REGIONAL TECHNICAL ASSISTANCE CENTER FOR EAST AFRICA

Building Macroeconomic Capacity in East Africa

AFRITAC East

MID-FISCAL YEAR REPORT 2022

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MID-FISCAL YEAR REPORT 2022

EAST AFRICA REGIONAL TECHNICAL ASSISTANCE CENTER

ACRONYMS AND ABBREVIATIONS

AFE/Center IMF AFRITAC East

AFRITACs Africa Regional Technical Assistance Centers

BCG Budgetary central government

CAMELS Capital adequacy, asset quality, management, earnings, liquidity, and sensitivity to interest rates

CD Capacity development

CG Central government

CPI Consumer price index

DP Development partner

DSIB Domestic systemically important bank

DSSI G20 Debt Service Suspension Initiative

EAC East African Community

FAD Fiscal Affairs Department (IMF)

FDG Fiscal data governance

FMI Financial market infrastructures

FPAS Forecasting and policy analysis system

FPW Field-person weeks

FSR Financial sector supervision and regulation

FX Foreign exchange

GDP Gross domestic product

GFS Government Finance Statistics

GG General government

HQ Headquarters

ICAAP Internal liquidity adequacy assessment process

ICD Institute for Capacity Development (IMF)

IFMIS Integrated financial management information systems

IFRS International Financial Reporting Standards

IMF International Monetary Fund

IPSAS International Public Sector Accounting Standards

IT Information technology

LEG Legal Department (IMF)

MCM Monetary and Capital Markets Department (IMF)

MEFMI Macroeconomic and Financial Management Institute for Eastern and Southern Africa

MFA Macroeconomic and fiscal analysis

MTRS Medium-term revenue strategy

ORSA Own Risk and Solvency Assessment

PBB Program-based budgeting

PFM Public financial management

PFMI CPSS/IOSCO Principles for Financial Market Infrastructures

PIMA Public investment management assessment

PPP Public-private partnership

PPI Producer price index

PSDS Public sector debt statistics

QGDP-E Quarterly national accounts by expenditure

QPM Quarterly projection model

RA Revenue administration

RBM Results-based management

RBS Risk-based supervision

RSS Real sector statistics

RTAC Regional Technical Assistance Center

SC Steering Committee

SCOA Standard chart of accounts

SCT Single customs territory

SDGs Sustainable Development Goals

SOE State-owned enterprises

TADAT Tax Administration Diagnostic Assessment Tool

TA Technical assistance

TSA Treasury single account

VAT Value-added tax

WB World Bank

XMPI Export and import price indices

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SECTION I

EXECUTIVE SUMMARY

Xiangming Li

Center Director
AFRITAC East

As in the rest of Sub-Saharan Africa, economies in the AFRITAC East (AFE) region are recovering; however, the low vaccination rate there is impeding progress, and the emergence of the Omicron is creating new uncertainties. While Sub-Saharan Africa as a whole is expected to grow by 3.7 percent in 2021 and 3.8 percent in 2022, that is lower than the forecasts for advanced economies. As the recent waves of infection in the region have shown, COVID-19 continues to be a significant threat, and robust recovery will depend on adequate access to vaccine. As of early December 2021, in AFE countries the fully vaccinated rate was still less than 6 percent of the population, except for Rwanda, the rate for which reached about 30 percent but was still significantly below the levels in advanced economies, such as the United States (60 percent) and the European Union (68 percent).

Although the IMF and other international partners have provided significant financial relief for many countries in the region whose financing has tightened since the pandemic began, more support is still needed, particularly as the Omicron may further disrupt economic activity just as COVID-related initiatives like the G20 Debt Service Suspension Initiative (DSSI) are ending. Many countries must deal with growing arrears or a reduction in priority spending. Prompt action on the Common Framework for Debt Treatment is critical for low-income countries with high debt vulnerability; the number of such countries in the region has risen from less than 25 percent in 2015 to more than 50 percent. The IMF is working on supporting countries to better manage debt vulnerabilities, including working with donor partners to deploy a long-term expert in the region.

The region is confronted by three linked fiscal challenges: the urgency of priority spending on recovery and development; insufficient revenue; and rising public debt. That is why the priorities in AFE have become (1) building capacity to prioritize spending and ensure that it is efficient; (2) mobilizing revenue more effectively; and (3) better managing public debt and fiscal risks, especially those emanating from state-owned enterprises.

Meanwhile, to safeguard macroeconomic and financial stability, national authorities also need to unwind the monetary and financial policies introduced when the pandemic began. That is why building capacity for unwinding these measures and assessing any associated risks has become a major concern. Demand is also high for forecasting and policy analysis and guidance on development of financial markets, which are essential for decision making and transmission of monetary policy.

Better statistics are vital: in particular, authorities see an urgent need for data to enhance fiscal transparency and manage fiscal risks. Improvement in the quality and frequency of real sector data is also seen as critical for policy analysis and decision making.

Rising, too, is demand-related to three cross-cutting areas: climate change, inclusive growth and gender equity, and digitalization. In collaboration with IMF headquarters, AFE is gearing up to offer more support in these areas. On climate change, the priorities are on assessing and managing climate-related risks to the financial system and incorporating adaptation and mitigation measures into national procedures for selecting projects. On inclusive growth, AFE support centers on helping authorities to incorporate gender-equality objectives in their budgeting. On digitalization, support spans all AFE workstreams to help countries to capitalize on the potential, while avoiding possible pitfalls in areas like cybersecurity. Specific work plans deal with fintech regulation and supervision, considerations related to central bank issuance of digital currencies, using digitalization to improve the efficiency and effectiveness of tax administration, improving management of public financial data, and harnessing the potential of big data to improve the timeliness of macroeconomic data to support decision making. As part of the IMF's increased focus on these issues, in addition to the current Inclusive Growth course, the IMF Institute for Capacity Development (ICD) will launch two new training courses: (1) Gender Equality and Macroeconomics and (2) Macroeconomics of Climate Change.

Despite the constraints imposed by the pandemic, thanks to virtual missions, during H1 of FY 2022 AFE's achievements were notable.

- **Revenue administration.** Support provided included review of the IT system upgrade in South Sudan, headquarters function in Rwanda, the customs penalty regime in Kenya, and monitoring extractive industries in Uganda.

- **Public financial management (PFM) and macrofiscal analysis.** Ethiopia and Malawi were supported on public investment management (PIM) tools to improve project prioritization. With IMF support, Kenya published detailed financial evaluations for 18 high-risk and strategically important state-owned enterprises (SOEs) and updated its *Budget Preparation Manual*. AFE advised Kenya and Rwanda on preparing annual fiscal risk statements, which emphasized deeper analysis of risks arising from public-private partnerships (PPPs) and SOEs. South Sudan benefitted from practical guidance on cash planning and improvement of its treasury single account (TSA). In Uganda, AFE provided guidance on the planned migration to accrual accounting and, AFE and IMF HQ's support helped the authorities make a final decision on approaches to oil investment.

- **Financial sector supervision and regulation.** Banking regulators in Ethiopia, Rwanda, and South Sudan enhanced their supervisory processes to assess inherent risks, the quality of oversight, and the adequacy of capital, liquidity, and earnings data.

- **Monetary policy and operations.** AFE assisted Tanzania with its transition to interest rate-based monetary policy by strengthening the monetary policy operational framework and initiating the enhanced functioning of the foreign exchange, money, and bond markets. Support was provided to South Sudan to build and populate liquidity monitoring and forecasting tables to be used in planning liquidity management.

- **Financial market infrastructures and payments.** Malawi and Kenya benefitted from training on the CPSS-IOSCO Principles for Financial Market Infrastructures (FMIs) and self-assessments of FMIs and from assistance with drafting and reviewing oversight programs. A webinar on FinTech innovation, regulation, and constraints to further development was well received.

- **Forecasting and policy analysis.** Rwanda and Tanzania are formulating nowcasting frameworks including multiple sets of indicator models to forecast GDP and the CPI. Tanzania is also reviewing its quarterly projection model. These activities support the Bank of Tanzania's ambition to transition to interest rate-based monetary policy. Moreover, Kenya benefitted from a review of its forecasting and policy analysis in terms of the new Central Bank of Kenya's White Paper on "Modernization of the Monetary Policy Framework and Operations."

- **Real sector statistics.** Malawi is working on rebasing national account statistics and updating weights in the consumer price index (CPI). Tanzania Mainland and Zanzibar are preparing value-added tax (VAT) and corporate income tax data for use in national accounts and are investigating the feasibility of compiling a CPI for the United Republic of Tanzania.

- **Government finance statistics.** Fiscal data that conforms to the methodology of the *Government Finance Statistics Manual 2014* (GFSM 2014) for 2019–20 is available in most AFE countries. Rwanda and Uganda have compiled general government (GG) data for FY 2019/20; Eritrea has compiled consolidated central government (CG) data for calendar years 2019 and 2020; and South Sudan, Zanzibar, and Tanzania Mainland have compiled budgetary central government (BCG) data for FY 2019/20. In terms of high-frequency data, Rwanda improved the timeliness of the compilation of quarterly GG fiscal data and Eritrea produced quarterly BCG for 2019/20. Rwanda compiles quarterly GG debt data and Uganda quarterly BCG debt data that largely follow the *Public Sector Debt Statistics Guide for Compilers and Users 2021* (PSDSG 2021) and both disseminate the data through the IMF/WB quarterly public debt database. Uganda has produced fiscal data for public corporations for the period 2015/16–2018/19, and its macrofiscal framework has been migrated to GFSM 2014 concepts and used to forecast the budget plan for the period 2021/22–2025/26.

Although prospects for resumption of in-person missions were improving before Omicron emerged, the timing is difficult to project until the medical communities can be clearer about Omicron's likely impact. AFE will continue to engage with authorities through annual need assessments, virtual meetings, phone calls, and emails. Meanwhile, experience gained in the virtual world could enhance the effectiveness of capacity development even after the pandemic, perhaps by continuing to use virtual means to provide short and targeted follow-up support or pre-mission preparation; leveraging webinars and hybrid events to reach a broader audience; and tapping into a wider pool of experts, some of whom might not be able to travel. In addition to its own capacity development events, IMF experts also provided virtual support for events organized by national and regional authorities, such as those organized by the East African Community (EAC) and the recent 20th Conference of Financial Institutions (COFI) organized by the Bank of Tanzania.

SECTION II

REPORT ON H1, FY 2022 (MAY 2021–OCTOBER 2021)

SECTION II

A

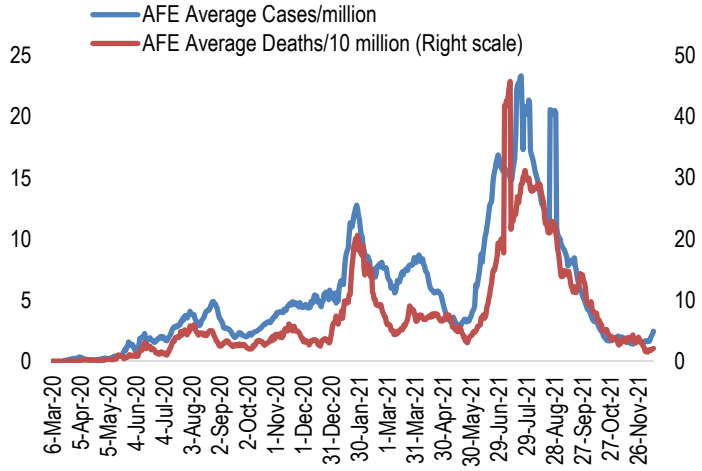
THE MACROECONOMIC CONTEXT

As in the rest of Africa, among AFE members vaccination continues to be the priority in the fight against COVID-19. In July 2021, average daily new cases rose to over 18 per million and daily deaths to 4.2 per 10 million. The infection has since been brought under control, in part because of the lockdown measures adopted, but future waves of infection are still a real threat as limited access to vaccines is keeping the vaccination rate low (Figures 1–3). This is particularly the case with the emergence of Omicron, the impact of which was still being assessed by the medical community as of early December.

While Africa is expected to grow by 3.7 percent in 2021 and 3.8 percent in 2022, a marked improvement, it still trails the rest of the world. The current trend suggests that real per capita GDP in the AFE region will shift downward, representing a permanent loss in income. In contrast, the advanced economies are projected to return by 2023 to their pre-crisis level of per capita real GDP and start to make up lost ground (Figure 4). Without access to an adequate supply of vaccines to speed up the roll-out, the emergence of Omicron has made it clear that the pandemic continues to be a risk to recovery in the region.

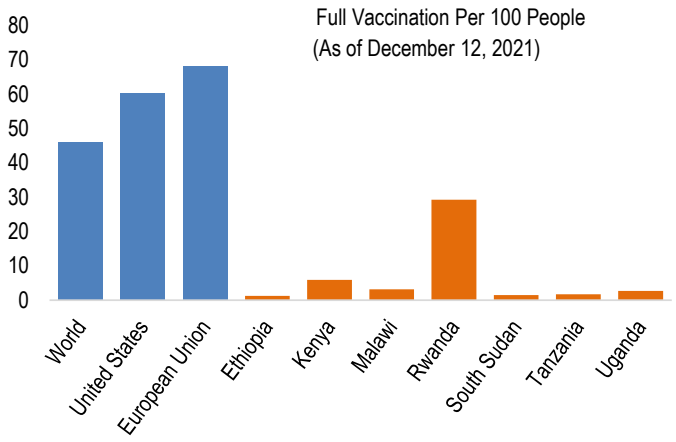
The divergence of the recovery in Sub-Saharan Africa from that of the rest of the world also reflects disparities in policy support. Since the pandemic began, tight fiscal space in the region has significantly reduced the amount of fiscal support available there relative to the advanced economies. As debt in the region jumped from about 60 percent in 2019 to about 67 percent in 2020, financing has become even more difficult. By 2023, however, the average fiscal deficit in the region is projected to narrow to the pre-pandemic level of 2.9 percent of GDP (Figure 5).

FIGURE 1. HEALTH IMPACT OF COVID-19 IN AFE COUNTRIES



Sources: OurWorldinData.org; and IMF staff calculations.

FIGURE 2. VACCINATION IN SELECTED AFE COUNTRIES



Sources: OurWorldinData.org; and IMF staff calculations.

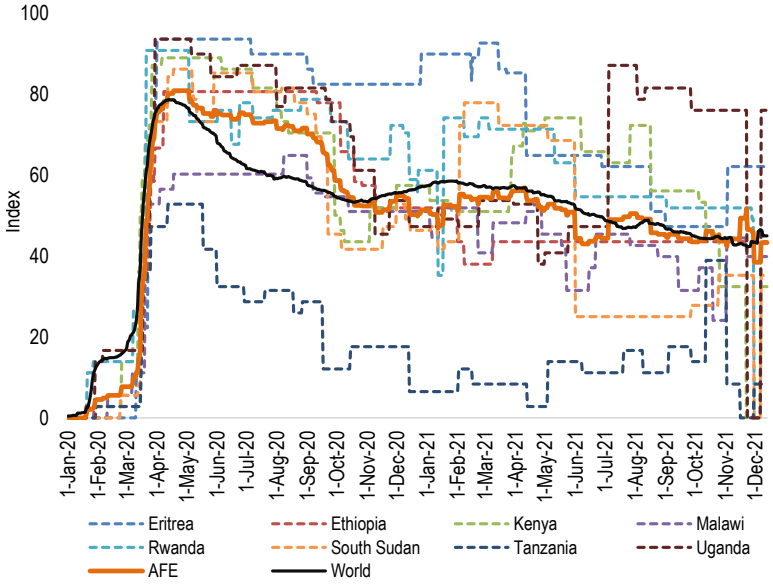
Countries in Sub-Saharan Africa need support to address their three main fiscal challenges: (1) meeting the large spending needs for recovery and development, (2) containing public debt, and (3) mobilizing revenue. Building capacity to improve the prioritization and efficiency of public spending, managing public debt, and raising revenue more effectively have thus become even more vital. Minimizing fiscal risk and enhancing the efficiency of public spending also depend on prudent management of contingent liabilities, especially those emanating from SOEs.

Meanwhile, the region also needs to tailor monetary and financial sector policies to a changing landscape. Supply chain disruptions caused by the pandemic have pushed up inflation from 8 percent to over 10 percent (Figure 6). Countries also need to rewind policies implemented in response to the pandemic, which will require loan classification and provisioning that reflect potential losses. Early recognition of potential problems and sound programs for resolving nonperforming loans are also essential for financial stability.

Since the pandemic began, the IMF has moved swiftly to cover a significant portion of the region's financing needs and to catalyze additional support from the international community. As of September 2021, the IMF had provided about $24 billion in financial support to 22 Sub-Saharan African countries, including $16.5 billion for emergency assistance and $596 million in debt service relief. All AFE countries except Eritrea have benefited. As of August 2021, Sub-Saharan countries will also benefit from $23 billion of SDR allocations (of $650 billion total), which should help them to finance vaccinations and restore foreign exchange reserves. The IMF is also working with other international organizations to supply vaccines to less-developed countries, because the world as a whole will remain unsafe as long as a large number of Africans cannot access vaccine. Looking ahead, the IMF is also working with countries that have strong external positions on voluntary channeling of $100 billion in SDRs to expand the pool of concessional lending for low-income countries. They are also exploring the possibility of establishing a new trust—the Resilience and Sustainability Trust—to help poor and more vulnerable countries. International cooperation is crucial if the region is to recover.

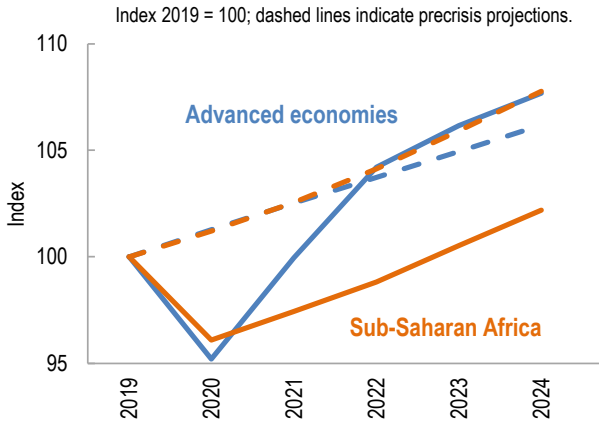
Helping low-income countries to deal with debt vulnerability expeditiously will be important to avoid the collapse of their economic activities, particularly given possible further disruption from Omicron. The number of highly-debt-vulnerable low-income countries in the region has risen from less than a quarter in 2015 to over half; meanwhile, COVID-19-related initiatives like the DSSI are ending. Faster action to expand the Common Framework for Debt Treatment will be essential for unlocking IMF and other financing. So far, only Chad, Ethiopia, and Zambia have requested Common Framework debt relief; all have experienced significant delays. Some of these were due to the complexity of coordinating Paris Club and other creditors and, for Chad, the challenge of restructuring obligations to a large number of banks and funds. A comprehensive moratorium on debt service payments sustained throughout the negotiations would provide relief to debtors during the height of their stress and might also incentivize faster procedures to get the debt restructured. Besides

FIGURE 3. STRINGENCY OF CONTAINMENT MEASURES



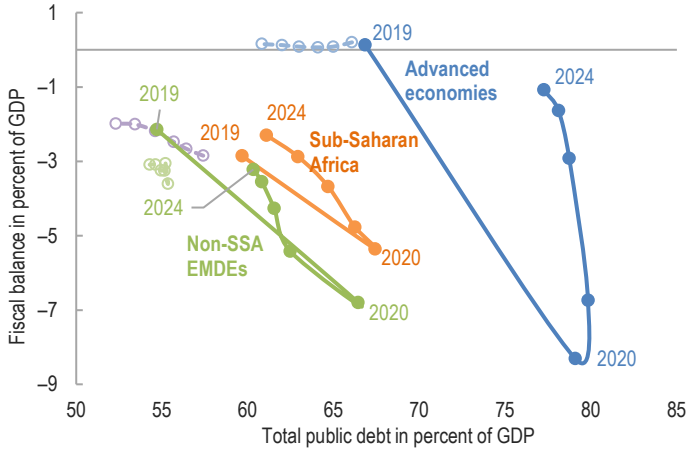
Sources: Oxford COVID-19 Government Response Tracker; Blavatnik School of Government; and IMF Staff Calculations.

FIGURE 4. SELECTED REGIONS: REAL GDP PER CAPITA GROWTH, 2019–24.



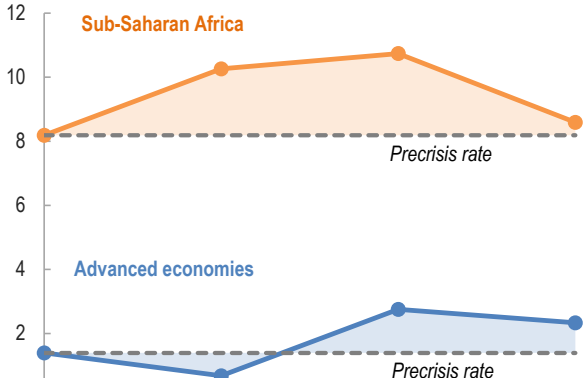
Source: IMF, World Economic Outlook database.

FIGURE 5. SELECTED ECONOMIES: FISCAL BALANCE AND PUBLIC DEBT, 2019–24



Source: IMF, World Economic Outlook database.
Note: Non-SSA-EMDEs = non-sub-Saharan African emerging market and developing economies.

FIGURE 6. SELECTED ECONOMIES: CONSUMER PRICE INFLATION, 2019–22



Source: IMF, World Economic Outlook database.

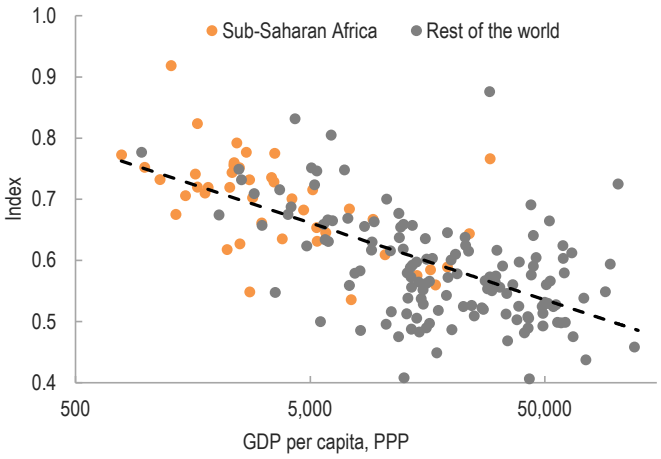
providing support to G-20 and IMF member countries to implement the Common Framework, the IMF is also gearing up support for better debt management through thorough assessment of fiscal risks, better debt statistics, dissemination of good practices, and the possibility of adding in the region a long-term expert on debt management.

Meanwhile, climate change is likely to have a disproportionate impact on Sub-Saharan Africa because of the structure of its economies, the low capacity to adapt, and the location (Figure 7). Without deliberate action globally, temperatures are on course to reach levels unseen in millions of years, causing more catastrophic weather and raising sea levels. The IMF estimates that a single drought can lower an African country's medium-term growth potential by a whole percentage point—about eight times worse than the impact in other emerging markets and developing economies.

The region thus needs policies on adapting to climate change and mitigating the related economic impacts. Such measures must be broad-ranging, covering irrigation systems and drought-resistant crops, risk-sharing schemes, social security arrangements, resilient infrastructure, and more efficient digitized land management.

The IMF estimates that every year in Sub-Saharan Africa such measures will cost $30 billion to $50 billion—2 to 3 percent of GDP. Since the cost of no-action is likely to be significantly higher, the IMF recommends that national development strategies incorporate climate-related goals, and that medium-term fiscal strategies recognize climate-related risks.

FIGURE 7. SUB-SAHARAN AFRICA: VULNERABILITY TO CLIMATE CHANGE, 2019



Sources: Notre Dame Global Adaptation Initiative; and IMF, World Economic Outlook database.
Note: PPP = purchasing power parity.

SECTION II

B

AFE OPERATIONS

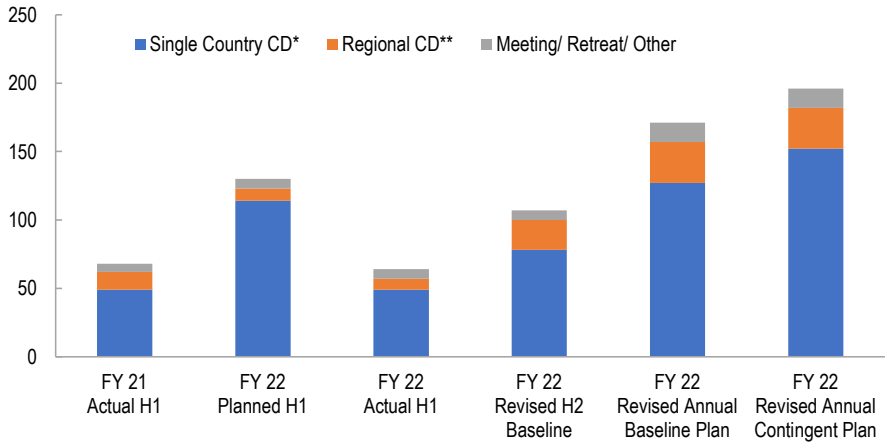
The pandemic continues to limit AFE activities as COVID-19 risks prevent in-person engagement. In H1 the execution rate of AFE activities was 49 percent (45 percent in terms of field-person weeks [FPWs]) as the planned gradual resumption of in-person activities did not materialize (Figure 8 and Table 1). Of the 130 activities planned, 64 were completed, 61 (47 percent) were postponed to H2 or FY 2023, and 5 (4 percent) were cancelled. The volume of activities executed was 6 percent less than in H1 of FY 2021. In both periods, AFE support to member countries was delivered remotely. Uncertainty about the likely trajectory of COVID-19 in the region and changing national priorities led to the postponement of almost half of H1 activities. Since the third quarter of 2021, across the region COVID-19 infection rates have been subsiding, which raises hopes that in-country missions can resume in H2; that is why some AFE members chose to move scheduled H1 missions to H2.

- In terms of support areas (Figure 9 and Table 2), execution of financial sector supervision activities was partly affected by the transition to a new long-term advisor, who joined the Center in September 2021.

Progress on macrofiscal analysis and other training missions was also limited because members prefer that this type of training be done in-country. However, monetary policy and operations, FMIs, and forecasting and policy analysis areas gained traction in H1: 12 activities were completed in these areas compared to none in H1 of FY 2021.

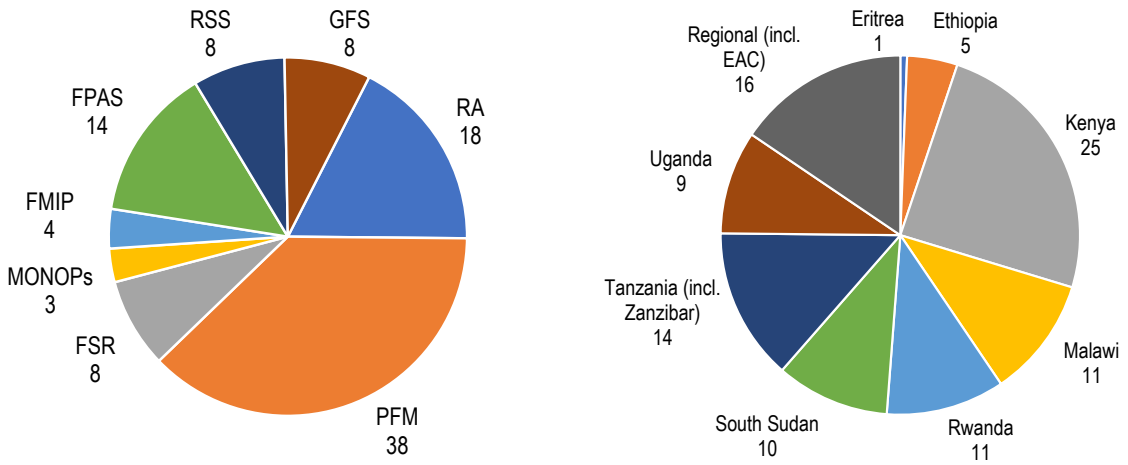
- In terms of resource distribution (Figure 9 and Table 3), in H1 Eritrea and Ethiopia received the lowest shares, consistent with the outcome in FY 2021, due to connectivity challenges and preference for in-person missions. Resources dedicated to South Sudan, a fragile state, have been increasing steadily since the country joined AFE, rising from 7 percent in H1 FY 2021 to 10 percent in H1 FY 2022.

FIGURE 8. AFE: NUMBER OF PLANNED VERSUS ACTUAL ACTIVITIES IN H1, FY 2022



*Single-country capacity development (CD) includes technical assistance (TA), national training, and attachments to other member countries.
**Regional CD includes regional workshops (including Institute training), webinars, and support to the East African Community (EAC).

FIGURE 9. AFE: DISTRIBUTION OF RESOURCES BY COUNTRY AND SECTOR*, H1, FY 2022 (Percent, Based on FPWS)



*Sectors: Revenue administration (RA); financial Sector supervision and regulation (FSR); monetary operations and policy (MONOPS); financial market infrastructure and payments (FMIP); forecasting and policy analysis system (FPAS); real sector statistics (RSS); government finance statistics (GFS); PFM includes macrofiscal analysis (MFA).

TABLE 1. AFE: ACTIVITIES AND RESOURCES, H1, FY 2022

	FY 2021	FY 2022					
Type of Activity (Number)	**Actual H1**	**Planned H1**	**Actual H1**	**Execution Rate (%)**	**Revised H2 Baseline**	**Revised Annual Baseline Plan**	**Revised Annual Contingent Plan**
Single country CD*	49	114	49	43	78	127	152
Regional CD**	13	9	8	89	22	30	30
Meeting/ retreat/ other	6	7	7	100	7	14	14
Total Number of Activities	**68**	**130**	**64**	**49**	**107**	**171**	**196**
Modalities (Number)							
Duty station-based work	55	83	56	67	71	127	140
Field-based work	0	36	0	0	13	13	25
Peer-to-peer engagement	9	5	3	60	4	7	7
Interactive learning and workshops	4	6	5	83	19	24	24
Total Number of Activities	**68**	**130**	**64**	**49**	**107**	**171**	**196**
Resources (in Field-person weeks, FPWs)							
Single-country CD*	191	450	186	41	296	482	581
Regional CD**	28	24	14	59	67	82	82
Meeting/ retreat/ other	16	20	20	100	20	40	40
Total FPWs	**234**	**494**	**220**	**45**	**383**	**603**	**702**

*Single-country capacity development (CD) includes TA, national training, and attachments to member countries.
**Regional CD includes regional workshops (including ICD training), webinars, and support to the EAC.

TABLE 2. AFE: ALLOCATION OF RESOURCES (IN FPWS) BY SECTOR, H1, FY 2022

	FY 2021	FY 2022					
Area	**Actual H1**	**Planned H1**	**Actual H1**	**Execution Rate (%)**	**Revised H2 Baseline**	**Revised Annual Baseline Plan**	**Revised Annual Contingent Plan**
Resources (in Field-person weeks, FPWs)							
Revenue administration	49	109	39	36	103	142	173
Public financial management	98	141	83	59	134	217	225
Financial sector supervision and regulation	45	92	18	19	14	32	70
Monetary policy and operations	0	50	7	13	6	12	33
Financial market Infrastructures and payment	0	23	8	34	3	11	14
Forecasting and policy analysis	0	23	31	133	37	67	67
Real sector statistics	21	32	18	57	37	55	55
Government finance statistics	21	20	17	87	29	46	46
ICD training	0	5	0	0	21	21	21
Total FPWs	**234**	**494**	**220**	**45**	**383**	**603**	**702**

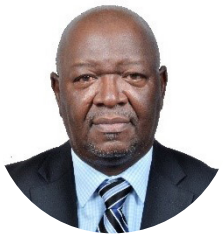
TABLE 3. AFE: ALLOCATION OF RESOURCES (IN FPWS) BY COUNTRY, H1, FY 2022

	FY 2021	FY 2022					
Country (in Field-person weeks, FPWs)	**Actual H1**	**Planned H1**	**Actual H1**	**Execution Rate (%)**	**Revised H2 Baseline**	**Revised Annual Baseline Plan**	**Revised Annual Contingent Plan**
Eritrea	13	35	1	4	17	18	24
Ethiopia	10	38	10	26	12	22	36
Kenya	33	87	54	62	47	101	111
Malawi	31	60	24	40	35	58	80
Rwanda	34	45	24	52	69	93	98
South Sudan	16	24	23	96	35	57	57
Tanzania (incl. Zanzibar)	25	65	30	46	45	75	82
Uganda	30	96	21	21	37	57	93
Regional (incl. EAC)	44	44	34	77	87	122	122
Total FPWs	**234**	**494**	**220**	**45**	**383**	**603**	**702**

SECTION II

C

REVENUE ADMINISTRATION



Berlin Msiska, a national of Zambia, joined the Center in June 2017 as Revenue Administration Advisor. He previously worked for the IMF in the same capacity in West Africa, based in Ghana, and later in AFRITAC South. Berlin is a former Commissioner General of the Zambia Revenue Authority and Permanent Secretary in the Ministry of Finance and National Planning of Zambia.

Kenneth Ochola, a Kenyan national, joined AFE in September 2020 as Resident Revenue Administration Advisor (Customs). Kenneth is a career customs specialist and has worked for Kenya Revenue Authority (KRA) for last 29 years in various capacities rising to the position of Acting Commissioner of Customs and Border Control.

AFE member countries continue to reinforce revenue and customs administration to mitigate the impact of the pandemic with the support of AFE. In H1, 12 of 27 planned activities were completed, and 15 were postponed to either H2 or FY 2023 due to travel restrictions and changes in national priorities, and 1 new activity was introduced.

The main achievements with the support of AFE by strategic objective were:

- **Better governance of revenue administration.** South Sudan is reviewing its IT system upgrade, re-engineering its business processes, and drafting technical requirements. Rwanda is building up the domestic taxes headquarters function and Zanzibar is enhancing its dispute resolution process. AFE participated in an IMF headquarters (HQ)-led mission to establish a model for the South Sudan National Revenue Authority and to strengthen core tax and customs administration.
- **Stronger core tax administration.** Tanzania is refining its filing and payment processes and Zanzibar is building capacity in audit and investigation techniques.
- **Improved core customs functions.** AFE provided support to South Sudan as part of an HQ-led mission to review progress on previous recommendations for modernizing customs operations and drafted a schedule for carrying them out. Kenya is reinforcing its management of customs penalties, and Uganda is enhancing the capacity of its institutions to monitor extractive industries.

SECTION II

D

PUBLIC FINANCIAL MANAGEMENT

Amra Srdanovic, a citizen of Bosnia and Herzegovina, joined the Center in June 2019 as a PFM Advisor. She has over 20 years of PFM experience, providing advice to Ministries of Finance.

Imran Aziz, a national of the United Kingdom, joined the Center in June 2019 as a PFM advisor. He has 15 years' experience in financial management in the public sector, specializing in PFM reform processes, budgeting and fiscal risks management.

The main areas of PFM focus in H1 were prioritizing expenditures, preparing better budgets, and managing public investments. Of the 28 activities planned (including some dealing with macrofiscal analysis), 13 were completed, 4 were cancelled, and 11 were postponed to either H2 or to FY 2023 at the request of the authorities. Significant additional unplanned resources (expert time) were devoted to many of these individual activities, reflecting the demand from the authorities, critical nature of the activities, and difficulties with remote engagement. This supported the achievement of the results outlined below.

The main achievements by strategic objective were:

- **Comprehensive, credible, and policy-based budget preparation.** In Kenya, a stakeholder workshop drew up a final draft of the budget preparation manual, which integrates continuous budget costing, project selection, and program-based reforms to support prioritization of expenditures when fiscal space narrows. Training modules based on the manual were designed to guide a three-year training plan through the Kenya School of Government. In Malawi, the program-based budgeting (PBB) architecture was reviewed. Core principles and success factors were discussed during the working sessions, benefiting from what Rwanda had learned in the course of creating a lean PBB approach closely linked to its national development strategy and solidly anchored in the integrated financial management information systems (IFMIS). In Uganda, a mission supported more accurate and timely recording of multiyear project commitments by proposing a series of options to better link the project database with other PFM IT systems.

- **Improved PIM.** In Malawi, a series of working sessions were conducted to share the experiences of officials with technical tools and templates introduced in past AFE missions in order to simplify, improve, and finalize written instructions for their use by ministries, departments,

and agencies. Working sessions were conducted in Ethiopia to give officials opportunities to share their experiences with the tools and templates related to the new Law on Public Investment Management. Options for prioritizing projects were also identified—currently there are no explicit technical procedures to guide this process. In both the Malawi and Ethiopia missions, peer learning sessions made it possible for officials from Uganda and Kenya to share their experiences with designing an integrated project database.

- **Better fiscal reporting coverage and quality.** AFE provided Uganda with detailed guidance on the planned migration to accrual accounting that is compliant with International Public Sector Accounting Standards (IPSAS), in line with the East African Community (EAC) convergence targets for the member countries. An AFE remote mission reviewed the policy, plans, systems and organizational change elements of the draft transition roadmap.
- **Improved asset and liability management.** The South Sudan Ministry of Finance and Planning received practical guidance on banking arrangements, compiling the list of all government bank accounts, and issuing annual cash forecasts for FY2021/22. The mission supported the ministry in completing the prior actions and structural benchmarks agreed for the recent IMF Staff-Monitored Program. Additional training was delivered to the new Cash Management Unit and Cash Management Committee.

SECTION II

E

MACROFISCAL ANALYSIS

Matthew Quillinan, an Australian citizen, joined the Center in February 2020 as our new macrofiscal analysis advisor. Previously, he worked in a variety of roles in the Australian Treasury and Tax Office, and as a resident macrofiscal advisor in countries such as the Solomon Islands, Indonesia, The Gambia, and Sierra Leone.

Support in H1 continued to focus on assessing and managing fiscal risks in response to sustained demand in this area. For the last 18 months, AFE has been supporting authorities as they address the fiscal risks associated with the COVID-19 pandemic, particularly detailed analysis of the fiscal risks arising from SOEs and PPPs. While limited progress was made on macrofiscal analysis and training missions, this reflects the prioritization of resources to address the high demand from authorities for critical fiscal risk analysis during the current crisis, and the preference for macrofiscal analytical support missions to take place face-to-face when more country resources are available.

The main achievements by strategic objective were to:

Strengthen identification, monitoring, and management of fiscal risks. In Kenya, a series of training and working sessions were conducted to support production of thorough financial assessments of 18 SOEs. The assessments will serve as the basis for future SOE reforms and heightened oversight through their integration into mainstream Treasury operations. In both Kenya and Rwanda, support was provided on preparation of annual fiscal risk statements, with an emphasis on more intensive analysis of the fiscal risks generated by PPPs and SOEs. Departmental technical officers were trained on tools and techniques to improve analysis, quantification, and disclosure of fiscal risks as they materialize.

SECTION II

F

FINANCIAL SECTOR REGULATION AND SUPERVISION

Courtney Christie-Veitch, a Jamaican citizen, joined the Center in November 2016 until October 2021.

Georgios Genimakis, a Greek national, joined AFE in September 2021 as Financial Sector Supervision Advisor. He has extensive experience in prudential banking supervision, having worked as a senior supervisor at the European Central Bank and an onsite inspector at the Bank of Greece.

The emphasis in H1 was on tightening supervision processes for prudential regulation of the banking sector. Of 25 planned activities, 8 were completed. Due to COVID-19 travel restrictions, changes in national priorities, and transitioning to a new long-term advisor, 17 activities were postponed to either H2 or FY 2023.

The main achievements by strategic objective were:

- **Bank supervision compliance with international standards by putting in place an RBS system and adoption of Basel II/III standards.** Banking regulators in Ethiopia, Rwanda, and South Sudan enhanced the ability of their supervisors to assess inherent risks, the quality of oversight, and the adequacy of capital, liquidity, and earnings data. Review of the internal capital adequacy assessment process (ICAAP), internal liquidity adequacy assessment process (ILAAP), information and communication technology (ICT), and cyber-risk has been updated and tools identified for both off-site and on-site supervision. Overall capacity has been developed through training programs that intensified the applicable supervisory processes to assess risks.

- **Reinforcing macro- and micro-prudential supervision in support of financial stability through stronger prudential norms and supervisory oversight.** Regional horizontal guidance was provided to encourage coordination and discussion of the impact of the pandemic, mitigating measures already applied, and problems that might be caused by unwinding COVID-19 measures too early. A regional workshop took place to strengthen the monitoring of systemic risks and develop methodologies to identify and supervise domestic systemically important banks (DSIBs).

SECTION II

G

MONETARY OPERATIONS AND FINANCIAL MARKET INFRASTRUCTURES AND PAYMENTS

Callie Hugo, a South African national, joined AFE in October 2020 as Resident Advisor on Monetary and Foreign Exchange Operations, and Financial Market Infrastructures and Payments. Callie worked at the South African Reserve Bank for more than thirty years, in different departments and in various capacities.

In H1, member countries continued their transitioning to interest rate-based monetary policy to enhance liquidity forecasting, strengthen monetary policy operations, and deepen financial markets. Three member countries have already adopted inflation-targeting; two are applying a hybrid approach; and three are still targeting monetary aggregates. On FMIs and payments, support focused on the CPSS-IOSCO Principles for Financial Market Infrastructures (PFMI), initial assessments of FMIs, and drafting and reviewing oversight programs. Of the 18 activities planned, 7 were completed, 1 was cancelled, and 10 were postponed to H2 or FY 2023.

The main achievements by strategic objective were:

- **Liquidity forecasting.** most member countries made substantial progress on enhancing liquidity forecasting. In South Sudan, AFE provided support to build and populate basic liquidity tables and to use liquidity forecasting to inform the management of liquidity.
- **Monetary and exchange rate operations.** operational frameworks were strengthened with instruments appropriate for price-based monetary policy. Follow-up training was provided to South Sudan to introduce monetary policy instruments appropriate for targeting reserves money. Tanzania is strengthening its monetary policy operational framework to support interest rate-based monetary policy.
- **Deepening financial markets and management of reserves.** Tanzania is developing foreign exchange as well as money and bond markets to support exchange rate flexibility, management of collateral, and transmission of monetary policy.
- **Creating an effective national payment system to ensure the safety and efficiency of the financial system.** Malawi and Kenya, benefitted from PFMI training, which involved simulation exercises to illustrate how to apply the PFMI, with special attention to the responsibilities of the authorities.

SECTION II

H

FORECASTING AND POLICY ANALYSIS SYSTEMS

Carina Selander, a Swedish national, joined AFE in December 2020 as resident advisor on Forecasting and Policy Analysis (FPAS). Carina previously worked at the Swedish central bank, the Riksbank, in a variety of capacities and departments. She has several years of TA experience with both the Riksbank and the IMF from her work at Afritac South (AFS), where she was resident advisor on FPAS and Monetary and Foreign Exchange Operations.

During H1 several AFE member countries gained back traction in FPAS. Most of the scoping activities planned were completed and technical support is now guided by the outcomes of those activities. AFE also hosted its first regional FPAS seminar for EAC member countries. Of 6 activities planned, 5 activities were completed and 1 was postponed to FY 2023.

The main achievements by strategic objective were:

- **Improvement of analytical and forecasting capabilities for central bank monetary policy decision-making.** Nowcasting now being developed in Rwanda and Tanzania incorporates multiple sets of indicator models for forecasting GDP and the CPI. In Rwanda complementary tools for analyzing new outcomes of the variables are also being devised, as are measures of underlying inflation. In Tanzania the quarterly projection model is being reviewed and updated. In Kenya, a scoping mission has reviewed components that are central to the FPAS, such as use of data from central bank surveys.
- **Enhancing capabilities for using analysis and forecasting to inform decisions about monetary policy, and fully integrating FPAS into such decisions.** While technical developments are progressing within the nowcasting and core macro models, central banks are also refining their monetary policy processes to strengthen the link between forecasting and decision-making. They are also allocating more time for deriving the full forecast to allow for stepwise derivation of the forecast. In some banks the communication process is also becoming more integrated into monetary policy-making. Some banks, however, are still finding it difficult to ensure that the monetary policy committee calendar is aligned with the schedule for important data releases.

SECTION II

REAL SECTOR STATISTICS

Timmi Rolle Graversen, a Danish national, joined AFE in January 2021 as the Real Sector Statistics Advisor. He had worked for more than 25 years at Statistics Denmark covering various areas of national accounts and was for 10 years Deputy Head of the National Accounts Division, overseeing the units that publish Danish quarterly national accounts and labor market accounts. He also participated as a short-term advisor in several IMF missions, some in Africa.

In H1 all activities were conducted remotely. Operational disruptions from COVID-19 and connectivity problems affected performance. Several activities had duration extended. Nine activities were completed (16 were planned), of which 1 was new, added upon request. Due to travel restrictions and changes in national priorities, 6 activities planned for H1 were postponed to H2 and 1 was cancelled.

The main achievements by strategic objective were:

- **National accounts statistics.** AFE supported the Kenya National Bureau of Statistics in its review of the benchmarking of the national accounts. With 2016 as the new base year the GDP series has been recompiled for 2012–19. Malawi is rebasing national accounts and compiling GDP by expenditure and by production with rebased figures for 2017–20. Rwanda is drafting a policy for revising national accounts. The Center also assisted Tanzania in preparing VAT and corporate income tax data for use in national accounts. A statistical model was provided to prepare VAT data for use in calculating some components of national account statistics.

- **Price statistics.** Malawi updated weights for the consumer price index (CPI) using expenditure data from the 5th Integrated Household Survey (IHS5), which was conducted from April 2019 to April 2020. In Tanzania, the National Bureau of Statistics (NBS) and the Office of the Chief Government Statistician (OCGS) in Zanzibar were assisted with investigating the feasibility for compiling a CPI for the United Republic of Tanzania.

SECTION II

J

GOVERNMENT FINANCE STATISTICS

Robert Maate, a Ugandan national, joined AFE in April 2017. He has extensive national and regional work experience in the areas of statistics and macroeconomic policy research, formulation, and coordination.

Djaima da Costa Morais, an Angolan national, is an economist in the Government Finance Division of the IMF Statistical Department and currently supporting AFE with GFS while a new expert is being recruited. She has over 10 years of experience in the fiscal sector.

AFE countries continue to upgrade their compilation and dissemination of fiscal statistics. All 10 activities planned were completed; 2 new activities were added when the EAC Secretariat and the Tanzanian authorities asked that AFE participate as a facilitator in their workshops.

The main achievements by strategic objective were:

- **Better-quality fiscal data:** Eritrea compiled consolidated annual central government (CG) fiscal data for calendar years 2019 and 2020, and its expansion of coverage to general government (GG) continues by, e.g., improving the financial reports of local governments. Eritrea recently authorized inter-agency sharing of fiscal data. South Sudan compiled annual budgetary central government (BCG) data for FY 2019/20. Members of the South Sudan GFS technical working group were trained on *GFSM 2014* concepts and AFE provided additional support on refining the public sector institutional table. Rwanda compiled consolidated GG data for FY 2020 and preliminary BCG data for FY 2021; Uganda compiled annual GG fiscal data for FY 2019/20; and Tanzania produced BCG data and is finalizing GG data for FY 2019/20. Zanzibar compiled GFS for FY 2019/20.

- **High-frequency fiscal data:** Eritrea consolidated quarterly BCG fiscal data for calendar 2019 and 2020. The authorities updated the accounting system at the end of 2020 and are working to reduce the lag to one quarter. They are also committed to expanding coverage of quarterly data beyond BCG to facilitate a deeper understanding of government in-year operations. Rwanda has improved the timeliness of its quarterly GG fiscal data (excluding the social security fund) to comply with *GFSM 2014* methodology; the lag is down from the previous three quarters (9 months) to two months. Uganda has drawn up plans for compiling quarterly GG fiscal data that will expand coverage of quarterly data. Tanzania agreed to disseminate higher-frequency (quarterly) BCG data to the IMF GFS database.

- **Aligning the fiscal framework to *GFSM 2014*.** Rwanda has largely migrated its macrofiscal framework to *GFSM 2014* and the authorities are mapping the historical series as a step to full migration and generally better data disaggregation. In Uganda, the macrofiscal framework has been migrated to *GFSM 2014* concepts and used to forecast the budget for 2021/22–2025/26.

- **Expansion of coverage to the public sector.** The Eritrean authorities are committed to expanding coverage of their fiscal statistics to the public sector in line with *GFSM 2014*. Uganda has compiled fiscal data series for all public corporations, which will deepen understanding of the operations of both financial and nonfinancial public corporations.

- **Public debt data.** Eritrea is preparing source data to facilitate compilation of public sector debt statistics. South Sudan compiled annual BCG public debt data for calendar 2020 in line with *PSDSG 2011*. Rwanda compiles quarterly GG public debt data that is aligned with *PSDSG 2011* and disseminated through the IMF/WB debt statistics database. Instrument coverage now includes accounts payable and negative account balances of deposits; work to improve the method for valuing domestic debt securities continues. The authorities plan to continue improving the quality of quarterly GG public debt data before extending coverage to public financial corporations. Uganda reports to the IMF/WB database quarterly BCG public debt data that follows *PSDSG 2011* and publishes quarterly GG external public debt statistics through the annual debt bulletin of its Ministry of Finance, Planning, and Economic Development. The authorities are committed to improving the quality and coverage of the GG to support analysis of debt policy, starting with expanding coverage of quarterly and annual data. AFE participated in Tanzania's national training workshop that covered *PSDSG 2011*.

SECTION II

K

WORK ON REGIONAL ISSUES & ATTACHMENTS, MENTORING AND SHARING OF REGIONAL EXPERTISE

WORK ON REGIONAL ISSUES

AFE continues to support regional integration through the East African Community (EAC):

- **Government finance statistics.** The EAC Secretariat initiated compilation of EAC-wide fiscal statistics to facilitate monitoring of the economic convergence program; it is committed to compiling the timely and reliable EAC-wide GFS and PSDS that are necessary to support EAC monetary union. AFE supported the Secretariat in its review of the draft form for member states to use in reporting fiscal data, including public debt, to the Secretariat. Now being drafted are two additional chapters for the EAC GFS/ PSDS guidelines. AFE noted that work on establishing the East African Statistics Bureau continues.
- **Forecasting and policy analysis system.** As EAC members progress toward a currency union and are adopting inflation targeting, the importance of a common approach to monetary policy analysis and forecasting is growing. Because the current monetary policies of EAC members are quite heterogeneous, harmonization will not be easy. The EAC is fully aware of this and the workshop on "Developing FPAS – A Central Bank Safari" clarified the issues; it also provided a roadmap and identified common goals.

ATTACHMENTS, MENTORING, AND SHARING OF REGIONAL EXPERTISE

One attachment activity was facilitated in H1.

- **Revenue administration.** Officials from the Ethiopia Ministry of Revenues participated in a virtual attachment with the Kenya Revenue Authority to learn good practices for administering excise taxes.

SECTION II

L

TRAINING AND WEBINARS

In H1, AFE conducted 4 workshops and 3 webinars.

- **Revenue administration.** A regional workshop on managing customs risk and the intelligence function was designed to help member countries intensify compliance management and curb infringements. Participants shared country experiences and drew up country-specific plans for mitigating risks.

- **PFM.** In collaboration with AFRITACs West 2 and South (AFW2 and AFS), AFE held a regional virtual workshop for technical staff from the budget and planning departments of 21 member countries. To help members reinforce their PBB architecture, the workshop covered six thematic areas through a mix of lectures, country presentations, and interactive group work. Each country presented a reform action plan to move PBB forward, identifying practical tools and what would be needed to integrate with IT systems and streamline the institutional arrangements for PBB.

- **Financial sector supervision and regulation.** A regional webinar and a regional workshop were held in H1. The webinar addressed issues related to unwinding regulatory measures introduced in response to the pandemic, especially its impact on households, businesses, and the banking system. Participants discussed the principles to be considered in deciding to unwind policy measures; the consequences of unwinding them too early; and observations about measures already unwound and planned. The workshop focused on better monitoring of systemic risks and oversight of DSIBs; it covered factors used to identify DSIBs (e.g., size, interconnectedness, substitutability, and complexity) and enhanced supervision (e.g., board and senior management oversight, risk management oversight, and internal controls).

- **Government finance statistics.** As part of its support for building capacity to compile fiscal data for monitoring the EAC economic convergence program, AFE participated as a facilitator in a regional workshop for the EAC technical working group on compiling annual and quarterly GFS and PSDS for all members as a pilot for producing Community-wide statistics for monitoring the integration agenda. Participants contributed to the drafting of two additional chapters of EAC GFS/PSDS guidelines, one on the border line on government expenses in fiscal statistics; and one on fiscal interventions related to natural disasters. The guidelines support compilation of harmonized GFS for the EAC following the *GFSM 2014* framework.

- **Forecasting and policy analysis system.** An August workshop for EAC countries mapped the FPAS journey from starting out to arrival at a complete FPAS. The mix of lectures, panel sessions, and group sessions allowed for a very interactive and energetic environment. Participants had the opportunity to engage with experts in a variety of fields and to draw on the experience of the Riksbank FPAS journey over the past three decades.

- **Financial market infrastructures and payment.** AFE hosted a virtual regional webinar on fintech innovations, regulatory challenges, and barriers to further developments with respect to retail payments. It was designed to enhance AFE members' understanding of fintech and enabled them to identify deterrents to its contribution to inclusive growth.

SECTION III

WORK PROGRAM FOR H2, FY 2022

SECTION III

A HIGHLIGHTS OF THE H2 WORKPLAN

The volume of activities is expected to increase in H2 (November 2021–April 2022). Though most member country institutions have adapted well to the virtual delivery of support, hopes for in-person support have been rising. If COVID-19 conditions continue to improve, gradual resumption of in-person activities may materialize in H2. This would lead to increased engagement in member institutions, particularly in those with connectivity challenges and for activities that are more suitable for in-country delivery. To account for a possible uptick in activities, baseline and contingent H2 work plans were drawn up, with the contingent plan incorporating activities likely to take place if in-person missions resume.

SOME HIGHLIGHTS OF THE H2 WORKPLAN:

- **Revenue administration.** AFE will provide support to the EAC on harmonizing customs territory risk management; to Ethiopia and Rwanda on mirror data analysis; and to Tanzania on effective intelligence and investigation functions. AFE will collaborate with IMF HQ to support Kenya through a joint tax and customs administration medium-term revenue strategy (MTRS) in order to identify areas with potential to mobilize more revenue in the medium term. Support will also be provided to Eritrea on building tax audit capacity; to Tanzania on building capacity for debt management and collection; and to Uganda on building capacity in auditing the construction sector and facilitating a virtual attachment to the Norwegian Tax Administration on auditing manufacturing.

- **PFM.** Upstream activities will support prioritization of expenditures by bolstering medium-term budgeting in Zanzibar and Rwanda and if travel resumes, in-country training is scheduled for budget analysts in Tanzania and Eritrea. Regional peer learning webinars will be conducted on budget baseline costing and integrating PBB and IT systems to support the drafting of regional guidelines and a concept note. If travel resumes, AFE could support HQ-led Public Investment Management Assessments (PIMAs) in Ethiopia, Rwanda, and Uganda. A regional webinar on fiscal data governance (FDG) is planned in collaboration with HQ to illustrate how digitalization and FDG can support data-driven fiscal policy. An EAC regional workshop is planned for January 2022. Downstream activities will support reinforcement of SOE oversight and governance arrangements in Malawi and Rwanda. Planned follow-up fiscal reporting support for Kenya will review consolidated financial statements for state corporations and support for Rwanda will review progress in following the IPSAS accrual roadmap. Support is also planned for Ethiopia, South Sudan, and Uganda to update their TSA and cash management practices. When travel resumes, training for Eritrea is planned to address challenges of implementating IFMIS.

- **Macrofiscal analysis.** H2 activities in Rwanda, Ethiopia and Tanzania will support expanding analysis of SOE and PPP fiscal risks and integrating the results into fiscal risk reporting. Further macrofiscal development is planned in South Sudan, Malawi, and Uganda. A regional workshop (in conjunction with ATI/AFS) will introduce tools to assess possible macrofiscal impacts of shocks from, e.g., natural disasters and climate change. Missions are planned to

support development and refining of macrofiscal frameworks in the parliamentary budget offices in Malawi, Tanzania, and Kenya. Once travel resumes, support for FPP training is planned for several countries.

- **Financial sector supervision and regulation.** Support in H2 will promote risk-based supervision (RBS) and heighten application of International Financial Reporting Standards (IFRS) in Malawi, Rwanda, and South Sudan; enhance Basel II/III activities in Uganda and Tanzania with regards to progress on Pillar II supervision; and intensify RBS in the insurance sector and in capital markets. Also planned is a regional webinar on emerging regulatory and supervisory approaches to dealing with climate-related risks.

- **Monetary policy and operations.** Assistance will be provided to Uganda and Kenya to buttress their efforts in carrying out the forward-looking, interest rate-based monetary policies they have adopted. Training for South Sudan will continue to build a toolkit of instruments appropriate for the current monetary policy regime.

- **Financial market infrastructures and payment.** AFE support Uganda by facilitating training in e-money and central bank digital currencies and the further development of regulatory sandboxes.

- **Forecasting and policy analysis.** For the next half year, support to AFE members will continue to build on the findings of the scoping missions conducted in H1 as central banks in the region further explore nowcasting. Another priority will be to advise the authorities on elaborating and restructuring their monetary policy processes to support decision making and on preparations for timely external communication. A third concern is enhancing analysis and forecasting of foreign developments and other external assumptions crucial for the domestic forecast. Among the 10 activities planned for H2 is a joint workshop on transparency and communication for national statistics bureaus and central banks.

- **Real sector statistics.** Kenya and Rwanda will be supported as they introduce export and import price indices. Ethiopia will draw up a construction price index. AFE will also work with Zanzibar on incorporating VAT data into national accounts. Two webinars will be conducted, one on National Accounts for beginners in cooperation with AFRITAC South and MEFMI and the other on the Consumer Price Index.

- **Government finance statistics.** In H2, AFE member countries will continue to improve the quality of fiscal data, with particular attention to public debt; expand coverage of public sector GFS; and expand sectoral and instrument coverage of public debt data. Among the 13 activities programmed are two regional workshops.

- **ICD training.** In H2, regional courses on fiscal sustainability and financial sector sruveillance will be delivered by the IMF Institute for Capacity Development.

SECTION IV

ANNEXES

ANNEX I. WORK PLAN EXECUTION IN H1, FY 2022

REVENUE ADMINISTRATION

Beneficiary	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Improve customs administration functions	AFE risk management and intelligence	H1	Complete	2.67
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	4.00
Ethiopia	Strengthen core tax administration functions	Field attachment on administration of excise taxes	H1	Complete	0.50
Kenya	Improve customs administration functions	Review penalty regime and draw up a sanctions map	H1	Complete	2.33
Rwanda	Strengthen revenue administration management and governance	Strengthening the domestic taxes headquarters function	H1	Complete	3.67
South Sudan	Strengthen revenue administration management and governance	HQ workshop to review progress on FAD recommendations	H1	Complete	3.00
South Sudan	Strengthen revenue administration management and governance	Re-engineering of business processes and development of technical requirements	H1	Complete	2.67
South Sudan	Strengthen revenue administration management and governance	Review of information technology system upgrade	H1	Complete	4.17
Tanzania	Strengthen core tax administration functions	Building capacity in audit and investigation methods (Zanzibar)	H1	Complete	4.00
Tanzania	Strengthen core tax administration functions	Strengthening tax filing and payment processes	H1	Complete	3.67
Tanzania	Strengthen revenue administration management and governance arrangements	Strengthening the dispute resolution process (Zanzibar)	H1	Complete	4.17
Uganda	Improve customs administration core functions	Building capacity to monitor extractive industries	H1	Complete	4.00
TOTAL					**38.83**

PUBLIC FINANCIAL MANAGEMENT AND MACROFISCAL ANALYSIS

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Comprehensive, credible, and policy-based budget preparation	PBB: Regional peer learning	H1	Complete	2.33
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	4.00
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	2.00
Ethiopia	Improve public investment management	Upgrading appraisal and selection of projects	H1	Complete	5.67
Kenya	Comprehensive, credible, and policy-based budget preparation	Applying the *Budget Preparation Manual*	H1	Complete	8.00
Kenya	Comprehensive, credible, and policy-based budget preparation	Evaluation of SOE finances	H1	Complete	8.00
Kenya	Comprehensive, credible, and policy- based budget preparation	Strategizing SOE oversight at the National Treasury (HQ Mission)	H1	Complete	9.00
Kenya	Comprehensive, credible, and policy-based budget preparation	Improving fiscal risk analysis for SOEs and PPPs and updating the fiscal risk statement	H1	Complete	11.67
Malawi	Comprehensive, credible, and policy-based budget preparation	Integrating performance budgeting and IT systems	H1	Complete	5.17
Malawi	Improved public investment management	Upgrading appraisal and selection of projects	H1	Complete	4.67
South Sudan	Improved asset and liability management	Expanding coverage of the TSA and improving cash management	H1	Complete	5.67
South Sudan	Improved asset and liability management	Follow-up training on cash management	H1	Complete	2.33
Uganda	Comprehensive, credible, and policy-based budget preparation	Reinforcing the Multiyear Commitment Statement	H1	Complete	5.67
Uganda	Improved coverage and quality of fiscal reporting	Reviewing the roadmap and updated SCOA for accrual-based IPSAS	H1	Complete	8.67
TOTAL					**82.83**

FINANCIAL SECTOR REGULATION AND SUPERVISION

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Draft and enhance banking regulations and prudential norms	Strengthening supervision of domestic systemically important banks	H1	Complete	0.83
AFRITAC East	Develop and reinforce banking regulations and prudential norms	Unwinding COVID-19 Measures	H1	Complete	0.33
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	2.00
Ethiopia	Adopt RBS and upgrade other supervisory processes	Basel II/III: Strengthen supervisory review (ICAAP)	H1	Complete	2.33
Ethiopia	Adopt RBS and upgrade other supervisory processes	RBS: Strengthening assessment of systemic risk	H1	Complete	1.50
Rwanda	Adopt RBS and upgrade other supervisory processes	Strengthening Basel II/III Implementation; ICAAP and ILAAP supervisory procedures	H1	Complete	5.00
Rwanda	Adopt RBS and upgrade other supervisory processes	Strengthening the procedures for reviewing IT risk	H1	Complete	4.33
South Sudan	Draft and enhance banking regulations and prudential norms	Draft and pilot a training program on risk-based supervision	H1	Complete	1.50
TOTAL					**17.83**

MONETARY AND POLICY OPERATIONS

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Improve analytical and forecasting capabilities to inform monetary policy decision-making	Developing FPAS: A Central Bank Safari (EAC)	H1	Complete	0.50
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	2.00
South Sudan	Increase the efficient application of current monetary policy	National training on MPO strategy and liquidity forecasting	H1	Complete	1.67
Tanzania	Build central bank capacity to implement interest rate-based monetary policy	Monetary policy and foreign exchange operations	H1	Complete	2.50
TOTAL					**6.67**

FINANCIAL MARKET INFRASTRUCTURES AND PAYMENTS

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Reform financial market infrastructure, with special attention to the payments system	Webinar on fintech innovations	H1	Complete	0.83
Kenya	Reform financial market infrastructure, with special attention to the payments system	Building central bank capacity on self-assessment of electronic payment and settlement systems	H1	Complete	2.50
Malawi	Advise and assist the central bank and other relevant authorities on reforming the national payment system	PFMI training	H1	Complete	2.83
Malawi	Advise and assist the central bank and other relevant authorities on reforming the national payment system	Review of the oversight framework	H1	Complete	1.67
TOTAL					**7.83**

FORECASTING AND POLICY ANALYSIS (FPAS)

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Improve analytical and forecasting capabilities to inform monetary policy decision-making	Developing FPAS: A Central Bank Safari (EAC)	H1	Complete	3.67
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	2.00
Kenya	Improve analytical and forecasting capabilities to inform monetary policy decision-making	Reviewing the main components of FPAS at the central bank	H1	Complete	11.00
Rwanda	Improve analytical and forecasting capabilities to inform monetary policy decision-making	Improving nowcasting and inflation analysis	H1	Complete	7.00
Tanzania	Improve analytical and forecasting capabilities to inform monetary policy decision-making	Reviewing and enhancing FPAS tools and models	H1	Complete	6.83
TOTAL					**30.50**

REAL SECTOR STATISTICS

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	2.00
Kenya	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Review of GDP rebasing	H1	Complete	1.50
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Continued compilation of GDP expenditures (long-term expert)	H1	Complete	4.50
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Continued compilation of GDP expenditures (short- term expert)	H1	Complete	2.17
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	CPI update	H1	Complete	2.83
Rwanda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Draft the policy for revising national accounts statistics	H1	Complete	1.50
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Further improve VAT and income tax data for use in national accounts.	H1	Complete	2.33
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	PPI	H1	Complete	0.17
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	CPI	H1	Complete	1.33
TOTAL					**18.33**

GOVERNMENT FINANCE STATISTICS

Country	Objective	Activity	Timing	Activity Status	Resources (FPWs)
East African Community (EAC)	Improve compilation and dissemination of fiscal statistics	Draw up plan for reporting EAC fiscal and public debt data	H1	Complete	1.50
EAC	Improve compilation and dissemination of fiscal statistics	Compile fiscal statistics and draft guidelines	H1	Complete	1.50
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H1	Complete	2.00
Eritrea	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Expand coverage of fiscal data to the general government	H1	Complete	1.33
Rwanda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	GFS and PSDS	H1	Complete	2.00
South Sudan	Strengthen compilation and dissemination of fiscal statistics	Compilation of fiscal data for BCG	H1	Complete	1.50
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improve the quality of GFS	H1	Complete	1.83
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improve the quality of GFS and PSDS for GG	H1	Complete	2.17
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	PSDS: national training	H1	Complete	1.17
Uganda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improve the quality of fiscal data for the GG	H1	Complete	2.17
TOTAL					**17.17**

ANNEX II. REVISED WORK PLAN FOR H2, FY 2022

REVENUE ADMINISTRATION

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
East African Community	Improve core customs administration functions	Harmonize SCT risk management frameworks	H2	Baseline	3.00
AFRITAC East	Improve customs administration	AFE post-clearance audit	H2	Baseline	2.33
AFRITAC East	Reinforce core tax administration functions	Regional workshop on building audit capacity	H2	Baseline	3.17
AFRITAC East	Reinforce core tax administration functions	Regional workshop on leveraging technology to improve taxpayer service and compliance	H2	Baseline	3.00
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	4.00
Eritrea	Improve customs administration	AFE: Building capacity for risk management	H2	Contingent	6.00
Eritrea	Build up core tax administration functions	Draw up registration policies, procedures, roles, and responsibilities for HQ and operational units	H2	Baseline	5.33
Eritrea	Build up core tax administration functions	Build tax audit capacity	H2	Baseline	3.00
Eritrea	Build up core tax administration functions	Enhancing filing and payment processes	H2	Baseline	6.00
Ethiopia	Improve customs administration	Reinforce control of special regimes and exemptions	H2	Contingent	5.33
Ethiopia	Improve customs administration	Mirror data analysis	H2	Contingent	5.33
Kenya	Improve customs administration	Coordinated border management	H2	Baseline	6.00
Kenya	Improve customs administration functions	Workshop on medium-term revenue strategy (MTRS)	H2	Baseline	2.33
Kenya	Upgrade core tax administration	Build debt management capacity	H2	Baseline	4.67
Kenya	Build up revenue administration management and governance	Draft compliance improvement plans	H2	Baseline	5.33
Kenya	Improve revenue administration management and governance	HQ-led mission: MTRS workshop on overview gap analysis and roadmap	H2	Baseline	0.83
Kenya	Improve revenue administration management and governance	HQ-led MTRS mission to draw up tax and customs policies	H2	Baseline	2.33

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
Malawi	Improve customs administration	Review customs procedures and automation	H2	Contingent	6.00
Malawi	Improve customs administration functions	Training in customs investigation techniques and targeting	H2	Baseline	3.00
Rwanda	Improve customs administration	Developing a framework for analyzing mirror data	H2	Baseline	6.00
Rwanda	Improve customs administration	Review penalty regime and draw up sanctions map to improve compliance	H2	Contingent	2.67
Rwanda	Build up core tax administration functions	Field attachment on audit of manufacturers	H2	Baseline	0.50
Rwanda	Build up core tax administration functions	Hands-on training on telecommunications sector audits	H2	Baseline	5.33
South Sudan	Improve customs administration	Review and redesign of customs clearing controls and procedures	H2	Baseline	6.00
South Sudan	Build up core tax administration functions	Review implementation of VAT	H2	Baseline	6.00
Tanzania	Improve customs administration	Put in place effective intelligence and investigation functions	H2	Baseline	3.00
Tanzania	Stronger core tax administration	Build data-matching capacity	H2	Baseline	6.00
Tanzania	Stronger core tax administration	Build debt management and collection capacity	H2	Baseline	4.17
Uganda	Improve core customs administration	Improve valuation capacity	H2	Contingent	5.33
Uganda	Improve core customs administration	Better management of risks	H2	Baseline	3.00
Uganda	Stronger core tax administration	Developing capacity to audit the construction sector	H2	Baseline	6.00
Uganda	Build up core tax administration	Field attachment on audit of the manufacturing sector	H2	Baseline	1.50
Uganda	Build up core tax administration	Field attachment on examining forensic and digital evidence	H2	Baseline	1.50
TOTAL					**134.00**

PUBLIC FINANCIAL MANAGEMENT AND MACROFISCAL ANALYSIS

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
AFRITAC East	Comprehensive, credible, and policy-based budget preparation	AFE peer learning workshop: Integrating PBB and IT systems	H2	Baseline	4.83
AFRITAC East	Fiscal policies and associated institutional frameworks consistent with progress towards SDGs	Gender equality and macroeconomics: Lessons from East Africa and beyond	H2	Baseline	3.00
AFRITAC East	Comprehensive, credible, and policy-based budget preparation	AFE regional workshop: Guidelines for budget baseline costing	H2	Baseline	3.33
AFRITAC East	Higher quality and broader coverage of fiscal reporting	Annual EAC workshop	H2	Baseline	4.67
AFRITAC East	More effective identification, monitoring, and management of fiscal risks	Module 2 of ATI/FAD/AFE/AFS workshop on fiscal risk analysis: covering fiscal risks and macro shocks	H2	Baseline	0.83
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	6.00
Ethiopia	Better management of assets and liabilities	Strengthening TSA and cash management	H2	Baseline	5.00
Ethiopia	More effective identification, monitoring, and management of fiscal risks	Updating the fiscal risk statement and incorporating new information in the fiscal risk registry	H2	Baseline	3.00
Kenya	Better management of assets and liabilities	Strengthening the TSA and cash management	H2	Baseline	5.33
Kenya	Higher quality and broader coverage of fiscal reporting	Review the Consolidated Financial Statement for State Corporations. (accrual basis)	H2	Baseline	7.67
Malawi	More effective identification, monitoring, and management of fiscal risks	Strengthening SOE analysis to develop financial factsheets for five high-risk SOEs (Part 1)	H2	Baseline	5.00
Malawi	More effective identification, monitoring, and management of fiscal risks	Strengthening SOE analysis to develop financial factsheets for five high-risk SOEs (Part 2)	H2	Baseline	5.00
Malawi	More effective identification, monitoring, and management of fiscal risks	Update the fiscal risk statement and fiscal risk registry	H2	Baseline	4.50
Rwanda	Higher quality and broader coverage of fiscal reporting	Assessment of progress in implementing the IPSAS Accrual Roadmap	H2	Baseline	9.50
Rwanda	More effective identification, monitoring, and management of fiscal risks	Expand the scope of public enterprises in the SOE health and stress test tools	H2	Baseline	14.00
Rwanda	More effective public investment management	PIMA: HQ-led	H2	Baseline	2.33
Rwanda	More effective identification, monitoring, and management of fiscal risks	Update the fiscal risks statement and fiscal risk registry	H2	Baseline	8.00
Rwanda	Comprehensive, credible, and policy-based budget preparation	Design and automate budget costing	H2	Baseline	7.83

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
South Sudan	Improved PFM laws and more effective institutions	Strengthen commitment controls using IFMIS	H2	Baseline	5.67
South Sudan	Strengthened fiscal policies and frameworks	Further develop macrofiscal forecasting and reporting	H2	Baseline	5.33
Tanzania	Comprehensive, credible, and policy-based budget preparation	Tanzania (TZA) Zanzibar: Strengthening performance-budgeting architecture	H2	Baseline	8.50
Tanzania	Comprehensive, credible, and policy-based budget preparation	Tanzania (TZA): Training of budget analysts	H2	Contingent	2.17
Tanzania	Higher quality and broader coverage of fiscal reporting	Zanzibar: Migration from cash to accrual accounting	H2	Baseline	5.00
Uganda	More effective identification, monitoring, and management of fiscal risks	Review and update the Fiscal Risk Statement	H2	Contingent	5.33
Uganda	Improved management of public investments	PIMA	H2	Baseline	4.00
Uganda	Higher quality and broader coverage of fiscal reporting	Expand the TSA coverage and strengthen cash management practices	H2	Baseline	6.00
TOTAL					**141.84**

FINANCIAL SECTOR REGULATION AND SUPERVISION

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
AFRITAC East	Draft stronger banking regulations and prudential norms	AFE/AFS/AFW2/MCM webinar on climate-related risks	H2	Baseline	0.17
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	2.00
Kenya	Put in place an RBS system and upgrade other supervisory processes	Basel II: Strengthen market discipline Processes (Pillar III)	H2	Contingent	5.00
Malawi	Improve regulation of insurance companies and the RBS capability of the insurance supervisor	Implement Own Risk and Solvency Assessment (ORSA) more effectively	H2	Contingent	3.00
Malawi	Put in place an RBS system and upgrade other supervisory processes	Implement Basel III more effectively	H2	Contingent	5.00
Malawi	Put in place an RBS system and upgrade other supervisory processes	Ensure comprehensive assessment of systemic and other risks	H2	Baseline	2.33
Malawi	Supervise market intermediaries more effectively	Intensify RBS of securities firms	H2	Contingent	3.00
Rwanda	Improve regulation of insurance companies and the RBS capability of the insurance supervisor	Reinforce ORSA and supervisory review process	H2	Contingent	2.67
Rwanda	Improve accounting and prudential provisioning regulatory guidelines.	Apply IFRS to microfinance supervision	H2	Baseline	1.50
South Sudan	Improve regulatory guidelines for accounting and prudential provisioning.	Enhance supervisors' understanding of IFRS 9	H2	Baseline	1.50
South Sudan	Draft strong banking regulations and prudential norms	Bank supervisory capital adequacy, asset quality, management, earnings, liquidity and sensitivity to interest rates (CAMELS) system and integration with the RBS system	H2	Baseline	1.50
Tanzania	Improve regulation of insurance companies and the RBS capability of the insurance supervisor	Clarify risk self-assessment procedures for insurers	H2	Contingent	3.00
Tanzania	Adopt RBS and upgrade other supervisory processes	Reinforce the Basel II/III Pillar II supervisory review process (ICAAP)	H2	Baseline	2.33
Tanzania	Improve regulatory guidelines for accounting and prudential provisioning.	Enhance supervisors' understanding of IFRS 9 and IFRS 16	H2	Contingent	1.50

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
Uganda	Build up ability to regulate and supervise banks.	Basel II: Build up the supervisory review process (ICAAP)	H2	Baseline	2.33
Uganda	Improve regulation of insurance companies and the RBS capability of the insurance supervisor	Strengthen ORSA and supervisory review	H2	Contingent	3.00
Uganda	Adopt an RBS system and upgrade other supervisory processes	RBS: Reinforce ICT supervisory procedures	H2	Contingent	3.17
Uganda	Adopt an RBS system and upgrade other supervisory processes	RBS: Monitor systemic risks more intensively	H2	Contingent	6.00
Uganda	Strengthen supervision of market intermediaries	Bolster risk self-assessment and reporting procedures	H2	Contingent	2.67
TOTAL					**51.67**

MONETARY AND POLICY OPERATIONS

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
AFRITAC East	Improve analysis and forecasting for monetary policy decision-making	Transparency and communication for central banks and statistics offices	H2	Baseline	1.17
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	2.00
Kenya	Strengthen application of current monetary policy	Modernize monetary policy operations	H2	Contingent	5.33
Malawi	Build the capacity of the authorities to carry out foreign exchange (FX) operations efficiently consistent with the country's monetary policy and FX regime	Foreign operations and application of FX policy	H2	Contingent	2.50
Malawi	Build the capacity of the central bank to carry out monetary policy effectively, consistent with the policy chosen.	Monetary policy and operations	H2	Contingent	2.50
South Sudan	Improve the efficiency of current monetary policy	Monetary policy implementation	H2	Baseline	2.50
Uganda	Strengthening monetary policy implementation under the current policy regime.	Modernization of monetary policy operations	H2	Contingent	7.67
Uganda	Build the capacity of the authorities to implement FX operations efficiently, consistent with monetary policy and the FX regime	FX operations and policy implementation mission	H2	Contingent	2.50
TOTAL					**26.17**

FINANCIAL MARKET INFRASTRUCTURES AND PAYMENTS

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
Ethiopia	Reform financial market infrastructures, including the payments system	PFMI training	H2	Contingent	2.50
Uganda	Assist the central bank and related authorities in reforming the national payment system	Build capacity for self- assessment of CPSS-IOSCO Principles for Financial Market Infrastructures and application of the principles	H2	Baseline	3.33
TOTAL					**5.83**

FORECASTING AND POLICY ANALYSIS SYSTEM (FPAS)

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
AFRITAC East	Establish and build up an effective macroprudential policy framework	ATI/AFS/AFE– Peer-to-Peer Workshop: Experience with FPAS in Sub-Saharan African central banks	H2	Baseline	1.50
AFRITAC East	Improve the efficiency of current monetary policy	High-level seminar	H2	Baseline	1.00
AFRITAC East	Improve analysis and forecasting for monetary policy decision-making	Peer-to peer workshop: Designing the monetary policy process	H2	Baseline	3.17
AFRITAC East	Improve analysis and forecasting for monetary policy decision-making	Transparency and communication for central banks and statistics offices	H2	Baseline	2.50
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	2.00
Kenya	Improve analysis and forecasting for monetary policy decision-making	Improving central bank FPAS process, nowcasting tools and models, and sector analysis	H2	Baseline	4.67
Malawi	Improve analysis and forecasting for monetary policy decision-making	Review of FPAS framework in light of the new IMF program	H2	Baseline	4.67
Rwanda	Improve analysis and forecasting for monetary policy decision-making	Evaluating the Quarterly Projection Model (QPM) and increasing transparency	H2	Baseline	2.50
Rwanda	Improve analysis and forecasting for monetary policy decision-making	Build up nowcasting and forecasting	H2	Baseline	2.50
Rwanda	Improve analysis and forecasting for monetary policy decision-making	Expand the near-term forecasting toolbox	H2	Baseline	5.00
Tanzania	Improve analysis and forecasting for monetary policy decision-making	Reinforce the nowcasting and QPM frameworks	H2	Baseline	7.17
TOTAL					**36.67**

REAL SECTOR STATISTICS

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
AFRITAC East	Improve compilation and dissemination of real sector price statistics	Training on compiling a Consumer Price Index	H2	Baseline	2.67
AFRITAC East	Improve compilation and dissemination of real sector statistics for national accounts	Joint training: GDP and national accounts for beginners	H2	Baseline	1.50
AFRITAC East	Improve analysis and forecasting for monetary policy decision-making	Transparency and communication for central banks and statistics offices	H2	Baseline	0.5
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	2.00
Ethiopia	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted standards.	Developing a construction price index	H2	Baseline	2.17
Kenya	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	How COVID 19 affects national accounts data	H2	Baseline	2.33
Kenya	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Further development of Export and Import Price Indices	H2	Baseline	2.17
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Continued compilation of GDP expenditures and production.	H2	Baseline	2.33
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Designing new IIP and PPI bulletins	H2	Baseline	1.33
Rwanda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Identifying weights and sample size for Export and Import Price Index (XMPI)	H2	Baseline	2.17
South Sudan	Strengthen compilation and dissemination of real sector statistics for national accounts	Assessing administrative source data	H2	Baseline	2.33
South Sudan	Strengthen compilation and dissemination of real sector statistics for national accounts	Techniques for producing GDP by production	H2	Baseline	2.33
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Zanzibar: Review of VAT data	H2	Baseline	2.33
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision making with internationally accepted statistical standards.	Zanzibar: Agriculture PPI	H2	Baseline	2.83

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Further development of the CPI	H2	Baseline	1.33
Uganda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Further improvement of QGDP-E compilation	H2	Baseline	2.33
Uganda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Finalize rebasing of the construction price index	H2	Baseline	2.17
Uganda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Updating and improving PPI for food and accommodation services	H2	Baseline	2.17
TOTAL					**36.99**

GOVERNMENT FINANCE STATISTICS

Country	Objective	Activity	Timing	Activity Status	Planned Resources (FPWs)
East African Community	Improve compilation and dissemination of fiscal statistics	Compilation of EAC-wide fiscal data for convergence criteria	H2	Baseline	2.17
AFRITAC East	Improve compilation and dissemination of fiscal statistics	GFS and PSDS; Workshop 2 for AFE countries	H2	Baseline	2.33
AFRITAC East	Corporate work	Corporate activities, including SC meeting	H2	Baseline	2.00
Eritrea	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Compilation of public debt data	H2	Baseline	2.17
Ethiopia	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Expanding coverage of fiscal data to the general government	H2	Baseline	2.17
Kenya	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improving the quality of GFS and PSDS	H2	Baseline	2.17
Kenya	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improving the quality of GFS and PSDS	H2	Baseline	1.33
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improving the quality of GG fiscal data (replace ID22STN97)	H2	Baseline	2.00
Malawi	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improving the quality of high-frequency data	H2	Baseline	4.33
Rwanda	Align compilation and dissemination of macroeconomic and financial statistics for decision-making with internationally accepted statistical standards.	Improving the quality of public sector GFS	H2	Baseline	2.00
South Sudan	Strengthen compilation and dissemination of fiscal statistics	Improving the quality of high-frequency data	H2	Baseline	1.67
Tanzania	Align compilation and dissemination of macroeconomic and financial statistics for decision making with internationally accepted statistical standards.	Zanzibar: Expand to GG	H2	Baseline	2.17
Uganda	Align compilation and dissemination of macroeconomic and financial statistics for decision making with internationally accepted statistical standards.	Improving the quality of fiscal data related to public corporations	H2	Baseline	2.17
TOTAL					**28.67**

ANNEX III. AFRITAC EAST WORKSHOPS AND IMF-ICD COURSES, AS OF OCTOBER 2021

No.	Area	Workshop Title	Dates	Status	Advisor
1	Revenue Administration	Risk Management and Intelligence	September 6–10, 2021	Completed	Kenneth Ochola
2	Revenue Administration	Developing Audit Capacity	November 1–5, 2021	Planned	Berlin Msiska
3	Revenue Administration	Post-Clearance Audit	April 4–8, 2022	Planned	Kenneth Ochola
4	Revenue Administration	Regional Workshop on Leveraging Technology to Improve Taxpayer Service and Compliance	April 11–15, 2022	Planned	Berlin Msiska
5	Public Financial Management	Regional Peer Learning: Program-Based Budgeting (PBB)	October 18–29, 2021	Completed	Imran Aziz
6	Public Financial Management	Budget Baseline Costing: Regional Guidelines	November 29–December 10, 2021	Planned	Imran Aziz
7	Public Financial Management	Peer Learning Workshop: Integrating PBB and IT Systems (Regional Practices Note)	December 13–23,2021	Planned	Imran Aziz
8	Public Financial Management	Annual EAC Workshop	January 26 –28, 2022	Planned	Imran Aziz, Amra Srdanovic, Matthew Quillinan
9	Macrofiscal Analysis	Module 2 of ATI/FAD/AFE/AFS workshop on fiscal risk analysis covering on fiscal risks and macro shocks	November 8, 2021	Planned	Matthew Quillinan
10	Macrofiscal Analysis	Gender Equality and Macroeconomics: Lessons from East Africa and Beyond	November 30–December 2, 2021	Planned	Amra Srdanovic, Imran Aziz, Matthew Quillinan
11	IMF Institute for Capacity Development training	Fiscal Sustainability	March 21–Apr 1, 2022	Planned	IMF HQ Staff
12	IMF Institute for Capacity Development training	Financial Sector Surveillance	April 11–22, 2022	Planned	IMF HQ Staff
13	Financial Sector Supervision	Strengthen Supervision of Domestic Systemically Important Banks	July 5–9, 2021	Completed	Courtney Christie-Veitch
14	Financial Sector Supervision	Unwinding COVID-19 Measures	July 20–20, 2021	Completed	Courtney Christie-Veitch, IMF HQ Staff
15	Financial Sector Supervision	AFE/AFS/AFW2/MCM: FY 22 Climate Related Risks Webinar	November 16, 2021	Planned	Georgios Genimakis
16	Financial Market Infrastructure and Payments (FMIP)	Webinar: Fintech Innovation	June 28–30, 2021	Completed	Carel J. Hugo

No.	Area	Workshop Title	Dates	Status	Advisor
17	Forecasting and Policy Analysis (FPAS)	Developing FPAS: A Central Bank Safari (EAC)	August 23–27, 2021	Completed	Carina Selander
18	FPAS	ATI/AFS/AFE– Peer-to-Peer Workshop: The Experience with FPAS in Sub-Saharan African Central Banks	January 10–14, 2022	Planned	Carina Selander
19	FPAS	Transparency and Communication for Central Banks and Statistics Offices	January 26 – 28, 2022	Planned	Carina Selander, Carel J. Hugo, Timmi Graversen
20	FPAS	Designing the Monetary Policy Process—A Peer- to-Peer workshop	January 31–February 4, 2022	Planned	Carina Selander
21	FPAS	High-level Seminar	February 28–March 3, 2022	Planned	Carina Selander
22	Real Sector Statistics	AFS/AFE Joint Training: GDP and National Accounts for Beginners	December 6–10, 2021	Planned	Timmi Graversen
23	Real Sector Statistics	Consumer Price Index Compilation	February 14–18, 2022	Planned	IMF HQ Staff
24	Government Finance Statistics	GFS and PSDS: Workshop 2for AFE countries	March 21–25, 2022	Planned	Djaima Costa

ANNEX IV. AFRITAC EAST MISSION REPORTS, H1 FY 2022

Country	Report	Mission Members	Mission Dates
Revenue Administration			
South Sudan	Review of Information Technology System Upgrade	Berlin Msiska, Yakomba Yavwa	May 12–25, 2021
Rwanda	Strengthening Domestic Taxes Headquarters Function	Berlin Msiska	May 31–June 11, 2021
South Sudan	Workshop on Review of FAD Recommendations	Berlin Msiska, Kenneth Ochola	June 14–18, 2021
Tanzania (Zanzibar)	Strengthen Dispute Resolution Process	Berlin Msiska, Diana Bunting	July 12–23, 2021
Ethiopia	Field Attachment on Administration of Excise Tax	Berlin Msiska	September 1–3, 2021
Regional	Workshop on Customs Risk Management and Intelligence	Kenneth Ochola, Jacqueline Penfold	September 6–10, 2021
Tanzania	Strengthening the Filing and Payment Processes	Berlin Msiska, Alice Owuor	September 1–14, 2021
Tanzania (Zanzibar)	Developing Capacity in Audit and Investigation Methods and Techniques	Berlin Msiska, Joseph Musumba	September 6–17, 2021
Uganda	Developing Capacity in Extractive Industries	Kenneth Ochola	September 27–October 22, 2021
Kenya	Review of Penalty Regime and Develop Sanctions Map	Anita Taimi Henderson	October 12–25, 2021
South Sudan	Re-engineering of Business Processes and Development of Technical Requirements	Yakomba Yavwa	October 25–Nov 5, 2021
Public Financial Management			
Kenya	SOE Financial Evaluations	Imran Aziz, Matthew Quillinan, Philip Barry	May 10–31, 2021
Uganda	Review of the Roadmap and Updated Standard Chart of Accounts (SCOA) for Implementation of Accrual- Based IPSAS	Amra Srdanovic, Peter F. Murphy, Wayne Bartlett	May 27–June 11, 2021
Kenya	Budget Preparation Manual	Imran Aziz, Matthew Quillinan, Gerhard Steger	June 14–July 5, 2021
South Sudan	Extending the TSA and Strengthening Cash Management Practices	Amra Srdanovic, Per-Olof Jonsson	June 24–July 9, 2021
Uganda	Linking the Integrated Bank of Projects (IBP) with other PFM Databases and Systems	Imran Aziz, Robert H. Muwanga	July 13–August 16, 2021
Malawi	Strengthening Project Appraisal and Selection	Imran Aziz, Martin Darcy, Gertrude A. Basiima, William Wakuganda	August 16–31, 2021
Malawi	Integrating Performance Budgeting and IT systems	Imran Aziz, Gerhard Steger, Rehemah Namutebi	September 6–24, 2021

Country	Report	Mission Members	Mission Dates
Ethiopia	Strengthening Project Appraisal and Selection	Imran Aziz, Martin Darcy	October 4–22, 2021
South Sudan	Follow-up Training on Cash Management	Amra Srdanovic, Per-Olof Jonsson,	September 2–October 12, 2021
Regional	Strengthening the Performance-Based Budgeting Architecture	Imran Aziz, Robert Clifton, Kubai Khasiani, Wilfried Engelke, Rehemah Namutebi, Nompumelelo Radebe, Gerhard Steger, and Edwin Vela-Moyo	October 25–29, 2021
Macrofiscal Analysis			
Kenya	Improving Fiscal Risk Analysis of SOEs and PPPs and Updating the Fiscal Risk Statement	Imran A. Aziz, Matthew K. Quillinan, Kenrick, Martin D. Darcy	Aug 30–Oct 1, 2021
Financial Sector Regulation and Supervision			
Ethiopia	RBS: Strengthen Systemic Risk Assessment Practices	Courtney Christie-Veitch	May 24–28, 2021
South Sudan	Risk-based Supervision Training Program Developed and Implemented	Courtney Christie-Veitch	June 14–18, 2021
Ethiopia	Basel II/III: Strengthen Supervisory Review (ICAAP) processes	Courtney Christie-Veitch	August 30– September 10, 2021
Rwanda	Strengthening Basel II/III Implementation - ICAAP and ILAAP Supervisory Procedures	Georgios Genimakis, Courtney Christie-Veitch	September 20– October 1, 2021
Rwanda	Strengthening Procedures for Review of IT Risk	Georgios Genimakis, Courtney Christie-Veitch	October 4–15, 2021
Monetary Policy Operations			
South Sudan	In-Country Training: MPO Strategy and Liquidity Forecasting	Carel J. Hugo	August 18–31, 2021
Tanzania	Monetary Policy and FX Operations	Carel J. Hugo	October 18–29, 2021
Financial Market Infrastructure and Payments			
Malawi	Review of Oversight Framework	Carel J. Hugo, Faith Stewart	May 24–28, 2021
Malawi	PFMI Training	Carel J. Hugo, Faith Stewart, Biagio Bossone	May 31–June 3, 2021
Kenya	Capacity Building for the Central Bank of Kenya (CBK) on conducting self-assessment of electronic payment and settlement system.	Carel J. Hugo, Faith Stewart, Biagio Bossone	October 4–8, 2021
Uganda	Capacity Building for the Bank of Uganda on Conducting Self-assessment of FMIs	Carel J. Hugo, Faith Stewart, Biagio Bossone	November 8-12, 2021
Forecasting and Policy Analysis			
Tanzania	Reviewing and Enhancing FPAS Tools and Models at the Bank of Tanzania	Carina Selander, Magnus Lindskog, Magnus Ahl	August 4–13, 2021
Rwanda	Strengthening the Nowcasting Framework and Inflation Analysis at the National Bank of Rwanda (Draft)	Carina Selander, Jan Vlcek, Eilert Husaboe	September 14–24, 2021
Kenya	Reviewing the Key Components of FPAS at the CBK (Draft)	Carina Selander, Edward A. Chernis, Karel Musil	October 18–November 14, 2021

Country	Report	Mission Members	Mission Dates
Monetary Policy Operations			
South Sudan	In-Country Training: MPO Strategy and Liquidity Forecasting	Carel J. Hugo	August 18–31, 2021
Tanzania	FX Foreign Operations and FX Policy Mission 1	Carel J. Hugo	October 18–29, 2021
Tanzania	Monetary Policy and FX Operations	Carel J. Hugo	October 18–29, 2021
Real Sector Statistics			
Rwanda	Development of Policy for Revising National Accounts Statistics	Timmi R. Graversen	May 24–28, 2021
Malawi	CPI Update	David Fenwick	June 14–25, 2021
Kenya	Review of GDP Rebasing	Timmi R. Graversen	June 14–August 20, 2021
Malawi	Continued Compilation of GDP Expenditure	Timmi R. Graversen, Artashes Shaboyan	July 19–30, 2021
Tanzania	Further Improvement of VAT and Income Tax Data for Use in National Accounts	Timmi R. Graversen	October 11–26, 2021
Tanzania	Tanzania CPI	David Baran	October 25–29, 2021
Government Finance Statistics			
East African Community	Develop Framework for Reporting of EAC Fiscal and Public Debt Data	Robert Maate	May 24–28, 2021
South Sudan	Compilation of Fiscal Data for BCG	Robert Maate	July 19–23, 2021
Eritrea	Expanding Coverage of Fiscal Data to the General Government	Robert Maate	July 26–30, 2021
Uganda	Improving the Quality of Fiscal Data for the GG	Johann Runar Bjorgvinsson	August 2–11, 2021
Rwanda	GFS and PSDS	Johann Runar Bjorgvinsson	August 23–31, 2021
Tanzania (Zanzibar)	Improving the quality of GFS and PSDS for GG	Roderick O'Mahony	September 1–10, 2021
Tanzania	Improving the Quality of GFS	Roderick O'Mahony	October 11–20, 2021

AFRITAC EAST PHASE V – MULTILATERAL – REGIONAL CENTERS: FINANCIAL CONTRIBUTIONS AS OF OCTOBER 31, 2021 (IN U.S. DOLLARS)

Agreement/Amendment Information					Contribution Received		Contribution Expected (U.S. Dollars)	
Partners/Members	Signed Date [1/]	Currency	Amount	U.S.Dollars	Agreement Currency	U.S.Dollars	Requested	Future Contributions [2/]
Partners				24,958,233	24,000,000	10,399,338	5,994,941	9,426,785
China	7/13/2018	USD	3,500,000	3,500,000	-	3,500,000	-	-
European Commission	6/10/2021	USD	4,851,600	4,851,600	-	-	4,851,600	-
Netherlands	11/25/2020	EUR	5,000,000	5,945,303	3,000,000	3,623,190	-	2,377,273
Norway	12/3/2019	NOK	40,000,000	4,363,382	20,000,000	2,246,282	1,143,341	1,143,341
Switzerland	12/18/2019	CHF	1,000,000	1,017,708	1,000,000	1,029,866	-	-
United Kingdom	12/12/2018	GBP	4,230,000	5,280,240	-	-	-	5,906,171
Members				6,000,000		-	-	6,000,000
Partners and Members Total				30,958,233		10,399,338	5,994,941	15,426,785
Internal Transfers [3/]								
Norway				242,108	-	242,108	-	-
COVID 19 Crisis Capacity Development Initiative				2,500,000	-	2500000	-	-
Internal Transfers Total				2,742,108	-	2,742,108	-	-
Under Negotiations								
Germany	Pending	EUR	3,000,000	3,637,687	-	-	-	3,637,687
COVID 19 Crisis Capacity Development Initiative				2,500,000	-	-	-	2,500,000
Under Negotiations				6,137,687		-	-	6,137,687
IMF Total				2,961,971	2,961,971	2,961,971		
Grand Total				42,799,999		16,103,417	5,994,941	21,564,472
Program Document Budget				58,972,248				
				- 16,172,249				

Source: Institute for Capacity Development.
1/ May also refer to agreements that are under negotiation and approval date for Capacity Development Partnership agreements (e.g., flexible/umbrella agreements).
2/ The future contributions amount is set to zero for completed installments.
3/ Refers to transfers from one program phase to another (e.g., phase rollovers).

IMF MULTILATERAL – REGIONAL CENTERS: PROGRESS REPORT – AFRITAC EAST PHASE V: FY 2022-26 (AS OF OCTOBER 31, 2021) (IN U.S. DOLLARS)

Work Area	Phase Summary			FY2022		
	Program Budget	Working Budget	Expenses	Working Budget	Expenses	Execution (%)
Public financial management	12,702,197	12,772,198	804,019	2,405,042	804,019	33
Revenue administration	8,878,502	8,943,546	442,678	1,728,420	442,678	26
Banking supervision and regulation	6,060,297	5,977,999	317,764	1,068,170	317,764	30
Monetary policy and operations	2,168,266	2,381,773	31,852	625,220	31,852	5
Financial market infrastructures and payments	2,482,079	2,236,348	210,742	225,423	210,742	93
Real sector statistics	5,409,707	4,894,429	139,712	511,244	139,712	27
External sector statistics	3,445,036	3,445,036	-	-	-	-
Government finance statistics	2,153,829	2,153,829	148,679	436,427	148,679	34
AFE administration	1,879,074	1,932,136	43,874	361,080	43,874	12
Forecasting and policy analysis	3,866,795	3,948,914	232,199	815,315	232,199	28
IMF Institute for Capacity Development training	1,380,111	1,325,408	-	210,497	-	-
Governance and evaluation	906,617	906,617	-	126,175	-	-
Strategic budget reserve	1,026,651	602,345	-	194,081	-	-
Subtotal	52,359,161	51,520,578	2,371,518	8,707,094	2,371,518	27
Trust Fund Management	3,665,141	3,606,440	166,006	609,497	166,006	27
Total	56,024,302	55,127,018	2,537,524	9,316,591	2,537,524	27
IMF expenses	2,961,971	2,961,971	123,550	569,168	123,550	22
Total	58,986,274	58,088,989	2,661,074	9,885,759	2,661,074	27

AFRITAC East

BOT North Tower, 10th floor
P.O. Box 10054
Dar es Salaam, Tanzania
T. +(255) 22.223.5353
F. +(255) 22.223.4204
www.eastAFRITAC.org

INTERNATIONAL MONETARY FUND
Institute for Capacity Development
Global Partnerships Division

700 19th Street, NW
Washington, DC 20431 USA
T. +(1) 202.623.7636
F. +(1) 202.623.7106
GlobalPartnerships@IMF.org