

FY 2015 MID-YEAR REPORT

**EAST AFRICA
REGIONAL TECHNICAL
ASSISTANCE CENTER
(EAST AFRITAC)**





East AFRITAC
INTERNATIONAL MONETARY FUND
REGIONAL TECHNICAL
ASSISTANCE CENTER

A Multi-Donor Initiative Supported by Recipient Countries and the Following Donors



European Union



UKaid
from the British people



german
cooperation
DEUTSCHE ZUSAMMENARBEIT



European
Investment
Bank



Government
of Canada

Gouvernement
du Canada



Australian Government

Department of Foreign Affairs and Trade



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO



Ministry of Foreign Affairs of the
Netherlands



Eritrea



Malawi



Uganda



Ethiopia



Rwanda



Kenya



Tanzania





Table of Contents

	Page
I. EXECUTIVE SUMMARY	3
II. STRATEGIC ISSUES	4
A. Implementation of the Action Plan on the Mid-Term Evaluation	4
B. Phase IV Program Document	6
C. Budget and Financing.....	6
D. Donor Coordination.....	7
III. REPORT ON ACTIVITIES OVER THE FIRST HALF OF FY 2015	7
A. Overview	7
B. Revenue Administration	11
C. Public Financial Management	11
D. Macro-Fiscal Analysis	13
E. Financial Sector Regulation and Supervision.....	14
F. Monetary Policy and Operations.....	15
G. Economic and Financial Statistics.....	16
H. Work on Regional Issues.....	18
I. Attachments.....	19
J. East AFRITAC Training	19
IV. REVISED WORK PROGRAM FOR H2 FY 2015	22

Figure and Tables

Figure 1. East AFRITAC, Summary Statistics of FY 2015 Implementation	8
Table 1. East AFRITAC, Activity over H1 FY 2015.....	9
Table 2. East AFRITAC, Allocation of Resources by TA Area, H1 FY 2015.....	9
Table 3. East AFRITAC, Allocation of Resources by Country, H1 FY 2015.....	9
Table 4. East AFRITAC, Status of Milestones by Sector, Full Year FY 2015.....	10
Table 5. Deviation Analysis for H1 Work Program.....	10
Table 6. IMF Training of East AFRITAC Officials over H1 FY 2015	20
Table 7. Deviation Analysis for Full Year Work Program.....	22

Annexes

Annex 1. Work Plan Execution in H1 FY 2015.....	23
Annex 2. East AFRITAC, Revised Work Plan for H2 FY 2015	33
Annex 3. East AFRITAC, Workshops and IMF-ICD Courses (as of October 2014)	46
Annex 4. East AFRITAC Mission Reports, First Half of FY 2014.....	48
Annex 5. IMF Africa Capacity Building Initiative, East AFRITAC Phase III, (as of October 31, 2014)	52
Annex 6. East AFRITAC: Status of Contributions, October 31, 2014	55



List of Abbreviations

AFE	East AFRITAC
AFRITAC	Africa Regional Technical Assistance Centers
AFS	AFRITAC South
AML/CFT	Anti-Money Laundering /Combating the Financing of Terrorism
BOP	Balance of Payments
BOT	Bank of Tanzania
BPM6	BOP and International Investment Manual, 6th Edition
CBK	Central Bank of Kenya
CPI	Consumer Price Index
DfID	Department for International Development (United Kingdom)
EAC	East African Community
EAMU	East African Monetary Union
FAD	Fiscal Affairs Department (IMF)
FPAS	Forecasting and Policy Analysis System
FPW	Field Person Weeks
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GFSM	Government Finance Statistics Manual
ICD	Institute for Capacity Development (IMF)
IMF	International Monetary Fund
LEG	Legal Department (IMF)
MCM	Monetary and Capital Markets Department (IMF)
MDA	Ministries Department and Agencies
MEFMI	Macroeconomic and Financial Management Institute for Eastern and Southern Africa
MPC	Monetary Policy Committee
MTEF	Medium-Term Expenditure Framework
NAS	National Account Statistics
NBR	National Bank of Rwanda
NPS	National Payments System
PBB	Program-Based Budgeting
PFMI	Principles for Financial Market Infrastructure
PPI	Producer Price Index
QNA	Quarterly National Accounts
RA	Resident Advisor
RBM	Reserve Bank of Malawi/ Results Based Management
RTAC	Regional Technical Assistance Center
SNA	System of National Accounts (2008)
SUT	Supply and Use Tables
TA	Technical Assistance
TSA	Treasury Single Account
VAT	Value Added Tax
XMPI	Export and Import Price Indices



I. EXECUTIVE SUMMARY¹

Both IMF headquarters and East AFRITAC have made good progress towards implementing the action plan in response to the mid-term evaluation. Strategic focus is being sharpened by developing country strategies as part of the Phase IV program document. The technical assistance (TA) planning process is being strengthened to capture all IMF activities and improve alignment with the Fund's strategic planning process. Financial sustainability is also being tackled including through discussions on a higher share of contributions from member countries in Phase IV. A collaboration site has been established to share good practice between RTACs and will input into the preparation of a new RTAC handbook that will facilitate standardization in processes across Centers and within the IMF. Considerable progress has been registered on implementing a new results-based management (RBM) system for all IMF technical assistance and training activities, with new software procured. This system, which should be in place in the second half of 2015, will improve the quality and availability of information for planning and monitoring TA and training. Over time, East AFRITAC's existing results framework will be fully integrated in the Fund-wide RBM framework. This report also documents some steps being taken to improve the efficiency of operations, including training activities.

A draft of the Phase IV program document has been circulated for comment from the Steering Committee, and fundraising efforts have started in the lead up to a pledging session in early 2015. East AFRITAC remains highly committed to and active in informing donors of its activities. It has shared information through monthly newsletters, donor debriefings, participation in donor groups and has invited early inputs to its FY 2016 workplan. Over sixty technical assistance reports, covering all member countries, have been disseminated on the Center's secure site over the first half of FY 2015.

In terms of activity, East AFRITAC is on track to deliver a considerable scaling up of its assistance in FY 2015. Delivery was strong over the first half of the year in most sectors, with execution averaging 77 percent. It was significantly higher in some sectors such as the center's financial sector and statistics work, but activity in monetary operations will need to be ramped up in H2. Slippages were mainly due to changes requested by TA recipients, and in cases were offset by accelerating activities planned for later in the year. In terms of results, 30 percent of the FY 2015 milestones had been met by the end of H1, with this rate likely to accelerate significantly over H2. Some important outcomes over the first half include rebasing of annual GDP in Kenya, Rwanda, and Tanzania (mainland and Zanzibar) and their dissemination of quarterly GDP, completion of a fiscal transparency evaluation in Kenya, and a study on the prevention and management of payment arrears in Tanzania. The revised workplan for FY 2015 suggests total spending will be about one quarter higher than FY 2014 and projects that 93 percent of the original workplan's field person weeks will be delivered. Even so, it is anticipated that some savings will remain from Phase III financing. This should permit a further extension of Phase III by about three months, following the initial six month extension, to end-July 2015.

¹ Fiscal year 2015 refers to May 1, 2014 - April 30, 2015. This mid-year report covers H1 FY 2015 (May 1, 2014 – October 30, 2014).



II. STRATEGIC ISSUES

A. Implementation of the Action Plan on the Mid-Term Evaluation

1. At the 16th Steering Committee meeting in Arusha (March 27-28, 2014), East AFRITAC committed to report bi-annually on progress in implementing the actions in the management response to the November 2013 mid-term external evaluation of the Center. Progress is being made across range of areas as detailed below.
2. **Country Strategies, Sustainability, Costing: (Recommendation Set 1 and Set 6).** The Phase IV strategy is being carefully costed, with budgets developed in close alignment with workplans across sectors and countries. Strategic focus under Phase IV will be strengthened further by developing regional/country strategies which will ensure activities remain well targeted and relevant. These notes seek to provide the context for TA (including the Fund's policy advice from surveillance/programs), spell out broad medium-term objectives, provide information on recent and upcoming AFE activities, summarize donor and HQ involvement in related areas, and highlight implementation challenges. Planning will be also strengthened further by an improved Regional Strategy Notes/Resource Allocation Plan (RSN/RAP) process to ensure it captures all IMF TA to the East AFRITAC region, and better alignment with the Fund's strategic planning cycle. Financial sustainability considerations are being incorporated in the design of Phase IV with a three pronged approach to mitigating the risk from constrained donor financing: (i) establishing long-term strategic partnerships with key donors (ii) some diversification of the donor base; and (iii) a gradual increase in member country contributions, in line with capacity to pay and the beneficiaries of new areas of TA delivery.
3. **RTAC Reporting, Results Orientation, Standardization of Practices, Improving Governance (Recommendations Set 2, 4, 8 and 10).** The Fund is in the process of preparing a Regional Technical Assistance Center (RTAC) Handbook which will address a number of issues from the mid-term evaluation. To be completed by April 2015, its purpose is to establish a set of rules and standard operating guidelines for RTACs, and for the IMF's functional and area departments and the Institute for Capacity Development (ICD) in relation to RTACs' operations. Among other things, the handbook will contribute to a greater degree of standardization in procedures and processes among functional departments. In order to facilitate knowledge sharing between RTACs, ICD has established an online collaboration platform that is being used by RTAC Coordinators and the IMF departments. As part of the RTAC Handbook, ICD is also developing a communications strategy/outreach plan for RTACs to foster communication with donors, member countries, other TA providers and all other RTAC stakeholders. This will include efforts to enhance donor visibility. Furthermore, in the area of reporting and standardization, ICD has started a project on a Capacity Development Information Management System, the aim of which is to rethink and standardize the processes related to the recording of financial information for donor-financed TA. As part of this initiative, the IMF will introduce real-time system tools to monitor and analyze the cash flows, budgets and expenditure related to donor-financed activities. It will also help to standardize and automate all forms of financial reporting to donors.



4. **Efficiency of East AFRITAC Operations (Recommendation Set 3):** Short term experts are being used for longer missions where appropriate. Very active succession planning has been in place over H1, which ensured a new monetary operations advisor was recruited in a timely manner and overlapped with the incumbent. Similar forward planning has been implemented by FAD and STA for turnover expected on PFM and macroeconomic statistics in FYs 2015 and 2016. A research analyst has been recruited to both assist the Coordinator improve the analysis of the Center's activities as well as support the work of the resident advisors. The Center has also received an economist from the Overseas Development Institute as a free resource for one year.
5. **TA delivery should be improved and made more results-oriented, and the effectiveness of the implementation of Results Based Management should be enhanced (Recommendation Set 4 and Set 7):** over the past six months the IMF has made considerable progress toward implementing an RBM system for all its technical assistance and training activities, irrespective of financing source. To date, RBM has only been applied to donor-financed technical assistance projects. New software for the RBM system has been purchased and is being configured. Change management initiatives are under way to ensure that those working on TA internalize a more results-oriented focus and are ready to use the new system. Donors should benefit from having discussions anchored in a clearer results framework based on international best practices and aligned with IMF priorities. For the IMF, the new system will considerably improve the quality and availability of information for monitoring TA and training. It will help aggregate results across topics, regions, and TA delivery modes, which will considerably improve the consistency and comparability of reporting on results and facilitate the tracking of project deliverables.
6. The new RBM framework will also serve as a management tool that addresses planning, monitoring and implementation over the entire project cycle. TA departments have begun developing a catalog of harmonized outcomes and associated indicators for each TA product line based on inputs from recognized experts. Implementation of the new system is expected to begin in the second half of 2015. The system will need to be rigorously tested. Furthermore, developing the catalog of outcomes will take time, as readily identifiable indicators do not exist in some areas. Going forward, the framework will be progressively extended to all IMF capacity development, including training. East AFRITAC's existing results framework will remain in place for now and will continue to be refined, including by benefiting from developments at IMF HQ level (e.g. by drawing on the harmonized structure of outcomes and indicators in the catalog). Over time, the Center's existing strategic logframe will be phased out and will be fully integrated in the Fund-wide RBM framework.
7. **Effectiveness of Workshops and Training (Recommendation Set 9).** Work is underway on standardizing East AFRITAC's post workshop feedback questionnaires. Databases on training evaluation are being improved. Post workshop reports are systematically including follow up actions, both related to further training and future TA needs. Discussions are also underway with IMF HQ on best practices to follow up training, including participant and sponsor questionnaires, and the establishment of virtual networks building on examples such as the FPAS community that has been set up to exchange experiences following IMF training on monetary policy frameworks.



B. Phase IV Program Document

8. **The recommendations of the Phase III mid-term evaluation have served as a key input for the design of Phase IV.** Many of the actions noted above will be implemented in the course of the next program cycle. As discussed at the 16th Steering Committee Meeting, a preliminary draft of the program document was prepared for discussion with donors following the Annual Meetings, and was also circulated to all Steering Committee members for comment. A final program document, which includes topical log frames and country notes, will be ready for circulation to the Steering Committee by early 2015. Thereafter a pledging session will be organized by ICD with a view to final endorsement of the new program document at the 17th Steering Committee Meeting in Uganda at end March. Given residual savings from Phase III, it is expected that Phase IV will begin in August. The draft document proposes the Center continues to focus on the main sectors covered under Phase III given the significant work that remains in deepening the capacity gains that have been achieved. At the same time, in response to member country demands, the strategy is to step up work on regional integration across all sectors and include work at East AFRITAC on natural resource management. In both areas, there will be a clear division of labor with other Fund assistance in this area. In particular, the Center's work on natural resources will be geared towards helping with the sustainability of the policy advice rendered via the Managing Natural Resource Revenue Topical Trust Fund. The draft also proposes a gradual increase in member country contributions as a share of total RTAC financing as a step towards increasing financial sustainability of the Center. Initial discussions with member countries have commenced.

C. Budget and Financing

9. **As of the end of October, 2014, East AFRITAC had executed almost 40 percent of its FY 2015 budget of \$10 million (Annex V).**^[1] This was good performance given execution is typically slower in the first half as projects get firmed up. Spending on the training and backstopping/project management budget was in line with budget, although execution of the budget for short term experts was somewhat slower than projected reflecting the slower rate of implementation in Monetary Operations and PFM. The budget for diagnostic missions was cut back significantly given Phase III was drawing to a close, but has continued to be underutilized. On the financing side, \$39.2 million of the total pledged contributions of \$39.9 million (Annex VI) have been received. With the European Commission's contribution of \$1 million in June 2014, all donor pledges have been met. Uganda and Ethiopia have also provided their full contributions, but a significant share of amounts pledged remain outstanding from some members, most notably Malawi and Eritrea. The IMF projects spending of \$9.2 million in FY 2015, or 24 percent above FY 2014. Despite this scaling up, there is likely to remain a residual balance of approximately \$2.6 million. This would facilitate a 3 month extension of Phase III to end-July, 2015, endorsement of which will be sought at the 17th Steering Committee meeting.

^[1] This excludes IMF and Host Country Contributions. With such contributions the budget was \$10.8 million.



D. Donor Coordination

10. **The Center continues to work closely with its donor partners.** Monthly newsletters report on TA and training activities, both recent and those to be expected in the coming months. The Center has disseminated sixty-two technical assistance reports on its secure extranet site covering all sectors, with access available to Steering Committee members who have signed confidentiality agreements. Advisors continue to keep donor counterparts informed of their work, through participation in donor group meetings, mission debriefs and/or periodic communication. As an example, PFM advisors added a visit to Zanzibar in September to participate in a development partners meeting to discuss the PFM reform program and debriefed donors in Tanzania as part of an FAD mission on the PFM legal framework. In Rwanda, AFE's macro-fiscal advisor coordinated the division of labor between donors in the area of revenue forecasting, addressing overlaps in the TA being provided by three agencies. In the revenue administration area, the advisor has helped in the induction of donor advisors working on tax modernization and managing compliance in Tanzania and Uganda respectively. The macroeconomic statistics advisor has been in regular contact with DfID and World Bank staff in the course of his work in Tanzania and during missions to Kenya, Rwanda and Uganda.

11. **Looking ahead, in early December 2014 the Center intends to hold a debriefing of donors at its headquarters in Dar es Salaam to discuss this mid-year report.** To further strengthen collaboration with donors, two initiatives are underway: first, a questionnaire to AFE donors seeking information on their recent, current and planned capacity building activities in AFE's sectors and views on areas that AFE should cover. Second, the Center has sought early donor inputs into the FY 2016 workplan and will seek to disseminate a draft FY 2016 workplan to the Steering Committee as early as possible before the 17th Meeting to elicit further feedback.

III. REPORT ON ACTIVITIES OVER THE FIRST HALF OF FY 2015

A. Overview

12. **In the first half of FY 2015, East AFRITAC delivered 38 percent (in field person weeks) of its original full year work program as circulated to the Steering Committee at end-May 2014 (table 1).** Figure 1 summarizes the composition of actual versus planned activities over H1, and the status of the activities in the revised workplan. Total field person weeks delivered over H1 was 40 percent higher than the same period of FY 2014. Of 223 TA and training activities in the original workplan, 80 were completed, 121 are in progress, 6 were postponed to FY 2016 and 15 were cancelled after further discussions with the authorities. Annex I presents a full list of all activities undertaken; Annex II presents the revised full year workplan for FY 2015. There have been 13 new activities added in the course of H1, of which 9 have been completed. Seven of the 17 planned regional workshops for the first half were conducted (Annex III). Both ICD courses planned for H1 were also delivered. By sector (table 2), performance was very much in line with the work program in the financial



sector regulation and supervision and national accounts work streams. Delivery fell short in (non-FPAS) monetary operations mainly as some missions were postponed by member countries. By country, delivery fell short in Eritrea, Ethiopia and Malawi (and to some extent Zanzibar) due to difficulties in confirming activities as well as country specific factors such as the electoral focus in Malawi (table 3). This was compensated by higher regional activities as well as demand from Uganda and Rwanda.

Figure 1. East AFRITAC, Summary Statistics of FY 2015 Implementation

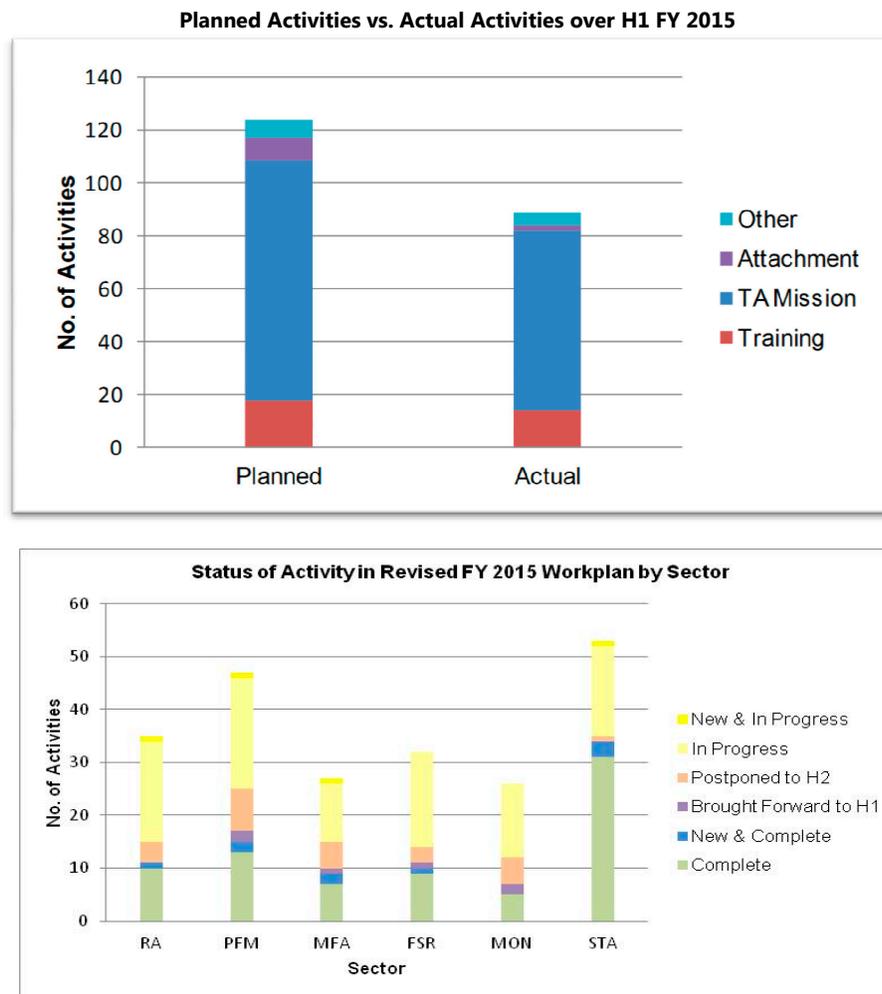




Table 1: East AFRITAC, Activity over H1 FY 2015

	FY 2014		FY 2015					
	Annual	Annual	H1	H1	H1	H1	H2	Annual
	Actual	Plan	Plan	Actual	Execution Rate (%)	TA Share (%)	Revised Plan	Revised Plan
AFE Activities (number)								
TA Activities	198	198	97	68	70	N/A	107	175
Regional Workshops	10	19	6	7	117	N/A	11	18
ICD/ATI Courses	3	6	2	2	100	N/A	4	6
Total Number of Activities	211	223	105	77			122	199
Resources (Field Person Weeks)								
Resident Advisor	363	443	215	184	86	47	241	425
Short Term Expert	236	426	211	143	68	36	239	382
Attachments	11	55	28	8	29	2	40	48
IMF HQ Staff	-	124	58	59	101	15	65	124
Total Field Person Weeks	610	1048	511	394	77	100	585	979

Table 2: East AFRITAC, Allocation of Resources by TA Area, H1 FY 2015

(in Field Person Weeks)

	FY 2014		FY 2015					
	Annual	Annual	H1	H1	H1	H1	H2	Annual
	Actual	Plan	Plan	Actual	Execution Rate (%)	TA Share (%)	Revised Plan	Revised Plan
Revenue Administration	78	132	53	37	71	10	97	134
Public Financial Management	201	255	120	93	77	24	140	233
Macro-Fiscal Analysis	66	119	53	37	71	9	69	107
Financial Sector Regulation and Supervision	97	119	50	46	92	12	80	126
Monetary Policy and Operations	72	242	126	74	58	19	127	201
Economic and Financial Statistics	96	182	109	106	97	27	71	177
Total	610	1048	511	394	77	100	584	978

Table 3: East AFRITAC, Allocation of Resources by Country, H1 FY 2015

(in Field Person Weeks)

	FY 2014		FY 2015						
	Annual	Annual	Annual	H1	H1	H1	H1	H2	Annual
	Actual	Plan	Plan	Actual	Execution Rate (%)	Country Share (%)	Revised Plan	Revised Plan	
Member Country									
Eritrea	21	3	28	16	9	55	2	18	27
Ethiopia	65	11	67	29	18	61	5	42	60
Kenya	71	12	147	70	57	82	15	60	118
Malawi	78	13	114	43	19	43	5	88	107
Rwanda	82	13	174	97	77	79	20	74	151
Tanzania	132	22	199	98	65	66	17	126	191
Uganda	74	12	151	107	86	81	22	63	150
Regional/AFE/Burundi	87	14	167	51	63	122	16	112	175
Total	610	100	1047	512	394	77	100	584	978

13. **Progress on the milestones set for the year has been encouraging (table 4).** In addition to the 224 original milestones set for the whole of FY 2015, 12 new activities/milestones have been added. Of these, 69 had been met by end October. A further 146 are on course to be implemented this fiscal year (reflecting both delays and backloading



to H2), with 6 delayed to next fiscal year. On account of the cancellation of some activities, 15 milestones will not be met. By sector, there was particularly high achievement in statistics. By country, the realization of project objectives was strongest in Kenya and Uganda. Regional activities also progressed well. Some important outcomes in H1 include: rebasing of annual GDP in Kenya, Rwanda, and Tanzania and their dissemination of quarterly GDP; completion of a fiscal transparency evaluation in Kenya and a study on the prevention and management of payment arrears in Tanzania. Moreover, the first phase of the TA program in Government Finance Statistics was successfully completed with the EAC Sectoral Council on Finance and Economic Affairs' endorsement of the national fiscal data development plans.

Table 4. East AFRITAC, Status of Milestone by Sector, Full Year FY 2015
(no. of milestones)

TA Area	FY 2015				
	Planned	Completed	In Progress	Postponed	Cancelled
Revenue Administration	34	4	30	0	0
Public Financial Management	59	17	30	3	9
Macro-Fiscal Analysis	30	8	19	2	1
Financial Sector Regulation and Supervisor	33	11	21	1	0
Monetary Policy and Operations	26	3	19	0	4
Economic and Financial Statistics	54	26	27	0	1
Total	236	69	146	6	15

14. **The IMF's RTAC work planning tool was used to conduct some basic deviation analysis of implementation of the workplan and the revised workplan.** Results for H1 are reported in table 5 (for the entire full year workplan, see table 7 in Section IV). Deviations were calculated by assessing the share of original activities completed, and the proportion of new activities introduced to the workplan. Over H1, it confirms the particularly high deviations in monetary operations and, to a lesser extent, PFM and macro-fiscal. By country, changes were most prevalent in Ethiopia and Tanzania.

Table 5. Deviation Analysis for H1 Work Program

(percentage of original H1 planned activities completed in H1)

Member Country	TA Sector					
	RA	PFM	MFA	FSR	MON	STA
Eritrea	100	50	100	N/A	N/A	N/A
Ethiopia	0	0	50	100	N/A	100
Kenya	100	67	50	100	40	100
Malawi	100	20	100	50	N/A	100
Rwanda	100	67	50	100	33	80
Tanzania	33	33	0	0	50	100
Uganda	100	100	N/A	75	25	100
AFE/Regional/Burundi	50	67	67	67	N/A	100
Total	69	50	50	64	36	94



B. Revenue Administration

15. **Of the 14 TA activities planned in H1, 10 were completed.** One activity was added and completed, on outreach on the new Handbook on Administering Fiscal Regimes for Extractive Industries. Of four activities delayed to H2, these were largely to align timing with other IMF HQ support. Two missions to develop a compliance management strategy and to support the implementation of a revised VAT Law in Tanzania were postponed to H2 at the request of FAD and the authorities respectively. An activity to strengthen enforcement and collection functions in Ethiopia was also postponed to H2 to align with the availability of a key expert. A project to support the EAC, focusing mainly on addressing non-tariff barriers and improving customs practices, was merged with a broader FAD planned mission in H2 to provide advice on the EAC Single Customs Territory Initiative.

16. **Good progress has continued across all the objectives in H1.** Organizational design in revenue administrations is improving, policies have been formulated to guide compliance management, corporate risk management units have been established and information collection and analysis to support voluntary compliance is being strengthened through use of information technology. Of the 14 milestones targeted for H1, 4 had been met with the remaining 10 in progress for completion in H2. More specifically, in terms of the sectoral objectives in the revenue administration logframe:

- **Organizational Design:** In Eritrea, the IRD continues to refine its organizational structure to improve operational effectiveness. TA support has proposed further refinements to strengthen planning and delivery of strategic plans.
- **Compliance Management:** Kenya and Uganda have developed policies to improve voluntary compliance. AFE TA was provided to review these policies and address compliance in the different taxpayer categories.
- **Risk Management:** Kenya and Rwanda have established corporate risk management structures to oversee the entrenchment of risk management practices across the revenue authority. AFE TA reviewed and made recommendations to strengthen governance and links between the corporate risk management units and operational risk management units in both customs and tax areas for improved coordination in addressing risks to the revenue systems.
- **Improved Use of Information Technology:** Uganda has made progress in implementing a data warehouse solution following the selection of a three vendor consortium. The authorities have commenced data cleanup activities to improve data integrity. AFE TA assisted in identifying areas to strengthen the data warehouse project and improve data quality.

C. Public Financial Management

17. East AFRITAC was active in all member countries in H1, with the exception of Ethiopia whose authorities have requested assistance from February 2015. Tangible contributions were made towards strengthening PFM capacity and processes and supporting EAC member states harmonize their legal framework. The PFM advisors completed 17 PFM activities against the



planned 26 activities. Overall, the PFM implementation rate was slower than planned. Factors contributing to the lower than planned implementation rate include: delays in confirming the dates and scope of missions (Ethiopia, Malawi and Zanzibar); requests to postpone missions both on the part of the authorities and IMF HQ in order to avoid mission overload; and the induction/settling-in period for one new PFM advisor who joined in May. The workplan implementation rate is expected to be scaled up significantly in H2.

18. The milestones in H1 covered the following strategic objectives: (i) modernizing PFM legal and regulatory frameworks; (ii) strengthening planning and budget practices; (iii) improving the quality of fiscal reporting; (iv) strengthening budget execution; and (v) enhancing treasury and cash management. In total, 17 milestones were completed in H1, 2 of which were from new activities added in the course of the first half of the year. Three milestones have been postponed to FY 2016 and 9 have been cancelled. In total, 30 milestones are in progress for completion in H2 FY 2015. More specifically, by strategic objective:

- **Modernizing PFM Legal and Regulatory Frameworks:** AFE participated in FAD-led missions in Uganda and Tanzania. In Uganda, in anticipation of parliamentary approval of the PFM Bill, a mission provided assistance in drafting particular sections including the supporting Financial Regulations. In Tanzania, the authorities were guided by LEG staff in their ongoing work to strengthen the legal framework through a revised Public Financial Management Act (PFMA) and development of a new Budget Bill. Outlines for the two bills were provided to ensure comprehensive and complementary coverage of the PFM cycle and responsibilities. Also in Tanzania, AFE advisors participated in a FAD-led mission on natural resource management. The mission provided guidance on key areas that should inform the design of a PFM framework for natural resource management, which is an important emerging area for a number of AFE countries with significant anticipated revenues from oil and gas resources. In two missions to Malawi, AFE provided assistance on developing a prioritized PFM reform strategy and action plan for the next three years. The draft strategy aimed to address the underlying weaknesses in the PFM framework and restore stakeholder confidence in government's financial management systems and practices whilst taking account of ongoing initiatives and the government's implementation capacity. The strategy has yet to be finalized and adopted by the government.
- **Strengthening Planning and Budget Practices:** Technical assistance was aimed at improving the linkages between budget allocations and strategic policy objectives and supporting migration from output-based budget systems to program-based budget (PBB) approaches. In Rwanda, the TA was focused on tightening the links between programs and sector strategies and streamlining the budget presentation through the use of a simple, focused and consolidated program template. In Tanzania, the focus was on consolidating PBB amongst the pilot MDAs. In Uganda, AFE proposed improvements in the budget classification system and Output Budgeting Tool to enhance the effectiveness of the performance budgeting system. In Kenya, TA was provided to assist MDAs to improve further the program structure through training of the PBB Core Team and discussions with their respective planning units. Support was



also provided to four counties as the PFM Act requires them to implement a programmatic approach from 2014/15. A mission to Uganda reviewed the main stages of the public investment management process and submitted proposals for improvement. Advice was also provided on developing links between public investment management and public-private partnerships (PPPs). Recommendations were submitted to extend the well-defined PPP policy framework to overall project management, and the issue of assessing, managing and reporting fiscal risks under PPP arrangements was emphasized.

- **Strengthening Budget Execution:** AFE is leading a study on the prevention and management of payment arrears in Tanzania as part of the Public Expenditure Review. The study assesses the nature and causes of the payment arrears and proposes measures for preventing further accumulation of arrears and for clearing the existing stock. In December, the study results will be presented to a wide forum of PFM stakeholders.
- **Improving the Quality of Fiscal Reporting:** The Fiscal Transparency Evaluation (FTE) is a new IMF tool for assessing the fiscal position and risks facing countries. It is intended that FTEs will be progressively applied in the region and also serve as an instrument for monitoring compliance with the fiscal convergence criteria required by the East African Community ahead of monetary union. With AFE advisors' input to an FAD-led mission, Kenya became the first country in the region and second in Africa (after Mozambique) to undergo this assessment. It is hoped that the results will be published in December 2014.
- **Strengthening Treasury and Cash Management:** AFE provided follow-on TA to guide the introduction and extension of the national treasury single account (TSA) arrangements and develop cash management capabilities in Kenya and Uganda. Following the recent adoption of the TSA concepts both countries have made demonstrable progress in the design and implementation of appropriate TSA arrangements. AFE will continue with peripatetic support so that TSAs progressively capture and manage aggregate government cash balances, and in improving cash management capabilities.

D. Macro-Fiscal Analysis

19. **In the first half of FY2015, macro-fiscal TA was provided to Eritrea, Ethiopia, Kenya, Malawi, Rwanda and Tanzania.** Activities picked up significantly in the second quarter once countries had completed their budget preparations. Of the 13 planned activities for H1, seven were completed. Missions to Rwanda, Kenya and Tanzania were postponed to H2, given other work constraints at the host institutions. One planned attachment was also postponed to H2, for the same reason. The timing of two missions to Zanzibar were interchanged. A mission to Ethiopia on revenue forecasting was cancelled due a change in priorities by the authorities. In place of postponed activities, two new (unplanned) activities on the PFM legal framework in Tanzania were undertaken in H1.



20. **Good results were achieved in Ministries of Finance where macro-fiscal databases were developed for the first time, as shown by the quality and availability of data made available for analysis.** Forecasting is another area of progress where the tools developed during the missions were generally put to practical use. Sixteen milestones were planned for H1, of which six were completed and two are in progress and likely to be achieved in H2. Others were either postponed to FY 2016 or cancelled. The milestones for two new activities added in H1 were met. In terms of macro-fiscal strategic objectives:

- **Fiscal Analysis and Reporting:** AFE continued to work with Zanzibar on its macro-fiscal database, specifically to develop a template for regular economic reports and in-year fiscal reports. Publication of these reports is the milestone set for FY2015 and is well under way. A first macro-fiscal database was developed with the Finance Ministry in Ethiopia to support fiscal analysis and reporting, and more generally to help improve data quality.
- **Fiscal Forecasting and Budgeting:** A revenue forecasting model was developed for Rwanda, tailored to data availability and the tax regime. The authorities are keen to use the model to support the next budgetary exercise in FY2015/16. An in-country workshop in Eritrea introduced the principles of fiscal forecasting and budgeting in the context of the medium-term budget framework (MTBF), and drew on experiences in the region.
- **Macroeconomic Forecasting:** Support was provided to Malawi on enhancing the quality of the GDP estimates and projections, using the business interview approach. Recommendations were also made as to how to improve the timeliness of macroeconomic forecasts, including changes to methodology and institutional arrangements. Guidance on improving the financial programming model – which is heavily relied on for developing the medium-term fiscal framework – was also provided.
- **Identification of Fiscal Risks:** The macro-fiscal advisor joined FAD's Fiscal Transparency Evaluation (FTE) team in Kenya that was noted above under PFM. The macro-fiscal advisor contributed to the evaluation in two of the three pillars of the IMF's Fiscal Transparency Code against which the FTE is conducted, notably forecasting and fiscal risk analysis. Actions were also developed in these areas, which will receive follow up TA. Completion of FTEs by all member countries in the coming years is an objective set by the EAC to better understand their underlying fiscal positions.
- **PFM Legal Framework:** The advisor joined two HQ-led missions in Tanzania to work on the macro-fiscal aspects of the PFM legal framework. The first provided support to the Budget Bill, currently under preparation. The second was a scoping mission that developed a macro-fiscal/PFM work agenda to address potentially significant increases in natural gas revenues in the future.

E. Financial Sector Regulation and Supervision

21. **The Center's work has focused on assisting countries in achieving higher levels of compliance with international standards for bank and insurance regulation and**



supervision, and supported MCM's work on financial stability and macro-prudential frameworks. Current multi-year projects relevant across the region relate to the implementation of consolidated supervision, the transition towards the Basel II-III frameworks, and the implementation of risk based supervision and solvency frameworks for the insurance sector. Substantial progress is being made, especially on implementation of the Basel II-III framework and consolidated supervision. In sum, the overall FY 2015 work program is well on track.

22. **Of 13 TA activities planned during H1, 9 were undertaken, and 3 postponed to H2.** One IMF workshop for RTAC bank supervision advisors was delayed to FY 2016. Specifically, training on Agency Banking Supervision in Uganda was slightly rescheduled from H1 (October) to H2 (November) and two activities in Tanzania (on reviewing prudential regulations and the financial stability risk assessment framework) will take place in H2 due to the non-availability of the short term expert and for the planning purposes of the Bank of Tanzania respectively. One mission to Tanzania – training of supervisory staff on Basel II/III - was brought forward from H2. One new activity was added, with IMF MCM asking the advisor to participate in a workshop on macro-prudential stress testing in Rwanda. Most of the 33 milestones for FSR activities are programmed for the second half of FY 2015, with 11 attained over the first half.

23. Main TA achievements/milestones by strategic objective realized during the first half year relate to:

- **Bank Supervision Compliant with International Standards:** Activities covered the development of a draft market risk regulation (of the Basel II-III framework) and a supervisory framework for country risk for the Bank of Uganda; developing/enhancing the risk based AML/CFT approach of the Reserve Bank of Malawi; laying the basis for a Banking Sector Soundness Assessment Framework (multi-year project) for the National Bank of Ethiopia; the phasing in (multi-year project) of the Internal Capital Adequacy Assessment Process of the Basel II-III framework for commercial banks in Kenya; and providing training on the Basel II-III framework to supervisory staff of the Bank of Tanzania and the National Bank of Rwanda.
- **Insurance Supervision Compliant with International Standards:** realization of a first regional seminar on insurance supervision organized jointly with the Toronto Centre.
- **Strengthening Macro Prudential and Financial Stability Capacity and Frameworks:** in collaboration with MCM, assistance was provided to the Macro Prudential Analysis and Stress-Testing working group of the EAC Central Banks. The working group discussed the stress testing framework to be adopted by the EAC central banks for financial stability purposes and the improvements to be made and steps to be taken by the different central banks to realize the agreed upon common framework.

F. Monetary Policy and Operations

24. **The Monetary Policy and Operations sector continued to focus on assisting member central banks in their efforts to improve monetary policy formulation and**



implementation and payments system modernization. However, implementation was somewhat slower than planned due both to TA recipient and AFE factors. A new monetary operations advisor joined the Center in September and has been updating the work program to accelerate delivery over H2, following a familiarization visit to several countries.

25. Not including the significant monetary modeling (FPAS) work delivered by the IMF's Research Department which is on track (see regional activities section below), two missions were undertaken in monetary operations (one of which was brought forward from H2), and one regional workshop on payments systems accelerated to align with the outgoing advisor's tenure. Three of the 26 milestones planned for FY 2015 have been completed over H1. Regarding the main achievements by strategic objective:

- **Improving Monetary and Exchange Rate Policy Implementation:** the CBK was assisted in improving liquidity forecasting through an in-house workshop. The work discussed key practical issues in liquidity forecasting and management, including links with short-term interest rates. In Malawi, a mission that was carried over from the FY 2014 work program sought to improve the alignment of the Reserve Bank's foreign exchange market operations with the liberalized foreign exchange market regime.
- **Management of International Reserves:** AFE conducted an in-house workshop in Rwanda on the oversight over external managers of the country's international reserves.

26. **A number of TA activities were postponed to the second half of the year or have been cancelled in Kenya, Rwanda, Tanzania, and Uganda.** The factors differ by country but include requests from TA recipients to delay owing to Budget preparation, non-availability of suitable short-term experts, and staff turnover at the Center. Cancelled activities include the Rwanda draft NPS oversight policy and drafting amendments to the Central Bank of Kenya Act, both of which were completed but did not require further AFE assistance. Given these delays, activities such as the regional PFMI workshop and the in house national workshops noted above were accelerated. Following visits to several members by the new monetary operations advisor, a significant acceleration of the work program is envisaged in H2.

G. Economic and Financial Statistics

27. **East AFRITAC completed almost all of the planned statistics TA activities for the period.** All but two of the 31 planned activities were undertaken, and the two planned workshops—on national accounts statistics (NAS) and government finance statistics (GFS)—were successfully conducted. An external sector statistics TA for Eritrea was postponed to H2 FY 2015 at the request of the country authorities and an attachment on agriculture survey statistics from Rwanda to Ethiopia was cancelled as Rwanda was able to implement the milestone before the study tour. Offsetting this, one mission to Tanzania on NAS was extended due to country demand and extra NAS missions were undertaken to Tanzania and Uganda. In addition, one of the statistics advisors undertook an additional week's mission to assist the EAC with a NAS harmonization workshop. Of the 54 statistics milestones, 26 have been met and good progress is being made by member countries on the remainder. Most notably, all EAC Partner states put in place and began implementing national fiscal data



development plans, and Kenya, Rwanda and Tanzania released improved and rebased annual and quarterly estimates of Gross Domestic Product (GDP) during H1 2014.

28. **By strategic objective:**

- **Annual National Accounts:** AFE, along with other TA providers, has provided significant TA over the past four years in building capacity and assisting member countries rebase their GDP estimates to a more contemporary base year. In addition, Kenya, Rwanda, Tanzania (mainland and Zanzibar) and Uganda have implemented several recommendations of the 2008 SNA. This has involved conducting large benchmark surveys to collect the requisite data and compiling the base year estimates using supply and use tables (SUT). As a culmination of these efforts, rebased and improved annual current and constant price GDP estimates were released for Rwanda in June 2014; Kenya in September 2014 and for Tanzania in October 2014; Uganda will follow in November 2014. The supply and use tables (SUT) were finalized for Kenya, Tanzania (mainland and Zanzibar) and Uganda. AFE missions also advised all four countries and Zanzibar on how rebased GDP estimates could be further improved through better use of source data, data quality assurance, and better compilation techniques. Assistance was provided to Ethiopia to achieve the milestone of compiling improved GDP by expenditure estimates.
- **Quarterly National Accounts:** AFE has provided significant TA support on this project to each of these countries. In terms of H1 FY 2014 milestones, Kenya, Rwanda and Tanzania (mainland and Zanzibar) released rebased and improved quarterly current and constant price estimates of GDP by economic activity. Uganda is expected to release its estimates by end November 2014. A compilation methodology to produce estimates of quarterly GDP by activity has been developed for Malawi; and Kenya, Rwanda, Tanzania (Zanzibar) and Uganda have been assisted with developing the methodology to compile quarterly GDP by expenditure.
- **Prices Statistics:** Over the past five years, AFE has been assisting member countries in rebasing and/or improving their prices statistics in order to strengthen inflation measurement and to improve the price deflators used in national accounts compilation. This has involved rebasing the Consumer Price Index (CPI) and Producer Price Index (PPI) for each country, as well as developing Export and Import Prices Indices (XMPI) and Construction Input Price Indices. During the last six months, a mission to Uganda reviewed and provided advice to improve the rebased CPI that is expected to be released in January 2015. Advice was provided to Ethiopia on improving its Manufacturing PPI. Further TA was provided to Tanzania (mainland and Zanzibar) and Uganda in finalizing their PPI prices surveys and index compilation methodologies, so that the PPIs can be disseminated during FY2015. In addition, missions to Ethiopia and Uganda assisted with developing a methodology to compile XMPI, while a mission to Tanzania (mainland) provided further advice to finalize the XMPI methodology.
- **External Sector Statistics:** Reasonable progress is being made by Malawi and Rwanda in implementing further improvements in methodology and source data for balance of



payments (BOP) and international investment position (IIP) statistics, as well as in implementing the Balance of Payments and International Investment Manual, Sixth Edition (BPM6) recommendations. Progress has been slower for Eritrea due to resource constraints.

- **Government Finance Statistics:** All country missions, training courses, and workshops have proceeded as planned. The first set of missions focused on developing national fiscal data development plans, which were peer-reviewed at a regional workshop in August and are expected to be approved by the EAC Sectoral Council on Finance and Economic Affairs in November. The plans guide the current missions, which aim to assist efforts to produce timely, comprehensive and comparable fiscal and debt statistics for surveillance and monitoring of the convergence process.

H. Work on Regional Issues

29. **The Center is engaged in a range of regional activities, including regional training to support peer to peer learning on topics covered by the TA program, and TA support for various aspects of the East African Monetary Union process.** Over H1, the Center's TA and training on GFS has been motivated by the regional integration process. The overall goals of the work, to produce general government finance statistics and public debt statistics by end 2017, were set to support the monitoring of compliance with the fiscal deficit and debt criteria prescribed by the East African Monetary Union protocol. The national GFS development plans that AFE developed with national interagency task forces over the past 6 months were peer reviewed by EAC Partner States at a regional workshop in August. Subsequently, they were approved by Finance Ministers on EAC's Sectoral Council on Finance and Economic Affairs in November 2014, the first key milestone on GFS work. Periodic regional GFS workshops support peer to peer learning, jointly assess progress on implementation with the other EAC partner states, and discuss the roadmap to achieve the regional data requirements associated with the convergence objectives. Finally, joint AFE/EAC training courses, including in Burundi, Kenya and Uganda have been designed to address specific capacity issues and facilitate implementation of the national fiscal data development plans.

30. **East AFRITAC is providing financial support to a regional project implemented by the IMF's Research Department on developing forecasting and monetary policy analysis systems (FPAS) suitable for modern monetary policy frameworks.** This project (which is recorded under AFE's Monetary Operations work stream) includes the development of (i) a macroeconomic model that reflects the policy regime, the central bank's view of the transmission mechanism and the shocks hitting the economy; (ii) a system that collects and organizes the relevant information for this exercise; and (iii) a reporting and forecasting process that incorporates the analysis and presents policy recommendation in a coherent, clear and concise way.

31. **Considerable progress has been made on this FPAS agenda although the TA projects are at various stages.** Over the past six months, experts visited the central banks in Tanzania, Rwanda, Uganda and Kenya to develop a model-based analysis of monetary policy



issues, provide training on medium-term forecasts and present such forecasts to policymakers. The project at the most advanced stage is Kenya: staff of the Central Bank of Kenya regularly prepares forward-looking policy recommendations to the MPC supported by model-based forecasts. In Uganda, the project has succeeded in developing a FPAS for the Bank of Uganda and the next step is to make FPAS-based presentations to the MPC. The TA project in Rwanda is at an earlier stage, with the main forecasting tools being developed and core central bank's experts being trained. The project is at its beginning at the Bank of Tanzania (BoT): two monetary policy experts were invited to present the FPAS concept at the high-level bank's retreat in Zanzibar in September, and the first of series of FPAS TA visits is scheduled for November. Given the most advanced stage of the project in Kenya, one of the two TA missions with the CBK was organized at the IMF headquarters to draft a report documenting the current state of the developed FPAS.

I. Attachments

32. **The Center organized two attachments over H1 FY2015, fewer than had been envisaged given issues at both host and home institutions.** As part of the Center's TA program on improving voluntary compliance, staff of the Tanzanian Revenue Authority visited their Kenyan counterparts to strengthen their management of excise taxes. This is an area where the Kenyan Revenue Authority has developed effective methods such as the use of electronic tax stamps. In FSR, AFE facilitated a 3-week attachment of two officers of the Bank of Uganda on AML/CFT supervision to the Reserve Bank of Malawi, overlapping with AFE's mission on AML/CFT supervision to Malawi. This allowed the Ugandan officials to work with the IMF expert who was assisting the Reserve Bank of Malawi in improving its risk based AML/CFT framework. A statistics attachment from Rwanda to Ethiopia was cancelled as the project milestone on improving Rwanda's agriculture statistics has been achieved. Preparations for a number of attachments in H2 are underway.

33. **Piloting of the trainee/mentoring program allowing officials from the region to participate in AFE missions has commenced.** One attachment has been arranged so far, in FSR. In November 2014, a senior bank supervisor from the National Bank of Rwanda (NBR) will join an AFE mission on consolidated supervision in Tanzania. This exposure is intended to help him organize on behalf of the NBR (and the Monetary Affairs Committee of the EAC) a regional workshop in March 2015 where EAC countries will discuss the regional framework and standards for consolidated supervision. Other pilots are also under consideration, such as using a staff of the Accountant General's Department in Tanzania to share IFMIS experience with Malawi. Experience with the mentoring program will be assessed at the end of the year.

J. East AFRITAC Training

34. **East AFRITAC conducted or contributed to 7 regional workshops over H1, 2 ICD courses, and several national training activities (see Annex 3).** Three of the regional workshops were in the statistics area, with one each in FSR, PFM, MonOps and RA. Table 6 summarizes the total number of officials from the region trained through various vehicles, highlighting the predominant role of RTAC and online training.



Table 6. IMF Training of East AFRITAC Official over H1 FY 2015
(No. of officials trained)

Member Country	Training Modality			
	IMF HQ Based Training	Africa Training Institute	East AFRITAC 1/	Online 2/
Eritrea		2	16	
Ethiopia		3	19	3
Kenya	1	3	30	27
Malawi	6	10	19	16
Rwanda	3		20	7
Tanzania	3	8	50	16
Uganda	7	17	34	32
Total	20	43	188	101

1/ Includes only regional training courses

2/ Includes Government Officials Enrolled on Massive Open Online Courses

35. **Statistics training had a strong regional harmonization dimension.** The Center's macroeconomic statistics advisor contributed to an EAC workshop on harmonization of National Accounts Statistics in June, the main objective being to assess progress by EAC member countries in implementing improvements in the compilation methodologies and source data in order to harmonize the NAS in the region, consistent with 2008 SNA standards. The advisor also participated in the final regional workshop on the IMF-DFID Quarterly National Accounts (QNA) Project in Uganda in May. An assessment was made of progress over the last four years in improving the quality and range of QNA produced. A series of national TA missions on GFS improvement culminated in a joint workshop with the EAC in Arusha in August. Focus was on improving GFS compilation and dissemination in the EAC region, country presentations and peer reviews of national fiscal development plans, and lessons from Europe for the overall EAC and national fiscal statistics frameworks. Based on the outcome of the workshop, the EAC Sectoral Committee on Statistics submitted the fiscal development plans to the November meeting of the Sectoral Council on Finance and Economic Affairs, where they were adopted.

36. **In the fiscal area, regional workshops and one ICD training course was conducted in support of the TA program.** Thirty-one participants from finance and infrastructure ministries and planning commissions met in Uganda to study strengthening the Capital Budgeting Process in order to increase the efficiency and effectiveness of public investment management. A strong resource team to support the Center was assembled from FAD, World Bank, Chile and UK. In the macro-fiscal area, East AFRITAC teamed up with AFS and ICD to deliver a course in "Macro-Fiscal Modeling and Analysis", with ten participants from AFE countries trained in advanced fiscal policy modeling. Training in revenue administration covered the auditing of specialized sectors - telecommunications and financial



services. These sectors exhibit high and growing revenues but, as the workshop confirmed, tax administrations lack both theoretical and operational capacity. Attachments of audit staff to administrations with better practices will be one avenue explored for strengthening capacity in the future.

37. **The Center broke new ground by organizing its first regional workshop on insurance supervision, in support of its increasing TA activity in this area.** This represented its first collaboration with the Toronto Center, a globally recognized leader in training on insurance regulation and supervision, and involved 32 participants from AFE members, Burundi and South Sudan. It is anticipated that such training will be conducted annually to build a platform for cooperation and information exchange between countries. In support of its payments systems work, the Center's first regional workshop on the Principles for Financial Market Infrastructure was highly valued by participants. It aimed to increase understanding and regional application of the 2012 CPMI-IOSCO principles and, given the strong demand, a more advanced follow on workshop is under consideration for this fiscal year.

38. **Two training courses were conducted with the support of ICD.** The first was a joint course conducted with AFS at the ATI in Mauritius on Macro-Fiscal Analysis and Modeling where 10 participants from AFE members participated. A second training on Macroeconomic Diagnostics was undertaken in Rwanda, exposing 36 participants from the region to practical tools for use in day to day macroeconomic analysis such debt and external sustainability analyses.

39. **National training activities were also conducted.** In the supervision area, Bank of Tanzania and National Bank of Rwanda staff was trained together on the relevant elements of the Basel II-III framework to help them implement the elements of these frameworks that have been adopted by the EAC Central Banks. Training on medium term budget frameworks, program based budgeting and capital budgeting was organized in Eritrea, Rwanda and Tanzania.

40. **East AFRITAC continues to collaborate with specialized training institutions with a common agenda.** For example, plans have been made to work in the coming months with the IMF's ATI (regional training on the Core Elements of Banking Supervision and training on natural resource management), the Alliance for Financial Inclusion (Agency Banking Supervision Training in Uganda), and MEFMI (joint regional seminar on stress-testing).

41. **Over recent months, some of East AFRITAC's advisors have participated in specialized retreats for their sectors at IMF HQ in Washington DC.** These have allowed them to share experiences with colleagues in other RTACs, engage with IMF HQ experts and among each other on best practices, and meet IMF country teams to ensure strong alignment of TA work with IMF surveillance and programs. These visits were also valuable in determining TA priorities for the Phase IV program document and for evaluation of advisors' performance. In June, the two statistics advisors participated in a workshop for all IMF



statistics advisors, and the Center’s three PFM advisors attended the first such event in their work stream in July. Retreats on macro-fiscal analysis, financial sector regulation and supervision, and monetary operations are planned for next fiscal year.

IV. REVISED WORK PROGRAM FOR H2 FY 2015

42. **Annex II presents the revised work program for H2 FY 2015.** Overall the Center expects to deliver 979 FPWs, or 93 percent of the original workplan’s projected resource use. Of the total activities in the original workplan, 90 percent are projected to be delivered. Few significant deviations are envisaged, either in terms of variation of the original plan or largescale introduction of new activities (table 7).

Member Country	(percentage of original activities still in full year program)						(new activities added in full year program as a percentage of original workplan)					
	TA Sector						TA Sector					
	RA	PFM	MFA	FSR	MON	STA	RA	PFM	MFA	FSR	MON	STA
Eritrea	100	50	100	100	-	100	0	0	0	0	-	0
Ethiopia	100	67	67	100	100	100	0	0	0	0	0	0
Kenya	100	33	100	100	83	100	20	17	0	0	17	0
Malawi	100	90	75	100	100	100	0	0	0	0	0	0
Rwanda	100	83	67	100	75	89	0	0	0	0	25	11
Tanzania	100	79	100	100	100	100	0	7	50	0	0	25
Uganda	100	100	100	100	86	100	0	25	0	0	14	13
AFE/Regional/Burundi	100	100	100	86	100	86	20	0	13	29	0	7
Total	100	79	89	97	86	94	6	5	11	6	14	10

43. **Some new activities added for H2 are:**

- In GFS, and at the request of the authorities, Zanzibar has been included in the GFS TA program, including by GFS missions to Stone Town. The work program will likely include institutional coverage of GFS, debt reporting and compilation, developing bridge tables for economic and functional classification of government expenditures, and mapping national fiscal codes and nomenclatures to GFSM Classifications.
- In monetary operations, three new activities have been added to the H2 workplan following the advisors’ visits to several countries, notably: (i) a second more advanced regional workshop on FMI principles; (ii) development of the interbank money market in Rwanda and (iii) review of the liquidity management framework in Ethiopia.
- In revenue administration, a new activity has been added to assist the Kenya Revenue Authority with quality assurance on key tax and customs administration ICT systems.



Annex 1. Work Plan Execution in H1 FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Revenue Administration						
Building An Effective And Efficient Tax Administration	Eritrea	5	Revised structured approved and implemented	In progress	Complete	Structure revised but yet to be implemented
Developing A Compliance Risk Management Strategy And Program	Kenya	3	Compliance management strategy developed and in use	In progress	Complete	Strategy drafted and yet to be fully implemented
Developing A Compliance Risk Management Strategy And Program	Malawi	3	Compliance management strategy developed and in use	In progress	Complete	Strategy drafted and yet to be fully implemented
Consolidating Risk Management Practices And Building A National Targeting Centre In Customs	Rwanda	4	Operations of risk management functions reviewed; updated procedures approved and National Targeting Center established	In progress	Complete	Partially met - NTC capacity achieved under new risk management unit but consolidation of risk management practices still requires more effort
Establishing A Corporate Risk Management Department	Rwanda	4	Corporate Risk Management Department established	Complete	Complete	Met - Risk Management Unit established. Recommendations to strengthen CRMU made
Strengthening Management And Collection Of Local Excise	Tanzania	4	Staff attachment; Roadmap for improving excise management developed	In progress	Complete	Compliance strategy drafted but not yet implemented
Developing A Compliance Risk Management Strategy And Program	Uganda	3	Compliance management strategy developed and in use	In progress	Complete	Data ware house solution under implementation and exercise to clean up ledgers in place
Implementing An Automated Data Warehouse Solution	Uganda	5	Data warehouse solution implemented	Complete	Complete	added after SC and completed
Auditing Of Specialized Sectors	Regional e.g. EAC	5	Workshop conducted; Staff trained	Complete	Complete	
Outreach For The Handbook On Administering Fiscal Regimes For Extractive Industries	Regional e.g. EAC	1	Outreach conducted	Complete	New & Complete	
RA Total		37				



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Public Financial Management						
In-Country Workshop On Medium Term Budgeting Framework And Program-Based Budgeting	Eritrea	2	PBB/MTBF training	Complete	Complete	
TSA Implementation	Kenya	4	Phase 2 TSA designed & implemented.	Complete	Complete	Peripatetic support. Second visit planned March 2015
Improving Links Between Budget Estimates And Programs	Kenya	7	Improved program alignment with objectives for 15 departments	Complete	Complete	
Fiscal Transparency Evaluation	Kenya	4		Complete	New & Complete	
Developing PFM Reform Strategies	Malawi	5	PFM reform strategy document approved.	Complete	Complete	Strategy yet to be adopted. Combined with introductory visit for new RA
FAD-Led Mission On Fiscal Decentralization	Rwanda	6	Diagnostic on fiscal decentralization accepted	Complete	Complete	Undertaken by FAD
Introducing PBB To MDAS	Rwanda	7	Align programs with strategic objectives for nine Ministries and agencies	Complete	Complete	Scheduled for Oct 29 - Nov 11
Strengthen Management Of Payment Arrears.	Tanzania	6	Management of payment arrears-acceptance of study conclusions.	Complete	Complete	Awaiting review of report and presentation to PER group
Modernizing The PFM Legal Framework	Tanzania	10	PFM legal framework review	Complete	Brought Forward to H1	FAD-led mission
Introducing PBB To MDAS	Tanzania	7	Improved program design in nine ministries	Complete	Complete	
Natural Resource Management	Tanzania	4	PFM reform for natural resource management	Complete	New & Complete	
Implementing The TSA	Uganda	5	TSA phase 1 design agreed.	Complete	Complete	Peripatetic project. First FY15 visit completed. Follow-on planned for March.



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Public Financial Management						
Revising The Financial Regulations	Uganda	10	Financial regulations developed.	Complete	Complete	
Improving The Capital Budgeting Process	Uganda	7	Defined framework for improving capital budget	Complete	Complete	Completed
Workshop On The Capital Budgeting Process	Regional e.g. EAC	5	Workshop delivered	Complete	Brought Forward to H1	
Inducting New Resident Advisor	AFE	2	HQ induction training completed	Complete	Complete	
Reviewing Resident Advisors' Performance	AFE	2	RA inspection/ installation completed	Complete	Complete	
PFM Total Resources:		93				

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macro-Fiscal Analysis						
Developing Macro-Fiscal Capacity	Eritrea	2	Improve staff capacity in macroeconomic analysis and improve coordination with MoF	Complete	Complete	
Developing A Macro-Fiscal Database	Ethiopia	4	Improve quality and timeliness of economic reports	Complete	Complete	
Fiscal Transparency Evaluation	Kenya	4	Fiscal Transparency Evaluation completed	Complete	Complete	
Developing A Macro-Fiscal Database	Malawi	3	Improved capacity in use of FPP framework	In progress	Complete	Showing good progress
Developing Revenue Forecasting Framework	Rwanda	7	Develop a revenue forecasting model for Rwanda	Complete	Complete	



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macro-Fiscal Analysis						
Improving Macro-Fiscal Capacity	Tanzania (Zanzibar)	3	Improved analysis of macroeconomic indicators	In progress	Brought Forward to H1	Showing good progress
Training In Macro-Fiscal Modeling And Analysis	Regional e.g. EAC	2	Advisor trained in Macroeconomic Management and Fiscal Policy	Complete	Complete	
Training In Macroeconomic Diagnostics	Regional e.g. EAC	7	Participants trained in macroeconomic diagnostics	Complete	Complete	
PFM Legal Framework	Tanzania	2	Provide inputs to the Budget Bill and PFM Act	Complete	New & Complete	
Macro-Fiscal And PFM Issues In Natural Resource Management	Tanzania	2	Provide guidance on way forward to build capacity on natural resource issues	Complete	New & Complete	
MFA Total Resources:		37				

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Financial Sector Regulation and Supervision						
Enhancing The Off-Site Analysis Framework / Banking Sector Assessment Framework	Ethiopia	5	Areas for enhancement and timeline for implementation identified	Complete	Complete	Mission conducted in August 2014
Implementing And Operationalizing ICAAP	Kenya	5	Enhanced Capacity in Internal Capital Adequacy Assessment Programme (ICAAP) and plan for integration of ICAAP in the supervisory framework in place	Complete	Complete	Mission conducted in July 2014
Enhancing The Supervisory Practices For Supervisory ML/FT Assessments	Malawi	4	Developed supervisory practices (regulation is already in place) for conducting ML/TF risk assessments.	Complete	Complete	Mission conducted in June 2014
National Training On Basel II/III Framework	Rwanda	3	Increased capacity on Basel Capital Adequacy standards and measurement	Complete	Complete	Training conducted in October 2014



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Financial Sector Regulation and Supervision						
National Training On Basel II/III Framework	Tanzania	4	Increased capacity for the implementation of the Basel II/ III framework	Complete	Brought Forward to H1	Training conducted in October 2014
Implementation Of A Capital Charge For Market Risk	Uganda	3	Increased capacity and the enhancement of the regulation for the Capital Charge for Market Risk	Complete	Complete	Mission conducted in June 2014
Developing Procedures For Assessing Country And Transfer Risk	Uganda	2	Developed draft procedures for assessing Country and Transfer Risk	Complete	Complete	Mission conducted in June 2014
Attachment On AML/CFT Supervision	Uganda	7	Increased supervisory capacity on AML/CFT supervision	Complete	Complete	Attachment realized in June 2014.
Regional Workshop On Insurance Supervision	Regional e.g. EAC	11	Increased regional capacity on insurance supervision.	Complete	Complete	Workshop conducted in September 2014
Regional Governance, Risk And Compliance Summit	Regional e.g. EAC	1	RA participated in the panel of the seminar	Complete	Complete	RA attended the summit and participated in the panel in May 2014
MCM EAC Workshop On Macro-Prudential Stress-Testing	Regional e.g. EAC	1	Increased capacity on macro-prudential stress-testing	Complete	New & Complete	Workshop conducted in September 2014.
FSR Total Resources:		46				



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Monetary Policy and Operations						
Liquidity Forecasting Framework Review	Kenya	5	Completion of LF review	Complete	Complete	Continuation of AFE assistance to CBK to align liquidity forecasting and management with the use of the interest rate policy tool
Training In Risk And Performance Evaluation	Rwanda	4	Completion of training in risk and performance measurement and evaluation	Complete	Brought Forward to H1	Risk and performance measurement and evaluation skills will be useful in assessing the performance of external managers.
FMI Workshop	Regional e.g. EAC	6	Completion of workshop	Complete	Brought Forward to H1	There is considerable interest in this topic in the region. To be held jointly with HQ, STXs
Develop A Forecasting And Policy Analysis System	Uganda	20	Agree with the authorities on a workplan to ensure full implementation of FPAS.	N/A	Complete	Annual milestone
Develop A Forecasting And Policy Analysis System	Rwanda	26	Agree with the authorities on a workplan to ensure full implementation of FPAS.	N/A	Complete	Annual milestone
Develop A Forecasting And Policy Analysis System	Tanzania	2	Agree with the authorities on a workplan to ensure full implementation of FPAS.	N/A	Complete	Annual milestone
Develop A Forecasting And Policy Analysis System	Kenya	11	Agree with the authorities on a workplan to ensure full implementation of FPAS.	N/A	Complete	Annual milestone
MON Total Resources:		74				



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Developing a BPM6 migration plan	Eritrea	0	Commence implementation BPM6 standards for BOP statistics	In Progress	Postponed to H2	TA subject to previous benchmark to release BOP to IMF & public. Not met, hence this mission for FY2014 postponed to FY2015.
Assist with the development of the XMPI methodology	Ethiopia	3	Development of export and import price indices	In Progress	Complete	New Project for Ethiopia. Will come under the AFE XMPIs Development Project.
Review of PPI-Manufacturing	Ethiopia	2	Improve the producer price indices for manufacturing	Complete	Complete	New Project for Ethiopia. Will come under the AFE PPIs Development Project.
Assist with implementing the GDP-E methodology	Ethiopia	4	Commence compiling GDP by expenditure share	Complete	Complete	Existing NAS project for Ethiopia. Follow-up mission will be necessary to make progress with the methodology.
Assist with developing the QGDP-E compilation methodology	Kenya	3	Compile QGDP by expenditure share in current and constant prices.	Complete	Complete	Existing AFE project. Developing QGDP by expenditure share in current and constant prices.
Assist with developing the QGDP-P compilation methodology	Malawi	4	Develop Quarterly National Accounts methodology	In Progress	Complete	Existing AFE project. Further TA required once benchmark actions from previous mission implemented. Will cover Forestry.
Assist with redeveloping the NAS compilation system	Rwanda	5	Redevelopment of NAS compilation system	Complete	Complete	Existing AFE project. 3-week mission to finalize the rebased GDP system and revised estimates for dissemination.



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Assist with developing the QGDP-E compilation methodology	Rwanda	3	Compile QGDP by expenditure share in current and constant prices.	Complete	Complete	Existing AFE project. Developing QGDP by expenditure share including GFCF, HFCE etc.
Assist with finalizing the rebased GDP estimates for dissemination	Tanzania	4	Compile rebased QGDP by economic activity	Complete	New & Complete	Existing AFE project. Mission to finalize the rebased GDP system and revised estimates for dissemination.
Assist with finalizing the rebased GDP estimates for dissemination	Tanzania	3	Redevelopment of NAS compilation system and finalize SUT	Complete	Complete	Existing AFE project. Developing QGDP by expenditure share including GFCF, HFCE etc.
Assist With Finalizing XMPIS And PPI For Dissemination	Tanzania	3	Dissemination of good quality XMPIS and PPI	Complete	Complete	Existing AFE projects on PPI & XMPI.
Assist With Developing The QGDP-E Compilation Methodology	Tanzania (Zanzibar)	3	Compile QGDP by expenditure share in current and constant prices.	In Progress	Complete	Existing AFE project. Developing QGDP by expenditure share including GFCF, HFCE etc.
Assist With Finalizing The PPIS For Dissemination	Tanzania (Zanzibar)	2	Dissemination of Goods and Hotels PPIS	Complete	Complete	Existing AFE projects on PPIS.
Assist With Finalizing The Rebased GDP Estimates For Dissemination	Uganda	5	Redevelopment of NAS compilation system and finalize SUT	Complete	Complete	Existing AFE project. This mission is to complete redevelopment of the rebased GDP system and revised estimates.
Assist With Finalizing The Rebased GDP Estimates For Dissemination	Uganda	3	Compile rebased QGDP by economic activity	In Progress	New & Complete	Existing AFE project. Mission to finalize the rebased GDP system and revised estimates for dissemination.
Peer Review The Rebased CPI And Provide Training	Uganda	4	Release of rebased CPI	In Progress	Complete	Add to existing CPI Review Project.



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Assist With The Development Of The XMPI Methodology	Uganda	3	Development of export and import price indices	In Progress	Complete	Existing AFE project. Add Uganda.
Peer Review The Rebased PPI	Uganda	2	Rebasing of PPI	In Progress	Complete	Existing AFE Uganda project. Follow-up mission. (Combine with XMPI mission)
Assist With Developing The QGDP-E Compilation Methodology	Regional e.g. EAC	2	Compile QGDP by expenditure share in current and constant prices.	Complete	Complete	Planned for May 2014
Regional Workshop On NAS Harmonization	Regional e.g. EAC	2	Assess progress on NAS harmonization in EAC countries\	Complete	New & Complete	Existing AFE project. New activity requested by EAC.
RTAC Statistics Advisors Visit	AFE	1	Workshop realized	Complete	Complete	Next STA advisors retreat timed for June 2014
Developing A GFS Compilation And GFSM2001 Migration Plan	Burundi	2	Commence implementation of GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities.
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Burundi	3	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Burundi	3	EAC/AFE training course realized	Complete	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Developing A GFS Compilation And GFSM2001 Migration Plan	Kenya	2	Commence implementation of GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities.
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Kenya	3	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Kenya	6	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	In Progress	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Developing A GFS Compilation And GFSM2001 Migration Plan	Rwanda	2	Commence implementation of GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities.
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Rwanda	6	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Developing A GFS Compilation And GFSM2001 Migration Plan	Tanzania	2	Commence implementation of GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities.
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Tanzania	5	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Developing A GFS Compilation And GFSM2001 Migration Plan	Uganda	2	Commence implementation of GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities.
Assessment Of Implementation Of GFS Compilation And GFSM2001 Migration Plan	Uganda	6	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	Complete	Complete	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Regional Workshop On GFS Harmonization	Regional e.g. EAC	5	Workshop realized and establishment of GFSM2001/14 implementation plans	Complete	Complete	Subject to agreement with national authorities. Tentatively scheduled for August 2014.
Rtac Statistics Advisors Visit	AFE	1	Workshop realized	Complete	Complete	Next STA advisors retreat timed for June 2014
STA Total Resources:		106				



Annex 2. Revised Work Plan for H2 FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Revenue Administration						
Building An Efficient Customs Administration	Eritrea	4	Revised structure approved and implemented	In Progress	In Progress	Planned for H2
Strengthening The Enforcement And Collection Function	Ethiopia	4	Debt management plan updated, approved and Implemented	In Progress	Postponed to H2	Postponed to H2 due to conflicting engagement by expert
Building An Effective Transit Management Capacity In Customs	Ethiopia	3	Transit management procedures updated and in use	In Progress	In Progress	Change to an Attachment
Strengthening The Dispute Resolution And Appeal Process	Kenya	3	Revised dispute resolution processes approved and implemented	In Progress	In Progress	Planned for H2 in line with expert availability
Building Border Control And Protection Capacity In Customs	Kenya	5	Border control and protection plan developed and approved	In Progress	In Progress	
Quality Assuring Key KRA IT Systems And The ICT Strategy	Kenya	4	Quality Assurance reports for key systems and the ICT strategy	In Progress	New & Planned for H2	
Follow -Up Revenue Administration (Tax And Customs)	Kenya	11	Mission TA report	In Progress	In Progress	
Improving Efficient And Effective Cargo Processing Systems Centered On A Data Processing Center	Malawi	4	Staff attachment; Roadmap to fully operational Data Processing Centre developed	In Progress	In Progress	
Building An Effective Authorized Economic Operator Scheme	Malawi	4	Staff attachment; Road map for implementing AEO scheme developed	In Progress	In Progress	
Strengthening Management Of Large, Medium And Small Taxpayer Segments	Malawi	3	Segments specific procedures revised and implemented	In Progress	In Progress	
Revenue Administration (Tax And Customs)	Malawi	9	Mission TA report	In Progress	In Progress	
Developing A Compliance Risk Management Strategy And Program	Rwanda	4	Compliance management strategy developed and in use	In Progress	In Progress	



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Revenue Administration						
Leveraging The Use Of Electronic Fiscal Devises As A Compliance Tool	Tanzania	4	Staff attachment; Road map for improved use of EFDs developed	In Progress	In Progress	
Developing A Compliance Risk Management Strategy And Program	Tanzania	4	Compliance management strategy developed and in use	In Progress	Postponed to H2	Postponed at the request of HQ
Supporting The Implementation Of Revised VAT Law	Tanzania	4	Changes to the VAT LAW implemented smoothly	In Progress	Postponed to H2	Postponed by Authorities awaiting approval of VAT Law
Entrenching Risk Management Practices In Tax And Customs Operations	Tanzania	3	Risk management functions, procedures and processes reviewed and updated; Revised procedures approved and adopted	In Progress	In Progress	
Developing International Taxation Capacity	Uganda	3	International Taxation Unit fully functional	In Progress	In Progress	Added after SC a
Strategies For Recruiting And Managing Taxpayers: Informal Sectors And SMES	Regional e.g. EAC	5	Workshop conducted, Taxpayers recruited; improved revenue contribution	In Progress	In Progress	
Supporting The EAC Regional Integration Agenda	Regional e.g. EAC	3	Regional Integration Need and AFE support modalities agrees	In Progress	Postponed to H2	Postponed to coincide with HQ mission
Steering Committee Activities	AFE	3	Meeting Held	In Progress	In Progress	
Tax Law Reform: VAT, Excise Tax And Tax Administration	Kenya	2	Completion of amendments	In Progress	In Progress	
Assist With Drafting The Follow-Up To Tax Procedures Law	Uganda	2	Completion of amendments	In Progress	In Progress	
Follow Up Work On Draft VAT Bill And Regulations	Tanzania	2	Completion of draft VAT bill and regulations	In Progress	In Progress	
Regional LEG Tax Seminar On Designing Legal Frameworks	Regional e.g. EAC	4	Conduction of workshop	In Progress	In Progress	
RA Total Resources:		97				



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Public Financial Management						
Implementing PBB At Regional Levels	Ethiopia	3	Follow-on mission on PBB and MTEF implementation	In progress	In Progress	
Improving Cash Forecasting	Ethiopia	4	Cash management improve forecasting	In progress	In Progress	
Study Tour: Peer Learning On M&E	Ethiopia	5	Study tour takes place	In progress	Postponed to H2	Dependent on PBB mission
Promoting Fiscal And Budget Reporting From Lower Levels Of Government	Ethiopia	5	Framework defined for national fiscal reporting and budget monitoring adopted by FGE	In progress	In Progress	
Review Banking Arrangements	Malawi	3	QA of planned revisions to banking arrangements	In Progress	In Progress	No response on scope or timing. Likely after FAD mission
Improve Cash Forecasting	Malawi	3	Agreed strategy for improving liquidity forecasts & introducing active cash management	In Progress	In Progress	No response on scope or timing. Likely after FAD mission
Review Chart Of Accounts Structure	Malawi	4	Agreed COA design to support PBB	In progress	Postponed to H2	No response on scope or timing. Likely after FAD mission
Strengthen IFMIS Controls	Malawi	3	GoM acceptance of proposed plans and practices to enhance IFMIS controls.	In Progress	In Progress	No response on scope or timing.
Introducing PBB To Six Pilot Ministries	Malawi	7	Six pilot ministries ready for migration to PBB	In progress	Postponed to H2	Expected Nov 16 - 28; title will change to: Reviewing legal framework to support MTEF/PBB
Study Tour: Peer Learning On PBB	Malawi	5	Study tour takes place successfully	In Progress	In Progress	Dependent on PBB mission
Improving Medium Term Budgeting Framework	Malawi	4	Improving the binding nature of forward estimates	In Progress	In Progress	Expected Q4
FAD-Led Mission To Review Progress Of PFM Reforms	Malawi	7	Mission report accepted	In progress	Postponed to H2	
EAMU Fiscal Convergence	Rwanda	4	EAMU Fiscal reporting roadmap agreed	In Progress	In Progress	



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Public Financial Management						
Improving The Capital Budgeting Process	Rwanda	4	Agreed framework to improve project appraisal, implementation and follow-up.	In Progress	In Progress	Planned for Q4
Enhance Oversight Of SOES	Rwanda	4	Policy guidelines for improved oversight of SOEs developed	In Progress	In Progress	Likely desk review of revised SOE regulations.
EAMU Fiscal Convergence	Tanzania	3	EAMU fiscal reporting convergence Roadmap agreed	In Progress	In Progress	Demand to be reviewed after EAC workshop
Improve Cash Forecasting	Tanzania	4	Improved cash forecasts - action plan agreed for strengthening role of the CMU	In progress	Postponed to H2	Likely to follow-on from arrears study
Improve Cash Forecasting	Tanzania	5	Report contributing to action plan for strengthening role of CMU.	In progress	Postponed to H2	Dependent on CM mission
Strengthen IFMIS Control Environment	Tanzania	4	Acceptance of assessment of IFMIS security & control environment	In Progress	In Progress	Absorbed within payment arrears study
Improving The Budget Classification System	Tanzania	4	QA budget classification for PBB	In Progress	In Progress	Expected Q4
EAMU Fiscal Convergence	Uganda	2	EAMU fiscal reporting convergence - Roadmap agreed	In Progress	In Progress	
Reforming PBB	Uganda			In Progress	New & Planned for H2	Expected Q3 or 4
Improving PBB Reports	Tanzania (Zanzibar)	7	Finalization of a new template for PBB reporting	In Progress	In Progress	Awaiting RGoZ confirmation on dates
Improve Financial Reporting	Tanzania (Zanzibar)	4	Finalization of COA design and financial reporting guidelines	In Progress	In Progress	Awaiting RGoZ confirmation on dates
IFMIS Upgrade	Tanzania (Zanzibar)	3	IFMIS upgrade design and plan agreed	In progress	Postponed to H2	Awaiting RGoZ confirmation on dates
EAMU Fiscal Convergence	Regional e.g. EAC	5	Fiscal convergence for EAMU - Workshop delivered	In Progress	In Progress	To be confirmed for January



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Public Financial Management						
Improving Management Of Fiscal Risks - Strengthen Oversight Of SOES	Regional e.g. EAC	5	Oversight of SOEs - workshop delivered	In progress	Postponed to H2	
Improving Fiscal Reporting	Regional e.g. EAC	4	Improving fiscal reporting - workshop delivered	In Progress	In Progress	
IFMIS - Managing Benefits And Risks	Regional e.g. EAC	4	IFMIS workshop delivered	In Progress	In Progress	
Steering Committee	AFE	7	AFE TA management. Annual report and work plan endorsed	In Progress	In Progress	
PFM Total Resources:		129				

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macro-Fiscal Analysis						
Developing Revenue Forecasting Framework	Ethiopia	5	Building capacity in revenue forecasting	In progress	In progress	
Improving capacity in Macroeconomic Forecasting	Kenya	2	Improved capacity on macro modeling and Financial Programming	In progress	Postponed to H2	
Developing Revenue Forecasting Framework	Kenya	5	Revenue projections in line with macro projections	In progress	In progress	
Attachment on macro-fiscal database	Malawi	5	Learn about FP exercise in Tanzania	In progress	In progress	
Assisting in medium-term GDP forecasting	Malawi	5	Medium-Term GDP forecast	In progress	In progress	
Developing Revenue Forecasting Framework	Rwanda	4	Integrate revenue forecasting within MINECOFIN macro model Develop a revenue forecasting model for Rwanda	In progress	In progress	
Improving Capacity in Debt Sustainability Analysis	Tanzania	3	Participants trained in DSA	In progress	Postponed to H2	



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macro-Fiscal Analysis						
Attachment on GDP forecasting	Tanzania	5	Learn about CIEA in Rwanda	In progress	Postponed to H2	
Developing a macro-fiscal database	Tanzania (Zanzibar)	5	Development of macro-fiscal database	In progress	Postponed to H2	
Assisting in QGDP forecasting	Uganda	6	Improved quarterly GDP forecasts	In progress	In progress	
EAC workshop on fiscal convergence	Regional e.g. EAC	2	EAC Meeting on fiscal convergence	In progress	In progress	
AFE Steering Committee Meeting	AFE	2	FY15 realizations presented to SC and FY16 approved	In progress	In progress	
Workshop on Fiscal Risks	Regional e.g. EAC	6	Deeper understanding of fiscal risk reporting and management in the region	In progress	In progress	
Workshop on Indicators of Economic Activity	Regional e.g. EAC	6	Regional Workshop on Indicators of Economic Activity	In progress	In progress	
Regional course on Economics of Regional Integration	Regional e.g. EAC	0	Conduct workshop	In progress	In progress	
Macro-fiscal implications of natural resource discoveries	Regional e.g. EAC	3	Participants trained in macro-fiscal implications of natural resource discoveries	In progress	Postponed to H2	
Financial Programming and Policies	Regional e.g. EAC	7	Participants able to prepare a macroeconomic policy program	In progress	New & in progress for H2	
MFA Total Resources:		69				



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Financial Sector Regulation and Supervision						
Enhancing On- And Off-Site Insurance Supervision	Eritrea	3	Basic on- and off-site supervision framework in place	In Progress	In Progress	
Attachment On Risk Based Supervision	Eritrea	5	Increased supervisory capacity for risk based supervision	In Progress	In Progress	
Implementing Risk Based Supervision And Solvency Regulations	Ethiopia	4	Basic risk based insurance supervision in place and developed draft solvency regulations	In Progress	In Progress	
Developing A Framework For A Structured Assessment Of Host Country Supervisory And Regulatory Framework	Kenya	2	Assessment framework for quality of supervisory and regulatory framework of host supervisor developed	In Progress	In Progress	
Enhancing The Regulatory Framework For Liquidity Risk Management	Malawi	3	Developed regulatory framework for Liquidity Risk Management	In Progress	In Progress	
Integrating ICAAP In The Supervisory Framework	Malawi	2	Plan in place for the integration of ICAAP into supervisory framework	In Progress	In Progress	
Implementing And Operationalizing ICAAP And Developing A Framework For LCR And The Countercyclical Capital Buffer	Rwanda	4	Strategy for implementation of ICAAP and counter cyclical capital buffer in place and first version of LCR framework drafted	In Progress	In Progress	
Developing Supervisory Capacity For The Review Of IFRS Compliance Of Commercial Banks	Rwanda	3	Increased supervisory capacity for the review of IFRS compliance and first draft of supervisory framework ready to be tested	In Progress	In Progress	
Attachment On FX Bureau Supervision	Rwanda	5	Increased capacity on FX bureau supervision	In Progress	In Progress	



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Financial Sector Regulation and Supervision						
Aligning The Prudential Framework With International Standards	Tanzania	4	Areas for improvement of existing prudential regulatory framework identified	In Progress	Postponed to H2	
Developing A Short And Long Term Training Program For The Banking Supervision Directorate	Tanzania	4	Evaluating training needs and development of a short to long term training program for examiners.	In Progress	In Progress	
Developing A Risk Assessment Framework For Financial Stability	Tanzania	5	Developed draft of Financial Stability Risks Assessment Framework in line with framework used by Bank of Namibia and increase Financial Stability capacity	In Progress	Postponed to H2	
Training On Consolidated Supervision	Tanzania	2	Increased capacity on consolidated supervision	In Progress	In Progress	
Developing A Stress Testing Framework	Tanzania	4	Development of a roadmap for the implementation of stress testing	In Progress	In Progress	
Reviewing Draft Regulations And Training On Agency Banking	Uganda	5	Increased supervisory capacity and draft of Agency Banking Regulations reviewed	In Progress	Postponed to H2	
Implementation Of Risk Based Insurance Supervision In Uganda	Uganda	3	Updated and implemented on- and off-site risk based supervision framework	In Progress	In Progress	
Regional Workshop On (Micro) Stress Testing For Prudential Purposes	Regional e.g. EAC	4	Increased regional capacity on micro stress-testing for prudential use also in relation to ICAAP.	In Progress	In Progress	
Regional Workshop On AML/CFT Supervision	Regional e.g. EAC	5	Increased regional capacity on AML/CFT	In Progress	In Progress	



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Financial Sector Regulation and Supervision						
ATI Training On Core Elements Of Banking Supervision	Regional e.g. EAC	7	Increased supervisory capacity in the region	In Progress	In Progress	
Steering Committee	AFE	4	SC and midterm reporting realized	In Progress	In Progress	
Finalize Amendments To The Banking Resolution Legal Framework	Malawi	2	Amended legal framework	In Progress	In Progress	
FSR Total Resources:		80				

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Monetary Policy and Operations						
Liquidity management	Ethiopia	5	Completion of liquidity forecasting framework	In progress	In Progress	
Staff attachment on inflation forecasting	Kenya	3	Completion of staff attachment	In progress	Postponed to H2	In support of the authorities' policy analysis efforts
GDP forecasting	Kenya	4	Completion of GDP forecast review	In progress	Postponed to H2	A continuation of the TA on GDP forecasting topic, using the CIEA approach.
Strategy for yield curve development	Malawi	5	Completion of benchmark yield curve development strategy	In progress	In Progress	Progress has been made on implementation of the CDS which had stalled
Strategy for bond market development	Rwanda	2	Completion of bond market development strategy	In progress	Postponed to H2	Liaise with other agencies involved in the same area; including the IFC will be necessary.
Staff attachment on NPS oversight	Rwanda	3	Completion of attachment	In progress	In Progress	Falls under AFE's NPS oversight strategic focus in NPS development



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Monetary Policy and Operations						
Interbank market	Rwanda	5	Completion of strategy for interbank market development	In progress	In Progress	
Foreign exchange market intervention	Tanzania	5	Completion of foreign exchange intervention policy	In progress	Postponed to H2	To be provided together with HQ staff.
Interbank money market development	Tanzania	5	Completion of strategy for interbank(cash) market development	In progress	In Progress	Financial markets development and strengthening the monetary policy transmission channel.
NPS oversight guidelines	Uganda	5	Completion of draft NPS oversight guidelines	In progress	Postponed to H2	Carried down from FY15.
NPS risk assessment	Uganda	6	Completion of risk assessment framework	In progress	In Progress	A continuation of AFE TA engagement with the BOU on the subject of NPS oversight.
Workshop on Compliance with CPSS-IOSCO Principles for Financial Market Infrastructures – Advanced	Regional e.g. EAC	6	Completion of workshop	In progress	In Progress	
Monetary policy implementation under inflation targeting lite	Uganda	5	Completion of strategy for monetary policy implementation under ITL	In Progress	In Progress	
AFE Steering Committee Meeting	AFE	2	Attendance of SC meeting	In Progress	In Progress	Planned for March 2015
Develop a Forecasting and Policy Analysis System	Uganda	22	Agree with the authorities on a workplan to ensure full implementation of FPAS.	In Progress	In Progress	
Develop a Forecasting and Policy Analysis System	Rwanda	16	Agree with the authorities on a workplan to ensure full implementation of FPAS.	In Progress	In Progress	
Develop a Forecasting and Policy Analysis System	Tanzania	22	Agree with the authorities on a workplan to ensure full implementation of FPAS.	In Progress	In Progress	
Develop a Forecasting and Policy Analysis System	Kenya	16	Agree with the authorities on a workplan to ensure full implementation of FPAS.	In Progress	In Progress	



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Monetary Policy and Operations						
Central Bank Act amendment	Uganda	4	Completion of amendments	In Progress	In Progress	
MON Total Resources		141				

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Developing a BPM6 migration plan	Eritrea	4	Commence implementation BPM6 standards for BOP statistics	In Progress	Postponed to H2	TA subject to previous benchmark to release BOP to IMF & public. Not met, hence this mission for FY2014 postponed to FY2015.
Assist with developing the QGDP-E compilation methodology	Kenya	3	Compile QGDP by expenditure share in current and constant prices.	In Progress	In Progress	Existing AFE project. Developing QGDP by expenditure share including GFCE, HFCE etc.
Assist with implementation of BPM6 standards	Malawi	4	Improved BOP and IIP estimates consistency with BPM6 standards	In Progress	In Progress	Existing AFE project. Further TA required once benchmark actions from previous Nov 2014 mission implemented.
Assist with developing the QGDP-P compilation methodology	Malawi	4	Develop Quarterly National Accounts methodology	In Progress	In Progress	Existing AFE project. Further TA required once benchmark actions from previous Mar 2014 mission implemented.
Assist with implementation of BPM6 standards	Rwanda	4	Improved BOP and IIP estimates consistency with BPM6 standards	In Progress	In Progress	Existing AFE project. Further TA required once benchmark actions from previous mission Feb 2014 implemented.
Assist with developing the QGDP-E compilation methodology	Rwanda	3	Compile QGDP by expenditure share in current and constant prices.	In Progress	In Progress	Existing AFE project. Developing QGDP by expenditure share including GFCE, HFCE etc.



Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Assist with improving prices survey and index compilation	Rwanda	4	Improve the quality of export and import price indices	In Progress	In Progress	Existing AFE projects on PPI & XMPI. Both to be released by April 2014. TA subject to March 2014 mission assessment.
Assist with developing the QGDP-E compilation methodology	Tanzania (Zanzibar)	2	Compile QGDP by expenditure share in current and constant prices.	In Progress	In Progress	Existing AFE project. Developing QGDP by expenditure share including GFCE, HFCE etc.
Assist with developing the QGDP-E compilation methodology	Uganda	3	Compile QGDP by expenditure share in current and constant prices.	In Progress	In Progress	Existing AFE project. Developing QGDP by expenditure share including GFCE, HFCE etc.
Regional workshop on NAS harmonization	Regional e.g. EAC	6	Assess progress on NAS harmonization and provide training on GDP by expenditure approach	In Progress	In Progress	Planned for February 2015
AFE Steering Committee Meeting	AFE	2	AFE TA Management. Annual Report and work plan endorsed	In Progress	In Progress	
Assessment of implementation of GFS compilation and GFSM2001 migration plan	Kenya	4	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	In Progress	In Progress	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Assessment of implementation of GFS compilation and GFSM2001 migration plan	Rwanda	4	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	In Progress	In Progress	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Assessment of implementation of GFS compilation and GFSM2001 migration plan	Tanzania	5	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	In Progress	In Progress	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.



EAST AFRITAC MID-YEAR REPORT FY 2015

Activity Title	Beneficiary	Total Resources in Field Person Weeks	Milestone	Status of Milestone	Status of Activity	Comments
Macroeconomic Statistics						
Assessment of implementation of GFS compilation and GFSM2001 migration plan	Tanzania (Zanzibar)	4	Assessment of GFS compilation practices.	In Progress	New & in Progress	TA subject to agreement with national authorities.
Assessment of implementation of GFS compilation and GFSM2001 migration plan	Uganda	3	Implementation of concrete steps in GFS compilation and GFSM2001 migration plan	In Progress	In Progress	TA subject to agreement with national authorities. Content of TA to be derived from national GFS compilation and GFSM2001 migration plans.
Regional workshop on GFS harmonization	Regional e.g. EAC	6	EAC GFS reporting by Partner States and Regional GFS harmonization	In Progress	In Progress	Subject to agreement with national authorities. Tentatively scheduled for November 2014.
Regional workshop on GFS harmonization	Regional e.g. EAC	4	EAC GFS reporting by Partner States and Regional GFS harmonization	In Progress	In Progress	Subject to agreement with national authorities. Tentatively scheduled for March 2015.
SC Meeting	AFE	1	Attendance of SC meeting	In Progress	In Progress	Planned for March 2015
STA Total Resources:		71				



Annex 3. East AFRITAC, Workshops and IMF-ICD Courses (as of October 2014)

	Sector	Workshop/ Course Title	Start date	End date	Advisor	Location	Status
AFE Workshops							
1	STATS	Developing the QGDP-E compilation Methodology	5/26/2014	5/30/2014	Zia Abbasi	Entebbe, Uganda	Completed
2	STATS	Harmonization of National Accounts Statistics in EAC	6/23/2014	6/27/2014	Zia Abbasi	Kigali, Rwanda	Completed
3	STATS	Regional Training on Government Finance Statistics	8/25/2014	8/29/2014	Johan Mathisen	Arusha, Tanzania	Completed
4	RA	Improving Skills on Auditing of Specialized Sectors in Tax Administration	8/25/2014	8/29/2014	Muyangwa Muyangwa	Entebbe, Uganda	Completed
5	PFM	Budgeting, Monitoring and Evaluation of Capital Projects	9/1/2014	9/5/2014	Tawfik Ramtoolah	Entebbe, Uganda	Completed
6	MON	Principles of Financial Markets Infrastructure	9/8/2014	9/12/2014	Elias Kasozi	Kigali, Rwanda	Completed
7	FSR	Insurance Supervision	9/15/2014	9/26/2014	Dirk Jan Grolleman	Tanzania	Completed
8	STATS	Regional Training on Government Finance Statistics	11/17/2014	11/21/2014	Johan Mathisen	Uganda	Planned
9	RA	Strategies for Recruiting and Managing Taxpayers: Informal Sectors and SMEs	11/24/2014	11/28/2014	Muyangwa Muyangwa	Zanzibar	Planned
10	FSR	(Micro) Stress Testing for Prudential Purposes	1/12/2015	1/16/2015	Dirk Jan Grolleman	Ethiopia	Planned
11	PFM	Ensuring Adequate Oversight of SOEs	1/19/2015	1/23/2015	Tawfik Ramtoolah Guy Anderson	Uganda	Planned
12	MFA	Indicators of Economic Activity (joint with STA)	3/2/2015	3/5/2015	Fazeer Sheik Rahim	Tanzania	Planned
13	STATS	Regional Workshop on NAS Harmonization	2/16/2015	2/20/2015	Zia Abbasi	Zanzibar	Planned
14	PFM	Improving Fiscal Reporting	3/30/2015	4/3/2015	Amitabh Tripathi	Ethiopia	Planned
15	MFA	Workshop on Fiscal Risks	4/6/2015	4/10/2015	Fazeer Sheik Rahim	Malawi	Planned
16	PFM	IFMIS - Maximizing Benefits and Minimizing Risks	4/13/2015	4/17/2015	Guy Anderson	Rwanda	Planned
17	FSR	AML/CFT Supervision	4/20/2015	4/24/2015	Dirk Jan Grolleman	Malawi	Planned
18	MON	Principles of Financial Markets Infrastructure Advanced	4/6/2015	4/24/2015	Alain Vandepoute	TBA	Planned

**Annex 3. East AFRITAC, Workshops and IMF-ICD Courses (as of October 2014) continued**

	Sector	Workshop/ Course Title	Start date	End date	Advisor	Location	Status
IMF-ICD Courses							
1	MFA	Macro-Fiscal Analysis and Modeling	6/30/2014	7/11/2014	Fazeer Sheik Rahim	Ebene, Mauritius	Completed
2	MFA	Macroeconomic Diagnostics	7/14/2014	7/25/2014	Fazeer Sheik Rahim	Lake Kivu Gisenyi, Rwanda	Completed
3	MFA	Financial Programming and Policies	12/1/2014	12/12/2014	Fazeer Sheik Rahim	Dar es Salaam, Tanzania	Planned
4	MFA	Economics of Regional Integration	3/2/2015	3/15/2015	Fazeer Sheik Rahim	Dar es Salaam, Tanzania	Planned
5	FSR	Core Elements of Banking Supervision	12/8/2014	12/12/2014	Dirk Jan Grolleman	Kigali, Rwanda	Planned
6	MFA	Macro-Fiscal Implications of Natural Resource Discoveries	2/2/2015	2/6/2015	Fazeer Sheik Rahim	Arusha, Tanzania	Planned



Annex 4. East AFRITAC Mission Reports, First Half of FY 2014

Country	Report	Mission Members	Dates (2014)
Revenue Administration			
Kenya	Developing A Compliance Risk Management Strategy And Programs	Michael Smithson	June 23-July 4
Rwanda	Consolidating Risk Management Practices In Customs	Muyangwa Muyangwa Bruce Irving	July 14-25
Rwanda	Establishing A Corporate Risk Management Function	Muyangwa Muyangwa Don McPartland	July 14-25
Uganda	Assessing The Implementation Of A Data Warehouse Solution And Integrity Of Database For Taxpayer Management	Muyangwa Muyangwa Tony Lester	September 1-12
Eritrea	Building An Effective Tax Administration	Muyangwa Muyangwa Michael Smithson	September 22- October 3
Malawi	Developing A Compliance Risk Management Strategy And Programs	Annette Chooi	October 6-17
Uganda	Developing A Compliance Risk Management Strategy And Programs	Michael Smithson	October 6-17
Country	Report	Mission Members	Dates (2014)
Public Financial Management			
Malawi	PFM Strategy And Plan-Draft	Robert Muwanga	April 28-May 16
Eritrea	Eritrea-MTBF Workshop Report	Tawfik Ramtoolah Fazeer Sheik Rahim	May 5-9
Tanzania	Draft Survey Program-Payment Arrears; Training Of Survey Teams	Guy Anderson Stephen Emasu	May 5-9; July 17-29
Rwanda	Strengthening Program Budgeting, MTEF And The Public Investment Program	Tawfik Ramtoolah Fazeer Sheik Rahim	May 12-21
Tanzania	Consolidating Program-Based Budgeting Among MDAS	Tawfik Ramtoolah Jack Mason	June 2-13
Malawi	Aide Memoire On Review And Update Of PFM Strategy; PFM Strategy And Plan-Summary; PFM Strategy And Plan-Updated Draft	Guy Anderson Robert Muwanga Amitabh Tripathi	June 23-July 3
Uganda	Reforming The Performance Budgeting System	Tawfik Ramtoolah Marc Robinson	July 1-11
Tanzania	Draft Final Report-PER Study On The Prevention And Management Of Payment Arrears	Guy Anderson Amitabh Tripathi	July 1-18
Rwanda	Aide Memoire On Fiscal Decentralization: Review Of Grants To Local Governments And Local Fiscal Reporting	Tim Irwin Lesley Fisher Juliana Pigey	July 16-29
United States	Report Prepared By FAD	Guy Anderson Tawfik Ramtoolah Amitabh Tripathi	July 21-25
Tanzania	Report-Towards A Comprehensive Legal Framework For PFM	Tom Joseph Yugo Koshima Fazeer Sheik Rahim Amitabh Tripathi Poker Khemani	July 22-August 4



Annex 4. East AFRITAC Mission Reports, First Half of FY 2014 continued

Country	Report	Mission Members	Dates (2014)
Public Financial Management			
Uganda	Report-Drafting The Public Finance Regulations	Suzanne Flynn Yugo Koshima Amitabh Tripathi Tiantian Zhuang	August 18- September 1
Kenya	Draft Report On Fiscal Transparency Evaluation	Duncan Last Jason Harris Florence Kuteesa Chadi Abdallah Guy Anderson Fazeer Sheik Rahim	August 19- September 1
Uganda	Regional Workshop Draft Report-The Capital Budgeting Process	Tawfik Ramtoolah Florence Kuteesa Simon Groom Anand Rajaram Edgardo Mimica	September 1-5
Uganda	Reviewing The Capital Budgeting Process	Tawfik Ramtoolah Simon Groom	September 8-19
Zanzibar	No Report -- Meeting With Donors	Tawfik Ramtoolah Guy anderson	September 23-24
Kenya	Improving Links Between Budget Estimates And Program	Tawfik Ramtoolah Andrew Bird	September 29-Oct 17
Tanzania	Aide Memoire-Scoping Mission On Natural Resource Management	Tom Josephs Fazeer Sheik Rahim Amitabh Tripathi	September 29- October 3
Kenya	Aide Memoire-Implementing The TSA	Guy Anderson John Gardner	October 1-10
Uganda	Aide Memoire-Implementing The TSA And Cash Management Functions	Guy Anderson John Gardner	October 13-22
Country	Report	Mission Members	Dates (2014)
Macro-Fiscal Analysis			
Tanzania	Improving Macro-Fiscal Analysis And Reporting	Andy King	July 1-4
Tanzania	Towards A Comprehensive Legal Framework For Public Financial Management	Tom Josephs Pokar Khemani Yugo Koshima Fazeer Sheik Rahim Amitabh Tripathi	July 1-4
Kenya	Fiscal Transparency Evaluation	Duncan Last Chadi Abdallah Jason Harris Florence Kuteesa Guy Anderson Fazeer Sheik Rahim	August 1-4
Rwanda	Developing A Revenue Forecasting Framework	Fazeer Sheik Rahim Jon Riley Robin Youll	September 1-4
Tanzania	Macro-Fiscal And PFM Issues On The Management Of Natural Resource Revenue	Tom Josephs Fazeer Sheik Rahim Amitabh Tripathi	September 1-4



Annex 4. East AFRITAC Mission Reports, First Half of FY 2014 continued

Country	Report	Mission Members	Dates (2014)
Macro-Fiscal Analysis			
Ethiopia	Developing A Macro-Fiscal Database	Fazeer Sheik Rahim Anna Lennblad	October 1-4
Malawi	Improving GDP Forecasting	Fazeer Sheik Rahim Robin Youll	October 1-4
Country	Report	Mission Members	Dates (2014)
Financial Sector Regulation And Supervision			
Malawi	Strengthening Anti-Money Laundering And Combating The Financing Of Terrorism Supervision	Ian Carrington	June 16-27
Uganda	Implementing Supervisory Frameworks for Market, Country & Transfer Risk for Banks in Uganda	Dirk Jan Grolleman Paul Baneke	June 2-13
Kenya	Implementation Of The Basel II Supervisory Review And Evaluation Process By The Central Bank Of Kenya	Dirk Jan Grolleman Rein Pruntel	July 28-August 8
Ethiopia	Ethiopia: Developing A Banking Sector Soundness Assessment Framework	Dirk Jan Grolleman Sybille Grob	August 18-29
Tanzania	Regional Seminar On Insurance Supervision	Dirk Jan Grolleman Michael Hafeman Naren Sheth Olivier Reichert Nobuyasu Sugimoto	September 14-26
Tanzania	Training On Basel II/III For Bank Of Tanzania And National Bank Of Rwanda Staff	Dirk Jan Grolleman Gianfranco Vento	September 29- October 10
Country	Report	Mission Members	Dates (2014)
Macroeconomic Statistics			
EAC Partner States	Report On The Government Finance Statistics Mission	Johan Mathisen Michael Gitau	April 7-May 9
Rwanda	Report on the National Accounts Statistics Mission	Robin Youll	May 5-23
Uganda	Report On The National Accounts Statistics Mission	Zia Ahmad Abbasi	May 5-23
Tanzania	Report On The Prices Statistics Mission	David Nicholas Collins	May 12-23
Zanzibar	Report On The Prices Statistics Mission	David Nicholas Collins	May 24-30
Ethiopia	Report On The National Accounts Statistics Mission	Robin Youll	June 23-July 4
Uganda	Report On The Prices Statistics Mission	David Nicholas Collins	June30-July 18
Uganda	Report On The Government Finance Statistics Mission	Brooks Robinson Bruno Rocha	July 8-18
Rwanda	Note On The Government Finance Statistics Mission	Johan Mathisen Zarco Ismael-Ahamdanech	July 14-24
Kenya	Note On The Government Finance Statistics Mission	Johan Mathisen Felipe Bardella Brooks Robinson	July 21-25



Annex 4. East AFRITAC Mission Reports, First Half of FY 2014 continued

Country	Report	Mission Members	Dates (2014)
Macroeconomic Statistics			
Tanzania	Report On The Quarterly National Accounts Mission	Zia Ahmad Abbasi	July 21-August 1
Burundi	Report On The Government Finance Statistics Mission	Vincent Marie Zarco Ismael-Ahamdanech	July 21, August 1 , October 13-24
Kenya	Report On The Quarterly National Accounts Mission	Zia Ahmad Abbasi	August 18-29
East African Community	Report On The Government Finance Statistics Mission	Johan Mathisen Zarco Ismael- Ahamdanech	September 1-5
Tanzania	Report on the Quarterly National Accounts Mission	Pamela Achieng Audi	September 1-12
Ethiopia	Report On The Prices Statistics Mission	David Nicholas Collins	September 1-19
Uganda	Report On The Quarterly National Accounts Mission	Zia Ahmad Abbasi	September 15-26
Uganda	Report On The Consumer Price Index Mission	Claude Lamboray	September 15-26
Tanzania	Note On The Government Finance Statistics Mission	Johan Mathisen Francois Engelbrecht	September 15-26
Rwanda	Report On The Quarterly National Accounts Mission	Robin Youll	September 29- October 10
Zanzibar	Report On The Quarterly National Accounts Mission	Zia Ahmad Abbasi	October 16-29
Kenya	Report On The Government Finance Statistics Mission	Johan Mathisen Brooks Robinson	October 21-31



EAST AFRITAC MID-YEAR REPORT FY 2015

Annex 5. IMF Africa Capacity Building Initiative, East AFRITAC Phase III (as of October 31, 2014)

Expenses	(A) Program Budget FY2010 - 15	(B) Working Budget FY2010 - 15	(C) Total Outturns thru Oct-14	(D) Outturns FY2010-14	FY2015Budget	FY2015 Outturns thru Oct-14	(E) FY2015 Execution	Projected Execution end- FY2015	Projected Savings end- FY2015
	US\$	US\$	US\$	US\$	US\$	US\$	Percent	US\$	US\$
Long-term Experts	14,514,960	14,383,004	12,810,130	11,413,227	2,969,777	1,396,904	47	2,951,817	17,960
Fiscal	8,049,635	6,928,055	6,212,926	5,581,222	1,346,834	631,705	47	1,346,834	-
Monetary	3,219,854	3,206,873	2,886,267	2,602,404	604,469	283,863	47	604,469	-
Statistics	1,609,927	2,152,351	1,818,371	1,493,070	659,281	325,301	49	659,281	-
Regional Travel	1,635,544	2,095,725	1,892,566	1,736,531	359,194	156,034	43	341,234	17,960
Short-term Experts	10,951,452	12,552,845	9,847,246	8,637,851	3,914,994	1,209,395	31	3,601,673	313,321
Fiscal	7,522,563	6,606,446	5,458,360	5,039,839	1,566,607	418,521	27	1,253,285	313,321
Monetary	2,099,320	2,964,331	2,479,666	2,248,486	715,844	231,180	32	715,844	-
Statistics	1,049,660	2,002,902	1,590,426	1,212,536	790,366	377,889	48	790,366	-
Legal	279,909	126,917	100,410	84,176	42,741	16,234	38	42,741	-
Research	-	852,250	218,383	52,813	799,437	165,571	21	799,437	-



Annex 5. IMF Africa Capacity Building Initiative, East AFRITAC Phase III (as of October 31, 2014) continued

Expenses	(A)	(B)	(C)	(D)	(E)				
	Program Budget FY2010 – 15	Working Budget FY2010 - 151	Total Outturns thru Oct-14	Outturns FY2010-14	FY2015 Budget	FY2015 Outturns thru Oct-14	FY2015 Execution	Projected Execution end-FY2015	Projected Savings end- FY2015
Training	5,167,172	4,608,249	3,882,415	3,305,838	1,302,411	576,577	44	1,165,683	136,728
TA seminars	3,303,957	3,217,650	2,629,461	2,257,650	960,000	371,811	39	823,272	136,728
Training on macroeconomic and financial issues	1,863,215	1,390,599	1,252,954	1,048,188	342,411	204,766	60	342,411	-
Diagnostic Missions	3,751,687	894,297	660,419	629,095	265,202	31,324	12	52,879	212,323
Fiscal	2,678,155	661,453	481,260	449,936	211,517	31,324	15	52,879	158,638
Monetary	726,870	29,939	29,939	29,939	-	-	-	-	-
Statistics	171,719	10,865	10,865	10,865	-	-	-	-	-
Legal	174,943	192,040	138,355	138,355	53,685	-	-	-	53,685
Backstopping/Project Management/Staff Travel	5,595,172	2,647,464	2,299,186	1,936,717	710,747	362,469	51	675,212	35,535
Backstopping	2,925,675	1,323,283	1,202,899	953,056	370,227	249,843	67	370,227	-
Project Management		1,753,132	508,328	457,622	404,706	103,623	52,916	51	103,623
Staff Travel	916,365	815,852	638,665	578,955	236,897	59,710	25	201,363	35,535



Annex 5. IMF Africa Capacity Building Initiative, East AFRITAC Phase III, (as of October 31, 2014) continued

Expenses	(A) Program Budget FY2010 - 15	(B) Working Budget FY2010 - 15	(C) Total Outturns thru Oct-14	(D) Outturns FY2010-14	FY2015 Budget	FY2015 Outturns thru Oct-14	(E) FY2015 Execution	Projected Execution end-FY2015	Projected Savings end- FY2015
Other	1,520,112	2,214,755	376,172	343,017	170,142	33,155	19	170,142	1,701,597
Evaluation	300,000	209,743	209,743	209,743	-	-	-	-	-
Miscellaneous Office costs		1,220,112	303,416	166,429	133,274	170,142	33,155	19	170,142
Contingency ²	-	1,701,597	-	-	-	-	-	-	1,701,597
Subtotal Donor Expenses	41,500,555	37,300,614	29,875,569	26,265,744	9,333,274	3,609,825	39	8,617,407	2,417,463
Trust Fund Management	2,905,039	2,611,043	2,091,290	1,838,602	653,329	252,688	39	603,218	169,222
Total Donor Expenses	44,405,594	39,911,657	31,966,858	28,104,346	9,986,603	3,862,513	39	9,220,625	2,586,686
Office Coordination and Administration³	6,206,635	4,953,440	4,554,040	4,173,719	779,721	380,321	49	779,721	-
Total East AFRITAC	50,612,229	44,865,097	36,520,898	32,278,065	10,766,324	4,242,834	39	10,000,347	2,586,686

1. Total Phase III working budget equals total contributions expected from donors and member countries.

2. Amount in contingency is savings that is available for possible extension of the cycle and may be adjusted for further savings or need in some areas of expenditure.

3. Office coordination and administration costs are covered by IMF and Host Country contributions.

4. Source: Institute for Capacity Development



Annex 6. East AFRITAC: Status of Contributions, October 31, 2014

Donor Country	Pledged Currency & Amount	Pledged	Received	Requested	Past Due
		In U.S. dollars			
Donors					
African Development Bank	1,500,000 USD	1,500,000	1,500,000	...	...
Australia	2,000,000 USD	2,000,000	2,000,000	...	...
Canada	1,000,000 CAD	1,038,825	1,038,825	...	...
European Commission	1,000,000 EUR	1,391,400	1,391,400	...	...
European Commission	7,337,500 EUR	9,821,205	9,821,205	...	...
European Investment Bank	500,000 EUR	662,850	662,850	...	...
Germany	1,000,000 EUR	1,335,000	1,335,000	...	...
Netherlands	1,470,575 USD	1,470,575	1,470,575	...	...
Switzerland	1,000,000 USD	1,030,954	1,030,954	...	...
United Kingdom	GBP	17,110,848	17,110,848	...	...
<i>Subtotal - donors</i>		<i>37,361,657</i>	<i>37,361,657</i>	<i>0</i>	<i>0</i>
Recipients					
Eritrea	375,000 USD	375,000	225,000	150,000	150,000
Ethiopia	300,000 USD	300,000	300,000	...	...
Kenya	375,000 USD	375,000	304,835	70,165	70,165
Malawi	375,000 USD	375,000	75,000	300,000	300,000
Rwanda	375,000 USD	375,000	300,000	75,000	75,000
Tanzania	375,000 USD	375,000	298,747	76,253	76,253
Uganda	375,000 USD	375,000	375,000	...	...
<i>Subtotal - recipients</i>		<i>2,550,000</i>	<i>1,878,582</i>	<i>671,418</i>	<i>671,418</i>
Grand Total		39,911,657	39,240,239	671,418	671,418

Source: Institute for Capacity Development, October 31, 2014



Eritrea



Malawi



Uganda



Ethiopia



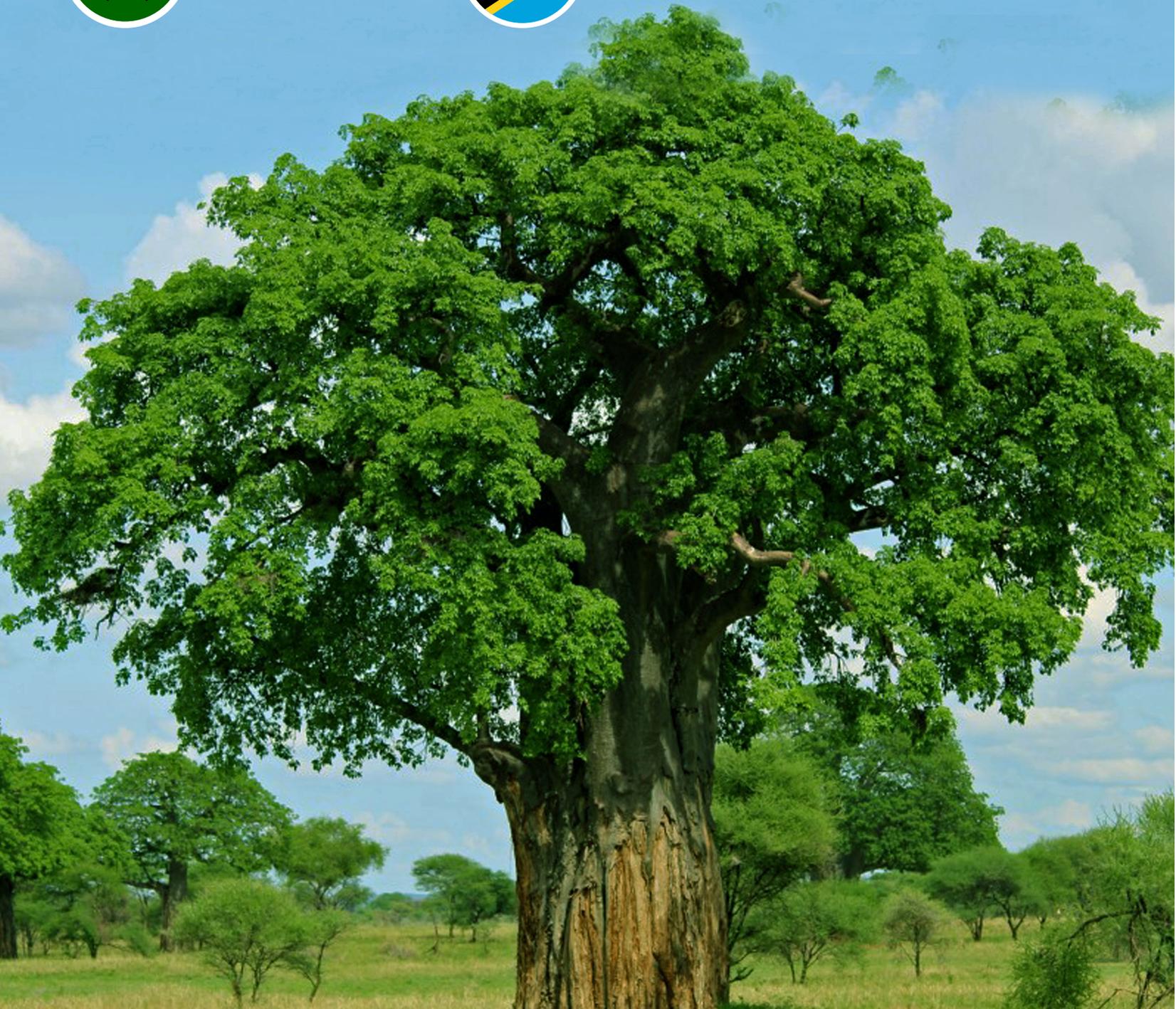
Rwanda



Kenya



Tanzania



**International Monetary Fund
Institute for Capacity Development
Global Partnerships Division**

700 19th Street NW
Washington, DC 20431
USA
Tel.: 1-202-623-7636
Fax: 1-202-623-7106
Email: GlobalPartnerships@imf.org

East AFRITAC

BOT North Tower, 10th floor
P.O. Box 10054
Dar es Salaam, Tanzania
Tel: 255 22 223 5353
Fax: 255 22 223 4204
Website: www.eastafritac.org