REGIONAL TECHNICAL ASSISTANCE CENTER FOR EAST AFRICA

AFRITAC East

ANNUAL REPORT 2023

INTERNATIONAL MONETARY FUND

AFRITAC East is a collaborative venture between the IMF and the following member countries and development partners:

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Ethiopia

Kenya

Malawi

Rwanda

South Sudan

Tanzania

Uganda

Ministry of Foreign Affairs of the Netherlands

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COVID-19 Crisis CD Initiative

INTERNATIONAL MONETARY FUND

REGIONAL TECHNICAL ASSISTANCE CENTER FOR EAST AFRICA

AFRITAC
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ANNUAL REPORT 2023

ACRONYMS AND ABBREVIATIONS

AI Artificial intelligence

AFRITAC IMF Africa Regional Technical Assistance Center

AFRITAC East (AFE) AFRITAC for East Africa

AML/CFT Anti-money laundering/combating the financing of terrorism

BCG Budgetary central government

CD Capacity development

CDMAP Capacity Development Management and Administration Program

CCCDI COVID-19 Crisis Capacity Development Initiative

CMU Cash Management Unit

CPI Consumer Price Index

C-PIMA Climate-Public Investment Management Assessment

CMC Cash Management Committee

CMU Cash Management Unit

DMPAC Directorate of Macroeconomic Planning and Aid Coordination (South Sudan)

DP Development partner

DRMS Domestic Revenue Mobilization Strategy

EAC East African Community

EAMU East African Monetary Union

FAD IMF Fiscal Affairs Department

FCS Fragile and conflict-affected states

FMI Financial market infrastructure and payments

FPAS Forecasting and Policy Analysis System

FPW Field person week

FRC Fiscal Risk Committee

FRR Fiscal Risk Register

FRWG Fiscal Risk Working Group

FSR Financial supervision and regulation

FXI Foreign exchange intervention

GDP Gross domestic product

GFS Government finance statistics

GFSM Government Finance Statistics Manual

H1 / H2 The first half and the second half of the fiscal year

HCT State-owned enterprises health check tool

HQ IMF Headquarters

ICD Institute for Capacity Development (IMF)

ICT Information and communication technologies

IFRS International Financial Reporting Standards

IFMIS Integrated financial management information system

IMF International Monetary Fund

IPSAS International Public Sector Accounting Standards

ITAS Integrated tax administration system

LEG Legal Department (IMF)

MDA Ministries departments and agencies

MFA Macro-fiscal analysis

MONOPs Monetary Policy and Operations

MTDS Medium-term debt management strategies

MTRS Medium-term revenue strategy

PFM Public financial management

PIM Public Investment Management

PIMA Public Investment Management Assessment

PPI Producer Price Index

PPP Public-private partnerships

QPM Quarterly projection model

Q-CRAFT Quantitative Climate Risk Analysis Fiscal Tool

RBM Results-based management

RSF Resilience and Sustainability Facility

RSS Real-sector statistics

RBS Risk-based supervision

SC Steering Committee

SCT Single customs territory

SDGs Sustainable Development Goals

SOE State-owned enterprises

SSA Sub-Saharan Africa

SSMFF Streamlined version of the macrofiscal framework

STX Short-term expert

TA Technical assistance

TSA Treasury single account

VAT Value-added tax

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Deputy Governor,
The Central Bank of Kenya

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OPENING REMARKS

Dr. Susan Koech,
Deputy Governor,
The Central Bank of Kenya

OPENING REMARKS TO THE 25TH AFRITAC EAST STEERING COMMITTEE MEETING AND SEMINARS (DAR ES SALAAM, TANZANIA, JULY 12–13, 2023)

Dear Members of the Steering Committee, Representatives of member countries, Development partners and IMF Staff, Ladies and gentlemen,

Welcome to the 25th Steering Committee meeting and seminars in this beautiful city of Dar es Salaam. Thank you for making time to attend this meeting in person, and a warm welcome to our colleagues joining us remotely. I am delighted to be here today and tomorrow to engage in productive discussions on the operations of AFRITAC East over the past year, its upcoming plans for the next year, and several thematic topics that are of significant interest to our respective countries.

I am glad we have Steering Committee representatives from all member countries. Your presence at this meeting is important. The feedback and guidance of this Committee are an integral part of the management of AFRITAC East. In fact, the primary role of this Committee is to oversee the center's operations and provide strategic guidance to its capacity development programs. This is even more important in times like these when our countries face challenging economic environments.

Ladies and gentlemen,

Like in other parts of Africa, countries in East Africa are grappling with challenging circumstances. Our region has been heavily impacted by the recent squeeze in public funding, which has had profound effects. Prolonged global inflation and tighter monetary policies have led to higher borrowing costs for our countries and placed significant pressure on the exchange rates. The funding squeeze adds to the challenges of elevated economic imbalances due to the COVID-19 pandemic and the cost-of-living crisis. On average, public debt levels in the region have reached 56 percent of GDP, further complicating the situation. Additionally, most of the countries suffer from elevated inflation, particularly rising food prices.

The vulnerability of our countries can be attributed, in part, to the widening fiscal deficits. Most recently, this is driven by meeting the urgent spending needs as a result of the COVID-19 crisis and in response to natural disasters like droughts (e.g., in Ethiopia and Kenya), floods, and landslides (e.g., in Malawi and Rwanda) caused by climate change.

The funding squeeze undermines economic and development prospects in East Africa as most countries face constrained fiscal space. The lack of fiscal space has also made it challenging to address the needs of the vulnerable segments of the population. With rising food, fuel, and fertilizer prices in the region, authorities struggled to scale up targeted support, including rebuilding efforts in disaster-affected regions.

Ladies and gentlemen,

Throughout this challenging period, the IMF Headquarters and AFRITAC East have provided invaluable technical support to our countries. I congratulate AFRITAC East for managing its capacity development program in a flexible manner by incorporating new needs as they arise from member countries to address emerging shocks.

On the other hand, our challenges have affected the center's operations and the execution of its programs. Difficulties in scheduling missions and frequent postponements have not been uncommon as authorities prioritized immediate problems. Financing agreements for member country contributions have also been delayed. Considering all these, I call upon my fellow counterparts in this meeting to improve our coordination with the center and expedite the signing of contribution agreements. Despite challenging times, we must demonstrate our interest in and appreciation of the center's capacity development programs for our region.

In the same spirit, I thank our development partners for their continuous support of the center. We highly appreciate your unwavering commitment to capacity development in our countries through your contributions to the center and in other bilateral arrangements.

Ladies and gentlemen,

Let me now shift your attention to the agenda of today's and tomorrow's meetings. We have exciting days ahead of us! Our agenda includes discussions on center operations for FY 2023 and the proposed work program for FY 2024. We also have thematic topics focusing on member countries' achievements and experiences. We have a distinguished lineup of experts and panelists for these thematic discussions.

I want to note that some sessions will be closed sessions relevant to the Steering Committee members only, but most will be open for all of us to participate.

After the approval of the agenda, we will begin with a thematic discussion on the use of high-frequency data in the region, followed by a discussion on the public investment and fiscal risk management of climate change. We will conclude the first day by discussing how to scale up climate finance. Climate change is an important topic to our region as we witness an increased frequency of climate-related natural disasters.

Tomorrow we will continue our thematic discussions and experience sharing on various important topics from enhancing standards in insurance supervision to taking advantage of digitalization in revenue mobilization. IMF and AFRITAC East staff will moderate these sessions with discussants from member countries. In the afternoon, we will discuss financing and fundraising issues and finalize our meeting with FY 2024 work program endorsement and key takeaways.

With these short remarks, I declare the 25th Steering Committee meeting officially open, and I thank you for your attention.

SECTION I

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Xiangming Li
Center Director.

Sub-Saharan African countries are facing a big funding squeeze. Central banks in advanced economies have tightened monetary policy by raising interest rates in response to persistent high inflation globally. Higher interest rates have raised the cost of borrowing and pressured exchange rates in the region. Rising public debt and a greater reliance on expensive market-based funding have compounded the funding squeeze, a trend that has been afoot in tandem with reduced foreign aid budgets since the mid-2010s.

Funding shortages are aggravating the macroeconomic challenges facing the region. Public debt and inflation have reached the highest level in decades. The high inflation erodes household purchasing power and fuels social pressure. It is estimated that 132 million people faced food insecurity in 2022. The economic growth is expected to moderate to 3.6 percent in 2023, from 3.9 percent in 2022.

In light of the tight budgetary resources and large spending needs, promoting efficiency and transparency in spending and mobilizing revenue continue to be fiscal priorities. Demand for strengthening public debt management and assessing and managing fiscal risks are also high priorities.

In the monetary and financial sector areas, member countries are working with the center to develop operational frameworks, tools, and financial market infrastructure—including foreign exchange market operations—that are essential for effective monetary policy implementation. To safeguard financial stability, members have sought support to implement best practices in financial sector supervision by enhancing risk-based supervision, cybersecurity, insurance and capital markets supervisory frameworks.

Recognizing the importance of timely and accurate macroeconomic data in supporting sound policy analysis and decision making, countries are working with the center to improve the frequency, timeliness, coverage, and quality of fiscal and real sector statistics.

To build resilience and support sustained growth over the medium term, the center is working with IMF headquarters (HQ) to support transformative reforms such as (1) developing capacity to support building resilience to climate change, (2) enhancing sustainable growth by promoting inclusiveness and gender equity, and (3) adopting digital technology to gain efficiency.

In particular, the IMF has conducted assessments to help countries identify potential improvements in public investment institutions and processes to build low-carbon and climate-resilient infrastructure and support countries in incorporating climate risks into oversight of their financial systems. The center held training workshops and seminars to build members' capacity to foster inclusive growth and address gender inequality. In addition, support has been provided across the workstreams on digitalization, including exploring the case for digital currencies, regulating crypto assets, improving tax administration through digitalization, enhancing the management of public financial data, and using big data to develop timely macroeconomic indicators. In line with the IMF's continued efforts to enhance support to fragile and conflict-affected states (FCS), the center is also increasing its support in these countries, in close coordination with HQ and country teams, to tailor support to the authorities' needs.

As COVID-19 risks diminished in FY2023, AFRITAC East began gradually to resume in-person missions. Given that mission planning requires time, the resumption has been slower than anticipated. In terms of resources, the execution rate was 74 percent of the baseline work plan in FY2023. Activities delivered in person constituted 56 percent of the total resource amount, a notable increase from 4 percent in FY2022. A confluence of factors, including authorities' changing priorities, difficulties to find experts, and time needed to plan and execute activities, caused the under execution; the resources used in FY2023 remained below the pre-COVID-19 level (paragraph 23).

THE CENTER HAS CONTRIBUTED TO THE FOLLOWING NOTABLE ACHIEVEMENTS IN FY2023:

- **Revenue administration.** Eritrea is developing policies and strategies for information and communication technology and has started on the procurement process of the new commercial off-the-shelf system for integrated tax administration system (ITAS). South Sudan is drafting user specification requirements for the first cluster of back-office processes for an integrated tax administration system. Kenya has published a medium-term revenue strategy (MTRS) action plan that it has begun implementing. Meanwhile, the Rwanda Cabinet approved the first phase of their MTRS in June 2022. Malawi is continuing with ITAS implementation through an enhanced change management environment. Uganda is deepening the skills on construction sector tax audits. Rwanda is developing a valuation center of expertise to enhance compliance. South Sudan is reviewing and redesigning customs clearance procedures, including creating a standard operating procedures framework. Ethiopia is working on post clearance audit.

- **Public financial management (PFM) and macro-fiscal analysis.** Eritrea built the capacity to classify the functions of government (COFOG) and the economic segment in line with Government Finance Statistics Manual (GFSM) 2014 and received training on macro-fiscal and budget forecasting and analytical techniques. In Ethiopia, training on project appraisal, selection, and prioritization techniques was provided. Kenya received support for updating its budget preparation manual and activating a fiscal risk committee. Malawi and Uganda were supported in public investment management (PIM) and Uganda scored very positively in the Public Investment Management Assessment (PIMA) diagnostic. Rwanda was supported in prioritizing expenditures more effectively and drafting a planning and budget outlook paper and further developing its PFM legal regulations. AFRITAC East also assisted South Sudan in improving the treasury single account (TSA) operation, revising its macro-fiscal forecasting and budget costing procedures, and preparing the FY2022-23 cash plan. National training was conducted in Tanzania on implementing International Public Sector Accounting Standards (IPSAS) and budget analysis techniques.

- **Financial supervision and regulation.** AFRITAC East member countries continued working on upgrading banking regulations and frameworks, enhancing supervisory capacity on the latest developments and best practices in the insurance sector, and strengthening supervisory approaches to securities markets.

- **Monetary policy and operations.** Tanzania examined its foreign exchange intervention policy and practices to improve transparency. Uganda worked on further modernizing its monetary policy operational framework and strengthening exchange rate flexibility. Ethiopia is operationalizing its open-market operations and standing facilities.

- **Financial market infrastructure and payments.** Uganda worked on strengthening the national payments regulatory frameworks and oversight capacity. South Sudan made vast progress in the operationalization of the recently established National Payment System Department.

- **Forecasting and policy analysis.** The Bank of Tanzania (BOT) has adopted a new and largely automated data management system that is tightly linked to a new nowcasting system for GDP (another is being constructed for the Consumer Price Index, CPI).

- **Real sector statistics.** Ethiopia is developing a producer price index (PPI) for construction; Malawi and South Sudan worked to improve the compilation of annual GDP data; Uganda is developing quarterly GDP by expenditure and monthly indicator of economic growth; Malawi, Tanzania mainland and Zanzibar explored using tax data to increase the quality and coverage of GDP calculations; and Rwanda, Kenya, and Tanzania are developing institutional sector accounts.

- **Government finance statistics.** Tanzania and Uganda have migrated their local government units to the integrated financial management information system (IFMIS), enabling them to expand their government finance statistics. Tanzanian authorities agreed to report on transactions relating to the program for on-lending to state-owned enterprises (SOEs); South Sudan began compiling quarterly budgetary central government data on public sector debt statistics; and a significant achievement for the authorities in Uganda was using GFSM 2014 classifications in its macro-fiscal framework.

- **Debt management.** Tanzania assessed the current stage of development of the government securities market, identified gaps in the functioning of the building blocks of the market, and developed a reform plan to address the identified gaps.

- **Inclusive growth.** A joint seminar by AFRITAC East and UN Women explored with participants of Tanzanian officials and civil societies on how to reduce gender disparities in opportunities and decision-making to promote economic development. A two-week regional training by ICD examined the role of fiscal policy as well as human capital, labor market, and gender issues in inclusive growth. Participants also worked on diagnosis of inclusive growth challenges in selected countries from the region and identify policies to address them.

- **Resilience to climate change.** In collaboration with HQ, the center supported countries in assessing the long-term macrofiscal impacts of climate change through regional workshop and technical assistance in Rwanda and Uganda. In collaboration with the Africa Training Institute (ATI), and the IMF Institute for Capacity Development (ICD), a regional workshop on "Climate Change and Macro-Financial Policies" covered a wide range of topics, including climate risks and vulnerabilities, mitigation policies, building resilience through adaptation policies, and managing fiscal and financial sector risks.

SECTION II

EXECUTION FY2023 (MAY 2022–APRIL 2023)

SECTION II

A THE MACROECONOMIC CONTEXT[1]

Sub-Saharan Africa is facing strong headwinds with the GDP growth expected to decline to 3.6 percent in 2023 from 3.9 percent in 2022. This decline marks a growth slowdown in the region for the second year in a row, undermining economic and development prospects. The sub-Saharan African region has been hit hard by the recent public funding squeeze. Prolonged global inflation and tighter monetary policies have led to higher borrowing costs for sub-Saharan African countries and placed significant pressure on the exchange rates. The funding squeeze adds to the challenges of elevated economic imbalances due to the COVID-19 pandemic and the cost-of-living crisis. The public debt level in the region has reached 56 percent of GDP, a level not seen since the 2000s. Many countries are also suffering from elevated inflation, particularly rising food prices.

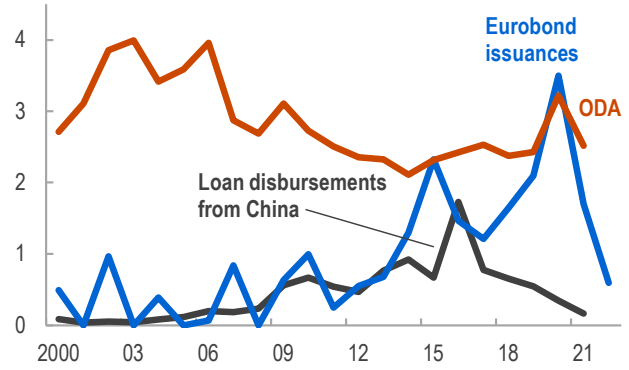
A confluence of factors contributes to this funding squeeze. Monetary policy worldwide has been tightened to counter persistent global inflation. In particular, higher interest rates on US Treasury bonds and the search for safe assets amid global uncertainty pushed the US dollar effective exchange rate to a 20-year high in 2022, increasing the value of dollar-denominated debt and interest payments in sub-Saharan African countries. Since about 40 percent of sub-Saharan Africa public debt is external, depreciations have pushed up the ratio of public debt stock to GDP by 10 percentage points by the end of 2022. Meanwhile, over the past decade, non-concessional private domestic and external debt in the region have increased in response to a secular decline in aid budgets (particularly when measured in percent of the region's GDP), integration in global debt markets, and deepening domestic financial markets (Figure 1). Additionally, high uncertainty amid the pandemic and the war in Ukraine has disproportionately affected risk perception and credit rating of sub-Saharan African countries. Consequently, sovereign spreads for sub-Saharan African countries have soared, standing at three times the emerging market average (Figure 2). This confluence of factors has led to the interest payments of the median sub-Saharan African countries in 2022 more than doubling to 11 percent of revenues (excluding grants) from the level of 2012 (Figure 3), about triple those of median advanced economies. The region's access to international capital has been severely curtailed. In fact, no sub-Saharan African country has issued a Eurobond since spring 2022.

The tightened financing condition poses challenges for both domestic and external balances. The rising financing costs have put pressure on the exchange rates in the region and intensified inflationary pressure, in addition to increasing public debt stock as noted previously. Most sub-Saharan African currencies depreciated against the US dollar in 2022 (Figure 4). As countries in the region depend heavily on imports and have a low short-run price elasticity, many have a high exchange rate pass-through to inflation. The depreciation also aggravated imported inflation from the rising import costs in US dollar terms, especially for oil and food, partly reflecting the lingering supply chain disruption of the COVID-19 pandemic and the commodity and energy price shock from the war in Ukraine. Consequently, the median inflation rate in the region was about 10 percent in February 2023, with about 80 percent of the countries experiencing double-digit food inflation. Most recently, fuel price pressures decelerated as international prices fell in mid-2022. Meanwhile, the softening external demand due to monetary policy tightening and economic slowdown in major economies will lead to reduced exports in the region. As a result, the trade balance in the region is expected to worsen in the short term.

[1] The macroeconomic context draws heavily on the April 2023 *Regional Economic Outlook for sub-Saharan Africa*.

FIGURE 1. SUB-SAHARAN AFRICA: SOURCES OF FINANCING

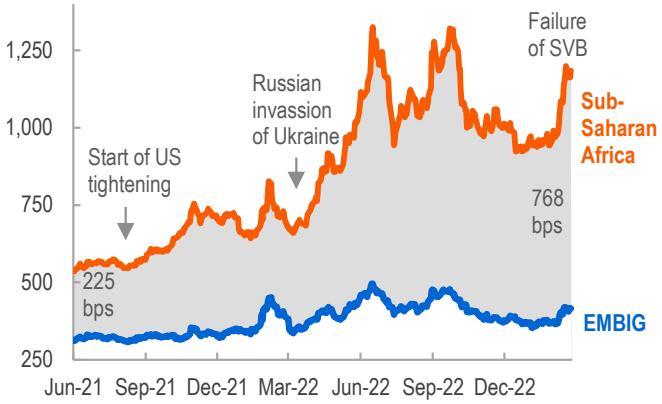
(Percent of regional GDP)



Sources: Bloomberg Finance, L.P. ; Organisation for Economic Co-operation and Development, OECD.stat; and World Bank, International Debt Statistics
Note: ODA = Official Development Aid.

FIGURE 2. SUB-SAHARAN AFRICA: SOVEREIGN SPREADS, 2021–23

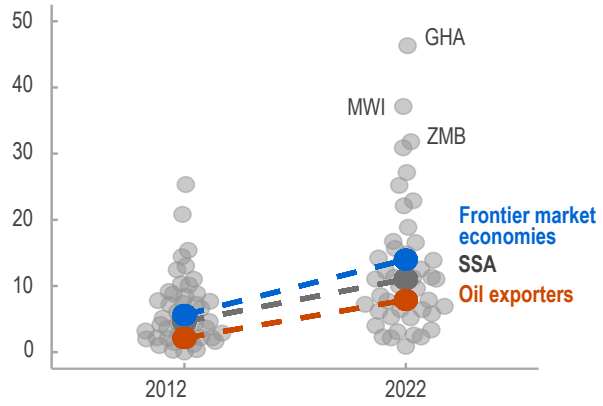
(Basis points, simple average)



Source: Bloomberg Finance, L.P.
Note: Sub-Saharan Africa includes Angola, Côte d'Ivoire, Ethiopia, Gabon, Ghana, Kenya, Mozambique, Namibia, Nigeria, Senegal, South Africa. EMBIG = Emerging Market Bond Index Global.

FIGURE 3. SUB-SAHARAN AFRICA: INTEREST PAYMENTS TO REVENUE, EXCLUDING GRANTS

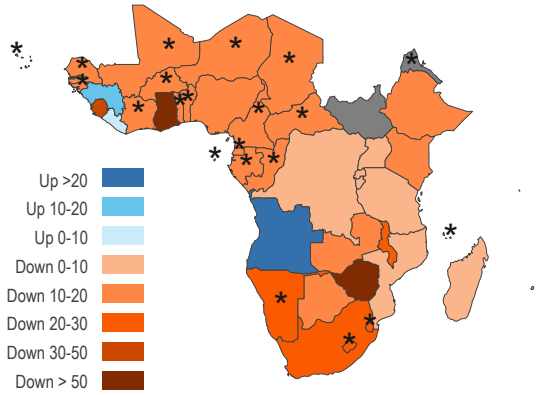
(Percent, median)



Source: IMF, World Economic Outlook database.

FIGURE 4. SUB-SAHARAN AFRICA: EXCHANGE RATE VERSUS US DOLLAR

(Percent change from September 2021 to February 2023. Asterisk = Peg)



Source: Bloomberg Finance, L.P.

The vulnerability of countries in the region to the funding squeeze is also a result of the overlapping crises of the COVID-19 pandemic and the war in Ukraine. The widening fiscal deficits from combating the impacts of the crises and slower growth are also important sources of debt increase, in addition to exchange rate depreciation. At the same time, pressing spending needs on health, education, and infrastructure have increased as a result of the crises and the increased natural disasters of drought and flood from climate change.

The East Africa region faces the same challenges as the rest of sub-Saharan Africa while exhibiting strong heterogeneity (Figure 5). The debt levels for most countries have increased after the COVID-19 pandemic. Growth is expected to moderate in some countries in 2023 but to increase modestly in others. Meanwhile, the current account deficit in most countries is projected to widen.

The funding squeeze undermines economic and development prospects in sub-Saharan Africa as most countries face constrained fiscal space after the COVID-19 pandemic and the cost-of-living crises. The recent developments limit countries' ability to address existing economic scars, leading to a slow economic recovery. Authorities are forced to cut development expenditures such as health, education, and infrastructure, weakening the region's medium-term economic growth prospects. The lack of fiscal space has also made it challenging to address the needs of the vulnerable segments of the population. With rising food, fuel, and fertilizer prices

in 2022, authorities struggled to scale up targeted support, including rebuilding efforts of disaster-affected regions. An estimated 132 million people had acute food insecurity in 2022. The fiscal deficits of most countries in the AFRITAC East region are expected to tighten in 2023.

To address the macroeconomic imbalances in the context of severe financing constraints, countries in sub-Saharan Africa have four main policy priorities:

- **Consolidating public finance.** This will be essential for managing the tightened funding conditions. Countries will need to continue revenue mobilization to fund priority spending and improve debt repayment capacity, which will also help attract more financing. Meanwhile, spending could be made more efficient through improved public financial management, including better prioritization, phasing out untargeted subsidies, and enhanced debt and fiscal risk management. In particular, containing arrears accumulation, off-budget spending, and guarantees and contingent liabilities—including from state-owned enterprises—are critical for the sustainability of public finance. Effective and proactive debt management can lower debt risks and reduce the bunching of payments. Countries with aggravated debt vulnerabilities, debt reprofiling, or restructuring—aided by a well-functioning debt-resolution framework—can help create fiscal space.

- **Containing inflation.** Inflation continues to be a focus of monetary policy until it is firmly trending down toward the central bank's target ranges.

- **Allowing the exchange rate to adjust to mitigate adverse shocks.** Tighter monetary policy will help soften the impact of exchange rate pass-through by anchoring inflation expectation, and fiscal consolidation can help contain depreciation pressure.

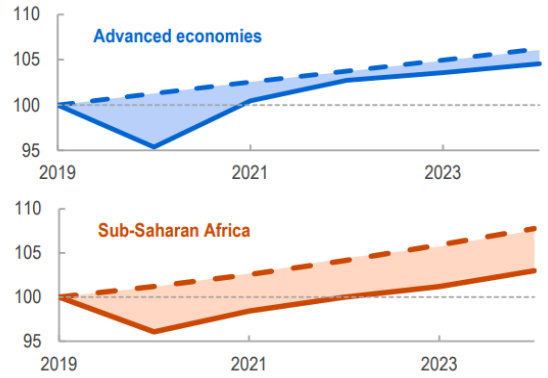
- **Responding to climate change without sacrificing basic needs, including health and education.** Climate change puts additional spending pressure on sub-Saharan African countries' tight fiscal space. It is important that climate finance be in addition to existing aid flows.

Finally, international assistance is critical to soften the constraints from the highly procyclical private funding flows. In particular, official development assistance continues to be a main source of financing to many fragile and conflict-affected states. Countercyclical development support can also help smooth the adjustment needed by countries that lost market access or face capital outflows. The IMF continues to provide support to the region, with lending programs in 21 sub-Saharan African countries as of March 2023.

FIGURE 5. MACROECONOMIC DEVELOPMENTS IN SUB-SAHARAN AFRICA AND THE AFRITAC EAST REGION

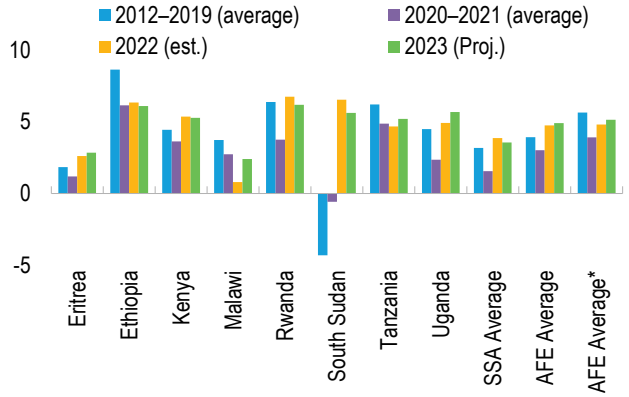
Selected Regions: Real GDP Per Capita, 2019–24

(2019 = 100, dashed lines indicate pre-pandemic projections)



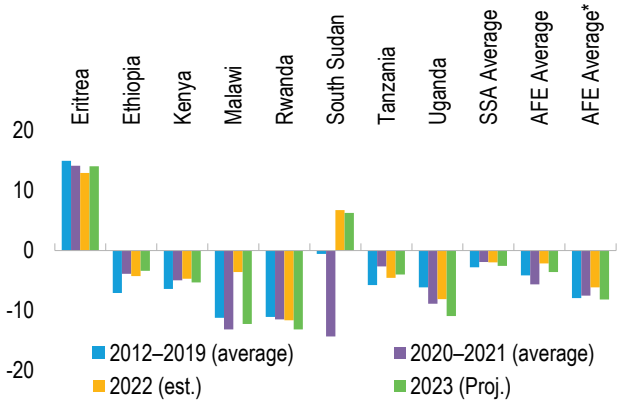
Real GDP Growth

(Percent)



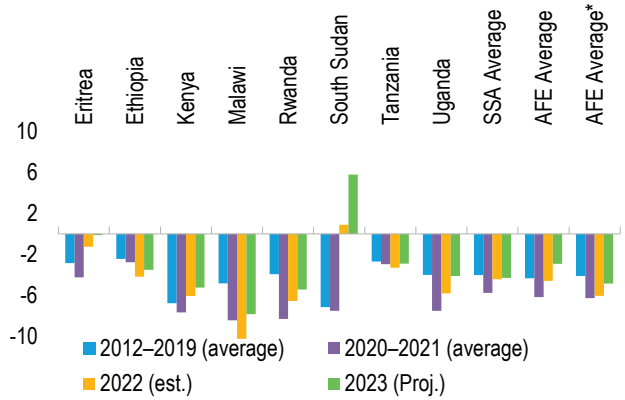
Current Account Balance

(Percent of GDP)



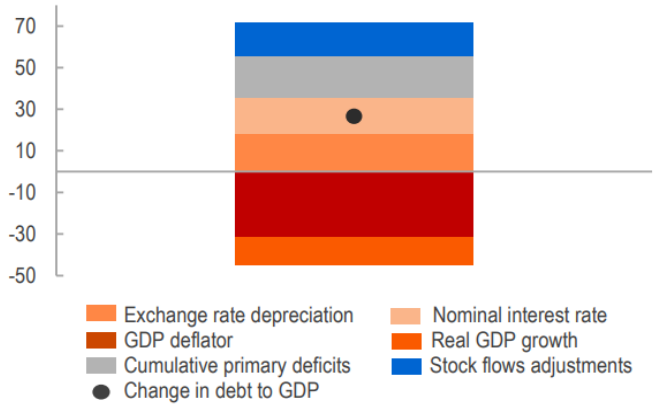
Overall Fiscal Balance

(Percent of GDP)



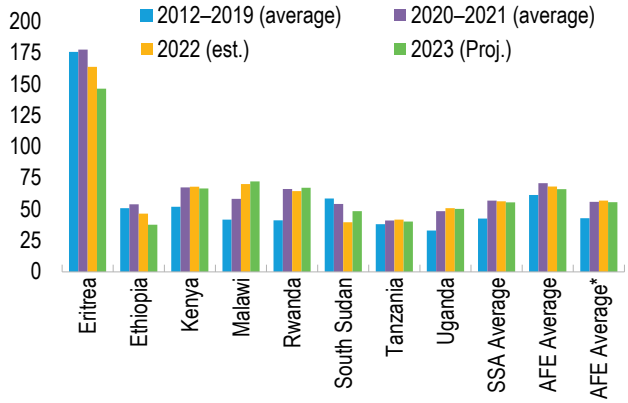
SSA: Drivers of Changes in Public Debt Ratio between End-2012 and End-2022

(Cumulative change, percentage points of GDP)



General Government Gross Debt

(Percent of GDP)



Sources: Country authorities; IMF, World Economic Outlook database, and IMF staff calculations.
Note: * Excluding Eritrea and South Sudan; SSA = Sub-Saharan Africa, AFE = AFRITAC East.

SECTION II

B ACTION PLAN ON THE MID-TERM EVALUATION

AFRITAC East continued to make good progress in implementing the action plan from recommendations of the midterm evaluation. The main developments in the past year are summarized here. Annex V gives a more comprehensive description of the action plan and AFRITAC East progress toward meeting its goals.

- **Further improve work planning.** Consistent with the previous years, the FY2023 work plan was created in consultation with member countries, donor partners, and regional organizations (for example, the East African Community). The process was closely coordinated with HQ through the Capacity Development Management and Administration Program (CDMAP). The FY2023 work plan was prioritized to accommodate needs arising from member countries' pandemic response measures and economic shocks emanating from the war in Ukraine. Resource allocation decisions took account of member absorptive capacity amid the COVID-19 pandemic, fragile states' needs, and other development partners (DPs) providing CD in the same areas. Likewise, for the FY2024 work program, authorities and other stakeholders were continually involved in the planning process. AFRITAC East used CDMAP to coordinate its work planning with HQ.

- **Improve cost-effectiveness and capacity for budget management.** The resident advisors drew up the work plan and budgets for FY2023 and FY2024 in CDMAP. CDMAP has built-in costing and budget control modules and monitors CD projects' budget execution in real time. It allows AFRITAC East to consider cost-effective modalities when designing missions and follow-up activities. Meanwhile, the work plan and budget for FY2023 were executed flexibly, with reallocations and adjustments made as needed.

- **Improve the use of results-based management (RBM) to monitor progress and manage performance.** AFRITAC East has adopted the IMF RBM Governance Framework updated in August 2020. It outlines how RBM data should be collected and reported to inform resource allocation decisions and set strategic objectives and priorities for member country CD. RBM data have supported some allocation decisions made for Phase V (for example, allocating fewer resources to monetary operations due to low demand of CD support from the center in Phase IV). Phase V logframes have considered RBM lessons learned in Phase IV (for example, setting realistic and achievable targets). AFRITAC East has begun reporting on outcomes (results) instead of milestones to align with the new governance framework. AFRITAC East also regularly shares RBM data with country authorities to receive feedback on the annual performance assessment and enhance country ownership of the RBM logframes that underpin CD support. CDMAP is used to manage the RBM system across the IMF.

- **Address gaps in AFRITAC East governance.** In FY2023, the Center Director visited all member countries to discuss with the Steering Committee (SC) members and other high-level officials about increasing interactions between the SC and AFRITAC East. Discussions also focused on strengthening engagement in work program design, implementation, and coordination of CD programs.

- **Coordinate with other Development Partners (DPs) as needed to avoid duplication.** The coordination with DPs and regional partners has continued. Their views on CD priorities in member countries were sought to inform the FY2023 and FY2024 work programs. During her visits to member countries, the Center Director also engaged with development partners to strengthen communication and ensure synergy in CD delivery. Long-term experts also continued to engage DPs in member countries via debriefing sessions at the end of in-person missions. General outreach through publications, the website, and the Facebook page continued.

SECTION II

C

BUDGET AND FINANCING ISSUES

PHASE V (FY2022–26)

As outlined in the program document, the budget for Phase V is $59 million. Of this budget, $50 million is expected from DPs, $6 million (about 10 percent of the budget) from member contributions, and $3 million from the IMF. In addition to its financial contribution as a member country, Tanzania, as the host country, will continue to provide office space and administrative staff without charge—neither is included in the budget. Workstream budget envelopes will remain indicative to allow for some flexibility.

A financing gap of about $16.5 million (5.4 million considering pledges) from development partners for Phase V remains. So far, AFRITAC East has secured contributions of more than $33 million from seven DPs: The Netherlands $5.9 million; Germany $5.5 million; the United Kingdom $5.3 million; the European Commission $4.8 million; Norway US$4.6 million, including a transfer of remaining funds from the now-closed South Sudan Trust Fund; China $3.5 million; and Switzerland $1.0 million. In addition, the IMF's COVID-19 Crisis CD Initiative (CCCDI) has contributed $2.5 million and has budgeted for an additional $2.5 million. Under a new umbrella agreement with the European Commission for AFRITACs and ATI, signed in May 2023, AFRITAC East is expected to receive an additional contribution of $8 million. So far, $26.5 million in partner contributions has already been received. Discussion of contributions continues with other partners. Securing multiyear funds is essential to allow AFRITAC East to enter into long-term financial commitments (for example, hiring highly qualified advisors).

The SC members approved in early 2022 equal distribution of member country contributions. So far, only Uganda has signed a member country contribution agreement for Phase V and no contributions have been received. The center is still working with the others to sign the contribution agreements. Member country contributions are a critical source of financing for AFRITAC East, covering about ten percent of the expenditures. They are an essential component of the center's governance structure, giving member countries a strong voice on the Steering Committee. Finally, they also show what member countries have skin in the game and signal AFRITAC East's value to DPs.

In addition to the activities financed through the AFRITAC East Subaccount, the center hosted two long-term advisors funded from CCCDI. CCCDI financed one advisor to support countries in the development of the medium-term revenue strategies. Another advisor (shared with AFRITAC South) financed by Canada through CCCDI supports countries on debt management.

SECTION II

D

COORDINATION WITH DEVELOPMENT PARTNERS

Coordination with DPs and regional organizations has continued in FY2023. This topic is discussed in the last bullet of Section II B: Action Plan on the Mid-Term Evaluation.

SECTION II

E

AFRITAC EAST OPERATIONS

This report covers May 2022 to April 2023 (FY2023). AFRITAC East executed 74 percent of the baseline plan in terms of FPWs (Table 1 and Figure 6). Activities delivered in person constituted 56 percent of the total resource amount, a notable increase from 4 percent in FY2022. However, the total amount of resources used was slightly less than in FY2022 (by 3 percent), mainly because of the extended vacancies for resident advisors in forecasting and policy analysis and government finance statistics areas. Like the rest of the labor market, the supply of experts willing to move or travel to the region is tighter than in the pre-COVID-19 era. In other work areas, resource execution was affected primarily by changes in member institutions' priorities to deal with immediate issues, the unavailability of experts for some missions, and the gradual resumption of in-person activities, and partly reflecting the challenge for advisors who joined the center during the pandemic to build strong relations with the authorities in a virtual world. As a result, resource use in FY2023 has remained below the pre-COVID-19 level (Figure 7).

The level of engagement after the resumption of in-person missions varied across countries and work areas. Fragile and conflict-affected states (FCS), which experience connectivity challenges, benefited the most from the return of in-person delivery. About thirty percent of all resources went to Eritrea, Ethiopia, and South Sudan, a significant increase from FY2022 (Table 2 and Figure 8). South Sudan had the highest resource execution rate (263 percent) among all countries, in part driven by the need to catch up with the other Partner States of the East African Community (EAC) in regional harmonization programs. In Eritrea and Ethiopia, the number of resources received more than tripled compared with FY2022, despite both having resource execution rates below 50 percent of the baseline plan, mainly due to a gradual re-establishment of in-person delivery logistics. Meanwhile, Uganda had the lowest execution rate (38 percent) and share of the resources (5 percent) in FY2023 partly because the authorities prioritized other work that HQ supported.

In terms of work areas, four out of nine work areas executed over 75 percent of their baseline plans, with the highest execution rate recorded in public financial management and macro-fiscal analysis (Table 2). Consistent with its agile practices, AFRITAC East managed the workplan flexibly, incorporating new activities and accommodating changes in CD priorities as member countries responded to various socioeconomic shocks and political developments.

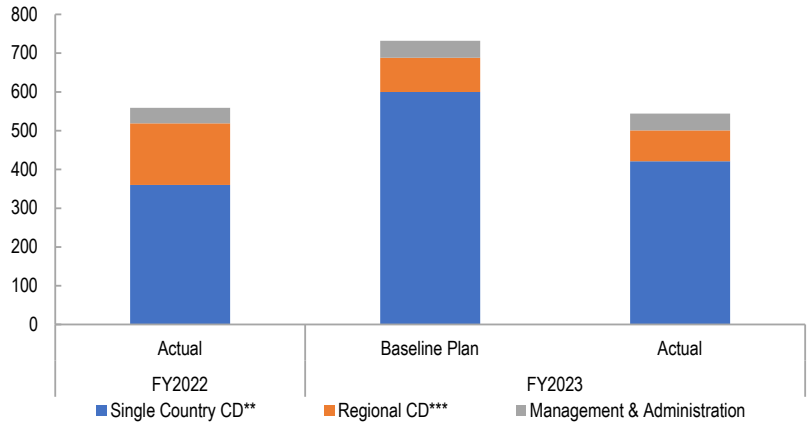
Regarding CD modalities, virtual delivery remains essential in CD delivery (Table 1). Virtual means are considered when designing missions and follow-up activities to ensure cost-effectiveness and flexibility in CD delivery. They are frequently used for preparatory work, follow-up activities, and peer learning. Virtual support also allows recruitment from a wider pool of external experts for missions to countries with good internet connectivity.

Meanwhile, the center organized events and conducted activities to celebrate its 20th anniversary. In particular, AFRITAC East conducted a series of seminars to showcase the achievements of member countries in areas supported by the center and to explore challenges and opportunities related to topics of interest to member

countries. The seminar series started with a central bank digital currency and crypto assets workshop hosted by the Bank of Tanzania in April 2022, followed by eight other seminars in FY2023 (Box 1). The center also conducted a social media campaign to increase awareness of its regional operations. Video-recorded interviews with the Governors of the Central Bank of Kenya, the Bank of Tanzania, and the Commissioner General of the Kenya Revenue Authority were posted on various IMF social media sites. AFRITAC East also published a booklet showcasing the success of its CD programs.

The results of AFRITAC East are reported for Phase V (Figures 9 to 16). Disruptions to progress in outcomes attainment include changes in national priorities in response to socioeconomic shocks, budgetary constraints affecting member countries' strategic initiatives, staff capacity and turnovers, and management stability affecting timely reform decisions. The disruptions caused by the COVID-19 pandemic, including the postponement of CD activities that could not be delivered remotely, also affected the performance of outcomes.

FIGURE 6. PLANNED VERSUS ACTUAL RESOURCES, IN FIELD PERSON WEEKS (FPWS*)



Note: *1 FPW = 6 working days. **Single-country capacity development (CD) includes TA, national training, and attachments to member countries. ***Regional CD includes regional workshops (including training by the Institute for Capacity Development, ICD), webinars, and support to the East African Community.

FIGURE 7. IMPACT OF COVID-19 ON AFRITAC EAST ACTIVITIES, ACTUAL FPWS, FY2019–FY2023

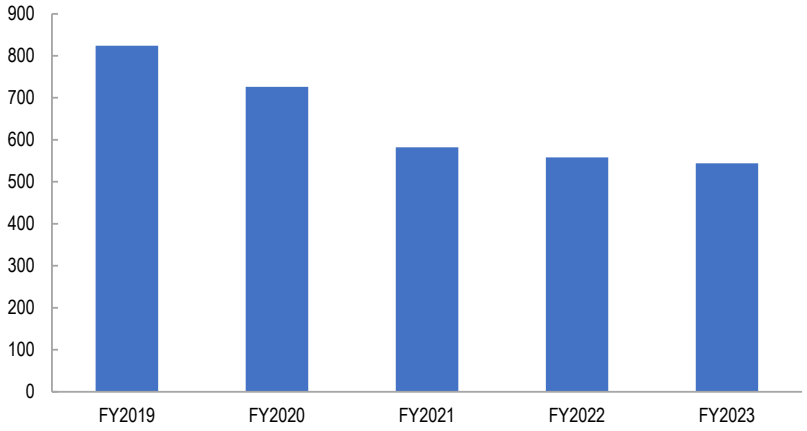
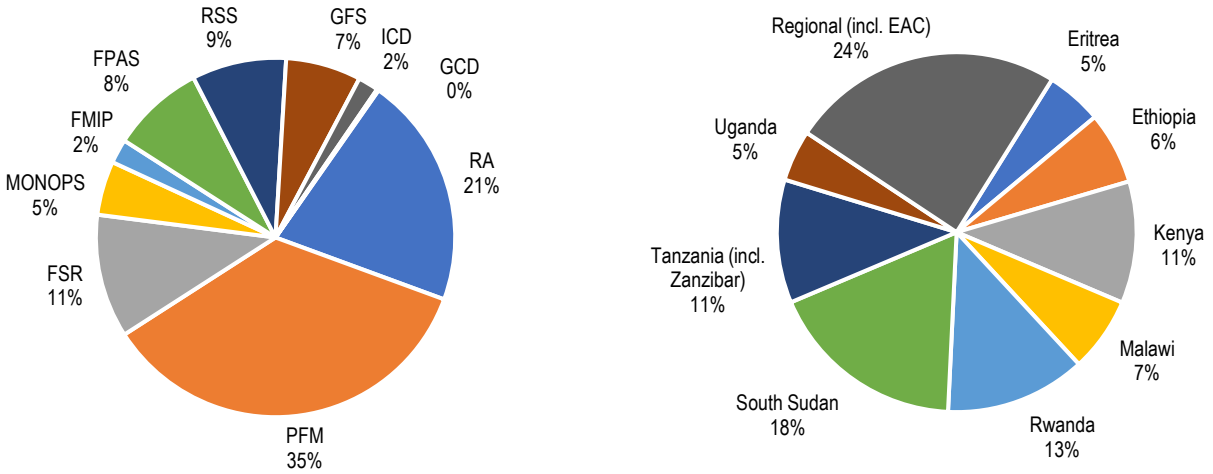


FIGURE 8. DISTRIBUTION OF (IN FPWS) RESOURCES BY COUNTRY AND SECTOR, FY2023



Note: **FMIP** = Financial Market Infrastructures and Payments; **FPAS** = Forecasting and Policy Analysis System; **FSR** = Financial Supervision and Regulation; **GCD** = Gender, Climate, and Digitalization; **GFS** = Government Finance Statistics; **ICD** = Institute for Capacity Development; **PFM** = Public Financial Management, includes Macrofiscal Analysis; **MONOPS** = Monetary Operations and Policy; **RA** = Revenue Administration; **RSS** = Real Sector Statistics.

TABLE 1. RESOURCES, FIELD PERSON WEEKS (FPWS)*, FY2023

	FY2022	FY2023			
Type of project (FPWs)	**Actual**	**Baseline Plan**	**Actual**	**Execution Rate (%)**	**Share of total FPWs (%)**
Single country CD**	360	600	421	70	77
Regional CD***	159	88	79	90	15
Management and administration	40	44	43	98	8
Total	**558**	**732**	**544**	**74**	**100**
CD Modalities (FPWs)					
Duty station-based work	473	319	157	49	29
Field-based work	26	350	302	86	56
Interactive learning and workshops	51	60	82	137	15
Peer-to-peer engagement	8	3.0	2.8	94	1
Total	**558**	**732**	**544**	**74**	**100**

Note: *FPW = 6 working days. Includes projects funded under CCCDI. **Single-country capacity development (CD) includes technical assistance (TA), national training, and attachments delivered to member countries. ***Regional CD includes all regional workshops, webinars, and support to the EAC.

TABLE 2. ALLOCATION OF RESOURCES BY COUNTRY, FY2023

	FY2022	FY2023			
Country (FPWs)	**Actual**	**Baseline Plan**	**Actual**	**Execution Rate (%)**	**Share of total FPWs (%)**
Eritrea	7	63	28	44	5
Ethiopia	12	70	35	50	6
Kenya	57	98	60	61	11
Malawi	58	66	37	55	7
Rwanda	87	95	69	72	13
South Sudan	33	37	97	263	18
Tanzania (incl. Zanzibar)	61	105	60	57	11
Uganda	45	66	25	38	5
Regional (incl. EAC)	199	132	134	101	25
Total (FPWs)	**558**	**732**	**544**	**74**	**100**

Note: FPW = 6 working days.

TABLE 3. ALLOCATION OF RESOURCES BY SECTOR, FIELD PERSON WEEKS (FPWS), FY2023

	FY2022	FY2023			
Workstream (FPWs)	**Actual**	**Baseline Plan**	**Actual**	**Execution Rate (%)**	**Share of total FPWs (%)**
Revenue administration	113	146	110	75	20
Public financial management and macro-fiscal analysis	181	183	186	102	34
Financial supervision and regulation	40	84	59	70	11
Monetary policy and operations	23	51	26	50	5
Financial market infrastructures and payment	21	33	12	35	2
Forecasting and policy analysis system	82	72	44	61	8
Real sector statistics	52	59	45	76	8
Government finance statistics	37	63	36	57	7
ICD training	10	10	10	97	2
Gender Climate Change and Digitalization	-	-	1	-	0.2
Medium-term Revenue Strategy	-	33	16	37	3.0
AFRITAC East Total (FPWs)	**558**	**732**	**544**	**74**	
Other CD area(s) hosted at AFE					
Debt Management	-	-	18	n.a	100

Note: FPW = 6 working days; n.a = not applicable.

BOX 1. AFRITAC EAST 20TH ANNIVERSARY SEMINAR SERIES

As part of the 20th anniversary celebrations, AFRITAC East organized a series of seminars to showcase the achievements of member countries in areas supported by the center and to explore challenges and opportunities related to topics of interest to member countries:

(1) **Central Bank Digital Currency (CDBC) and Crypto Assets.** This two-day virtual seminar was hosted by the Bank of Tanzania (BoT) in April 2022, the first in the seminar series. It was opened with remarks by Professor Florens Luoga, former BoT Governor; Hon. Dr. Mwigulu Nchemba (MP), Tanzania's Minister of Finance and Planning; and Dr. Bo Li, IMF Deputy Managing Director. Discussions covered issues both at the conceptual and practical levels, including legal, financial integrity, technology and cybersecurity risks, and interoperability.

(2) **Risk-based Supervision (RBS).** The virtual seminar was sponsored by the National Bank of Rwanda (BNR) in September 2022. It showcased Rwanda's achievements with the support of AFRITAC East. Participants exchanged views, reform experiences, challenges, and opportunities. The event gathered more than 70 participants across central banks, supervisory authorities, developing partners, and other external participants from 10 countries in Sub-Saharan Africa.

(3) **Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Supervision.**[1] This half-day virtual workshop took place in October 2022 and was sponsored by the Reserve Bank of Malawi to showcase Malawi's progress with the support of the AFRITAC East and IMF Headquarters. Representatives of the RBM and the IMF Legal Department held interactive discussions with more than 70 participants from 11 countries and 19 authorities, mainly consisting of central banks and supervisory authorities, ministries, developing partners, and other external participants.

(4) **Public Investment Management (PIM) Reforms.** This half-day virtual workshop was sponsored by Uganda and had participations from Ethiopia, Kenya, Rwanda, and Tanzania (Zanzibar). Participants learned from each other based on the different reform approaches adopted across the region and identified areas of improvement in their PIM systems.

(5) **Harmonization of Monetary Policy Operational Frameworks in the East African Community (EAC).** AFRITAC East, the EAC Secretariat, the Central Bank of Kenya and the Bank of Tanzania jointly organized this one-week workshop in March 2023. All seven EAC member countries participated and exchanged knowledge and experiences with the modernization of their respective monetary policy operational frameworks and to align frameworks in terms of the future monetary harmonization in the region.

(6) **Digitalization of Revenue Administration, (see Box 2).**

(7) **Embracing Artificial Intelligence in Customs Administration, (see Box 3).**

(8) **Climate Change and Macro-Financial Policies, (see Box 12).**

(9) **Government Finance Statistics and Public Sector Debt Statistics.** Held in Rwanda in May 2023, participants shared experiences in improving the coverage and timeliness of the government financial statistics and public sector debt statistics.

[1] IMF also have three regional advisors in Sub-Saharan Africa supporting efforts on AML/CFT. IMF also have three regional advisors in Sub-Saharan Africa supporting efforts on AML/CFT.

SECTION II

F

REVENUE ADMINISTRATION

Rameck Masaire, a Zimbabwean National, joined AFRITAC East in February 2022 as a Tax Administration Advisor. Before joining the center, Rameck worked for the Zimbabwe Revenue Authority (ZIMRA) as Acting Commissioner General.

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

In FY2023, member countries continued to strengthen revenue administration governance arrangements and core tax and customs functions. Resource execution rate was 75 percent of the baseline plan, with the largest share of it delivered to South Sudan. The execution of the workplan was mainly affected by travel restrictions in H1 and changes in national priorities. In terms of results, 49 percent of outcomes were fully or largely achieved, 45 percent partially achieved, and 7 percent not achieved (Figure 9).

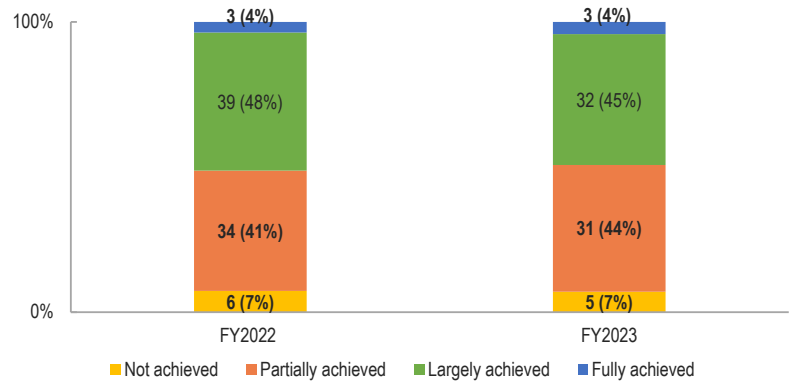
THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **Strengthened revenue administration management and governance arrangements.** Eritrea is developing both an information and communication technology policy and an information technology strategy as it prepares to acquire and operate the chosen commercial off-the-shelf solution.

- **Strengthened core tax administration functions.** South Sudan is developing user specification requirements for the first cluster of back-office processes to develop an integrated tax administration system (ITAS) for the National Revenue Authority. South Sudan is also engaging consultants for Information and Communication Technologies (ICT) strategy and policies and project quality assurance for the E-Tax Services project, which is part of the ITAS. Malawi continues with the efforts to expedite ITA implementation through strengthening the change management environment.

- **Improved core customs administration functions.** AFRITAC East provided support to Ethiopia on an ongoing CD to strengthen the post clearance audit (PCA), which commenced in 2019. The second support phase focused on strengthening PCA strategy, planning and the audit process, and practical handholding in execution. AFRITAC East supported Rwanda in developing a valuation center of expertise to enhance compliance. South Sudan benefited from reviewing and redesigning customs clearance procedures, including creating a standard operating procedures framework. AFRITAC East assisted Tanzania in strengthening its customs risk management and intelligence capacity.

FIGURE 9. AFRITAC EAST: STATUS OF REVENUE ADMINISTRATION OUTCOMES*



Note: *FY2022 includes Phase V and some of phase IV outcomes as reported last year; FY2023 shows outcomes for ongoing projects in Phase V. Outcomes should not be considered comparable because countries' conditions and workstream definitions vary considerably.

BOX 2. DIGITALIZATION OF REVENUE ADMINISTRATION

In recognition of the 20 years of supporting the region, AFRITAC East jointly organized a regional workshop titled "Leveraging Technology to Improve Taxpayer Service and Compliance" with AFRITAC West 2 (February 6-10, 2023). The participants comprised senior management officials in revenue administration from Cabo Verde, Ethiopia, Ghana, Kenya, Liberia, Malawi, Rwanda, South Sudan, Tanzania (including Zanzibar), The Gambia, Uganda, and Sierra Leone. The workshop was supported by staff from IMF headquarters.

Presentations included higher-level discussions with the Commissioners General, and experience sharing among participating countries. Key topics included the reason for tax administrations to embrace digital transformation, the role of leadership in digital transformation, institutional reorganization, human resource realignment to optimize ICT solutions and implementation, and opportunities and challenges of digital transformation. The workshop emphasized the need to have a well-articulated IT strategy that responds to business needs. Effective leadership and efficient governance structures were identified as key to realizing the benefits of revenue administration reforms. Participants also learned various techniques to improve cybersecurity and secure the IT environment in their respective jurisdictions.

The workshop highlighted the need for African countries to foster partnerships among tax authorities, software developers, businesses, and academia to facilitate homegrown solutions. Country experiences of Rwanda, Kenya, and Zanzibar proved that developing bespoke solutions is an emerging trend that serves revenue administrations well. Rwanda and Kenya have collaboratively developed bespoke electronic invoicing systems; Zanzibar also built an in-house tax administration system. Although the custom-made option is preferred, revenue administrations must invest in capacity building and retention of key staff.

Additionally, revenue administrations were encouraged to review their outsourcing models. Usually, revenue administrations outsource maintenance works and services such as infrastructure as a service, platform as a service, and software as a service. Revenue administrations were advised to avoid outsourcing their core business functions for security and business continuity considerations.

BOX 3. EMBRACING ARTIFICIAL INTELLIGENCE IN CUSTOMS ADMINISTRATION

As part of the 20th anniversary seminar series to celebrate the milestones attained in capacity development, AFRITAC East hosted a regional workshop on using artificial intelligence (AI) in customs administration. Twenty-five participants attended the workshop, three from each of the eight member countries.

The ever-evolving customs operating environment and emerging global threats in international supply chain management heralded new challenges for customs administrations. These challenges necessitate the deployment of appropriate advanced technologies like AI to solve some of the most complex problems in operations and to support risk management.

The use of information technology has led to substantial growth in big data in customs organizations. This growth presents an opportunity for customs administrations to understand their customers better, develop strategies to generate additional revenue, and proactively respond to emerging challenges in cross-border trade. However, a tiny portion of data collected by customs administrations gets analyzed for optimal utilization.

Intelligence-driven organizations analyze data to generate actionable insights that guide decision making and field operations. Participants appreciated how the vast amounts of unstructured data generated by customs administrations could be optimally used when there is knowledge and capability for data exploitation.

The workshop provided the opportunity for capacity development to facilitate the adoption and implementation of AI. Participants shared experiences and challenges in risk management and explored ways to leverage AI to enhance risk management. Some customs functions that could benefit include valuation, harmonized system classifications, rules of origin, Authorized Economic Operator, warehousing, transit operations, investigations, and post clearance audits.

Discussions during the workshop centered on the concept, benefits, and practical application of AI; leveraging the technology to enhance performance and optimal utilization of resources; big data and its technologies; prerequisites; and steps to deploy an AI project.

As in many jurisdictions, customs administrations in AFRITAC East member countries have limited use of AI. The workshop, therefore, provided the impetus and a road map that will shape the direction the authorities could consider in embracing digitalization in their reform and modernization efforts. The participants were guided in identifying reform priorities in AI and big data for their countries.

Workshop participants achieved consensus that the next steps should include the following: diagnosis of current customs operations to identify country-specific areas where AI is most needed, capacity building to equip customs administrations and relevant stakeholders with sufficient skill sets required to work with AI technologies and improving the existing data governance structures and practices. Authorities in the region need to adopt HR strategies to attract and retain staff trained in AI, machine learning, and big data technologies.

SECTION II

G

PUBLIC FINANCIAL MANAGEMENT

Imran Aziz, a national of the United Kingdom, joined AFRITAC East in June 2019 as a PFM advisor. He has 20 years' experience in public financial management, specializing in PFM reform processes, budgeting, and management of fiscal risks.

Amra Srdanovic, a citizen of Bosnia and Herzegovina, joined AFRITAC East in June 2019 as a PFM Advisor. She has over 20 years of PFM experience advising Ministries of Finance.

In FY2023, member countries worked on strengthening the analysis of fiscal risks, the oversight of state-owned enterprises (SOEs), budget costing techniques, project appraisal and selection techniques, cash management practices, and fiscal reporting. Resource execution rate was 102 percent of the baseline plan, with Rwanda and Kenya jointly receiving 44 percent of the total amount. In terms of results, 39 percent of outcomes targeted in Phase V were fully or largely achieved, 58 percent partially achieved, and 3 percent not achieved (Figure 10).

THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **Comprehensive, credible, and policy-based budget preparation.** Kenya developed a near-final draft of a budget preparation manual that integrates budget costing and project selection reforms to support expenditure prioritization in the context of reduced fiscal space. AFRITAC East assisted Rwanda in updating budget circulars and the planning and budget outlook paper to support the calculation of the budget baseline and set binding expenditure limits earlier in the budget process to support targeted expenditure prioritization. National training conducted in Eritrea, South Sudan, and Zanzibar focused on strengthening tools and techniques for macro-fiscal forecasting and budget baseline costing. AFRITAC East conducted targeted training in Tanzania on expenditure analysis across various levels of government.

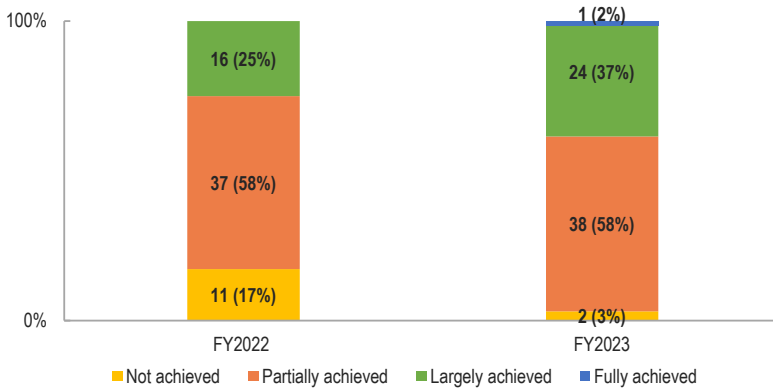
- **Improved management of public investments.** In Ethiopia, AFRITAC East provided ongoing support toward implementing the Public Investment Management Proclamation through training on project appraisal, selection, and prioritization techniques. Malawi drafted an outline for a PIM policy and received training on project pre-implementation tools. In Uganda, following almost a decade of reforms in PIM, an IMF public investment diagnostic's positive results demonstrated that improvements were being made toward increasing the efficiency of public investments. Also, in Uganda, AFRITAC East provided hybrid support to develop the updated multiyear commitment template (MYCT) and supporting guidelines, which was preceded by an in-country validation workshop with ministries departments and agencies (MDAs) and budget sector officers. In Zanzibar, training introduced methods to strengthen fiscal risk reporting for 10 public corporations (PCs) using the IMF Health Check Tool and peer learning on reporting techniques to improve the efficiency of SOE investments (Box 4).

- **Improved coverage and quality of fiscal reporting.** Kenya received detailed guidance on preparing for the planned transition to accrual accounting, including: (1) finalization of the accounting policy; (2) finalization of the standard chart of accounts (SCOA) for the integrated financial management information system (IFMIS) reconfiguration; and (3) revision of new business processes and the reconfigured IFMIS system. The coverage and quality of the financial reporting of state corporations, semi-autonomous government agencies, and public funds were also assessed. In Tanzania, government officials responsible for the consolidation of public sector accounts, public debt, and internal audit received training on the IPSAS requirements to assess specific financial reporting gaps and develop ways to ensure compliance with the accrual IPSAS. Eritrea built capacity on the classification of the functions of government (COFOG) and alignment of the SCOA's economic segment with the *GFSM 2014*. Additional guidance focused on redesigning the SCOA to follow the multidimensional structure that is a prerequisite for the planned upgrade of the government IFMIS. In Rwanda, AFRITAC East provided advice on improving the governance and project management arrangements required for efficient and timely IPSAS Accrual implementation. The mission reviewed the economic segment of the SCOA on its ability to produce information required for financial reporting (IPSAS), budget execution, and statistical reporting (GFS).

- **Improved asset and liability management.** AFRITAC East provided practical guidance to South Sudan on improving the treasury single account (TSA) banking arrangements and compiling the list of all government bank accounts. The Treasury Cash Management Unit (CMU) was assisted in drawing up the preliminary cash plan for FY2022/23. The CMU presented the preliminary cash plan to the Cash Management Committee (CMC) for further action. Further quarterly follow-up support was delivered in person to update the FY2022/23 cash plan with the first quarter and second quarter outturn and support the ongoing TSA reforms. Based on recommendations from CMU, the CMC agreed to revise expenditure in the cash plan to achieve balanced Treasury bank accounts. The CMC decided to have regular meetings to ensure budget execution was on track and within cash availability.

- **Improved PFM laws and effective institutions.** In Rwanda, AFRITAC East supported the authorities in updating the 2016 Ministerial Order in line with the recently promulgated 2022 Organic Law on Public Finance Management (OLPFM), reflecting the reforms that have taken place since 2016 to strengthen PFM, accountability, and transparency. This mission was key in understanding authorities' expectations and defining further steps and responsibilities for finalizing the new ministerial order on PFM. Follow-up support focused on the legal drafting of key technical chapters and to guide the operationalization of the OLPFM and the related ministerial order.

FIGURE 10. AFRITAC EAST: STATUS OF PFM OUTCOMES*



Note: *FY2022 includes Phase V and some of phase IV outcomes as reported last year; FY2023 shows outcomes for ongoing projects in Phase V. Outcomes should not be considered comparable because countries' conditions and workstreams' definitions vary considerably.

AFRITAC East mission team with South Sudan officials in a cash management mission

BOX 4. ZANZIBAR: STRENGHTENING SOE OVERSIGHT

Like many countries in the region, Zanzibar is susceptible to fiscal risks arising from the SOE sector. Deviations from the annual budget are often related to in year requests for financial support and the inability to repay direct and guaranteed loans. Recent reform efforts to strengthen SOE oversight, supported by AFRITAC East, have provided a solid platform to identify, analyze and mitigate fiscal risks arising from the SOE sector by utilizing the SOE fiscal risk tools developed by the IMF. Concrete milestones achieved by June 2023, over a period of three months, include the first consolidated report for SOEs and draft performance contracts to be signed with SOEs.

The SOE sector in Zanzibar comprises 16 companies, the majority of which are underperforming. This is increasing strain on government finances and scaling up fiscal risks. The President recently created a new office to manage the oversight of the SOE portfolio, and a Law was recently enacted for the Zanzibar Office of the Treasury Registrar (OTR) to strengthen reporting and institutional arrangements for the SOE portfolio and minimize fiscal risks from the sector. The staffing for the office is limited, with only three members.

AFRITAC East supported the authorities in establishing the key processes required to operationalize the Law and developing a reform roadmap. In April 2023, a mission was conducted to train OTR staff and officials from the SOEs on the IMF Health Check Tool and how it can be used for conducting fiscal risk analysis and reporting. The training was conducted through a series of lectures, peer learning events, and hands-on exercises.

The mission worked with the core group of officials to develop an outline for a consolidated report requested by the President. The report drew on the analytical outputs of the HCT, which included heat map charts and tables at the portfolio and individual company levels. During the mission, AFRITAC East played an important role in facilitating dialogue between the OTR and the SOEs; many needed to familiarize themselves with the new Law and institutional arrangements.

In three months, the OTR has developed the first consolidated report based on the HCT for SOEs in Zanzibar and drafted performance contracts with each company for the new financial year starting in July 2023. This is a considerable achievement, given their limited staffing, which is also being strengthened in line with a key recommendation of the AFRITAC East mission. Going forward, AFRITAC East will continue to support reform efforts for SOE oversight in Zanzibar, which will involve a full functional review and support on developing technical guidance (manuals, circulars, and templates) to operationalize the SOE oversight legal framework.

SECTION II

H

MACROFISCAL ANALYSIS

Matthew Quillinan, an Australian citizen, joined AFRITAC East in February 2020 as 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, among other countries, the Solomon Islands, Indonesia, The Gambia, and Sierra Leone

THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **Comprehensive, credible, and policy-based budget preparation.** South Sudan's Directorate of Macroeconomic Planning and Aid Coordination (DMPAC) developed an updated and streamlined version of the macro-fiscal framework (SSMFF). The SSMFF was built, based on core modules, consistent with staff capacity and data availability (Box 5). AFRITAC East provided Eritrea with macro-fiscal forecasting training, focusing on revenue forecasting and analysis methodologies. Uganda updated their quarterly GDP forecasting tool, accounting for significant seasonality in GDP outturns, correcting issues that had arisen due to COVID-19, allowing for the use of judgment in forecasts, and extending the analysis to subsectors of the economy. In conjunction with work on PFM, the center supported Uganda, Kenya, Rwanda, Eritrea, and South Sudan to integrate macro-fiscal forecasts and analysis with the budget cycle.

- **Strengthened identification, monitoring, and management of fiscal risks.** In Kenya, AFRITAC East supported the new Fiscal Risk Unit and Working Group, comprising representatives from various departments in the National Treasury, including Budget, Marco, Debt, PPP, SOE and County Governments, to: (1) further develop and customize a Fiscal Risk Register that includes identification, quantification, and assessment of fiscal risks; (2) prepare fiscal risk area briefs to summarize key risks and advise on mitigation measures; and (3) draw up an overarching summary brief for submission to the Fiscal Risk Committee. Terms of reference for each institutional unit responsible for fiscal risk assessment (including the Fiscal Risk Committee, Unit, and Working Group) and a detailed calendar for developing briefing products by each institutional unit were customized and agreed upon (Box 6). In Uganda, AFRITAC East trained more than 30 staff in the Ministry of Finance, Planning and Economic Development on the State-Owned Enterprises (SOE) Health Check Tool (HCT) and provided guidance on developing a consolidated report and quantified fiscal risk analysis for completing the public corporation section of the fiscal risk statement. Assessment of fiscal risks related to climate change was a growing area of work. In addition to a regional workshop, a joint FAD/AFRITAC East mission supported Rwanda in implementing the newly developed Q-CRAFT (Quantitative Climate Risk Analysis Fiscal Tool) to evaluate the broad, long-term macroeconomic implications of various climate change scenarios and their consequences for revenue and debt. This assessment was a requirement to access funds under the Resilience and Sustainability Fund; Rwanda was the first African country to do so (Box 7). Hands-on support provided to Malawi strengthened their SOE oversight by preparing the consolidated SOE report for FY2021/22 and updating the Malawi SOE database. In-person training sessions delivered during a two-day workshop with all commercial SOEs provided further guidance on using the HCT and supported all SOEs to adopt the tool.

BOX 5. PFM DEVELOPMENTS IN SOUTH SUDAN

South Sudan has developed a clear PFM reform strategy focusing on 11 key areas that address challenges in executing the budget and simplifying the macroframework.

Macrofiscal Forecasting Framework.

Over the course of FY2023, AFRITAC East supported the Ministry of Finance and Planning (MoFP) in developing a streamlined macro-fiscal forecasting framework (the SSMFF) consistent with staff capacity and data availability. This framework allowed for the revised SSMFF to reflect available data, ensure the consistency of key links between sectors, and correct historical calculation errors.

The SSMFF is constructed around a series of modules for each key economic sector, including data, projections and analytics, and reporting. During the mission, modules were developed for GDP, prices and inflation, oil production and revenue, non-oil revenue, external sector (exchange rates), and expenditure. Staff from MoFP were trained on their use. Workshops consisted of a mix of theoretical presentations on key economic and fiscal concepts, module development sessions for the SSMFF, and practical exercises to familiarize analysts with the concepts and operation of the SSMFF. The comprehensive and consistent attendance of MoFP staff reflected the value they placed on the framework.

The SSMFF is a critical component in the toolkit for MoFP. It will form the foundation for many of the core tasks of the Ministry, particularly in developing the budget resource envelope and assessing the impact of the fiscal stance on economic aggregates. Achieving these core tasks will require the regular and consistent provision of necessary data, the update and maintenance of the framework by MoFP staff on a monthly basis, and a forecasting process that supports a consistent and agreed set of macro-fiscal projections. The SSMFF can help this process by providing a framework for the development of agreed forecasts based on a shared data set. AFRITAC East will continue to support South Sudan in developing the SSMFF and embedding it into MoFP processes, particularly in the timely development of macroeconomic and fiscal forecasts during the budget cycle.

Budget Preparation.

AFRITAC East conducted its first budget preparation mission in February 2023 and identified several complementary areas to support the PFM reform strategy.

- The first was establishing a structured budget calendar, which has not existed since independence in 2011; as a result, the budget had never been passed on time.
- The second was to expand the budget call circular to include a stronger emphasis on budget costing and expenditure prioritization and for MoFP to play a stronger challenge function when MDAs submit their budgets and address inflated proposals that are a primary cause of arrears.
- The third was to install credible macro-fiscal projections, given that these had not been formally developed in over six years. The budget calendar and call circular provided key entry points to use a more simplified macro-model created with AFRITAC East support.
- The fourth was to adopt standardized costing worksheets to be completed alongside the Spending Agency budget submissions to assist the budget department in challenging the budget submissions and ensure costs were not inflated.

Adopting the mission's recommendations would require intensive support over the year, which could not be effectively delivered by AFRITAC East alone. A proactive effort was made to use the World Bank PFM institutional strengthening program to implement reform measures to address the capacity challenges and institutional fragmentation common in fragile and conflict-affected states.

Nevertheless, the Budget Department trained spending agencies to apply the costing worksheets, which will be used to inform the forthcoming budget process. The use of costing worksheets illustrates that simple and practical tools can be applied with minimal training and customization to support PFM processes in a challenging environment.

BOX 6. ESTABLISHING A FISCAL RISK COMMITTEE IN KENYA

In recent years Kenya has made substantial progress in analyzing and managing fiscal risks. One significant development was the establishment of a Fiscal Risk Committee (FRC) at the end of 2022. This was part of an objective for the National Treasury to promote the anticipation, monitoring, evaluation, management, and mitigation of contingent liabilities and other fiscal risks. The establishment of the FRC, with its supporting infrastructure, is an example of how a significant reform such as this can be successfully established and embedded.

The first phase was to establish an FRC structure and supporting institutions suitable for Kenya. FRC structures vary according to the overall institutional framework, so it was important that this be customized to the Kenyan experience. While a significant amount of fiscal risk analysis was already happening in the National Treasury, this was scattered and lacked a central focus point for policy discussion.

A joint FAD/AFRITAC East mission was conducted to discuss and agree on various options for the FRC, based on international good practices. This involved extensive discussions with key departments in the NT, as well as the Parliamentary Budget Office and the Office of the Attorney General, to understand existing work, gaps and opportunities, and constraints. Considerations included the need for a central body to coordinate existing fiscal risk analysis, the importance of avoiding duplication, level of formality, and level of decentralization. A seminar on international experiences was held with representation from United Kingdom (HM Treasury and Office for Budget Responsibility), Australia, and Ghana. A subsequent workshop was held to discuss options for the FRC and agree on the proposed structure and governing arrangements.

Kenya agreed to establish an FRC chaired by the Permanent Secretary and comprising Directors General from the National Treasury. This group would meet regularly and report to the Cabinet Secretary, who would then report to Cabinet as necessary. The supporting structures to ensure successful FRC meetings is also critical. The group agreed to set up a Fiscal Risk Unit under the Directorate of Budget, Fiscal, and Economic Affairs to coordinate FRC meetings and the delivery of briefings. A Fiscal Risk Working Group (FRWG) drew on all relevant risk areas with National Treasury, including MDAs, SOEs, and PPPs, to provide detailed analysis. Key briefing products were discussed, including a Fiscal Risk Register (FRR), two-page risk area briefings, and an overarching headline brief.

The second phase was to operationalize the structures agreed to in Phase 1. An AFRITAC East mission supported the FRWG to agree on the structure and content of the FRR and then populate it. The FRR identifies the key risk areas in Kenya and provides a quantification of the potential impact and analysis of likelihood of occurring. It allows for a comprehensive and consistent analysis of various risks. Each risk area prepared two-page briefings summarizing their key risks, including recent developments and proposed mitigation measures. These are designed to be regularly updated and provided to the FRC for each meeting. The FRWG and the FRU collaborated on producing an overarching headline brief that summarized the key points of the individual briefings and provided advice on actions for the FRC.

Finally, the FRWG agreed on TORs for each of the institutions and a timeline and key actions for producing the briefing products ahead of the FRC meeting.

The framework has been adopted by the National Treasury. Initial meetings of the FRC have taken place, and the internal structures to support the briefings are being used. This is a testament to the extensive consultation and discussion that led to the design of the FRC and the focus on developing a structure that works within the country context. More work will be required in the coming year to ensure that mitigation measures and recommendations from the FRC have an impact in fiscal choices.

BOX 7. RWANDA AND CLIMATE CHANGE

Countries in East Africa are heavily exposed to the impact of climate change through the effects of changing temperature and precipitation patterns on rain-fed agriculture, power generation (especially hydro), and the increased prevalence and severity of natural disasters on economic production and critical disasters. The IMF has been strengthening its capacity to support countries in measuring and addressing the impacts of climate change, particularly through the development of analytical techniques to examine the current and potential impacts of climate change, accounting for climate impacts in investment programs, and the development of financing programs, notably the Resilience and Sustainability Facility (RSF). AFRITAC East has been at the forefront of supporting countries in using these new tools and facilities. Rwanda's recent experience is an example of the type of support that can be provided.

Climate-Public Investment Management Assessment (C-PIMA). In April 2022, Rwanda became the first country in the region to undertake a climate PIMA with support from AFRITAC East (led by IMF Fiscal Affairs Department, FAD). This diagnostic assesses the institutional readiness and gaps in PIM against the backdrop of climate change challenges. Rwanda has a strong track record of integrating climate change into its planning, budget and execution, and reporting processes. For example, the latest Nationally Determined Contribution document lists 24 measures to adapt to climate change. The C-PIMA reflected these measures and identified the scope to incorporate climate change mitigation and adaptation criteria in project appraisal and selection processes.

Rwandan authorities built on the recommendations of the C-PIMA and developed a targeted road map (implementation plan) to strengthen institutional monitoring reporting of climate-related spending and to integrate climate risks into fiscal planning. The road map has since been adopted to secure access to an RSF loan, an arrangement for low- and middle-income countries vulnerable to climate-related risks. Disbursements of the loans are based on proof of implementation of preset reforms.

Assessing long-term macrofiscal impacts of climate change. AFRITAC East (together with FAD) has since supported the Rwandan authorities to implement the reform road map set up as part of the RSF. This road map has involved developing and applying a model to quantify the long-term impact of climate risks. To support countries in assessing the long-term macrofiscal impacts of climate change under various climate scenarios, FAD has developed the Quantitative-Climate Risk Assessment Fiscal Tool (Q-CRAFT). This tool allows countries to build a customized long-term (50- to 100-year) macrofiscal baseline and examine the impact of various climate change scenarios over the long term. This analysis is based on empirical evidence from recent IMF research which looks at the country-by-country productivity impacts of higher temperatures. AFRITAC East supported countries implementing Q-CRAFT through a joint FAD/ATI/AFRITAC East and South workshop in April 2023, through ad hoc support to other countries such as Uganda, and most significantly through participating in a HQ-led mission in Rwanda where the tool was customized and embedded in the Rwandan fiscal risk structure. Implementing the tool was a key program target for Rwanda in accessing the RSF; it was the first country in Africa to do so.

Assessing discrete fiscal risks of climate change. In addition to the broad macro-fiscal impacts on GDP growth, revenues, and debt, climate change poses a significant set of specific risks to the performance of SOEs and public-private partnerships (PPPs), critical infrastructure, support for affected parties, and other vital areas. These risks include the direct impacts of changing weather and natural disasters and the transition costs of moving to a low-emissions environment, which may require additional funding and strain government assets. In many countries, the impact of discrete fiscal risks may occur much faster and more severely than the long-term impacts of climate change. This area of ongoing analysis, using the IMF's Fiscal Risk Toolkit, will be a key part of FY2024 support.

Future support. Future activities will involve further support to include climate tagging through the budget, climate-sensitive project appraisal and selection, and additional analysis of the impact of discrete fiscal risks through SOEs and PPPs.

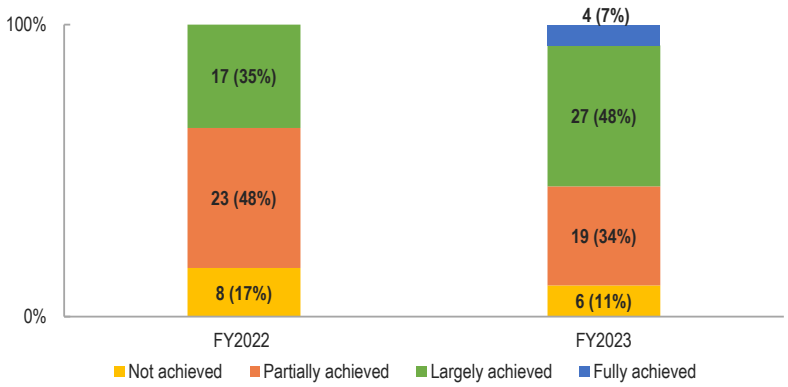
SECTION II

FINANCIAL SUPERVISION AND REGULATION

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

AFRITAC East member countries continued working on upgrading banking regulations and frameworks, enhancing supervisory capacity on the latest developments and best practices in the insurance sector, and strengthening supervisory approaches to securities markets. The FY2023 emphasis was on implementing Basel II/III standards in the banking sector, enhancing risk-based processes and manuals, building capacity and technical knowledge for insurance supervisors to implement IFRS 17 reforms, and developing supervisory approaches for systemic risk in capital markets. Resource execution rate was 70 percent of the baseline plan, affected mainly by a gradual resumption of in-person activities. Ethiopia and Tanzania received a larger share of the resources. In terms of results, 55 percent of outcomes targeted in Phase V were fully or largely achieved, 34 percent partially achieved, and 11 percent not achieved (Figure 11).

FIGURE 11. AFRITAC EAST: STATUS OF THE FINANCIAL SUPERVISION AND REGULATION OUTCOMES*



Note: *FY2022 includes Phase V and some of phase IV outcomes as reported last year; FY2023 shows outcomes for ongoing projects in Phase V. Outcomes should not be considered comparable because countries' conditions and workstreams' definitions vary considerably.

THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE IN FY2023 WERE:

- **Develop/strengthen banks' regulation and supervision frameworks.** Banking regulators in Eritrea, Ethiopia (Box 8), Malawi, Rwanda, and South Sudan enriched their supervisory capacity. They issued new regulations and guidelines on sound risk management in line with international standards and principles. Transition to Basel II/III standards regarding capital adequacy regulation (including capital buffers) and minimum requirements were emphasized. AFRITAC East delivered TA on recovery plan review using an operational assessment tool, designing new supervisory practices and plans that align engagement level with the entity's risk profile, analyzing bank financial statements and understanding the external audit process, integrating systemic risk assessment in risk-based supervision (RBS), and managing the interest rate risk in the banking book. Training programs also built capacity to intensify supervisory processes; two webinars were held on RBS and anti-money laundering and combating the financing of terrorism (AML/CFT) supervision.

- **Develop/strengthen cybersecurity regulations and supervisory frameworks.** South Sudan learned more about prudential requirements relating to cybersecurity in line with international best practices. New offsite and onsite supervisory manuals have been developed.

- **Develop/strengthen insurance companies' regulation and supervision frameworks.** Insurance supervisors in Tanzania and Uganda benefited from AFRITAC East CD to support the regulators and the industry in complying with the new IFRS 17 standard's disclosure and reporting requirements. AFRITAC East also delivered a regional workshop on implementing IFRS 17 to provide a broader understanding of the processes involved and the prudential implications, help participants enhance their preparedness level, and help create processes to accommodate the transition.

- **Develop/strengthen the securities and derivatives regulatory and supervisory framework.** AFRITAC East provided regional guidance through a workshop on identifying and managing systemic risk in capital markets. TA on supervising contracts for difference (CFDs) was provided to the Capital Markets and Securities Authority to determine an appropriate regulatory response to trading CFDs in Tanzania.

BOX 8. IMPLEMENTING BASEL II/III FRAMEWORK IN ETHIOPIA

A CD mission was delivered to the National Bank of Ethiopia (NBE) in January 2023 to support the transition to Basel II/III framework. Ethiopia intends to open its financial market and license foreign banks. A key prerequisite is upgrading its existing capital framework by aligning local regulation to international standards. The NBE is committed to taking the essential steps by first developing new Pillar I directive and reporting templates.

The current regulation closely follows the Basel I framework. The assistance focused on reviewing the constituents of capital and the minimum required capital for Pillar I risks. The NBE implementation team, with the support of the AFRITAC East experts, reviewed the available options and discretions for implementing the different components of Pillar I and the impact of each choice in terms of regulatory prudence and implementation simpleness. A time-bounded action plan and milestones were developed to steer implementation efforts, including industry consultation and sensitization, quantitative impact studies to assess risk exposures, and parallel runs for the banks to get acquainted with the new reporting requirements.

Following the action plan and avoiding unnecessary delays are significant steps that will convey a clear signal to the banking community regarding the alignment of the Ethiopian framework to international capital standards. The designed Basel II/III transition reforms will strengthen the quality and quantity of regulatory capital and, at the same time, increase the stability of the financial system overall. However, several challenges and implementation risks persist in adopting the new framework. Despite the concerted efforts, it is still a priority to enhance project management to forestall postponements and strengthen internal regulatory technical capacity.

SECTION II

J

MONETARY POLICY AND OPERATIONS

Carel Hugo, a South African national, joined AFRITAC East in October 2020 as Resident Advisor on Monetary and Foreign Exchange Operations, and Financial Market Infrastructure and Payments. Callie worked at the South African Reserve Bank for more than 30 years in several departments and a variety of capacities.

In FY2023, progress in AFRITAC East countries toward price-based monetary policy and the modernization of operational frameworks continued at various paces. There was an enhanced focus on foreign exchange intervention policies and exchange rate flexibility. The deepening of financial markets was a key focus area in bilateral engagements with the authorities and three regional workshops. Resource execution rate was 50 percent of the baseline plan, affected by a slow restarting of activities in some countries and a gradual resumption of in-person activities. Ethiopia and Tanzania received a larger share of the resources. In terms of results, 20 percent of outcomes targeted in Phase V were fully or largely achieved, 70 percent partially achieved, and 10 percent not achieved (Figure 12).

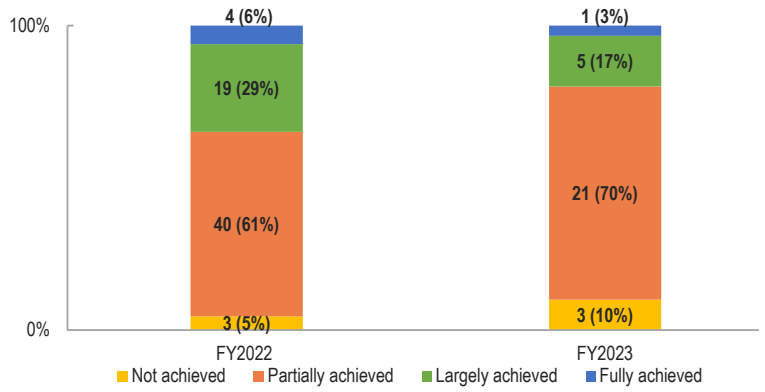
THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **Strengthening of efficient monetary policy implementation under the existing regime.** Member countries continue modernizing their respective monetary policy operational frameworks in line with the transition to interest rate–focused monetary policy. It entails the effective use of the appropriate monetary policy instrument toolkits, strengthening liquidity forecasting frameworks as a prerequisite for sound liquidity management and operations, and formalizing the setting of overnight interest rates as operating targets. AFRITAC East assisted Uganda with further strengthening monetary policy implementation and enhancing exchange rate flexibility. Following an in-person scoping mission, support to South Sudan focused on drafting a road map for the strengthening of the monetary policy operations, including the liquidity forecasting framework. Support to Ethiopia focused on operationalizing the directives for open-market operations and standing facilities as reflected in the road map for the modernization of the monetary policy framework.

- **Strengthening the implementation of foreign exchange operations given the FX and monetary policy regimes.** AFRITAC East assisted the Bank of Tanzania with developing a foreign exchange intervention (FXI) strategy in a floating exchange rate arrangement. The key objective was to introduce a volatility based FXI rule.

- **Deepening key financial markets.** AFRITAC East emphasized the interconnectedness between monetary policy implementation and financial market development during CD missions and workshops. The introduction of interest rate benchmarks to support financial market development, monitor monetary policy transmission, and facilitate the functioning of the secondary market for government securities has become a focus area in all engagements with authorities. Also, the development of repo markets as an essential building block in the financial ecosystem was addressed. Member countries continue enhancing monetary policy operational frameworks as the first entry for effective interbank markets and monetary policy transmission.

FIGURE 12. AFRITAC EAST: STATUS OF THE MONETARY POLICY AND OPERATIONS OUTCOMES*



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BOX 9. THE LINK BETWEEN MONETARY POLICY FRAMEWORKS AND FINANCIAL MARKETS

Progress across the AFRITAC East member countries with the modernization of monetary policy operational frameworks and exchange rate reforms are diverse, and the level of broader financial market development varies even more, especially markets for government securities. The majority of the countries pursue a monetary aggregate targeting policy framework, with hybrid operational frameworks, which is not always appropriate for interest rate–based monetary policy frameworks. Most central banks are facing or had faced similar challenges with respect to the modernization of monetary policy operations and market development. Regional workshops during FY2023[1] therefore focused on strengthening participants' fundamental knowledge of effective monetary policy implementation and building blocks for the development of the market segments. The latter cannot happen in isolation.

The panel sessions with country presentations during all regional workshops were productive and contributed to the peer-to-peer learning objective. It allowed participants to have a better understanding of how other central banks conduct their operations and the challenges they face and provided more information to other central banks on how to overcome challenges. Some countries demonstrated progress with liquidity forecasting in their presentations and discussions, albeit with a common challenge regarding access to credible government data. Insufficient collateral frameworks and money market segmentation are severe in most of the AFRITAC East countries. The latter, together with excess liquidity, contributes to weak monetary policy transmission.

In modernizing monetary policy operational frameworks, the link between monetary policy instruments and the stage of financial market development is largely overlooked. Functional financial markets are a key prerequisite for countries to transition to interest rate–focused monetary policy frameworks. Monetary policy frameworks comprise the macroframework, that is, the structures

[1] AFRITAC East, South, West, and West 2 joint regional workshop Modernization of Monetary Policy Operations and Financial Market Development (November 14–18, 2022); AFRITAC East and EAC workshop Harmonization of Monetary Policy Operational Frameworks (March 20–24, 2023); AFRITAC East, South, and West 2 joint regional workshop Development of Repo Markets (April 11–14, 2023).

Box 9 continued

that enable and guide the conduct of monetary policy (objectives of monetary policy, intermediate targets, and operating targets), and the operational framework, which consists of the operating target and the monetary policy instruments. Irrespective of the monetary policy regimes pursued by central banks, the objective of operational frameworks is to price liquidity in the banking system. This pricing is affected via the central bank's control of the number of bank reserves in a monetary aggregate targeting regime or via setting a policy rate, expected to be the key instrument to affect market pricing and macroeconomic conditions. The policy rate is transmitted to market rates via monetary policy operations conducted with banks—which then serves as the first entry of monetary policy transmission through its impact on the overnight interbank rates, other short-term interest rates, bank lending rates, and eventually the creation of a reliable reference yield curve and improved secondary market liquidity. An appropriate operational framework will enable the central bank to steer market rates in line with the policy rate.

Competitive primary markets and functional interbank money markets play a fundamental role as building blocks for broader financial market development and pricing. Authorities need to strengthen price discovery in the interbank market and strengthen the legal framework for repos to catalyze development of reliable short- and long-term yield curves. The repo market is part of the financial ecosystem and can address challenges of interbank market segmentation and liquidity in bond markets. However, repo market development in the region is slow. To develop this market, among other factors, there is a need for an active and competitive money market, liquid government securities markets, a legal framework that protects collateral in insolvency, and regulation that is prudent but not obstructive.

Exchange rate flexibility and FX intervention policies are priority areas in AFRITAC East countries. Authoritative research on the transitioning to inflation-targeting monetary policy frameworks concludes that there is no clear set of preconditions or standard sequencing of actions to finalize the process. However, certain prerequisites for a forward-looking monetary policy framework include flexible exchange rates. Exchange rate flexibility would be a helpful line of defense to partly absorb external shocks like higher commodity prices or lower tourism demand and other factors affecting imports and exports, while reserve buffers could be used to prevent episodes of disorderly market conditions. A flexible exchange rate also allows for an independent monetary policy that can be set based on the needs of the domestic economy, thereby allowing for better macroeconomic management. As a result, flexible regimes can achieve more stable macroeconomic conditions over time. A flexible exchange rate also reduces–and often eliminates–the need for costly currency defenses.

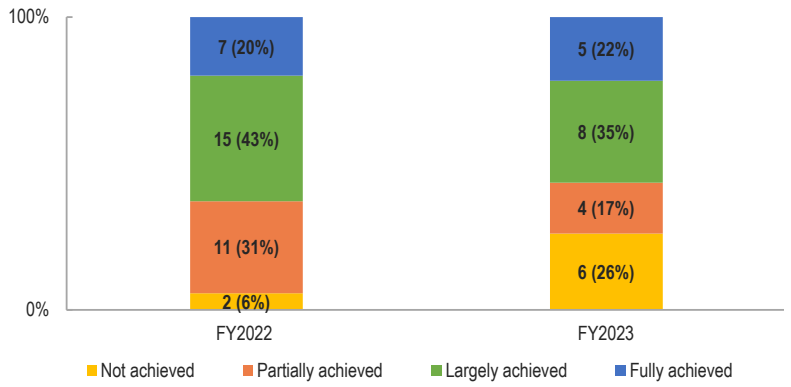
SECTION II

K

FINANCIAL MARKET INFRASTRUCTURE AND PAYMENTS

Member countries continued to upgrade their national payment systems, including researching the viability of launching central bank digital currencies. As with monetary policy and operations, resource execution rate was low (35 percent) because of a continuous postponement of activities by member countries. In terms of results, 57 percent of outcomes targeted in Phase V were fully or largely achieved, 35 percent partially achieved, and 26 percent not achieved (Figure 13).

FIGURE 13. AFRITAC EAST: STATUS OF THE FMI OUTCOMES*



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THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **National payment system development and reform—enhancing the safety and efficiency of the financial system.** AFRITAC East supported South Sudan in operationalizing its new National Payment System Department. South Sudan received assistance in their research on the viability and impact of launching a central bank digital currency (CBDC). AFRITAC East supported Uganda to enhance its regulatory framework for the payment system and the oversight framework.

BOX 10. FACTORS FOR CONSIDERING THE FEASIBILITY OF CENTRAL BANK DIGITAL CURRENTY

Motivations and capacities to issue a central bank digital currency (CBDC) vary across countries. The payment landscape is evolving, allowing the entry of new nonbank payment service providers, encouraging the use of advanced technological platforms, and enabling the development of novel digital payment instruments. Many countries are expediting research on the feasibility of issuing a retail CBDC while some are exploring the use of wholesale CBDCs to improve efficiencies in large- value payments. The diversity of payment systems across the region and progress toward digitalization are severe. Digital money services have evolved in conjunction with the rapid growth in technology, mobile networks, and enhanced access to the internet. The growing importance of digital payment methods and the evolving business models make their regulatory framework and arrangements for protecting digital money users increasingly important.

The AFRITAC East focus in this area during FY2023's bilateral technical assistance and regional seminars[1] was to explore the potential implications for the adoption of digital money, exchange knowledge and experiences on digital money, and provide a framework for overseeing and supervising digital money, including e-money, mobile payments, stable coins, and CBDC. The majority of IMF member countries are actively evaluating the implications and consequences of issuing CBDCs, with only a few having issued this form of digital money or undertaken extensive pilots or tests. Experimentation with CBDCs across sub-Saharan Africa is still in the nascent stages. Nigeria launched the e-Naira; Ghana is reported to have conducted some pilots; South Africa initially focused on wholesale CBDC but is now considering a retail CBDC as well; Mauritius has been evaluating the feasibility of issuing a CBDCs; and more recently, in May 2023, the Central Bank of Kenya has published the public's comments received on its discussion paper on CBDC. Globally, The Bahamas, Jamaica, and the East Caribbean Central Banks (ECCB) have also launched a CBDC. Despite these developments, many questions loom on the horizon, impeding further progress on CBDC.

A key consideration of issuing a retail or wholesale CBDC—both globally and for emerging economies—is the impact on monetary policy frameworks and financial stability, as well as the advancement of financial inclusion. Access to mobile phone networks and use of the internet have grown rapidly, enabling digital money service providers the ability to facilitate the enhancement of financial inclusion. Monetary policy is complex. To assess the impact of CBDC on monetary policy implies that authorities need capacity to understand central bank balance sheets, central bank accounting, monetary policy transmission under monetary aggregate targeting and/or interest rate–focused monetary policy frameworks, and the application of monetary policy instruments once a CBDC has been issued.

The feasibility of issuing a CBDC will be informed by design choices—distribution architecture, ledger design, access models, and interoperability of payments. The latter will depend on technical specifications, operational requirements, legal parameters, and supervisory frameworks. Other design choices include remuneration (interest bearing/non-interest bearing), fee structures, nonbank access, and domestic or cross-border usage. A critical design feature from a policy perspective and user interest is the degree of privacy that a CBDC facilitates. Regardless of design and technology used, an important consideration for CBDCs is security and operational resilience in case of cyberattacks, operational outages, or fraud, all of which have far-reaching macrofinancial effects. Issuance of a CBDC should be anchored in a mandate established by the Central Bank Law, meaning, among other implications, that legal tender status should be clarified. CBDC also has to comply with regulations pertaining to anti-money laundering and the combating of financing of terrorism (AML/CFT).

[1] Joint AFRITAC East, South, and West 2 Regional Seminar: Digital Money Seminar: Balancing Innovation and Regulation for a New Frontier (October 24–28, 2022).

SECTION II

L FORECASTING AND POLICY ANALYSIS SYSTEM

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

AFRITAC East in collaboration with the HQ continued to provide CD support to member countries on strengthening FPAS and integrating the analysis into their monetary policy decision-making processes. In FY2023, the execution of the FPAS workplan was affected by an extended vacancy of the resident advisor position in the second half of the year. While the position has been vacant since December 2022, HQ has been supporting the work plan implementation. The execution rate for the year was 61 percent of the baseline plan, with Kenya and Tanzania receiving a larger share of the resources. In terms of results, 90 percent of outcomes targeted in Phase V were partially achieved and 10 percent not achieved (Figure 14).

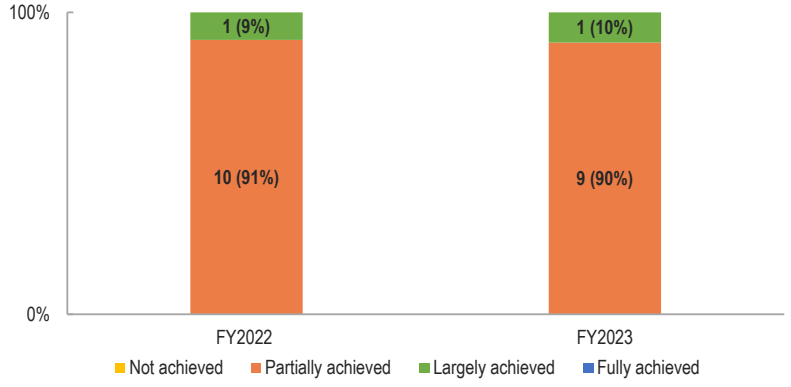
THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **Improving central bank economic analysis and forecasting capabilities.** To inform monetary policy, central banks analyze developments in the domestic economy and relevant foreign economies. Aggregated and disaggregated analysis of new data provides assessment of the economy at the current juncture and forms the basis for judgment-based forecasts. In FY2023, support to Tanzania focused on the analysis of data and the near-term forecast using both nowcasting systems and the core macromodel. Support to Kenya in August 2022 focused on revising the core macromodel to ensure its usefulness in medium-term forecasting and again in April when a TA mission helped improve the design and data management of the central bank business surveys, its nowcasting framework, and started working on integrating survey data in nowcasting. In Rwanda, a long-term forecast/model evaluation project started in FY2022 was completed in H1 and a follow-up TA on CPI and GDP nowcasting took place in December 2022. The project intended to provide a foundation for the future development of a regular accountability report and inform policymakers of the FPAS quality—increasing its credibility, particularly the quarterly projection model (QPM) forecast.

- **Integrating FPAS fully into monetary policy decision making.** This integration is challenging and involves many aspects. Timeliness is among the most critical aspects, encompassing the most recent

and essential macrodata. Another aspect is a sufficient lead time for the analysis to support monetary policy decisions. The forecast process must also facilitate interactions between the forecast team and policymakers, aligning forecasting and decision making. In FY2023, support to Tanzania and Kenya included discussions on strengthening these processes. In Tanzania, it also involved practical work on the organization and input for discussions during forecast meetings—the core of the first part of the forecast process. The forecast meetings address topics such as foreign developments, new information, nowcasts for domestic variables like inflation and growth, and model interpretations of the initial economic conditions.

FIGURE 14. AFRITAC EAST: STATUS OF THE FPAS OUTCOMES*



Note: *FY2022 includes Phase V and some of phase IV outcomes as reported last year; FY2023 shows outcomes for ongoing projects in Phase V. Outcomes should not be considered comparable because countries' conditions and workstreams' definitions vary considerably.

SECTION II

M

REAL SECTOR STATISTICS

Timmi Rolle Graversen, a Danish national, joined AFRITAC East 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 in several IMF missions, some in Africa, as a short-term advisor.

In FY2023, member countries focused on improving the quality and scope of national accounts and price statistics. Resource execution rate was 76 percent of the baseline plan, with Tanzania, Malawi, and South Sudan receiving a large share of the total resources. In terms of results, 36 percent of outcomes targeted in Phase V were fully or largely achieved, 33 percent partially achieved, and 31 percent not achieved (Figure 15).

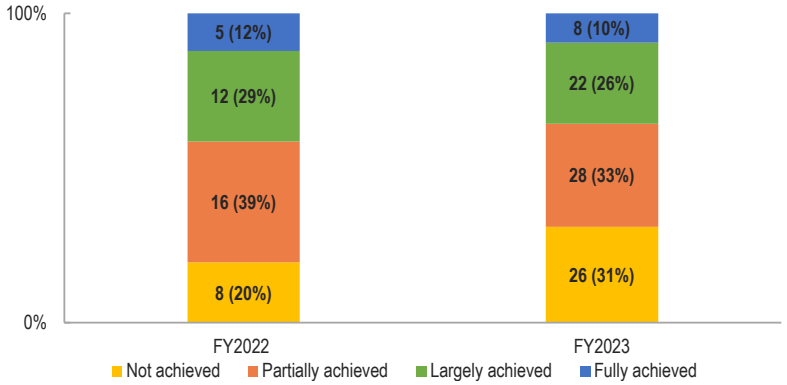
THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **National accounts statistics.** AFRITAC East supported Malawi on the compilation of annual GDP estimates for 2017–21 and Uganda on improving data and methods for a new indicator-based system for calculating quarterly GDP by expenditure and monthly indicator of economic growth.[1] South Sudan has finalized the compilation of the GDP series ending in 2021 and received support for calculating GDP by expenditure. A training workshop facilitated cooperation with main data suppliers and stakeholders. Malawi, Tanzania mainland and Zanzibar are exploring ways to use tax data to increase the quality and coverage of the GDP calculations and develop institutional sector accounts. Support to Rwanda and Kenya focused on continual development of institutional sector accounts.

[1] Complemented by HQ staff

- **Price statistics.** Tanzania continued the development of an agricultural producer price index, and Rwanda and Malawi are developing export and import price indices. Ethiopia has begun work on a system for calculating a producer price index for construction.

FIGURE 15. AFRITAC EAST: STATUS OF THE REAL SECTOR STATISTICS OUTCOMES*



Note: *FY2022 includes Phase V and some of phase IV outcomes as reported last year; FY2023 shows outcomes for ongoing projects in Phase V. Outcomes should not be considered comparable because countries' conditions and workstreams' definitions vary considerably.

SECTION II

N

GOVERNMENT FINANCE STATISTICS

Christelle Groenewald, a South African national, joined AFRITAC East in February 2023 as the Government Finance Statistics Advisor. She has more than 22 years of experience in public finance at the Reserve Bank of South Africa (SARB), where she was overseeing the unit responsible for compiling government finance and public sector debt statistics.

Roderick O'Mahony, a former Resident Advisor on GFS.

Expanding coverage and the frequency and quality of fiscal and debt statistics were the focus in FY2023. Resource execution rate was 57 percent of the baseline plan, partly affected by the resident advisor vacancy for three months in the second half of the year. In terms of results, 21 percent of outcomes targeted in Phase V were largely achieved, 61 percent partially achieved, and 18 percent not achieved (Figure 16).

THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

- **Improving the quality of fiscal data.** Most member countries have published updates on their public sector institutional table and are continually updating their classification of institutions, which provides more clarity on government subsectors and allows for improved coverage. Kenya committed to minimizing statistical discrepancies by enhancing their coverage of transactions in financial assets and liabilities. Tanzania agreed to report on transactions relating to the on-lending program to SOEs. Uganda has introduced a new questionnaire to source extra-budgetary units data, which significantly improved data quality.

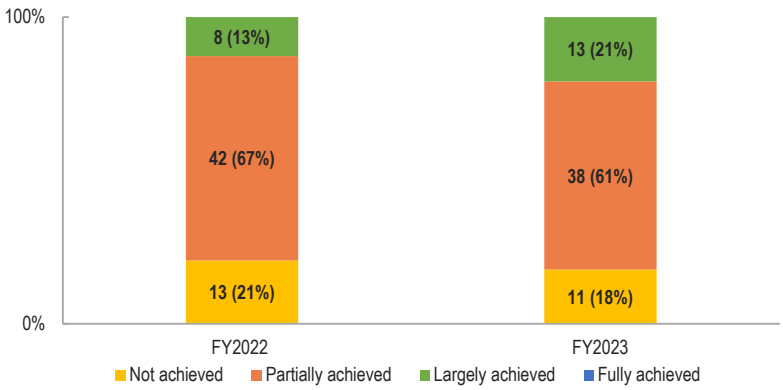
- **Compiling high-frequency fiscal data.** As part of the process of migrating to the new fiscal framework that follows GFSM 2014 concepts and presentation, Kenya has published quarterly budgetary central government (BCG) data in their Quarterly Economic and Budgetary Review since FY2015/16 to familiarize fiscal policymakers and users with the presentation. The Eritrean authorities have compiled quarterly BCG data for FY2021, and South Sudan began compiling quarterly data on the budgetary central government.

- **Aligning the fiscal framework to GFSM 2014.** Uganda has introduced the GFSM 2014 framework in the country's macrofiscal and will run the macrofiscal framework in parallel under GFSM 2014 and GFSM 1986 formats for improved fiscal policy analysis (Box 11).

- **Expanding coverage to the public sector.** Tanzania and Uganda have migrated all local government units to their integrated financial management information system (IFMIS), enabling them to expand their data sets for local governments. Zanzibar compiled social security fund data for FY2020/21.

- **Improving public debt data.** Kenya reported quarterly BCG debt data and nonfinancial public corporations' publicly guaranteed debt to the joint IMF/World Bank Quarterly Public Sector Debt (QPSD) statistics database. AFRITAC East provided guidance to extend their debt statistics by expanding sector and instrument coverage. Tanzania and South Sudan submitted BCG debt statistics to the EAC Secretariat. Uganda reported quarterly BCG debt data to the IMF/WB database and published quarterly general government external debt statistics in the annual debt bulletin of the Ministry of Finance, Planning, and Economic Development. AFRITAC East provided training to the Uganda authorities on debt statistics and guided them to increase coverage to the general government sector debt.

FIGURE 16. AFRITAC EAST: STATUS OF THE GFS OUTCOMES*



Note: *FY2022 includes Phase V and some of phase IV outcomes as reported last year; FY2023 shows outcomes for ongoing projects in Phase V. Outcomes should not be considered comparable because countries' conditions and workstreams' definitions vary considerably.

AFRITAC East mission team with staff from the Kenya National Bureau of Statistics.

BOX 11. UGANDA USING GFSM 2014 IN ITS MACROFISCAL FRAMEWORK

In June 2022, the Ministry of Finance, Planning and Economic Development in Uganda published its medium-term fiscal framework in line with the concepts and methods of the *Government Finance Statistics Manual 2014* (GFSM 2014), alongside the *Government Finance Statistics Manual 1986* (GFSM 1986) framework. The migration from using the GFSM 1986 to the GFSM 2014 in the fiscal framework signifies a modernization and alignment of Uganda's fiscal reporting practices with international standards. This transition aims to improve the accuracy, reliability, and comparability of fiscal data, both domestically and internationally.

The GFSM 2014 provides guidance on the classification, recording, and presentation of government financial transactions, including revenue, expenditure, and debt. It also emphasizes the importance of accrual accounting and provides guidelines for measuring and reporting fiscal aggregates, such as fiscal balance (net lending or borrowing) and debt, to facilitate analysis and policy formulation.

The government of Uganda updated its fiscal framework to using GFSM 2014 by:

(1) **Review of existing fiscal framework.** Uganda began by conducting a comprehensive review of the existing fiscal framework, which included an assessment of the current accounting practices, data collection methods, and reporting systems. This review helped them identify gaps and inconsistencies in their fiscal data and laid the foundation for the transition to GFSM 2014.

(2) **Capacity building and training.** Uganda invested in capacity building and training programs to enhance the skills and knowledge of their staff involved in fiscal data compilation and reporting. This included training on the concepts, definitions, and methodologies of GFSM 2014 and technical skills related to data collection, validation, and reporting.

(3) **Financial management information systems upgrade.** Uganda upgraded financial management information systems to align with the requirements of GFSM 2014. The upgrade included adopting internationally recognized accounting standards, such as International Public Sector Accounting Standards (IPSAS), to improve the quality and accuracy of fiscal data.

(4) **Data reconciliation and validation.** Uganda conducted a thorough reconciliation and validation exercise to ensure the accuracy and reliability of its fiscal data. The exercise involved comparing data from various sources, verifying data against supporting documents, and resolving discrepancies and inconsistencies.

(5) **Implementation of reporting procedures.** Uganda implemented new reporting procedures based on GFSM 2014 requirements and IMF's Dissemination Standards. The new procedures included establishing standardized formats for fiscal reporting, defining reporting timelines, and ensuring timely and consistent reporting by all government entities.

(6) **Stakeholder engagement.** Uganda engaged with various stakeholders, including the IMF, other development partners, and other relevant agencies, to seek support and guidance in the transition process. This engagement helped to ensure alignment with international best practices and obtain technical assistance where needed.

(7) **Monitoring and evaluation.** Uganda established a robust monitoring and evaluation system to track progress in implementing GFSM 2014. The new system included regular reviews and assessments of fiscal data and reporting processes to identify and address any issues or challenges.

The migration from GFSM 1986 to GFSM 2014 is expected to result in improved fiscal data quality, facilitating better decision making, enhancing fiscal policy formulation, and supporting effective monitoring and evaluation of government programs and policies. It also enables Uganda to better comply with international reporting requirements, such as those of the IMF and other international organizations and enhance its credibility in the global financial markets.

The migration from using GFSM 1986 to GFSM 2014 in Uganda's fiscal framework reflects the government's commitment to modernize its fiscal reporting practices in line with international standards to improve fiscal transparency, accountability, and effectiveness in managing public finances.

SECTION II

OTHER CD PROGRAMS HOSTED AT AFRITAC EAST

THE MAIN ACHIEVEMENTS BY STRATEGIC OBJECTIVE:

(1) **Debt Management.** **Develop market infrastructure and capacity for cost-effective financing.** Tanzania took steps to enhance the functionalities of the local currency bond market to make it a stable source for financing the government's development programs. Tanzania conducted the diagnostic assessment with the support of AFRITAC East and the World Bank, identifying key constraints to the functionalities of each of the six building blocks of the market: money market, primary market, secondary market, investor base, financial market infrastructure, and the legal and regulatory framework. Based on the outcome of the assessment, the authorities developed a reform plan, which will be supported by the IMF, including through the center, and the World Bank.

Participants in the Medium-Term Revenue Strategy workshop in Kenya

(2) **Medium-Term Revenue Strategy.** **Improved domestic resource mobilization through tax systems reform.** AFRITAC East assisted Ethiopia in understanding the Medium-Term Revenue Strategy (MTRS) framework. The support included conducting a gap analysis and providing a suggested checklist to drive the effective development of their MTRS. Kenya prepared a draft MTRS in February 2023, supported by a workshop held in January 2023. Kenya's MTRS is expected to be submitted to Parliament by end-December 2023 with a view to start implementation in early 2024. In Rwanda, the MTRS framework was approved in May 2022. Engagements are ongoing to strengthen their framework of reform governance. Uganda has experienced delays in implementing its policy reforms due to COVID-19 disruptions. The government of Uganda established an office in the Ministry of Finance to coordinate the implementation of their Domestic Revenue Mobilization Strategy (DRMS).

SECTION II

P

WORK ON REGIONAL ISSUES (EAC)

THE REGIONAL INTEGRATION PROCESS IN THE EAST AFRICAN COMMUNITY (EAC) CONTINUED TO BE SUPPORTED AS FOLLOWS:

- **Revenue administration.** AFRITAC East assisted the EAC Secretariat in developing the terms of reference for the harmonized Single Customs Territory (SCT) Risk Management framework. The framework will contribute to further regional integration by supporting the smooth implementation of the SCT procedures and mitigating existing and potential risks in cross-border trade. The Center collaborated with and complemented HQ on supporting EAC in harmonizing tax policies and procedures in the region, including on legal issues.

- **PFM.** AFRITAC East, together with the FAD, supported and facilitated the annual EAC workshop on PFM in the context of the East African Monetary Union (EAMU). This was the first workshop held since the COVID-19 pandemic began. Sessions addressed issues such as assessing progress in PFM harmonization in the region, updates by member states on the macro-fiscal situation in 2022, medium-term prospects, and the impact of the COVID-19 pandemic on convergence.

Participants in the regional workshop on harmonization of monetary policy operational frameworks.

- **Financial supervision and regulation.** AFRITAC East held two regional workshops remotely in FY2023; the first workshop on implementing IFRS 17 provided a wider understanding of the processes involved and the prudential implications, helped the participants enhance their level of preparedness, and helped create processes to accommodate the transition. The workshop also prepared supervisors to hold discussions with the insurance sector to assess readiness and issue a circular letter to insurers informing them of the requirements to implement the IFRS 17 under specific plans. The second workshop focused on systemic risk in capital markets. It covered topics such as international standards relating to systemic risks, the interplay with mandates of securities market regulators, innovation and systemic risks, different sources of systemic risks in the capital markets, a potential regulatory toolkit, the organizational structure, and processes within capital market regulators for dealing with systemic risks.

- **Monetary policy and operations.** AFRITAC East supported EAC in organizing its annual central banking conference on inflation-targeting monetary policy. The conference included presentations on monetary policy operations and transitioning from monetary-aggregate to inflation-targeting frameworks. An in-person AFRITAC East/EAC workshop was also organized on the harmonization of monetary policy operational frameworks in the region. Although the establishment of an EAC monetary union is postponed to 2031, the workshop concluded that, in addition to monetary policy instruments, convergence of repo markets, collateral frameworks, FX intervention policies, interest rate benchmarks, interbank markets, and regulatory frameworks should be prioritized in the interest of and for the benefit of all partner countries. Forecasting and policy analysis system (FPAS). AFRITAC East supported EAC with a hybrid workshop on FPAS hosted by the Bank of Tanzania. The five-day workshop covered such regionally relevant areas as transitioning issues, characteristics of an inflation-targeting regime, operational frameworks, inflation measures and targets, global shocks, forecasting of foreign variables and external core model blocks, the monetary policy process, and the role of policymakers. The workshop featured a mix of expert and country presentations and panel discussions moderated by IMF staff.
- **Government finance statistics.** At the Annual EAC meeting in July 2022, the Ugandan authorities presented their progress in using GFSM 2014 in their macro-fiscal framework. AFRITAC East supported the EAC in reviewing two additional chapters of the EAC's GFS and PSDS guidelines and the draft framework for compliance assessment. The chapters focused on recording transactions related to government fiscal policy interventions in the event of disasters and expenditures, emphasizing borderline cases. These chapters will help the EAC Secretariat identify areas of noncompliance and focus their support on countries.

SECTION II

ATTACHMENTS, MENTORING, AND SHARING OF REGIONAL EXPERIENCE

Three attachment programs were facilitated. The attachment/mentoring program promotes peer learning in the region and offers a firsthand experience to participating officials. The disruptions caused by COVID-19, notably travel restrictions, affected this CD delivery modality for the past three years. With the full resumption of in-person activities, authorities have begun to take advantage of this peer-to-peer learning opportunity.

- **Revenue administration.** Three South Sudan National Revenue Authority (NRA) customs officials participated in a study tour to Uganda for a benchmarking attachment. The focus was on the Uganda Revenue Authority's (URA) post clearance audit operations. This visit enabled NRA officials to gain insights into the prerequisites of establishing a functional and effective post clearance audit to improve compliance.

- **PFM.** A peer learning mission was conducted for officials from the Ministry of Finance Planning and Economic Development in Uganda to benefit from the reform experience of the Seychelles as it embarks on its public corporation oversight reform agenda. Peer learning topics covered during the mission included: (1) reporting arrangements, both at the consolidated and individual company level; (2) application of IMF SOE fiscal risk tools and bespoke alternatives for financial oversight; (3) the use of IT systems to consolidate information from financial statements; (4) budget review processes; (5) strengthening the legal and institutional framework; and (6) elevating fiscal risk analysis into the fiscal risk statement.

- **Financial supervision and regulation.** Officials from the Bank of Eritrea Supervision Department participated in an in-person professional engagement with the objective to interact and learn from the Central Bank of Kenya's supervisory experience in mobile money transfer activities. It included onsite visits to payment service providers and commercial banks in Kenya.

NRA officials in a meeting with their counterparts in URA

Officials from Uganda with their counterparts in Seychelles

SECTION II

R

REGIONAL TRAINING AND WEBINARS

AFRITAC East conducted 15 regional workshops in FY2023. These workshops were in addition to regional webinars and in-country training delivered to member countries. The following workshops were completed during the year:

Revenue administration. Six countries participated in a regional workshop for the EAC on harmonizing tax administration procedures and legislation in the region. The participants identified several CD areas needing support from AFRITAC East. Another regional workshop on customs artificial intelligence (AI) assisted customs administration officials in developing strategies to strengthen their customs risk management and enforcement capacity by understanding the concept, benefits, and application of AI, including managing big data and machine learning (Box 3). As part of the activities to commemorate the 20th anniversary of AFRITAC East, the center and AFRITAC West 2 hosted a joint workshop on leveraging technology to improve taxpayers' service and compliance. This workshop assisted member countries in reflecting on the pathway and prerequisites for digitalization. The workshop also underscored the need for African countries to foster partnerships among tax authorities, software developers, businesses, and academia to facilitate homegrown solutions (Box 2).

Participants in the EAC tax procedures harmonization workshop.

PFM. As part of the AFRITAC East 20th anniversary seminar series, the center held a half-day workshop on PIM reforms in the region. Sponsored by Uganda, the workshop discussed the experiences of five countries: Ethiopia, Kenya, Rwanda, Tanzania (Zanzibar), and Uganda. It enabled the participating countries to identify areas of improvement in their PIM systems and learn from each other about reform approaches adopted in the region. A regional workshop for the Ministries of Finance and the National Treasury technical staff across all the member countries covered budget baseline costing through a mix of lectures, country presentations, and group work to develop country reform action plans.

Macrofiscal analysis. A joint regional workshop with FAD, Africa Training Institute (ATI), and AFRITAC South provided training on long-term fiscal sustainability and climate change–related fiscal risks. The workshop trained participants on preparing

long-term (50-year) macro-fiscal baselines and adjusting these baselines to account for internationally accepted climate change temperature profiles. Another joint workshop with FAD, ATI, and AFRITAC South provided training on the analysis of risks stemming from government guarantees, focusing on government loan and guarantee programs widely deployed during the COVID-19 pandemic. The workshop focused on introducing and providing training on loan tools to assess and manage fiscal risks, particularly the new Debt Guarantee and Loan Assessment Tool. In addition to these workshops, AFRITAC East supported regional seminars on climate change fiscal risks in East Africa and West Africa, which allowed countries to discuss key issues related to budgeting and climate change as well as IMF tools and approaches to CD support.

Financial supervision and regulation. Two webinars took place in FY2023: the first on RBS, sponsored by the National Bank of Rwanda, and the second on AML/CFT supervision by the Reserve Bank of Malawi. The webinars were part of the seminar series celebrating the AFRITAC East 20th anniversary. They showcased the long-term achievements of the authorities from a supervisory perspective and allowed member countries to exchange views and reform experiences, providing a platform for discussing challenges and opportunities.

MONOPs. Two joint regional workshops took place. A virtual joint AFRITAC East, South, West, and West 2 workshop focused on the links of monetary policy operations and financial market development. An in-person AFRITAC East, South, and West 2 workshop focused on the role of the repo market in financial markets, the legal aspects of repos, interest rate benchmarks and country-specific issues constraining repo market development, as well as a road map for the further development of repo markets—both cash or classic repo and buybacks/sellbacks.

Participants in the fiscal risks workshop.

FMIP. A joint AFRITAC East, South, and West 2 regional seminar titled "Digital Money: Balancing Innovation and Regulation for a New Frontier" took place, with support from the HQ. The seminar highlighted the diversity of payment systems across the region and progress toward digitalization, legal and regulatory dimensions of digital money (that is, central bank digital currency, stable coins, mobile money, and e-money), the monetary and financial stability impact of these fintech initiatives, implications of CBDC and stable coins for financial inclusion, regional arrangements, macroeconomy (via its impact on central bank operations and central bank balance sheets), cross-border payments, and public–private partnership and outsourcing.

FPAS. Jointly with AFRITAC South and AFRITAC West 2, AFRITAC East organized two workshops on communication: "Modernizing Central Bank Communication" and "Fundamentals of Central Bank Communication," both customized to specific needs in the region. The events provided an opportunity for authorities in 27 countries to interact with peers faced with similar challenges. The purposes of both seminars were to increase central bank awareness of the importance of transparency and communication, foster good media relations, increase knowledge and understanding of important communication tools and channels, and coach member countries about strategic communication. Both seminars were interactive and allowed for practical work in different areas of communication. Participants reflected on communication of their own institution and participated

Participants in the repo market develoment workshop.

actively in discussions, which facilitated peer-to-peer learning. The seminars also showcased best practices and regional examples.

Debt management. AFRITAC East trained member country officials on applying the Debt Sustainability Framework for Low-Income Countries to assess the sustainability of public and publicly guaranteed debt. The aim was to enhance their capacity to use the framework to guide their governments' borrowing decisions and inform engagement with development partners. The center also collaborated with the World Bank and the Macroeconomic and Financial Management Institute of Eastern and Southern Africa to build country officials' capacity to develop and implement sound medium-term debt management strategies (MTDS) and design annual borrowing plans to operationalize the strategy.

Real sector statistics. The center conducted two in-person regional workshops—a workshop on compilation of producer price indices and one on national accounts compilation for beginners.

Institute for Capacity Development. Two regional trainings were delivered, one course on inclusive growth and the other on climate change and macrofinancial policies (Box 12).

Participants in the gender seminar.

Gender. A joint seminar by AFRITAC East and UN Women explored with participants of Tanzanian officials and civil societies on how to reduce gender disparities in opportunities and decision-making to promote economic development. They further discussed the IMF's strategy to integrate gender into the IMF's core activities, namely surveillance, lending, and capacity development.

Member countries participated in a range of training opportunities offered by the IMF. A total of 2,057 officials from the region received training in FY2023 (Table 4). The center delivered about one-fifth of this training. The proportion of women participating in training remained broadly stable at about one-third (Figure 17). The center has continued to encourage country authorities to nominate women to participate in its regional training workshops and courses.

FIGURE 17. WORKSHOP TRAINING PARTICIPANTS OVER FY2023

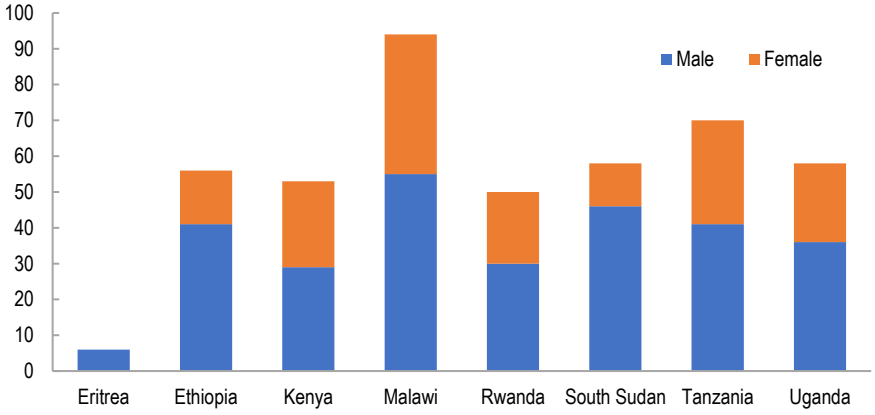


TABLE 3. ALLOCATION OF RESOURCES BY SECTOR, FPWS, FY2023

Participant country	Africa Training Institute	Online learning	Non-institute training (non-ITP)	Other training	AFRITAC East	Total
Eritrea	–	–	4	–	6	**10**
Ethiopia	29	43	24	3	56	**155**
Kenya	20	342	289	6	53	**710**
Malawi	25	83	81	10	94	**293**
Rwanda	15	123	60	2	50	**250**
South Sudan	14	25	30	3	58	**130**
Tanzania	16	24	46	11	70	**167**
Uganda	39	180	55	10	58	**342**
Total	**158**	**820**	**589**	**45**	**445**	**2057**

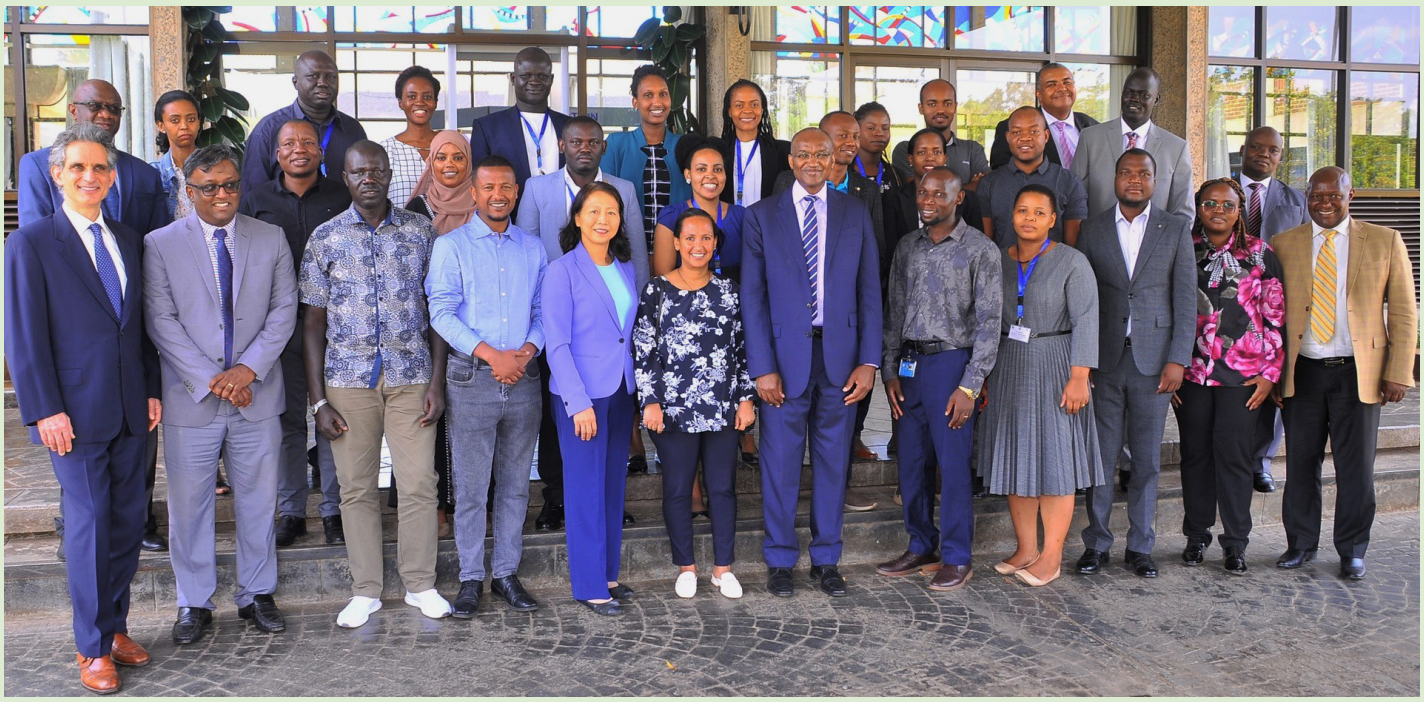
BOX 12. TRAINING ON CLIMATE CHANGE AND MACRO-FINANCIAL POLICIES

AFRITAC East and the Africa Training Institute (ATI), jointly with the IMF Institute for Capacity Development, organized a workshop on "Climate Change and Macro-Financial Policies" at the Kenya School of Monetary Studies, Nairobi, during March 6–10. This was the first workshop to bring together staff from the IMF's Institute for Capacity Development, Fiscal Affairs Department, Monetary and Capital Markets Department, and Research Department to showcase the Fund's analysis and tools on climate change.

The twenty-five participants from Ethiopia, Kenya, Malawi, Rwanda, South Sudan, Tanzania, and Uganda were exposed to a wide range of topics, including climate risks and vulnerabilities, mitigation policies, building resilience through adaptation policies, and managing fiscal and financial sector risks. The participants were also introduced to several tools that the IMF has been developing to integrate climate change and natural disasters into policy frameworks, including the: Carbon Pricing Assessment Tool; Debt, Investment, Growth, and Natural Disaster Tool; Natural Disasters and Debt Dynamics Tool; Fiscal Risks Toolkit; and C-PIMA. Several donors participated virtually in the workshop, and staff from the U.K.'s Foreign, Commonwealth & Development Office delivered an overview of the work of the U.K. Taskforce on Climate Finance.

This broad focus enabled participants to better identify the various macro-financial linkages associated with climate change, refine their policy priorities, and understand how the Fund can help member countries respond to climate change. Participants applied the tools and concepts they had learnt to deliver polished presentations connecting climate-change vulnerabilities in the region, adaptation and mitigation policies, priorities, and financing options. They very much appreciated the opportunities for peer learning and noted that the workshop would allow them to better integrate climate considerations into their policy documents. Several remarked that this was the first time they had been exposed to the macroeconomic and financial dimensions of climate issues in such a structured manner. Participants also expressed enthusiasm for follow-on country-level training and CD to promote knowledge dissemination on climate-related issues.

In his closing remarks, Kenya's Central Bank Governor, Patrick Njoroge, welcomed the Fund's return to the Kenya School of Monetary Studies, and encouraged more regional conversations on climate change issues to promote peer-to-peer exchange on shared challenges. Indeed, the Fund plans to deliver similar workshops across sub-Saharan Africa, continue offering the recently launched training course on the "Macroeconomics of Climate Change", and organize a webinar on climate change and the Financial Sector Assessment Program (FSAP).



Participants in the regional workshop on climate and macrofinancial policies.

SECTION III

WORK PROGRAM FOR FY2024

SECTION III

A OVERVIEW

AFRITAC East expects an increase in resource use by 31 percent in FY2024 due to improved regional conditions and an uptick in demand, especially from FCS, as they continue their reform efforts to catch up with their regional peers. The work program was carefully crafted to respond to member countries' CD needs in addressing recent challenges, including quantifying the impact of climate change in fiscal risks, integrating gender into budgeting practices, addressing the cost-of-living crisis, managing public debt levels, and dealing with the surge in debt refinancing costs due to monetary policy tightening in advanced economies. AFRITAC East will continue to support member countries to strengthen macroeconomic statistics for improved planning and policy analysis.

The FY2024 work program was drawn up in close consultation with member countries and considered CD absorption capacity post-COVID-19, additional support from HQ, and the presence of other CD providers. More resources will be delivered in person (68 percent) compared with FY2023, reflecting additional work for FCS, who experience connectivity bottlenecks. About one quarter of the resources are planned for Eritrea, Ethiopia, and South Sudan. Meanwhile, Kenya, Rwanda and Tanzania will receive a larger share (13 percent each) of the resources, driven primarily by the planned work in revenue administration and PFM. Resources to Uganda will double in FY2024 compared with FY2023 (when it had the lowest share), driven by revenue administration, PFM and financial supervision and regulation work.

Tables 5 to 9 and Figure 18 provide an overview of the number of resources planned for FY2024 by country and by sector; Table 6 shows objectives targeted by member countries.

TABLE 5. AFRITAC EAST: PLANNED RESOURCES, FIELD PERSON WEEKS (FPWS)*, FY2024

	FY2023	FY2024		
Type of project (FPWs)	**Actual**	**Baseline plan**	**US Dollars**	**Share of total FPWs (%)**
Single country CD**	421	610	6,940,475	86
Regional CD***	79	63	1,739,785	9
Management and administration	43	40	253,393	6
Total	**544**	**713**	**8,933,653**	100
CD Modalities (FPWs)				
Duty station-based work	157	132	987,590	18
Field-based work	302	484	5,676,255	68
Interactive learning and workshops	82	84	2,062,400	12
Peer-to-peer engagement	3	14	207,408	2
Total	**544**	**713**	**8,933,653**	**100**

Note: * FPW = 6 working days. Includes projects funded under CCCDI. **Single-country capacity development (CD) includes technical assistance (TA), national training, and attachments delivered to member countries. ***Regional CD includes all regional workshops, webinars, and support to the EAC.

TABLE 6. IMF AFRITAC EAST: STRATEGIC LOGFRAME, FY2022

Workstream	EAC	Eritrea	Ethiopia	Kenya	Malawi	Rwanda	South Sudan	Tanzania	Uganda	Regional
Revenue Administration										
Improved customs administration core functions	•	•	•	•	•	•	•	•	•	•
Strengthened core tax administration functions		•	•	•		•	•	•	•	•
Strengthened revenue administration management and governance		•	•	•	•	•	•	•	•	
Public Financial Management										
Comprehensive, credible, and policy-based budget preparation		•	•	•	•	•	•	•	•	•
Improved management of assets and liabilities			•	•			•		•	
Improved coverage and quality of fiscal reporting			•	•		•		•	•	•
Improved fiscal policies and institutional frameworks to combat climate change and its impacts				•				•		
Improved PFM laws and effective institutions		•					•	•		
Improved public investment management				•	•	•			•	
Strengthened fiscal policies and frameworks						•				•
Strengthened identification, monitoring, and management of fiscal risks			•	•	•	•			•	
Financial Regulation and Supervision										
Develop/strengthen bank regulation and supervision frameworks		•		•	•	•	•		•	
Develop/strengthen insurance companie's regulation and supervision frameworks			•	•	•				•	
Develop/strengthen intermediaries and fund management regulation and supervision				•	•				•	
Improve accounting and prudential provisioning regulatory guidelines			•				•		•	
Develop/strengthen cybersecurity regulations and supervisory frameworks			•		•			•		
Monetary Policy and Operations										
Enhance capacity on latest developments in international standards and best practice in central bank operations										•
Establish a baseline and articulate specific medium-term CD needs in Central Bank operations topics							•			
Strengthen efficient implementation of foreign exchange (FX) operations given the monetary policy and FX regime				•	•	•		•	•	
Strengthen efficient implementation of monetary policy under the existing regime		•		•	•	•			•	
Strengthen the collateral framework in support of an efficient operational framework and in line with the central bank's risk tolerance								•		
Strengthen the reserve management policy framework and management of FX reserves		•								
Financial Market Infrastructures & Payment Systems										
Demonstrate a baseline understanding and articulate specific CD needs in payments and infrastructure topics							•			
Develop/reform financial market infrastructure, including the payments system		•	•	•	•	•		•		

Workstream	EAC	Eritrea	Ethiopia	Kenya	Malawi	Rwanda	South Sudan	Tanzania	Uganda	Regional
Forecasting and Policy Analysis System										
Enhance capacity on latest developments in international standards and best practice in monetary and macroprudential policies										•
Improve analytical and forecasting capabilities to better support monetary policy decision-making	•			•	•	•		•	•	
Real Sector Statistics										
Strengthen compilation and dissemination of real sector statistics–prices	•		•	•	•	•		•	•	
Strengthen compilation and dissemination of institutional sector accounts				•		•		•		
Strengthen compilation and dissemination of NAS–comprehensive updates and rebasing				•						
Strengthen compilation and dissemination of National Production, Income and Expenditure Accounts		•	•							
Government Finance Statistics										
Strengthen compilation and dissemination of government finance statistics (GFS)	•	•	•	•	•	•	•	•	•	•
Debt Management										
Building public debt database							•			
Medium-term debt management strategy			•				•			
Local currency bond market development			•		•	•		•	•	
Legal framework for debt management								•		
Debt reporting and transparency							•			
Managing sovereign debt portfolios in adverse market conditions										•
Domestic debt issuance and trading										•
ICD Training										
Participants effectively acquire knowledge and skills taught in the Financial Programming and Policies (FPP) course and use them subsequently on the job or in their interaction with the IMF										•
Gender and Climate Seminars										
Strengthened fiscal policies and frameworks										•

TABLE 7. ALLOCATION OF RESOURCES BY SECTOR, FIELD PERSON WEEKS (FPWS), FY2024

	FY2023	FY2024		
AFRITAC East work program	**Actual**	**Baseline plan**	**US Dollars**	**Share of total FPWs (%)**
Revenue administration	110	154	1,967,071	22
Public financial management and macrofiscal analysis	186	202	2,305,248	28
Financial supervision and regulation	59	95	1,126,911	13
Monetary policy and operations	26	35	378,547	5
Financial market infrastructures and payment	12	27	256,853	4
Forecasting and policy analysis system	44	63	721,071	9
Real sector statistics	45	67	870,361	9
Government finance statistics	36	51	627,874	7
ICD training	10	17	553,137	2
Gender and climate training	1	2	126,580	0.2
AFRITAC East Total (FPWs)	**544**	**713**	**8,933,653**	100
Other CD areas hosted as AFRITAC East				
Debt Management	18	31	167,098	n.a
Medium-term Revenue Strategy	16	22	614,585	n.a
Other CD Total (FPWs)	**34**	**53**	**781,683**	

Note: FPW = 6 working days.

TABLE 8. ALLOCATION OF RESOURCES BY COUNTRY, FIELD PERSON WEEKS (FPWS), FY2024

	FY2023	FY2024		
Country (FPWs)	**Actual**	**Baseline plan**	**US Dollars**	**Share of total FPWs (%)**
Eritrea	28	51	531,441	7
Ethiopia	35	60	793,869	8
Kenya	60	94	1,003,285	13
Malawi	37	83	874,297	12
Rwanda	69	91	980,251	13
South Sudan	97	54	865,539	8
Tanzania (incl. Zanzibar)	60	94	884,907	13
Uganda	25	72	863,973	10
Regional (incl. EAC)	134	114	2,136,091	16
Total (FPWs)	**544**	**713**	**8,933,653**	**100**

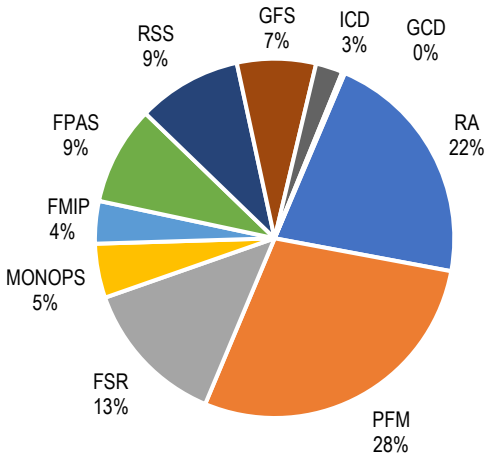
Note: FPW = 6 working days.

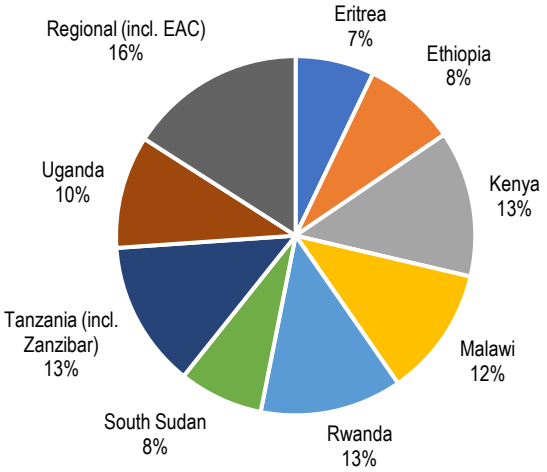
TABLE 9. ALLOCATION OF RESOURCES BY COUNTRY AND SECTOR, FIELD PERSON WEEKS (FPWS), FY2024

Country (FPWs)	RA	PFM	FSR	MONOPs	FMIP	FPAS	RSS	GFS	ICD	CGD
Eritrea	20	12	1	1	6	-	4	7	-	-
Ethiopia	7	16	30	-	-	-	5	2	-	-
Kenya	19	32	7	12	8	5	7	5	-	-
Malawi	26	17	24	-	-	-	14	3	-	-
Rwanda	17	28	7	8	3	20	4	3	-	-
South Sudan	13	20	1	4	6	-	6	4	-	-
Tanzania (incl. Zanzibar)	11	31	-	3	3	21	12	14	-	-
Uganda	19	17	17	-	2	9	6	3	-	-
Regional (incl. EAC)	22	29	9	7	-	9	9	11	17	2
Total (FPWs)	**154**	**202**	**95**	**35**	**27**	**63**	**67**	**51**	**17**	**2**

Note: FPW = 6 working days. FMIP = Financial Market Infrastructures and Payments; FPAS = Forecasting and Policy Analysis System; FSR = Financial Supervision and Regulation; GCD = Gender, Climate, and Digitalization; GFS = Government Finance Statistics; ICD = Institute for Capacity Development; PFM = Public Financial Management, includes Macrofiscal Analysis; MONOPS = Monetary Operations and Policy; RA = Revenue Administration; RSS = Real Sector Statistics

FIGURE 18. RESOURCES DISTRIBUTION BY COUNTRY AND SECTOR, FY2024





Note: **FMIP** = Financial Market Infrastructures and Payments; **FPAS** = Forecasting and Policy Analysis System; **FSR** = Financial Supervision and Regulation; **GCD** = Gender, Climate, and Digitalization; **GFS** = Government Finance Statistics; **ICD** = Institute for Capacity Development; **PFM** = Public Financial Management, includes Macrofiscal Analysis; **MONOPS** = Monetary Operations and Policy; **RA** = Revenue Administration; **RSS** = Real Sector Statistics.

SECTION III

B

REVENUE ADMINISTRATION

The demand for revenue administration CD support, including peer learning from within the region, is increasing. In FY2024, AFRITAC East will continue strengthening tax and customs functions and enhancing revenue administration governance arrangements.

BY STRATEGIC OBJECTIVE:

- **Better governance of revenue administration.** Malawi is working on the review of HR policy.

- **Stronger core tax administration.** Support to Eritrea will focus on developing registration policies and strengthening filing and payment processes. Support to Rwanda and South Sudan will focus on developing tax audit capacity. Kenya will develop capacity in data analytics and procedures in monitoring compliance in the digital economy, Rwanda plans to enhance capacity in big data analytics, and South Sudan will work on the review of the E-Tax project. Ethiopia, Malawi, Tanzania, and Uganda will be assisted in reviewing the ICT strategy and policies.

- **Improved core customs functions.** AFRITAC East will undertake a scoping mission in Eritrea to review recent developments in customs reforms and assist in identifying implementation bottlenecks and their mitigation. Support to Malawi will focus on data matching to enhance compliance management. In Ethiopia, support will focus on developing a framework for the management of exemptions and investment schemes. Kenya will receive assistance in the use of new technologies in customs administration. Support to Rwanda will focus on developing a framework to control special regimes and exemptions. In Tanzania, a diagnostic mission will be undertaken, and training will be given on transfer pricing for post clearance audits. South Sudan will receive assistance in reviewing existing structures for customs ICT functionalities. Training will be delivered to Uganda on risk-based control selectivity systems for PCA management.

- **Improved domestic resource mobilization through tax systems reform.** The MTRS program will continue to support the authorities in Ethiopia and Kenya in developing their MTRS. Support to Uganda will focus on reviewing the implementation progress of its DRMS and establishing a way forward regarding the extension of the current strategy, which covers the period 2019–20 to 2023–24. In Rwanda, engagements will continue to address the MTRS1 implementation, coordination, and monitoring activities.

SECTION III

C

PUBLIC FINANCIAL MANAGEMENT

In FY2024, member countries will continue to focus on enhancing budget costing techniques, improving asset and liability management, and improving the quality and coverage of fiscal reporting.

BY STRATEGIC OBJECTIVE:

- **Comprehensive, credible, and policy-based budget preparation.** Support will focus on integrating costing into budget preparation (Eritrea, Kenya, Rwanda, South Sudan, and Zanzibar). In Uganda, efforts will be made to integrate the multiyear commitment template with the existing IT systems.

- **Improved PIM.** In Malawi, efforts will be made to integrate reforms over the past five years into the treasury instructions for the recently passed public financial management act. Rwanda and Kenya will receive support to assist green PFM in developing a framework for climate-sensitive project appraisal and selection.

- **Better fiscal reporting coverage and quality.** Support will be provided to Ethiopia, Kenya, Rwanda, Tanzania and Zanzibar on IPSAS accrual accounting.

- **Improved asset and liability management.** Support on strengthening TSA and cash management practices will be provided to Ethiopia, Kenya, South Sudan, and Uganda.

SECTION III

D

MACROFISCAL ANALYSIS

The FY2024 workplan will have an increasing focus on macro-fiscal training and analysis, reflecting the normalization of in-country missions. The ongoing program of fiscal risk analysis will continue, and a significant new focus will be on the analysis of climate-change-related fiscal risks.

BY STRATEGIC OBJECTIVE:

- **Comprehensive, credible, and policy-based budget preparation.** Eritrea will receive financial programming and policies (FPP) training (in conjunction with AFR and ICD) and a customized version of this training will be developed and delivered in Rwanda to enable the authorities to provide ongoing training using local staff. Macro-fiscal forecasting and analysis training will be provided in Kenya. South Sudan will receive ongoing support to update and extend the macro-fiscal forecasting framework and further embed this framework into the budget cycle and reporting framework. Support will be provided to Uganda to strengthen quarterly GDP analysis and forecasting and the use of high-frequency indicators.
- **Strengthen identification, monitoring, and management of fiscal risks.** In Uganda, support will be provided in developing a consolidated SOE oversight report using information compiled in the IMF's SOE health check tool. In Kenya, efforts will be made to integrate the analytical work conducted as part of the financial evaluation process into the financial database for SOEs. Ethiopia, Malawi, and Zanzibar will receive support and training to strengthen SOE oversight using the SOE-HCT and SOE-ST tools. Assessment of climate change fiscal risks will be an increasing focus, with support provided to Uganda and Kenya to assess the broad macro-fiscal impacts of climate change using the Q-CRAFT tool, and for Rwanda to identify and quantify the discrete fiscal risks facing sectors, with a focus on implications for SOEs and PPPs. The Treasury Registrar in Zanzibar will receive support to create a consolidated SOE report for 10 corporations with significant investment value and fiscal risk.

SECTION III

E

FINANCIAL SUPERVISION AND REGULATION

The FY2024 work program will support member countries on improving financial supervision and regulation. The program will reinforce Basel II/III reforms for banks, upgrade banking regulations and risk-based manuals, strengthen cybersecurity supervision, develop IFRS 9 prudential guidelines, and enhance supervisory frameworks for insurance companies and securities firms.

BY STRATEGIC OBJECTIVE:

- **Develop/strengthen banks' regulation and supervision frameworks.** AFRITAC East will support Eritrea, Kenya, Malawi, Rwanda, South Sudan, and Tanzania as they move with Basel II/III reforms, issue new liquidity regulation in line with Basel III requirements, develop guidelines for the internal liquidity adequacy assessment process (ILAAP), build robust institutional structures and RBS operational procedures, and strengthen microfinance supervision. Stress testing and AML/CFT supervision will also be enhanced.
- **Develop/strengthen cybersecurity regulations and supervisory frameworks.** AFRITAC East will support Ethiopia, Malawi, and Rwanda by enhancing the prudential framework and cybersecurity and technology risk management processes.
- **Improve accounting and prudential provisioning regulatory guidelines.** AFRITAC East will provide training on IFRS 9 and support authorities' implementation plans for Ethiopia, Rwanda, South Sudan, and Tanzania.
- **Develop/strengthen insurance companies' regulation and supervision frameworks.** AFRITAC East will support the enrichment of RBS processes, strengthen the Simplified Solvency II (SSII) approach to supervision, and build capacity to supervise the use of IFRS 17 for Ethiopia and Malawi.
- **Develop/strengthen the securities and derivatives relator and supervisory framework.** AFRITAC East will help to strengthen the enforcement framework and update supervisory structures and processes.

SECTION III

F

MONOPS & FMIP

The FY2024 Workplan will continue to focus on the key dimensions of the modernization of monetary policy implementation frameworks, liquidity forecasting, financial market development, and foreign exchange policies and operations. Countries will be supported to build credible financial market infrastructures.

BY STRATEGIC OBJECTIVE:

- **Liquidity forecasting.** South Sudan will benefit from further assistance with liquidity monitoring and forecasting.

- **Monetary and exchange rate operations.** AFRITAC East will assist Tanzania with the finalization and operationalization of the FXI and the interest rate, focusing on monetary policy operations. Kenya will be supported with the continued modernization of the monetary policy framework and the assessment of the FX market. South Sudan will be supported to further strengthen its monetary policy framework. Malawi will be assisted to strengthen collateral management. Eritrea will benefit from initiatives to develop its monetary policy operational framework. Rwanda will be assisted with an assessment of its foreign exchange policy and markets.

- **Deepening financial markets and management of reserves.** Malawi and Rwanda will be assisted with the introduction of interest rate benchmarks.

- **Creating an effective national payment system to ensure the safety and efficiency of the financial system.** Kenya will be supported to finalize the review of the self-assessment of FMI and the oversight policy framework. Malawi, Tanzania, and Uganda will receive assistance on the readiness and viability of launching a CBDC. Malawi will also be supported in the review of the national payment system strategy. Eritrea will be assisted with an assessment of the payment system.

SECTION III

G

FORECASTING AND POLICY ANALYSIS SYSTEM

The FY2024 work program will continue to focus on improving the key elements of the FPAS (expectation surveys and nowcasting, the quarterly projections model, data management, and communication) and strengthening the FPAS organization and forecasting process. The objective is to integrate FPAS into the process of monetary policy formulation and communication.

BY STRATEGIC OBJECTIVE:

- **Improving analytical and forecasting capabilities at the central banks to support monetary policy formation.** AFRITAC East will continue its support to enhance the nowcasting capacity at the central banks (for example, Kenya, Rwanda, and Tanzania) by improving central bank surveys and new data releases, enhancing data storage and management, refining, and expanding nowcasting tools, and developing and improving a forecast evaluation framework. Moreover, it will continue to support the improvement of the QPM by reviewing them considering new economic developments, both domestically and globally, and by linking them with the nowcasting outcomes/procedures. Data storage and management will also be a priority for some countries (for example, Malawi), and support to develop a nowcasting framework will start (for example, in Uganda).

- **Fully integrating FPAS into monetary policy decision-making process and policy communication.** Enhanced nowcasting capacity helps a central bank in assessing the state of its economy in real time; thus, it should form a critical part of monetary policy formulation. AFRITAC East will continue its support on how to improve the monetary policy decision-making process and communication. The CD aims to help central banks achieve a process with well-defined responsibilities and deadlines and improve forecast narrative and communication, both internally (between forecasting teams and policymakers) and externally (in monetary policy report and press release).

SECTION III

H

REAL SECTOR STATISTICS

Support will continue to improve the quality and scope of national accounts and price statistics with a focus on incremental development of projects initiated in previous periods and preparation of the coming new benchmark compilation for national accounts.

BY STRATEGIC OBJECTIVE:

- **National accounts statistics.** Support will be offered to all member countries to increase the quality and scope of the national accounts. Focus will be on continued improvement of quality of GDP calculations for all countries. Kenya, Rwanda, Tanzania, and Uganda will compile the experimental versions of institutional sector accounts before the next benchmark. Assistance to a detailed planning of the next benchmark year will be provided for most countries.
- **Price statistics.** Support in this area covers a range of price indices. Focus will be on continuing and finalizing the development of export and import price indices for Kenya, Malawi, Rwanda, and Uganda and development of construction cost indices for Tanzania and Zanzibar.

SECTION III

I

GOVERNMENT FINANCE STATISTICS

AFRITAC East countries are committed to improving the quality of their fiscal data, expanding coverage of government finance statistics to include the wider public sector, and expanding sector and instrument coverage of their public sector debt statistics.

BY STRATEGIC OBJECTIVE:

- **Better-quality fiscal data.** The quality of fiscal data will remain a high priority. Countries will be guided to minimize statistical discrepancies and expand institutional coverage. Support to Kenya will focus on reducing statistical discrepancies by improving the coverage of financing transactions. Zanzibar is upgrading its public financial management system, which should improve its GFS compilation.

- **High-frequency fiscal data.** AFRITAC East will support countries in compiling higher-frequency data. For example, Kenya will be working on compiling monthly GFS data in GFSM 2014 format, and Uganda will continue compiling monthly and quarterly GFS data for BCG.

- **Fiscal framework alignment to GFSM 2014 concepts.** Assistance will be provided to all member countries for the migration of their GFS to the GFSM2014 standard. Uganda will run the GFSM 2014 and GFSM 1986 formats of their macro-fiscal framework in parallel to improve fiscal policy analysis. AFRITAC East will also support Rwanda in producing historical comparable GFS time-series data for informing fiscal projections.

- **Expansion of coverage to the public sector.** AFRITAC East will continue to support authorities in expanding their sectoral coverage. Tanzania and Uganda authorities have started compiling LG data and will be supported to add the new data to include general government reporting in the coming year. Zanzibar compiled SSF data for FY2020/21 and work will continue to expand coverage to general government.

- **Public debt data.** Malawi and Kenya will be supported to update their public debt on the joint IMF/World Bank QPSD statistics database.

SECTION III

J

DEBT MANAGEMENT

In FY2024, the public debt management work program will focus on supporting members' efforts to develop their local currency bond markets, debt transparency, and developing medium-term debt management strategies and policies.

BY STRATEGIC OBJECTIVE:

- **Develop market infrastructure and capacity for cost-effective financing.** AFRITAC East will provide training on local currency bond market development and continue supporting countries in conducting diagnostic assessments to identify gaps in the key functionalities of market development and develop reform plans to address them.

- **Formulate and implement a medium-term debt management strategy.** The center will support countries in formulating sound medium-term debt management strategies and designing annual borrowing plans to operationalize the strategies. Officials will be trained to use the joint IMF/World Bank MTDS analytical tool (MTDS AT), which is useful for identifying the risk exposure embedded in a debt portfolio and analyzing the cost–risk trade-offs of alternative borrowing strategies.

- **Strengthen practices for debt recording, reporting, and monitoring.** In FY2024, the debt management workstream will support country authorities' efforts to enhance transparency in debt management operations. The enhanced transparency includes building the capacity of officials to produce informative debt reports and bulletins and strengthen their investor relations practices.

SECTION III

K

WORK ON REGIONAL ISSUES (EAC)

AFRITAC East will continue to support regional harmonization and integration efforts in the EAC.

- **Revenue administration.** Support will focus on reviewing statistical reporting and performance standards and the EAC post clearance audit manual.
- **Public financial management (PFM).** AFRITAC East will continue to support the EAC in harmonization of PFM practices through the annual EAC PFM workshop.
- **Forecasting and policy analysis system.** The EAC Secretariat and AFRITAC East will jointly organize a regional workshop on communication.

SECTION III

L

ATTACHMENTS, MENTORING, AND SHARING OF REGIONAL EXPERTISE

AFRITAC East will continue to facilitate peer learning in the region through attachment programs.

- **Revenue administration.** Attachment programs will be facilitated for Ethiopia, Malawi, and Uganda.

- **Financial supervision and regulation.** Attachment opportunities will be explored for banking, insurance, and capital markets' supervisors from Eritrea, Malawi, Rwanda, Uganda, South Sudan, and Tanzania.

- **PFM.** A peer learning mission will take place for the Ministry of Finance Planning and Economic Development in Uganda to benefit from the reform experience of Kenya as it embarks on its public corporation oversight reform agenda. Peer learning topics include developing a coherent organizational structure for oversight, establishing legal and institutional frameworks, and financial and operational oversight of public corporations. Seven officials will participate from both countries (14 in total) as part of the peer learning exercise.

SECTION III

M TRAININGS AND WEBINARS

AFRITAC EAST WILL ORGANIZE REGIONAL WORKSHOPS AND WEBINARS IN FY2024:

- **Revenue administration.** AFRITAC East will conduct regional workshops to build capacity in tax audits, transfer pricing, and coordinated border management.
- **Public Financial Management.** Regional workshops will be conducted on gender-responsive budgeting and budget tagging to reflect climate change.
- **Financial supervision and regulation.** A regional seminar will be organized on secondary markets regulation and supervision for capital market authorities, and a webinar on the management and supervision of climate-related financial risks in the banking sector.
- **Forecasting and policy analysis system.** Regional workshops on EAC communication and FPAS will be conducted.
- **Monetary policy and financial market infrastructures and payment.** A joint AFRITAC East, South, and West 2 workshop on FX policy, operations, and intervention is planned. The program will include the introduction of the IMF FXI model. A regional workshop is also planned on CBDC, focusing on the requirements and macrofinancial considerations for launching.
- **Government finance statistics.** Two regional workshops will be held on GFS and PSDS, and HQ will deliver training on the compilation of statistics for SOEs.
- **Real sector statistics.** Two regional workshops are planned for compilation of national accounts and price indices, respectively.

SECTION IV

INFORMATIONAL ANNEXES

EAST AFRICA REGIONAL TECHNICAL ASSISTANCE CENTER (AFRITAC EAST)

INFORMATIONAL ANNEXES FY2023

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ANNEX I. The IMF's Regional Capacity Development Centers

INTERNATIONAL MONETARY FUND
FACTSHEET

The IMF has a global network of 17 regional centers that coordinate much of its capacity development work in countries. Tailored to regional priorities, these centers work closely with member countries and development partners to respond quickly to emerging needs. Member and host countries, as well as external partners, help the IMF finance these centers. Their activities are complemented by capacity development financed by the IMF's special thematic funds and the IMF's own resources.

Africa

The six regional centers in Africa deliver a significant share of IMF capacity development (CD) on the ground. Current external partners include Australia, Canada, China, the European Union, France, Germany, Italy, Japan, Korea, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom, the African Development Bank, and the European Investment Bank.

AFRITAC East was opened in Dar es Salaam, Tanzania, in 2002, and works with Eritrea, Ethiopia, Kenya, Malawi, Rwanda, South Sudan, Tanzania (including Zanzibar), and Uganda. **AFRITAC West** was established in 2003 in Abidjan, Côte d'Ivoire, and is working with Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, and Togo. **AFRITAC Central** was opened in Libreville, Gabon, in 2007 to work with Central African Economic and Monetary Community (CEMAC) countries: Gabon, Cameroon, Chad, Republic of Congo, Central African Republic, and Equatorial Guinea, as well as Burundi, the Democratic Republic of Congo, and São Tomé and Príncipe. **AFRITAC South** was established in Mauritius in 2011, and works with Angola, Botswana, Comoros, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia, and Zimbabwe—it is co-located and jointly managed with the Africa Training Institute (see below). **AFRITAC West 2**, opened in 2013 in Accra, Ghana, works with the English- and Portuguese-speaking members of the **Economic Community of West African States** (ECOWAS), covering Cabo Verde, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone.

The **Africa Training Institute (ATI)** opened in Mauritius in June 2013. It conducts hands-on training and regional workshops for officials from 45 sub-Saharan African countries. Its current external partners include Australia, China, Germany, Korea, and the European Investment Bank.

Asia-Pacific

The **Pacific Financial Technical Assistance Center (PFTAC)**, established in Suva, Fiji, in 1993, supports 16 Pacific island countries and territories: The Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, and Vanuatu. External partners include Australia, Canada, the European Union, Korea, New Zealand, the United States, and the Asian Development Bank.

The **IMF-Singapore Regional Training Institute (STI)** was established in Singapore in 1998 as a joint initiative with the government of Singapore. The STI works closely with other IMF capacity development providers in the region, as well as the South East Asian Central Banks (SEACEN) Research and Training Centre. Financing for the STI is provided by Singapore and Japan, with additional support from Australia.

The **IMF Capacity Development Office in Thailand (CDOT)** was established in Bangkok in 2012. Core beneficiary countries are Myanmar, Lao P.D.R., Cambodia, and Vietnam. Select capacity development projects based in CDOT also cover other countries in Southeast Asia and the Pacific Island region. The Bank of Thailand hosts the CDOT office and Japan provides financial support.

The **South Asia Regional Training and Technical Assistance Center (SARTTAC)**, which began operations in January 2017, is the first center to fully integrate training and technical assistance. Located in New Delhi, India, SARTTAC works with Bangladesh, Bhutan, India, Maldives, Nepal, and Sri Lanka. Member countries finance two-thirds of the center's budget, with additional funding from Australia, the European Union, Korea, and the United Kingdom.

The **China-IMF Capacity Development Center (CICDC)** was launched in April 2018 and trains primarily government officials from China, as well as some from other countries (including those associated with the Belt and Road Initiative). The CICDC is anchored in Beijing, supports activities both inside and outside of China, and is fully funded through the People's Bank of China (PBC).

Europe, the Caucasus, Central Asia, and Mongolia

The **Joint Vienna Institute (JVI)** was established in 1992 by the IMF, Austria (represented by the Federal Ministry of Finance and the Austrian National Bank), and several other international institutions. The oldest of the IMF's regional capacity development centers, the JVI has trained more than 45,000 public officials, many of whom have gone on to senior positions, including central bank governor, minister, prime minister, and one president. Financial support for the JVI is mainly provided by its primary members, Austria and the IMF. In cooperation with the JVI and the Ministry of Finance of Georgia, the IMF has been delivering additional training through the Georgia Training Program to public officials from 11 Caucasus and Central Asian countries.

The Caucasus, Joint Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC), opened on February 1, 2021. Based in Almaty, Kazakhstan, the CCAMTAC will initially operate virtually. The center will provide technical assistance and peer-to-peer workshops for Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Tajikistan, Turkmenistan, and Uzbekistan. Financial support is provided by Kazakhstan, CCAMTAC member countries, the IMF, and external partners (currently the China, Korea, Poland, Russia, Switzerland, and the Asian Development Bank,). Classroom-type training for countries in the Central Asia and the Caucasus region will continue to be largely met by JVI and, for Mongolia, STI.

Middle East

The Middle East Regional Technical Assistance Center (METAC) was established in Beirut, Lebanon, in 2004 and works with Afghanistan, Algeria, Djibouti, Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Sudan, Syria, Tunisia, West Bank and Gaza, and Yemen. External partners include the European Union, France, Germany, the Netherlands, and Switzerland.

The IMF Middle East Center for Economics and Finance was established in Kuwait in 2011. CEF offers a comprehensive program of courses for government officials from 22 Arab countries. It is funded by Kuwait.

Western Hemisphere

The Caribbean Regional Technical Assistance Center (CARTAC) was established in Bridgetown, Barbados, in 2001. It serves 23 Caribbean countries and territories: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Maarten, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Turks and Caicos. Current external partners include Canada, the European Union, Mexico, the Netherlands, the United Kingdom, the United States, the Caribbean Development Bank, and the Eastern Caribbean Central Bank.

The Central America, Panama and the Dominican Republic Regional Technical Assistance Center (CAPTAC-DR) launched in 2009 in Guatemala City, Guatemala, and works with Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, and the Dominican Republic. Current external partners include, Colombia, the European Union, Luxembourg, Mexico, Norway, Spain, and the Central American Bank for Economic Integration.

ANNEX II. Minutes of the 24th Steering Committee Meeting

IMF AFRITAC East 24th Steering Committee Meeting and Seminars Summing-up

AFRITAC East Steering Committee held its 24th meeting and seminars on July 13 – 14, 2022 in Dar es Salaam, Tanzania. The two-day event was conducted in a hybrid format with virtual and in-person participation.

AFRITAC East Anniversary Celebration

The Steering Committee celebrated the 20-year anniversary of the center, appreciated the community and peer learning enabled by the center.

The committee members emphasized the importance of showcasing achievement and sharing experiences. They welcomed the publication of the anniversary booklet that illustrates the example of achievements of the center and lessons learnt over the past 20 years, as well as the anniversary seminar series. They also welcomed the new AFRITAC East project on assessing lessons learnt to be rolled out across its workstreams.

FY 2022 execution and FY 2023 priorities

The Steering Committee appreciated the continued support during the virtual environment and looking forward to enhanced engagement when travel gradually resumes.

Member countries noted that the COVID-19 pandemic and war in Ukraine have led to policy challenges. In this context, the Steering Committee endorsed the FY 2023 work program and budget, which includes increased activities, particularly in-person engagement.

The committee welcomed the addition of medium-term revenue strategy and debt management advisors to the center. Member countries also requested more support from the IMF on managing climate change related risks.

Funding for Phase V and AFE Governance

The Steering Committee welcomed member countries' agreement reached in January 2022 to maintain equal contributions in Phase V until such a time when there is a conducive atmosphere in the region for member countries to discuss and make binding decisions on this matter.

The committee urged member countries to sign the Letter of Understandings and make contributions as this is essential for closing the current funding gap of Phase V, including through stimulating more contributions from the existing and new donor partners.

The Committee expressed appreciation to the development partners for their continuous support of the center which has been pivotal in capacity development in the region and also noted a remaining funding gap that additional contributions form new and existing donors would be needed.

On governance, the Steering Committee urged member institutions to strengthen communication and coordination with the center to facilitate TA planning and delivery. The Committee encouraged member institutions to provide timely feedback on the support provided by the center and own TA recommendations at the strategic leadership level.

Peer-learning seminars

The thematic seminars on climate change and all the workstreams of the center were well appreciated. This was a unique opportunity for colleagues from different fields–central banks, ministries of finance, revenue authorities, and statistical agencies to exchange views. Member countries noted the importance of climate change in the economies of the region.

During the event, member countries shared experiences and achievements:

- Rwanda shared experience in integrating climate resilience goals in its PFM processes especially at an early planning stage and has scored well in its Climate PIMA assessment. The Steering Committee members expressed their interest in climate capacity development.
- Malawi and Rwanda shared experiences on promoting banking sector resilience through implementing Basel II Pillar II.
- Kenya led the discussions among a number of AFRITAC East countries, including the EAC Secretariat, on progress and challenges in modernizing monetary policy frameworks.
- Kenya shared its experiences on improving macroeconomic statistics and Uganda shared progress and challenges on transitioning the macro-framework from GFS 1986 to 2014.
- Uganda shared experience in implementing the MTRS.
- Uganda and Rwanda shared their experience in sharpening PFM tools for a post COVID-19 recovery.

Next Meeting and Chair

Eritrea has agreed to chair the SC in FY 2023. The SC members agreed that the next year's SC meeting will be held during the first week of July in Dar es Salaam.

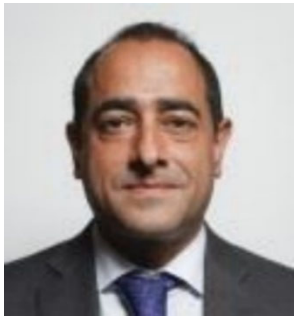
ANNEX III. Steering Committee Members

AFRITAC East Country Representatives	
ERITREA	
Ms. Martha Woldeghiorghis Director General of Treasury Ministry of Finance	Mr. Temesgen Gebremariam Head, Economics and Statistics Department Bank of Eritrea
ETHIOPIA	
H.E. Ms. Semereta Sewasew State Minister, External Economic Cooperation Ministry of Finance	Mr. Fikadu Digafie Vice Governor and Chief Economist National Bank of Ethiopia
KENYA	
Dr. Chris Kiptoo Principal Secretary National Treasury	Ms. Sheila M'Mbijjewe Deputy Governor Central Bank of Kenya
MALAWI	
Dr. MacDonald Mwale Secretary to the Treasury Ministry of Finance and Economic Affairs	Mr. William Matambo Deputy Governor Reserve Bank of Malawi
RWANDA	
Mr. Richard Tusabe Secretary General and Secretary to the Treasury Ministry of Finance and Economic Planning	Hon. Soraya Munyana Hakuziyaremye Vice Governor National Bank of Rwanda
SOUTH SUDAN	
Dr. Addis Ababa Othow 1st Deputy Governor Policy and Banking Bank of South Sudan	
TANZANIA	
Dr. Natu El-maamry Mwamba Permanent Secretary and Paymaster General Ministry of Finance and Planning	Dr. Yamungu M. Kayandabila Deputy Governor Bank of Tanzania
UGANDA	
Dr. Albert A. Musisi Commissioner Macroeconomic Policy Department Ministry of Finance, Planning and Economic Development	Dr. Charles Abuka Director, Statistics Bank of Uganda

ANNEX IV. IMF AFRITAC East Staff

Ms. Xiangming Li, a Chinese national, became the IMF East AFRITAC Center Director in August 2020. She has held operational and policy positions across the IMF, including in African Department and previously in the European, Strategy Policy and Review, Fiscal Affairs, Monetary and Capital Markets departments, and in the Institute for Capacity Development. Her work on surveillance, lending, training, and technical assistance spans across Africa, Europe, Asia, and the Caribbean. She also worked with development partners across the world on supporting IMF capacity development.

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 high-level advice to Ministers of Finance, leading and supporting government-wide PFM reforms and developing effective internal control systems while embracing management principles of accountability and transparency. Prior to joining the Center, Amra worked as the IMF Resident PFM Adviser in the Ministry of Finance of Bhutan.



Imran Aziz, a national of the United Kingdom, is a PFM advisor at AFRITAC East. He has 20 years' experience in financial management in the public sector, specializing in PFM reform processes, public investment management, budgeting and fiscal risks management. Since 2013 he has worked with the IMF to support over 27 developing and middle-income countries through technical assistance and diagnostic assessments. Prior to this he worked as an advisor based in Ministries of Finance in Uganda, Liberia and Mozambique for over seven years after beginning his career in the UK civil service with HM treasury and DFID.

Matthew Quillinan, an Australian, has over 20 years' experience in a broad variety of Public Financial Management areas, including macro-fiscal forecasting and frameworks, tax and revenue policy and budget preparation and execution. Prior to joining East AFRITAC in February 2020, he worked in a variety of roles in the Australian Treasury and Tax Office, and as a resident macro-fiscal advisor in countries such as the Solomon Islands, Indonesia, The Gambia and Sierra Leone.

Kenneth Ochola, a Kenyan national joined AFE on September 1, 2020, as Resident Revenue Administration Advisor (Customs). With a remarkable 29-year career at the Kenya Revenue Authority (KRA), Ochola held several senior management positions, including Acting Commissioner of Customs and Border Control. His expertise lies in the field of Customs administration, with extensive experience in Customs Policy, Trade Facilitation, Security, and Operations. He has a bachelor's degree in Economics and Business from Kenyatta University, and an MBA in Finance from Leicester University.

Rameck Masaire a Zimbabwean National joined AFE in February 2022 as a Tax Administration Advisor. Rameck holds an Executive Master's Degree in Business Administration and before joining AFE he was working for the Zimbabwe Revenue Authority (ZIMRA) as Acting Commissioner General. Besides ZIMRA Rameck also worked at Ernst & Young as an Executive Director in the Business Tax Advisory Department.

Dumisani E. Masilela has joined the IMF's AFRITAC East office as Revenue Administration Advisor. He is a former Commissioner General of the Eswatini Revenue Service, a position he held for a period of over 11 years. Prior to this he held the position of Principal Secretary in the Ministry of Finance between the period January 2007 and May 2010. An Economist by profession, Mr. Masilela has been integrally involved in the development of policies and has initiated several reforms to ensure the optimal management of public finances in Eswatini. He holds a Master's Degree in Economics from the University of Essex.

Georgios Genimakis, a Greek national, joined the East Africa Regional Technical Assistance Center (East AFRITAC) in September 2021 as the Resident Advisor in Financial Sector Supervision. He has extensive experience in prudential banking supervision having worked previously as a senior supervisor at the European Central Bank supervising complex cross-border institutions and as an onsite inspector at the Bank of Greece where he conducted diverse inspections in different jurisdictions and participated in critical projects with several international stakeholders. He has also worked for several years for a commercial bank in corporate banking lending. He holds a PhD in Finance, an MSc in Banking and International Finance, an MBA and a Bachelor's degree in Economics.

Callie Hugo, a South African national, joined AFE in October 2020 as Advisor on Monetary and Foreign Exchange Operations and Financial Market Infrastructures. Hugo worked at the South African Reserve Bank (SARB) for more than thirty years, in different departments and in various capacities. He previously worked for the IMF as short-term expert on monetary policy and financial sector stability.

Carina Selander, a Swedish national, joined AFE in December 2020 to November 2022 as Advisor on Forecasting and Policy Analysis System (FPAS). Carina holds a PhD degree in Economics and previously worked at the Riksbank at the Markets and Monetary Policy Departments. Carina has also worked as an advisor for AFRITAC South (AFS) covering both Monetary Modeling and Policy Analysis and Monetary and Foreign Exchange Operations.

Tiviniton Makuve, a Zimbabwean national, joined in February 2023 as Debt Management Advisor for AFE and AFS. He has over 10 years' experience in sovereign debt management as both practitioner and advisor. From 2014 to 2022, he worked at the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), responsible for planning and coordinating the implementation of capacity building programmes aimed at enhancing sovereign debt and asset management practices of 14 member countries. His main areas of focus were debt transparency, strategy formulation, debt sustainability analysis, bond markets and reserves management. Prior to this role, he worked for the Reserve Bank of Zimbabwe. Tiviniton holds a master's degree in Economics from the University of Zimbabwe and is an Accredited Fellow (in sovereign debt management) of the MEFMI Institute.

Timmi Graversen, a Danish national joined the East Africa Regional Technical Assistance Center in January 2021 as the Real Sector Statistics Advisor. He has more than 25 years of national accounting experience at Statistics Denmark. He has worked with many areas of the national accounts and was for 10 years the Deputy Head of the National Accounts Division and overseeing the units that compile and publish the Danish Quarterly National Accounts, and the Labor Market Accounts. He has also participated in several IMF missions as a short-term advisor, including in Africa.

Christelle Groenewald, a South African national, joined the East Africa Regional Technical Assistance Center in February 2023 as the Government Finance Statistics Advisor. She has more than 22 years' experience in public finance at the Central Bank of South Africa (SARB) where she was overseeing the unit responsible for compiling government finance statistics - and public sector debt statistics.

Roderick O'Mahony, an Irish National, was the Center Resident Advisor in Government Finance Statistics between January to November 2022. Mr. O'Mahony has extensive experience in the area of government finance having worked previously as a statistician in the Irish Central Statistics Office Dublin, both in the compilation of the quarterly financial accounts of general government and government accounts classification divisions. Mr. O'Mahony also has considerable experience with the IMF, having worked both as a Short-Term Expert and as a Senior Economist with the Fund's Statistics Department.

AFRITAC EAST LOCAL STAFF

Edina Moshi
Office Manager

William Wakuganda
Local Economist

Evonne Massawe
IT Officer

Warda Kassim
Administrative Assistant

Neema Mahenge
Administrative Assistant

Sylvanus Kashinje
Administrative Assistant

Stamili Togwa
Office Attendant

Wilhelm Kinabo
Office Driver

ANNEX V. IMF East AFRITAC Mid-Term Evaluation 2020

Status of Implementation of Action Plan, January 2022

Recommendation	Proposed Action(s)	Status of implementation	Responsible
Recommendation 1: Build upon improvements made in work planning for the remainder of Phase IV and in the next phase. **1.1** Continue a participatory approach in work planning, but make it an iterative process until finalization, rather than limiting authorities' participation to the annual needs assessment only.	When the proposed work plan is sent to the members of the Steering Committee, the agency-specific work plans will be sent by the resident advisors to their counterparts, to keep them informed. Work plans will be sent again to technical counterparts after the Steering Committee meeting, reflecting any changes in the wake of the meeting. The latter communication will also formally launch the scheduling process.	Consistent with the practice in previous financial years, developing the FY 2023 work plan involved consultation with authorities, the IMF Headquarters, and development partners. The FY 2023 work plan was shared with authorities before and after the July 2022 Steering Committee meeting and revised continuously throughout the fiscal year. The same participatory process will be used for FY 2024 work plan.	AFRITAC East
1.2 Establish objectives that can be realistically achieved and reflect targets that are appropriately sequenced, consider other reform needs, provide assessment of other complementary donor programs and consideration for partnerships, and objectively verifiable milestones and indicators.	We will continue to pay great attention to aligning reform recommendations with absorptive capacity, with due recognition of the diversity of countries and institutions. In addition, while addressing technical and capacity challenges should remain at the core of AFRITAC East support, more explicit attention will be paid to complementary reforms of human resources and systems management, when required. Close engagement and coordination with all the main stakeholders will continue.	The FY 2023 work plan was designed to accommodate needs arising from member countries' COVID-19 pandemic response and additional measures to protect their economies from food and oil price shocks exacerbated by the War in Ukraine. Systematic attention was paid to member institutions' absorptive capacity and readiness to receive support in-person and remotely, including the needs of fragile and conflict-affected states and the presence of other development partners (DPs) in resource allocation decisions. AFRITAC East has also strengthened coordination of the work planning process with the IMF Headquarters by adopting CDMAP.	AFRITAC East

Recommendation	Proposed Action(s)	Status of implementation	Responsible
Recommendation 2: Improve AFE's cost-effectiveness and budget management capabilities. **2.1** Give the Center Director greater input and authority in budget decisions and operations. The process of budget formulation and management will benefit from the Center Director's intimate knowledge of local operating conditions.	An internal note recently clarified the role of the Center Director and other IMF stakeholders in several areas. The annual budget process is initiated and led by the Center Director, in close consultation and coordination with concerned departments. The Center Director also manages the implementation of the workplan and the execution of the annual budget and can initiate changes to planned activities or budget lines during the fiscal year to respond to changing circumstances. The budget management rules give a leading role to the Center Director, allowing him/her to take into account local operating conditions.	The FY 2023 budget was designed and implemented using this new approach. With the introduction of CDMAP, the Center Director has budget management responsibilities in line with the proposed action. The budget for FY 2024 will follow the same process.	AFRITAC East and IMF HQ
2.2 Encourage RAs to identify cost-effective measures when designing or reviewing CD activities.	The recent adoption of a detailed chart of accounts for AFRITAC East's budgets and operations and the availability of recent financial information in CDMAP allow IMF stakeholders, including RAs, to monitor more closely whether the level and composition of spending are consistent with the initial work plan. AFE will explore how to involve RAs more closely in sectoral budget management, including to give them greater incentives to identify cost-effective measures when designing or reviewing CD activities.	The work plan and budgets for FY 2023 and FY 2024 were developed in CDMAP, which has built-in costing and budget control modules. RAs are using CDMAP to monitor the budget execution of their projects in real time. The flexibility in the CD delivery modalities (in-person/virtual) and availability of cost data in CDMAP allow RAs to use the most cost-effective modality when designing CD missions. Meanwhile, the center work plan and budget for FY 2023 were executed flexibly, with reallocations and adjustments made as needed.	AFRITAC East
Recommendation 3: Improve the use of RBM to monitor progress and manage performance. **3.1** Using process indicators, account for local conditions when identifying objectives to set timelines that are realistic and achievable. There are some milestones that go through	The IMF only partly agreed with this recommendation. While some process indicators could be considered to facilitate monitoring, assessment, and attribution, the existing RBM framework can already be (and is) used for this	AFRITAC East adopted the new IMF RBM Governance Framework introduced in August 2020. The new framework outlines how RBM data should be collected and reported to inform resource allocation decisions and the setting of strategic objectives and prioritization for member countries CD. For instance, RBM data has supported some allocation decisions	AFRITAC East

Recommendation	Proposed Action(s)	Status of implementation	Responsible
requirements beyond the IMF's control. This process should be tracked or documented by an indicator to make it clear that there is this requirement that is the responsibility of the authorities to complete.	purpose. Efforts in the coming years will also focus on the analysis of data integrity and consistency across projects.	for Phase V (e.g., reducing resources allocated to monetary operations). Phase V logframes have considered RBM lessons learned in Phase IV (e.g., setting realistic and achievable timelines and avoiding targets beyond IMF's control). AFRITAC East is now reporting on outcomes (results) instead of milestones to align with the new RBM governance framework.	
3.2 Ensure that CDMAP will be the single resource for RBM work for all IMF staff and improve the user experience of the system from CD PORT.	The Capacity Development Management and Administration Program (CDMAP) will support more efficient and transparent implementation of the CD governance framework by addressing gaps and inconsistencies in processes and systems underlying CD operations across the Fund. It will provide easily-accessible data, supporting better decision-making on CD and strengthening links between CD, surveillance, and lending. More specifically, CDMAP will strengthen the framework for medium-term, country-centered planning and budgeting at the portfolio and country level by streamlining and harmonizing processes and systems across the IMF (including RTACs), better capturing demand, allowing aggregation of workplans across all delivery modalities, and supporting prioritization. It will also facilitate performance results monitoring by making input and use of data easier for HQ and field-based staff. Improving the user experience, compared to CD-PORT, is an important objective of CDMAP.	CDMAP was launched in August 2020 and is now fully operational. It is the single resource for RBM work across the Fund and used according to the proposed action.	AFRITAC East and IMF HQ

Recommendation	Proposed Action(s)	Status of implementation	Responsible
Recommendation 4: Address gaps under the AFE's governance arrangements. **4.1** Revisit and revise the complex networks of reporting lines and areas of responsibility among the CC, RA, and AFR.	The IMF partly disagreed with this recommendation. The complex network of reporting lines and areas of responsibility reflects to a large extent the multiplicity of stakeholders; and ensures, amongst other things, that regional experts can benefit from cutting-edge expertise in HQ through direct supervision. However, the CDMAP project is expected to lead to more standardization and harmonization of processes with clearly defined roles under a single system for all CD operations. This should help clarify, and could simplify in some cases, the current network of reporting lines and areas of responsibility. As mentioned above, a recent note already aimed at clarifying roles and responsibilities during the budget process.	From FY 2022	AFRITAC East and IMF HQ
4.2 AFE should continue to be active in engaging country representatives to support SC decision-making and to facilitate communication between representatives and operational staff of the beneficiary government unit.	AFRITAC East and the rest of the IMF, in particular resident representatives, will continue to do their best to explain to the authorities the role of country representatives at the Steering Committee and to encourage the national authorities to facilitate communication and coordination across beneficiary institutions and with other providers of CD. This could be done, in particular, by the coordinator during his regular visits to member countries.	The Center Director visited all member countries in FY 2023. She discussed with Steering Committee (SC) members, high-level officials, and development partners how to increase interaction with and engagement in AFRITAC East program design, implementation, and coordination.	AFRITAC East and IMF
4.3 While possibly not within the scope of this evaluation, the Team also recommends more active involvement among SC members and authorities in the governance, planning, and delivery of CD activities.	Greater interaction with, and greater engagement of, SC members on program design and monitoring, including earlier and more focused reporting and results evaluation, is desirable. SC members of beneficiary countries would ideally be familiar with the entire CD program of their country and actively coordinate with all beneficiary agencies to help ensure the effective use of CD.	See above	Member countries

Recommendation	Proposed Action(s)	Status of implementation	Responsible
Recommendation 5: Ensure sustainability in all CD activities after delivery. **5.1** Fully implement the impact surveys in all CD activities.	The IMF disagreed with this recommendation. Impact surveys are already conducted for certain forms of training. Extending this to all CD activities would be highly time and resource intensive and might also generate a survey fatigue on the authorities' side. The immediate priority for technical assistance should rather be to implement consistently and thoroughly the new RBM system over several years, so as to gather more reliable data on whether support delivered by the Center is reaching its objectives. External evaluations are also meant to help assess impact.		
5.2 Improve the planning and sequencing of CD activities and coordinate with other development partners to avoid duplication, where needed.	AFRITAC East will continue to coordinate closely with development partners and to explore ways to do this even more effectively.	Coordination with DPs and regional partners has continued. Their views on CD priorities in member countries were sought to inform the FY 2023 and FY 2024 work programs. Long-term experts also continued to engage with DPs in member countries.	AFRITAC East and DPs
5.3 Monitor any hindrances to flexibility of meeting CD demands created by the new financial reporting system and adjust the system as necessary.	As indicated above, an internal note recently clarified the role of the coordinator and other IMF stakeholders in RTAC budget management. This note will be used in the preparation and execution of the FY 2020 budget. The note recognizes the importance of flexibility to address changes in circumstances and needs and specifies how to manage changes to planned activities or budget lines during the fiscal year. To further enhance flexibility and help address unforeseen needs, the note also recommends the budgeting of a strategic reserve of about 2 percent of the total budget.	See response to 2.1 A strategic reserve was included in the FY 2023 and FY 2024 budgets.	AFRITAC East and IMF HQ

ANNEX VI. IMF AFRITAC East Completed Activities, FY2023

REVENUE ADMINISTRATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Strengthened revenue administration management and governance arrangements	Review of ICT Policy and Strategy (GovTech)	H1	10.67
Ethiopia	Improved customs administration functions	AFE Staff Visit	H2	1.50
		Strengthening Post Clearance Audit	H2	3.00
		Strengthening Post Clearance Audit follow up	H2	2.50
Malawi	Strengthened revenue administration management and governance arrangements	ITAS Msonkhonline Change Management	H2	5.83
		Visit to Malawi	H1	2.00
Rwanda	Improved customs administration functions	Improving Valuation and Classification of goods	H2	3.50
South Sudan	Improved customs administration functions	Attachment on Post Clearance Audit	H2	1.50
		Review and redesign of Customs clearing controls & procedures	H2	5.33
		Review of CD recommendations progress	H2	11.33
	Strengthened revenue administration management and governance arrangements	Review and Redesign of the ICT Function (Governance)	H1	19.83
		Review the ICT policy and strategy	H2	8.33
Tanzania (Incl. Zanzibar)	Improved customs administration functions	Customs risk management and intelligence	H2	7.17
Regional (Incl. EAC)	Improved customs administration functions	AFE Artificial Intelligence in Customs	H2	4.83
		AFE Leveraging Technology to Improve Taxpayer Service and Compliance	H2	3.33
		Review of SCT risk management framework	H1	5.33
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	4.00

REVENUE ADMINISTRATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	4.00
	Strengthened core tax administration functions	AFE/AFW2 Regional Workshop on Technology to Improve Service and Compliance	H2	4.50
		EAC Workshop on Harmonization of tax procedures	H1	1.67
Tanzania (Incl. Zanzibar)	Improved customs administration functions	Customs risk management and intelligence	H2	7.17
Grand Total				**110.17**

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Comprehensive, credible, and policy-based budget preparation	Training on Budget Costing and Macro-fiscal forecasting.	H2	4.83
	Improved coverage and quality of fiscal reporting	National training on functional classification (COFOG) and GFSM2014 (economic segment)	H1	4.67
Ethiopia	Improved public investment management	Strengthening Project Appraisal and Selection	H2	3.00
Kenya	Comprehensive, credible, and policy-based budget preparation	Implementing the Budget Preparation Manual	H1	4.83
		Training of Trainers Budget Preparation Manual	H1	11.00
	Improved coverage and quality of fiscal reporting	Next steps in migrating to accrual IPSAS and review of Consolidated Financial Statements for SC	H1	8.33
	Strengthened identification, monitoring, and management of fiscal risks	HQ Mission: Fiscal risk committee	H1	4.00
		Operationalizing the Fiscal Risk Committee	H1	8.00
Malawi	Improved public investment management	Strengthening Project Appraisal and Selection	H1	4.17
	Strengthened identification, monitoring, and management of fiscal risks	Strengthening SOE oversight FY23	H2	5.67

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Rwanda	Comprehensive, credible, and policy-based budget preparation	Developing and Automating a Budget Costing framework	H1	4.50
		Strengthening the MTEF and Budget Costing Framework	H1	3.67
		Updating the Budget Outlook Paper	H1	7.33
	Fiscal policies and associated institutional frameworks consistent with progress towards SDGs - SDG	Rwanda - AFE - Climate sensitive selection and appraisal (FY23)	H2	2.33
		Rwanda - HQ-Led - Climate Change Fiscal Risks	H2	2.67
	Improved coverage and quality of fiscal reporting	Quality review to support phased implementation of IPSAS Accrual	H2	8.33
	Improved PFM laws and effective institutions - BLF	Quality review of the Ministerial Order in line with the 2022 Organic Law on Public Finance	H2	10.50
		Update of the financial regulations in line with the 2022 Organic Law on Public Finance NEW	H2	6.33
South Sudan	Comprehensive, credible, and policy-based budget preparation	Further development of the macro-fiscal forecasting framework and macro-fiscal reporting	H1	4.50
		Macro-fiscal forecasting and budget resource envelope FY23 December	H2	3.00
		AFE: Support to expenditure forecasting and budget costing	H2	7.33
	Improved Asset and Liability Management	Follow-up mission to further improve TSA arrangements and strengthen cash management practices	H1	5.67
		Follow-up on progress of TSA and cash management reforms	H1	3.67
		Further follow-up on progress of TSA and cash management reforms	H2	4.00
Uganda	Comprehensive, credible, and policy-based budget preparation	Strengthening the Multi-year commitment Statement	H2	4.67
		Updating the Quarterly GDP forecasting framework	H2	2.33
	Improved public investment management	Public Investment Management Assessment (HQ)	H1	2.33

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
	Strengthened identification, monitoring, and management of fiscal risks	AFE Training on Public Corporation Fiscal Risk Tools	H2	2.50
		Strengthening SOE oversight peer learning visit to Seychelles and Kenya	H2	5.33
Regional (Incl. EAC)	Comprehensive, credible, and policy-based budget preparation	2022 - Workshop 1 - LT Fiscal Sustainability and Climate Change related Fiscal Risks	H1	1.50
		2022 - Workshop 2 - Fiscal Risks and Guarantees	H2	1.50
		AFE Regional Workshop: Budget Baseline Costing Regional Guidelines	H2	2.50
		Regional Workshop on Climate Change Budgeting (LTX)	H2	1.50
	Improved coverage and quality of fiscal reporting	Annual EAC Workshop FY23	H1	4.50
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	6.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	6.00
Tanzania (Incl. Zanzibar)	Comprehensive, credible, and policy-based budget preparation	Tanzania (TZA) Zanzibar: Strengthening the Performance Budgeting Architecture	H2	3.33
		Tanzania (TZA): Training of Budget Analysts	H2	1.67
	Improved coverage and quality of fiscal reporting	National training to strengthen the capacity to assess compliance with Accrual IPSAS	H1	6.00
	Improved fiscal policies and institutional frameworks to combat climate change and its impacts (SDG 13) - CLM	Strengthening the oversight of SOE investments	H2	2.33
Grand Total				**186.33**

FINANCIAL SUPERVISION AND REGULATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Develop/strengthen banks' regulation and supervision frameworks - BRS	Eritrea Dec FY23 RBS capacity built through training	H2	1.67
		Eritrea Feb FY23 mobile money transfer activities	H2	1.33
		RBS capacity built through training	H1	2.17
Ethiopia	Develop/strengthen banks' regulation and supervision frameworks - BRS	Ethiopia Aug FY23 Training on recovery plan assessment	H1	1.00
		Ethiopia Jan FY23 Basel II/III implementation - Pillar I	H2	4.33
		Ethiopia Oct FY23 training on risk-based supervision (RBS) and Basel II/III	H1	1.67
Malawi	Develop/strengthen banks' regulation and supervision frameworks - BRS	Systemic risk and Domestic Systemically Important Banks (D-SIBs)	H1	1.50
Rwanda	Develop/strengthen banks' regulation and supervision frameworks - BRS	Review of the framework/procedure on IRRBB and provide training	H1	2.67
South Sudan	Develop/strengthen banks' regulation and supervision frameworks - BRS	Analysis of audited financial statements of banks	H1	2.67
	Develop/strengthen cybersecurity regulations and supervisory frameworks - CRS	South Sudan Feb FY23 regulatory and supervisory approaches regarding cyber risks	H2	4.00
Uganda	Develop/strengthen insurance companies' regulation and supervision frameworks - ICS	Uganda Oct FY23 regulatory reporting under IFRS 17	H1	3.33
Regional (Incl. EAC)	Demonstrate a baseline understanding and articulate specific CD needs in Financial Supervision and Regulation topics - FSB	AFE FY23 Backstopping for Banking Supervision and Regulation Advisor (Genimakis)	H1	4.33
	Develop/strengthen insurance companies' regulation and supervision frameworks - ICR	AFRITAC East - Regional training on IFRS 17	H1	6.00
	Develop/strengthen the securities and derivatives regulatory and supervisory framework - SDR	Regional Mar FY23 seminar on systemic risk in capital markets	H2	6.67
		Regional Sep FY23 seminar on RBS AFE 20th Anniversary	H1	0.83
		Seminar on AML/CFT supervision AFE 20th Anniversary	H1	0.83

FINANCIAL SUPERVISION AND REGULATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Develop/strengthen insurance companies' regulation and supervision frameworks - ICS	Tanzania Feb FY23 IFRS 17 implementation	H2	5.67
	Develop/strengthen intermediaries and fund management regulation and supervision - IFM	CFDs and implementation of an appropriate regulatory/supervisory regime	H1	4.00
Grand Total				**58.67**

MONETARY POLICY AND OPERATIONS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Strengthen efficient implementation of monetary policy under the existing regime - MPR	Ethiopia AFE MCMCO FY23 Operationalization of monetary policy instruments	H2	4.67
South Sudan	Establish a baseline and articulate specific medium-term CD needs in Central Bank Operations topics - BCB	South Sudan Sep FY23 Enhancement of monetary policy operational framework	H1	1.17
Regional (Incl. EAC)	Enhance capacity on latest developments in international standards and best practice in central bank operations - BPC	AFE/AFS/AFW2 Nov FY23 Modernization of Monetary Policy Operations & Fin Market Development	H2	3.33
		AFS/AFE/AFW2 Workshop on Repo Market Development	H2	1.33
		EAC Mar FY23 Workshop Harmonization Monetary Policy Operations	H2	4.33
	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	AFE June 2022 Support to the EAC Forecasting and Policy Analysis System workshop	H1	1.33
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Develop market infrastructure and capacity for cost-effective financing - CCF	Tanzania April FY23 LCBM Diagnostic - Hybrid-In-person	H2	2.17
		Tanzania Apr FY23 LCBM Diagnostic - Hybrid-Virtual	H2	1.00
	Strengthen the implementation of FX operations given the existing monetary policy and FX regime - FXM	Tanzania Sep FY23 Foreign exchange market intervention policy	H1	2.33
Grand Total				**25.67**

FINANCIAL MARKET INFRASTRUCTURE				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Strengthen efficient implementation of monetary policy under the existing regime - MPR	Ethiopia AFE MCMCO FY23 Operationalization of monetary policy instruments	H2	2.50
South Sudan	Demonstrate a baseline understanding and articulate specific CD needs in Payments and Infrastructure topics - BPI	South Sudan Aug FY23 Operationalization of National Payment System Department	H1	4.50
		South Sudan Sept FY23 Implications of issuing a CBDC	H2	0.83
Uganda	Develop/reform financial market infrastructures, including payments system - FMI	Uganda FY23 Enhancing NPS Regulatory and Oversight Frameworks and Build Oversight Capacity	H2	0.33
Regional (Incl. EAC)	Make a fully informed decision on whether to issue retail CBDC and, if so, incorporate design features that support public policy objectives and ensure an efficient, resilient, and competitive payment system - BDC	AFS/AFE/AFW2 Regional Webinar FY23 Digital Money	H1	3.33
Grand Total				**11.50**

FORECASTING AND POLICY ANALYSIS SYSTEM				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Kenya	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	Kenya M1 FY23 - Refining the quarterly projection model at the Central Bank of Kenya	H1	3.33
		Kenya M2 Apr FY23 Refining the Business Surveys and Nowcasting Framework at the CBK	H2	6.17
Malawi	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	M1 FY23 Customizing the QPM and adjusting the FPAS at the RBM	H2	5.83
Rwanda	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	Rwanda Dec FY23 M1 Strengthening the nowcasting framework and forecast process at the BNR	H2	5.83
Regional (Incl. EAC)	Enhance capacity on latest developments in international standards and best practice in central bank operations - BPC	AFE/AFS/AFW2 Nov FY23 Modernization of Monetary Policy Operations & Fin Market Development	H2	1.17
	Enhance capacity on latest developments in international standards and best practice in monetary and macroprudential policies - BPM	Joint FPAS Seminar on central bank Communication (basic and advanced level)	H1	4.67
	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	AFE June 2022 Support to the EAC Forecasting and Policy Analysis System workshop	H1	4.33
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	Making use of the FPAS toolbox at the BoT (M1 FY23)	H1	8.83
Grand Total				**44.17**

REAL SECTOR STATISTICS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Strengthen compilation and dissemination of macroeconomic and financial statistics	Ethiopia - TA - PPI -Development of construction price index	H1	3.17
Kenya	Strengthen compilation and dissemination of real sector statistics- national accounts - NAC	Kenya - TA - NAC - Institutional Sectors - FY23	H2	1.50
Malawi	Strengthen compilation and dissemination of macroeconomic and financial statistics	Malawi - TA - NAC - FY23	H1	2.33
		Malawi - TA - GDP - FY23 - Expenditure	H2	2.67
		Malawi - TA - PRC - Import and Export price indices (XMPI)	H2	3.17
Rwanda	Strengthen compilation and dissemination of Institutional Sector Accounts - ISA	Rwanda - TA - NAC- FY23 - Institutional Sectors	H2	2.67
	Strengthen compilation and dissemination of macroeconomic and financial statistics	Rwanda - TA - PPI - Development of weights and Sample size for XMPI	H2	3.17
South Sudan	Strengthen compilation and dissemination of real sector statistics- national accounts - NAC	South Sudan - TA - GDP - 2021 GDP by Expenditure	H1	4.50
		South Sudan - Training - NAC- Training on Supply and Use Table.	H1	2.67
Uganda	Strengthen compilation and dissemination of macroeconomic and financial statistics	FY22 Split- Uganda- TA- GDP- Review and further improvement of QGDP E-Compilation	H1	1.17
Regional (Incl. EAC)	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
	Strengthen compilation and dissemination of Consumer Price Statistics - CPP	AFE - Training - PPI	H2	2.67
	Strengthen compilation and dissemination of real sector statistics- national accounts - NAC	AFE - Training - GDP - national accounts for beginners	H2	2.67
Tanzania (Incl. Zanzibar)	Strengthen compilation and dissemination of macroeconomic and financial statistics	Tanzania - TA - NAC - Zanzibar - Promoting use of administrative data in national accounts	H1	2.67
		Tanzania - TA - NAC FY23 Promoting the use of administrative data	H1	2.67
	Strengthen compilation and dissemination of real sector statistics - prices - PRC	Tanzania - TA - PRC - Agricultural PPI - FY23 TZ	H2	3.17
Grand Total				**44.83**

GOVERNMENT FINANCE STATISTICS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Strengthen compilation and dissemination of macroeconomic and financial statistics	Eritrea / AFR - TA - GFS - AFE - Establish fiscal stats	H1	2.17
Ethiopia	Strengthen compilation and dissemination of macroeconomic and financial statistics	Ethiopia / AFR - TA - PSDS - AFE - Further development of fiscal stats	H2	2.50
		Ethiopia / AFR - Training - GFS - AFE - GFSM 2014 framework	H1	4.67
Kenya	Strengthen compilation and dissemination of macroeconomic and financial statistics	Kenya / AFR - TA - GFS - AFE - Expand fiscal stats	H2	6.00
Malawi	Strengthen compilation and dissemination of macroeconomic and financial statistics	Malawi / AFR - TA - GFS - AFE - Expand fiscal stats	H2	2.00
		Malawi / AFR - TA - GFS&PSDS - AFE - Increase fiscal and debt coverage	H1	1.33
Rwanda	Strengthen compilation and dissemination of macroeconomic and financial statistics	Rwanda / AFR - TA - GFS - AFE - Further expansion of fiscal stats	H1	1.17
South Sudan	Strengthen compilation and dissemination of macroeconomic and financial statistics	South Sudan / AFR - TA - GFS - AFE - Develop fiscal stats	H1	2.33
Uganda	Strengthen compilation and dissemination of macroeconomic and financial statistics	Uganda / AFR - TA/Train - PSDS - AFE - Expand debt statistics reporting	H1	2.33
Regional (Incl. EAC)	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Strengthen compilation and dissemination of macroeconomic and financial statistics	Tanzania / AFR - TA - GFS - AFE - Expand fiscal stats	H1	4.83
		Tanzania / AFR - TA/Train - PSDS - AFE _ Zanzibar Expand debt statistics reporting	H2	2.50
Grand Total				**35.83**

DEBT MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Formulate and implement a medium-term debt management strategy (MTDS) - MTD	Ethiopia Dec FY23 Discussion with the authorities	H1	1.00
Malawi	Develop market infrastructure and capacity for cost-effective financing - CCF	Malawi FY23 Pre-mission discussions with the authorities	H2	1.17
Uganda	Develop market infrastructure and capacity for cost-effective financing - CCF	Uganda FY23 Pre-mission discussions with the authorities	H1	1.67
Regional (Incl. EAC)	Develop capacity and improve knowledge and skills on latest developments in international standards and best practices in debt management - BPD	MEFMI-WB-IMF Apr FY23 Medium Term Debt Management Strategy (MTDS) Workshop	H2	-
		MEFMI-WB-IMF Feb FY23 Debt Sustainability Analysis (DSA) workshop for LICs in AFE & AFS	H2	1.17
		Regional Workshop on Govt Securities Operations Planning and Execution	H2	-
	Formulate a reform plan for public debt management - DMR	AFE Member States TA Discussions with Authorities on Workplan	H2	3.33
		AFS Member States TA Discussions with Authorities on Workplan	H2	3.33
Tanzania (Incl. Zanzibar)	Develop market infrastructure and capacity for cost-effective financing - CCF	Tanzania April FY23 LCBM Diagnostic - Hybrid-In-person	H2	4.67
		Tanzania Apr FY23 LCBM Diagnostic - Hybrid-Virtual	H2	2.17
Grand Total				**18.50**

MEDIUM-TERM REVENUE STRATEGY				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Strengthened core tax administration functions	Staff visit to MoR and MTRS Workshop	H2	0.83
Kenya	Strengthened core tax administration functions	MTRS Desk Reviews	H1	5.33
	Strengthened revenue administration management and governance arrangements	HQ mission - MTRS workshop	H2	1.17
Rwanda	Strengthened core tax administration functions	MTRS - Staff visit to Rwanda	H2	1.50
		Embedding Administration Reforms to Support MTRS	H2	2.67
Uganda	Strengthened core tax administration functions	Staff Visit to Uganda	H1	0.67
Regional (Incl. EAC)	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	1.67
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	1.67
	Strengthened core tax administration functions	EAC Workshop on Harmonization of tax procedures	H1	0.83
Grand Total				**16.33**

ANNEX VII. Regional Workshops, Webinars and Other Virtual Trainings, FY2023

#	Area	Workshop Title	Status
1	Revenue Administration	Artificial Intelligence in Customs	December 5-9, 2022
2	Public Financial Management / Macro-Fiscal Analysis / Government Finance Statistics	Annual EAC Workshop FY23	August 17-19, 2023
3	Public Financial Management	Budget Baseline Costing Regional Guidelines	December 5-9, 2022
4	Financial Supervision and Regulation	Regional training on IFRS 17	June 6-17, 2022
5	Forecasting and Policy Analysis System	Fundamentals of Sound Central Bank Communication	June 13 – 15, 2022
6	Real Sector Statistics	GDP - National accounts for Beginners	February 27 – March 3, 2023
7	Real Sector Statistics	Producer Price Index	March 27- 31, 2023

Note: No. 4 & 5 conducted virtually

AFRITAC East Joint Workshops FY2023

	Workshop Title	Dates
1	Revenue Administration: Joint EAC – IMF workshop on Harmonization of Tax Procedures in the EAC Region	October 3-7, 2022
2	Joint RCDCs (AFE, AFW2, AFS) Digital Money: Balancing Innovation and Regulation for a new Frontier	October 24-28, 2022
3	AFE/AFS/AFW2 Modernization of Monetary Policy Operations & Financial Market Development	November 14 – 18, 2022
4	AFE / AFW2 Leveraging Technology to Improve Taxpayer Service and Compliance	February 6-10, 2023
5	AFE/ ATI Integrating Climate Change in Policy Frameworks	March 6-10, 2023
6	MEFMI / WB / AFE Debt Sustainability Analysis (DSA) workshop for LICs in AFE & AFS	February 13-17, 2023
7	Harmonization of Monetary policy Operations in EAC Countries	March 20-24, 2023
8	AFE / AFS / AFW2 - Repo Market Development	April 11-14, 2023

AFRITAC East Joint Webinars FY2023

	Area	Course Title	Dates
1	Financial Supervision and Regulation	Regional seminar on risk-based supervision	September 7, 2022
2	Financial Supervision and Regulation	Regional seminar - Anti Money Laundering & Combating the Financing of Terrorism	October 10, 2022
3	Public Finance Management	Peer Learning Seminar - Public Investment Management Reforms in the Region	September 19, 2022
4	Financial Supervision and Regulation	Regional Seminar on Systemic Risk in Capital Markets	March 13 – 15 & 20-21, 2023

AFRITAC East / ICD Courses FY2023

	Course Title	Dates
1	Inclusive Growth	January 16 – 27, 2023

Workshops with Advisors as Resource Persons FY2023

	Area	Course Title	Dates
1	Macro-Fiscal Analysis	Fiscal Risks and Guarantees	November 14 – 18, 2022

National Trainings FY2023

#	Sector	Activity Title	Dates	Beneficiary
1	Revenue Administration	Data matching and analysis training	April 17-28, 2023	Malawi
2	Public Financial Management	Training of Trainers Budget Preparation Manual	July 18 - Sep 21, 2022	Kenya
3	Public Financial Management	National training to strengthen the capacity to assess compliance with Accrual IPSAS	August 15 - 26, 2022	Tanzania
4	Public Financial Management	National training on functional classification (COFOG) and GFSM2014 (economic segment)	October 17 – 25, 2022	Eritrea
5	Public Financial Management	Training on Public Corporation Fiscal Risk Tools	November 7-11, 2022	Uganda
6	Public Financial Management	Training of Budget Analysts LTX Delivery	November 22 – 25, 2022	Tanzania
7	Public Financial Management	Training on macro-fiscal forecasting and analysis FY23 December	December 1 – 16, 2022	South Sudan
8	Public Financial Management	Training on Budget Costing and Macro-fiscal forecasting	March 6-10, 2023	Eritrea
9	Financial Supervision and Regulation	RBS capacity built through training	May 16 - 20, 2022	Eritrea
10	Financial Supervision and Regulation	Recovery plan assessment	August 23, 2022	Ethiopia
11	Financial Supervision and Regulation	Risk-based supervision (RBS) and Basel II/III	October 3 – 7, 2022	Ethiopia
12	Financial Supervision and Regulation	RBS capacity built through training	December 6 - 12, 2022	Eritrea
13	Real Sector Statistics	Training on Supply and Use Table	October 3 – 7, 2022	South Sudan
14	Government Finance Statistics	Expand debt statistics reporting	August 15 - 26, 2022	Uganda
15	Government Finance Statistics	GFSM 2014 framework	September 26 – October 7, 2022	Ethiopia
16	Government Finance Statistics	Expand debt statistics reporting	January 16 - 27, 2023	Tanzania (Zanzibar)

ANNEX VIII. Technical Assistance Reports, FY 2023

Country	Report	Mission Members	Mission Dates
Revenue Administration			
South Sudan	Review and Redesign of the ICT Function (Governance)	Rameck Masaire; Yakomba Yavwa	May 21 - July 8, 2022
Eritrea	Review of ICT Policy and Strategy (GovTech)	Rameck Masaire; Yakomba Yavwa	August 8 – 19, 2022
East African Community	Development of Terms of Reference for SCT risk management framework	Kenneth Ochola; Gabriel Kitenga	September 16, 2022
Ethiopia	Strengthening Post Clearance Audit	Ernest Sigande Michelo Haangoma	November 7 – 18, 2022
South Sudan	Review of CD recommendations progress	Rameck Masaire; Eutycus Kamau; Elizabeth Meyo; Yakomba Yavwa	November 24 - December 5, 2022
Tanzania	Customs risk management and intelligence	Kenneth Ochola; Brian Collins; Jacqueline Ann Penfold	November 28, 2022
Regional	Artificial Intelligence in Customs	Kenneth Ochola; Francois Akoa; Gabriel Kitenga	December 5 – 9, 2022
Malawi	ITAS Msonkhonline Change Management	Rameck Masaire; Brightwell Nkambule	December 5 – 16, 2022
Regional	Leveraging Technology to Improve Taxpayer service and compliance	Rameck Masaire; Kenneth Ochola; Dumisani Masilela; Henry Gaperi; Francois Akoa; Yakomba Yavwa	February 6-10, 2023
South Sudan	Development of Terms of Reference for the ICT policy and strategy and Quality Assurance for E-Taxes project	Rameck Masaire; Yakomba Yavwa	February 13, 2023
South Sudan	Review and streamline customs clearance and control procedures	Kenneth Ochola; Gabriel Kitenga	April 3 – 14, 2023
Ethiopia	Follow up mission to strengthen Post Clearance Audit	Ernest Sigande Michelo Haangoma	April 17 – 28, 2023
Rwanda	Improving Valuation and Classification of goods	Kenneth Ochola; Leonardo Correia Lima Macedo	April 24 – 28, 2023
Public Financial Management			
Kenya	Training of Trainers Budget Preparation Manual	Imran Aziz; Rosenberg, Gregory Jon, Gerhard Steger	July 18 -September 21, 2022
South Sudan	Follow-up mission to further improve TSA arrangements and strengthen cash management practices	Amra Srdanovic; Per-Olof Jonsson	June 20 – July 1, 2023

Country	Report	Mission Members	Mission Dates
Kenya	Next steps in migrating to accrual IPSAS and review of Consolidated Financial Statements for SC	Amra Srdanovic; Peter F Murphy; Francois Van Schaik	May 30 – June 10, 2022
Uganda	Public Investment Management Assessment (HQ Mission)	Imran Aziz	June 16 – 29, 2023
Kenya	Budget Preparation Manual	Imran Aziz; Gerhard Steger	May 16 – 27, 2023
Malawi	Strengthening Project Appraisal and Selection	Imran Aziz; Martin Darcy	May 2 – 13, 2023
Rwanda	Developing and Automating a Budget Costing framework	Imran Aziz; Dennis Masinde; Gerhard Steger	May 1 – 8, 2023
Tanzania	National training to strengthen the capacity to assess compliance with Accrual IPSAS	Amra Srdanovic; Francois Van Schaik	August 15 – 26, 2023
South Sudan	Further development of the macro-fiscal forecasting framework and macro-fiscal reporting	Paul Gardiner	August 1 – 12, 2022
Rwanda	Strengthening the MTEF and Budget Costing Framework	Imran Aziz; Gerhard Steger	August 8 – 19, 2022
Rwanda	Planning and Budget Outlook Paper (PBOP)	Imran Atif Aziz; Matthew Quillinan; Gerhard Steger	August 29 – September 9, 2022
Regional	Budget Baseline Costing (Regional Workshop)	Imran Aziz; Gerhard Steger	December 5 – 9, 2022
Uganda	Training on Public Corporation Fiscal Risk Tools	Imran Aziz, Matthew Quillinan, Dzingai Chapfuwa	November 7 – 11, 2022
South Sudan	Follow-up on progress of TSA and cash management reforms	Amra Srdanovic; Per-Olof Jonsson	October 3 – 7, 2022
Kenya	Establishing a Fiscal Risk Committee	Imran Aziz; Matthew Quillinan; Gerhard Steger	September 26 – October 12, 2022
Ethiopia	Strengthening Project Appraisal Selection and Prioritization Techniques	Imran Aziz; Martin Darcy; Alejandro Arregoces	December 12 – 16, 2022
Tanzania (Zanzibar)	Strengthening Expenditure Prioritization, Costing and Performance Based Budgeting	Imran Aziz; Gerhard Steger	November 28 – December 4, 2022

Country	Report	Mission Members	Mission Dates
Tanzania	Training of Budget Analysts and Expenditure Tracking	Imran Aziz; William Wakuganda	November 22 – 25, 2022
Eritrea	National training on functional classification (COFOG) and GFSM2014 (economic segment)	Amra Srdanovic; Peter F. Murphy	October 17 – 25, 2023
Rwanda	Quality review to support phased implementation of IPSAS Accrual	Amra Srdanovic; Peter F. Murphy; Francois Van Schaik	November11-December 2, 2022
Malawi	Strengthening SOE oversight FY23	Amra Srdanovic; Matthew Quillinan; Philip Barry; Dzingai Chapfuwa; William Wakuganda	January 9 – 20, 2023
Uganda	Strengthening Multi-year Commitments	Imran Aziz; Robert Muwanga; William Wakuganda	January 9 – 20, 2023
Rwanda	AFE: Update of the financial regulations in line with the 2022 Organic Law on Public Finance	Amra Srdanovic; Benoit Chevauchez	December 7 – 20, 2022
South Sudan	Expenditure forecasting and budget costing	Imran Aziz; Matthew Quillinan; Gerhard Steger	January 30 February 10, 2023
South Sudan	Support to expenditure forecasting and budget costing	Gerhard Steger	January 30 – February 10, 2023
South Sudan	Further follow-up on progress of TSA and cash management reforms	Amra Srdanovic; Per-Olof Jonsson	February 13 – 17, 2023
Eritrea	Macro-fiscal Forecasting and Budget Costing	Imran Aziz; Matthew Quillinan	March 3 – 10, 2023
Rwanda	Climate sensitive project selection and appraisal	Imran Aziz; Martin Darcy	April 11 – 20, 2023
Rwanda	Quality review of the Ministerial Order in line with the 2022 Organic Law on Public Finance Management	Amra Srdanovic; Peter F. Murphy; Benoit Chevauchez	April 18 – 28, 2023
Tanzania (Zanzibar)	Training on Public Corporation Fiscal Risk Tools	Imran Aziz and Kennedy Ondieki	April 4-7, 2023
Uganda	Peer learning on SOE oversight reforms – benchmarking visit to Seychelles	Imran Aziz	April 17-28
Kenya	Establishing a Fiscal Risk Committee	Vincent Tang, Sybi Hida, Matthew Quillinan, Imran Aziz, Jyoti Rahman	June 7-20, 2022

Country	Report	Mission Members	Mission Dates
Monetary Policy Operations			
Ethiopia	Operationalization of monetary policy instruments	Carel Hugo, Alain Vandepeute, Stephen Mulema, Igor Munteanu	March 1 – 10, 2023
Tanzania	Foreign exchange market intervention policy	Carel Hugo; Zhuohui Chen	September 6 – 15, 2022
Financial Supervision and Regulation			
Tanzania	Regulating Contracts for Difference (CFDs)	Georgios Genimakis; Jennifer Anne Long	September 19 – 26, 2022
Rwanda	IRRBB - Review of the framework/procedure and provide training	Georgios Genimakis; Miguel Delfiner	September 12 – 14, 2022
Uganda	Insurance Regulatory Authority - Adapting prudential framework for IFRS 17	Georgios Genimakis; Michelle Chong Tai-Bell	October 10 – 21, 2022
Ethiopia	Basel II/III Pillar I Implementation	Georgios Genimakis; Miguel Delfiner	January 23 – 31, 2023
South Sudan	Regulatory and Supervisory Approaches Regarding Cyber Risks	Georgios Genimakis; Rachid Chader	February 20 – 24, 2023
Tanzania	IFRS 17 Implementation	Georgios Genimakis; Michelle Chong Tai-Bell	February 2 - 15, 2023
Financial Market Infrastructures (FMI)			
South Sudan	Operationalization of National Payment System Department	Carel Hugo; Igor Munteanu	August 22 – September 2, 2022
Uganda	Enhancing regulatory framework and enhancing oversight capabilities	Carel Hugo; Faith Stewart	April 20 – 31, 2023
Debt Management			
Tanzania	LCBM Diagnostic	Tiviniton Makuve	April 17 – 28, 2023
Forecasting and Policy Analysis (FPAS)			
Kenya	M1 FY23 Refining the quarterly projection model at the Central Bank of Kenya	Selander, Carina; Musil, Karel	August 29 – September 2, 2022
Rwanda	Strengthening the nowcasting framework and forecast process at the BNR	Zhou, Jianping; Husaboe, Eilert; Ulvedal, Pål Bergset	December 12-21, 2022
Kenya	Refining the Business Surveys and Nowcasting Framework at the CBK	Zhou, Jianping; Chernis. Tony; Webley, Taylor	April 17-21, 2023

Country	Report	Mission Members	Mission Dates
Tanzania	Improving QPM and FPAS process at the BoT (M1 FY23)	Zhou, Jianping; Selander, Carina; Two STXs	July 14-24, 2023
Real Sector Statistics			
Ethiopia	Development of construction price index	Katherine Pegler	May 9 – Dec 9, 2022
Tanzania (Zanzibar)	Promoting use of administrative data in national accounts	Timmi Graversen	October 24 – November 4, 2022
South Sudan	National Accounts Statistics Mission	Timmi Graversen; Christopher Hinchcliffe	August 28 – September 14, 2022
Tanzania	Promoting the use of administrative data	Timmi Graversen	September 19 – 30, 2022
Malawi	GDP Expenditure 2018-21	Timmi Graversen	December 5 – 16, 2022
Rwanda	Institutional Sectors	Timmi Graversen	January 23 – February 3, 2023
Tanzania	Agricultural PPI	Bird, Derek John	January 23 – February 3, 2023
Kenya	Institutional Sectors	Timmi Graversen	March 27 – 31, 2023
Rwanda	Development of weights and Sample size for XMPI	Mauro Politi	March 13 – 24, 2023
Malawi	Import and Export price indices (XMPI)	Katherine Pegler	April 17-28, 2023
Government Finance Statistics			
Tanzania	Expanding fiscal statistics	Roderick O'Mahony	July 25 – August 5, 2022
Uganda	Expanding debt statistics reporting	Roderick O'Mahony	August 15 – 26, 2022
Malawi	Increase fiscal and debt coverage	Roderick O'Mahony	September 28 - October 5, 2022
Tanzania (Zanzibar)	Expand debt statistics reporting	Roderick O'Mahony	January 16 – 27, 2023
East African Community	Review new chapters from EAC GFS manual (Desk work)	David Stephen Bailey (IMF HQ Staff); Foyzunnesa Khatun (IMF HQ Staff)	January 18 – 20, 2023
Malawi	Technical Note on Government Finance Statistics	Obadia Turinawe (IMF HQ Staff)	February 27 – March 8, 2023
Kenya	Technical Note on Government Finance Statistics	David Stephen Bailey (IMF HQ Staff); Foyzunnesa Khatun (IMF HQ Staff); Christelle Groenewald	March 13-22, 2023
Ethiopia	Technical Note on Government Finance Statistics mission	Giovanna Dabbicco (IMF HQ Staff)	March 20-31, 2023

ANNEX IX. Reports Uploaded to the Extranet, FY 2023

Country	Report Title	Mission Dates
East African Community	East African Community - Compilation of EAC wide fiscal data for convergence criteria Nov	November 29 - December 8, 2021
East African Community	Review of SCT risk management framework	September 16, 2022
Eritrea	Expanding coverage of fiscal data to the General Government	July 26 – 30, 2021
Eritrea	Government Finance and Public Sector Debt Statistics Mission (Remote TA)	February 21- March 4, 2022
Eritrea	Review of ICT Policy and Strategy (GovTech)	August 8 – 19, 2022
Eritrea	National training on functional classification (COFOG) and GFSM2014 (economic segment)	October 17 – 25, 2022
Ethiopia	Strengthening Project Appraisal and Selection	December 12 – 16, 2022
Kenya	SOE Financial Evaluations	May 10 – 31, 2021
Kenya	Review of GDP Rebasing	June 14 - 18, 2021
Kenya	Review of Customs Penalty Regime and Develop Sanctions Map	October 12-25, 2021
Kenya	Strengthening Coordinated Border Management	March 1-14, 2022
Kenya	State Corporation Financial Evaluations (National Workshop)	March 7 – 31, 2022
Kenya	Desk Review of the draft SCOA	March 25 – April 15, 2022
Kenya	Implementing the Budget Preparation Manual	May 16 – 27, 2022
Kenya	Next steps in migrating to accrual IPSAS and review of Consolidated Financial Statements for State Corporations	May 30 – June 10, 2022
Kenya	Training of Trainers Budget Preparation Manual	July 18 – September 21, 2022
Malawi	CPI Update	June 14 – 25, 2021
Malawi	GDP by Expenditure and Production Approach 2017-2019	July 19-30, 2021
Malawi	Integrating Performance Budgeting and IT systems	September 6 – 24, 2021
Malawi	Strengthening SOE analysis to develop financial factsheets for five high-risk SOEs	November 29 – December 6, 2021
Malawi	Reviewing the FPAS framework at the Reserve Bank of Malawi in light of new developments	March 14 – 18, 2022
Malawi	Designing new IIP and PPI bulletin	March 28 - April 1, 2022
Malawi	Tax and Customs Investigation Techniques (National Workshop)	April 4-8, 2022
Malawi	Strengthening SOE analysis to develop financial factsheets for high risk SOEs	April 4 – 26, 2022
Malawi	Government Finance Statistics and Public Sector Debt Statistics	April 11 - 14, 2022
Malawi	Strengthening Project Appraisal and Selection	May 2 – 13, 2022
Rwanda	Assessment of the progress in the IPSAS	October 18-

Country	Report Title	Mission Dates
	implementation roadmap	November 5, 2021
Rwanda	Technical Note on Government Finance Statistics Mission	January 17-21, 2022
Rwanda	Developing and Automating a Budget Costing Framework	January 24-February 11, 2022
Rwanda	Expanding the scope of Public Enterprises in the SOE Health and Stress Test tools	February 14 – March 4, 2022
Rwanda	Expanding the Nowcasting toolbox at the National Bank of Rwanda	March 22 – 30, 2022
Rwanda	PIMA Finalization	April 11 – 22, 2022
Rwanda	Strengthening the MTEF and Budget Costing Framework	April 23 - May 6, 2022
Rwanda	Developing and Automating a Budget Costing framework	May 1 – 8, 2022
Rwanda	Strengthening the MTEF and Budget Costing Framework	August 8 – 19, 2022
Rwanda	Technical Note on Government Finance Statistics Mission	August 23-31, 2021
Rwanda	Updating the Budget Outlook Paper	August 29 – September 9, 2022
Rwanda	Review of the framework/procedure on IRRBB and provide training	September 12-14, 2022
South Sudan	Compilation of fiscal data for BCG	July 19 – 23, 2021
South Sudan	Techniques for producing GDP by production	November 15-26, 2021
South Sudan	Follow-up mission to further improve TSA arrangements and strengthen cash management practices	June 20 – July 1, 2022
South Sudan	Follow-up on progress of TSA and cash management reforms	October 3 – 7, 2022
Tanzania	Refining the data flows, the QPM and the Nowcasting framework within FPAS	February 14-24, 2022
Tanzania	Expanding fiscal statistics	July 25 – August 5, 2022
Tanzania	National training to strengthen the capacity to assess compliance with Accrual IPSAS	August 15 – 26, 2022
Tanzania	Training of Budget Analysts	November 22 – 25, 2022
Tanzania	Customs risk management and intelligence	November 28, 2022
Tanzania (Zanzibar)	Improving quality of GFS and PSDS for General Government	September 1 – 10, 2021
Tanzania (Zanzibar)	Develop Capacity in Audit and Investigation Methods and Techniques	September 6-17, 2021
Tanzania (Zanzibar)	Assessment of the Performance Budgeting Architecture and Budget Costing Framework	November 8-30, 2021

Country	Report Title	Mission Dates
Tanzania (Zanzibar)	Expanding GFS to the General Government	February 14-25, 2022
Tanzania (Zanzibar)	Strengthening Expenditure, Costing and Performance Based Budgeting	November 28 – December 4, 2022
Uganda	Strengthening the Multi-Year Commitment Statement	January 18-29, 2021
Uganda	Developing Capacity in Audit of Construction Sector	January 5-18, 2022
Uganda	Improving quality of public corporations fiscal data	January 17-28, 2022
Uganda	Strengthening the Multi-year commitment Statement	February 21-March 11, 2022
Uganda	Training on Public Corporation Fiscal Risk Tools	November 7 – 11, 2022
Regional	Post Clearance Audit	March 14-18, 2022

ANNEX X. IMF East AFRITAC Planned Activities, FY 2024

REVENUE ADMINISTRATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Improved customs administration functions	Customs diagnostic mission on customs clearing controls and procedures	H2	7.33
		Staff visit	H1	1.67
	Strengthened core tax administration functions	Develop registration policies, procedures, roles and responsibilities for HQ -Governance	H1	6.33
		Strengthening filing and payment processes - Governance	H1	4.83
Ethiopia	Improved customs administration functions	AFE Training on customs intelligence management	H1	4.83
	Strengthened core tax administration functions	Capacity building & experience sharing on tax debt Administration.	H1	1.17
		Staff visit	H1	1.17
	Strengthened revenue administration management and governance arrangements	Field Attachment on Integrated Tax Administration IT System -GovTech	H2	-
Kenya	Improved customs administration functions	Mirror Data Analysis (II) follow up	H1	4.83
		Use of new technology in customs management	H1	5.33
	Strengthened revenue administration management and governance arrangements	Develop Capacity in Data Analytics	H1	5.33
		Develop Procedure Manual on Monitoring Compliance in the Digital Economy- (Governance)	H1	3.33
Malawi	Improved customs administration functions	Data matching and analysis training	H1	5.33
		Review Customs transit procedures	H2	5.33
	Strengthened revenue administration management and governance arrangements	Field Attachment on the Conducting of Research - (Governance)	H1	3.50
		Review of HR Policy -(Governance)	H2	3.33
		Review of ICT Strategy (GovTech)	H1	8.33
Rwanda	Improved customs administration functions	Audit of telecommunication sector	H1	2.00
		Developing framework for Mirror Data Analysis follow up	H2	7.83

REVENUE ADMINISTRATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
	Strengthened core tax administration functions	Hands on Training on Telecommunications Sector Audit (GovTech)	H1	7.00
	Strengthened revenue administration management and governance arrangements	Developing Capacity in Analysis of Big Data Science (GovTech)	H1	0.50
South Sudan	Improved customs administration functions	Domestication of EAC Customs Instruments	H1	4.3
		Review existing structure for customs ICT function	H2	4.3
	Strengthened revenue administration management and governance arrangements	Quality Review of E Tax Project 3	H2	1.2
		Quality Review of E -Tax Project 4	H2	1.2
		Quality Review of E-TAX Project 2	H2	1.2
		Quality Review of the E-Tax Project 1	H1	1.2
Uganda	Improved customs administration functions	Developing Effective Risk Management	H1	5.00
		Strengthening Enforcement Techniques and Reforms	H1	3.17
	Strengthened revenue administration management and governance arrangements	Bench marking visit	H1	0.33
		Review of the IT Function- GovTech	H1	10.00
Regional (Incl. EAC)	Improved customs administration functions	AfCFTA Regional workshop	H1	1.33
		AFE Coordinated Border Management	H2	2.67
		AFE Valuation and transfer pricing	H1	4.83
		Customs staff visit	H1	1.17
		Review of statistical reporting and performance standards	H1	3.00
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	4.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	4.00
	Strengthened core tax administration functions	Regional Workshop on Developing Audit Capacity - Governance	H1	0.83

REVENUE ADMINISTRATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Tanzania (Incl. Zanzibar)	Improved customs administration functions	Customs diagnostic mission	H1	4.50
	Strengthened revenue administration management and governance arrangements	Developing Multi Year Compliance Strategy and Plan -Governance	H1	1.17
		Review of the ICT Strategy -GovTech	H1	4.83
Grand Total				153.50

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Comprehensive, credible, and policy-based budget preparation	AFE/ICD: FPP Training	H1	3.00
		Training on Budget Costing and Macrofiscal forecasting.	H2	4.50
	Improved PFM laws and effective institutions - BLF	National training - challenges of IFMIS introduction and implementation	H1	4.17
Ethiopia	Improved Asset and Liability Management	Strengthening TSA and Cash Management (FY24)	H1	5.00
	Improved coverage and quality of fiscal reporting	Roadmap for improving financial reporting and implementing IPSAS accrual standards	H1	5.67
	Strengthened identification, monitoring, and management of fiscal risks	Updating the fiscal risk statement and fiscal risk registry FY24	H1	5.00
Kenya	Comprehensive, credible, and policy-based budget preparation	Implementing the Budget Preparation Manual	H1	7.00
		Training on Macrofiscal Forecasting and Analysis	H1	1.67
	Improved Asset and Liability Management	AFE LTX: Attachment - Cash Management Unit in the OECD country	H1	-
		Strengthening TSA and Cash Management practices (FY24)	H2	3.67
	Improved coverage and quality of fiscal reporting	Annual Quality Assurance Review – transitioning to full accrual IPSAS (FY24)	H1	7.67

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
	Improved fiscal policies and institutional frameworks to combat climate change and its impacts (SDG 13) - CLM	Kenya - HQ led - Climate Diagnostic	H1	2.17
	Strengthened identification, monitoring, and management of fiscal risks	Integration of fiscal risk analysis in GIMIS	H2	4.67
		Strengthening Fiscal Risk Management and the FRS FY24	H1	5.33
Malawi	Comprehensive, credible, and policy-based budget preparation	Integrating budget and PIM reforms in the budget guidelines	H1	7.67
	Strengthened identification, monitoring, and management of fiscal risks	AFE LTX: Attachment SOE risk reporting - Seychelles (from FY21)	H1	0.67
		Expanding the SOE oversight and introduction to SOE Stress Test Tool (FY24)	H1	6.00
		Introduction to DGLAT	H1	3.00
Rwanda	Comprehensive, credible, and policy-based budget preparation	Developing FPP training for RWA	H2	2.33
		Review of MTEF and baseline costing exercise	H1	4.17
	Fiscal policies and associated institutional frameworks consistent with progress towards SDGs - SDG	Rwanda - AFE - Climate sensitive selection and appraisal	H2	4.67
	Improved coverage and quality of fiscal reporting	AFE LTX: Attachment on IPSAS accrual implementation (from FY21)	H2	0.67
		Annual Quality Assessment of IPSAS implementation (FY24)	H2	8.33
		Desktop review of the revised SCoA and related manual (FY24)	H1	4.17
		Developing data collection templates and reporting formats as required by the new PFM MO	H1	4.00
South Sudan	Comprehensive, credible, and policy-based budget preparation	Developing the budget call circular and costing worksheets	H1	4.67
		Macrofiscal Framework Update FY24 (1)	H1	0.67
		Macrofiscal Framework Update FY24 (2)	H2	0.50
	Improved Asset and Liability Management	Expanding the coverage of the TSA and strengthening the cash management (FY24)	H1	5.0

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
		Follow-up on progress of TSA and cash management reforms (FY24)	H2	3.0
	Improved PFM laws and effective institutions - BLF	Strengthening the commitment control using upgraded IFMIS	H2	6.3
Uganda	Comprehensive, credible, and policy-based budget preparation	Strengthening the Multi-year commitment Statement	H1	4.83
	Improved Asset and Liability Management	Further Strengthening TSA and CM practices (FY24)	H2	4.00
	Improved coverage and quality of fiscal reporting	AFE LTX: Attachment to support the recording and valuing assets and liabilities (from FY21)	H1	0.67
	Strengthened identification, monitoring, and management of fiscal risks	AFE LTX Reviewing and updating the Fiscal Risk Statement	H1	1.67
		Developing an SOE oversight reporting framework	H1	5.00
		AFE: Strengthening SOE oversight peer learning visit to Seychelles and Kenya	H1	0.83
Regional (Incl. EAC)	Comprehensive, credible, and policy-based budget preparation	2023 Workshop 1 - Fiscal Risks Tools	H2	0.83
		AFE Regional Workshop: Budget tagging (green PFM and gender)	H2	4.33
	Fiscal policies and associated institutional frameworks consistent with progress towards SDGs - SDG	Workshop on Gender Equality and Macroeconomics	H1	3.67
	Improved coverage and quality of fiscal reporting	Annual EAC Workshop FY24	H1	3.50
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	6.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	6.00
	Improved public investment management - PIM	Anglo Africa Infrastructure Governance Workshop FY24	H2	1.33
	AFE 20th Anniversary	AFE support for commemorative note	H1	3.33
Tanzania (Incl. Zanzibar)	Comprehensive, credible, and policy-based budget preparation	Tanzania (TZA) Zanzibar: Expenditure prioritization, costing and PBB	H2	7.67
	Improved coverage and quality of fiscal reporting	ZANZIBAR - Migration from cash basis to Accrual basis of Accounting	H1	5.00

PUBLIC FINANCIAL MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
		AFE LTX: Attachment on QA process and consolidation tools for production of Annual Financial Statements (from FY21)	H1	0.67
		Enhance capacity building on application of IPSAS (FY24)	H2	0.17
	Improved fiscal policies and institutional frameworks to combat climate change and its impacts (SDG 13) - CLM	Strengthening the oversight of SOE investments	H1	7.33
	Improved PFM laws and effective institutions - BLF	Review of the Public Finance Act, CAP 348 (FY24)	H2	3.33
		Provide guidance on issuing Treasury circulars addressed in the Public Finance Act 2016 and Public Debt regulations 2021	H1	6.67
Grand Total				202.17

FINANCIAL SUPERVISION AND REGULATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Develop/strengthen banks' regulation and supervision frameworks - BRS	Eritrea May FY24 Microfinance Institutions Supervision	H1	1.33
Ethiopia	Develop/strengthen cybersecurity regulations and supervisory frameworks - CRS	Develop/strengthen cybersecurity regulations and supervisory frameworks	H2	5.33
	Develop/strengthen insurance companies' regulation and supervision frameworks - ICS	Ethiopia Dec FY24 develop and implement risk-based capital framework	H2	5.33
		Ethiopia Jan FY24 develop consumer protection regulation and supervision framework	H2	3.00
		Ethiopia Jun FY24 IFRS 17 implementation	H1	5.67
		Ethiopia Oct FY24 revise and update risk-based supervision manual	H1	5.33
	Improve accounting and prudential provisioning regulatory guidelines. - APR	Supervisors' knowledge of IFRS 9 enhanced and strengthen implementation	H2	5.33

FINANCIAL SUPERVISION AND REGULATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Kenya	Develop/strengthen banks' regulation and supervision frameworks - BRS	Kenya Jun FY24 Basel III liquidity standards and leverage ratio	H1	4.67
	Develop/strengthen intermediaries and fund management regulation and supervision - IFM	Regulatory framework on crypto assets	H2	1.83
Malawi	Develop/strengthen banks' regulation and supervision frameworks - BRS	Development of climate risk supervisory framework	H2	5.33
		Malawi Jul FY24 Basel III guidelines/returns on credit, operational and liquidity risk	H1	3.67
		Malawi Nov FY24 training new examiners	H2	2.67
	Develop/strengthen cybersecurity regulations and supervisory frameworks - CRS	Develop/strengthen cybersecurity regulations and supervisory frameworks	H2	5.33
	Develop/strengthen insurance companies' regulation and supervision frameworks - ICS	Malawi Jul FY24 IFRS 17 implementation - Hybrid I	H1	0.67
		Malawi Sep FY24 IFRS 17 implementation - Hybrid II	H1	6.00
Rwanda	Develop/strengthen banks' regulation and supervision frameworks - BRS	Experience sharing with other supervisors on advanced RBS methods	H1	1.83
		Rwanda May FY24 develop IT/cybersecurity supervisory manuals	H1	4.67
South Sudan	Develop/strengthen banks' regulation and supervision frameworks - BRS	South Sudan May FY24 risk-based supervision attachment	H1	1.3
Uganda	Develop/strengthen insurance companies' regulation and supervision frameworks - ICS	Uganda Apr FY24 takaful insurance capacity building	H2	3.67
		Uganda Feb FY24 continuous mortality investigation	H2	5.67
	Develop/strengthen intermediaries and fund management regulation and supervision - IFM	Uganda Jul FY24 supervision of secondary trading of fixed income markets	H1	1.50
		Uganda Mar FY24 resolutions	H2	3.00
		Uganda Sep FY24 supervision of mutual funds	H1	3.00

FINANCIAL SUPERVISION AND REGULATION				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Regional (Incl. EAC)	Develop/strengthen the securities and derivatives regulatory and supervisory framework - SDR	Regional Jan FY24 seminar on secondary markets regulation and supervision in capital markets	H2	4.83
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H2	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Grand Total				95.00

MONETARY POLICY AND OPERATIONS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Strengthen the reserve management policy framework and management of FX reserves - FXR	Eritrea MCMCO FY 24 Assessment of monetary and foreign exchange policies and operations	H1	1.33
Kenya	Strengthen efficient implementation of FX operations given the monetary policy and FX regime - FXO	Kenya - Modernization of the operational framework in a price-based monetary policy regime	H1	11.00
		Kenya May FY24 Scoping Mission to Assess Monetary and Foreign Exchange Operations	H1	1.17
Rwanda	To develop the capacity of the authorities to implement FX operations efficiently and in a manner consistent with their chosen monetary policy and FX regime	FX Operations and FX Policy Implementation	H1	1.83
	To strengthen the capacity of the central bank to implement monetary policy effectively in the context of the given monetary policy regime	Monetary Policy and Foreign Exchange Operations	H1	6.17
South Sudan	Establish a baseline and articulate specific medium-term CD needs in Central Bank Operations topics - BCB	South Sudan AFE FY 22 In-Country Training: MPO Strategy & Liquidity Forecasting	H2	2.3
		South Sudan Jun FY24 TA Strategy Workplan	H1	1.5

MONETARY POLICY AND OPERATIONS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Regional (Incl. EAC)	Enhance capacity on latest developments in international standards and best practice in central bank operations - BPC	AFE/AFS/AFW2 July FY24 FXI model and FX operations	H1	0.83
	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	AFE support to EAC communication workshop 2023	H1	1.67
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Strengthen the implementation of FX operations given the existing monetary policy and FX regime - FXM	FX Foreign Operations and FX Policy Mission	H1	3.00
Grand Total				34.83

FINANCIAL MARKET INFRASTRUCTURE				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Develop/reform financial market infrastructures, including payments system - FMI	PFMI training	H2	5.50
Kenya	Develop/reform financial market infrastructures, including payments system - FMI	Kenya FY24 Finalization of FMI self-assessment and review of oversight framework PLACEHOLDER	H1	4.83
		Kenya May FY24 FMI mission	H1	3.00
Rwanda	Develop/reform financial market infrastructures, including payments system - FMI	National Payments System Mission	H1	3.33
South Sudan	Demonstrate a baseline understanding and articulate specific CD needs in Payments and Infrastructure topics - BPI	South Sudan AFE May FY23 Training and capacity building to strengthen the NPS function	H1	5.7
Uganda	Develop/reform financial market infrastructures, including payments system - FMI	Uganda AFE Apr FY23 Issuing a central bank digital currency, opportunities and risks	H1	1.83
Tanzania (Incl. Zanzibar)	Develop/reform financial market infrastructures, including payments system - FMI	FMI mission	H1	3.00
Grand Total				27.17

FORECASTING AND POLICY ANALYSIS SYSTEM				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Kenya	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	Kenya M2 FY24 - Nowcasting and the monetary policy process at the CBK	H2	4.67
Rwanda	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	M1 FY24 More about the foreign forecasting framework	H1	7.17
		M2 FY23 - Refining the QPM	H1	5.00
		M2 FY24 The QPM and Alternative Scenarios	H2	7.67
Uganda	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	UGA M1 FY24 - Building a nowcasting system part 1	H1	4.67
		UGA M2 FY24 - Nowcasting and external assumptions part 2	H2	4.67
Regional (Incl. EAC)	Enhance capacity on latest developments in international standards and best practice in monetary and macroprudential policies - BPM	Interregional (AFW2/AFS/AFE) Aug FY24 Workshop on FPAS	H1	0.83
	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	AFE support to EAC communication workshop 2023	H1	2.50
		EAC secretariat FY24	H1	1.17
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Improve the analytical and forecasting capabilities for monetary policy decision-making - MAF	M1 FY24 Revisiting the forecast process, integrating tools and models at the BoT	H1	7.17
		M2 FY24 strengthening risk and scenario analysis at the BoT	H2	7.17
		TNZ M2 FY23 - QPM evaluation and FPAS refinements	H1	6.67
Grand Total				63.33

REAL SECTOR STATISTICS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Strengthen compilation and dissemination of macroeconomic and financial statistics	Eritrea - Training - IL - CPI - Assessment of compilation system and source data	H2	1.17
	Strengthen compilation and dissemination of National Production, Income and Expenditure Accounts - PIE	Eritrea - PIE - Training GDP Production and source data	H2	2.83
Ethiopia	Strengthen compilation and dissemination of National Production, Income and Expenditure Accounts - PIE	Ethiopia - IL - PIE - Training Annual and Quarterly GDP FY24	H2	5.17
Kenya	Strengthen compilation and dissemination of Institutional Sector Accounts - ISA	Kenya - ISA - Institutional Sector Accounts	H2	1.50
		Kenya - National Accounts training of new staff	H1	1.50
	Strengthen compilation and dissemination of macroeconomic and financial statistics	Kenya-TA-PPI- Further development of XMPI	H1	1.33
	Strengthen compilation and dissemination of NAS - Comprehensive updates and rebasing - NAR	Kenya - PIE - Quarterly GDP by expenditure	H2	2.67
Malawi	Strengthen compilation and dissemination of macroeconomic and financial statistics	Malawi - TA - PRC - Further development of XMPI	H1	11.33
	Strengthen compilation and dissemination of National Production, Income and Expenditure Accounts - PIE	Malawi - PIE- GDP - Expenditure and Production FY24	H1	2.67
Rwanda	Strengthen compilation and dissemination of Institutional Sector Accounts - ISA	Rwanda - TA - NAC Institutional Sector Accounts	H2	1.50
		Rwanda - Training - IL - National Accounts training of new staff	H1	1.50
	Strengthen compilation and dissemination of macroeconomic and financial statistics	Rwanda - TA - Updating weights for PPI	H2	1.33
South Sudan	Strengthen compilation and dissemination of National Production, Income and Expenditure Accounts - PIE	South Sudan - IL - GDP - Expenditure and Production	H1	5.8
Uganda	Strengthen compilation and dissemination of High Frequency Economic Activity Indicators - HFE	Uganda - ISA - TA - Institutional Sector Accounts	H1	2.67
	Strengthen compilation and dissemination of macroeconomic and financial statistics	Uganda - TA - PRC - Review and update of XMPI	H2	3.17

REAL SECTOR STATISTICS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Regional (Incl. EAC)	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
	Strengthen compilation and dissemination of BOP/IIP - BOP	AFE - Training - NAC	H2	2.33
	Strengthen compilation and dissemination of Consumer Price Statistics - CPP	AFE - Training - Consumer Price Index	H2	2.67
Tanzania (Incl. Zanzibar)	Strengthen compilation and dissemination of Institutional Sector Accounts - ISA	Tanzania - ISA-TA - Institutional Sector Accounts	H1	2.67
		Zanzibar - ISA - TA - Institutional Sector Accounts	H2	2.67
	Strengthen compilation and dissemination of real sector statistics - prices - PRC	Tanzania - TA - PRC - Construction Cost Indices	H2	3.17
		Tanzania - TA - PRC FY 24 Zanzibar Construction Cost indices	H1	3.17
Grand Total				66.83

GOVERNMENT FINANCE STATISTICS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Eritrea	Strengthen compilation and dissemination of macroeconomic and financial statistics	Eritrea / AFR - TA/Train - GFS/PSDS - AFE	H2	6.50
Ethiopia	Strengthen compilation and dissemination of macroeconomic and financial statistics	Ethiopia / AFR - TA - GFS/PSDS - AFE - Mission	H2	1.83
Kenya	Strengthen compilation and dissemination of macroeconomic and financial statistics	Kenya / AFR - TA - GFS/PSDS - AFE	H1	4.67
Malawi	Strengthen compilation and dissemination of macroeconomic and financial statistics	Malawi / AFR - TA - PSDS - AFE - Increase debt coverage	H1	2.50
Rwanda	Strengthen compilation and dissemination of macroeconomic and financial statistics	Rwanda / AFR - TA - GFS - AFE - Further expansion of fiscal stats	H1	3.33

GOVERNMENT FINANCE STATISTICS				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
South Sudan	Strengthen compilation and dissemination of macroeconomic and financial statistics	South Sudan / AFR - TA - GFS/PSDS - AFE - Mission	H1	4.0
Uganda	Strengthen compilation and dissemination of macroeconomic and financial statistics	Uganda / AFR - TA/Train - GFS and PSDS - AFE - Mission 1	H1	3.00
Regional (Incl. EAC)	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
	Strengthen compilation and dissemination of macroeconomic and financial statistics	AFR - Training - AFE - GFS - Regional Workshop	H2	2.67
		AFR - Training - AFE - PSDS - Regional Workshop	H1	3.17
		EAC - TA - LTX Mission	H1	1.00
Tanzania (Incl. Zanzibar)	Strengthen compilation and dissemination of macroeconomic and financial statistics	LTX delivery DS - Zanzibar - AFE - Expand debt statistics reporting	H2	2.83
		LTX delivery- Zanzibar GFS - AFE - Expand fiscal stats	H2	3.00
		Tanzania / AFR - TA - GFS - AFE - Expand GFS statistics reporting	H1	5.33
		Tanzania /AFR - TA - GFS - Expand fiscal stats	H2	2.83
Grand Total				50.67

DEBT MANAGEMENT				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Formulate and implement a medium-term debt management strategy (MTDS) - MTD	Ethiopia Feb FY24 MTDS [ESP]	H1	6.00
Kenya	Formulate and implement a medium-term debt management strategy (MTDS) - MTD	Kenya MTDS FY24 [ESP]	H2	3.67
		Kenya MTDS Nov FY24 [ESP]	H2	2.33
Malawi	Develop market infrastructure and capacity for cost-effective financing - CCF	Malawi Feb FY23 Assessment of the LCBM	H1	3.00
South Sudan	Strengthened practices for debt recording, reporting, and monitoring - DRR	South Sudan Apr 23 MTDS Follow-up [ESP]	H2	3.3
		South Sudan Jan 23 MTDS [ESP]	H1	3.3
Uganda	Develop market infrastructure and capacity for cost-effective financing - CCF	Uganda FY24 Pre-mission discussions with the authorities	H1	0.83
Regional (Incl. EAC)	Develop capacity and improve knowledge and skills on latest developments in international standards and best practices in debt management - BPD	MEFMI-IMF May FY24 Domestic Debt Issuance and Trading Workshop for AFE and AFS	H1	1.33
	Develop market infrastructure and capacity for cost-effective financing - CCF	AFE & AFS May FY24 Managing Sovereign Debt Portfolios in adverse Market Conditions	H1	2.67
	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Tanzania (Incl. Zanzibar)	Establish efficient institutional structure and appropriate legislation for debt management - DMS	FY24 Debt management	H1	0.67
Grand Total				31.17

MEDIUM-TERM REVENUE STRATEGY				
Beneficiary	Objective	Activity Title	Activity Timing	Resources (FPWs)
Ethiopia	Strengthened core tax administration functions	MTRS Desk Reviews	H1	3.00
		Mission to draft the MTRS	H1	2.67
		Mission to re-sequence and cost the MTRS	H1	1.00
Rwanda	Strengthened core tax administration functions	MTRS - Desk Reviews	H1	2.83
		Follow up support to MTRS Implementation	H2	2.00
		Update on Status of MTRS	H1	2.17
Uganda	Strengthened core tax administration functions	MTRS - Desk Review	H1	1.83
		Review of MTRS Implementation	H1	2.67
Regional (Incl. EAC)	Steering Committee	Corporate work (including RBM work and steering committee meeting preparation, H1)	H1	2.00
		Corporate work (including RBM work and steering committee meeting preparation, H2)	H2	2.00
Grand Total				22.17

ANNEX XI. Regional Workshops, Webinars and Other Trainings, FY 2024

#	Area	Workshop Title	Proposed Timing
1	Revenue Administration	Regional Workshop on Developing Audit Capacity - Governance	H2
2	Revenue Administration	AfCFTA Regional workshop	H1
3	Revenue Administration	AFE Valuation and transfer pricing	H1
4	Revenue Administration	AFE Coordinated Border Management	H2
5	Public Financial Management	AFE Workshop on Gender Equality and Macroeconomics	H1
6	Public Financial Management	2023 Workshop 1 - Fiscal Risks Tools	H2
7	Public Financial Management	AFE: Annual EAC Workshop FY24	H1
8	Public Financial Management	AFE Regional Workshop: Budget tagging (green PFM and gender)	H2
9	Public Financial Management	Anglo Africa Infrastructure Governance Workshop FY24	H2
10	Financial Supervision and Regulation	Secondary markets regulation and supervision for capital market authorities	H2
11	Financial Supervision and Regulation	Management and supervision of climate-related financial risks in the banking sector	H2
12	Monetary Policy Operations	AFE June FY24 Liquidity management and operations	H1
13	Monetary Policy Operations	AFE support to EAC communication workshop 2023	H1
14	Forecasting and Policy Analysis System	Interregional (AFW2/AFS/AFE) Workshop on FPAS	H1
15	Debt Management	AFE & AFS May FY24 Managing Sovereign Debt Portfolios in adverse Market Conditions	H1
16	Debt Management	MEFMI-IMF May FY24 Domestic Debt Issuance and Trading Workshop for AFE and AFS	H1
17	Real Sector Statistics	AFE - Training - NAC	H2
18	Real Sector Statistics	AFE - Training - Consumer Price Index	H2
19	Government Finance Statistics	AFR - Training - AFE - GFS - Regional Workshop	H2
20	Government Finance Statistics	AFR - Training - AFE - PSDS - Regional Workshop	H1
21	ICD Regional Training	Financial Programming and Policies (AFE)	H2
22	ICD Regional Training	Financial Markets and Instruments (FMI)	H2
23	ICD Regional Training	Financial Sector Policies (FSP)	H2
24	Gender Climate and Digitalization	Gender Workshop 1	H1
25	Gender Climate and Digitalization	Climate Workshop 2	H2

NATIONAL TRAININGS FY2024

#	Area	Training Title	Country
1	Revenue Administration	Revenue Potential and Tax Gap Analysis	Ethiopia
2	Revenue Administration	Customs Intelligence Management	Ethiopia
3	Revenue Administration	National Training in ecommerce	Kenya
4	Revenue Administration	Training on Drafting Rulings for Policy Staff - (Governance)	Kenya
5	Revenue Administration	Hands on Training on Telecommunications Sector Audit (GovTech)	Rwanda
6	Revenue Administration	Taxation of online transactions	Uganda
7	Public Financial Management	AFE/ICD: FPP Training	Eritrea
8	Public Financial Management	Training on Budget Costing and Macro-fiscal forecasting	Eritrea
9	Public Financial Management	Challenges of IFMIS introduction and implementation	Eritrea
10	Public Financial Management	Macro-fiscal Forecasting and Analysis	Kenya
11	Public Financial Management	Developing FPP training	Rwanda
12	Public Financial Management	FPP & Revenue Forecasting	Tanzania (Zanzibar)
13	Financial Market Infrastructure and Payments	PFMI training	Eritrea
14	Financial Market Infrastructure and Payments	Training and capacity building to strengthen the NPS function	South Sudan
15	Real Sector Statistics	PIE - GDP Production and source data	Eritrea
16	Real Sector Statistics	CPI - Assessment of compilation system and source data	Eritrea
17	Real Sector Statistics	PIE - Training Annual and Quarterly GDP FY24	Ethiopia
18	Real Sector Statistics	National Accounts training of new staff	Rwanda
19	Government Finance Statistics	GFS/PSDS	Eritrea
20	Government Finance Statistics	GFS and PSDS	Uganda

ANNEX XII. IMF East AFRITAC Budget and Financing

AFRITAC East Phase 5: FY 2022 – FY 2025 – Financial Contributions as of April 30, 2023

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				30,457,106		23,767,778	2,205,801	4,456,405
China	7/13/2018	USD	3,500,000	3,500,000	3,500,000	3,500,000	-	-
European Commission	6/10/2021	USD	4,851,600	4,851,600	4,851,600	4,851,600	-	-
Germany	12/22/2022	EUR	2,000,000	2,122,016	-	-	-	2,205,801
Germany	12/15/2021	EUR	3,000,000	3,376,857	3,000,000	3,395,119	-	-
Netherlands	11/25/2020	EUR	5,000,000	5,945,303	3,000,000	3,623,190	2,205,801	-
Norway	12/3/2019	NOK	40,000,000	4,363,382	40,000,000	4,335,839	-	-
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	2,429,066	3,032,164	-	2,250,604
Members				750,000		186	187,314	562,500
Uganda	9/29/2022	USD	750,000	750,000	186	186	187,314	562,500
Partners and Members Total				31,207,106		23,767,964	2,393,115	5,018,905
Internal Transfers 3/								
COVID19 Initiative				2,500,000	-	2,500,000	-	-
Norway				242,108	-	242,108	-	-
Internal Transfers Total				2,742,108		2,742,108	-	-
Under Negotiations								
COVID19 Initiative		USD	2,500,000	2,500,000	-	-	-	-
European Commission		EUR	8,000,000	8,562,602				
Ethiopia		USD	750,000	750,000	-	-	-	-
Eritrea		USD	750,000	750,000	-	-	-	-
Kenya		USD	750,000	750,000	-	-	-	-
South Sudan		USD	750,000	750,000	-	-	-	-
Tanzania		USD	750,000	750,000	-	-	-	-
Malawi		USD	750,000	750,000	-	-	-	-
Rwanda		USD	750,000	750,000	-	-	-	-
Under Negotiations				16,312,602			-	-
Host Country & IMF								
Cash		USD	316,000	316,000		316,000	-	-
IMF				2,961,971				
Host Country and IMF Total				3,277,971				
Grand Total				53,539,787		26,826,072	2,393,115	5,018,905
Program Document Budget				58,972,248				
				-5,432,461				

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 Africa Capacity Building Initiative - East AFRITAC Phase 5: FY 2022-FY 2025 Summary Progress Report
(As of April 30, 2023, in U.S. Dollars)

Project	Phase Summary			FY2023		
	Program Budget	Working Budget	Expenses	Working Budget	Expenses	Execution (%)
Public Financial Management	12,702,197	12,104,254	3,852,118	2,473,472	2,040,057	82%
Revenue Administration	8,878,502	8,023,712	2,179,632	1,725,075	1,331,225	77%
Banking Supervision and Regulation	6,060,297	5,382,381	1,089,112	1,180,444	616,560	52%
Monetary Policy Operations	2,168,266	1,856,663	254,647	422,391	154,537	37%
Financial Market Infrastructures	2,482,079	2,375,199	903,342	483,450	539,068	112%
Forecasting and Policy Analysis System	3,866,795	3,595,218	756,305	752,733	294,686	39%
Real Sector Statistics	5,409,707	4,717,022	965,185	1,053,488	631,349	60%
External Sector Statistics	3,445,036	-	-	-	-	-
Government Finance Statistics	2,153,829	4,896,698	886,989	1,090,700	526,028	48%
Gender, Climate and Digitalization	-	496,573	26,724	70,473	26,724	38%
Admin Project	1,879,074	2,129,987	487,590	818,302	328,659	40%
Training project	1,380,111	1,164,479	328,568	270,504	279,000	103%
Governance and Evaluation	906,617	780,443	-	128,698	-	-
Strategic Budget Reserve	1,026,651	408,264	-	199,071	-	-
Sub Total	52,359,161	47,930,893	11,730,212	10,668,801	6,767,894	63%
Trust Fund Management	3,665,141	3,355,163	821,115	746,816	473,753	
Total	56,024,302	51,286,056	12,551,327	11,415,617	7,241,646	63%
IMF Expenses 2/	2,961,971	2,961,971	814,802	580,551	563,134	97%
Total	58,986,273	54,248,027	13,366,129	11,996,168	7,804,781	65%

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