Bologna, for CDP - Cassa Depositi e Prestiti, the leading Italian public owned investment bank.



MAGDALENA DEL PILAR VICUÑA CEVALLOS

Deputy Minister for Governmental Accounting, Ministry of Economy and Finance, Ecuador, and FOCAL Chair

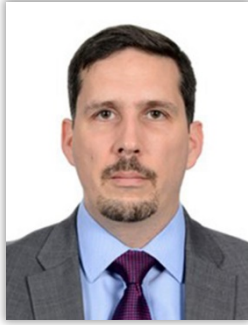
Mrs. Vicuña is currently Deputy Minister for Governmental Accounting of the Ministry of Economy and Finance of Republic of Ecuador. She has worked as a financial consultant with experience in Interamerican Development Bank (IADB) and World Bank projects. She is a specialist in budgeting, accounting, and treasury systems and an expert in the design and implementation of integrated financial management systems. Mrs. Vicuña participated in the construction of the public finance regulations in Ecuador and the implementation of the first Integrated Financial Management System (SIGEF) in the country. She supported the Ministry of Economy and Finance in the implementation of the Organic Code of Planning and Public Finance and in the elaboration of various processes for the financial execution of public resources. Mrs. Vicuña has led presentations at UNCTAD - ISAR sessions in Geneva and at the Governmental Accounting Forum of Latin America - FOCAL. She is President of FOCAL for the period 2019-2020. She is currently working on the process of convergence to International Public Sector Accounting Standards (IPSAS) and on the implementation of the new Integrated Administrative System of Public Finances (SINAFIP) in Ecuador.



MARIA TERESA DIAZ DE AGÜERO

Director General of Public Accounting, Ministry of Finance, Paraguay

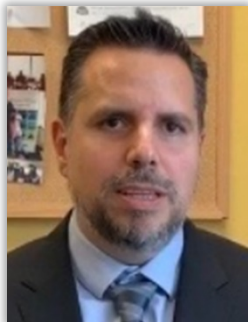
María Teresa Díaz de Agüero is the Director General of Public Accounting of the Ministry of Finance of Paraguay with 30 years of experience in the institution. She holds a bachelor's in accounting, a master's degree in Formulation, Evaluation and Management of Investment Projects, and a postgraduate degree in Didactics, all of them in the National University of Asuncion, Paraguay. In the last 23 years she has been professor in various universities. Mrs. Díaz has ample experience in public sector and specifically in the field of public sector accounting. Currently, she is the manager of the Open Data SPIR Project, an application which aims to inform citizens and other decision makers regarding the income and expenses in the Paraguayan Public Sector. Mrs. Díaz is leading the implementation of IPSAS in public sector in Paraguay with the support of international organizations. In 2016 she was President of the Governmental Accounting Forum of Latin America (FOCAL), in which she is currently an active member. Moreover, she is also a Public Sector member of the Inter-American Accounting Association (AIC), representing Paraguay, and Vice President of the Technical Commission of the Public Sector of the Paraguayan College of Accountants for period 2018-2020.



JOSE SIMON REZK

Senior Financial Management Specialist, PULSAR EDUCOP Co- Task Team Leader, World Bank

José Rezk holds a master's degree in Strategic Management and Technology and university degrees in Business Administration and Accounting. He also holds several international certifications in accounting and auditing, including Certified Internal Auditor (IIA), Certified Information Systems Auditor (ISACA) and Certified Fraud Examiner (ACFE). José has over 20 years of work experience in Financial Management and Auditing, including 15 years at the World Bank. In his more recent role as Financial Management Coordinator for Central America, he oversaw the PFM and fiduciary aspects of the project portfolios for Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama. Previously, he served as Financial Management Specialist for several countries in Latin America and he was based both in Argentina and Honduras Country Offices. He has led several PFM studies including national and sub-national PEFAs, and more recently he led the organization of regional knowledge and learning conferences as CReCER and Cuentas Claras. He supported the engagement with the Latin-American Network of Government Accountant Generals (FOCAL) focused on strengthening Public Sector Accounting. His pre-Bank experience includes working for the private sector (IT industry) as well as for the public sector in Argentina. In the Vienna CFRR, José will work on Public Sector Accounting and CFR related work.



JUAN CARLOS SERRANO

Sr. Financial Management Specialist, World Bank

Juan Carlos Serrano is currently Financial Management Coordinator for Andean Countries in the Governance Global Practice of the World Bank, and liaison with the Forum of Government Accountants of Latin America (FOCAL). His experience covers a wide range of areas on PFM reform, with a focus on governance, fiduciary oversight, provision of capacity building to governments, and strategic country-level engagement initiatives. During his tenure at the World Bank, Mr. Serrano has led multiple initiatives across the Latin America region involving a wide range of accountability and oversight institutions, aimed at improving the governance, and implementing transparency and accountability reforms. Before joining the World Bank, Mr. Serrano worked extensively in the Mexican public and financial sectors, working at the Advisory Unit of the Ministry of Finance, the Mexican Banking and Securities Commission, and other international banking institutions. Mr. Serrano is a Certified Public Accountant and holds a Master in Finance from Mexican Autonomous Technological Institute (ITAM). He is an active member of the accounting and auditing profession including active

membership in organizations such as the American Institute of Certified Public Accountants (AICPA) and the Institute of Internal Auditors (IIA). He also holds a Certificate in International Financial Reporting from the Association of Chartered Certified Accountants (ACCA) in UK.



ARMAN VATYAN

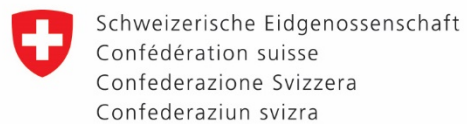
Lead Financial Management Specialist - Governance Focal Point for Central Asia, The World Bank; PULSAR Program Manager

Arman Vatyán, a UK and Canadian chartered accountant, is PULSAR Program Manager and a World Bank Governance Global Practice Focal Point overseeing the implementation of the World Bank's Governance activities in Central Asia including the financial management work program. He has more than 20 years of experience in leading critical financial management initiatives and reforms, including in public sector and corporate accounting and financial reporting, public internal and external audit, financial management information system (FMIS) and public internal control in 24 countries in the Europe and Central Asia, Latin America and Middle East and North Africa regions. He also leads the PEMPAL Internal Audit Community of Practice of 23 countries (since 2008) and other successful regional PFM programs. Prior joining the World Bank he worked at KPMG providing corporate governance, strategic planning, MIS, restructuring, acquisition, and privatization advice to governments and large public interest entities. He has around 20 years teaching experience at ACCA courses and as visiting lecturer at universities, regional and MBA programs.

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