

INTERNATIONAL MONETARY FUND

INDEPENDENT EVALUATION OFFICE

**EVALUATION OF THE TECHNICAL ASSISTANCE
PROVIDED BY THE
INTERNATIONAL MONETARY FUND¹**

**VOLUME II
COUNTRY PAPERS**

January 31, 2005

¹ This report was prepared by a team headed by Marcelo Selowsky and including Jeffrey Allen Chelsky, Mariano Cortés, and Emilio Pineda, and was approved by David Goldsbrough, Acting Director of the Independent Evaluation Office (IEO). Chapters of the report have also benefited from inputs from Isabelle Mateos y Lago and Daouda Sembene. Research assistance from Patricia Yang-Yang Chen, and administrative support by Arun Bhatnagar, Annette Canizares, and Maria S. Gutierrez are gratefully acknowledged.

Table of Contents	Page
TECHNICAL ASSISTANCE IN CAMBODIA, FY1998–2003.....	7
I. Introduction.....	7
II. Background	7
III. Country Factors Influencing the Effectiveness of TA	12
A. Political Will and Commitment to Implementation.....	12
B. The Importance of a Well-Functioning Civil Service: The Case of Multisector Statistics	13
IV. Factors Under the Control of the IMF	15
A. Diagnosis and Coordination Under the TCAP: The Case of TA in the Area of Budget Execution and Treasury	16
B. Long-Term versus Short-Term: A TA Cycle.....	19
C. Implementation: The Lack of Resources	22
D. Tracking and Monitoring progress During Project Execution.....	23
V. Conclusions.....	23
Boxes	
1. The Cambodia TCAP.....	16
2. Donor Coordination	18
Table 1. TA in Cambodia.....	9
Figure 1. Fiscal Performance	11
Annex I. List of Individuals Interviewed.....	26
References.....	28
TECHNICAL ASSISTANCE IN HONDURAS, FY1999–2003.....	30
I. Introduction.....	30
A. The FY1999–2003 Period.....	32
B. Technical Assistance in the area of Banking Supervision.....	33
C. Technical Assistance in the area of Tax Administration	38
D. Technical Assistance in the area of Statistics	43
E. Views from Counterparts in the Field.....	44
F. Lessons.....	46

Table 1. Technical Assistance in Honduras.....	31
Annex I. List of Individuals Interviewed.....	50
TECHNICAL ASSISTANCE IN NIGER, FY1999–2003 52	
I. Overview.....	52
A. Background	52
B. Structural Reform Agenda and Performance Under IMF-Supported Program.....	53
C. Major Donors	53
II. IMF Technical Assistance to Niger, FY1999–2003	54
A. Technical Assistance Needs.....	54
B. Technical Assistance and Conditionality.....	56
C. Links Between the PRSP and IMF TA	58
D. Ex-Post Assessment of Performance Under IMF-Supported Programs	59
III. Areas Covered by IMF Technical Assistance.....	59
A. Revenue Mobilization.....	59
B. Public Expenditure Management (PEM)	62
C. Overall Assessment—Revenue and PEM.....	64
D. Statistics	65
IV. Cross-Cutting Issues in the Provision of TA to Niger.....	68
A. Modalities and Choice of Provider	68
B. Term of Reference	69
C. Formulation of Recommendations.....	70
D. Training and TA.....	71
E. Dissemination and Follow-Up of the Lessons from TA	72
F. Evaluation and Follow-Up	72
G. Role of the Resident Representative	73
H. IMF Coordination with Other TA Providers	74
I. Niger's Experience with West AFRITAC	76
V. Lessons.....	78
Box 1. Capacity Building and the Civil Service Wage Bill.....	67
Tables	
1. TA Composition, FY1998–2004	55
2. Technical Assistance to Niger, FY1999–2003	55

Figures

1.	Real GDP Growth	52
2.	IMF Technical Assistance to Niger, FY1999–2003	54
3.	Person Days of IMF TA Total, FY1999–2003	56
4.	Structural Conditionality Under IMF-Supported Programs, FY1998–2003	57
5.	Evolution of Tax Revenues.....	61

Annexes

I.	The Application of IMF TA Filters in Niger	81
II.	Areas covered by Technical Assistance to Niger—Major Providers, 1999–2003	84
III.	List of Individuals Interviewed.....	85

References.....	88
-----------------	----

TECHNICAL ASSISTANCE IN UKRAINE, FY1999–2003.....90

I.	Introduction.....	90
A.	TA on Tax Administration.....	92
B.	TA on Treasury Systems	95
C.	TA on fiscal Management.....	96
D.	TA on Banking	98
E.	TA on Statistics.....	100
F.	Coordination with Other Donors	102
G.	Summary of Cross-Thematic Comments from Counterparts	103
II.	Lessons.....	104

Table 1. Composition of Technical Assistance in Ukraine.....	91
--	----

Annexes

I.	Modalities of TA provided to Ukraine in FY1999–2003	107
II.	Policies to be Implemented Under the 1998 EFF	108
III.	List of Individuals Interviewed in Ukraine.....	110

TECHNICAL ASSISTANCE IN YEMEN, FY1999–2003	112
I. Outline.....	112
II. Background	112
A. Yemen's Economic Policy Challenges	112
B. Priorities and the Strategic Framework for Technical Assistance from the IMF.....	113
C. IMF-Supported Programs, Conditionality, and Technical Assistance	115
D. Yemen's Track Record with IMF-Supported Programs and for Using IMF TA	116
III. The Design of TA Activities.....	120
A. TA Requests and Terms of Reference	120
B. TA Requests.....	120
C. Terms of Reference	122
D. Choice of Provider	123
IV. Delivery of TA.....	124
A. Preparation for the Arrival of Missions	124
B. The Appropriateness of Models.....	124
C. Coordination with Other Providers.....	125
D. Reports and Recommendations.....	126
E. Dissemination	127
V. Evaluation	128
VI. Maximizing Effectiveness	131
A. Language	131
B. Role of an IMF Resident Representative	131
C. TA and Training.....	132
Boxes	
1. TA and Political Economy—The GST in Yemen	119
2. IMF-AMF Cooperation in Training and TA.....	133
Figures	
1. IMF Technical Assistance to Yemen, FY1999–2003	114
2. IMF Technical Assistance to Yemen, FY1995–2003	114
3. TA Composition, FY1999–2003	114
4. Structural Conditionality, FY1999–2003.....	116
5. Fiscal Balances.....	117
6. Expenditures and Non-Oil Revenue	117
7. Person Years of IMF TA, FY1999–2003	134

Annexes

I.	The Application of IMF TA Filters in Yemen.....	139
II.	List of People Interviewed.....	141

TECHNICAL ASSISTANCE IN ZAMBIA, FY1999–2003.....144

I.	Overview.....	144
II.	TA Resources—Allocation Trends.....	145
III.	Selection of TA Priorities, FY1999–2003	147
IV.	TA Delivery in FY1999–2003—Key Issues.....	155
IV.	Impact of TA—Progress Tracking and Evaluation	162

Table 1. Main TA Interventions, FY1995–2004145

Annex I. List of Individuals Interviewed.....168