

DEVELOPMENT PARTNERS: European Union | France | Germany | Switzerland | The Netherlands

MEMBERS - CONTRIBUTORS: Algeria | Egypt | Iraq | Lebanon | Sudan

MEMBERS: Afghanistan | Djibouti | Jordan | Libya | Morocco | Syria | Tunisia | West Bank & Gaza | Yemen

Technical Assistance (TA) and Training Missions

Banking Supervision



Algeria

A METAC mission examined the comments received from banks on the guidelines on internal capital adequacy assessment process (ICAAP) that Bank of Algeria had circulated earlier, and discussed with the authorities ways to overcome implementation challenges. The mission also followed up on the remaining recommendations of METAC's TA report of October 2017, including the development of regulations on concentration risk and interest rate risk management in the banking book, which form a fundamental part of the ICAAP.



Tunisia

METAC assisted the Central Bank of Tunisia (CBT) in developing an ICAAP framework, which focuses on assessing capital adequacy on solo and consolidated bases under normal and stressful situations, and emphasizes on the principle of proportionality in assessing banks' capital vis-à-vis their risks in term of scope, frequency of reporting, and remittance dates. The mission recommended the CBT to discuss with banks' managements and external auditors the draft ICAAP framework prior to its formal release, in order to test banks' readiness for its implementation. The mission also recommended developing regulations on interest rate risk in the banking book and a risk profile assessment methodology to support risk-based and forward-looking supervision.

Public Financial Management



Egypt

Building on the recommendations of a November 2017 IMF Headquarters-led mission, a joint Fiscal Affairs Department (FAD)-METAC mission assisted the Ministry of Finance (MoF) in identifying a cluster of

ministries with which medium-term expenditure planning will be explored and piloted. The experts discussed with the Budget Directorate and selected line ministries the current efforts to plan medium-term expenditure as well as the necessary inputs to achieve better baselines and costing scenarios. They also explored opportunities for a more consolidated budget discussion, structured around the function of ministries and agencies rather than individual discussions with each ministry and agency.



Sudan

Fiscal Risk Management

METAC provided training on fiscal risk management, with a special emphasis on public corporations. The mission worked closely with the recently created Fiscal Risk Unit to review its objectives and institutional arrangements. It also helped the authorities initiate a review of their budget documentation against the standards defined by the IMF's Fiscal Transparency Code, and initiated discussions on a possible roadmap to implement program budgeting over the medium term. At the end of the mission, a medium-term roadmap for follow-up TA from METAC was proposed.

Treasury Single Account (TSA) and Cash Management

An expert took stock of the TSA implementation and current cash management practices. She discussed with the authorities her findings and shared international experiences. At the end of her visit, she proposed a roadmap to further strengthen institutional arrangements related to cash management, develop cash forecasting practices, and enhance the TSA structure that could be supported by METAC technical assistance.



Tunisia

From February to late April 2018, remote and on-demand expertise was provided to facilitate the preparation of key deliverables included in a roadmap developed earlier to

strengthen institutional arrangements related short-term cash management and consolidate all central government banking accounts within the TSA. These deliverables included the establishment of the Cash Management Committee or the codification of financial operations transiting through the TSA.



West Bank and Gaza

METAC initiated a medium-term project to support the development of the Macro-Fiscal Unit's capacities, continuing on an earlier Belgium financed IMF assistance. A first expert visit (i) built capacity to manage the fiscal database, including filling any data gaps, (ii) supported the preparation of analytical monthly and quarterly reports, and (iii) facilitated the preparation of intra-year projections based on a 2018 budget.

Revenue Administration



Egypt

METAC revenue administration advisor participated in an FAD mission to the Egyptian Tax Authority (ETA) and MoF. The mission discussed (i) the ongoing reform initiatives; (ii) the ETA project on business processes reengineering; (iii) the latest plans to develop integrated information technology systems; (iv) the integration of the organizational structure across value-added tax and income tax administration; and (v) the reforms that the authorities are considering to transforming ETA into modern revenue organization. The mission advised on reform priorities, their implementation sequencing, and the establishment of program governance and management arrangements.



Jordan

METAC assisted the Income Sales Tax Department (STD) in developing a compliance risk management function. The mission supported STD on how to identify, assess, and rank compliance and institutional risks; and how to develop a compliance improvement program to mitigate indentured risks. It reviewed the current structure and governance arrangements for sound risk management, and advised for further development. The mission also presented international good practices on compliance risk management processes, i.e., that they need to be fully integrated, cross cutting management functions of management, and directly linked with the strategic and annual planning cycles.



Lebanon

METAC assessed the Lebanese tax administration, using the Tax Administration Diagnostic Assessment Tool (TADAT). The diagnostic mission identified the strengths and weaknesses in administering core taxes, addressing all relevant issues pertaining to the major taxes. The assessment provided a baseline for the current reform efforts, and an input to potentially necessary adjustments to the current reform process. It also created the basis for measuring progress over time, and provided the authorities with the necessary information for determining the need for future TA. Following up on this assessment, METAC will provide further support in one of the TADAT outcome areas.



Sudan

In response to Sudan Customs Administration (SCA)'s request, METAC organized a study visit for SCA officers to Jordan Customs. The visit allowed the officers to learn how to use the software for risk management, and how an automated system for customs data can be used to strengthen control.

METAC also assisted SCA in developing revised procedures for the free zone administration, with a view to improve the control over the goods entering the Garri (Aljaily) free zones. The mission also identified the legal barriers to strengthen control, and advised on the necessary legislative changes.

Statistics



Tunisia

METAC assessed the consistency between the national accounts and external sector statistics. The mission worked closely with compilers from Central Bank of Tunisia and National Institute of Statistics on reconciling the data on trade in goods in national accounts and in balance of payments. The mission also clarified the differences between trade in services published in the two datasets and recommended ways to close the gap.

The following TA reports were uploaded on METAC's website during April 2018. Steering Committee members of countries and donors who have signed a confidentiality agreement with the IMF may access the reports @ www.imfmetac.org

| | |
|-------------------------------|--------------------------------------------------------|
| Banking Supervision | Sudan |
| | Upgrade the on-site Supervision Manual |
| Revenue Administration | Sudan |
| | Extending Implementation of Risk Management in Customs |
| | West Bank and Gaza |
| | Revitalizing Management of Large Taxpayers |

IMF Online Courses

Available to government officials and, in some cases, to the general public through www.imf.org/institute-online and <https://www.edx.org/school/imfx>. Current and forthcoming online courses include:

- Financial Programming and Policies, Part 2: Program Design (FPP.2x)**
 Language: French, May 23 – July 11, 2018
 Course Conducted Online
Apply online by May 16, 2018
- Financial Market Analysis (FMAx)**
 Language: English, May 30 – July 18, 2018
 Course Conducted Online
Apply online by May 23, 2018
- Debt Sustainability Analysis (DSAx)**
 Language: English, May 1 – October 31, 2018
 Course Conducted Online
Apply online by October 17, 2018
- Financial Programming and Policies, Part 1: Macroeconomic Accounts & Analysis (FPP.1x)**
 Language: English, May 1 – October 31, 2018
 Course Conducted Online
Apply online by October 17, 2018
- Debt Sustainability and Debt Management for Low-Income Countries (DSLx)**
 Language: French, May 1 – October 31, 2018
 Course Conducted Online
Apply online by October 17, 2018

METAC planned missions for May 2018 are:

| Country | Topics | Resident Advisor | Short-Term Expert | Dates |
|------------------------------------|-------------------------------------------------------------|------------------------------|-------------------|----------|
| Steering Committee Meeting | | | | |
| METAC Countries | - | METAC Coordinator & Advisors | - | 05/03 |
| Public Financial Management | | | | |
| Jordan | Public Investment Management Assessment Follow-up | - | Martin Darcy | 05/01-09 |
| Lebanon | Public Investment Management Assessment - Inception Mission | Xavier Rame | - | 05/14-18 |
| Revenue Administration | | | | |
| Egypt | - Filing and Payment Compliance Management Procedures - PMO | - | Keith Cartwright | 05/06-17 |