

IMF East AFRITAC News

May 2016



IMF Regional Technical Assistance Center for East Africa
Building Macroeconomic Capacity in East Africa



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HIGHLIGHTS

- **Revenue Administration:** AFE provided a follow up mission on compliance risk analysis in Rwanda (May 2-13).
- **Public Financial Management:** A mission to Tanzania focused on Improving Annual Financial Reporting (May 16-27) and included a Kenyan official under the peer-to-peer learning initiative.
- **Macro-Fiscal Analysis:** Jointly with IMF-HQ, a national workshop was conducted on Debt Sustainability Analysis in Kenya. See video on the workshop in this report. Customized training on Macroeconomic Forecasting was undertaken in Malawi.
- **Economic and Financial Statistics:** A mission visited Zanzibar, Tanzania to assist the Office of Chief Government Statistician (OCGS) in developing the data sources needed to produce rebased estimates of Gross Domestic Product (May 16-27).
- **Government Finance Statistics:** AFE's Regional GFS Advisor participated in a Fiscal Transparency Evaluation Mission (FTE) in Uganda (April 27 – May 10).
- **Coordinator:** The Center's coordinator visited Zanzibar and met senior executives of the Ministry of Finance and Planning to discuss TA needs in FY 2017.
- **Regional Activities:** AFE's Regional GFS Advisor contributed to MEFMI Regional Workshop in Arusha, Tanzania (May 16-19). In conjunction with AFS, AFE conducted a workshop on ISORA/ RAFIT in Mauritius (May 9-13). The Center's revenue advisor also worked with the TADAT Secretariat to facilitate an AFW2 workshop on TADAT in Ghana (26-27 May).
- **Forthcoming Activities and TA Dissemination:** All forthcoming activities through end July 2016 are provided in Table 1. TA reports disseminated on the secure site are listed in Table 2.

KENYA

Macro-Fiscal Analysis: A five-day workshop on Debt Sustainability Analysis was provided to Kenyan officials from the National Treasury, the Ministry of Planning, the Central Bank, the Bureau of Statistics and the Kenya Institute for Public Policy Research and Analysis (May 16 – 20). These officials form part of the Macroeconomic Working Group, whose role is to develop the medium-term macroeconomic framework for Kenya. A partnership between IMF East AFRITAC, IMF HQ Departments (Strategy, Policy and Review and Research), the workshop focused on the Low-Income Country Debt Sustainability Analysis Framework (LIC-DSF) and the Debt, Investment, Growth (DIG) model. The training provided a balanced mix of theory and practice, with participants trained to apply both tools to Kenya. This forms part of an ongoing project with the authorities to support the analysis of debt and fiscal risks.

Head of Macro at Kenya’s National Treasury, Mr. Musa Kathanje, discusses recent debt sustainability training from IMF East AFRITAC.



MALAWI

Macro-Fiscal Analysis: Through a mix of lectures and practical sessions on EViews, government officials from the a macroeconomic working group were trained in the analysis and forecast of the real, monetary, fiscal and external sectors of the economy (May 23- 27). Hands-on sessions allowed participants to apply forecasting techniques, using data from Malawi. This forms part of an ongoing project with the authorities to support the preparation of a consistent macroeconomic framework for Malawi.

TANZANIA

Public Financial Management: A mission following up findings The mission followed-on from a FAD-led FTE mission in September 2015 and provided assistance in improving annual financial reporting and meeting the East African Monetary Union (EAMU) fiscal reporting convergence criteria (May 16-27). The mission assessed the quality and coverage of the annual financial statements for FY 2014/15 to determine the gaps against the accrual based IPSAS and EAMU reporting requirements. It provided AGD with guidance in addressing the information and disclosure gaps to improve the reliability and relevance of the financial statements for decision making purposes. A number of suggested improvements will guide the preparation of the 2015/16 financial statements. An official from the Kenyan National Treasury participated in the mission under the East AFRITAC peer-to-peer learning initiative.



A two-day workshop delivered to 22 officials from the Accountant General Department, National Audit Office and selected MDAs’ staff being trained as part of the AFE mission to Tanzania on improving annual financial reporting.

Economic and Financial Statistics: AFE visited Office of Chief Government Statistician (OCGS) in Stone town, Zanzibar during May 16-27, 2016 to provide assistance in rebasing of GDP. Compilation estimates for crops, livestock and construction economic activities were reviewed and provisions for updates based on the new 2015 benchmark estimates identified. The 2015 agricultural and construction benchmark survey results, as part of the benchmark data to be used in the rebasing, were assessed and data gaps identified. In addition, the national accounts team was trained on how to recompile rebased estimates using new available source data and time series estimates generated from 2010 to 2015.

UGANDA

Government Finance Statistics: AFE’s Regional GFS Advisor participated in a Fiscal Transparency Evaluation (FTE) for Uganda (April 27–May 10) in Kampala. He collaborated with other AFE advisors, and worked mainly on a “Fiscal Reporting” chapter, which was part of a three-chapter report that was produced during the FTE. The “Fiscal Reporting” chapter explores the coverage, frequency and timeliness, quality, and integrity of Uganda’s fiscal statistics. Currently, the report is under review by Ugandan authorities and may be published in the future.



FTE Mission in Uganda - Suzanne Flynn (FAD) and Ugandan counterparts (April 27-May10, 2016)

ZANZIBAR

The Center Coordinator visited Zanzibar on May 20 to meet officials at the Ministry of Finance and Planning (the Permanent Secretary and Executive Secretary). The meetings discussed existing TA areas – MTEF, budget planning and PBB. They also covered new areas of demand, such as in GFS training, help with M&E of PBB, review of the new IFMIS, and possibly of the Public Investment Act. These demands will be discussed during upcoming PFM and GFS missions to Zanzibar.

REGIONAL ACTIVITIES

Revenue Administration: In collaboration with AFS, AFE conducted a workshop on the Revenue Administration Fiscal Information Tool (RAFIT) in Mauritius (May 9-13). This seeks to improve data driven performance monitoring in tax administration. In collaboration with the TADAT Secretariat, AFE’s Revenue Administration advisor also facilitated an AFW2 workshop on the TADAT in Ghana (May 26-27).

Government Finance Statistics: AFE’s Regional GFS Advisor delivered lectures and conducted exercises at the invitation of the Macroeconomic and Financial Management Institute of Eastern and Southern Africa’s (MEFMI) Regional Workshop on “Public Debt and Macroeconomic Management” in Arusha, Tanzania (May 16-27). These inputs focused on fiscal accounts and measuring deficits. About 30 participants from MEFMI member states (which include some AFE members) attended.



Participants at the MEFMI Regional Workshop on Public Debt and Macroeconomic Management, Arusha, Tanzania (May 16-27, 2016)

Table 1. East AFRITAC: Forthcoming Activities June - July 2016

AFE Activities Expected in June – July 2016			
Revenue Administration			
TA Missions			
Country	Subject	Date	Expert(s)
Rwanda	Developing and Quality Assuring New Procedures for Filing, Payment and Taxpayer Account	Jun 13-24	Muyangwa Muyangwa (LTX) Tony Lester (STX)
Malawi	Follow up TA in PCA Training in Customs	Jun 13- Jul 1	Ernest Sigande (STX)
Kenya	Developing a Framework, Criteria and Guidelines for Taxpayer Segmentation	Jul 11-22	Annette Chooi (STX)
National Training			
Kenya	Developing a Framework and Guidelines for Monitoring and Managing Compliance in the Telecommunications Sectors	Jul 4- 15	Muyangwa Muyangwa (LTX) Georges Dudouyt (STX)
Uganda	Methodology for Monitoring Inaccurate Reporting	Jul 25- Aug 5	Muyangwa Muyangwa (LTX) Michael Smithson (STX)
Public Financial Management			
TA Missions			
Country	Subject	Date	Expert(s)
Kenya	Improving the Coverage and Quality of Fiscal Reporting	May 30- Jun 10	Amitabh Tripathi (LTX) Abdul Khan (STX) Fans van Schaik (STX)
Uganda	Cash Management	Jun 20-Jul 1	Amitabh Tripathi (LTX) John Gardner (STX)
Tanzania (Zanzibar)	Capacity Building in Medium Term Budget Orientation	Jul 4-15	Kubai Khasiani (LTX) Florence Kuteesa (LTX) Jack Mason (STX)
National Training			
Eritrea	National Budget Workshop	Jun 6-10	Kubai Khasiani (LTX)
Macro-Fiscal Analysis			
TA Missions			
Country	Subject	Date	Expert(s)
USA (Washington)	LTX Retreat	Jun 27-Jul 1	Fazeer S. Rahim (LTX)
Macro-Fiscal Analysis (Cont'd)			

Uganda	Fiscal Risk Reporting	Jul 25-30	Fazeer Rahim (LTX)
National Training			
Eritrea	Medium-Term and Program-Based Budgeting	Jun 6-10	Fazeer S. Rahim (LTX) Kubai Khasiani (LTX)
Financial Sector Regulation and Supervision			
TA Missions			
Country	Subject	Date	Expert(s)
Tanzania	Analysis of Financial Markets and Infrastructure for Financial Stability Purposes	May 30-Jun 11	Gonzalo Pastor (STX) Rowland Brown (STX)
Malawi	Judiciary Workshop on Bank Resolution and Crisis Management	Jun 6-10	Andrew Whittaker (STX)
Tanzania	Training on Micro-Prudential Stress-Testing	Jun 29-30	Dirk Jan Grolleman (LTX)
Rwanda	Pilot Examination on Consolidated Supervision	Jul 4-12	Dirk Jan Grolleman (LTX)
Attachment			
Beneficiary	Subject	Date	Host Country
Uganda	Professional Visit to the National Bank of Georgia on Macro-Prudential Supervision	Jul 4-8	Georgia
Monetary Policy and Operations			
Workshops			
Country	Subject	Date	Expert(s)
South Africa	Foreign Exchange Trading Simulation	Jun 20-24	AFW2
Financial Market Infrastructures and Payments			
TA Missions			
Country	Subject	Date	Expert(s)
Malawi	Assessment of Financial Market Infrastructures	Jul 26-Aug 4	Faith Stewart (LTX)
Economic and Financial Statistics			
TA Missions			
Country	Subject	Date	Expert(s)
USA (Washington)	LTX Retreat	Jun 1-10	Pamela Audi (LTX)
EAC (Tanzania)	EAC Harmonization workshop on National Accounts Statistics	Jul 4-8	Pamela Audi (LTX)
Economic and Financial Statistics (Cont'd)			

Kenya	National Accounts Statistics	Jul 13-26	Pamela Audi (LTX)
Attachment			
Beneficiary	Subject	Date	Host Country
Malawi	Use of Administrative Data in National Accounts Compilations	Jun 13-17	Rwanda
Government Finance Statistics			
TA Missions			
Country	Subject	Date	Expert(s)
Tanzania	“Fundamental GFS Training” and Developing a <i>Government Finance Statistics Manual 2014 (GFSM 2014)</i> Migration Plan for Zanzibar	Jun 20-24	Brooks Robinson (LTX) Francois Engelbrecht (STX) Tim Youngberry (STX)
Rwanda	“Fundamental GFS Training” and Reviewing New General Government Finance Statistics for FY 2014/15	Jul 18-29	Luis Temes Castrillón (STX) Ismael Ahamdanech Zarco (STX)
Malawi	“Fundamental GFS Training” and Developing a <i>GFSM 2014</i> Migration Plan for Malawi	Jul 18-29	Brooks Robinson (LTX) Francois Engelbrecht (STX)
Workshops			
Country	Subject	Date	Expert(s)
Tanzania	“Developing a Consolidated and Extended RBM Work Plan for an AFE-EAC GFS Capacity Building Program”	Jul 12-15	Brooks Robinson (LTX) Ismael Ahamdanech Zarco (STX)

Table 2: East AFRITAC's Technical Assistance Reports Posted on the IMF's Extranet

Below are final TA reports prepared by IMF East AFRITAC that have recently been posted on the IMF's secure extranet site. These reports have been cleared for dissemination by country authorities and are available to Steering Committee members who have signed a confidentiality agreement.

Country	Title	Mission Dates
Malawi	Strengthening Anti-Money Laundering And Combating The Financing Of Terrorism Supervision	January 11-20, 2016



Member Countries

- Eritrea
- Ethiopia
- Kenya
- Malawi
- Rwanda
- Tanzania
- Uganda

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- Dirk Jan Grolleman, **Financial Sector Regulation and Supervision**
- Faith Stewart, **Financial Market Infrastructures and Payments**
- Pamela Audi, **Macroeconomic Statistics**
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