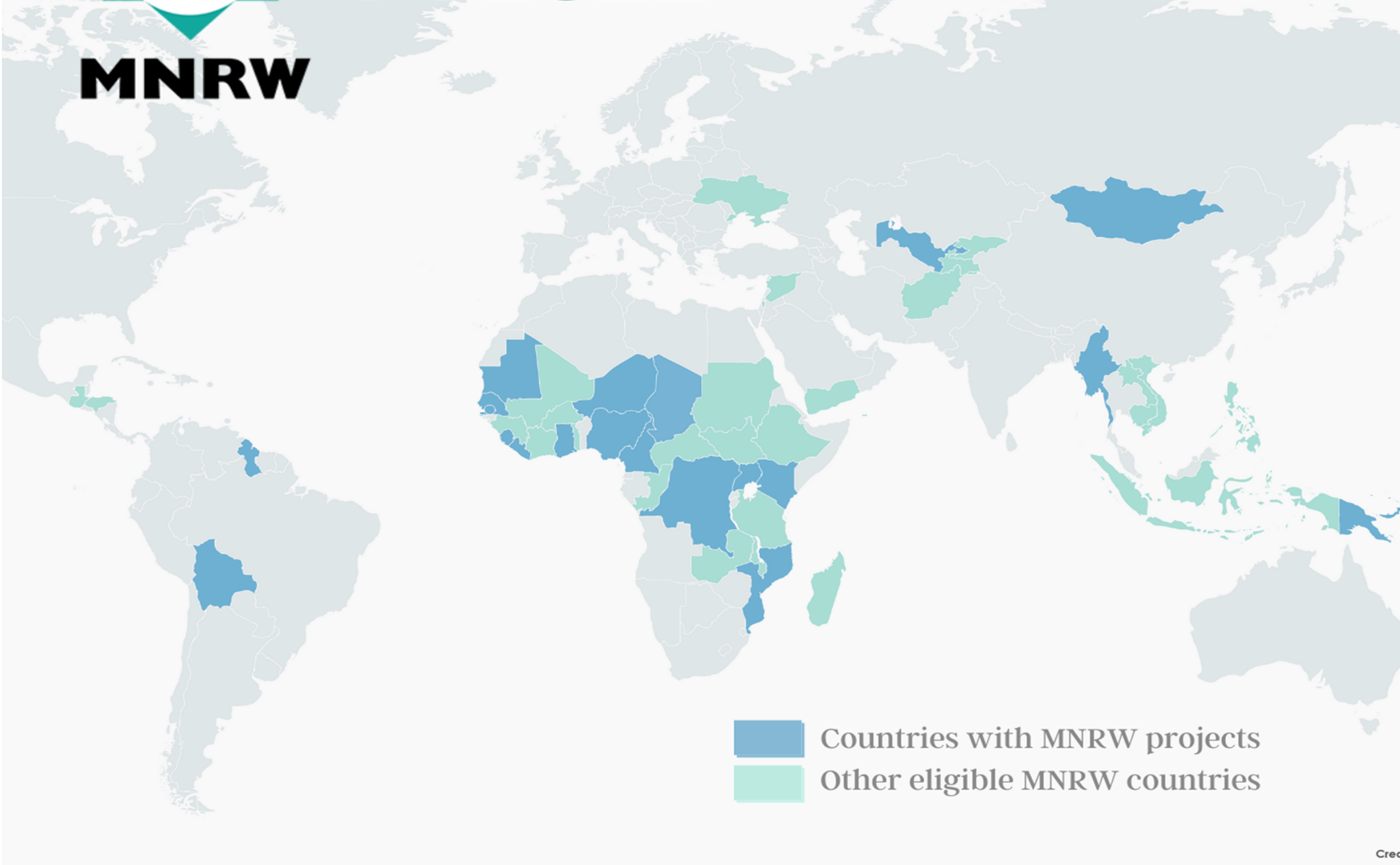
Annual Report FY2022

MNRW



MANAGING NATURAL RESOURCE WEALTH

An IMF Initiative implemented in partnership with:

Australian Government
Department of Foreign Affairs and Trade
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EUROPEAN UNION

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MANAGING NATURAL RESOURCE WEALTH THEMATIC FUND

FY 2022 ANNUAL REPORT

JUNE 28, 2022
Washington, D.C.

MNRW

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ACRONYMS

ACC	Allowance for Corporate Capital
AML	Arcelor-Mittal Liberia
BOS	Bureau of Statistics
CAAT	Computer Assisted Audit Techniques
CD	Capacity Development
CEMAC	Central African Economic and Monetary Community
CIP	Compliance Improvement plan
CIT	Corporate Income Tax
CPCM	Comité Permanent de Cadrage Macroéconomique
CRM	Compliance risk management strategy
EACOP	East African Crude Oil Pipeline
EITI	Extractive Industries Transparency Initiative
FARI	Fiscal Analysis of Resource Industries
FID	Final Investment Decision
FTC	Fiscal Transparency Code
FX	Foreign Exchange
GFSM	Government Finance Statistics Manual
GRA	Guyana Revenue Authority
HGA	Host Government Agreement
HQ	Headquarters
IMF	International Monetary Fund
JVI	Joint Vienna Institute
KRA	Kenya Revenue Authority
LNG	Liquefied Natural Gas
MEMD	Ministry of Energy and Mineral Development
MFPED	Ministry of Finance, Planning and Economic Development
MNRW	Managing Natural Resource Wealth
MoF	Ministry of Finance
MOOC	Massive Open Online Course
MPSC	Model Production Sharing Contract
MRC	Management in resource-rich countries
MTBF	Medium-term Budget Framework
MTFF	Medium-term fiscal framework
MTRS	Medium-term Revenue Strategy
PFM	Public Financial Management
PIA	Petroleum Industry Act
PIM	Public Investment Management
PLS	Production License
PSA	Production Sharing Agreement
PSCs	Production sharing contracts
RBM	Results-Based Management
RMTF	Revenue Mobilization Thematic Fund

RRC	Natural-resource-rich countries
SC	Steering Committee
SDT	Summary Data Template
SOEs	State-Owned Enterprises
STA	Statistics Department
STX	Short-Term Expert
TA	Technical assistance
ToR	Term of Reference
TSA	Treasury Single Account
VAT	Value-added tax

EXECUTIVE SUMMARY

The Managing Natural Resource Wealth Thematic Fund (MNRW) is the primary external funding vehicle in the IMF for capacity development (CD) on economic policy management for natural resource rich low and lower-middle income countries. This report provides an overview of MNRW program activities in Fiscal Year 2022 (FY22).

Natural resource producing countries generally experienced an improvement in revenue collections during the year reflecting higher commodity prices. Both minerals and energy prices continued to trend upwards as the global economy recovered from the COVID pandemic, with fossil fuel prices spiking in recent months in direct consequence of the Russian invasion of Ukraine. In the near term, the war has refocused attention on the need to diversify sources of energy supply especially in Europe away from Russia. The longer-term investment outlook remains centered on the energy transition with renewable energy replacing fossil fuel energy, albeit natural gas has a role to play as a transition fuel, while mining will continue to expand especially of minerals that are critical to the energy transition. The MNRW will continue to play an essential role in supporting natural resource rich developing countries managing this transition.

Despite the challenge of remote delivery, progress continued to be made during the fiscal year across the program portfolio with key results in the following projects:

- **Natural Resource Fiscal Regime (Module 1)**: In *Ghana*, capacity continued to be developed on petroleum revenue forecasting while policy discussions on the draft Extractive Industries Fiscal Regime Act was supported by quantitative modeling. In *Mozambique*, support was provided on international tax issues related to the LNG projects and the revenue forecasting model was updated. In *Sierra Leone*, a legal review identified remaining transitional and implementation issues for the Extractive Industries Revenue Act. In *Uganda*, as the oil project moved closer to implementation, a review of the petroleum legislation provided guidance on the interaction between the production sharing agreements and the income tax and advice was provided on petroleum valuation. In *Uzbekistan*, the new draft natural resources fiscal regime progressed with policy guidance informing the new resource rent tax and royalty legislation.
- **Natural Resource Revenue Administration (Module 2)**: In *Guyana*, the oil and gas matrix was completed by the Guyana Revenue Authority while audit capacity continued to be strengthened through training and coaching. In *Kenya*, the compliance improvement plan for the extractive industries sector was further developed. In *Liberia*, understanding of international accounting standards in the extractive industries sector was enhanced. In *Mozambique*, the oil and gas risk matrix was completed by the revenue authorities with work commencing on specific risks in the sector. In *Nigeria*, the extractive industries skills gap assessment in the Federal Inland Revenue

Service was conducted while training was provided on computer assisted audit techniques. In *Sierra Leone*, the National Revenue Authority defined specific risks for the mining industry and gained capacity to address tax risks during audits. In *Uganda*, capacity was developed on computer assisted audit techniques in the mining sector, an audit mentorship program supported capacity building, while a review of Customs provided guidance for the authorities.

- **Macro-fiscal and public financial management (Module 3)**: In *Bolivia*, advice was provided on the medium-term fiscal framework. In the *Democratic Republic of Congo*, fiscal risk management practices improved, and a PFM reform strategy was adopted. In *Mauritania*, a petroleum revenue forecasting working group was established. In *Senegal*, the oil revenue management law was passed in parliament and the petroleum revenue forecasting framework was further refined. In *Uganda*, the Charter for Fiscal Responsibility was approved guiding prospective oil revenue management.
- **Exchange rate regimes and macro-prudential policies (Module 4)**: Work progressed on the TA handbook. In *Guatemala*, guidance was provided on economic forecasting. In the *Philippines*, advice was provided on central bank communication. MNRW funding for this work will not be required anymore going forward, so Module 4 is ending as of end FY22.

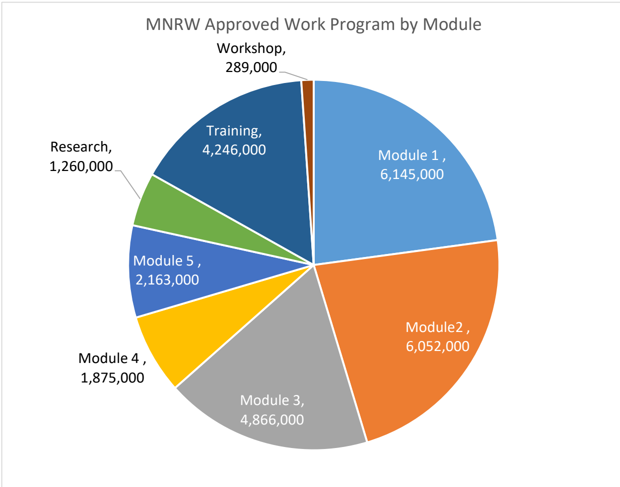
As the MNRW Phase II is coming toward the end, the committed funding is almost fully allocated to project activities. Following the guiding principles approved by the Steering Committee, the program portfolio continues to be managed flexibly. This entails reallocating funding toward projects with continued demand and traction, while some other projects have been scaled back or been completed.

Expenditure in FY22 ($2.7 million) was about 10 percent lower than in the previous fiscal year, mainly due to lower spending on the modules on revenue administration, exchange rate regimes, statistics, and analytical work. Cumulative spending through April 2022 amounted to $20.4 million against approved project budgets of $29.1 million.

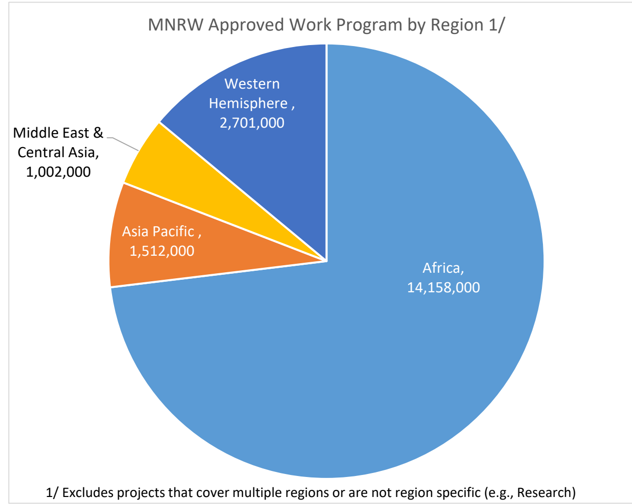
Looking forward, a key change in the coming fiscal year will be an increase in in-country activities, barring unforeseen developments with the COVID-19 pandemic. This comes as a response to increasing fatigue by many country authorities with remote delivery and a general preference for resuming in-country activities. While this will help completing the projects during the remaining program phase, it will have to be managed carefully given both financial and human resource implications. It will also be important to preserve the innovations that worked well during the remote delivery phase in a new hybrid model.

Figure 1. Managing Natural Resource Wealth Thematic Fund – At a Glance

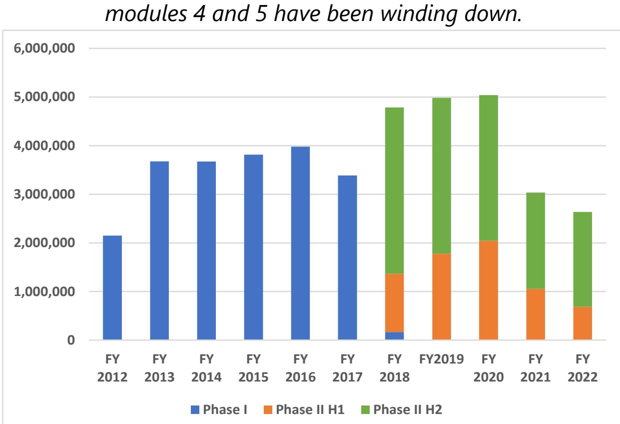
The MNRW program portfolio is broadly allocated, with a focus on the three fiscal modules on resource revenue management.



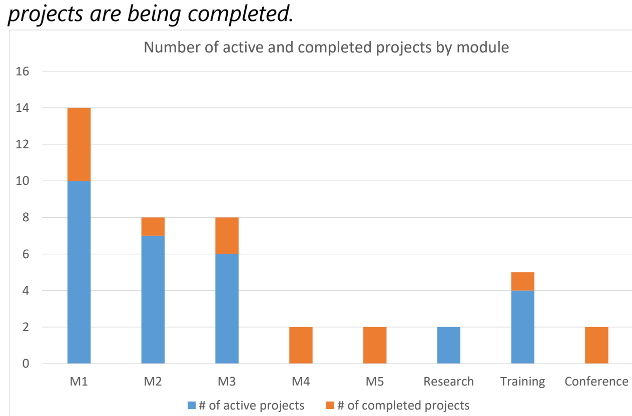
The regional focus is on sub-Saharan Africa. Smaller activities are taking place in Latin America, Asia, and the Middle East.



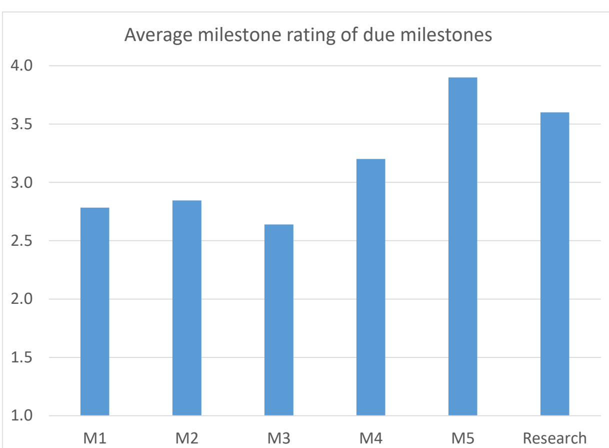
Program delivery continued to be slow in FY22, partly because modules 4 and 5 have been winding down.



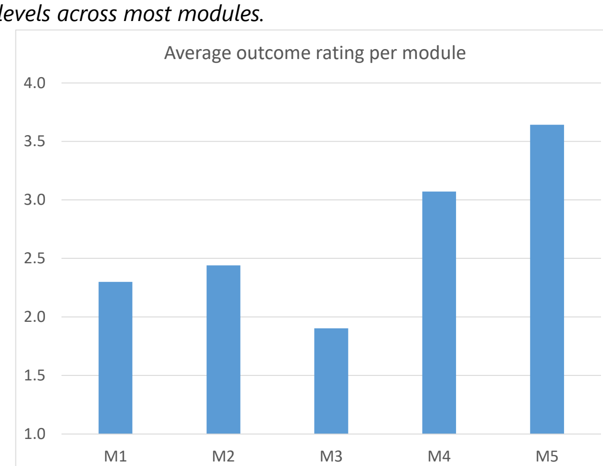
The number of active projects is starting to decline slowly as projects are being completed.



Average milestone performance is satisfactory across all modules …



… while outcomes still require more time to reach satisfactory levels across most modules.



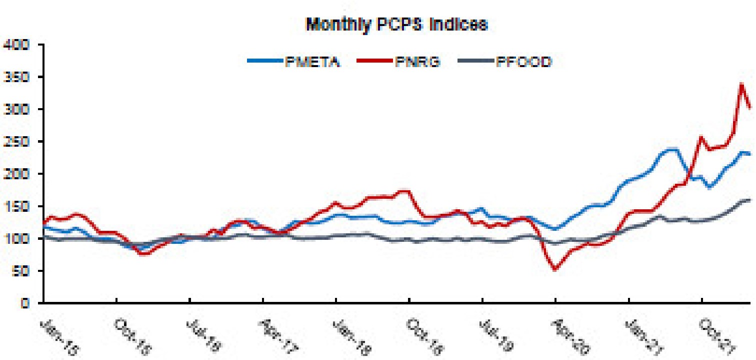
I. INTRODUCTION

1. The Managing Natural Resource Wealth Thematic Fund (MNRW) is the main external funding vehicle for IMF capacity development (CD) specifically for low and lower-middle income countries with natural resources. The fund is delivered across functional departments in the IMF in collaboration between the Fiscal Affairs Department, Monetary and Capital Markets Department, and the Institute for Capacity Development. The current Phase II started in FY18 and will be completed at the end of FY24.[1]

2. The MNRW is organized by five topical areas. The fifth module on economic statistics was completed by the end of FY21. In addition, multi-country training is provided on macro-economic management of natural resources by a combination of online, virtual and in-person courses.

- Module 1: Design and Implementation of extractive industries tax policy including fiscal modeling and revenue forecasting.
- Module 2: Revenue administration of extractive industries.
- Module 3: Macro-fiscal and public financial management.
- Module 4: Monetary policy, exchange rate policy frameworks and macro-prudential frameworks.

Figure 2. Commodity Prices, January 2015 – May 2022



Sources: IMF staff calculations and Bloomberg, L.P.
Note: PMETA: Base Metals Price Index, 2016 = 100, includes Aluminum, Cobalt, Copper, Iron Ore, Lead, Molybdenum, Nickel, Tin, Uranium, and Zinc Price Indices; PNRG: Fuel (Energy) Index, 2016 = 100, includes Crude oil (petroleum), Natural Gas, Coal and Propane Price Indices; PFOOD: Food Price Index, 2016 = 100, includes Cereal, Vegetable Oils, Meat, Seafood, Sugar, Bananas, and Oranges Price Indices

3. Commodity prices increased during the last year (Figure 2). This has been most marked for fuel and energy prices (PNRG) with the supply disruptions following the Russian invasion of Ukraine further increasing oil, gas, and coal prices that already were trending upwards reflecting the economic recovery from COVID. Mineral prices have also been rising more recently, albeit with more

[1] The MNRW Steering Committee in December 2020 endorsed a two-year extension of the current program phase.

volatility during the year. The higher prices have improved the near-term revenue outlook for natural resource producing countries, while the war has placed renewed attention on the importance of energy security and diversification especially in Europe. The longer-term outlook for new investment remains centered on the energy transition with the expectation that fossil fuels will be replaced by renewable energy, albeit natural gas has a role as a transitional fuel, while mining will expand especially of minerals that are critical to the energy transition (such as copper, cobalt, lithium, and rare earth elements). These structural shifts are expected to impact countries differently depending on geological prospects.

II. Developments and Outlook

A. Impact of COVID-19 Pandemic

4. As we entered the second year of the COVID-19 pandemic, fatigue with remote delivery clearly impacted the delivery in FY22 across many projects in the portfolio. In some projects, traction has continued despite the remote delivery. However, in other projects, the country authorities at times have been postponing some activities with a preference for undertaking these in-country even if this entails a postponement.

5. The experience has taught us that remote delivery poses challenges. The obstacles are well known by now: the effectiveness of missions can be derailed by connectivity issues; working for an extended period with time differences take a toll on staff and experts and constrain the number of hours that can be effectively spent in meetings and workshops with counterparts; and the lack of in-person presence makes it more challenging to build professional relationships based on trust and confidence. This has given rise to "zoom fatigue". These challenges are compounded to the extent other development partners with a larger presence in-country can engage more directly with the authorities.

6. That said, the "experiment" with remote delivery during the last two years has also made us more aware of the opportunities that this modality provides. While the medium-term projects under the MNRW and other thematic funds already encouraged continuous engagement with the authorities between in-country missions, the pandemic provided both the means by further deployment of communication technology solutions and the demonstrated benefits from further deepening this remote mode of interaction. Even in countries that were more hesitant to engage remotely, there is now a clear practice with more continuous engagement with country counterparts. This is particularly beneficial in terms of supporting the refinement and implementation of CD recommendations through continuous coaching and support. It can also facilitate a more agile response to urgent on-demand requests for technical guidance from counterparts. The virtual delivery has also enabled more flexibility in terms of staff and expert usage of time and support provided across multiple projects. It has been encouraging to see how online and pre-recorded material has been used to reinforce in-country and virtual mission activities, with cost savings from reusing more generic materials across multiple projects.

7. Looking forward there is an expectation that in-country CD delivery will resume for many projects. In doing so, a careful balancing act is needed to retain the flexibility to engage with a mixture of modalities in a hybrid mode. The choice of delivery modality will of course be tailored to each country's needs. In-country capacity development will ensure a more effective engagement with country authorities and will provide an opportunity to reengage in projects where traction has been adversely impacted by the remote delivery. Indeed, there is a clear rationale for prioritizing in-country engagements in projects with countries where it has proven particularly difficult to engage remotely. In other countries, one could foresee combining remote and in-country mission activities in a hybrid modality. This could for example entail more emphasis on having initial fact-finding discussions and data collection done through virtual meetings prior to any in-country missions. In many cases, preliminary drafts of reports and modeling could then be completed before the in-country portion of the mission, allowing the latter to be shorter and more focused on finetuning policy analysis and advice and focused on more capacity building oriented engagement with counterparts.

B. Program Portfolio

8. The pace of MNRW program execution picked up in the second half of the fiscal year, with total spending for FY22 coming to $2.7 million (Table 1). This was about 10 percent lower than spending in the previous fiscal year, explained mainly by reduced spending in the revenue administration Module 2 (in the projects with Kenya and Guyana), in the exchange rate and macroprudential Module 4, and in the statistics Module 5 (which has now been completed). Spending on research projects and analytical tools was also curtailed compared to the previous fiscal year, mainly reflecting a postponement in regional the FARI workshops and turnover of staff involved in the project.

9. Cumulative spending within the MNRW at $20.4 million is around 70 percent of the approved project budgets (Table 1). The three largest modules are Module 1 on fiscal regimes ($4.0 million), Module 2 on revenue administration ($3.7 million), and Module 3 on macro-fiscal and PFM ($3.1 million). Cumulative spending on multi-country training and workshops stands at $3.2 million. Spending on scoping missions totaled $1.0 million, reflecting in many cases that these have been used to design project proposals and to complete initial diagnostic and advisory assessments.

10. With total approved project budgets of $29.1 million as end-April, the available funding has been almost fully committed. The program portfolio, however, continues to be actively managed enabling the reallocation of funding between projects to reflect demand and traction, while also responding positively to some new requests for CD.

Table 1. MNRW Phase II: Portfolio Summary

(As of end-April 2022, in thousands of U.S. dollars) 1/

	Indicative Expenditure Envelope, per 2016 Program Document	Latest Approved Budget as of April 2022	FY18 Actual Expenses	FY19 Actual Expenses	FY20 Actual Expenses	FY21 Actual Expenses	FY22 Actual Expenses	Change FY22/FY21	Actual Total Expenses
Direct Technical Assistance	**17,351**	**21,101**	**2,724**	**3,951**	**3,649**	**2,212**	**1,834**	**-17%**	**14,371**
Of which:									
Module 1: Fiscal Regimes	4,164	6,148	1,049	977	767	576	589	2%	3,957
Module 2: Revenue Administration	5,032	6,051	487	1,092	1,042	633	487	-23%	3,741
Module 3: Macro-Fiscal	3,123	4,866	505	740	758	524	599	14%	3,125
Module 4: Exchange Rate and Macroprude	2,082	1,874	103	273	606	294	110	-63%	1,386
Module 5: Statistics	2,950	2,162	581	869	476	186	50	-73%	2,162
Scoping Missions	**728**	**1,098**	**294**	**191**	**238**	**39**	**245**	**526%**	**1,007**
Research Projects and Analytical Tools	**2,177**	**1,260**	**57**	**106**	**318**	**308**	**160**	**-48%**	**949**
Workshops & Training	**7,120**	**4,534**	**1,350**	**596**	**655**	**297**	**265**	**-11%**	**3,164**
Project Management	**2,627**	**1,121**	**200**	**139**	**179**	**181**	**241**	**33%**	**939**
Total	**30,000**	**29,114**	**4,625**	**4,982**	**5,040**	**3,038**	**2,745**	**-10%**	**20,430**
of which Trust Fund Management Fee	**1,963**	**1,905**	**303**	**326**	**330**	**199**	**180**	**-10%**	**1,337**

C. CD Focus and Results

Country-level Projects

11. The pace of project execution has varied across the portfolio. An indication of the level of traction is provided by the data on project level spending in FY22 (Table 2). While in most CD projects, the level of spending has been holding up well, there are some projects with minimal spending during the last financial year. This more granular look at the project level also shows that in general the remaining budgets are adequate to complete the project activities, although in a few instances there may be scope to realign the remaining budgets with the expected activities during the next two years.

Table 2. MNRW Phase II: Project Overview

(As of end-April 2022, in thousands of U.S. dollars) 1/

Country	Latest Approved Budget as of April 2022	FY18 Total Expenses	FY19 Total Expenses	FY20 Total Expenses	FY21 Total Expenses	FY22 Total Expenses	Total Expenses	Remaining Budget[1/]	Execution (%)[2/]
Direct Technical Assistance (A)	**21,101**	**2,724**	**3,951**	**3,649**	**2,212**	**1,834**	**14,371**	**6,731**	**68%**
Bolivia (M3)	666	40	173	122	4	138	477	189	72%
Cameroon (M1)	-	-	-	-	-	0	-	-	-
Chad (M1)	306	-	-	-	22	2	23	283	8%
Congo, Democratic Republic Of (M3)	187	187	0	-	0	0	187	0	100%
Congo, Democratic Republic Of (M3)	840	-	-	40	302	225	568	272	68%
Ghana (M1)	1,015	190	140	201	92	138	760	254	75%
Ghana (M2)	153	-	123	22	8	0	153	0	100%
Guyana (M1)	433	125	111	140	53	4	433	0	100%
Guyana (M2)	1,249	-	82	356	205	97	739	510	59%
Kenya (M2)	1,084	130	221	147	163	24	686	399	63%
Liberia (M1)	507	54	79	79	44	6	263	244	52%
Liberia (M2)	584	1	134	101	38	18	292	291	50%
Mauritania (M3)	410	-	-	-	35	135	170	240	41%
Mongolia (M3)	786	278	265	244	0	0	786	0	100%
Mozambique, Republic Of (M1)	708	137	175	86	53	27	478	231	67%
Mozambique, Republic Of (M2)	743	193	187	82	17	92	572	172	77%
Myanmar, Union Of (M1)	442	135	228	61	18	0	442	0	100%
Niger (M3)	590	-	143	119	3	4	269	321	46%
Nigeria (M1)	544	152	103	76	39	2	372	171	68%
Nigeria (M2)	446	-	-	-	39	109	148	298	33%
Senegal (M3)	876	-	-	66	172	22	260	616	30%
Sierra Leone (M1)	297	110	136	43	8	0	297	0	100%
Sierra Leone (M2)	792	130	173	150	88	35	576	216	73%
Sierra Leone (M1)	324	-	-	-	15	55	70	254	22%
Solomon Islands (M1)	68				13	8	21	47	31%
The Gambia (M1)	389	-	-	8	70	79	158	231	40%
Uganda (M1)	524	146	4	72	63	47	333	192	63%
Uganda (M2)	999	32	171	184	75	112	575	424	58%
Uganda (M3)	510	-	159	166	8	74	408	103	80%
Uzbekistan (M1)	591	-	-	2	84	221	307	284	52%
Exchange Rate Regimes and Macroprudential Policies (M4)	1,663	103	185	483	294	110	1,175	488	71%
Monetary Policy Framework in the Bank of Uganda (M4)	211	-	88	123	0	0	211	0	100%
Developing Capacity for Compiling Statistics for MNRW - GO (M5	824	203	399	102	97	23	824	0	100%
Developing Capacity for Compiling Statistics for MNRW - RE (M5)	1,338	377	470	374	90	27	1,338	0	100%
Scoping Missions (B)	**1,098**	**294**	**191**	**238**	**39**	**245**	**1,007**	**91**	**92%**
Burkina Faso	87	-	-	-	-	-	0	87	-
CEMAC	133	-	-	5	-4	133	133	0	100%
Chad	28	-	-	28	0	0	28	0	100%
Congo, Democratic Republic Of	47	-	-	47	0	0	47	0	100%
Ghana	22	17	5	-	0	0	22	0	100%
Guyana	89	89	-	-	0	0	89	0	100%
Guyana	68	-	68	-	0	0	68	0	100%
Madagascar	60	-	-	7	43	10	60	0	100%
Mongolia	71	-	42	30	0	0	71	0	100%
Niger	33	33	-	-	0	0	33	0	100%
Nigeria	62	-	-	62	0	0	62	0	100%
Papua New Guinea	85	85	-	-	0	0	85	0	100%
Solomon Islands	59	-	-	59	0	0	59	0	100%
South Sudan	0	-	-	-	0	0	-	0	-
The Gambia	73	-	73	-	0	0	73	0	100%
Uganda	74	71	3	-	0	0	74	0	100%
Zimbabwe	107	-	-	-		103	103	4	96%
Research Projects (C)	**1,260**	**57**	**106**	**318**	**308**	**160**	**949**	**311**	**75%**
Development of New Fiscal Transparency Guide	68	14	2	10	23		48	20	71%
FARI Methodology and Fiscal Regime Library	1,192	44	104	308	285	160	901	291	76%
Workshops (D)	**288**	**230**	**42**	**16**	**-**	**-**	**288**	**-**	**100%**
Mozambique: Conference on Managing Natural Resource Wealth	51	-	35	16	-	0	51	-	100%
West Africa Conference	237	230	7	-	-	0	237	-	100%
Other Training (E)	**4,246**	**1,119**	**554**	**639**	**297**	**265**	**2,875**	**1,370**	**68%**
CEMAC	513	89	36	64	45	102	336	177	65%
Online Course on Energy Subsidy Reform	125	22	24	27	3	0	75	50	60%
Training in Macroeconomic Management in Resource-Rich Countries	2,052	1,009	495	548	0	0	2,052	0	100%
Training in Macroeconomic Management in Resource-Rich Count	1,356	-	-	-	247	149	396	959	29%
Guyana: Macroframework for Management of Natural Resource Wealth	200	-	-	-	3	14	16	184	8%
Administrative/Governance Cost (F)	**1,121**	**200**	**139**	**179**	**181**	**241**	**939**	**181**	**84%**
General Program Management	1,121	200	139	179	181	241	939	181	84%
Total (A+B+C+D+E+F)	**29,114**	**4,625**	**4,982**	**5,040**	**3,038**	**2,745**	**20,430**	**8,684**	**70%**
of which Trust Fund Management Fee	**1,905**	**303**	**326**	**330**	**199**	**180**	**1,337**	**568**	

[1/] The remaining balance for closed projects is zeroed out upon project completion for reallocation of resources or return to donor.

[2/] For active projects only.

12. Module 1 (fiscal regime):

- *Chad (M1):* Due to the COVID travel restrictions, no activity was delivered in FY22. Despite outreach to discuss more effective ways to deliver remote support, staff was unable to come to an agreement that would ensure effective delivery. A flurry of petroleum asset deals in the past six months may see the new operators press ahead with much-needed developments, potentially boosting future oil output.
- *Ghana (M1):* TA was provided to the Ministry of Finance (MOF) on petroleum revenue forecasting, including producing a revised forecasting manual and improving the forecasting model. Quantitative analysis based on FARI modelling was conducted to form the basis for internal discussions between FAD and MOF on the outstanding policy issues in the draft Extractives Industry Fiscal Regime Act (EIFRA). Data on three of Ghana's largest existing mining projects was collected using a data template prepared by FAD.
- *Liberia (M1):* In September 2021 Liberia signed an amendment to AML's mining development agreement allowing for a mine expansion and inclusion of a railway in the mining project; this agreement was struck down by the Legislature and renegotiations are ongoing. Engagement with the authorities on further FARI modeling, including the proposed revisions to the AML project, did not materialize; it's been deferred by the authorities for after the AML project has been approved by the Legislature. There is a backlog of capacity building activities (FARI revenue modeling), that await in-person delivery and has been rolled over to FY23 (assuming the Project is extended by two years).
- *Mozambique (M1):* The authorities continued working on fiscal regime implementation and advanced work on tax risk assessment and establishment of a sovereign wealth fund. The March-June 2021 remote STX assisted the authorities in review of international tax issues related to LNG production and updated the revenue forecasting FARI LNG model. The remote HQ natural resource review mission—planned for September 2021—fell through. It is now anticipated to be delivered in-person during the planned two-year extension of the project. There is a backlog of capacity building activities (FARI revenue modeling), that awaits in-person delivery and will be rolled over to FY23, if the Project extension is approved.
- *Sierra Leone (M1):* Engagement strengthened in FY22 with capacity development support to assist the authorities to construct a revenue forecasting model for mining revenues. This included an initial remote workshop held in March 2022 with representation across key agencies (Ministry of Finance, National Revenue Agency, National Minerals Agency). Legal assistance to improve the fiscal regime legal framework also commenced in FY22 and is due for completion in the first half of FY23. Based on this strengthened engagement, the project is proposed to extend until December 2024.
- *The Gambia (M1):* Capacity development support focused on assisting the authorities to review the legal framework underpinning the petroleum fiscal regime, and on providing advice on the application of VAT to upstream petroleum activities to address investor concerns on accessing timely refunds. This support was provided remotely, with an engaged inter-agency group with representatives across Ministry of Finance and Economic Affairs, Gambia Revenue Authority, and the Ministry of Petroleum and Energy.

- *Uganda (M1)*: Final Investment Decision (FID) for the Uganda Oil Project was announced in early 2022. This is expected to unlock US$10 billion in investments. Ahead of the FID, Parliament passed three bills with direct impact on petroleum taxation in November 2021: A revision to the Income Tax Act, a new East Africa Crude Oil Pipeline bill and an amendment of the Public Finance Management Act. Under the MNRW M1 project a desk review of the petroleum taxation legislation and technical advice on petroleum valuation was delivered in December 2021.
- *Uzbekistan (M1):* FAD provided support for (1) policy guidance on royalties and the resource rent tax, (2) comments on multiple drafts of Uzbekistan's new fiscal regime, and (3) workshops on financial modeling of fiscal regimes for the extractive industries. The government passed the legislation on the resource rent tax and the new royalty rates for mining and petroleum applicable as of January 1, 2022.

13. Module 2 (revenue administration):

- *Guyana (M2):* There has been sustained engagement and participation in virtual CD activities, albeit with increasing pressure and a strong preference for in-country missions. The CD focused on enhancing the GRA's knowledge of the oil and gas industry, risk assessment, and audit capacity in the oil and gas sector. The oil and gas risk matrix was completed, and staff were upskilled in statutory interpretation focusing on Guyana's oil and gas sector. The CD is provided primarily through a short-term expert (STX) assigned to provide on-the-job training, mentoring, and coaching to develop audit capacity in the oil and gas sector. With the improving covid-19 situation it is anticipated that in-country missions will recommence and the STX will resume quarterly in-country visits to provide on-ground support.
- *Kenya (M2):* Progress was made in developing a compliance improvement plan (CIP) for the EI sector utilizing the mining and oil and gas risk matrices. Subsequent CD will focus on assisting the KRA to implement the CIP and enhancing the KRA's industry knowledge.
- *Liberia (M2):* A workshop was delivered to enhance fundamental knowledge of international accounting standards in the EI, which forms the basis of CIT. Progress have been relatively limited. Liberia faces internet connectivity difficulties that render remote CD delivery and participation challenging, notably trainings and workshops which are at the heart of the capacity building plan agreed with the authorities.
- *Mozambique (M2):* CD focused on supporting the authorities complete the oil and gas risk matrix, started working on specific risk filters in the sector, and supported the authorities in identifying international tax risks. Despite the disruptions to the CD delivery caused by the COVID-19 pandemic, the tax administration gained skills and confidence in addressing compliance risks in the sector.
- *Nigeria (M2):* While there was an initial delay in approving the commencement of CD activities, there has been good traction, commitment, and interest in CD activities at the senior management level. A EI skills gap assessment was conducted in conjunction with the authorities, and a skills development plan established to address the identified knowledge and skills gaps. Subsequent CD focused on enhancing FIRS' industry knowledge, the oil and gas fiscal regime, and compliance risk management principles and concepts. Development of the oil and gas risk matrix commenced, and staff were upskilled in Computer Assisted Audit Techniques (CAATs). Training, mentoring, and coaching is ongoing to develop audit capacity.

- *Sierra Leone (M2):* HQ staff assessed the NRA progress in administering the EI, discussed priorities and a potential extension of the project. STX mission supported the NRA in defining specific risk filters for the mining industry, building on the risk matrix that was developed for the sector. National Revenue Authority's EI unit progressed in skills, gained capacity to identify and address tax risks during audits, implemented EI tax returns and commended developing risk filters to rank risks identified in the mining matrix. At the request of the authorities, FAD is proposing a no-cost project extension for consideration by the MNRW steering committee to further progress on the project remaining milestones.
- *Uganda (M2):* Despite the challenges of remote CD modality, the authorities have sustained engagement, and interest in CD. The CD focused on enhancing the URA's mining industry knowledge and audit capacity. Staff were upskilled in CAATs, enhancing the URA's ability to analyze large data volumes to identify compliance risks without requiring the auditors' physical presence at the taxpayers' premises. Covid-19 related travel restrictions, social distancing, and the acceleration of digitalization necessitate the adoption of CAATs in the URA's audit procedures. An audit mentorship program was established to provide staff training, mentoring, and coaching to develop audit capacity. A headquarters (HQ) Customs mission identified reforms necessary to enhance Customs administration of the EI sector. The taking of the final investment decision for Uganda's oil project in February 2022, underscores the need to sustain CD and accelerate the development of oil and gas expertise to strengthen revenue administration capacity.

14. Module 3 (macro-fiscal and public financial management):

- *Bolivia (M3):* As a part of reinitiating project's activities, an HQ virtual mission on medium-term fiscal framework (MTFF) was delivered. The mission presented recommendations for supporting the introduction of an MTFF to enhance the budget credibility. In addition, two STX visits on treasury management were also delivered. The Minister of Finance and the Vice minister of Finance during the recent 2022 Spring Meetings expressed strong support to the project. The authorities requested the extension of the project for one year to execute the action plan.
- *Congo, D.R (M3):* Significant progress was made in FY22 with a revised regulatory and institutional framework for fiscal risks management, an improved Fiscal Risks Statement (FRS), and a more reliable medium-term budget framework (MTBF). In November 2021, following TA provided by the project, the Government adopted the new public financial management (PFM) reform strategy, and the related medium-term priority action plan (PAP) is being finalized. In this context, the new Government is committed to implement critical PFM reforms and follow-up activities have already been confirmed in the next months on public investment management, digitalization, and public arrears management.
- *Mauritania (M3):* The authorities have followed up on the scoping mission's recommendation to set up a Revenue Forecasting Working Group, under the leadership of the Macro Forecasting Unit of the Ministry of Finance.
- *Niger (M3):* There has been no activity in Niger for this period as the execution of the workplan has been slowed down due by external factors. In FY22, the execution of the project and the implementation of past recommendations suffered from the combination of the COVID-19 pandemic and the IMF-supported program negotiations, which required the authorities'

attention. An IMF headquarters-led mission to assist the authorities in elaborating an oil revenue management strategy is planned to take place in the first half of FY23.

- *Senegal (M3):* The latest HQ mission in April 2022 helped identify prerequisites for an effective introduction of a fiscal responsibility framework for natural resource wealth management. It suggested procedural fiscal rules to guide fiscal policy. It also supported the final drafting of the new oil revenue management law, which was subsequently passed in FY22 following further HQ desk reviews. The project continued to conduct desk reviews for secondary legislation for the new oil revenue management law, including on sovereign wealth fund issues. The project has also provided additional training in refining oil and gas revenue forecasting including on the FARI model.
- *Uganda (M3):* The authorities have approved the Charter for Fiscal Responsibility which contains the main set of fiscal objectives for the next 4 years, including on oil revenue management.

15. Module 4 (exchange rate and macro-prudential frameworks):

- *Exchange rate regimes and macroprudential frameworks (M4*): In the last 12 months several virtual missions took place. A mission to Guatemala focused on how to improve the process and organization of economic forecasts. A mission to the Philippines provided guidance on to strengthen central bank communications. Finally, a mission to Uganda reviewed central bank transparency practices to enhance public accountability. Engagement with the authorities in Papua New Guinea provided support for the choice of the optimal monetary policy framework and exchange rate arrangement. A portal to the TA handbook is now operational on the IMF website and additional chapters will be added soon.

Multi-country training, Analytical Tools, and Research Projects

16. Both the synchronous and asynchronous training on Macroeconomic Management in Resource-Rich Countries have continued to adapt in response to the COVID-19 pandemic. ICD held three synchronous courses. Intensive use of workshops, debates, and web-based learning tools helped ensure strong participant engagement, high participant satisfaction, and significant learning gains. Asynchronous training in English, French, and, since end-April 2021, Russian has been available on a self-paced basis for the entire year, to provide maximum flexibility in enrollment and participation.

MNRW-II: Multi-Country Training, Summary of Key Results, FY2022

Project	
Training in *Macroeconomic Management in Resource-Rich Countries*	Three 2-week synchronous courses were delivered, with 57 participants. During FY2022, the asynchronous online courses attracted 1,964 active participants (incl. 634 from MNRW-TF eligible countries); of these, 157 successfully completed the courses. Almost 1/3 of participants in synchronous courses, and 1/6 of those in asynchronous courses, were female. Participants rated both the synchronous and asynchronous training highly (4.5 / 5 and 4.7 / 5, respectively).
Online Training in *Energy Subsidy Reform*	The online course attracted 1016 participants (17 percent female, and incl. 293 from MNRW-TF eligible countries); of these, 101 completed the course. Participants rated the training highly (4.5 / 5).

17. Progress continued under the FARI project. The modernized simplified FARI tool has been published on the revamped FARI homepage of the IMF.[2] The tool now supports three languages (English, French and Spanish). In April 2022, the first in a series of three FARI workshops for Central and West African francophone countries was delivered. 81 people from 18 countries and 3 regional institutions participated. The second workshop series is planned for July 2022.

D. Results-based Monitoring and Evaluation

Results against the RBM Framework

18. RBM performance was overall satisfactory. The average milestone rating corresponded to 'largely achieved' whereas the average outcome rating was in-between 'partially achieved' and 'largely achieved'. Given that outcomes tend to improve over time as the underlying CD project is implemented, performance is on track for intended outcomes to be largely achieved when the current MNRW phase reaches its end. The average performance is underpinned by a large number of individual milestones and outcomes: there are more than 250 milestones for currently active projects, of which about 65 percent have been largely or fully achieved, and approximately 100 outcomes of which about half have been largely or fully achieved.

19. The Covid-19 pandemic has scarred RBM performance as there is a significant number of projects in the 'red' area of outcome performance (Figure 4). A number of these projects have come close to the end of their project life. Decisions to extend these projects were reached in consultation with country authorities. Following the resumption of travel, it has been possible to relaunch most of these projects reflecting continued strong country demand for CD (Bolivia M3, Liberia M1, Mozambique M1, Sierra Leone M1, and Uganda M3). With the exception of the module 1 project for Mozambique, all of these have a satisfactory or even outstanding milestone performance

[2] https://www.imf.org/en/Topics/fiscal-policies/fiscal-analysis-of-resource-industries.

track record (Figure 3), which bodes well for performance of the respective successor projects. The Mozambique authorities managed to make progress in some areas despite the Covid interruptions. However, it was not possible to relaunch all projects: although the supported reforms of the petroleum fiscal regime were brought to conclusion by the authorities, traction on the capacity development part of the module 1 project for Nigeria were never reestablished following turnover in counterparts after the elections and will be closed (Annex E discusses this in the closure report).

Figure 3. MNRW Phase II: Average Rating of Due Milestones in Country-Level Projects

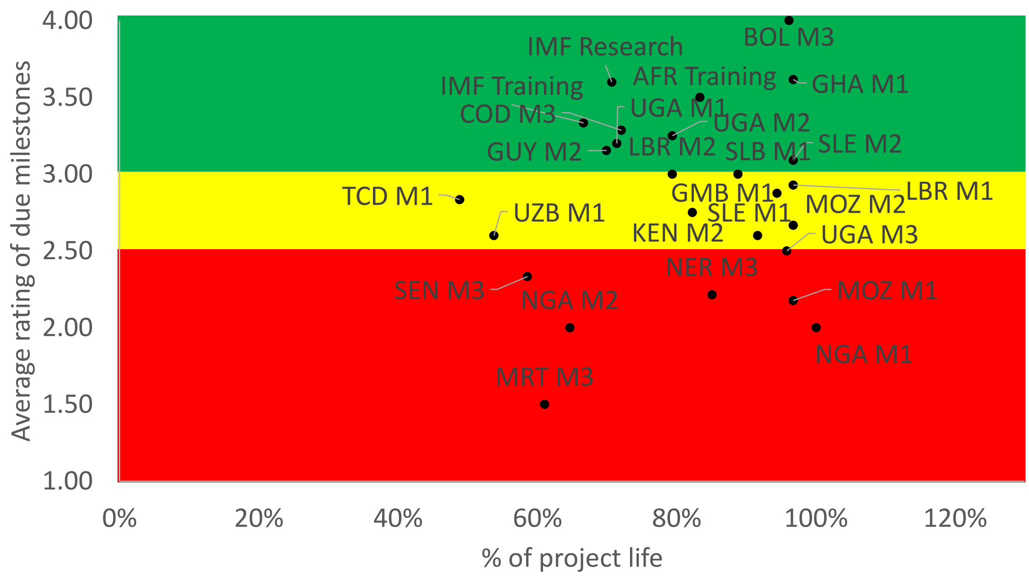


Figure 4. MNRW Phase II: Summary RBM Scores in Country-Level Projects

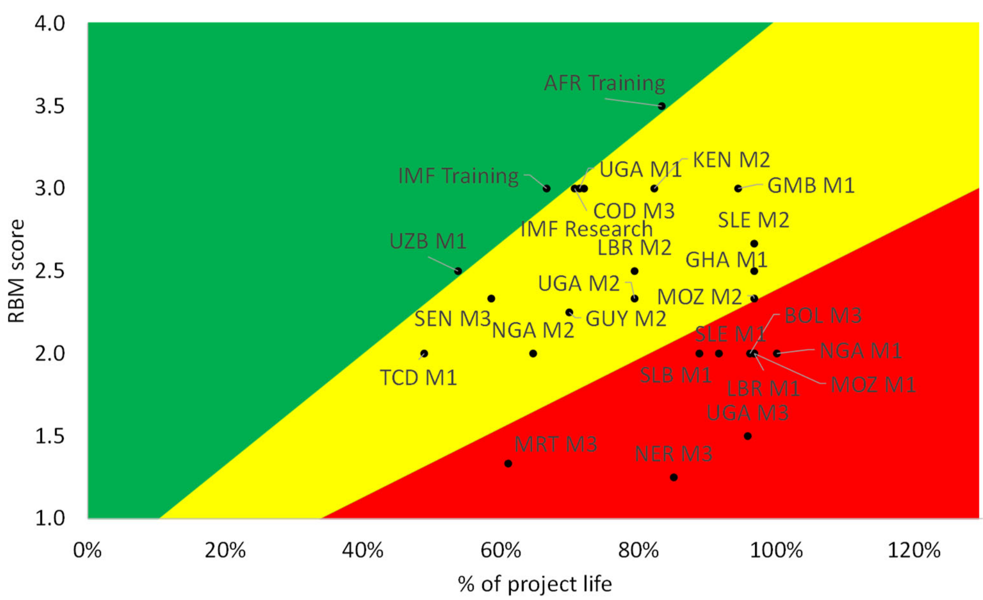


Table 3. MNRW Phase II: Selected Key Results in FY22

Project	Results
Dem. Rep. of Congo (M3)	An improved Fiscal Risks Statement (FRS) has been included for the first time in the 2022 budget documents. A revised regulation on the medium-term budget framework (MTBF) Committee was signed by the Minister of Budget. The Government adopted the new public financial management (PFM) reform strategy. Five out of seven milestones due are now fully achieved.
Ghana (M1)	Complete draft of the Extractives Industry Fiscal Act was delivered to authorities, and quantitative modeling was conducted to address remaining outstanding policy issues related to the draft. An updated forecasting manual was produced. Ten out of thirteen milestones due are fully achieved.
The Gambia (M1)	A review of the legal basis of the petroleum fiscal regime and tax law protections against international profit shifting was delivered.
Guyana (M2)	The oil and gas risk matrix was completed, and staff were upskilled in statutory interpretation focusing on Guyana's oil and gas sector.
FARI (Research)	The modernized simplified FARI tool has been published on the revamped FARI homepage of the IMF. The tool now supports three languages (English, French and Spanish).
Kenya (M2)	Kenya Revenue Authority developed a draft compliance improvement plan for the EI sector, which is now awaiting approval for implementation.
Mauritania (M3)	The authorities have set up a Revenue Forecasting Working Group under the leadership of the Macro Forecasting Unit of the Ministry of Finance. A corresponding milestone was fully achieved.
Nigeria (M1)	National Assembly approved the Petroleum Industry Bill in July 2021, thereby bringing to closure a more than 15 years long reform process
Nigeria (M2)	An EI skills gap assessment was conducted in conjunction with the authorities, and a skills development plan was established.
Senegal (M3)	The new oil revenue management law was passed in FY22. Desk reviews for secondary legislation for the new oil revenue management law, including on sovereign wealth fund issues, were conducted. Support was also provided in refining oil and gas revenue forecasting including additional support on the FARI model.
Uganda (M1)	A desk review of the petroleum taxation legislation and technical advice on petroleum valuation was delivered in December 2021.
Uganda (M2)	Staff of the Uganda Revenue Authority were upskilled in Computer Assisted Audit Techniques. An audit mentorship program was established to provide staff training, mentoring, and coaching to develop audit capacity.
Uganda (M3)	The authorities have passed the Charter for Fiscal Responsibility which includes fiscal objectives related to oil revenue management.
Uzbekistan (M1)	The government passed the legislation on the resource rent tax and the new royalty rates for mining and petroleum.

E. Preliminary Considerations for a Third Phase of the MNRW

20. The mid-term evaluation for MNRW Phase II is ongoing. The findings and recommendations of the independent review will play a key role in considering options for a potential new MNRW phase. In anticipation of this, the following section presents some preliminary considerations by staff that could guide a potential third phase of the MNRW. These will of course be further developed to incorporate recommendations from the independent evaluation when these are shortly available.

21. **Country demand for CD on natural resource economic management remains strong.** This is expected to continue as countries with natural resources need to prepare for the energy transition which will affect them differently depending on their mix of natural resources. Linkages between climate change, energy transition and natural resources would be expected to provide the overarching context and backdrop for a third phase of the MNRW. The challenge is to manage the transition to a low carbon energy future in a manner that avoids demand and supply imbalances leading to excessive commodity and energy price volatility.

22. **While effective climate change mitigation, adaptation and energy transition requires a comprehensive, holistic response, the activities within the MNRW will remain within the remit and expertise of the IMF.** This implies that CD will still be centered on supporting efforts by countries with natural resources to ensure that the economic management of these resources provide benefits for current and future generations. In practice, CD will primarily focus on ensuring an effective collection, management, and usage of revenues from natural resource extraction, in close coordination with other CD programs (e.g., the RMTF). The difference from the previous MNRW phases, is the framing within the context of climate change and the energy transition.

- Tax Policy: CD will continue to be focused on the policy design and implementation of fiscal regimes for natural resources (mainly mining and petroleum). The key objective is to ensure a fair sharing of risk and reward between the investor and government. The FARI methodology and model provides the conceptual foundation for the analysis. The scope of the work will be extended to also encompass environmental and carbon taxation especially as this applies to extractive industries. This may also encompass work on tax policy for renewable energy.
- Revenue administration: CD build capacity for collecting revenue from natural resources. This will continue to be centered on mining and petroleum sectors and building targeted capacity including on auditing and compliance matters. Although in some countries revenue collection functions for natural resources are fragmented across different agencies, the support should be integrated into countries' overall tax administration strategy and operations.
- Macro-fiscal and PFM: This provides CD to manage the natural resource revenue both through appropriate macro-fiscal frameworks that guide savings-investment decisions and the integration of natural resources into the budget framework. For countries dependent on fossil fuel production, increased attention needs to be provided in macro-fiscal frameworks to climate-related investments in diversifying and transitioning away from fossil fuels.

23. **The practice for determining country coverage should be revisited.** The potential country coverage could be defined to include all low- and middle-income countries with current or potential natural resource extraction. This adds upper middle-income countries to the beneficiary list, many of which have important natural resource activities and remaining capacity needs. At the same time, there will be more scrutiny to ensure that the supported activities directly relate to natural resource economic management. Hence, for a project proposal to be eligible it is no longer sufficient that the country is listed as a beneficiary country, but it will also have to meet the substantive eligibility test that the main focus of the CD activity directly relates to the economic management of natural resources.

24. The modular structure will be retained reflecting the interlinkages in economic policymaking with increased attention to explore synergies in CD activities between the modules. There are different options which could be considered. These would have to be further refined to be compatible with overarching reforms for the management of externally funded CD.

- *Option 1:* A thematic fund focused on natural resource revenue mobilization combining capacity development on tax policy fiscal regime design and implementation (Module 1) and revenue administration (Module 2). While the main emphasis will be on the taxation of natural resource extraction, this will be broadened to encompass carbon and other environmental taxes closely coordinating with the RMTF and other CD support on climate policy (mitigation, adaptation and transition).
- *Option 2*: In addition to CD on revenue mobilization (Modules 1 and 2), CD will be extended to focus on natural resource revenue management capturing both macro-fiscal policy frameworks and public financial management.
- *Option 3:* This will retain the core focus on fiscal management of natural resources (Modules 1, 2 and 3) but will extend this further to cover training and other CD provided by ICD in areas of macroeconomic management of natural resources.

III. FINANCIAL UPDATE

25. The MNRW Phase II is in a sound financial situation. Pledges stand at US$27.97 million against a budget of US$30 million. Contributions received from donor partners as of April 30, 2022 amounted to US$27.54 million. Combined with interest earned (US$0.71 million) and transfers from Phase I (US$1.08 million), the subaccount received a total of US$29.33 million (Tables 4 and 5). Although a funding gap of under US$1 million remains, we will continue to monitor the account liquidity before pursuing additional fundraising and will maintain an open and timely communication with donor partners on any changes and possible additional contributions.

26. The projected cashflow position in the MNRW Phase II is satisfactory. Under the disbursement schedule agreed with partners, the cash balance is sufficient to ensure the implementation of endorsed MNRW activities, as well as the revisions to the workplan proposed for endorsement as detailed in section IV.

27. Program implementation picked up but remained below projections in FY22. Implementation reached US$2.74 million in FY22, against a projected US$5.08 million. Total execution to date during the current phase reached US$20.43 million, bringing the average execution rate to 70 percent, against a projected 78 percent (Table 2).

28. Expenditure is projected to rise to US$4.3 million in FY23 and US$4.1 million in FY24. Phase II was extended by 24 months, to April 30, 2024, at the December 2020 Steering Committee Meeting to enable implementation of the program, which had slowed in FY21 and in the first half of FY22 due to the Covid-19 pandemic. While program implementation and spending significantly picked up in the second half of FY22, it did not compensate for the slow start in the first half of the fiscal year. We expect the pace of implementation to continue to rise through FY23 and FY24, assuming continued recovery from the pandemic.

Table 4. MNRW Phase II: Status of Partner Contributions

(As of April 30, 2022, in thousands of U.S. dollars)

Agreement/Amendment Information					Contribution Received		Contribution Expected	
Partners	Signed Date [1/]	Currency	Amount	U.S.Dollars	Agreement Currency	U.S.Dollars	Requested	Future Contributions [2/]
Partners								
Australia	6/6/2018	AUD	3,750	2,823	3,750	2,775	-	-
European Commission	10/14/2017	EUR	7,000	8,282	7,000	8,164	-	-
Netherlands	4/21/2017	USD	4,400	4,400	4,400	4,400	-	-
Norway	10/7/2016	NOK	40,000	4,974	40,000	4,729	-	-
Switzerland	9/13/2016	CHF	7,000	7,196	7,000	7,177	-	-
United Kingdom	10/25/2018	GBP	230	296	230	291	-	-
Partners Total				**27,971**		**27,537**	**-**	**-**
Internal Transfers [3/]								
Netherlands				307,784	-	307,784	-	-
Switzerland				769,466	-	769,466	-	-
Internal Transfers Total				**1,077**		**1,077**	**-**	**-**
Grand Total				**29,048**		**28,614**	**-**	**-**
Program Document Budget				30,000				
				-952				

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).

Table 5. MNRW Phase II: Cash Flow Statement

(As of April 30, 2022, in thousands of U.S. dollars)

	Cumulative FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
							Proj.	*Proj.*	
Contributions[1/]	**4,129**	**11,329**	**8,085**	**1,649**	**3,022**	**400**	**-**	**-**	**28,614**
Australia	-	1,748	1,028	-	-	-	-	-	2,775
European Commission	-	6,522	-	-	1,642	-	-	-	8,164
Netherlands	-	1,500	1,808	500	500	400	-	-	4,708
Norway	545	-	2,155	1,149	881	-	-	-	4,729
Switzerland	3,585	1,559	2,804	-	-	-	-	-	7,947
United Kingdom	-	-	291	-	-	-	-	-	291
Interest Earned	12	131	307	252	1	8	-	-	711
Total Cash Available	4,142	11,460	8,392	1,900	3,023	408	-	-	29,326
Expenses Paid[2/]	-	4,625	4,982	5,040	3,038	2,745	4,314	4,124	28,869
Cash Balance	4,142	10,977	14,387	11,247	11,233	8,895	4,581	457	457

1/Contributions are net of transfers and return of funds.

2/Expenses paid include the 7% TFM.

Table 6. MNRW Proposed Revisions and New Proposals for Endorsement

(As of April 30, 2022, in thousands of U.S. dollars)

Country (Project)	Description	Latest Approved Budget as of Apr 2022	Proposed Change in Budget	Proposed Multi-Year Budget
New Programs for Endorsement			**514**	**514**
Zambia M1 (MNRW)	New project proposal for endorsement.		263	263
Zimbabwe M1 (MNRW)	New project proposal for endorsement.		251	251
Revisions to Current Endorsed Projects[2/]			**-760**	
Nigeria (MNRW II, M1)	Project ended recently. Initial estimate of balance to be returned to the pool.	544	-150	394
MNRW - Strengthening Exchange Rate Regimes and Macroprudential Policies	Project ended recently. Initial estimate of balance to be returned to the pool.	1,663	-400	1,263
Online Course on Energy Subsidy Reform MNRW II	Project ended recently. Initial estimate of balance to be returned to the pool.	125	-15	110
Guyana: Macroframework for Management of Natural Resource Wealth	Project to end shortly. Initial estimate of balance to be returned to the pool.	200	-170	30
Solomon Islands (MNRW II, M1, small project)	Project to end shortly. Initial estimate of balance to be returned to the pool.	68	-25	43
Bolivia (MNRW II, M3)	Budget neutral extension for endorsement	666	-	666
Ghana (MNRW II, M1)	Budget neutral extension for endorsement	1,015	-	1,015
The Gambia (MNRW II, M1)	Budget neutral extension for endorsement	389	-	389
Development of New Fiscal Transparency Guide (MNRW II)	Budget neutral extension for endorsement	68	-	68
Liberia (MNRW II, M1)	Budget neutral extension for endorsement	507	-	507
Mozambique (MNRW II, M1)	Budget neutral extension for endorsement	708	-	708
Mozambique (MNRW II, M2)	Budget neutral extension for endorsement	743	-	743
Sierra Leone (MNRW II, M1) - Fiscal Modeling and Legal Support on NR Taxatio	Budget neutral extension for endorsement	324	-	324
Sierra Leone (MNRW II, M2)	Budget neutral extension for endorsement	792	-	792
Uganda (MNRW II, M3)	Budget neutral extension for endorsement	510	-	510
Total MNRW portfolio budget to date		29,114	-246	28,869
Total revised workplan including new proposals				**28,869**
of which Management Fee				1,889

[1/] Includes Trust Fund Management Fee.

[2/] Balances returned to the pool are already accounted for in the Detailed Progress Report table, hence they are excluded from calculations in this table.

29. **The total workplan endorsed to date amounts to US$29.11 million.** Endorsement by the Steering Committee is sought for a decrease in the budget by US$246,000 (Table 6). The adjustments comprise an additional US$514,000 for endorsement of two new projects, and a decrease by US$760,000 for five recently completed projects whose balance is returned to the pool. The proposed revisions also include budget-neutral extensions for ten already endorsed projects.

30. **The total workplan proposed for endorsement amounts to US$28.87 million**. The available resources within the subaccount, plus pending installments and careful management of current projects, are expected to ensure sufficient liquidity to finance this work program.

IV. INDEPENDENT MID-TERM EVALUATION

31. **An independent mid-term evaluation of Phase II is underway, covering more specifically the period January 2017–September 2021.** The review aims to: (i) assess the performance of the MNRW TF in achieving its mandate; and (ii) formulate lessons learned and recommendations for improvement. The evaluation will focus on a sample of countries and projects to be targeted for in-depth assessment, while also enabling to present findings and recommendations representative of the entire MNRW program. Specifically, the country selection, which includes DR Congo, Guyana, Mozambique, Niger, Sierra Leone, and Uganda, was driven by four criteria: (i) level of activity to date, (ii) representativeness of the country in terms of modules covered, (iii) overall balance at workstream objective level, and (iv) regional balance. A draft of the

evaluation report was received in early June and is currently being reviewed by the evaluation subcommittee.