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IMF's AFRITAC East 25th Steering Committee Endorses Work Program and Budget

- *Steering Committee approves key priorities for capacity development activities during fiscal year 2024.*
- *Country representatives share experiences on capacity building efforts related to climate, economic statistics, forecasting, managing fiscal risks, and more,*

The Steering Committee of the IMF's Regional Technical Assistance Center for East Africa (AFRITAC East) completed a two-day hybrid event consisting of its 25th Steering Committee Meeting and Seminars chaired by Dr. Susan Koech, Deputy Governor of the Central Bank of Kenya (July 12 – 13, 2023, in Dar es Salaam, Tanzania). The Steering Committee members discussed AFRITAC East operations in fiscal year 2023, its planned work program for fiscal year 2024, and several thematic topics of significant interest to member countries.

In her opening remarks, Dr. Koech noted that the region faces challenging economic environments due to the lingering COVID-19 effects, the ongoing war in Ukraine, and the recent public funding squeeze. In addition, the region increasingly faces natural disasters related to climate change. These shocks have slowed economic activities, raised the cost of living, and elevated the cost of borrowing, leading to challenging policy choices. She commended AFRITAC East for flexibly managing its workplan by incorporating member countries' emerging needs as they respond to immediate problems while noting that the region's challenges also affected the Center's operations in fiscal year 2023 through lower resource use compared to pre-pandemic level.

The Steering Committee endorsed the fiscal year 2024 work program and budget, which include activities tailored to support member countries in addressing the current challenges. The Committee appreciated the capacity development provided by the Center and urged member countries to improve coordination with the Center to increase its efficiency and effectiveness.

The Steering Committee acknowledged member countries' intention to expedite the signing of contribution agreements and contribute to the Center to scale up its regional operations. The Committee also extended its appreciation to the development partners for their continuous support of the Center and the region.

The Committee members and development partners appreciated the high-level exchange of knowledge and experience through the thematic seminars during the meeting. As the region faces an

upsurge of climate-related disasters, the Committee members discussed how to scale up climate finance and climate-sensitive public investments and the management of fiscal risks related to climate change. Rwanda and Kenya shared their experiences in these areas. On statistics, Uganda shared its experience using high-frequency data to forecast economic activity in the country. Ethiopia and Uganda shared their experiences in transitioning insurance supervision to IFRS 17.

AFRITAC East countries also discussed the intersection of data, forecasting, monetary policy and operations, an important topic given the current macroeconomic environments. Malawi, Rwanda, and Tanzania shared their experiences in fiscal transparency initiatives in the region, specifically on improving coverage of fiscal reporting, including developing in-house integrated financial management information systems and using customized tools to strengthen oversight of state-owned-enterprises reporting. Tanzania and Eritrea shared their experiences in digitalizing domestic revenue mobilization.

Participants at the meeting included officials from Eritrea, Ethiopia, Kenya, Malawi, Rwanda, South Sudan, Tanzania, and Uganda and representatives from the East African Community. Also in the meeting were AFRITAC East development partners European Union, United Kingdom, China, and Norway.

Background

AFRITAC East is hosted by the Tanzanian authorities in Dar es Salaam and works with Eritrea, Ethiopia, Kenya, Malawi, Rwanda, South Sudan, Tanzania, and Uganda. The European Union, The Netherlands, Germany, The United Kingdom, Norway, China, and Switzerland, support the center, alongside the COVID-19 Crisis CD Initiative, the IMF, and member countries.

The IMF's [capacity development](#) efforts are part of its core mandate and help governments modernize their economic policies and institutions. A global network of [regional capacity development centers](#) anchor IMF support for economic institution building and are complemented by [global thematic funds](#) for capacity development. They are financed jointly by the IMF, external development partners, and member countries.

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