



Japan

**Japan Subaccount under the IMF Framework
Administered Account for Selected Fund Activities**

**Japan Administered Account for
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ANNUAL REPORT Fiscal Year 2013



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Amounts are in U.S. dollars.
 Minor discrepancies between constituent figures and totals are due to rounding.

ACD	Afghan Customs Department
ADB	Asian Development Bank
AFRITAC	Africa Regional Technical Assistance Center
ALM	Asset-liability management
AML/CFT	Anti-Money Laundering and Combating the Financing of Terrorism
APD	Asia and Pacific Department
APEC	Asia Pacific Economic Cooperation
ARC	Advance Release Calendar
ASEAN	Association of South East Asian Nations
ASYCUDA	Automated System for Customs Data
BB	Bangladesh Bank
BEAC	Banque des États l’Afrique Centrale
BI	Bank Indonesia
BM	Bank of Mozambique
BOP	Balance of payments
BPNG	Bank of Papua New Guinea
BSP	Bangko Sentral Ng Pilipinas
CAR	Central African Republic
CD	Capacity development
CEF	Center for Economics and Finance
CEMAC	Economic and Monetary Community of Central African States
COA	Chart of accounts
COBAC	Commission Bancaire de l’Afrique Centrale
CRMS	Comprehensive Reserves Management System
CSO	Central Statistics Organization
DAC	Development Assistance Committee
DGT	Directorate General of Taxes
DSBB	Data Standards Bulletin Board
EMEAP	Executives Meeting of East Asia and Pacific Central Banks
EP	Economist Program
ESCAP	UN Economic and Social Commission for Asia and the Pacific
ESS	External sector statistics
FAA	Framework administered account
FAD	Fiscal Affairs Department
FIRST	Financial Sector Reform and Strengthening Initiative
FMIS	Financial Management Information System in Peru
FRL	Fiscal responsibility legislation
FSAP	Financial Sector Assessment Program

FPAS	Forecasting and Policy Analysis System
FY	Fiscal year (for the IMF, May 1 through April 30)
GDP	Gross domestic product
GFSM	Government Finance Statistics Manual
GFSR	Global Financial Stability Report
GIFMIS	Ghana Integrated Financial Management and Information System
HQ	Headquarters
HWI	High-wealth individuals
ICD	Institute for Capacity Development
ICP	International Comparisons Program
IFMIS	Information management systems
IFRS	International Financial Reporting Standards
IIP	International investment position
INS	IMF Institute
IRD	Inland Revenue Department
IT	Information technology
IMF	International Monetary Fund
JIMS	Japan-IMF Macroeconomic Seminar for Asia
JISP	Japan-IMF Scholarship Program for Advanced Studies
JISPA	Japan-IMF Scholarship Program for Asia
JSA	Japan Subaccount
LEG	Legal Department
LIC	Low-income country
LOU	Letter of Understanding
LTA	Long-term advisor
LTO	Large taxpayer office
LTU	Large taxpayer unit
MCM	Monetary and Capital Markets Department
METAC	Middle East Technical Assistance Center
MFS	Monetary and finance statistics
MTEF	Medium-term expenditure framework
MMA	Maldives Monetary Authority
MNRW	Managing Natural Resource Wealth
MOF	Ministry of Finance
MPC	Monetary Policy Commission
MSP	Macroeconomic Seminar Program
MTBF	Medium-term budget framework
MTO	Medium-sized taxpayer office

NA	National accounts
NBC	National Bank of Cambodia
NBS	National Bureau of Statistics, Moldova
NBM	National Bank of Moldova
NSDP	National Summary Data Page
NRB	Nepal Rastra Bank
OAP	IMF Office for Asia and the Pacific
OBR	Burundi Revenue Office
ODA	Official development assistance
OECD	Organization for Economic Co-operation and Development
OTM	Office of Technical Assistance Management
PBB	Program-based budgeting
PCA	Prompt corrective action
PEFA	Public Expenditure Financial Assessment
PFM	Public financial management
PFTAC	Pacific Financial Technical Assistance Center
PIT	Personal income tax
PRGT	Poverty Reduction and Growth Trust
RA	Revenue authority
RAA	Revenue administration advisor
ROSC	Reports on Observance of Standards and Codes
RTAC	Regional Technical Assistance Center
SBA	Stand-by arrangement
SBV	Bank of Vietnam
SEE	South Eastern Europe Group of States
SOE	State-owned enterprises
SRC	Skill-refreshing courses
SRF	Standardized reporting form
STA	Statistics Department
STI	IMF-Singapore Regional Training Institute
STO	Small taxpayer office
STS	State Tax Service
TA	Technical Assistance
TPA	Tax Policy and Administration
TSA	Treasury single account
TTF	Topical Trust Fund
WEO	World Economic Outlook
VAT	Value-added tax



I. Introduction

Capacity development (CD)—the transfer of technical knowledge and best practices—is one of the core IMF activities, along with the other core activities of surveillance and lending. Through the two components of capacity development, technical assistance (TA) and training, the Fund helps member countries equip themselves to design and manage policies that promote sustainable economic growth. Since 1990, Japan-financed IMF CD¹ has helped IMF member countries build their capacity to formulate, implement, and sustain macroeconomic and structural adjustment programs. Japan has been the largest single contributor to IMF CD (see Figures 1 and 2). Japan also finances two scholarship programs and activities of the IMF Regional Office for Asia and the Pacific (OAP), which is based in Tokyo. This report covers Japan-funded CD, the scholarship programs, and OAP activities in fiscal year 2013 (FY13).²

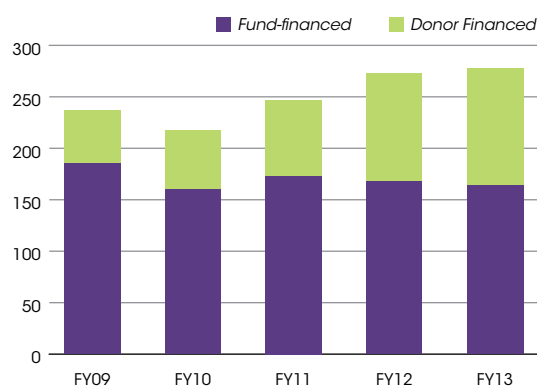
IMF Capacity Development

Established in 1946, the IMF³ began to deliver CD in the early 1960s in response to requests from its newly independent members in Africa and Asia. Its CD program has since responded to a variety of economic issues and to expanding demand. More recently, to help its members cope with the global financial crisis and build institutional capacity, the IMF has increased CD in partnership with donors.

In FY13, demand for the TA component of CD was high, and the IMF was able to deliver about 14 percent more TA than in FY12, serving a large majority of its members. TA to countries affected by the crisis, including those

Figure 1. Implementation of Capacity Development

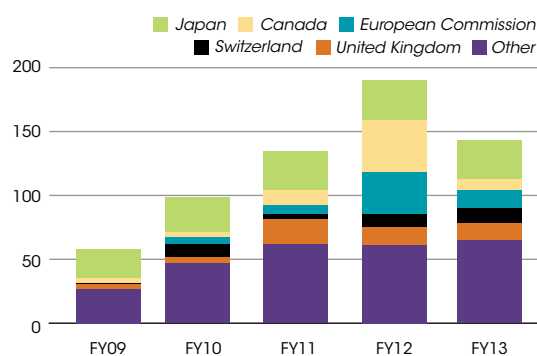
(In millions of U.S. dollars)



Source: Office of Budget and Planning, IMF.

Figure 2. Donor Contributions for Capacity Development

(In millions of U.S. dollars)



Source: Institute for Capacity Development, IMF.

¹ Unless otherwise noted, in this report CD refers to both TA and training activities.

² The IMF fiscal year runs from May 1 through April 30. This FY13 report covers May 1, 2012–April 30, 2013. Reports for FY00 through FY12 can be found at www.imf.org/external/pubs/ft/ta/index.asp.

³ The purpose and main activities of the IMF are detailed in Annex 1.

with an IMF supported program, has gone up steadily since the global financial crisis began in 2007.

IMF TA covers all areas that are critical to macroeconomic stability. Fiscal TA assists countries to reform fiscal policy and institutions in such areas as revenue administration, tax policy, public financial management (PFM), and expenditure controls. Financial sector TA has dealt with regulation, central banking, exchange regimes, and debt management and with establishing a function to manage stability reports, stress testing, and early warning systems. Statistics TA has helped countries in improving the reporting of price statistics, quarterly national accounts, financial soundness indicators, monetary data in standardized formats, financial access data, and participation in the IMF General Data Dissemination System. IMF TA on legal issues has covered anti-money laundering and combating the financing of terrorism (AML/CFT), central banking, bank regulation, crisis management, bank resolution, taxation, national budgets, corporate and household insolvency, and the efficiency of the judicial process.

In FY13, the IMF also expanded TA into new areas. To facilitate sustainable financial deepening, especially in low-income countries (LICs), pilot missions examined how shallowness in financial systems can adversely affect macroeconomic outcomes and monetary and other policies. It also began piloting a new Capability Assessment Program to assess institutional capacity to formulate and implement sound monetary and fiscal policies, as well as new

analytical tools, among them (a) the Revenue Administration Fiscal Information Tool, (b) Tax Administration Diagnostic Tool, and (c) a VAT gap analysis.

The training component of IMF CD consists of courses and seminars for member country officials. Through these courses IMF staff shares their expertise and experience on topics critical to effective macroeconomic and financial analysis and policymaking. Training is organized by the IMF Institute for Capacity Development (ICD), in collaboration with other departments, and is delivered at IMF headquarters (HQ), regional training centers (RTCs) and Regional Technical Assistance Centers (RTACs) around the world, and through distance learning. A new RTC, the African Training Institute (ATI) was opened in June 2013, tailoring IMF training to specific needs in sub-Saharan Africa. Co-located with the Africa Regional Technical Assistance Center—South, the ATI will allow closer integration of technical assistance and training, and promote administrative savings. The curriculum of IMF training is continually adapted to the evolving needs of member countries and changes in IMF priorities. For broader reach and in response to demand, the IMF has begun to offer participants online learning modules to complement face-to-face training.

In FY13, the IMF allocated about a quarter of its operating budget to CD. Although internal resources finance a considerable amount of TA, contributions from partners have become increasingly important. Donor support has allowed the IMF to respond effectively to

increased demand for CD. Activities financed by donors exceeded US\$125 million in FY13, or 17 percent more than in FY12. In FY13, Japan alone was responsible for about 27 percent of external financing for CD (see Figure 2). Since 1990, Japan has contributed nearly half of the external financing of IMF CD activities.

The IMF leverages CD support through multi-donor vehicles—such as the RTACs, the RTCs, and Topical Trust Funds (TTFs)—and bilateral partnerships. Japan, Canada, the United Kingdom, Switzerland, the European Union, Australia, and Netherlands each finance both multi-donor and bilateral initiatives. Since 1993, the IMF has provided increasing amounts of its TA through RTACs, of which there are now eight and an additional center is slated to be opened in West Africa in late 2013.⁴ RTACs combine local expertise and on-the-ground CD with strategic advice from IMF HQ. Experience with this regional approach to TA delivery has been, and continues to be, very positive. CD through TTFs has increased in recent years with the creation of TTFs on Managing Natural Resource Wealth (MNRW), Tax Policy and Administration (TPA), and Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) and the South Sudan TTF. Training is provided at HQ, in recipient countries, and through RTCs and RTACs.⁵ IMF TA and training are provided by IMF staff, headquarters-based experts, and in-country short- and long-term experts employed by the IMF.



Seminar on Developing Capacity — A Partnership for Sustainable Growth held in Tokyo, Japan in October 2012

⁴ There are eight IMF regional TA centers: Central AFRITAC in Libreville, Gabon; East AFRITAC in Dar es Salaam, Tanzania; AFRITAC South in Port Louis, Mauritius; and West AFRITAC in Abidjan, Côte d'Ivoire; the Central America, Panama and Dominican Republic Regional Technical Assistance Center (CAPTAC-DR) in Guatemala City, Guatemala; the Caribbean Regional Technical Assistance Center (CARTAC) in Bridgetown, Barbados; the Middle East Regional Technical Assistance Center (METAC) in Beirut, Lebanon; and the Pacific Financial Technical Assistance Center (PFTAC) in Suva, Fiji.

⁵ The IMF co-sponsors seven regional training institutes/programs with donors: the Africa Training Institute (ATI) in Port Louis, Mauritius; the Joint Partnership for Africa (JPA) in Tunis, Tunisia; the Joint China-IMF Training Program in Dalian, China; the IMF-Singapore Regional Training Institute; the Joint India-IMF Training Program in Pune, India; the Joint Vienna Institute in Austria; IMF-Middle East Center for Economics and Finance in Kuwait; the Joint Regional Training Center for Latin America in Brasilia, Brazil.

II. Japan-IMF Partnership

Japan's Contributions

The contributions Japan has made to the IMF since FY90 total about \$464 million, of which about \$397 million has been for CD projects and the activities of the Regional Office for Asia and the Pacific, and \$67 million for two scholarship programs: the Asia Scholarship Program and the Japan Advanced Scholarship Program (see Table 1 and Figure 3).⁶ Over the past three years, Japan's annual contributions have averaged \$30 million. The Japan Subaccount (JSA) of the Framework Administered Account for Selected Fund Activities is the vehicle for Japan's contributions.⁷

How the Partnership Works

The IMF and the Japanese authorities meet regularly to evaluate the effectiveness of their joint efforts and discuss future endeavors. In addition

to a briefing on the status of the IMF TA program as a whole, the meetings usually discuss Japan's geographic and topical preferences in the

⁶ Contributions to the Advanced Scholarship Program were covered by a separate account but were brought under the JSA in FY11.

⁷ Until April 2010, Japan made its contributions through the Japan Administered Account for Selected Fund Activities and the Japan Advanced Scholarship Program Subaccount (established under the Framework Administered Account for Technical Assistance Activities). In April 2010, the IMF Executive Board approved the establishment of the Japan Subaccount under the Framework Administered Account for Selected Fund Activities (SFA), which permits Japan to finance comprehensive TA programs and provides more transparent reporting on costs. The Japan Subaccount for Selected Fund Activities began financing capacity development activities in April 2010, but the Japan Administered Account for Selected Fund Activities will remain open until all the projects it is funding are completed. The Japan Advanced Scholarship Program Subaccount has been closed. In the rest of the report, JSA refers to both the expiring Japan Administered Account and the new SFA Japan Subaccount.

Table 1. Contributions by Japan, FY90–13

(In millions of U.S. dollars)

	FY90–07	FY08	FY09	FY10	FY11	FY12	FY13	Total FY90–13
JSA¹	303.0	19.8	22.5	27.2	30.2	30.8	30.4	463.9
Capacity Development^{2, 3}	263.3	15.6	18.6	23.0	25.4	25.6	25.9	397.4
<i>of which: Regional Office of Asia and the Pacific</i>	<i>12.7</i>	<i>1.8</i>	<i>1.3</i>	<i>1.6</i>	<i>2.5</i>	<i>2.7</i>	<i>2.9</i>	<i>25.4</i>
Scholarships	39.7	4.2	3.9	4.2	4.8	5.2	4.5	66.4
The Japan-IMF Scholarship Program for Asia	23.4	2.6	2.3	2.9	3.8	4.2	3.5	42.8
Japan-IMF Scholarship Program for Advanced Studies ⁴	16.2	1.5	1.6	1.3	1.0	1.0	0.9	23.6

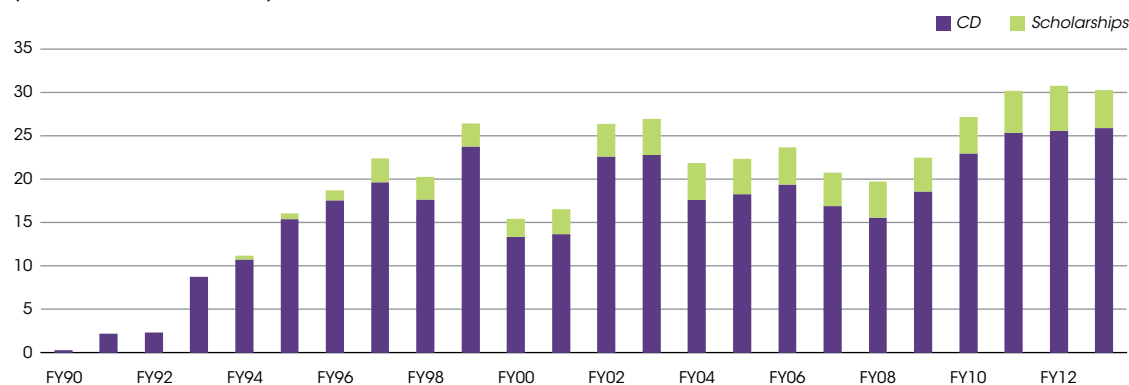
Source: Institute for Capacity Development, IMF.

¹ Until FY10 contributions to the JSA and the Japan-IMF Scholarship Program for Advanced Studies were administered under the Japan Administered Account for Selected IMF Activities (JAA) and the Framework Administered Account for Selected IMF Activities (FAA), respectively. Contributions are now administered under the IMF Framework Administered Account for Selected Fund Activities (SFA).

² Includes \$400,000 for FY10, FY11, FY12, and FY13 transferred to finance the activities of the AML/CFT Topical Trust Fund.

³ Includes \$154,603 transferred in FY11 to finance the operations of the Office of the Executive Director for Japan.

⁴ The Japan-IMF Scholarship Program for Advanced Studies was under the Framework Administered Account for Selected IMF Activities until FY10, and subsequently was transferred under the IMF Framework Administered Account for Selected Fund Activities.

Figure 3. JSA Annual Capacity Development Contributions by Activity FY90–13*(In millions of U.S. dollars)*

Source: Institute for Capacity Development, IMF.

application of its contributions in coming years; likely costs and the resources that may be available; policy and administrative issues; organization of joint field inspection visits; and any emerging issues. IMF staff also visit Tokyo from time to time for discussions with the Japanese authorities.

To raise awareness of IMF CD and donor contributions, the IMF, in collaboration with Japan, organized a seminar on *Developing Capacity—A Partnership for Sustainable Growth* (Box 1) during the IMF–World Bank 2012

Annual Meetings in Tokyo. The government of Japan also sponsored a video, *Partnerships for Change: Japan and the IMF* (Box 2), which shows Japan's crucial role as the top donor to IMF CD, highlighting as examples its contribution to enhancing the macroeconomic policy capacity of Cambodia, Timor-Leste, and Kosovo. Also with support from Japan, the IMF published the booklet *Building Capacity: The Japan-IMF Partnership—Country Success Stories* to illustrate the broad range of Japanese-funded success in IMF TA in 18 countries.

Box 1. Seminar on Developing Capacity: A Partnership for Sustainable Growth

During the IMF–World Bank Annual Meetings in October 2012 in Tokyo, the IMF and Japan co-hosted a seminar, *Developing Capacity: A Partnership for Sustainable Growth*. At the seminar, which drew an audience of close to 400, panelists—representatives from recipient country authorities, donor countries, academia, IMF staff, and the Japanese authorities—exchanged views on how IMF CD can achieve better and longer-lasting results.

In her opening remarks IMF Deputy Managing Director Nemat Shafik noted that the objective of IMF CD is to help member countries sustain growth through effective economic policies and sound financial management. Demand for IMF technical expertise in such areas as public financial management and financial sector supervision and regulation has been growing as countries have had to deal with the impact of sluggish world growth, the crisis in Europe, and volatile oil and commodity prices.

Thanks to an increase in financial support from countries such as Japan—the largest contributor to IMF CD and the host of the 2012 annual meetings—the IMF was able to deliver 17 percent more technical assistance (TA) in FY 2012 than in 2011. Close partnerships with donors also have prompted the IMF to seek better ways to monitor the impact of its CD work, to respond to donors’ interest in evidence that the work is efficient, focused, and accountable.

In his opening remarks, Mr. Masatsugu Asakawa, Senior Deputy Director-General in the Japanese Finance Ministry’s International Bureau, called on the IMF to continue to encourage recipient country ownership of TA—by assessing needs, deciding what TA to request, and carrying out recommendations. He observed that as economies evolve, policymakers in recipient countries must continually expand their

capacity to “digest” TA. For this reason, he said, Japan fully supports the IMF’s decision to integrate its work on TA and training into the new Institute for Capacity Development.

Panelists identified a number of factors that contribute to the success of TA interventions:

- **A clear diagnosis of the recipient institution’s baseline capacity** so that TA is pitched at the right level. Because capacity in low-income countries is often low, it is important to determine at the outset how much people in an institution can absorb the transfer of know-how, or the effort will be fruitless.
- **Taking advantage of synergies.** If synergies—for example, between IMF CD and Japan’s own official development assistance—are exploited, the result will be greater than the sum of its parts.
- **Recognizing the distinction between individual and organizational capacity.** “It is important to make the distinction between the individual’s own capacity and the organizational capability of an institution,” a Harvard professor said. “A restrictive political or social environment can adversely affect the performance of individuals, however talented. A key aspect of capacity development is to boost the ability of public agencies to stand up to political pressures,” he added.
- **Using a programmatic approach to TA,** adopting a longer-term, multiyear perspective, because reforms take time.
- **Promoting regional cooperation through regional CD.** Certain issues—tax competition and incentives for investment, for example—are better addressed at a regional than a country level.

- **Establishing a system of results-based management** that demonstrates tangible results and focuses on implementation, so that donor governments can defend their support of IMF TA to taxpayers. It was noted that the challenge is to strike the right balance between the slow process of achieving lasting results and the reality of having to demonstrate short-term deliverables.

In closing, Sharmini Coorey, Director of the Institute for Capacity Development, pointed out that

CD is as essential to the IMF's mission as its other core activities, surveillance and lending: the IMF provides resources to countries that have balance of payments problems, but in building capacity, it also helps these countries overcome those problems in a sustainable way. CD thus closely complements other IMF work.

All panelists from recipient countries thanked Japan for its financial support.

Box 2. Publicizing Japan-Financed Technical Assistance Successes

To celebrate both the return of the IMF–World Bank Annual Meetings in Tokyo in 2012 and Japan's long-term support to IMF CD efforts, the IMF produced a video and a pamphlet to showcase the benefits of Japan-financed TA and training.

The four-part video series, *Partnerships for Change: Japan and the IMF*, highlighted Japan's crucial role as the top donor to IMF CD and how its support benefits recipient countries worldwide. The detailed narrative and vivid reportage drive home the human impact of IMF CD, bringing this critical IMF mandate into the spotlight. The series consists of an initial overview featuring the IMF Managing Director followed by three country-specific segments demonstrating CD initiatives in Cambodia,

Kosovo, and Timor-Leste. The video was launched at the Tokyo Annual Meetings, where it was screened at the CD seminar and at other outreach events. The video is available on both the IMF website and YouTube, where it has attracted more than 40,000 views.

The IMF also has published a 24-page booklet, *Building Capacity: The Japan-IMF Partnership*, which illustrates in colorful detail a broad range of Japanese-funded IMF CD successes in 18 countries. The case study summaries are designed to inform the public about the scope and geographic breadth of IMF CD efforts. The booklet was distributed to participants at the Annual Meetings to provide visibility to Japan's CD work.

Introduction and summary: <http://www.imf.org/external/mmedia/view.aspx?vid=1891976076001>

Cambodia: <http://www.imf.org/external/mmedia/view.aspx?vid=1880627606001>

Timor-Leste: <http://www.imf.org/external/mmedia/view.aspx?vid=1880589295001>

Kosovo: <http://www.imf.org/external/mmedia/view.aspx?vid=1880581008001>

III. JSA-Funded Activities

TA and Related Activities

Since FY10, Japan has adopted a programmatic approach, supporting projects that typically take three years and usually cover several countries and topics. These thematic programs are expected to have more substantial and lasting results for recipients while increasing recognition of Japan as the donor. The programmatic approach also allows the IMF to design more comprehensive TA plans that fully exploit the expertise of both external experts and IMF staff. JSA resources have been deployed flexibly for short- and long-term TA experts, seminars and workshops, and IMF HQ efforts to ensure quality control, manage projects, undertake diagnostic missions, assess the economic policy formulation and implementation capacity, and propose priorities for strategic reforms. Japanese experts are considered for TA assignments wherever possible.

Although the JSA finances TA in all regions, the highest priorities for the Japanese authorities are Asia and the Pacific, with a special concern for low- and lower-middle-income countries. Like the IMF, the Japanese authorities give priority to countries that have good track records in economic reform—countries that are clearly and fully committed to building the institutions and capacity they need to implement growth-enhancing policies. Some achievements from past JSA-funded activities are described in boxes 3 to 9.

How Projects and Programs Are Approved

In consultation with IMF functional departments and country authorities, IMF area departments

draft Regional Strategy Notes (RSNs) for countries for which they are responsible.⁸ The RSNs set out medium-term TA priorities both for individual countries and for regions to guide resource allocations, plan resource mobilization, and ensure effective coordination with other TA providers and donors. The RSNs also provide background information for the IMF Committee on Capacity Building, a committee chaired by IMF management that organizes IMF policy work and allocates resources. Activities funded by the JSA are thoroughly integrated into the IMF TA planning process to ensure that they align closely with IMF surveillance and lending activities, Japan's priorities, and the priorities of each recipient country. The IMF and Japan work closely as programs evolve from concept notes to full proposals submitted to Japan for approval. Before each fiscal year begins, the IMF summarizes for Japan new and continuing programs and projects proposed for approval in the following year.

Commitments

Between FY93 and FY13 JSA commitments for TA projects and programs totaled close to \$352 million.⁹ In FY13, Japan committed \$25.4 for 8 new programs, 18 continuing programs, and several other projects. Among projects approved in FY10 and earlier, 21 were completed in FY13 (Annex 2B briefly assesses each project completed in FY13).¹⁰

Geographic Distribution

In all, 130 IMF member countries and several RTACs and RTCs have benefited from JSA funding. Since FY93, countries in Asia and the Pacific region have received \$145.7 million for TA projects and programs—41.4 percent of all the JSA

projects and programs approved. Table 2 shows annual commitments by region in dollars for FY93–13, and Figure 4 shows the percentage distribution by region for FY13.

Table 3 shows the 10 recipient countries and RTACs that received the largest share of JSA assistance in FY09–13. Figure 5 shows JSA-financed field delivery of TA for FY09–13.

Distribution by Subject Area

In FY13, commitments for \$25.4 million were distributed by subject area in the same general pattern as in the past: fiscal, \$9.6 million (38 percent); monetary and capital markets, \$5.0 million (20 percent); statistics, \$6.7 million (26 percent); ICD training, \$2.1 million (8 percent); legal, \$1.4 million (6 percent); and other, \$0.6 million (2 per-

cent). Table 4 shows annual dollar commitments by topic for FY93–13, and Figure 6 shows the percentage distribution by subject area for FY13.

Effectiveness of JSA-Funded TA

The IMF and Japan gauge the quality and effectiveness of TA from a variety of perspectives. At the end of each fiscal year, staff conducts an interim self-assessment for each program. Beneficiary authorities also assess projects through a survey on the appropriateness and relevance of the assistance, the qualifications of each JSA-

⁸ RSNs were introduced in FY08 as part of IMF efforts to better prioritize TA.

⁹ Commitments cover the budgets of approved projects and programs.

Box 3. Building Better Fiscal Discipline in Anglophone West Africa

Since 2011, IMF TA funded by JSA has helped The Gambia, Ghana, Liberia, and Sierra Leone make significant advances in developing the conditions necessary to support sustainable medium-term budget frameworks (MTBFs). A credible MTBF can ensure fiscal discipline, improve resource allocation, and enhance spending efficiency. The cabinets in all four countries have approved design of their MBTF and a roadmap for its introduction. This has been a major milestone both in expanding understanding of MTBF objectives and prerequisites and in securing political commitment for this vital reform.

In The Gambia and Liberia, a Budget Framework Paper prepared annually now gives policy makers an opportunity to discuss and build consensus on medium-term macroeconomic forecasts; fiscal issues, risks, and remedial measures; and spending

plans and priorities that are consistent with the country's medium-term macroeconomic and fiscal objectives. To reinforce institutional capacity, each country has also recruited additional planning and budgeting staff so that line ministries can carry out reforms. This will facilitate better costing of policies and programs and prioritizing of expenditures, and more reliable projections for key macroeconomic variables. A long-term advisor on public financial management funded by JSA has been instrumental in helping the authorities introduce these reforms. The advisor also has supported the authorities as they drafted new guidelines and a timetable for budget preparation. Throughout the reform process, country authorities have greatly appreciated IMF advice and support—made possible by JSA funding.

funded expert, cooperation between experts and local counterparts, the usefulness of the advice provided, whether attention was given to transferring skills, and the quality of IMF supervision. The self-assessments and survey results are submitted to Japan.

Three months after a program or project has been completed, the IMF submits to Japan a full assessment report. In FY13, the responses to beneficiary surveys questionnaires indicated high satisfaction with JSA-funded TA.

Box 4. The Philippines—Supervising Banks to Ensure Financial Stability

The Bangko Sentral ng Pilipinas (BSP) has substantially benefitted from Japan financed TA as it has put in place a risk-focused supervisory approach aligned with the Basel Core Principles and other international standards.

Three short-term experts closely coordinate their work to support the BSP. Their work is aimed at:

- improving implementation of risk-based supervision;
- building up supervisory capacity;
- tightening analytical review of bank risk profiles and adopting an early warning system;
- providing guidance on on-site examination of data integrity and appropriate supervision;
- consolidating and reinforcing progress in dealing with problem banks; and
- building capacity to identify and address problems before banks deteriorate to Prompt Corrective Action (PCA) status.

The BSP adopted Basel II in 2005, and began implementing Pillar 2 in 2011. A Financial Sector Assessment Program in late 2009 recognized that considerable progress had been made in the area of bank supervision, but noted a need to reinforce the PCA regulation and bank rehabilitation and resolu-

tion procedures. Over 190 banks have been resolved since the BSP introduced the PCA framework in 2006. In 2010–11, the BSP made a more concerted effort to enhance enforcement and clear the backlog of problematic institutions; in August 2011 it approved the policy on cease and desist orders; and in October 2011 it issued internal procedural guidance.

Three key BSP initiatives supported by IMF TA are:

- Introduction in 2011, of the Offsite Risk-Profiling System, a simple screen-based approach to streamline oversight of 600 mostly small rural and cooperative banks;
- Drafting an enforcement guideline to provide holistic guidance for remedial supervisory action; and
- Review of the current PCA framework to emphasize measures to streamline administrative processes while retaining the focus on legal measures currently available to expedite resolution.

The authorities are pleased with the numerous achievements enabled by Japan's continued support.

Box 5. Building Capacity and Improving Government Finance Statistics in Asia and Pacific Island Economies

In early 2012, the IMF launched the Japan-financed government finance statistics (GFS) program to build capacity and improve data quality in selected Asia and Pacific Island countries. In the first year, 14 Asian countries and 13 Pacific Island countries have committed to using the *Government Finance Statistics 2001* methodology. Participating countries have made notable progress, and seven are now publishing updated data.

The program has focused its efforts on improving business process integration by facilitating efficient and comprehensive automated GFS compilation. This means that compilation processes are now less resource-intensive, resulting in efficiency gains and a tighter focus on data analysis—important changes in resource-limited countries where GFS compilers are often responsible for compiling all macroeconomic statistics, including national accounts and external sector statistics. The program has fostered collaborative relationships and helped to build and maintain in-country momentum. These successes are best illustrated by Samoa and Kiribati.

In **Samoa**, the migration to *GFSM 2001* had implications for national accounts because *GFS86* data were used extensively in compiling GDP. As part of

the program, the Samoa Bureau of Statistics (SBS) identified roadblocks to migration, drew up a time-bound action plan that built upon previous assistance, and took into account the needs of data users.

Collaborating with other government agencies and ministries, SBS successfully leveraged administrative source data to produce quarterly and annual *GFSM 2001* data, which were published on the SBS website in April 2013. The compilation team has now turned its attention to expanding coverage and integrating the improved government data into national accounts.

The **Kiribati** National Statistics Office (KSNO) had been compiling annual GFS data for inclusion in the national accounts compilation using a process that was both resource- and time-intensive. As part of the program, the KSNO business processes were redesigned, with changes to both the sources of data and the tools used in compilation. The result has been more timely and detailed *GFSM 2001* data. KSNO staff now need less than a day to complete work that previously required several weeks. The improved annual data were published in January 2013. The KSNO team has now turned its attention to improving data coverage and expanding publication to quarterly data.

Usually, each year a joint Japan-IMF mission visits two or three countries to review JSA-funded CD. These visits give Japan a firsthand view of the effectiveness of its support. Each mission not only assesses how the local authorities view the work of JSA-funded experts but also evaluates whether the authorities are making effective use of the TA and how it is contributing to reform efforts (see Annex 3 for

¹⁰ The IMF arranges for an annual external audit of the Japan Administered Account for Selected IMF Activities in connection with the annual independent audit of the IMF's own accounts, and provides a separate certificate of completion to the Japanese authorities. (See Annex 4 for the audited FY13 financial statements of the JSA and the Japan Advanced Scholarship Program.) Operations and transactions conducted through the Japan Subaccount of the IMF Framework Administered Account for Selected Fund Activities during the financial year will be audited as part of the Framework Account. The report of the external audit of the SFA Framework Account is posted on the external IMF website as part of the IMF Annual Report.



Staff of the IMF and the IMF Japanese Executive Director's Office meet with participants of the 2012 orientation for the Japan Advanced Scholarship Program

Box 6. Linking Performance and Government Budgeting in the Philippines

IMF TA financed by JSA is supporting the authorities as they refine performance budgeting and simplify budget presentation. As part of the president's social contract with the people, these reforms are designed to promote people-centric and results-oriented public administration.

A central reform is to integrate performance elements into the government budget process and make budgets more user-friendly, comprehensible, and transparent. A February 2013 TA mission by the Fiscal Affairs Department recommended a budget structure that incorporates outputs, out-

comes, and measurable performance indicators; and a robust budget process that considers performance information and uses macroeconomic projections for greater transparency and budget predictability. As a first step the government has decided to adopt the new performance-oriented budget structure for the 2014 budget. This, together with other measures for improving budget execution will better link planning, budgeting, and outcomes; simplify budget presentation; and enhance transparency and accountability when resources are allocated.

Box 7. Bangladesh—Adopting Risk-based Bank Supervision

The Japan financed program for bank supervision TA to Bangladesh Bank (BB) began with the appointment of a resident advisor in May 2011. The intent of the TA was to (1) support the BB in tightening prudential requirements for the capital and risk exposures of banks and implementing risk-based supervision; (2) draft vital regulations and enforce them more effectively; and (3) train and build the capacity of supervisory staff. The assistance was a key input in upgrading capacity for banking supervision and regulation and, more importantly, in policy and operational initiatives in this area. The TA also helped to enhance training of bank supervision staff on operational issues and contributed to the work of the new Financial Stability Department. Financial markets (including the near-term licensing of new banks) grew more complex, and BB supervisory and regulatory responsibilities increased.

JSA-funded TA has already helped the BB to

- create the Financial Stability Department, prepare its first *Financial Stability Report*, and introduce macro-prudential surveillance;

- collect banking sector data to monitor liquidity coverage and net stable funds ratios, as defined by Basle III;
- tighten criteria for licensing new banks and train bank examiners to conduct pre-opening inspections;
- amend the regulations on loan classification, provisioning, and rescheduling so that credit losses are recognized earlier; and
- issue *Risk Management Guidelines for Banks*.

The resident advisor has been instrumental in advising the authorities on introduction of these measures, and is now assisting the authorities draft new regulations and guidelines. The BB has been very appreciative of the IMF advice made possible by Japan. The program is a good example of how TA in the financial sector can enhance capacity and, more broadly, promote a sound and efficient national banking and financial system.

information on field visits through the end-FY13).

Evaluation

Periodically JSA-funded programs are also evaluated by an independent third party. The most recent, which covered projects completed between May 2008 and April 2010, was conducted in FY11. The performance of JSA projects

was rated Good on the basis of both the Organization for Economic Co-operation and Development Assistance Committee (OECD DAC) evaluation criteria and accountability criteria. The evaluation also noted that the JSA has been a good funding source in terms of flexibility, responsiveness, and ease of access. The next independent evaluation of Japan-financed programs is scheduled for late 2013.

Table 2. JSA Annual Commitments for Technical Assistance by Region, FY93–13¹

(In millions of U.S. dollars)

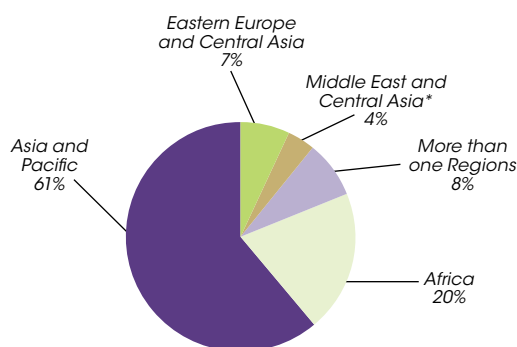
	FY93–FY07	FY08	FY09	FY10	FY11	FY12	FY13		FY93–13	
							Total	%	Total	%
Africa	54.8	4.7	4.2	3.0	4.6	5.8	5.1	20.1	82.2	23.3
Asia and Pacific	85.4	5.3	5.9	6.0	12.9	14.6	15.6	61.4	145.7	41.4
Eastern Europe and Central Asia ²	38.9	0.0	0.0	0.0	0.0	3.3	1.7	6.7	43.9	12.5
Europe	14.6	0.5	2.0	2.1	2.8	0.0	0.0	0.0	22.1	6.3
Latin America and Caribbean	12.5	0.9	0.7	0.4	0.5	0.5	0.0	0.0	15.5	4.4
Middle East and Central Asia ²	11.9	1.7	2.1	2.4	1.6	1.9	1.1	4.3	22.7	6.4
More than one regions	15.5	0.2	0.0	0.7	0.5	1.1	1.9	7.5	19.9	5.7
Total	233.8	13.3	14.8	14.6	22.9	27.2	25.4	100.0	351.9	100.0

Source: Institute for Capacity Development, IMF.

¹ Does not include \$400,000 annual contribution from Japan to the AML/CFT topical trust fund in FY10, 11, 12, and 13.

² Starting in FY08, data for countries in Central Asia are grouped with data for countries in the Middle East.

Figure 4. Distribution of JSA Technical Assistance Commitments by Region, FY13



Source: Institute for Capacity Development, IMF.

Regional Office for Asia and the Pacific

In 1997 the IMF established the Regional Office for Asia and Pacific (OAP) as a window on Asia and in recognition of the region's substantial and growing importance in the global economy. OAP monitors economic and financial developments in the region, contributes to bilateral and regional surveillance for Japan and Mongolia, coordinates IMF relations with regional forums in Asia, and carries out CD and outreach activities.

Monitoring Activity in the Region

To help bring a more regionally focused perspective to IMF surveillance, OAP monitors economic and financial developments through regular contacts with financial markets, private



Seminar for JISPA Scholars held in Tokyo, Japan in January 2013

Box 8. Building the Foundation for Collecting Better External Sector Statistics

In October 2012, the IMF launched a three-year Japan financed program to support more accurate and timely compilation and dissemination of external sector statistics (ESS) for ten countries in Asia (Bangladesh, Bhutan, Cambodia, Lao P.D.R., Maldives, Mongolia, Myanmar, Nepal, Sri Lanka, and Vietnam) and twelve in the Pacific Islands (Fiji, Kiribati, Marshall Islands, Micronesia, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu, and Vanuatu.)

The program's objectives were presented through opening workshops, where country officials identified key issues, main challenges, and setbacks they expected to face—thus promoting shared ownership by the IMF and countries of program activities and outcomes. Tentative milestones for improvement were agreed upon on the path to reach each country's desired and feasible ESS status.

Taking into account the different stages of statistical development, the project delivered country-specific TA with the full support and engagement of

country officials. This has already enhanced data collection practices and mechanisms, which in several countries are now paving the way for more reliable ESS. The results are expected to be gradually reflected in the statistics countries disseminate. Of particular importance was the launch by the Central Bank of Sri Lanka of the Annual International Investment Survey to collect data on flows and external asset and liability positions. This will allow the bank to disseminate an accurate international investment position (IIP) statement. The TA has also enabled the countries to produce ESS more quickly, as in the case of Fiji, where six months after the start of the program, it was disseminating quarterly balance of payments data and IIP. Other early successes from the TA include enhanced accuracy and cross-sector data consistency in Tonga, Solomon Islands, and Vanuatu, submission of data for the Coordinated Portfolio Investment Survey in Mongolia for the first time, and the resumption by Nepal of reporting to the Quarterly External Debt Statistics database.

businesses, and officials in governments and other international financial institutions.

Coordinating with Regional Forums

OAP coordinates IMF relations with such regional groups as Asia-Pacific Economic Cooperation (APEC) and the Association of South East Asian Nations plus Three (ASEAN+3). OAP staff participates in meetings as invited guests and keeps HQ informed as views and initiatives evolve. OAP also organizes CD seminars and workshops with other institutions, such as the Asian Development Bank (ADB), the World Bank, and the UN Economic

and Social Commission for Asia and the Pacific (ESCAP).

Outreach and Capacity Development

OAP carries out public relations and outreach work in both Japanese and English and represents the IMF at conferences and seminars in the region. Its staff makes presentations on the *World Economic Outlook*, the *Regional Economic Outlook*, the *Global Financial Stability Report*, topical economic issues, and country-specific developments. OAP also holds press events when IMF senior management visits Japan and communicates regularly with the press, organizing briefings, responding to inquiries, participating

Box 9. Modernizing Revenue Administration in Southeast Europe

With JSA funding, the IMF is advising Southeast European (SEE) governments as they gradually bring their tax administrations up to par with modern administrations elsewhere in Europe; administer taxes consistently throughout the region; and reduce revenue lost to noncompliance—narrowing the tax gaps.

Most SEE countries have now put in place strategic business plans that set out the direction, methods, activities and timelines for aligning their tax administrations with international standards. The emphasis is on compliance management, reorganization, and updating information technology:

- Most SEE countries are gradually phasing in a compliance risk model that directs efforts first to the risks that constitute the bulk of the tax gap; improves audit, taxpayer services, and collection efforts; and strengthen staff capacity. Already

there have been impressive compliance results, especially in Moldova, Kosovo, and Serbia. In Moldova, for instance, in 2012 taxpayers targeted by the new compliance approach contributed 36 percent more tax than in 2011.

- Most SEE tax administrations have also reorganized their headquarters to better reflect administrative functions and segment taxpayers into risk categories. They have also created special units to advance the compliance of large corporations.
- In addition, Albania, Moldova, Kosovo, and Serbia now have strategic plans for comprehensive information technology reforms, and Albania and Serbia are already implementing them.

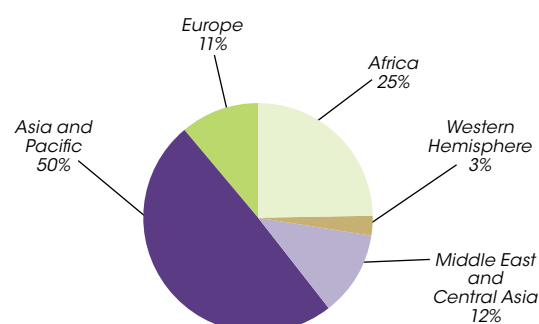
Commitment to reform has increased significantly throughout the region, thanks to the intensity of JSA-financed TA activities and their impact on coordination among TA providers.

in events organized by selected groups, and granting interviews. OAP also maintains the IMF’s Japanese-language website, through which the Fund disseminates a wide range of information promptly to the Japanese public.

OAP administers three CD programs for officials in the region—the Japan-IMF Scholarship Program for Asia (JISPA), the Japan-IMF Macroeconomic Seminar for Asia (JIMS) for senior officials, and the Hitotsubashi – IMF High-Level Seminar on Macroeconomic and Financial Issues. All three programs are funded by the government of Japan. The JIMS and the Hitotsubashi seminars give senior officials opportunities to exchange views and discuss current macroeconomic topics. Partici-

Figure 5. Recipients of JSA-Financed Capacity Development by Region FY09-13

(In person-years)



Source: Institute for Capacity Development, IMF.

Table 3. Top 10 Recipients of JSA-Financed Technical Assistance by Region, FY09-13

(Person-years in descending order)

Africa	Asia and Pacific	Europe	Middle East and Central Asia	Latin America and Caribbean
Liberia	Cambodia	Kosovo	Kyrgyz Republic	Paraguay
Burundi	Singapore Training Institute	Moldova	Syrian Arab Republic	Peru
Rwanda	Nepal	Montenegro	METAC ¹ Countries	Trinidad and Tobago
Niger	Philippines	Romania	Uzbekistan	Uruguay
Mali	Mongolia	Albania	Tajikistan	Bolivia
Cameroon	Indonesia	Croatia	Kazakhstan, Republic Of	Colombia
Nigeria	Timor-Leste, Democratic Rep.Of	Bosnia And Herzegovina	Afghanistan, Islamic Republic	Panama
Guinea	Bangladesh	Turkey	Djibouti	Nicaragua
Botswana	Viet Nam	Macedonia, Former Yugoslav Rep	Armenia	Dominican Republic
Gambia	Maldives	Serbia	Georgia	El Salvador

Source: Institute for Capacity Development, IMF.

¹ Middle East Technical Assistance Center.

Table 4. JSA Annual Commitments for Technical Assistance by Subject Area, FY93–13¹

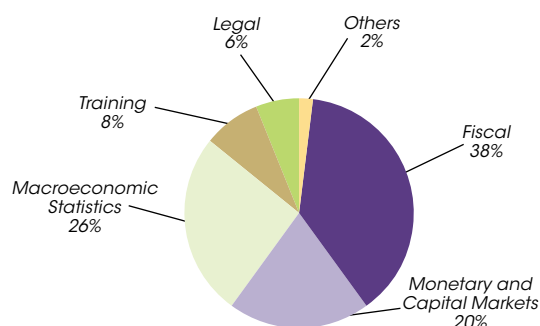
(In millions of U.S. dollars)

	FY93–07	FY08	FY09	FY10	FY11	FY12	FY13		FY93–13	
							\$	%	\$	%
Fiscal	63.1	3.5	5.8	7.1	11.5	13.4	9.6	38	114.1	32
Monetary and Capital Markets	90.8	4.7	4.0	3.9	6.6	6.2	5.0	20	121.2	34
Macroeconomic Statistics	38.8	2.3	2.8	1.3	1.7	4.6	6.7	26	58.2	17
Training	27.0	1.8	2.0	1.5	2.7	2.4	2.1	8	39.4	11
Legal	7.1	1.0	0.2	0.1	0.0	0.0	1.4	6	9.9	3
Others	6.9	0.0	0.1	0.7	0.5	0.4	0.6	2	9.2	3
Total	233.8	13.3	14.8	14.6	22.9	27.2	25.4	100	351.9	100

Source: Institute for Capacity Development, IMF.

¹ Does not include \$400,000 annual contribution from Japan to the AML/CFT topical trust fund in FY10, 11, 12, and 13.

Figure 6. Distribution of JSA Technical Assistance Commitments by Subject, FY13



Source: Institute for Capacity Development, IMF.

Participants have rated them as highly effective. OAP also organizes and supports seminars to enhance the policy-making capacity of officials in the region.

Among the Japan-funded seminars sponsored or cosponsored by OAP in FY13 were “Designing Equitable and Fiscally Sustainable Pension Systems in Asia” and “Hitotsubashi-IMF High-Level Seminar on Managing Capital Flows: What Worked and Why.”

Japan-IMF Scholarship Program for Asia

The JISPA, established in 1993, supports graduate study in macroeconomics or a related field at leading universities in Japan. Though its initial objective was to help build institutional capacity in transition economies, it has now evolved to support emerging and developing economies



Improved External Sector Statistics, Opening Workshop in Bangkok, Thailand, October 2012

and provide educational opportunities to promising junior officials in central banks, ministries of finance and of the economy, and financial supervisory agencies in the Asia and the Pacific region and countries in Central Asia.¹¹

For the 2012 academic year, the program awarded 37 scholarships, including one in a Ph.D. program, and supported 61 scholars.¹² There are two forms of scholarships: the “partnership track” accepts scholars through four partner universities¹³ to participate in specially designed master’s degree courses; and the “open track” is for candidates who have already been admitted to a master’s or doctoral program in macroeconomics or a related field at any university in Japan.

The JISPA orientation program ensures that new scholars are well-prepared for studies at participating universities and can adjust readily to life in Japan. It offers courses in math, English, Japanese, and introductory economics. In 2013, all 36 incoming partnership-track scholars participated in the orientation program, which was conducted at the International University of Japan.

OAP organizes occasional seminars exclusively for JISPA scholars to help them better understand current regional policy issues and the work of the IMF. Scholars also have opportunities to network among themselves, with officials from their home countries, and with



Mr. Shogo Ishii, Director (seated second from the left), and staff of the IMF Regional Office for Asia and the Pacific (OAP) in Tokyo

Japanese officials. The scholars are also invited to OAP regional seminars.

Since the first JISPA students were accepted in 1993, the program has awarded 567 scholarships, and by the end of the 2011 academic year 492 scholars had graduated (see table 5 for the distribution of scholars by country and agency affiliation). Most scholars have expressed great satisfaction with the program and with the career opportunities. A number have advanced to mid-level and senior official positions in their home countries and now have considerable responsibility for policy making. In FY13, alumni events were organized in Myanmar and Nepal to give former scholars an opportunity to renew acquaintances, with an alumni network web site facilitating such interactions.

Japan-IMF Scholarship Program for Advanced Studies

Japan also provides scholarships for Japanese nationals to study macroeconomics at the doctoral level so that they can pursue a career at the IMF. Students applying to universities outside Japan that have well-regarded programs in macroeconomics are eligible for the Japan-IMF Scholarship Program for Advanced Studies (JISP). The JISP award covers tuition and reasonable costs for two years of study. Scholars are expected to finance the remaining years of study; this is usually done through funding from their universities. JISP is administered by the IMF Institute for Capacity Development (ICD) in collaboration with the Institute of International Education (IIE).

The Program begun in 1996 supported up to 15 scholars from Asian countries annually. Since 2009, only Japanese nationals are eligible and no more than seven scholars a year receive scholarships. Starting in 2012 scholars are required to apply to the IMF's Economist Program (EP) upon completion of their Ph.D. and accept an EP position if offered.

¹¹ The scholarship program is open to candidates from: Bangladesh, Bhutan, Cambodia, China, India, Indonesia, Kazakhstan, Kyrgyz Republic, the Lao People's Democratic Republic, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pacific Island countries, Papua New Guinea, the Philippines, Sri Lanka, Tajikistan, Thailand, Timor-Leste, Turkmenistan, Uzbekistan, and Vietnam.

¹² For the JISPA, the academic year is October 1 to September 30.

¹³ The partnership universities are: the National Graduate Institute for Policy Studies; Hitotsubashi University; International University of Japan; and the University of Tokyo.

Box 10. Joint Field Visit in 2012

In 2012, a delegation consisting of a member of the Japan Executive Director's Office along with an IMF staff member visited Phnom Penh, Cambodia in connection with the filming of a segment for a video on the JSA to be launched at the Tokyo Annual Meetings (see Box 2).

Cambodia, July 2-5, 2012

The IMF has been providing Japan-funded CD to Cambodia for many years on banking supervision and regulation. There has been a resident expert on banking sector issues since 2004, who has provided decisive support on structural reforms being undertaken in the financial sector, and in strengthening internal capacity in banking supervision, foreign exchange management, and internal audit and statistics.

The video focused on how far Cambodia has come from the end of the civil war, when currency was abolished, to the present. During this time Cambodia made rapid progress on economic development and human resources. In particular, the video showcased the impact of IMF CD on the average citizen, presenting interviews with officials

at the National Bank of Cambodia (NBC), other private sector institutions, local and foreign private banks, local business owners, the Japan International Cooperation Agency (JICA), IMF experts, and local residents.

The Governor, the Deputy Governor, and other senior officials involved with the IMF capacity building efforts at the NBC recognized and valued the critical role played by the IMF in helping Cambodia to rebuild its financial system and were grateful to Japan for their long-term support. The discussions also highlighted the steps being taken to ensure that internal capacity is developed at the NBC. Officials from the private banking sector, both domestic and foreign, echoed the views of the NBC as regards the important role played by the IMF resident expert and pointed to the progress in the local banking system. Private business leaders outside the banking sector also confirmed the contribution by the improved banking system to the substantial progress in the Cambodian economy. Finally, JICA officials reiterated the important role played by IMF capacity development to the broader projects undertaken by JICA.

Table 5. Japan-IMF Scholarship Program for Asia Distribution of Scholars by Country and Affiliation, 1993–2013

Scholars by Country	Number	Percent	of which graduates	Scholars by Affiliation	Number	Percent	of which graduates
China	93	16.4	86	Central Bank	298	52.56	254
Vietnam	80	14.1	76	Ministry of Finance/Tax Authority	122	21.52	108
Uzbekistan	69	12.2	60	Economic Affairs Ministry Agency	74	13.05	65
Cambodia	50	8.8	42	Statistics Bureau	22	3.88	20
Mongolia	44	7.8	34	Trade/Commerce Ministry	18	3.17	15
Kyrgyz Rep.	39	6.9	38	Cabinet Office	8	1.41	6
Myanmar	38	6.7	34	Others	25	4.41	24
Kazakhstan	33	5.8	32	Grand Total	567	100.00	492
Indonesia	25	4.4	21				
Thailand	22	3.9	14				
Phillipines	15	2.6	12				
Lao PDR	13	2.3	12				
Bangladesh	12	2.1	6				
Tajikistan	10	1.8	9				
India	5	0.9	4				
Nepal	5	0.9	1				
Malaysia	3	0.5	2				
Sri Lanka	3	0.5	3				
Bhutan	2	0.4	0				
Fiji	2	0.4	2				
Turkmenistan	2	0.4	2				
Maldives	1	0.2	1				
Timor-Leste	1	0.2	1				
Grand Total	567	100.0	492				

Twenty-nine JISP alumni (out of which thirteen were Japanese) in total have joined the IMF. As of April 2013, twenty-six were on active duty. Four new alumni (one each from Japan, China, Bangladesh, and Thailand) are expected to enter the EP in the fall of 2013. Table 6 shows the distribution of scholars by country since the program began, and the number of JISP alumni employed by the IMF to date.

ICD coordinates a yearly orientation program in Washington, D.C., to introduce incoming scholars to the IMF and give them an opportunity to network with JISP alumni and Fund staff. Additionally, JISP scholars in the third or fourth year of their Ph.D. programs are invited to the IMF to meet staff and attend the Jacques Polak Annual Research Conference. The year before obtaining their doctorates, scholars also complete a summer internship in an IMF

department. Summer interns benefit from a mentoring program that prepares them for applying to the highly competitive EP.

ICD, with the assistance of the IIE, conducts a yearly survey to obtain information on the professional career paths and profiles of past scholars. The 2012 results again showed that satisfaction with the program remains high (88 percent of the respondents were satisfied to very satisfied). The majority of respondents (71 percent of all respondents and 57 percent of Japanese respondents) are interested in Fund employment, including mid-career positions.

JISP scholars in the third or fourth year of their Ph.D. programs are invited to the IMF

Jacques Polak Annual Research Conference. The scholars meet with Fund economists, among them JISP alumni, to discuss conference topics and the work of the Fund. Between 2008 and 2012, 38 scholars attended the conference. ICD also posts JISP and IMF-related resources on the information and networking website for scholars and alumni, which highlighted information about the 2012 IMF-World Bank Annual Meetings in Tokyo and related activities, such as the student essay contest.

The JISP continues to be successful and provide a good source of EP candidates. Scholars and alumni rate the program highly and have expressed deep appreciation for the generous support of the government of Japan.



Pension Reform Seminar held in Tokyo, Japan in January 2013

Table 6. Japan-IMF Scholarship Program for Advanced Studies: Number of Scholars Accepted to JISP and Employed by the IMF by Country, 1996–2013

Country	Number of Scholars ¹						Total Scholars per Country (1996–2013)	JISP Alumni Employed by the IMF ^{2, 3}
	1996–2008	2009	2010	2011	2012	2013		
Japan	81	7	7	7	5	6	113	13
Bangladesh	6						6	1
Cambodia	2						2	
China (including Hong Kong SAR)	24						24	6
Indonesia	3						3	
Kazakhstan	5						5	
Korea	19						19	2
Kyrgyz Rep.	3						3	
Malaysia	1						1	
Mongolia	7						7	
Myanmar	1						1	
Nepal	2						2	
Philippines	2						2	1
Tajikistan	1						1	1
Thailand	15						15	3
Uzbekistan	3						3	
Vietnam	11						11	2
TOTAL	186	7	7	7	5	6	218	29

Source: Institute for Capacity Development, IMF.

¹ Starting in 2009, only Japanese nationals are eligible for the Program.

² As of April 2013, there were 26 JISP alumni working in the Fund.

³ Four new alumni are expected to join the EP in FY14.



Annexes

The IMF: Purpose and Activities

The IMF, which currently has 188 member countries, was established in 1946 to ensure the stability of the international monetary system—the system of exchange rates and international payments that enables countries (and their citizens) to transact with one other. It promotes international monetary cooperation; works to ensure exchange rate stability and orderly exchange arrangements; provides temporary financial assistance to countries with balance of payments difficulties; and fosters sustainable economic growth globally. To achieve these objectives, the IMF has three main functions: surveillance, financial assistance, and capacity development that incorporates technical assistance (TA) and training.

Surveillance: The IMF maintains a policy dialogue with each member and appraises country and global macroeconomic conditions. In what are known as Article IV consultations, it regularly assesses each member’s exchange rate and related economic policies. The IMF also carries out global surveillance, the results of which are summarized in the *World Economic Outlook* and the *Global Financial Stability Report*, both of which are published twice a year.

Financial assistance: The IMF provides credits and loans to member countries with balance of payments problems so that they can restore financial and economic stability and sustainable economic growth. IMF financial assistance enables countries to rebuild international reserves, stabilize their currencies, and continue paying for imports without having to impose trade restrictions. Assistance is available to IMF members through a variety of facilities, such as concessional lending and debt relief for certain low-income members.¹

Technical assistance: The IMF provides TA in response to requests from member countries to help them formulate and put into effect macroeconomic and structural policies and institutional arrangements for policymaking, and for training officials responsible for policy making. Areas of core expertise in which the IMF offers TA are Macroeconomic policy, tax policy and revenue administration, expenditure management, monetary policy, the exchange rate system, financial sector stability, legislative frameworks, and macroeconomic and financial statistics (see below, *Core Areas of IMF Technical Assistance*).²

TA is delivered mainly through the following IMF functional departments: Fiscal Affairs, Monetary and Capital Markets, Statistics, and Legal, but general TA policy and coordination are handled by the Global Partnership Division of the Institute for Capacity Development (ICDGP) in consultation with area, TA-delivery, and other departments. ICDGP is also responsible for mobilizing and managing external financing for TA.

¹ For further information on IMF financial assistance programs, see www.imf.org/external/np/exr/facts/howlend.htm.

² Additional information on IMF TA activities can be found at www.imf.org/external/np/exr/facts/tech.htm.

Core Areas of IMF Technical Assistance

Fiscal Policy and Management

Tax policy
 Tax and customs administration
 Expenditure policy
 Public financial management
 Fiscal policy
 Fiscal federalism

Monetary Policy and Financial Systems

Central banking and currency arrangements
 Monetary and exchange rate policy operations and public debt management
 Financial market development, particularly money, government debt, and foreign exchange markets
 Exchange systems and currency convertibility
 Payment systems

Bank supervision and regulation
 Bank restructuring and banking safety nets

Macroeconomic and Financial Statistics

Multisector statistical issues
 Balance of payments and external debt statistics
 Government finance statistics
 Monetary and financial statistics
 National accounts and price statistics
 Data dissemination standards

Legislative Frameworks

Regulations and related legislation; primarily on monetary, financial and economic issues.
 Anti-Money-Laundering/Combating the Financing of Terrorism

JSA Capacity Development Programs (New and Ongoing Programs)

JSA #	Program Title	Commitment (\$)
Approved in FY13		
JPN110	Further Modernization of Budget Management, Fiscal Reporting, and Tax Administration in West Africa (ECOWAS)	4,125,653
JPN111	Tax Administration in Caucasus and Central Asian Countries	2,621,500
JPN202	Strengthening Macroeconomic Management in the Asia-Pacific Region	6,900,000
JPN301	Enhancing the AML/CFT Framework in the Union of Myanmar	1,269,557
JPN405	Banking Supervision for Financial Stability in ASEAN	5,102,313
JPN406	Central Bank Modernization in the Union of Myanmar	2,989,286
JPN505	Improved External Sector Statistics in the Asia Pacific Region	4,954,604
JPN601	Developing Treasury Management and Financial Systems Modernization in Myanmar and Lao PDR	4,975,883
Approved in FY12		
JPN107	Strengthening Budget Management and Customs Administration in the Central African Economic and Monetary Community	5,009,500
JPN108	Effective and Efficient Budget and Treasury Management for Southeast Asia	4,993,940
JPN109	Implementing Tax Administration Reforms in Selected South East Asian Countries	3,625,930
JPN404	Supporting Preparations for Monetary Union in the Monetary Policy and Statistical Areas in the East African Community	4,993,048
JPN502	Capacity Building for Sustainable Compilation of Real Sector Statistics in Eastern Europe	4,715,490
JPN503	Regional Government Finance Statistics	4,959,450
JPN504	General Data Dissemination System Program	1,299,603

Approved in FY11

JPN106	Asia and Pacific: Supporting Strategic Fiscal Management and Building Institutional Capacity	4,333,971
JPN403	Asia and Pacific: Improving Banking Supervision and Regulation, and Crisis Management in Selected PRGT-Supported Countries	4,904,304
JPN501	Asia and Pacific: Implementation of a System of National Accounts and the International Comparison Program	4,654,394

Approved in FY10

JPN101	West Africa: Developing Strategic Fiscal Management	5,303,993
JPN102	Asia and Pacific: Effective and Efficient Public Financial Management	5,805,754
JPN103	Strengthening Fiscal Management in South Eastern Europe	5,823,133
JPN104	Middle East and Central Asia: Safeguarding Financial Resources in Central Asian Countries	4,277,228
JPN105	Enhancing Fiscal Management: Treasury Management, Fiscal Reporting, Tax Auditing	1,341,641
JPN201	Asia-Pacific Region: Strengthening Macroeconomic Management	6,085,097
JPN401	Economic and Monetary Community of Central African States (CEMAC): Strengthening Regional Financial Agencies	3,260,612
JPN402	Association of Southeast Asian Nations (ASEAN): Enhancing Regional Stability through Improved Supervision	4,632,980

JSA Capacity Development Programs

New Programs (8) in FY13

FURTHER MODERNIZATION OF BUDGET MANAGEMENT, FISCAL REPORTING, AND TAX ADMINISTRATION IN WEST AFRICA (ECOWAS) (JPN110)

The program succeeds the FY2010–FY12 JSA program (JPN101) the main focus of which was to develop strategic and policy-oriented fiscal management and further strengthen the associated budget process, revenue mobilization, and collection systems in selected West African countries. Specifically, the new program will build on efforts made to implement the VAT, introduce a medium-term budget framework (MTBF), and facilitate implementation of the new legal framework for public finance prescribed by the Western African Economic and Monetary Union (WAEMU). The new program is geared toward modernizing fiscal institutions in 11 ECOWAS countries: Burkina Faso, Cape Verde, Côte d’Ivoire, The Gambia, Ghana, Liberia, Mali, Niger, Nigeria, Sierra Leone, and Senegal. The objectives and expected outcomes of this program will be to provide advisory support to (i) improve the credibility and transparency of the budget within a medium-term framework, enhance the predictability of the budget, and raise the level of fiscal reporting to international standards; and (ii) help improve voluntary taxpayer compliance in order to enhance revenue collections and reduce collection cost within ECOWAS countries.

Program Budget for FY13 through FY15	\$4,125,653
Program Budget for FY13	\$1,638,151

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
ECOWAS as a whole Public Financial Management	Advance fiscal reporting and transparency in the five Anglophone countries. Monitor progress toward implementing MTBF reforms in The Gambia, Liberia, and Sierra Leone; program budgeting in Ghana; and the new IFMIS in Nigeria. Prepare a detailed activity plan for regional TA. In addition to providing advisory support in Ghana, the advisor will make at least two visits to each of the other four Anglophone countries covered in support of the activities agreed for each country.	One regional advisor based in Ghana.	The advisor began work in early October 2012. He visited all five Anglophone countries, where he conducted a fiscal reporting and transparency gap analysis. The findings will be presented at a regional workshop in September 2013 in Accra, Ghana. The outcome of this workshop is expected to be a reform agenda and an associated TA activity plan (November 2013–early 2015) for each country. The country-specific TA plans would be formulated in consultation with FAD, AFR, the respective authorities, and ECOWAS.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
ECOWAS as a whole Revenue Administration	Provide continuing TA and oversee regional IT projects. Prepare a detailed activity plan for regional TA. In FY2013, the advisor will make one visit to one of the countries covered by the program (to be determined later) in support of the activities agreed for that country. Hold a workshop on revenue administration	One regional IT advisor based in Senegal. A regional workshop on topics pertaining to “Implementing a Full Self-Assessment System”.	No resources have been utilized as of May 2013. A regional workshop was held in Dakar, Senegal, to discuss the status of tax administration reform in the region, and the extent to which IT has enabled tax administration reform. The workshop agenda also included discussion on key issues and the way forward.
Burkina Faso Public Financial Management	Build capacity in the National Audit Office to facilitate ownership of the WAEMU framework.	One short-term expert (STX) visit	The training envisaged for the audit court will take place in 2013.
Cape Verde Revenue Administration	Assess priorities and develop a strategy and action plan for enhancing taxpayer compliance through self-assessment.	One HQ-led mission	An HQ-led mission visited Cape Verde in September 2012. This was the first TA mission in many years and came at the urgent request of the Minister of Finance to address a serious decline in tax revenue equivalent to 6 percent of GDP in the wake of the global crisis. The mission identified major areas for remedial action to begin reversing these trends, including measures to bolster the VAT regime and strengthen the organizational structure and compliance management approaches of the tax administration, including establishment of a Large Taxpayer Office.

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			The authorities have been very receptive to the advice and have entered into a multi-year TA program which FAD financed through other sources to achieve the outcomes identified by the JSA-financed mission.
Côte d'Ivoire Public Financial Management	Strengthen capacity of the MoF to enhance fiscal transparency and reporting and support and monitor progress on implementation of MTBF reforms.	One HQ-led mission and one STX visit.	An FAD-led TA mission in January 2013 assisted the authorities in identifying priority measures and finalizing a medium- to long-term strategy and action plan for implementing program budgeting. An FAD expert visited to assist the authorities in preparing the MTBF/MTEF and the annual budget proposals. He also helped build the capacity of the staff of the Budget Directorate for implementing the MTBF/MTEF.
Revenue Administration	Provide follow-up TA in taxpayer compliance strategies and approaches	One STX visit.	The STX visit in revenue administration has not yet been delivered.
The Gambia Revenue Administration	Assist the authorities in implementing recommendations made by previous HQ missions with a special focus on self-assessment and taxpayer compliance management	One STX visit.	The mission provided follow-up TA in taxpayer compliance strategies and approaches.

TAX ADMINISTRATION IN CENTRAL ASIAN COUNTRIES (JPN111)

This three-year program (FY13–15) provides TA to support tax administration modernization in four Central Asian countries (Armenia, Georgia, Tajikistan, and Uzbekistan). This program is expected to be a major vehicle through which the IMF will provide tax administration TA to the Central Asian region. The overarching objective is to improve tax administration so as to enhance revenue performance in the countries selected.

Capacity building activities to support this objective are (i) building understanding across the region of the most up-to-date tax administration techniques and trends and how to incorporate these in planning to modernize; (ii) assisting countries to draft detailed modernization strategies and plans that reflect both appropriate priorities, sequence, and timing, and the capacity available to implement them; (iii) strengthening organizational structures to ensure that headquarters units have the structure and capacity to provide effective policy and operational direction to an appropriately configured network of field offices; (iv) building capacity to develop effective compliance programs tailored to the needs of different taxpayer segments (large, medium, and small)-- the compliance programs would reflect service and compliance responses to country revenue risks; and (v) helping countries to identify ways to modernize operations functions and incorporate information technology (IT) to reduce compliance and administrative costs.

TA will be delivered through HQ missions, STX expert visits, and regional activities that promote dialogue and cooperation.

Program Budget for FY13 through FY15	\$2,621,500
Program Budget for FY13	\$1,186,856

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Armenia		N/A	It was envisaged in the project proposal that TA would be delivered to Armenia starting in FY14. Armenia has been a past recipient of Japan-financed TA, and the planned TA will focus on further support in implementing and consolidating past recommendations. In assessing the previous JSA project, it was noted that progress over the last 18 months of the project has had a positive effect, and that further TA would be desirable after the authorities have had an opportunity to fully implement and consolidate the previous TA. Starting this program in FY14 would fit well with this assessment. An initial headquarters-led diagnostic mission will assess the status of the implementation of reforms, and identify priority areas for the next period of support.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Georgia	<p>Improve Georgia's organizational capacity to bring about (i) improved organizational structures; (ii) better compliance programs tailored to the needs of different taxpayer segments; and (iii) modernized operations.</p>	<p>One HQ diagnostic mission to assess the status of the Georgian Revenue Service (GRS) and agree on a TA support program.</p> <p>A short staff visit to work with the new GRS management team and install a peripatetic expert.</p> <p>Four STX visits to support improvement of arrears management.</p>	<p>Georgia has been the major recipient, and the most effective user, of TA under this project in FY13. Progress has been made in planning for better management of registration and filing. This has been achieved partly through implementing a tax-type indicator in the registration base that will enable better management of filing compliance and of arrears, including removing a significant amount of old and uncollectible arrears. Plans are being drafted to better resource both return filing and arrears management.</p> <p>Georgia is introducing rationalized and stronger HQ functions to manage registration, filing, and arrears and plans to boost staffing for these functions. Implementation is in the early stages and should be completed in FY14.</p> <p>The August 2012 mission found that the GRS has not yet appreciated the benefits of tailoring taxpayer service and compliance programs to different taxpayer segments. It has dispensed with its large taxpayer office and adopted the view that taxpayers should receive relatively uniform treatment. The GRS does not want to reestablish physical segmentation (large, medium, and small offices) as is often used; however, the mission's discussions with GRS senior managers exposed the managers to the opportunities presented by programmatic segmentation strategies. Georgia's stage of development, and relatively sophisticated management and systems mean that a programmatic segmentation strategy is viable, and this is an area where support could be provided under the third component of the project.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Tajikistan	Improve Uzbekistan's organizational capacity to bring about (i) improved organizational structures; (ii) better compliance programs tailored to the needs of different taxpayer segments; and (iii) modernized operations.	<p>One HQ diagnostic mission to assess the status of the Tax Committee (TC) and agree with authorities on the TA support program.</p> <p>One short staff visit to discuss the status of the reform program.</p> <p>Two STX visits to support the improvement of arrears and large taxpayer management.</p>	<p>Tajikistan has been the second most significant recipient of TA under this project. Implementation has been more challenging because it has less capacity.</p> <p>Tajikistan reorganized the tax administration headquarters in 2012 along functional lines, which improved the ability of HQ to coordinate regional offices.</p> <p>With regard to compliance programs, Tajikistan is in the initial stages. However, STX assistance is helping it to design strategies to improve large taxpayer administration.</p> <p>Tax operational functions are still poorly developed. STX assistance is helping the TC to design a strategy to modernize arrears management.</p>
Uzbekistan	Improve Tajikistan's organizational capacity to bring about (i) improved organizational structures; (ii) better compliance programs tailored to the needs of the different taxpayer segments; and (iii) modernized operations.	<p>One HQ diagnostic mission to assess the status of the State Tax Committee (STC) and agree with authorities on the TA support program.</p>	<p>The mission completed a comprehensive review of the HQ structure to enhance its effectiveness, better facilitate the growth of specialist skills, and increase the knowledge required to operate in an increasingly modern environment.</p>

STRENGTHENING MACROECONOMIC MANAGEMENT IN THE ASIA-PACIFIC REGION (JPN202)

This is a three-year program of training to strengthen macroeconomic management in the Asia-Pacific region by improving the ability of officials to analyze economic conditions, diagnose problems, and design and implement appropriate policies.

The program is delivered through the IMF-Singapore Regional Training Institute (STI), which is the IMF's flagship venue for training in the Asia-Pacific region. It provides a broad and deep curriculum, anchored firmly in IMF expertise and continually updated to address analytic and policy issues facing member countries. Courses developed by IMF staff are delivered by staff and carefully selected consultants who bring considerable experience to bear on the material. The delivery model—quite different from that of the typical graduate school—balances rigorous analytical lectures with practical workshops for hands-on learning.

The program covers the costs for long-term expert (LTX) and STX visits, HQ-led visits, IMF share of participant costs, and course preparation and staff delivery time.

Program Budget for FY13 through FY15	\$6,900,000
Program Budget for FY13	\$2,300,000

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Asia-Pacific Region – Multiple Countries Macroeconomic Management and Training	Strengthen the ability of Asian officials to analyze economic conditions and design and implement macroeconomic policies.	During FY2013 STI conducted 19 training events (32.6 weeks). There were 18 events in Singapore and 1 elsewhere. They trained 572 participants from 27 countries in the Asia-Pacific region during 985 participant weeks of training. The project covered the following subjects: (i) financial programming and policies (1); (ii) specialized courses in monetary, exchange rate, and fiscal policies (8); (iii) financial sector policies, including central banking (5); (iv) sovereign asset and reserve management (1); (v) legal issues related to including central banking, the financial sector, and anti-money laundering (3); and (vi) statistics (1).	In the end-of-course evaluations, the average score for courses during the assessment period was 4.7 on a scale of 1–5 for questions pertaining to the value of the course. These questions addressed overall satisfaction with the course, whether participants could use the knowledge gained in their jobs, and whether they would recommend the course to others. At the recent Asia-Pacific Training Directors meeting in January 2013, country officials expressed a high level of satisfaction with the training ICD/STI currently offers and there are no apparent gaps in the curriculum, although demand is greatest for macrofinancial topics and shorter courses. ICD has been updating its curriculum to cover more content on macrofinancial linkages.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
		<p>From May 2012 through April 2013, participant costs to the IMF for the multiple courses held at the IMF-Singapore Regional Training Institute (STI) were financed by the project.</p>	<p>In the end-of-course evaluations, for courses during the assessment period the average score on the question of whether the knowledge and skills learned during the course would be used in their job was 4.6 on a scale of 1–5.</p> <p>The most recent triennial survey, conducted in early 2012 and covering all ICD training, indicated that 98 percent of agencies in the Asia-Pacific region were satisfied with the ICD training program and 77 percent were very satisfied. Both ratings were the highest yet in IMF Institute/ICD surveys, which have been conducted since 1995. A large majority of agencies report that their staff values IMF Institute training more than that of other providers on similar topics (92%). A large majority of agencies report that ICD training has helped participants do their jobs better (97%) and the training has facilitated their collaboration with the IMF (89%).</p>

ENHANCING THE AML/CFT FRAMEWORK IN THE UNION OF MYANMAR (JPN301)

This TA program aims to improve the anti-money-laundering/combating the financing of terrorism (AML/CFT) regime in Myanmar focusing on (i) a diagnostic review of Myanmar's AML/CFT framework concentrating on the legal and supervisory regimes; (ii) recommendations to bring the AML/CFT legal and regulatory framework into compliance with the international standard set out in the 2012 Financial Action Task Force (FATF) 40 Recommendations; and (c) improving supervision of the AML/CFT regime within the Central Bank of Myanmar (CBM) by introducing a risk-based approach, developing onsite and offsite supervisory tools, strengthening preventive measures, and enhancing the AML/CFT capacity of CBM supervisors.

Program Budget for FY13 through FY15	\$1,269,557
Program Budget for FY13	\$1,269,557

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Myanmar AML/CFT	Increase Myanmar compliance with FATF recommendations and improve the effectiveness of legal and supervisory components of its AML/CFT framework.	<p>September 2012: A mission to conduct a diagnostic of Myanmar's AML/CFT system concentrating on its legal and supervisory aspects</p> <p>September 2012: An advisory mission to help bring Myanmar's AML/CFT legal framework into compliance with the international standards.</p> <p>November 2012 and February 2013: Advice and training to strengthen the AML/CFT supervision of the banking sector by adopting a risk-based approach and building CBM supervisory capacity.</p>	<p>The following were produced by of end of FY13:</p> <p>Legal Framework</p> <ul style="list-style-type: none"> • Identification of deficiencies in the AML/CFT regime and recommendations to improve it • An action plan setting out priorities and next steps • A TA and training needs matrix, which were set out in a TA report accepted by the authorities. • Proposal of elements of a national AML/CFT strategy, which were incorporated into a draft national AML/CFT action plan. • Revisions to the draft Control of Money Laundering Law (CMLL) and the Counter Terrorism (CT) Bill in response to two sets of comments provided to the authorities. The authorities expect that the amended bills will be submitted to Parliament by December 30, 2013.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			<p>Supervisory Framework</p> <ul style="list-style-type: none"> • An action for the supervisory arrangements outlining steps proposed to the authorities to strengthen current supervision • Development of the following RBA tools: <ol style="list-style-type: none"> i. A first draft of off-site tool to assess inherent ML/TF risks in Myanmar's banking sector ii. A first draft of an off-site tool that applies the outcomes of the previous analysis to individual banks iii. A template for AML/CFT institutional profiles for banks iv. A template to collect data from banks about their inherent ML/TF risks v. Draft procedures for reviewing submissions by banks with respect to their management of ML/TF risks vi. An AML/CFT training session for CBM and Financial Intelligence Unit staff.

BANKING SUPERVISION FOR FINANCIAL STABILITY IN ASEAN (JPN405)

This TA program supports members of the Association of Southeast Asian Nations (ASEAN) Cambodia, Indonesia, and the Philippines in strengthening their banking supervision and systemic risk monitoring with a view to promoting financial stability. Because many of the countries in ASEAN are undergoing rapid changes in their financial systems, it is important that their supervisory and regulatory frameworks keep up with the pace of change. This program aims to encourage the convergence and harmonization of supervisory practices in these countries with international standards and best practices, which would level the competitive playing field, strengthen the basis for expanding financial intermediation, and enhance regional financial integration.

The expected outcomes from the program are

- Stronger regulatory frameworks and supervisory practices in line with international standards and best practices;
- Early identification and timely resolution of problem banks; and
- Enhanced systemic risk monitoring, policy measures, and crisis preparedness in line with emerging best practices.

Program Budget for FY13 through FY15	\$5,102,313
Program Budget for FY13	\$1,179,948

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Cambodia	<p>Strengthen effective implementation of risk-based supervision and prudential regulation and policies to support risk-based supervision such as frameworks for enhanced problem bank resolution and crisis preparedness.</p> <p>Strengthen regulatory framework and supervisory practice in line with international standards and best practices.</p> <p>Identify problem banks and resolve problems early.</p> <p>Adopt systemic risk monitoring, policies, and crisis preparedness measures that are aligned with emerging best practices.</p>	<p>Enhance capacity for off-site supervision, analysis, and banking regulation.</p> <p>Organize a training program for staff involved in banking supervision and ensuring financial stability.</p> <p>Continue work on prudential standards and accounting for securities activities.</p> <p>Help the NBC to enhance its regulatory reach and supervisory capability as the banking sector expands,</p> <p>Strengthen regulation.</p> <p>Provide assistance to finalize a Memorandum of Understanding with the Ministry of Economy and Finance and the Securities and Exchange Commission of Cambodia to achieve regulatory convergence and heighten supervisory cooperation.</p>	<p>On-going activities:</p> <ul style="list-style-type: none"> i. Weekly training sessions for Banking Supervision General Directorate and weekly meetings and sessions for the Financial Stability Team ii. Two notes already issued, a series of others drafted and now under discussion iii. Regular discussion of supervisory and regulatory issues with the NBC Governor and senior management <p>A dedicated working group, with representatives of the NBC, the MEF, and the SECC, was set up in January 2013.</p>

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Indonesia	<p>Strengthen and improve implementation of risk-based supervision and prudential regulation, and policies to support risk-based supervision, such as frameworks for enhanced problem bank resolution and crisis preparedness.</p> <p>Strengthen regulation and supervisory practice in line with international standards and best practices.</p> <p>Identify problem banks and resolve problems early.</p> <p>Adopt systemic risk monitoring, policies, and crisis preparedness measures that are aligned with emerging best practices.</p>	<p>Identify gaps in legal, regulatory, and supervisory frameworks for dealing with resolution of problem banks, such as crisis management or financial safety nets.</p> <p>Provide capacity building to review the appropriateness of examination manuals, methodologies, and rating definitions that underpin the new bank rating system.</p> <p>Provide support to identify and manage system-wide risks and to assess the micro and macro prudential implications of Bank of Indonesia (BI) adoption of international financial reporting standards.</p>	<p>Ongoing assessments identify risks and follow-up in banks, through independent review and advice on specific problem banks. Training is provided on practical implementation of a risk-based framework.</p> <p>Advice and practical insight are provided on Basel II and III drafting and implementation.</p> <p>Support for BI's progress on the regional ASEAN Bank Integration Framework ahead of the planned conference in 2015 and the designation of accredited bank status.</p> <p>Identification of issues that can affect the banking system and the preparation of informative material and options for possible actions. This material was regularly presented to senior management and the Deputy Governor and covered such topics as: best practices for bank ownership and control rules, senior management training and development, and general supervisory training and development programs.</p> <p>Assistance provided on finalization of a national financial stability framework. The draft act is being discussed by the MOF, the BI, and Parliament.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			<p>Assessments made on draft revisions to the BI and Banking Acts.</p> <p>Detailed action plans drafted and advice provided concerning transfer of banking supervision to the financial services authority (OJK), planned for January 2014</p> <p>Close assistance and advice provided concerning reorganization of the BI.</p> <p>Guidance and practical examples provided concerning needs in macro-prudential supervision and financial stability, which will be the responsibility of the BI after transfer of banking supervision to the OJK.</p> <p>Proposal was made for assistance in dealing with problem banks. BI management did not commit due to lack of concern and vast priorities elsewhere, including formation of the OJK, implementation of Basel II, internal reorganization, and implementation of risk-based supervision.</p> <p>There is a need to ensure that the proposed new BI macroprudential framework is blended with a national framework and supported by cross-agency cooperation.</p>

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Philippines	<p>Strengthen and improve implementation of risk-based supervision and prudential regulation and policies to support risk-based supervision especially frameworks for enhanced resolution of problem banks and crisis preparedness.</p> <p>Strengthen regulatory framework and align supervisory practice line with international standards and best practices.</p> <p>Identify problem banks and resolve problems early. .</p> <p>Adopt systemic risk monitoring, policies, , and crisis preparedness measures that are aligned with emerging best practices.</p>	<ol style="list-style-type: none"> i. Support the <i>Bangko Sentral ng Pilipinas</i> (BSP) in ii. implementing risk-based supervision iii. enhancing supervisory capacity iv. disseminating guidance to all technical supervisory staff v. strengthening analytical review of bank risk profiles and putting in place an early warning system vi. identifying and treating unsafe and unsound practices in Reports of Examination (ROE) vii. providing guidance on on-site examination of data integrity and appropriate supervision viii. enforcing data quality standards ix. consolidating and reinforcing progress to date in dealing with weak banks x. building capacity to identify and address problems before banks deteriorate to prompt corrective action (PCA) status. 	<p>Experts worked on strengthening risk-based supervision by providing continuing advice on better integration of on-site examination and off-site monitoring through intensive reviews of the supervisory cycle, i.e., from developing institutional knowledge (the IO) through scoping an on-site examination (Scope Memorandum), through to the final ROE.</p> <p>Experts supported the supervisory core training initiative; on addition to outlining and vetting the content of courses, experts coached and guided course committees to design and deliver good-quality, experiential classroom learning. They have also focused on building sustainable capacity within BSP-SES to maintain, strengthen, and update course content.</p> <p>Dissemination of supervision techniques and practices was a core part of multiple missions; risk forums were presented over the past fiscal year as part of a regular monthly series that began in March 2011.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			<p>Experts continued to work on bank risk profiles and the importance of data quality. Reviews of IOs, Scope Memoranda, and ROEs (collectively “reports”) have been a core component of the TA program. Also, various courses in the core curriculum emphasized risk profiles for banks.</p> <p>Provided guidance on issuance of Cease & Desist Orders (CDOs), and treatment of unsafe and unsound practices in ROEs. One noteworthy achievement is that it takes much less time to complete profiling now that CPCs are more actively involved in ensuring data quality and integrity. As SES considered formal guidelines for data quality in February 2013, experts reviewed draft versions and provided oral and written comments to the working group.</p> <p>Provided guidance on on-site examination of data quality, treatment in ROEs, and enforcement of data quality standards.</p>

CENTRAL BANK MODERNIZATION IN THE UNION OF MYANMAR (JPN406)

The TA program assists the Central Bank of Myanmar (CBM) in (i) designing and implementing modernizing efforts; (ii) supporting implementation of policy and TA advice; and (iii) building institutional and operational capacity to align central bank functions with international standards and practices.

Specifically, the TA focuses on

- i. Providing hands-on advice to the CBM governor on procedures and practices to improve general administration, decision making, and communication, consistent with the planned reorganization of the CBM;
- ii. Drawing up a strategy for CBM modernization, especially designing more streamlined and computerized work methodologies and practices in line with best practices;
- iii. Strengthening operational capacity to facilitate central banking operations in the area of foreign exchange (FX) and monetary operations, budgeting, and liquidity management;
- iv. Establishing a new monetary policy framework incorporating an interbank market, monetary operations and instruments, and debt management;
- v. Advising on banking regulation and supervision , both on- and off-site;
- vi. Advising on central bank organization and accounting; and
- vii. Helping coordinate donor programs and other international frameworks.

Program Budget for FY13 through FY15	\$2,989,286
Program Budget for FY13	\$951,581

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Central banking operations, especially monetary policy and banking supervision	<p>Establish a new monetary policy and strengthen CBM operational capacity to facilitate key central banking operations.</p> <p>Strengthen banking regulation and supervision.</p>	<p>This program involves joint TA delivery by STX and MCM staff missions with the general advisor and a banking supervision long-term resident advisor.</p> <p>TA on</p> <ol style="list-style-type: none"> i. A modernization strategy , specifically designing more streamlined and computerized work methodologies and ii. practices in line with best practices. iii. Setting up an interbank market and monetary operations and instruments. iv. Regulatory and supervisory frameworks that are more closely aligned with international best practice and adoption of risk-based supervision with well-trained staff. 	<ol style="list-style-type: none"> i. TA has been provided that lays out an action plan for modernizing CBM monetary policy by, e.g., implementing open market operations and revamping standing facilities and reserve requirements. ii. The CBM has started periodic deposit auctions for liquidity sterilization, but to date these have been irregular and small- scale reflecting iii. the lack of a new central bank law granting the CBM independence in implementing monetary policy. No progress has yet been made on implementing TA recommendations on modernizing the monetary framework aside from the periodic deposit auctions. iv. There has been little progress on banking regulation and supervision since a long-term advisor was not appointed in the fiscal year.

IMPROVED EXTERNAL SECTOR STATISTICS IN THE ASIA-PACIFIC REGION (JPN505)

This program is designed to improve the accuracy, availability, comparability, and timeliness of external sector statistics in the Asia-Pacific region through capacity building and fostering closer engagement and accountability between compiling countries. The program focuses on three major areas for improvement: (i) the international investment position (IIP) and financial account data improvements (such as those that are or that may be called for by G-20 initiatives); (ii) measures of financial interconnectedness; and (iii) alignment of existing compilation and dissemination systems with the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*.

Program Budget for FY13 through FY15	\$4,954,604
Program Budget for FY13	\$1,226,473

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Asia-Pacific region	Improving external sector statistics in the Asia-Pacific region.	<p>Sixteen technical assistance (TA) missions were conducted during the first year of this project. The missions were conducted by the module manager; long-term and short term experts, and IMF HQ staff.</p> <p>There were two regional opening workshops to introduce to country officials the work plan for the project; underscore the collaboration expected from country officials and their ownership in the development and outcome of actions; and identify both collective and specific ESS needs of countries.</p>	<p>During FY13 there were 16 country missions and six others scheduled. Missions had gone to all countries by the end of June 2013. From the TA missions, issues that depress ESS quality and areas for improvement were identified. Several common issues identified prompted the design of topic-specific workshops. The specific issues will be addressed by follow up missions, for which experts will be implementing country-specific actions.</p> <p>The schedule for FY14 calls for at least two missions to each country and two regional workshops.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bangladesh Improving external sector statistics	Assist the Bangladesh Bank (BB) in further improving the accuracy, availability, comparability, and timeliness of Bangladesh's ESS.	One staff and STX visit to assess the coverage of current data sources and the consistency of the balance of payments (BOP) and IIP compilation frameworks, and address the main issues arising from implementation of the <i>BPM6</i> that are relevant to ESS compilation in Bangladesh.	The mission assessed the compilation framework with a view to enhancing consistency between these statements as well as their consistency with EDS. The mission recommended implementing the integrated IIP and making increasing use of existing sources from various surveys on FDI, portfolio investment, MOF external public debt data, money and banking, and private external debt data. An action plan describing benchmark recommendations and recommended outcomes was agreed with the authorities.
Cambodia Improving external sector statistics	Assist the National Bank of Cambodia (NBC) in further improving the consistency and timeliness of BOP statistics and the IIP.	One STX mission to (i) review and assess current data collection, aligning it to <i>BPM6</i> reporting requirements; (ii) help implement FDI data collection and compilation through development of an enterprise register and of an FDI survey questionnaire; (iii) assess steps taken toward the production of consistent statistics on foreign trade; and (iv) review compilation for travel data and assess the consistency of currently published statistics in order to reduce the numerous BOP errors and omissions in the medium term.	ESS data sources were assessed and areas for improvement identified. DI survey timetable and questionnaire were agreed with the NBC. NBC's efforts to produce consistent statistics on foreign trade were assessed. Compilation techniques for travel were reviewed. Consistency of compiled statistics was evaluated to determine reasons for the numerous errors and omissions. An action plan with benchmark recommendations and new recommended outcomes was agreed with authorities.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Fiji Improving external sector statistics	Assess the coverage and consistency of data sources and compilation practices, and assist the Fiji Islands Bureau of Statistics in improving compilation and timely dissemination of BOP statistics and the IIP; follow up on progress in ESS, and provide on-the-job training, especially to new staff.	One LTX mission to (i) review progress in applying the recommendations made by the previous TA mission; (ii) review current arrangements between different agencies to ensure that statistical reporting is adequate; (iii) assess FDI data collection and compilation; (iv) assess and help to improve coverage of the current account; (v) provide guidance on compiling statistics for participation in the CDIS; and (vi) assess coverage of data sources for external assets and liabilities and assist in improving their recording.	Progress in Fiji's ESS was verified, but shortcomings remain. FDI data compilation was reviewed, and the mission helped compilers to review forms on inward and outward direct investment and on compilation of data collected from their surveys and other source data. An action plan describing benchmark recommendations and new recommended outcomes was agreed with authorities.
Kiribati Improving external sector statistics	Assist the Kiribati Statistics Office to further improve BOP statistics, follow up on progress in implementing the recommendations of the previous TA mission, and provide on-the-job training to compilers.	One STX mission to (i) review the source data and compilation techniques related to compilation of BOP statistics; (ii) assess coverage of these statistics and classification of the BOP components and their consistency; and (3) address the main issues arising from implementation of the sixth edition of the <i>BPM6</i> that are relevant to ESS compilation in Kiribati.	ESS data compilation framework was reviewed. A detailed assessment of the quality of source data was conducted. Several shortcomings were identified, and recommendations for improvements provided. The mission met with data-providing entities to establish better reporting and data-sharing practices. Training sessions on <i>BPM6</i> and EDS concepts and definitions were conducted for compilers. An action plan describing benchmark recommendations and new recommended outcomes was agreed with the authorities.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Maldives Improving external sector statistics	<p>Assist the Maldives Monetary Authority (MMA) in improving the accuracy, availability, and timeliness of Maldives ESS.</p> <p>Assist Balance of Payments Section (BPS) staff in collecting and compiling statistics on foreign direct investment (FDI).</p>	One staff and STX mission to focus on development of a new framework for collecting FDI and primary income data.	The mission and BPS officials designed an action plan for the survey. Stakeholders agreed to give MMA access to the necessary information on FDI companies to elaborate a list of companies to be surveyed in order to ensure good survey coverage. A questionnaire has been tested with one of the most relevant FDI enterprises in Maldives. An action plan describing benchmark recommendations and new recommended outcomes was agreed with the authorities.
Mongolia Improving external sector statistics	<p>Assist authorities in setting up an action plan for implementing the sixth edition of the <i>BPM6</i></p> <p>Assess data consistency between different ESS statements and the consistency of ESS with other macroeconomic statistics.</p>	One STX mission to (i) assist Bank of Mongolia compilers in reviewing the ITRS codes implementing the breakdowns necessary for compiling the BOP in accordance with <i>BPM6</i> ; (ii) assess data collection and compilation for the CDIS and IIP; and assess consistency between BOP, IIP, CDIS, and external debt statistics; coverage of goods data and consistency of ESS with other macroeconomic statistics.	<p>The mission encouraged enhancement of ESS coverage using direct reports/surveys, supplemented by estimation models. Specific recommendations were provided for each component of the ESS, underscoring with consistency across ESS datasets and synchronization with the monetary and financial statistics.</p> <p>The mission emphasized the BOM's need to develop an IT system to facilitate ITRS data collection, data validation, and compilation.</p> <p>The mission assisted the BOM in drafting an action plan for improving the ESS.</p> <p>Mongolia commenced reporting in the CDIS in Q2 2013. An action plan describing benchmark recommendations and new recommended outcomes was agreed with the authorities.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Myanmar</p> <p>Improving external sector statistics</p>	<p>Assess the quality of Myanmar's ESS and assist the authorities' efforts to broaden the scope and improve ESS methodological consistency.</p> <p>Assist compilers in preparing external debt tables and the Reserves Data Template.</p>	<p>One staff and STX mission to assess BOP and IIP statistics with a focus on financial account compilation.</p>	<p>The mission assessed the BOP and IIP statistics and recommended a thorough review of the data collection and compilation framework. The current compilation practices and methodology depart significantly from standards. The mission drafted a detailed plan for improving the BOP and IIP, emphasizing enhancement of data sources and compilation of ESS components relevant to Myanmar. An action plan describing benchmark recommendations and new recommended outcomes was agreed with the authorities.</p>
<p>Nepal</p> <p>Improving external sector statistics</p>	<p>Assess data sources, compilation techniques, and dissemination practices for the BOP and IIP and assist in improving their coverage and consistency.</p> <p>Assess the consistency of external debt flows and grant-related inflows in current and capital transfers in the BOP.</p>	<p>One module manager and STX mission to assess ESS data collection and compilation, with a focus on improving the ITRS and providing guidance on IIP compilation.</p>	<p>The mission conducted a thorough assessment of the ITRS and the structure of the FX market. The current ITRS consistently covers FX transactions but does not allow for adequate classification. Compilers cannot adequately assess the quality of reported data and the soundness of reporting procedures.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Palau</p> <p>Improving external sector statistics</p>	<p>Assist in review of the BOP data entry system and the use of current data sources.</p> <p>Strengthen capacity of staff to compile the ESS.</p> <p>Assess the coverage and classification of the current and the financial account in terms of concerns about the sizable errors and omissions.</p>	<p>One LTX mission to explore methodology and compilation issues related to the BOP data collection and data entry system, and assess the coverage, classification, and consistency of the most significant components of the current and the financial account.</p>	<p>The general action plan discussed with officials and authorities sets out detailed actions for improvement of the ITRS, a high priority. An action plan was designed and discussed with officials and authorities. Detailed actions were planned for compilation of the IIP and external debt statistics (EDS), including private sector liabilities. Pilot EDS and IIP statements were produced and are to be reported to the IMF.</p> <p>Data collection was reviewed and corrections made related to specific components of the BOP. The mission verified that source data are in general incomplete and inconsistent with requirements for compilation according to standard methodology. The mission assisted compilers in reviewing and updating the action plan to implement recommended actions for improvements.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Samoa Improving external sector statistics	<p>Assist the Central Bank of Samoa in improving BOP and IIP statistics.</p> <p>Review ESS data sources and the compilation framework, focusing on the treatment of the assets and liabilities of offshore enterprises and on broadening coverage of the IIP.</p> <p>Review compilation of travel credits and external debt disbursements and the treatment of holding gains and losses related to international reserves.</p>	<p>One LTX and STX mission to (i) assess the coverage of current data sources, as well as classification of BOP components and their consistency, with special attention to correct treatment of resident offshore enterprises; and (ii) address the main issues arising from implementation of the <i>BPM6</i> that relate to compilation of ESS.</p>	<p>The mission verified that cross-border transactions and positions of offshore enterprises are currently omitted from Samoa's ESS since the CBS treats these entities as nonresidents. The mission underscored the issue to compilers and authorities and discussed with several institutions medium-term actions for improvement.</p> <p>The mission identified methodological inconsistencies in the estimation of the international reserves, and assisted in reviewing the compilation methodology.</p> <p>The mission assisted compilers in reviewing and updating the action plan to implement recommended actions for improvements, including enhancements of the IIP data collection and compilation framework.</p>
Solomon Islands Improving external sector statistics	<p>Assist authorities in improving coverage of the ESS surveys initiating a transition plan to the sixth edition of the <i>BPM6</i>.</p>	<p>One LTX mission to (i) assess the coverage of current data sources, the classification of BOP components and their consistency; and (ii) address the main issues arising from implementation of the <i>BPM6</i> that are relevant to ESS compilation for the Solomon Islands.</p>	<p>The mission assessed the ESS framework and verified low coverage and inconsistent classification in several ESS components.</p> <p>ESS is compiled according to <i>BPM5</i>. The mission identified the main components of the current and financial accounts for which data sources and compilation practices require improvement for transition to <i>BPM6</i>. It assisted compilers in designing an action plan to implement recommendations for improvements.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Sri Lanka Improving external sector statistics	<p>Assist the Central Bank of Sri Lanka (CBSL) in reviewing and preparing for publication the draft IIP.</p> <p>Provide guidance on further enhancing coverage, consistency, and timeliness of the ESS.</p> <p>Assist in designing the compilation framework of the Reserves Data Template.</p>	<p>One module manager mission focused on financial account compilation and consistency between flows and stocks, considered as a key element to improve the coverage and quality of BOP and IIP statistics.</p>	<p>The mission reviewed a draft IIP statement that had been compiled. Several shortcomings were identified, which prompted detailed assessment of the IIP and financial account data collection framework, with a focus on the Annual International Investment Survey. Recommendations to improve coverage, accuracy, and classification were conveyed to compilers.</p> <p>Authorities underscored Sri Lanka's intent of subscribing to the SDDS by June 2013, prompting the mission to address all ESS requirements for reaching this goal.</p> <p>The mission assisted compilers designing an action plan to implement recommendations for improvements.</p>
Timor-Leste Improving external sector statistics	<p>Assist the Central Bank of Timor-Leste in improving the accuracy, availability, comparability, and timeliness of Timor-Leste's ESS, with special emphasis on treatment of the Joint Petroleum Development Area.</p>	<p>One STX mission to (i) assess the coverage of current data sources and consistency of ESS compilation frameworks, and (ii) address the main issues arising from implementation of the <i>BPM6</i> that are relevant to ESS compilation in Timor-Leste.</p>	<p>The mission assessed the data collection and compilation framework, following up on a series of ESS TA missions conducted by STA. Some improvements have been made, but others are pending. With regard to the Joint Petroleum Development Area, the mission recommended that a treatment in line with national accounts statistics be adopted. The mission assisted compilers designing an action plan to implement recommendations for improvements. Compilers requested assistance in dealing with specific topics, which were taken into consideration as priorities for by the mission.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Tonga</p> <p>Improving external sector statistics</p>	<p>Assist the Tonga Department of Statistics in improving compilation and timely dissemination of the BOP.</p> <p>Plan for compilation of the IIP.</p> <p>Assess the differences between the exchange settlement-based BOP estimates and official BOP statistics and the treatment in ESS of project-financing loans.</p>	<p>One module manager and LTX mission to (i) review source data and techniques related to compilation of the BOP statistics; (ii) assess their coverage, and classification of BOP components and their consistency; and (iii) address the main issues arising from implementation of <i>BPM6</i> that are relevant to ESS compilation in Tonga.</p>	<p>Tonga's data collection framework was reviewed. Source data are in general incomplete and inconsistent with requirements for compilation according to standard methodology. The mission verified that external debt flows were absent from the BOP, as were flows related to externally financed projects, international aid, and TA.</p> <p>The mission verified the need to improve the main BOP data source, the Overseas Exchange Transactions (OET) Reporting System. National Reserve Bank of Tonga authorities agreed to receive a mission in June 2013 to conduct a thorough review of the OET to align it to <i>BPM6</i>.</p> <p>The mission met with several public and private entities and, with the Tonga Department of Statistics, identified actions to implement IIP data collection. The mission designed an action plan to implement the recommended actions.</p>
<p>Tuvalu</p> <p>Improving external sector statistics</p>	<p>Assist the Central Statistics Division (CSD) in improving the BOP data, developing the IIP compilation framework, and compiling external debt statistics.</p> <p>Assess the coverage and classification of the BOP, with special attention to the treatment of trust funds in ESS.</p>	<p>One LTX mission to (i) review the source data and techniques related to the compilation of the BOP statistics; (ii) assess their coverage, and the classification of BOP components and their consistency; and (iii) address the main issues arising from implementation of <i>BPM6</i> that relate to ESS compilation in Tuvalu.</p>	<p>The mission verified that source data availability is limited and not timely.</p> <p>Parts or all of relevant components, such as imports, exports, income, and transfers are omitted or misclassified. CSD lacks a proper data collection system, and alternative sources are not used regularly. Recommendations were provided for improving data collection and compilation, including for the IIP and for <i>BPM6</i> implementation. Follow-up missions will assist the CSD in this regard.</p> <p>An action plan describing benchmark recommendations and new recommended outcomes was agreed with the authorities.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Vanuatu Improving external sector statistics	<p>Assist the Reserve Bank of Vanuatu in improving compilation and timely dissemination of BOP and IIP statistics.</p> <p>Provide on-the-job training to compilers,</p> <p>Assist in enhancing the coverage and consistency of remittances and other components of the current and financial accounts.</p>	<p>One LTX mission to (i) assess the coverage of current data sources and the consistency of BOP and IIP compilation frameworks; and (ii) address the main issues arising from BPM6 implementation that are relevant to ESS compilation in Vanuatu.</p>	<p>Inconsistencies, misclassifications, and lack of coverage were detected in components of the current and financial accounts and the IIP. For those components 2002–12 data were reviewed and recommendations for corrections and improvement provided.</p> <p>The mission identified the main components of the current and financial accounts for which data sources and compilation practices require improvements. It also provided recommendations for an effective transition to <i>BPM6</i>.</p> <p>An action plan describing benchmark recommendations and new recommended outcomes was agreed with the authorities.</p>

TREASURY MANAGEMENT AND FINANCIAL SYSTEMS MODERNIZATION IN MYANMAR AND LAO PDR (JPN601)

This is a three-year TA program to support treasury management and financial systems modernization in Myanmar and Lao PDR, implemented jointly by the IMF Fiscal Affairs Department (FAD) and Monetary and Capital Markets Department (MCM). In the area of treasury management (FAD), the program supports a three-year placement of a long-term treasury advisor, to be based initially in the Thailand Technical Assistance Office. In the area of financial systems modernization (MCM), it supports placement of a long-term monetary and FX advisor, HQ-led TA missions, STX payment systems and accounting visits, and thematic seminars.

The MCM TA program supports the Central Bank of Myanmar (CBM) in its efforts to strengthen central bank operations and modernize the country's financial system, and Bank of Lao (BoL) in building capacity to formulate sound macroeconomic policies.

In Myanmar, the project will have three components: (i) improving foreign exchange and monetary operations; (ii) modernizing banking infrastructure through development of payment systems; and (iii) strengthening central banking accounting.

In Lao PDR, the TA will consist of workshops on establishing sound monetary policy.

Program Budget for FY13 through FY15	\$4,975,883
Program Budget for FY13	\$772,753

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Myanmar A. Financial Systems Modern-ization	<p>Assist the Central Bank of Myanmar (CBM) in developing key elements of monetary management and FX market development to lay the foundation for improved liquidity management, interbank development, and FX market operations.</p> <p>Support World Bank TA on development of a payments and settlements system in Myanmar, supported by an agreed NPS strategy and an effective legal and regulatory framework.</p> <p>Create a CBM accounting entity that separates government and CBM assets and liabilities and improve government cash flow management by establishing a government banking function within the CBM.</p>	Hiring experts and launching TA	The project has only recently been approved and has not yet launched.
Lao, PDR B. Monetary Policy	Strengthen Bank of Laos institutional capacity through training on key areas of monetary policy implementation.	Hire experts and launch TA.	The project has only recently been approved has not yet launched.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Myanmar Treasury Management	Improve effectiveness and efficiency of public financial management (PFM) by strengthening and modernizing treasury and accounting functions.	Placement of a long-term treasury advisor (LTX) at the TA Office in Bangkok for one year and one HQ-led installation mission. The LTX is to visit Myanmar every month for one to two weeks.	Establishing a modern treasury that contributes to sound and efficient PFM is the overarching priority for this program. Initial advice from the LTX will focus on formalizing the treasury functions in the Ministry of Finance and Revenue, improving in-year and year-end financial reporting, developing a unified accounting framework (including policies and procedures), and building capacity for introduction of market-based financing of budget deficits. Later the LTX will advise on short-term cash forecasting and strengthening controls, including commencement of commitment recording.
Lao PDR Treasury Management	Improve effectiveness and efficiency of PFM by strengthening and modernizing treasury and accounting functions.	Place an LTX at the TA Office in Bangkok for one year and conduct one HQ-led installation mission. The LTX is to visit Lao PDR once every two months for one week.	Government accounting reform is a priority for the authorities. In the short run, LTX advice will focus on building the local capacity to align national accounting standards with the cash-based Public Sector Accounting Standards (IPSAS). Later advice will cover the first phase of the transition to accrual accounting, further development of the Treasury single account (TSA) system, and better classifying accounts, which would support more relevant, reliable, and timely financial reporting.

Ongoing FY2012 Programs (7)

STRENGTHENING BUDGET MANAGEMENT AND CUSTOMS ADMINISTRATION IN THE CENTRAL AFRICAN ECONOMIC AND MONETARY COMMUNITY (JPN107)

Three-year TA program to support countries in the Central African Economic and Monetary Community (CEMAC) with (i) upgrading their budget and PFM systems; and (ii) modernizing and strengthening customs administration. CEMAC's six members—Cameroon, the Central African Republic (CAR), Chad, the Republic of Congo, Equatorial Guinea, and Gabon—are already part of a monetary union and are working toward further integration. The program supports efforts to harmonize PFM through new regional directives and strengthened national PFM systems. The customs administration element of the program supports efforts to modernize customs and build up customs operations to address current issues; mainly lack of coordination in customs procedures between countries, extensive documentation and inspection requirements, outdated processes, and inherent weaknesses in the administrations that create scope for tax evasion and fraud and undermine revenue performance.

Program Budget for FY12 through FY14	\$5,009,500
Program Budget for FY13	\$2,289,662

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Beneficiary/ Subject Area	Objectives	FY2012 Work Plan	Activities/Outcomes
CEMAC Public Financial Management	<p>Support CEMAC countries as they upgrade their budget and PFM systems.</p> <p>Support efforts to harmonize PFM by implementing new regional directives that comply with the international standards and best practices adopted by the CEMAC.</p>	<p>One HQ-led TA mission, three one-week TA missions to participate in the CEMAC Commission's circular missions, and one regional seminar</p>	<p>The June HQ TA mission assisted the commission and CEMAC member countries (MCs) in preparing a training plan and nine training modules on building capacity for the PFM concepts and techniques introduced by the directives and facilitating their transcription and implementation. It also assisted the commission in preparing a draft supplement for the TG on the directive on budget nomenclature requested by the MCs to harmonize classification of revenue and expenditures in the CEMAC region and codification for the geographical location of expenditures. Three HQ TA missions—Gabon (March 4–8), Congo (March 18–19), and Chad (April 29–May 3) participated in the Commission's circular missions to further disseminate the directives and sensitize high-ranking authorities to the need for transcribing and implementing the directives at the national level.</p> <p>FAD organized a regional seminar in Yaoundé, Cameroon, December 3–7, 2012, to further disseminate the directives. The workshop brought together more than 55 representatives from government, parliament, and supreme audit institutions in each of the six MCs to discuss major features of the directives along with challenges, sequencing, and TA needs. Other partners, such as the World Bank, CRFIAF,¹ and UNDP, were participants and made presentations.</p>

¹ CRFIAI is the Regional Center for the Training of Supreme Audit Institutions for Sub-Saharan Francophone Africa, which is based in Yaoundé.

Beneficiary/ Subject Area	Objectives	FY2012 Work Plan	Activities/Outcomes
Customs Administration	Strengthen the regional vision for, and implementation of a customs union, and build capacity in four CEMAC countries (Central African Republic, Chad, Republic of Congo, and Gabon) to conform to international standards and best customs practices.	One regional seminar	The customs administration seminar, held in May 2012, took stock of regional integration issues and challenges and identified priorities for both the CEMAC and the MCs in order to reinforce the customs union and regional integration.
Cameroon Public Financial Management	Build up and implement sound PFM in Cameroon and harmonize its procedures with regional processes.	Two HQ-led TA missions and three STX visits to assist with program budgeting, the chart of accounts (CoA), commitment controls, and financial reporting.	<p>The December 2011 TA mission assisted the authorities in (i) taking stock of progress with the PFM modernization plan; (ii) determining the conditions to be fulfilled before implementation of program budgeting, beginning with the FY 2013 budget law, as envisaged by the authorities; and (iii) proposing a strategy to implement the new CEMAC PFM directives.</p> <p>The June–July 2012 FAD expert visit helped the authorities to modernize the CoA and plan for introduction of accrual accounting.</p> <p>The October–November 2012 FAD expert visit provided TA on execution of multiyear commitment authorizations.</p> <p>The February 2013 FAD expert visit assisted the authorities in modernizing their year-end financial reports and designed a draft report structure and appendix in accordance with the 2011 CEMAC directives.</p>

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Beneficiary/ Subject Area	Objectives	FY2012 Work Plan	Activities/Outcomes
Customs Administration	Support efforts to modernize customs administration and build up customs operations.	One HQ TA mission and one STX visit.	The HQ TA mission on customs administration advised on customs modernization, reviewed progress in recent years, and made recommendations on next steps for reform. During his visit from March 28 to April 11, the STX focused on implementing central risk management, and building a database on litigation.
Central African Republic Public Financial Management	Help CAR develop and implement sound PFM and align its practices with those of other CEMAC MCs.	Two HQ missions and two STX visits.	<p>Due to security problems situation, one HQ mission and the two STX visits did not take place. The February–March 2012 HQ TA mission assisted authorities in taking stock of progress made in their PFM reform program. The mission proposed a strategy and a sequenced and prioritized action plan for transcription and implementation of the new CEMAC PFM directives. An October 2012 FAD expert mission assisted the authorities in defining a PFM training strategy and in preparing training modules.</p> <p>Another FAD expert visit in April 2013 provided support to authorities in strengthening accounting and in preparing a strategy and action plan for the gradual transition to accrual accounting, as prescribed by the new CEMAC PFM directives.</p>
Customs Administration	The program also aims to support efforts to modernize customs administration and to reinforce customs operations	One HQ TA mission and two STX visits.	The June 2012 HQ mission carried out a diagnostic assessment of the customs administration reforms and advised on priorities for pursuing the reform. The two STX visits provided follow-up TA on reform priorities agreed upon with the authorities. These two visits focused on reinforcing the directorate on customs investigations, prosecutions, and the fight against fraud.

Beneficiary/ Subject Area	Objectives	FY2012 Work Plan	Activities/Outcomes
Republic of Congo Public Financial Management	Support preparation for and efficient implementation of the new CEMAC PFM directives and covers all aspects of the budget execution system.	One HQ mission.	The mission took stock of progress in modernizing PFM and proposed a reform strategy to implement the 2012 Organic Budget Law and the CEMAC directives.
Customs Administration	Support efforts to modernize customs administration and to build up customs operations.	Two STX visits.	The June/July 2012 visit concentrated on building a litigation database and developing the core surveillance functions in the Departmental Directorate of Brazzaville. The April 2013 visit focused on implementing risk management and strengthened the enquiry department.
Gabon Customs Administration	The program aims to support efforts to modernize customs administration and build up customs operations.	Three STX visits.	The first visit, in December 2012, supported the authorities in implementing the customs valuation database and the risk management system. The two visits in April 2013 followed up on the TA provided, and helped sustain management efforts to implement its modernization plan.

EFFECTIVE AND EFFICIENT BUDGET AND TREASURY MANAGEMENT FOR SOUTHEAST ASIA (JPN108)

This three-year TA program supports PFM reforms in Bangladesh, Cambodia, Indonesia, Lao PDR, Nepal, the Philippines, Timor-Leste, and Vietnam. Its main goal is to promote more effective and efficient budget and treasury management and government fiscal reporting. The program focuses on process (re)design and capacity building in countries advancing to more sophisticated reforms or with a track record of successfully implementing TA related to (i) macrofiscal and medium-term budgeting; (ii) treasury management; (iii) accounting for budget execution; and (iv) preparation of annual financial statements.

Program Budget for FY12 through FY14	\$4,993,940
Program Budget for FY13	\$2,069,594

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Vietnam	Promote more effective and efficient budget and treasury management and government fiscal reporting, focusing on process (re)design and capacity building. Vietnam has decided to adopt the International Public Sector Accounting Standards (IPSAS); the program will help to sequence associated accounting reforms.	One HQ TA mission on debt management, and two STX visits on accounting standards	<p>The HQ mission delivered a workshop on government banking arrangements, cash flow forecasting, and cash management. It also held meetings to review current practices and priorities in cash management and scoped out future support for the State Treasury</p> <p>The STX analyzed the gaps between the government's current accounting policies and IPSAS requirements. He also interfaced with the IPSAS working group set up by the Ministry of Finance (MoF) to facilitate consensus on an implementation plan, taking the findings from the gap analysis into account.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Lao PDR	Improve PFM effectiveness and efficiency by reinforcing macrofiscal and budgetary planning, and modernizing treasury and related IT systems and government fiscal and financial reporting. Lao PDR has participated in IPSAS seminars delivered by the regional advisor and is expected to request direct TA on IPSAS implementation as part of this program.	One HQ TA mission on accounting and two STX visits on fiscal reporting	The HQ TA mission conducted a gap analysis on the planned implementation of cash-based IPSAS and prepared an implementation roadmap. The mission also assisted the Ministry of Finance in drafting a government accounting decree, which the authorities are now refining in consultation with other stakeholders. The expert conducted orientation training for the MOF staff on the requirements for cash-based IPSAS. A model financial statement was drafted.
Philippines	Support efforts to make PFM systems more effective and efficient by enhancing macrofiscal and budget planning capacities and systems. Also support the new cash and debt management system.	One HQ TA mission and two STX visits, one on accounting and reporting, and one on cash management	The HQ mission prepared a revised budget format and advised the authorities on how to integrate performance measures into the budget process and presentation. The STXs assisted with consolidation of general government accounts and advised on development of a TSA and on cash flow forecasting.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Timor-Leste	Build on the success of a 2010 FAD project to enhance efficiency in treasury operations. The minister requested placement of a resident advisor in the treasury to support work on strengthening treasury operations. The objective is to make budget execution more efficient (as measured by the value of resources devoted to transaction processing in the treasury and line ministries) and to successfully implement new functionality in the PFM information system, which in turn will improve the timeliness of fiscal reporting.	One treasury LTX.	The LTX has been instrumental in implementing the new treasury strategic plan for the MoF, helping to reorganize the Treasury Directorate, strengthen the TSA, improve efficiency in managing treasury operations, delegate greater powers and responsibilities to line ministries for budget execution, adopt cash-based IPSAS, improve treasury manuals, and train staff on treasury management, and related PFM areas. The advisor completed his tasks in March 2013 and submitted a final report summarizing achievements, remaining gaps, and recommendations for moving forward. The authorities have adopted and are implementing the changes with the support of resident consultants funded by AUSAID.
Cambodia	Improve PFM effectiveness and efficiency by strengthening macrofiscal and budgetary planning, modernizing treasury and related IT systems, and enhancing fiscal and financial reporting.	One LTX, one HQ TA mission on treasury operations, and two STX visits on macrofiscal operations.	The LTX assisted with improving government accounting practices, and supported the following improvements in treasury systems: integrating donor-funded project accounts into the TSA, and building capacity by adopting cash-based IPSAS. The STX visits provided continued assistance in improving capacity for macrofiscal forecasting.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Nepal	Improve the efficiency of PFM by helping to modernize treasury and IT systems by automating payment processing (effective cash and commitment control) executed through the TSA.	Long-term accounting advisor.	The LTX has provided continued support for the TSA rollout, based on work begun in FY12. A new work plan, covering the period up to December 2013, was formulated during an inspection mission in February 2013. The TSA now extends to almost all provinces. This will substantially improve cash management and the timeliness of both payments and reporting.
Bangladesh	Promote more effective and efficient budget and treasury management and government fiscal reporting.	One HQ TA mission.	The HQ mission advised the authorities on the strategy for increasing TSA efficiency and on further development of the cash flow forecasting and cash management functions.
Myanmar	Promote more effective and efficient budget and treasury management and government fiscal reporting.	Two HQ TA missions.	The first mission analyzed the PFM system and identified immediate TA needs and priority actions. A second mission advised the government on establishing a formal treasury function in the Ministry of Finance and Revenue.

IMPLEMENTING TAX ADMINISTRATION REFORMS IN SOUTH EAST ASIAN COUNTRIES (JPN109)

The TA program supports tax administration reforms in Bangladesh, Cambodia, Lao PDR, and Nepal from FY 2012 to FY 2014. The main aim is to introduce reforms in areas of tax administration that were agreed with the authorities after FAD undertook diagnostic missions to each country. The full extent of their TA needs was not foreseen and has emerged as a major challenge since the inception of the revenue administration component of the initial FY2010 program, JPN 102 (FY 2011–2013), which covers the same four countries. The program targets specific areas of tax administration that have emerged as priorities for intensive TA and has significantly different scope, objectives, and outcomes in each country to those of the previous program.

Program Budget for FY12 through FY14	\$3,625,930
Program Budget for FY13	\$908,858

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bangladesh	Assist in passing and implementing a draft VAT law and a new direct-tax law.	One resident VAT advisor for three months, and four STX visits.	The government enacted the new VAT law in November 2012. The December 2012 FAD mission assisted the authorities' VAT Implementation Committee in drafting a detailed VAT Implementation Plan. The IMF resident VAT advisor took up his position in Dhaka in February 2013. Because the passage of the VAT law took longer than expected, short-term TA delivery was delayed until December 2012 but was completed by the end of FY 2013.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Cambodia	Improve revenue collection from large taxpayers by adopting nationally consistent controls, standards, and procedures, ideally administered by a centralized large taxpayer national office.	Six STX visits—three on large taxpayer administration and three on IT and business processes.	<p>The large taxpayer administration visits were undertaken: October 2012, January 2013, and April 2013 (the last overlapping with the 2013 FAD mission). They helped focus attention on the risks presented by the top 150 taxpayers. The experts also developed a working risk model that the authorities can now extend to other taxpayers and sectors.</p> <p>The IT support mission was delivered in December 2012, focusing on identifying IT needs and on the strategy for supporting procedures for new businesses.</p> <p>The resident revenue administration advisor completed the second visit in January 2013. It dealt with legal issues that were impeding the delivery of good procedures, and how legislative reforms could be incorporated into the general government revenue mobilization strategy.</p> <p>One visit was deferred.</p>
Lao PDR	Improve revenue collection from large taxpayers by adopting nationally consistent controls, standards, and procedures.	Two STX visits.	This TA was deferred because the authorities have changed their initial focus of centralizing the management of large taxpayers and did not initiate or formalize a TA request.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Nepal	Improve revenue collection from large taxpayers.	Two STX visits.	Nepal has shown much enthusiasm for furthering its reforms. The first STX visit focused on current large taxpayer management and the second on how tax administration headquarters can be redesigned to better support large taxpayer compliance improvement activities.
Region		One regional advisor was assigned for 10 months (based in Kathmandu).	The regional advisor provided support for HQ missions and STX missions and direct TA within all five South East Asian countries.

SUPPORTING PREPARATIONS FOR MONETARY UNION IN THE MONETARY POLICY AND STATISTICAL AREAS IN THE EAST AFRICAN COMMUNITY (JPN404)

This three-year program supports preparations for and the transition to a monetary union for the East African Community (EAC). Its main objective is to strengthen the capacity of national officials to address the monetary, financial, and statistical challenges associated with regional integration. The program has two components: strengthening the policy, operational, and institutional frameworks in the monetary and financial areas; and developing the regional statistics necessary for monetary union.

Program Budget for FY12 through FY14	\$4,993,048
Program Budget for FY13	\$1,595,209

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Regional Monetary and Financial	<p>Advise the authorities on:</p> <ul style="list-style-type: none"> • preparing for monetary union; • harmonizing the financial stability framework, crisis preparedness and management, and cross-border collaboration; and • implementing the action plan for the Tax Committee (TC) in monetary operations. <p>Report to the monetary affairs committee (MAC) on the progress of assistance with preparations for monetary union.</p>	<p>One long-term (or peripatetic) advisor on monetary operations.</p> <p>Regional workshop on financial stability</p> <p>Two multicountry missions by experts in areas of financial stability to deliver the program elaborated in the regional stability workshop</p>	<p>An LTX on monetary operations was assigned in March 2013 and is now visiting all EAC member countries.</p> <p>The regional financial stability workshop took place but the annual program was not elaborated, because the participants were insufficiently senior.</p> <p>The follow-up multicountry missions did not take place because the plan was not elaborated.</p> <p>A January 2013 TA mission to the Bank of Tanzania (the central bank coordinating financial stability TA for the EAC) therefore made recommendations for a TA program. These were agreed in the May 2013 MAC meeting.</p> <p>A peripatetic expert has been contracted to provide guidance on financial stability frameworks.</p> <p>In January 2013, after several months of discussions, the project facilitated a workshop in Mombasa, Kenya, organized by the central banks of Kenya and Uganda, on harmonizing standing facilities and collateral management frameworks. Representatives from all EAC central banks attended.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Burundi Monetary and Financial	Assess the details and challenges of monetary and FX operations, as input, inter alia, for consideration of monetary operations harmonization. Improve financial stability arrangements.	Two LTX missions to advise on the conduct of monetary policy in the region A mission on crisis management.	The LTX was not assigned until March 2013. Burundi is the EAC member state with the least technical capacity. A 2012 mission therefore conducted TA to advise on preparation of a framework for crisis management.
Kenya Monetary and Financial	Report to the MAC on the progress of assistance with preparation of monetary union. (Central Bank of Kenya chaired the MAC during CY2012). Better understand the details and challenges of monetary and FX operations with a view to improvement and eventual harmonization.	MAC meetings (2 staff, 2 meetings) to report to central bank governors and the working committees and build collaboration.	Only one MAC meeting took place in FY2013, and the invitation from the authorities confirming dates and location was received too late, coinciding with another mission.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Rwanda Monetary and financial	Better understand the details and challenges of monetary and FX operations with a view to improvement and eventual harmonization.		
Tanzania Monetary and Financial	Better understand the details and challenges of monetary and FX operations with a view to improvement and eventual harmonization. Facilitate workshops for staff from the financial stability and supervision departments of EAC central banks.	Two LTX missions to advise on the conduct of monetary policy in the region	LTX was not assigned until March 2013.
Uganda Monetary and Financial	Better understand the details and challenges of monetary and FX operations with a view to improvement and eventual harmonization.	Two LTX missions to advise on the conduct of monetary policy in the region.	LTX was not assigned until March 2013.

**CAPACITY BUILDING FOR SUSTAINABLE COMPILATION OF REAL SECTOR STATISTICS
IN EASTERN EUROPE (JPN502)**

The three-year program aims to build capacity for (i) compiling sustainable national accounts statistics, including implementation of the *2008 SNA (System of National Accounts)*; and (ii) compiling other real sector statistics, such as consumer price indexes (CPI), producer price indexes (PPI), import and export price indexes, merchandise trade statistics, and other statistics needed for economic analysis and policymaking. The main TA goals are (i) more accurate and consistent annual GDP estimates by production and expenditure; (ii) improved volume measures of GDP; (iii) sound systems for compiling quarterly national accounts; (iv) improved quality of the CPI, PPI, and industrial production index; (v) an effective system for compiling and disseminating import and export price indices; (vi) improved accuracy and coverage of merchandise trade statistics; and (vii) participation in the General Data Dissemination System (GDDS) or subscription to the Special Data Dissemination System (SDDS).

Program Budget for FY12 through FY14	\$4,715,490
Program Budget for FY13	\$1,793,748

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
European Countries National Accounts and Price Indexes	Build capacity to compile and disseminate improved national accounts statistics, price indexes, and other real sector statistics.	<p>In FY13, the project's main activities were (i) conducting TA missions to help participating countries meet defined TA goals and objectives; (ii) designing and conducting four technical workshops; (iii) coordinating project activities with other donors providing TA in the region; and (iv) coordinating with participating countries to ensure that TA goals and objectives were being met.</p> <p>Three resident long-term real sector statistics advisors conduct TA, support drafting of TA plans to meet country-specific objectives, organize workshops, and assist with monitoring and program implementation. One advisor based in Bosnia works with Bosnia, Macedonia, and Serbia; one based in Moldova works with Belarus, Moldova, and Ukraine; and a third based in Albania works with Albania, Montenegro, and Kosovo.</p>	<p>14 TA missions were conducted to improve the accuracy of national accounts and price statistics, in addition to technical workshops on compiling price statistics (1) and compiling national accounts (3).</p> <p>Discussions with country officials during the workshops were used to monitor progress and update objectives and goals.</p> <p>In addition to assisting with quarterly and annual national accounts estimates and improving price indexes, TA missions and workshops have addressed specific compilation issues identified by the authorities (for example, treatment of owner-occupied housing, seasonal items in the consumer price index, subsidies, etc.).</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Albania National Accounts and Price Indexes	<p>Provide support to</p> <ul style="list-style-type: none"> • improve the quality of national accounts. • improve the quality of price statistics. 	<p>The resident advisor was placed in the Statistics Institute (INSTAT) in August 2012. An action plan for improving annual and quarterly GDP statistics has been agreed with the authorities and is being implemented.</p>	<p>Work has started on designing and promoting a cooperation agreement to improve data-sharing among government agencies and meetings were conducted with management of the agencies to agree on data provision. Work has also started on improving the timeliness and quality of basic statistics (the structural business survey and short-term statistics); refining report forms and verification procedures; developing electronic reports; and data transmission programs. Staff and the advisor worked on resolving methodological issues, such as application of the benchmarking tool for compiling quarterly national accounts; analyzing consistency between household income and expenditures estimates; recording production and distribution of electricity; volume measures of GDP, improving inventory estimates; and creating report forms for non-bank financial institutions. Regarding data dissemination, the INSTAT is determined to apply a solid and transparent data revision policy. The intention was to combine several revisions and publish consistent new GDP time series in May-June 2013 with clear explanatory notes.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Belarus National Accounts and Price Indexes	Provide support to <ul style="list-style-type: none"> improve the quality of national accounts; start implementing the <i>SNA 2008</i>; and improve the quality of price statistics. 	One LTX mission to (i) review the methods for compiling data on household consumption, gross fixed capital formation, and imports and exports of goods and services; (ii) review use of the user cost approach for calculating dwelling services; (iii) FISIM calculation and allocation in accordance with <i>SNA 2008</i> ; (iv) improving volume measures of taxes and subsidies on products; and (v) review the import and export price indices of goods and advise for improving.	<p>The methods for compiling data have been reviewed.</p> <p>The mission prepared a scheme of data sources and compilation procedure to estimate imputed rent at current and constant prices.</p> <p>It also recommended a new method for FISIM calculations in current and constant prices.</p> <p>The mission assisted the national accounts staff in improving data sources and methods used for compiling taxes and subsidies on products in constant prices.</p> <p>A recommendation was made for improving the import price index.</p> <p>The mission helped Belarus Statistics to draft a plan for implementation of <i>2008 SNA</i>.</p>
Bosnia and Herzegovina National Accounts and Price Indexes	Provide support to <ul style="list-style-type: none"> improve the quality of national accounts; and improve the quality of price statistics. 	<p>The resident advisor was placed in June 2012. An action plan for improving annual and quarterly national accounts was agreed and is now being implemented.</p> <p>One mission was conducted to assess the concepts and methods used for compiling the CPI.</p>	<p><i>National accounts:</i> Quarterly GDP data by production approach at current and at constant (previous years) prices have been compiled and disseminated. Work continues on compiling quarterly GDP data by expenditure approach.</p> <p><i>Price statistics:</i> CPI methods were reviewed and recommendations for improvement have been discussed with the authorities. Notable improvements agreed to relate to the treatment of seasonal products and methods for treatment of permanently missing prices. A detailed work plan for CPI improvement was drafted and has been agreed with the authorities.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
FYR of Macedonia National Accounts and Price Indexes	<p>Provide support to</p> <ul style="list-style-type: none"> improve the quality of national accounts; draft a plan for implementing the <i>SNA 2008</i>; and improve the quality of price statistics. 	<p>Two national accounts LTX missions were conducted to (i) improve volume measures of net taxes on products and FISIM and for the trade industry; (ii) assist with improvements in estimating changes in inventories and household consumption expenditure; (iii) develop commodity balance procedures for selected consumption items; and (iv) assist with implementing improved methods for compiling changes in inventories with quarterly and annual periodicity.</p>	<p>Total household consumption expenditure is obtained as the sum of detailed components. It was agreed that further improvements would be introduced gradually by introducing commodity balances.</p> <p>Detailed compilation of changes in inventories was discussed with the staff. Calculations are to start immediately.</p> <p>Experimental calculations based on the commodity flow approach were initiated during the mission for the “clothing and footwear” group in the Classification of Individual Consumption According to Purpose. A template was also prepared, but the estimates could not be finalized because some data were not readily available.</p> <p>Adoption of the revised methodology for estimating changes in inventories is still a work in progress. Additional source data must be gathered. During the mission a template linking source data and partial calculations with final results was prepared.</p> <p>Procedures were established for calculating each type of tax on products.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Kosovo National Accounts and Price Indexes	<p>The program is providing support to</p> <ul style="list-style-type: none"> • improve the quality of national accounts; • draft plans to implement <i>SNA 2008</i>; • improve the quality of price statistics; and • assist the Kosovo Agency of Statistics (KAS) to improve the quality and timeliness of GDP estimates by production, and build staff capacity. 	<p>Two LTX missions to (i) assess source data for compiling GDP by production, and suggest further developments; (ii) improve the capacity of KAS to compile national accounts; and suggest further developments; and (iii) initiate work on developing high frequency indicators.</p> <p>One mission to review and assess the concepts and methods used to compile the Kosovo CPI.</p>	<p><i>National accounts:</i> Mission made recommendations for improvements in source data.</p> <p>Institutional issues were discussed with KAS management and on-the-job training was provided to staff.</p> <p>Recommendations were made for the way forward.</p> <p><i>Price statistics:</i> Concepts and methods were reviewed and recommendations for improvement discussed with the authorities. The mission assisted with improving detailed metadata describing CPI concepts and methods. Specific compilation issues were discussed (e.g., owner-occupied housing, seasonal products).</p> <p>Kosovo benefits from continuing TA to improve the CPI conducted by Statistics Sweden, which will continue to provide extensive TA in the coming year.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Moldova National Accounts and Price Indexes	<p>Provide support to:</p> <ul style="list-style-type: none"> • improve the quality of national accounts; • draft plans to implement <i>SNA 2008</i>; and • improve the quality of price statistics. 	<p>The resident advisor was placed in April 2012. A work plan for improving national accounts, foreign trade statistics and other real sector statistics has been agreed and work has begun. Quarterly national accounts estimates are compiled independently.</p> <p>Two missions were conducted to assist with updating and revising the CPI.</p>	<p><i>National accounts:</i> Annual and quarterly GDP and other basic statistics are significantly more accurate. The following improvements were introduced: compilation GDP by expenditure components at most detailed level, revised volume measures of GDP; independent estimates of quarterly national accounts; more exhaustive business statistics and business registers; improved estimates on agriculture statistics and import/export price indices; and rebasing price indices at average prices of the previous year.</p> <p><i>Price statistics:</i> CPI weights were updated and finalized for publication. Compilation issues discussed included rental equivalence for the treatment of owner-occupied housing and the compilation of regional indexes.</p> <p>Once the project to disseminate regional indexes has been completed, the issue of whether to disseminate CPI data by income group will be explored. Other outstanding issues include reliable weights for owner-occupied housing.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Montenegro National Accounts and Price Indexes	<p>Provide support to</p> <ul style="list-style-type: none"> improve the quality of national accounts; draft plans to implement <i>SNA 2008</i>; and improve the quality of price statistics. 	<p>Two LTX visits to (i) provide technical advice on further improving the quality of annual and quarterly GDP estimates at current and constant prices; and (ii) assist with developing high frequency indicators.</p>	<p>Mission made recommendations for further improvements; advised on improving the accuracy of the structural business survey (SBS) and estimates of output and value added for financial and general government sectors; and assessed progress in developing quarterly national accounts and advised on improvements.</p>
Serbia National Accounts and Price Indexes	<p>Provide support to</p> <ul style="list-style-type: none"> improve the quality of national accounts; draft plans to implement <i>SNA 2008</i>; and improve the quality of price statistics. 	<p>One LTX visit to (i) assist in improving estimates of gross fixed capital formation; and (ii) explore the possibility of improving GDP deflators by developing deflators of intermediate consumption based on weights derived from the results of the survey on intermediate consumption.</p>	<p>Adequate deflation procedures are being applied in calculating volume measures. Efforts are being made to replace the unit value index of imports by composite weighted indices of partner countries. Deflators of exports and imports of services need improvement.</p> <p>Procedures for calculating changes in inventories are adequate, but deflators for the valuation adjustments of reported book values need improvement. Quarterly reported data need to be thoroughly examined to identify discrepancies with annual data. The scope of the survey on investment has been extended to cover unincorporated enterprises. Estimates of construction of dwellings based on data from the census were compiled during the mission.</p> <p>Data from the survey on structure of income and expenditure of producers are available and can be used to develop the deflators of intermediate consumption.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Ukraine National Accounts and Price Indexes	Provide support to <ul style="list-style-type: none"> • improve the quality of national accounts; • draft plans to implement <i>SNA 2008</i>; and • improve the quality of price statistics. 		Ukraine participated in the regional training for national accounts conducted in Moldova, and the price indexes training conducted in coordination with the Joint Vienna Institute (JVI). The first TA mission has been agreed with the authorities for the second quarter of FY14.

REGIONAL GOVERNMENT FINANCE STATISTICS (JPN503)

This program aims to build country capacity to compile and disseminate annual and subannual government finance statistics (GFS) according to the latest international standards through TA from the IMF Statistical Department on compiling comparable GFS by setting up detailed tables as data sources allow on cash flow, operations, and balance sheet. The program will also identify priorities for basic statistics development to fill data gaps identified during the program and help countries prepare time-frame action plans and metadata.

Program Budget for FY12 through FY14	\$4,959,450
Program Budget for FY13	\$1,428,450

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Asian Pacific Countries</p> <p>Government Finance Statistics</p> <p>(Migration to <i>GFSM 2001</i>)</p>	<p>Build capacity to compile and disseminate annual and subannual GFS according to the latest international standards (<i>Government Finance Statistics Manual</i> [GFSM]).</p>	<p>During FY2013 the program's main activities were to (i) conduct workshops on GFS and Public Sector Debt Statistics (PSDS)_methodologies; (ii) deliver STX TA missions; and (iii) coordinate project activities with other TA providers in the region.</p> <p><i>Training:</i> In June 2012, an opening workshop was conducted for PIC countries. In April 2013, a second-year GFS workshop gauged progress in the GFSM migration strategies of participating countries, focusing on aligning these strategies with accounting reforms. Preparations for a mid-project workshop in June 2013 were started in late FY13.</p> <p><i>TA:</i> TA follow-up or first-time missions went to most of the participating countries, as shown below for each country.</p>	<p>In FY13, the program conducted 31 TA and training activities, 14 for Pacific Island countries and 17 for Asian countries.</p> <p>Outcomes include the following: (i) compilation of annual and subannual GFS; (ii) GFS data coverage expanded to the general government sector; (iii) dissemination of GFS and debt data throughout the country; and (iv) these data reported for publication in the <i>Government Finance Statistics Yearbook (GFSY)</i>, <i>International Financial Statistics (IFS)</i>, and for the online World Bank/IMF Public Sector Debt Database.</p> <p>Intermediate outputs and verifiable milestones include (i) policy decisions at the senior level of government to adopt the latest <i>GFSM</i> standards and create GFS focal point and working teams in each country; (ii) migration plans drafted and TA reports and recommendations implemented; (iii) staff trained in GFS and PSDS methodologies; and (iv) bridge tables and mapping charts of accounts to GFS classification completed.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Tuvalu Migration to GFSM 2001	<p>Assist the authorities with compiling fiscal data based on the <i>GFSM 2001</i> framework.</p> <p>Promote publication of subannual GFS in <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>Two missions (first: module manager; second: module manager plus data expert) to</p> <p>(i) review current GFS classifications and compilation of tables to ensure they comply with <i>GFSM 2001</i>, as far as possible and establish a plan to facilitate GFS compilation in Tuvalu; and</p> <p>(ii) a follow-up mission to finalize public sector delineation and finalize classifications for GFS and the Classification of Functions of Government (COFOG) and GFS classifications; compile draft statements and automate as time allows; and encourage reporting to <i>IFS</i> and <i>GFSY</i>.</p>	<p>Two representatives from Tuvalu attended the GFS opening workshop and training seminar in Nadi, Fiji in June 2012, during which they updated the GFS migration plan for Tuvalu. Guided by that plan, the module manager conducted two two-week missions to Tuvalu. Tuvalu does not currently compile GFS data. During the first mission, the draft public sector delineation was compiled, data sources were identified, in-country training conducted, and initial data were classified on a GFS basis. After that mission, the authorities appointed a department and resource person (including a back-up staff member) to be responsible for GFS compilation. The second mission finalized the institutional classifications and the budgetary central government COFOG classifications; automated the COFOG report within Tuvalu's financial reporting system; compiled a draft GFS Statement of Operations for budgetary central government; and began to expand coverage to general government (data collection and classification). A follow-up mission is planned for November 2014. The JSA GFS project envisages a total of four missions to Tuvalu.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Samoa Migration to GFSM 2001	<p>Assist the authorities with compiling fiscal data based on <i>GFSM 2001</i>.</p> <p>Promote publication of subannual GFS in the <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>Two follow-up module manager missions were conducted in FY13 to finalize delineation of the public sector and its component subsectors; finalize budgetary central government compilation and dissemination; and begin to extend the coverage of GFS to the general government.</p>	<p>The mission achieved its objectives: Delineation of the public sector and identification of additional source data was completed, and coverage is now being extended to extra-budgetary entities. Follow-up work is required both remotely and during the next mission to complete general government compilation.</p> <p>Four representatives from Samoa attended the GFS training seminar in Nadi, Fiji, in June 2012, where they developed a GFS migration plan for Samoa. Guided by that plan and in consultation with PFTAC, the program conducted three two-week missions to Samoa. At project inception, Samoa used GFS86 as the compilation basis and these data fed production of quarterly GDP. Weaknesses in source data and compilation practices resulted in significant “below the line” discrepancies in the draft <i>GFS2001</i> compilations. During the first two missions, the issues with source data were analyzed and public sector delineation was completed. Source data gaps were identified and filled, resulting in significant improvements in the number of “below-the-line” discrepancies. The authorities were keen to replace the GFS86 compilation and have been working well on their own, submitting data for module manager review remotely and obtaining answers to questions. The third mission finalized the budgetary central government compilation; in April 2013 the authorities released three years of annual and quarterly data and submitted them for inclusion in <i>IFS</i> and the <i>GFSY</i>, paving the way for their integration in the GDP compilation. The third mission also began work to expand coverage to general government. A mission to complete expansion to general government is planned for November 2014. The JSA-GFS project envisages a total of five missions to Samoa.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Timor-Leste</p> <p>Improve Fiscal Data in line with <i>GFSM 2001</i></p>	<p>Assist the authorities in compiling fiscal data based on <i>GFSM 2001</i>.</p> <p>Promote publication of subannual GFS in the <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>A follow-up mission by the module manager and a STX to provide GFS training for data suppliers, compilers, and users within government; assist the authorities in compiling fiscal data based on <i>GFSM 2001</i>; and promote publishing subannual GFS in <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>GFS classifications and public sector delineation were completed as part of the training using the updated Chart of Accounts and the new government structure. Follow-up work is required both remotely and during the next mission to complete general government compilation.</p> <p>Two representatives from Timor-Leste attended the GFS training seminar in Nadi, Fiji in June 2012, during which they developed a GFS migration plan for Timor-Leste. Guided by that plan, a GFS expert conducted a two-week in-country training with a GFS expert. Public sector delineation and GFS classifications were updated and a user-needs-based Statement of Government Operations was drafted. An initial mission to Timor-Leste in March 2012 began the process of source data and institutional unit classification. The authorities are keen to implement GFS; at the recommendation of the initial mission, a directorate and staff have been identified to be responsible for GFS compilation and analysis. A follow-up mission is scheduled for September 2013. In total, the project envisages five missions to Timor-Leste.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Cambodia Migration to <i>GFSM</i>	<p>Help the authorities to improve compilation of <i>GFSM 2001</i>-based data.</p> <p>Promote timelier reporting of data for publication <i>IFS</i>.</p> <p>Help Cambodia develop a system to report financial balance sheet data.</p>	<p>One LTX mission to discuss the authorities' plans for modernizing GFS compilation procedures and priorities in addressing identified gaps in the GFS system.</p> <p>A follow up staff and STX mission to (i) assist the Ministry of Economy and Finance (MEF) in improving compilation and dissemination of GFS; and (ii) design a work plan for implementing <i>GFSM 2001</i></p>	<p>The Excel-based compilation file was improved and the large "other expense" item reduced.</p> <p>Data for local authorities were compiled.</p> <p>The availability of source data for a financial balance sheet was examined and a framework prepared for compiling the balance sheet based on secondary source data.</p> <p>The authorities were keen on making progress in linking the Financial Management Information System (FMIS) to GFS and run the system in parallel with the Table of the Government Financial Operations (TOFE)-GFS reports currently prepared; they also plan to publish detailed debt data.</p> <p>The mission conducted a GFS review in January-February 2013 to improve current GFS-TOFE compilation, and also help map the GFS-Chart of accounts (COA) for automating GFS production.</p> <p>The mission worked with the authorities on: (i) updating the institutional table and identifying extrabudgetary entities; and (ii) producing an improved Excel mapping tool which compiles GFS data by mapping directly from the source data instead of the TOFE, as is current practice.</p> <p>The mission worked on mapping the new COA into <i>GFSM 2001</i>, but since FMIS is still being designed, this task will be done at a later stage when FMIS is implemented.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			<p>The authorities are already moving toward implementation by publishing the GFS tables in the State Budget Implementation (SBI), the monthly bulletin prepared by MEF, and setting a new COA based on the International Public Sector Accountings Standards (IPSAS). The mission discussed with the authorities steps to move implementation forward by increasing awareness and promoting the use of GFS within MEF. GFS compilers need more open dialogue with other departments. Another important measure would be integration of the compilation of GFS into FMIS.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Philippines Migration to <i>GFSM</i>	<p>Identify data gaps in the reporting system and recommend improvements in line with <i>GFSM 2001</i>.</p> <p>Develop a strategic and holistic framework for the Government Integrated Financial Management and Information System (GIFMIS).</p>	<p>One LTX visit to discuss the authorities' plans for modernizing GFS compilation procedures, priorities for addressing the gaps identified in the GFS system, and further TA needs.</p> <p>A follow up mission by IMF staff and STX to (i) assist the MOF in improving the compilation and consolidation of public sector debt data by initiating compilation of financial balance sheets for government entities; (ii) provide overview training to officials from various government agencies to strengthen their understanding of source data needs for compiling GFS; (iii) hold follow-up discussions on the treatment of tax expenditures in fiscal data; and (iv) address issues that may have resulted during implementation of the recommendations of previous missions.</p>	<p>Senior authorities expressed keen interest in adopting the full <i>GFSM 2001</i> system and agreed to include GFS as a requirement for the planned GIFMIS system by establishing links with the COA as the primary source of data. They requested TA to assist them in consolidating expanded GFS coverage and a short training workshop on GFS.</p> <p>The mission's main achievements were integrated accounts for the social security funds and local governments compiled on a best effort basis.</p> <p>A two-day workshop trained government officials on the <i>GFSM</i> framework.</p> <p>A tax expenditure note was presented and discussed with the authorities. Also discussed were sector classification and coverage of general government and the public sector.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bangladesh Migration to <i>GFSM</i>	<p>Assist the authorities in preparing a plan to migrate to <i>GFSM 2001</i> methodology.</p> <p>Assist in the development of GFS reporting of quarterly cash flow, the financial balance sheet, and gross debt for the central government according to <i>GFSM 2001</i> and the <i>PSDS</i>.</p>	<p>One LTX and STX mission was conducted to (i) assist the authorities in preparing a plan to migrate to <i>GFSM 2001</i> methodology within the fiscal reform program currently underway; (ii) examine the institutional structure of the public sector and related data sources needed to expand GFS coverage; and (iii) assist in development of quarterly reporting of cash flow, the financial balance sheet, and gross debt for the central government according to the <i>GFSM 2001</i> and the <i>PSDS</i>.</p>	<p>The project aims to improve GFS development in the next two to three years with follow-up short-term GFS missions.</p> <p>As part of ongoing budget and accounting classification reforms, a work plan for migrating to <i>GFSM 2001</i> methodology was agreed, which also identified TA requirements. The migration plan was facilitated by the current efforts of the authorities to revise the budget and accounts classification structure and establish a new COA that complies with <i>GFSM 2001</i> classifications, including functional classification (COFOG).</p> <p>The mission initiated a review of the institutional table for GFS and agreed with the authorities to create a task force to review public sector coverage. The Controller General of Accounts will test and approve the conversion keys before the MOF begins reporting monthly data in the High Frequency Questionnaire for publication in <i>IFS</i>. The MOF has not yet initiated compilation of local government data; however, plans to do so have been incorporated into the plan to migrate to the <i>GFSM 2001</i> system.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Cook Islands Migration to <i>GFSM</i>	Delineate the public sector and its component sub-sectors, and identify additional data sources for compiling detailed annual and subannual GFS.	One module manager and STX mission focused on meeting the objectives. It also aimed to identify additional primary data sources to enhance the current level of detail in compiling GFS and COFOG, refine the quarterly GDP compilation, and meet the needs of budget performance reporting.	<p>The mission found that primary source data is available in real time from all ministries and SOEs electronically (Excel format). Data from three ministries were assessed for GFS and COFOG suitability. The mission determined that this information meets the needs of both statistical compilation and budget reporting for annual and subannual GFS but not for detailed COFOG, as ministries have designed their systems to produce information the Public Service Commission (PSC) requires for performance reporting, which does not coincide with COFOG classifications.</p> <p>For compiling quarterly GFS data, the mission found that the primary source data available electronically meets the needs of both statistical compilation and budget reporting for annual and subannual GFS.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Fiji Migration to <i>GFSM</i>	<p>Assist the authorities in compiling fiscal data based on <i>GFSM 2001</i>.</p> <p>Promote publishing subannual GFS in <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>One STX mission was conducted to (i) help the authorities to compile fiscal data based on <i>GFSM 2001</i>, and (ii) promote publishing subannual GFS in <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>The mission reviewed the draft bridge table prepared by the MOF between the COA used for the FMIS and the GFS classifications and draft GFS tables. The mission left a list of classification issues to be resolved and encouraged the authorities to resume reporting data to the IMF for the <i>GFSY</i> and <i>IFS</i>.</p> <p>Three representatives from Fiji attended the GFS training seminar in Nadi, Fiji, in June 2012, during which they developed a GFS migration plan for Fiji. Guided by that plan, an IMF GFS expert conducted a one-week mission to Fiji that reviewed and commented on classifications of budgetary central government, revised the public sector delineation, facilitated formation of a committee responsible for approving institutional sectorization and ensuring consistency across the macroeconomic framework, and began work on expanding coverage to general government. Data for budgetary central government are compiled but senior officials must approve their release. In total, the JSA-GFS project envisages three missions to Fiji.</p>
Kiribati Migration to <i>GFSM</i>	<p>Assist the authorities in compiling fiscal data based on <i>GFSM 2001</i>.</p> <p>Promote publishing subannual GFS in the <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>One mission has been conducted to; (i) complete draft delineation of the public sector; (ii) identify and code source data for budgetary central government; and (iii) compile draft GFS tables for budgetary central government.</p>	<p>Two representatives from Kiribati attended the GFS training seminar in Nadi, Fiji, in June 2012, during which they developed a GFS migration plan for Kiribati. Guided by that plan, and IMF GFS expert conducted a two-week mission to Kiribati. Working with local counterparts, the mission drafted the public sector delineation, which the authorities later approved. In addition preliminary budgetary central government data were compiled and published in the 2012 <i>GFSY</i>. The authorities have requested follow-up work to enhance budgetary central government compilation and expand coverage to general government, and a mission is planned for November 2014. In total, the JSA-GFS project envisages five missions to Kiribati.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Indonesia Migration to <i>GFSM</i>	Assist authorities to upgrade fiscal and debt reporting systems according to the international standards of the <i>GFSM 2001</i> and the <i>Public Sector Debt Statistics Guide 2011</i> .	A staff mission to (i) conduct a three-day seminar on <i>GFSM 2001</i> methodology for the main officials in Indonesia that compile and analyze GFS data; and (ii) discuss with officials in the MOF how Indonesia's participation in the GFS technical cooperation and assistance project could support their plans to upgrade fiscal and debt reporting systems to the international standards of <i>GFSM 2001</i> and the <i>PSDS 2011</i> .	<p>The mission successfully conducted the three-day seminar in <i>GFSM 2001</i> methodology; Participants also discussed Indonesia's progress and problems with GFS and debt compilation systems.</p> <p>The authorities have formally agreed to compile general government GFS—as recommended by the G-20 data-gaps initiative—using estimates for local governments and supported the recommendation of the GFS Task Force to assign the Treasury Directorate as the central GFS compiling agency.</p> <p>To support their <i>GFSM 2001</i> migration plan, the authorities requested three follow-up TA missions to (i) review the <i>GFSM</i> for Indonesia and determine institutional coverage of the public sector and its subsectors; (ii) assist with estimation of local government data and compilation of general government data; and (iii) assist with improvements in debt statistics for the nonfinancial public sector and its subsectors.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Malaysia Migration to <i>GFSM</i>	Assist and provide guidance to the authorities in preparing a plan to migrate to <i>GFSM 2001</i> methodology that is compatible with the accounting and fiscal reporting reforms they have initiated.	<p>One LTX mission to discuss with the authorities their plans for modernizing GFS compilation procedures and priorities for addressing the gaps identified.</p> <p>An STX, a staff member, and the module manager conducted a TA mission to help the authorities compile GFS from secondary source data for reporting to the IMF, and review the terms of reference for revising the COA in line with <i>GFSM 2001</i>.</p> <p>An STX follow-up mission (i) provided methodological and conceptual training to MOF staff; (ii) reviewed the preliminary COA coding and completed the coding for new and changed categories in the revised CoA; and (iii) provided guidance for GFS compilation and classification issues.</p>	<p>The authorities expressed keen interest in adopting the <i>GFSM 2001</i> system, and agreed to link GFS to the planned COA revisions. The authorities requested a GFS mission, which took place in October 2012. The mission guided the process of mapping GFS onto the COA; assisted the authorities in defining the coverage of GFS; and reviewed the debt reporting system.</p> <p>In collaboration with the authorities the mission developed a detailed GFS migration plan.</p> <p>Most of the relevant lines in the current COA were given GFS codes.</p> <p>Five training sessions were conducted covering various aspects of the <i>GFSM 2001</i>.</p> <p>The mission conducted intensive training of departmental officials on <i>GFSM 2001</i> methods and concepts.</p> <p>Coding of the existing COA was completed; in the absence of the revised, accrual-based COA, GFS requirements related to revision of the COA were assessed. The mission discussed reporting on special cases with the authorities and provided guidance on how they should be treated for GFS purposes. Annual GFS tables for 2011 for budgetary central government and quarterly GFS tables for 2010 and 2011 were compiled, and related issues were discussed with officials from the Accountant General's office.</p> <p>A follow-up mission in April 2013 did a final review of the COA mapping and made recommendations for next steps in the implementation of <i>GFSM 2001</i>.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Maldives Migration to <i>GFSM</i>	Assist the authorities with short-term improvements and a longer-term work program for upgrading and modernizing GFS and government debt compilation and dissemination systems in terms of the <i>GFSM 2001</i> and the <i>PSDS</i> .	One LTX mission to discuss with the authorities their plans for strengthening current GFS compilation procedures and priorities in addressing gaps identified; modalities and possible scope of short-term GFS TA; and agreement on timing of the GFS TA mission over the three-year period of the project.	<p>The authorities were keen on making progress on preparing a revised bridge table between income and expenditure reports and the <i>GFSM 2001</i> report forms, and on training new compiling staff.</p> <p>The mission agreed with the authorities to conduct a GFS review in FY14 to improve current compilation but also to focus on GFS-COA mapping for setting up the system to automate GFS production within the expected project for SAP enhancements.</p> <p>The authorities wished to use TA over the next three years for GFS development, including production of financial balance sheet and high frequency GFS and the debt reporting and dissemination systems.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Micronesia, Federated States of (FSM) Migration to <i>GFSM</i>	Assist the authorities in compiling fiscal data based on <i>GFSM 2001</i> , Promote publishing subannual GFS in the <i>IFS</i> and annual GFS in the <i>GFSY</i> .	One STX mission to assist with (i) delineation of the public sector and its component subsectors, and (ii) identifying additional data sources for detailed annual and subannual GFS compilation.	Draft delineation of public sector using an institutional unit classification table was completed; tables are available for review and approval. Data sources for detailed annual and subannual GFS compilation were reviewed. Further validation of data sources and reconciliation processes are required to run a pilot for GFS subannual data compilation. Annual GFS data may be compiled for all sectors using audited financial statements. One FSM representative attended the GFS training seminar in Nadi, Fiji, in June 2012 and drew up a GFS migration plan for FSM. Guided by that plan, an IMF GFS expert led a two-week mission to FSM in March 2013. The director of statistics is enthusiastic about building local staff capabilities in GFS compilation so that the longstanding practice of consultant compilation may be eliminated. FSM is required, under its compact with the USA, to report its fiscal outcomes on a GFS basis to the US government. The main restraint in FSM is resource leveling. The statistics office is small and staff must compile many statistical measures (CPI, Census, Household Income and Expenditure). A follow-up mission is scheduled for October 2014. The JSA-GFS project envisages five missions to FSM.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Myanmar</p> <p>Compile Fiscal Data in line with <i>GFSM</i></p>	<p>Assess the current state of compilation and dissemination of fiscal statistics, and make recommendations for their improvement following the guidelines of the <i>GFSM 2001</i>.</p>	<p>One staff and STX mission to assess the current state of compilation and dissemination of fiscal statistics, and make recommendations to improve them following international standards.</p>	<p>The mission assessed current compilation and dissemination practices, and made recommendations for their improvement following <i>GFSM 2001</i> guidelines.</p> <p>With the assistance of local officials, the mission prepared tables to bridge the current national classifications and the <i>GFSM 2001</i> classifications; fiscal data were prepared accordingly. A table showing the institutional structure of government was prepared. Further TA was recommended.</p> <p>A seminar was conducted for MOF officials on compilation of GFS.</p>
<p>Nepal</p> <p>Migration to <i>GFSM</i></p>	<p>Assist the authorities in improving fiscal data to match their migration plan based on <i>GFSM 2001</i>.</p> <p>Promote publication of subannual GFS in the <i>IFS</i> and improve reporting of annual GFS in the <i>GFSY</i>.</p>	<p>One LTX and staff mission to (i) follow up with the authorities on planned GFS improvements over the next two years; (ii) review gaps in the institutional and transaction coverage of GFS, and (iii) discuss with compilers the need for revisions to GFS compilation methods.</p>	<p>The mission reviewed the gaps in institutional and transaction coverage of GFS, and made practical recommendations for improvements of GFS compilation methods. Bridge tables for preparing high-frequency and annual GFS for budgetary central government were drafted.</p> <p>An action plan for 2012–14 GFS development, compilation, and interagency coordination was updated and agreed in principle with the MOF, the Financial Comptroller General Office, and Nepal Rasta Bank with special attention to creation of the GFS Task Force and reporting of high-frequency GFS.</p> <p>The mission held a two-day workshop for compilers and users on the conceptual elements of the <i>GFSM 2001</i> and their practical application.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Palau</p> <p>Migration to <i>GFSM</i></p>	<p>Assist the authorities in compiling fiscal data based on <i>GFSM 2001</i>.</p> <p>Promote publishing subannual GFS in the <i>IFS</i> and annual GFS in the <i>GFSY</i>.</p>	<p>One STX mission to assist with; (i) delineation of the public sector and its component sub-sectors, and (ii) identification of additional data sources for detailed annual and subannual GFS compilation.</p>	<p>Draft delineation of the public sector using an institutional unit classification table was completed; tables are available for review and approval. Data sources available for detailed annual and subannual GFS compilation were reviewed. and the accounting system was used to run a pilot on FY12 data.</p> <p>Two representatives from Palau attended the GFS training in Nadi, Fiji, in June 2012, during which they developed a draft GFS migration plan for Palau. Guided by that plan, an IMF GFS expert conducted a two- week mission to Palau in March 2013. The director of statistics is enthusiastic about building local staff capabilities in GFS compilation so that the long-standing practice of consultant compilation may be eliminated. Palau is required, under its compact with the USA, to report its fiscal outcomes on a GFS basis to the US government. The main restraint in FSM is resource leveling. The statistics office is small and staff must compile many statistical measures (CPI, Census, Household Income and Expenditure). A follow-up mission is scheduled for October 2014. The JSA-GFS project envisages five missions to Palau.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Sri Lanka Migration to <i>GFSM</i>	Assist with a longer-term work program on GFS and government debt compilation and dissemination systems.	One LTX mission to discuss with authorities their plans for modernizing GFS compilation procedures and priorities for addressing gaps identified in the GFS system.	<p>The authorities wish to make progress in upgrading and modernizing fiscal reporting in line with <i>GFSM 2001</i> and to train staff in compilation.</p> <p>The mission agreed with the authorities to conduct a GFS review in FY14 to improve current GFS compilation and to focus on GFS-COA mapping to set up the system to automate GFS production of high-frequency reporting directly from source data.</p>
Thailand Migration to <i>GFSM 2001</i>	Assist the authorities in improving GFS compilation.	LTX (based in Bangkok) and HQ staff answered questions and attended meetings with compilers and other agencies to resolve compilation problems arising from problems in the source data for <i>GFSM</i> reports.	LTX and HQ staff provided continuous guidance on methodology issues in GFS compilation and facilitated inter-agency coordination by holding joint meetings between compilers at the Fiscal Policy Office, the Bank of Thailand, the Comptroller General, and IT vendors.
Vietnam Migration to <i>GFSM</i>	Assist authorities with improving the GFS compilation framework and methods.	<p>One LTX mission to discuss with the authorities plans for modernizing GFS compilation procedures and priorities for addressing gaps identified in the GFS.</p> <p>One STX mission to discuss with authorities (i) plans for modernizing GFS compilation procedures and priorities for addressing gaps identified; (ii) upgrading TABMIS capability for GFS; and (iii) reporting of annual data for publication in the <i>GFSY</i>.</p>	<p>The authorities' immediate priority is to complete the information management (TABMIS) system, which is expected to be launched in September 2013; they have agreed to enforce the TABMIS terms of reference that include compilation of <i>GFSM 2001</i> using TABMIS.</p> <p>The VST has agreed to incorporate the bridge table and GFS templates in TABMIS for automatic generation of tables for revenue and expense data and use the bridge table in the GFS Classification Assistant in the interim. However, the MOF will have to complete the GFS tables in areas outside of TABMIS after the initial GFS work is completed.</p> <p>Follow-up GFS TA and training are planned for FY14.</p>

GENERAL DATA DISSEMINATION SYSTEM PROGRAM (JPN504)

The program aims to substantially increase the participation in the IMF General Data Dissemination System (GDDS) of certain countries in the APD and Middle East and Central Asia (MCD) regions: six Pacific Island countries (PICs), Timor-Leste, Lao P.D.R, Iran, Turkmenistan, Uzbekistan, and more recently Myanmar. The GDDS aims to provide a framework for developing macroeconomic and sociodemographic data, metadata, and related statistical systems in participating countries. After diagnostics on each country's macroeconomic statistical systems, the main focus of the program is to develop a full metadata set and draft plans for statistical improvements as a basis for future statistical development.

Program Budget for FY12 through FY14	\$1,299,603
Program Budget for FY13	\$933,040

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
APD and MCD Countries Metadata Development	<p>Help participating countries to participate in the GDDS by on helping the authorities to (i) develop metadata to be posted on the GDDS website; (ii) formulate strategies to improve their statistical systems; and (iii) enhance interagency coordination to improve the statistical systems.</p> <p>Since the Seventh Review of the IMF Data Standards Initiatives, the GDDS has been harmonized with the Special Data Dissemination System (SDDS) so that both have the same 22 data categories (though GDDS periodicity and timeliness are less stringent), and GDDS participants were encouraged to collect both data and metadata for posting on the web, and maintaining National Summary Data Pages (NSDPs) and Advance Release Calendars (ARCs).</p>	<p>The two-year program was approved in October 2011. From October 2011 through April 2013, the work plan was to conduct opening workshops for the target countries and provide follow-up TA missions to GDDS-aspiring countries.</p> <p>The work program for FY13 included TA missions and trainings on developing metadata for the Islamic Republic of Iran, Samoa, Tuvalu, and Uzbekistan.</p>	<p>Between October 2011 and April 2013, the following activities were conducted:</p> <p>A workshop in February 2012 for small Asia-Pacific island nations explained the general framework of GDDS; discussed with participants practical modalities and timetables for the program; and ascertained the level of interest in participating in the GDDS. All countries represented showed great motivation to participate.</p> <p>A similar workshop was conducted in May 2012 for Myanmar, Turkmenistan, and Uzbekistan.</p> <p>Country-specific training and follow-up TA missions to Iran and Papua New Guinea were conducted.</p> <p>A technical GDDS workshop was conducted in Samoa for Pacific island countries and Timor-Leste.</p> <p>TA missions to Samoa and Tuvalu assisted authorities with metadata development.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Islamic Republic Of Iran Metadata Development	Assist with development of a full set of macroeconomic and socio-demographic data in order to begin participation in the GDDS.	Two staff members visited Iran to conduct a GDDS training workshop for statistics compilers, and one staff member followed up to deliver TA on metadata development. The goals were to help the authorities to (i) finalize GDDS metadata in the Data Quality Assessment Framework (DQAF) format for all macroeconomic data categories relevant to Iran; (ii) finalize GDDS metadata for socio-demographic data categories relevant to Iran; and (iii) create a NSDP and an ARC.	The mission finalized all GDDS real, fiscal, financial, external, and socio-demographic metadata. Metadata were finalized in the DQAF format for all macroeconomic categories relevant for Iran. The mission helped the authorities to create an NSDP and an ARC.
Samoa Metadata Development	Assist the authorities in preparing GDDS metadata for the macroeconomic and socio-demographic data sets compiled by Samoa.	One staff visit to discuss with the authorities their compilation and dissemination practices and assist them with drafting metadata on all relevant GDDS data categories.	The mission finalized all GDDS real, fiscal, financial, external, and socio-demographic metadata.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Tuvalu Metadata Development	Assist the Central Statistics Division and the Ministry of Finance and Economic Development to finalize Tuvalu's preparation for participation in the GDDS.	One staff visit to discuss with the authorities their compilation and dissemination practices, and assist them with drafting metadata on all GDDS data categories relevant to the country.	The mission finalized all GDDS real, fiscal, financial, external, and socio-demographic metadata.
Uzbekistan Metadata Development	Assist authorities in preparing GDDS macroeconomic and socio-demographic metadata, and discuss their plans for moving toward the internationally accepted standards.	One staff and one STX visit to discuss with the authorities their compilation and dissemination practices and assist them with drafting metadata on all GDDS data categories relevant to the country.	The mission prepared all GDDS real, fiscal, financial, external, and socio-demographic metadata. Following up on to the mission, staff are monitoring progress on data dissemination in the country.

Ongoing FY2011 Programs (3)

ASIA AND PACIFIC: SUPPORTING STRATEGIC FISCAL MANAGEMENT AND BUILDING INSTITUTIONAL CAPACITY (JPN106)

This three-year program (FY 2011–13) is geared to strengthening fiscal institutions and modernizing budget planning and execution systems, revenue administration, and tax policy in seven Asian countries. The program continues support for some of the countries that earlier had JSA-funded projects and is designed to help countries to (i) develop and manage realistic and well-executed budgets, with gradual progression to medium-term budgetary frameworks and program- and performance-oriented budgeting; (ii) strengthen fiscal institutions; (iii) build capacity in revenue administration; (iv) rationalize tax incentives; and (v) clarify the legal framework for the fiscal system.

TA was delivered through a resident adviser in Mongolia, STX assignments for implementation-oriented support, and HQ- led diagnostic and follow-up missions to assess the required reform activities, review the progress of reforms, and determine next steps.

Program Budget for FY11 through FY13	\$4,333,971
Program Budget for FY13	\$1,557,000

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bhutan Public Financial Management	<p>(i) Strengthen budget preparation and implementation.</p> <p>(ii) Improve the reliability of the budget.</p> <p>(iii) Strengthen public investment planning, review, and implementation.</p> <p>(iv) Increase technical costing input and line ministry involvement in budget preparation.</p> <p>(v) Strengthen commitment control and cash management in budget release policies to ensure smooth execution of the budget.</p>	Two HQ missions and three STX visits.	The HQ TA mission identified TA priorities and prepared a program for assistance in macrofiscal forecasting, budget planning, and cash management (for delivery over the next year or so). The program began with three STX visits that initiated the work in each of the three priority areas. The cash management TA focused on preparing a framework for cash flow forecasting and analysis; the budget-planning TA identified issues in budget planning and analysis; and the macrofiscal advisor concentrated on completing the financial programming model.
Indonesia Revenue Administration	Facilitate tax administration reforms in specific areas. The reforms will (i) support for restructuring the Directorate General of Taxes (DGT) headquarters and the field organization taking a market segment approach, and continue to modernize business processes; (ii) help the DGT to build up its audit program in such areas as audit planning, risk management, and performance improvement; (iii) improve administration of taxation of high wealth individuals; and (iv) build the capacity of special MOF units and the DGT to investigate and adjudicate misconduct.	One HQ-led mission and four STX visits	The HQ mission noted the efforts of the DGT to update its strategic plan but concluded that the tax administration component of this project should be cancelled. Consequently, no further activity was organized in FY 2013.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Maldives Public Financial Management	(i) Put in place fiscal responsibility legislation through either a separate fiscal responsibility law (FRL) or amendment of the budget systems law. (ii) Advise the PFM team on the FRL.	One expert visit on cash management and fiscal reporting.	Due to political events, there was a change in management and priorities; hence, this resource was not utilized. Nevertheless, the authorities continued to roll out the Public Accounting System. Parliament has passed the FRL, which was drafted with technical assistance from the IMF.
Mongolia Public Financial Management, Revenue Administration Legal	(i) Continue supporting gradual adoption of program budgeting and a medium-term expenditure framework. (ii) Build up the effectiveness of the Large Taxpayer Office (LTO). (iii) Identify provisions in the tax law that give rise to disputes between the tax department and taxpayers and formulate possible solutions so as to provide greater clarity and consistency in application of the tax laws. (iv) Advise and build consensus on streamlining and clarifying the general tax law (tax procedures).	One LTX -term resident advisor, one HQ inspection visit, one HQ TA mission, and five STX visits. With regard to revenue administration, the lead tax administration advisor made four STX visits. One STX visit was for the legal component.	The long-term advisor helped the MoF adopt reforms relating to program budgeting, medium-term fiscal framework, classifications, costing, and information systems. An HQ mission, followed by STX peripatetic visits, took Mongolia's basic medium-term expenditure framework to a higher level. In light of the 2010 FRL large mineral-related revenues are expected and there is a possibility of an overheating economy. Subsequent STX visits assisted the MoF Treasury Department in implementing fiscal decentralization measures, including delegating responsibility to line ministries and local governments, while retaining important safeguards.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Philippines Tax Policy and Legal Drafting	Enhance the capacity of the Philippine authorities to design a plan to rationalize tax incentives.	One HQ-led mission on tax policy and one STX visit by a legal expert.	The tax policy mission team conducted a workshop for the authorities in April 2012 on reforming tax incentives. It was expected that the legal expert would follow up on the April 2012 mission, but since the authorities did not respond to that mission, the visit was not made.
Sri Lanka Public Financial Management	Enhance the efficiency and effectiveness of government spending through improved expenditure controls, better prioritization of spending, and planning expenditures in a medium-term framework.	Two HQ-led TA missions and two STX visits.	The HQ-led mission carried out a general stock-taking of the PFM system and practices and identified TA requirements. The two STX visits assisted in revising and updating the financial management code, financial regulations, and the <i>Financial Management Practices Manual</i> .
Nepal Public Financial Management	Enhance fiscal reporting.	One HQ TA mission on fiscal reporting.	The mission in February 2013 followed up on recommendations made during an earlier IMF-funded mission, focusing on improving the relevance, reliability, timeliness, and consistency of fiscal reports produced by the Financial Comptroller General's office.

ASIA AND PACIFIC: IMPROVING BANKING SUPERVISION AND REGULATION, AND CRISIS MANAGEMENT IN SELECTED PRGT-SUPPORTED COUNTRIES (JPN403)

This three-year program (FY11–13) is designed to strengthen banking supervision and regulation in three countries—Bangladesh, Maldives, and Nepal—that receive support from the IMF Poverty Reduction and Growth Trust (PRGT). These countries were selected because of similar needs to maximize synergy in the area of banking supervision. The program focuses on strengthening their regulatory frameworks by supporting their move toward compliance with the Basel Core Principles on Effective Banking Supervision. Because supervision in PRGT countries is typically compliance-based, significant TA is required to move these countries toward more risk-based and forward-looking supervision. The program will also help the authorities to draft and implement regulations, develop crisis management frameworks, provide training and capacity building to supervisory staff on key elements of financial stability, and help to coordinate donor assistance in the area of banking supervision.

The assistance envisaged was delivered through resident TA advisors based at the supervisory authority of each country. The main focus was to strengthen regulation and supervision to make the banking system more resilient to the effects of the global financial crisis and address weaknesses that have emerged. TA also includes STX expert visits to support project implementation and HQ-based advisory missions to review completed work.

Program Budget for FY11 through FY13	\$4,904,304
Program Budget for FY13	\$1,541,335

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bangladesh Banking Supervision	Help the authorities to shift from compliance-focused supervision of banks to risk-based supervision. To achieve this objective the program also aims to facilitate interdepartmental collaboration at the Bangladesh Bank (BB) to achieve this objective.	Resident Advisor on banking supervision. Three STX visits to enhance (i) institutional capacity to implement banking sector regulations; and (ii) on-site supervision at the BB.	<p>The advisor worked with the BB bank supervision department to assist with</p> <ol style="list-style-type: none"> i. issuance of a Financial Stability Report (October 2011); ii. risk management guidelines issued to commercial banks in February 2012; iii. drafting of amendments to the Banking Companies Act (February 2013), currently being reviewed by the Cabinet; and iv. issuance of new regulation on liquidity reporting ratios. <p>Substantial progress was achieved in terms of new regulations on loan classification and provisioning and rescheduling (final versions issued in September 2012).</p> <p>The BB has decided to consolidate comprehensive bank examinations with core risk assessments covering both head office and branches. The goal is to get examination reports out to the banks in a timely manner, while more clearly identifying areas where corrective action is needed.</p>

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Maldives Banking Supervision	Improve the capacity of Maldives Monetary Authority (MMA) staff to (i) monitor risks in the banking sector; and (ii) identify and address shortcomings in critical supervisory and regulatory areas.	To enhance TA delivery in Maldives, a peripatetic expert replaced the resident advisor, subject to the authorities demonstrating substantial effort to implement prior TA recommendations—intermittent visits to the MMA are expected to allow staff time to elaborate and grasp developments and recommendations on banking supervision without the continuous support of a TA advisor, thereby promoting confidence and self-reliance.	MCM staff and an STX conducted a comprehensive, risk-based on-site inspection of the Bank of Maldives Limited. The mission assisted in (i) improving the capital adequacy regulations; (ii) strengthening the prompt corrective action framework to enhance enforcement of prudential regulations; and (iii) enhancing risk-based supervision as part of strengthening the supervisory review process.
Nepal Banking Supervision	Strengthen the design of Nepal Rastra Bank (NRB) risk-based supervision and address other critical elements, such as weak standards for measuring credit risk and recognizing loan losses, weak enforcement, and off-site monitoring and data collection.	A resident advisor to support NRB's move toward compliance with the Basel Core Principles on Effective Banking Supervision Three STX visits to (i) draft crisis management frameworks; (ii) prepare contingency and remedial action plans for the financial system; and (iii) build the capacity of supervisory staff by prioritizing key aspects of financial stability.	Political uncertainty slowed progress. Upgrades to the regulatory framework have been uncertain due to the suspension of the Parliament. The on-site handbook is to be tested by mid-2013 and subsequently be approved for use by the NRB Board. Bank diagnostics continued in FY13; 12 have been completed.

ASIA AND PACIFIC: IMPLEMENTATION OF THE SYSTEM OF NATIONAL ACCOUNTS AND THE INTERNATIONAL COMPARISON PROGRAM (JPN501)

This three-year program complements the International Comparisons Program (ICP) by building capacity to improve the quality of national accounts and price statistics in 14 Asia Pacific countries. The program aims to (i) provide TA to improve the quality of national accounts and price statistics; (ii) build statistical capacity in participating countries; and (iii) provide TA to complement the ICP program. Program content is guided by work plans developed by each country that define TA needs and objectives. Progress in meeting defined TA goals and objectives drives the level of support and TA received.

Program Budget for FY11 through FY13	\$4,654,394
Program Budget for FY13	\$1,532,837

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Asia and the Pacific: Multiple Countries	<p>Provide support to (i) improve the quality of national accounts and price statistics; (ii) build capacity in the countries for sustainable compilation of national accounts and price statistics; and (iii) . provide TA to complement the ICP program.</p> <p>The program focuses on two <i>topical</i> areas: national accounts; and price indexes.</p>	<p>In FY13, the main activities were to (i) conduct TA missions to help participating countries meet defined TA goals and objectives; (ii) design and conduct technical workshops — two on compiling price statistics and two on national accounts compilation; (iii) coordinate project activities with other donors providing TA in the region; and (iv) coordinate with participating countries to ensure TA goals and objectives are met.</p> <p>Two program managers manage and backstop STX missions, support development of TA plans to meet objectives defined in country-specific work plans, organize workshops, and assist with monitoring and program implementation.</p>	<p>In FY13, two additional countries were invited to participate. Countries now participating are Bangladesh, Bhutan, Cambodia, Fiji, Indonesia, Laos PDR, Maldives, Mongolia, Myanmar, Nepal, Philippines, Sri Lanka, Thailand, and Vietnam.</p> <p>In FY13 there were 29 TA missions to improve the accuracy of national accounts and price statistics, two technical workshops on compiling price statistics, and two workshops on compiling national accounts.</p> <p>Detailed work plans drafted by participating countries during the opening workshop were updated as needed. discussions with country officials during the workshops were used to monitor progress and update objectives and goals.</p> <p>In addition to assisting with quarterly and annual national accounts estimates, and improving price indexes, TA missions and workshops addressed specific compilation issues noted by the authorities, such as treatment of owner-occupied housing, seasonal items in the consumer price index, and subsidies.</p> <p>The more statistically developed countries participating face more advanced compilation issues. TA missions to Indonesia, Thailand, and the Philippines assisted with development of sectoral accounts and balance sheets—one of the key recommendations and outcomes of the G-20 Data Gaps Initiative.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bangladesh	Provide support and TA to (i) improve annual national accounts estimates; (ii) review and assess data sources for national accounts; (iii) develop quarterly national accounts (QNA) estimates; (iv) improve the CPI; and (v) develop a PPI.	Two missions assisted with updating and improving the CPI.	<p><i>Price statistics:</i> Concepts and methods used to compile the CPI were reviewed and assessed, with recommendations for improvement. Notable methodological improvements were adoption of the <i>Classification of Individual Consumption According to Purpose</i>, improved index calculation methods, and improved outlet and item sampling techniques. The authorities are on schedule to release an updated and revised CPI in January 2014.</p> <p><i>National accounts:</i> The mission helped with finalizing the new GDP base year (2005–06) and preparing data for release. The detailed work plan to improve national accounts estimates was updated and agreed with the authorities.</p> <p>Under the auspices of a new JSA-funded project, a resident national accounts expert will be based in Dhaka beginning in FY14 and will provide TA to improve national accounts. Staff will continue to be invited to attend technical workshops conducted by the JSA SNA-ICP project.</p>
National Accounts		One mission on national accounts as part of the final phase of the JSA-funded project for Bangladesh.	
Consumer Price Index			
Producer Price Index			

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bhutan			
National Accounts	Provide support and TA to (i) compile and disseminate a PPI consistent with international methodological guidelines; (ii) update and revise the CPI; (iii) release a construction materials index; and (iv) compile and disseminate QNA consistent with international methodological guidelines.	Two price statistics missions to update the CPI, develop a construction price index, and address PPI compilation issues.	<i>Price statistics:</i> New PPI release June 2012.
Consumer Price Index		One mission discussed funding to extend collection of expenditure data from households and a second reviewed the new CPI prior to release.	New CPI developed and compiled for official release by July 31, 2013. Notable improvements introduced are updated index calculation methods; introduction of hand-held data collection devices; monthly rather than quarterly release of the CPI; and compilation of indexes for imported versus domestic goods to meet the needs of the Royal Monetary Authority.
Producer Price Index			
Construction Materials Index		Two national accounts missions to assist with updating ANA estimates, develop QNA estimates, and review data sources for the national accounts.	New construction materials index in final stages of development, to be released by September 30, 2013. Weighting structure is finalized and price collection has begun.
			<i>National accounts:</i> The authorities have made good progress in improving ANA estimates and developing QNA estimates. It is expected that QNA estimates will be ready for publication by December 2013. Updating the ANA with improved data sources and methods is planned to be phased in through October 2014.
Cambodia			
National Accounts	Provide support and TA for (i) compiling and disseminating GDP consistently and in line with the <i>System of National Accounts</i> ; and (ii) compiling and disseminating an updated and revised CPI following recommended methodologies and guidelines.	Resident advisors from Statistics Sweden continue to provide intensive TA to improve national accounts and price statistics for Cambodia. Because of extremely limited staff capacity and continuing support from Sweden, no missions were conducted in FY13.	The resident statistical advisors are providing intensive TA to improve national accounts and price statistics.
Consumer Price Index			National accounts and price statistics staff from the National Institute of Statistics participated in all technical workshops conducted during FY13.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Fiji Consumer Price Index Producer Price Index	Provide support and TA for improving the CPI and developing a PPI.	Fiji identified TA needs to improve the national accounts; assistance is provided through the IMF Pacific Financial Technical Assistance Center in Fiji. One mission to develop a PPI for Fiji: a detailed work plan to guide the authorities with developing a PPI was drafted and agreed to.	<i>Price statistics:</i> Initial mission reviewed progress on the project to develop a PPI for Fiji. Progress has been slow due to capacity and funding constraints. It is expected that the new PPI will be ready for dissemination by June 2014.
Indonesia National Accounts Producer Price Index Wholesale Price Index	Provide support and TA to (i) improve the quality of NA data for Indonesia, including development of sectoral accounts and balance sheets; and (ii) assist with developing a national monthly PPI disaggregated to the province level.	One price statistics mission to review progress on the project to improve and expand the PP. One national accounts mission to assistance with developing sectoral accounts and balance sheets.	<i>Price statistics:</i> Concepts and methods used to compile the PPI were reviewed and recommendations for improvement discussed. <i>National accounts:</i> Institutional arrangements required to develop sectoral accounts and balance sheets agreed between BPS-Statistics Indonesia and the Bank of Indonesia. A detailed work plan to guide the authorities has been drafted and agreed to. Progress has been excellent.

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Laos PDR National Accounts Producer Price Index	Provide support and TA on improving national accounts and developing a PPI.	One mission to assist with developing a PPI and address CPI compilation issues noted by staff. One mission to assist with improving ANA estimates and begin developing QNA estimates.	<p><i>Price statistics:</i> The mission provided an overview of PPI compilation concepts and methods. Data sources that could be used for developing PPI weights were discussed. A detailed work plan was drafted and agreed to guide the authorities with developing and disseminating a PPI.</p> <p><i>National accounts:</i> The authorities will rebase annual national accounts to 2007. Benchmarking techniques and the initial estimates were reviewed and discussed. Indicators were reviewed for use in developing QNA estimates. A detailed work plan was drafted and agreed with the authorities to guide improvement to the ANA estimates and development of QNA estimates.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Maldives			
National Accounts	Provide support and TA to (i) improve the quality of ANA estimates; (ii) develop QNA estimates; (iii) improve the government component in GDP; (iv) update and improve the CPI; (v) develop a PPI; and (vi) compile additional price data series, such as a construction price index and import/export indexes.	Two missions to help update and revise the CPI One mission to develop a PPI Assistance on developing a construction price index and export-import indexes will begin later in 2013. One mission on national accounts to improve the ANA estimates and develop QNA estimates.	<i>Price statistics:</i> An updated and improved CPI was released in August 2012. Methodological improvements include updated index calculation methods and improved methods for treating temporarily and permanently missing prices. Outlet and items samples have been augmented and updated. The authorities are releasing a new PPI for tourism and fishing in July 2013. As resources and capacity permit, PPI coverage will be expanded to other economic activities. <i>National accounts:</i> The mission assessed data sources and made recommendations for improving ANA compilation methods, which were discussed. Work began on the first QNA estimates. It is expected that QNA data will be available by December 2013. The authorities have agreed on a work plan for developing QNA estimates and improving ANA methods.
Consumer Price Index			
Producer Price Index			
Construction Price Index			
Import-Export Indexes			

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Mongolia National Accounts Consumer Price Index Producer Price Index Construction Price Index	Provide support and TA to (i) improve the quality of NA data for Mongolia; and (ii) improve the PPI, CPI, and construction price indexes.	One mission on national accounts to assist with improving both ANA and QNA estimates.	<p><i>National accounts:</i> Quarterly GDP by expenditure data at current prices are now available. The 2010 Supply and Use Tables have been finalized and will be used to expand estimates of household final consumption. Gross fixed capital formation estimates were reviewed.</p> <p><i>Price statistics:</i> A mission will visit Mongolia in early FY14 to continue providing assistance with improving the CPI, PPI, and construction price indexes.</p> <p>The authorities are on schedule to release the PPI officially in 2013.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Myanmar Consumer Price Index Producer Price Index.	Provide support and TA to (i) improve the CPI; and (ii) develop a PPI.	One mission to review and assess the concepts and methods used to compile the CPI.	<p><i>Price statistics:</i> The concepts and methods used to compile the CPI for Myanmar were assessed and recommendations for improvement discussed with the authorities. Notable improvements were adopting new index calculation methods; improving area, item, and outlet samples; and improving methods used for treatment of temporarily and permanently missing prices.</p> <p>The project will provide intensive TA to Myanmar to assist with implementing improvements needed to compile a CPI that meets international standards and best practices.</p> <p><i>National accounts:</i> A number of other donor agencies, most notably the Asian Development Bank (ADB) are providing assistance to improve national accounts estimates. The ADB plans to post two long-term advisors in Myanmar to assist with improving the national accounts.</p> <p>Staff will be invited to attend technical workshops conducted as part of the JSA SNA-ICP project.</p>

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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Nepal National Accounts Consumer Price Index Producer Price Index	Provide support and TA to (i) adopt <i>SNA 2008</i> , (ii) improve ANA estimates, and (iii) improve CPI and PPI compilation methods.	One mission to review and assess data and methods used to compile ANAs and review progress on developing QNA estimates.	<p><i>National accounts:</i> The mission reviewed ANA data sources and compilation methods and made recommendations for improvement, in particular to household final consumption numbers. There was good progress on QNA development. Lack of progress on development of Supply and Use Tables was discussed. The authorities agreed to the updated work plan for continued improvement of ANA estimates and further progress on QNA estimates.</p> <p><i>Price statistics:</i> A TA mission to further assist with developing a PPI and transferring the CPI from the central bank to the statistics office will be conducted in the first half of FY14.</p>
Philippines National Accounts Consumer Price Index Producer Price Index	Provide support and TA to (i) improve QNA estimates and develop sectoral accounts and balance sheets; and (ii) improve both the CPI and the PPI.	<p>One mission to improve the concepts and methods used to compile the CPI and PPI.</p> <p>One mission to provide assistance with developing sectoral accounts and balance sheets.</p>	<p><i>Price statistics:</i> The mission reviewed the concepts and methods used to compile the consumer and producer price indexes. Recommendations from improvement were discussed with the authorities. Discussions with staff attending the price statistics technical workshops indicate that excellent progress has been made to fully implement all recommended improvements.</p> <p><i>National accounts:</i> Institutional arrangements required to develop sectoral accounts and balance sheets were agreed between the relevant institutions. A detailed work plan to guide the authorities has been agreed. Good progress has been made in developing quarterly flow of funds accounts.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Sri Lanka	Provide support and TA to (i) improve ANA estimates, (ii) assess data sources for national accounts; (iii) develop QNA estimates; (iv) improve and expand the CPI; and (v) develop a PPI.	One mission to assess work on the CPI and help develop a PPI.	<i>National accounts:</i> There has been good progress on implementing improvements to the ANA and developing QNA estimates. A follow-up TA mission will visit Colombo in the first half of FY14.
National Accounts		One evaluation mission to discuss progress on improving national accounts, developing a PPI, and updating the CPI.	<i>CPI/PPI:</i> The updated CPI is on schedule for release in January 2014. It will include improved index compilation methods, expanded geographic and index coverage, and dissemination of regional CPI indexes as well as an all Sri Lanka index.
Consumer Price Index			
Producer Price Index			Excellent progress had been made on development of an agriculture PPI but the February 2013 mission noted a need to expand initial coverage to include manufacturing. The authorities are on schedule to release the new quarterly PPI in April 2014.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Thailand			
National Accounts	Provide support and TA to (i) improve QNA estimates; (ii) develop sectoral accounts and balance sheets, and	One mission to the National Economic and Social Development Board (NESDB) to begin assisting with development of sectoral accounts and balance sheets.	<i>National Accounts:</i> The authorities are making excellent progress and are on schedule with plans to introduce new quarterly GDP current price and chain-linked volume estimates in 2013.
Consumer Price Index	(iii) improve the CPI and the PPI.		Institutional arrangements required to develop sectoral accounts and balance sheets have been agreed between the NESDB and the Bank of Thailand, and a detailed work plan to guide the authorities has been agreed. Progress to date has been good.
Producer Price Index		Two missions to the NESDB to assist with development of chain-linked QNA estimates and improve the quality of QNA data.	<i>Price statistics:</i> The CPI introduced in January 2013 reflecting improved index calculation methods was discussed during the TA mission. Other recommended improvements will be implemented with the next CPI update in January 2016.
		Two missions to the Bureau of Trade and Economic Indexes (BTEI) to improve price statistics: one to assess concepts and methods used to compile the CPI and one to assess concepts and methods used to compile the PPI.	BTEI staff are making progress implementing recommended improvements to the PPI.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Vietnam			
National Accounts	Provide support and TA to (i) improve ANA estimates; (ii) develop QNA by expenditure; (iii) compile sectoral accounts and balance sheets; (iv) improve the CPI and the PPI;	One mission on national accounts to improve and expand QNA to include GDP by expenditure, help to update the base year for the ANA, and improve congruence between GDP by activity and GDP by expenditure.	<i>National accounts:</i> Quarterly GDP by expenditure estimates have been compiled and released and data disseminated for 2010 and 2011.
Consumer Price Index	(v) improve import-export indexes; and (vi) discuss construction price and transportation price indexes.	One mission to improve compilation of price indexes for Vietnam.	National accounts estimates were rebased to 2010.
Producer Price Index			Supply and Use framework used to improve consistency between GDP by activity and by expenditure.
Import-Export Price Indexes			Plan developed for the near-term implementation of 2008 SNA.
Construction Price Index			<i>Price statistics:</i> Authorities are updating the methods used to compile the CPI; improvements will include measurement of owner-occupied housing. With assistance from the STA price statistics expert, the authorities are expanding coverage of the PPI to service industries and are developing a construction price index. A follow-up mission in early FY14 will assess progress.
Transportation Price Index.			

Ongoing FY2010 Programs (8)

WEST AFRICA: DEVELOPING STRATEGIC FISCAL MANAGEMENT (JPN101)

This three-year program (FY10–FY12) was geared to strengthening fiscal management in 10 West African countries with similar characteristics in terms of background and development status. TA was delivered using an approach that maximizes synergies gained from lessons learned by countries at different stages of the reform process but that have similar issues and objectives for tax administration and budgetary management. The program assists the countries with (i) improving budget preparation and execution; (ii) strengthening program and performance-based budgeting; (iii) improving VAT productivity; (iv) improving collections from and compliance by medium-size taxpayers; and (v) developing more efficient arrangements to tax small and micro-sized businesses.

The program finances STX term expert visits, HQ-led visits, seminars, a regional PFM advisor posted in Liberia, and a tax administration advisor posted in Ghana who provide assistance to Burkina Faso, Côte d'Ivoire, the Gambia, Ghana, Liberia, Mali, Niger, Nigeria, Senegal, and Sierra Leone. Missions to some countries identified specific TA needs over the medium term.

Program Budget for FY10 through FY12	\$5,303,993
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Burkina Faso Public Financial Management Revenue Administration	Streamline budget execution procedures and the reporting system.	Two STX visits, one to help improve fiscal reporting by starting a gradual move to accrual accounting, and other second to build the capacities of the newly elected parliament.	Significant progress has been made through, e.g., (i) creation of the institutional framework supporting implementation of reforms; (ii) a road map to improve fiscal reporting and support a gradual move to accrual accounting; and (iii) a strategy to adapt the IT system to support program-based budgeting. However, streamlining the legal framework remains a challenge.
Côte d'Ivoire Revenue Administration	The program aims to rationalize VAT exemptions and assess improvements needed in administering medium and small-taxpayer accounts.	No activities are scheduled for FY 2014, but Côte d'Ivoire will benefit from TA from the TPA-TTF.	
The Gambia Public Financial Management Revenue Administration	Provide support to (i) improve the medium-term expenditure framework (MTEF); (ii) streamline budget execution procedures and the reporting system; (iii) support the planned transition from a sales tax to a VAT; and (iv) improve administration of medium and small taxpayer accounts.	Two STX visits to assist with implementation of the MTEF for the 2013 budget.	Gambia drafted a medium term budget -framework paper and presented it to the cabinet and parliament in FY13. Strategic plans have been drafted for two ministries, and the government plans to roll out the strategic planning process to over half of the ministries for FY14.

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Ghana Public Financial Management Revenue Administration	Provide support to (i) improve the MTEF; (ii) implement a computerized financial management information system, government accounting reforms, and financial reporting; (iii) strengthen VAT administration and administration of small and medium taxpayer accounts	The PFM regional advisor, located within the MOF in Accra, has been providing day-to-day advice to staff of the Budget Department. In revenue administration, placement of the regional tax administration advisor in Accra provided the Ghana Revenue Authority (GRA) with continuous technical support.	The regional PFM adviser supported refinement of program-based budgeting, particularly program design for pilot sites. He also helped the authorities to develop subnational budget procedures. The regional tax administration advisor spent a considerable amount of time assisting the GRA in implementing its reform and modernization program, focusing on program objectives. Specifically, the advisor has been instrumental in helping the authorities to integrate domestic tax operations. The advisor also participated in and facilitated local workshops on self-assessment implementation, modernization, business process reengineering, automation, etc. The advisor maintained active contact with his counterpart and provided indirect TA.
Liberia Public Financial Management Revenue Administration	The program aims to (i) improve the MTEF; (ii) implement a computerized financial management system, government accounting reforms, and financial reporting; (iii) streamline budget execution procedures; (iv) help build capacity to manage a future VAT; and strengthen account administration for medium-sized taxpayers.	No activities were scheduled for FY 2013.	

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Mali Public Financial Management Revenue Administration	Assist authorities with (i) streamlining budget execution and financial reporting; (ii) program budgeting; (iii) improving and reforming the VAT refund mechanism; and (iv) strengthening medium- sized taxpayer administration.	One STX visit to streamline the expenditure chain and improve the tracking of arrears. Two visits by the regional advisor.	Due to the security situation, activity resumed only in February 2013. The STX helped authorities to streamline the budget execution system to avoid accumulation of arrears. The regional advisor carried out two visits to help enhance the effectiveness of the tax administration IT system in order to reach two goals: (i) strengthen tax administration to support improved VAT collections and overall productivity; and (ii) improve the management of small and medium-sized taxpayers. The TA was interrupted after March 2012, due to the recent crisis.
Niger Public Financial Management	Assist authorities with improving government accounting practices and reporting and the medium-term expenditure framework.	Two HQ-led missions, and two STX visits. One mission conducted a PEFA assessment and the second helped to update the PFM reform strategy and action plan for 2013–15.	The PEFA mission was well-received by authorities and donors alike. The authorities accepted the findings of the PEFA assessment report and allowed its publication. The expert visits helped authorities to improve fiscal reporting.
Nigeria Revenue Administration	Implement IFMIS and help authorities strengthen VAT administration. The program will also help to create policies to improve medium and small taxpayer administration.	One visit by the regional advisor.	The regional tax administration advisor based in Accra, Ghana, participated in an HQ-led mission to Nigeria. The mission noted progress in implementing the recommendations of the JSA-funded October 2010 and November 2011 FAD tax administration missions, but identified critical gaps to still be addressed, including (i) deploying performance measurements that balance the goal of increasing short-term revenue with the long-term goal of improving voluntary taxpayer compliance; (ii) implementing a full self-assessment system; (iii) implementing multifunctional and segment-focused taxpayer compliance strategies; and (iv) automating tax administration.

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Senegal Revenue Administration	Provide support to strengthen the effectiveness of VAT and small and medium taxpayer administration.	<p>A francophone regional advisor based in Senegal devotes about 70 percent of his time to Senegal with brief periods of assistance to Mali.</p> <p>Due to the death of the regional IT expert in May 2013, this activity has been suspended. A new IT expert will be appointed in FY14.</p>	The advisor's TA focused on improving and implementing a new IT system (SIGTAS) to monitor medium-sized taxpayers, implementing a self-assessment procedure, identifying and registering taxpayers, modernizing payment procedures (the e-filing and e-payment procedures being developed should be in place in 2014), and developing a structured risk-based approach to determine the main risks to taxpayer compliance. He also participated in HQ-led missions and collaborated with FAD and West AFRITAC advisors and experts.
Sierra Leone Public Financial Management Revenue Administration	Provide support to (i) improve budget preparation, commitment control, and cash management; (ii) monitor and fine-tune VAT implementation; and (iii) help the authorities to improve the small and medium taxpayer offices.	The regional advisor made two visits to assist with implementation of the MTEF for the 2013 budget.	The regional adviser worked with staff in the Budget Directorate to draft comprehensive MTEF guidelines. While this is an important step, significant effort is still required to ensure that key processes are embedded into the planning and budgeting cycles.

ASIA AND PACIFIC: EFFECTIVE AND EFFICIENT PUBLIC FINANCIAL MANAGEMENT (JPN102)

This three-year program (FY10–12) provided TA in PFM and tax administration to seven Asia and Pacific countries. The objective is to assist these countries develop macroeconomic policies and systems to support modern budget and treasury management and establish sound revenue collection structures. The broad goals of the program are to (i) strengthen countries' capacity to analyze and forecast macrofiscal developments and enhance top-down budgeting; (ii) improve all aspects of treasury management and fiscal transparency; and (iii) strengthen core functions of tax and customs administration, such as taxpayer registration, collection processing, risk assessment, audit, and large taxpayer management.

The program financed STX visits, headquarters-led visits, seminars, a regional PFM advisor posted in Cambodia, and a tax administration advisor posted in Nepal who provides assistance to Bangladesh, Cambodia, Indonesia, Lao P.D.R., Nepal, the Democratic Republic of Timor-Leste, and Vietnam. For some countries, the program involved scoping missions to identify specific TA needs for the medium term.

Program Budget for FY10 through FY12	\$5,805,754
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bangladesh Public Financial Management Revenue Administration	Assist authorities with (i) improving macrofiscal management and medium-term budgeting; and (ii) supporting improvement of large taxpayer administration and building more effective audit capacity and compliance programs.	In revenue administration, one HQ-led mission, and two STX visits.	With FAD support, Bangladesh enacted its new VAT law in November 2012 and has committed to implementing it over a 30-month period, with application of the VAT starting on July 1, 2015. The STX visits helped the National Board of Revenue (NBR) to draft a VAT implementation plan. In FY2012 tax and customs revenue collections increased by 18.71 percent over FY2011. Revenue was 10.4 percent of GDP in FY2012 and forecast to rise to 11.0 percent in FY2013. Over the medium-term revenue is targeted to increase to 12.5 percent, in large part through implementation of the new VAT law, which is being supported by IMF TA.

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Cambodia Public Financial Management Revenue Administration	Assist authorities with: (i) improving the government accounting system; (ii) improving government banking arrangements, cash management, and fiscal reporting; and (iii) strengthening revenue collection and enforcement.	Four PFM STX visits on macrofiscal planning and capacity building. For revenue administration, one HQ-led mission to assess achievements of the current TA program and remaining medium-term TA needs. Two STX visits to assist with strategic reform of customs.	The purpose of these missions was to complete a fiscal sector model and integrate the fiscal module with the macroeconomic forecasting model of the Cambodian economy; develop tools for monitoring and analyzing fiscal performance during the year; and facilitate establishment and implementation of information-sharing protocols for departments and agencies. <i>Tax and Customs:</i> An HQ mission completed in April 2013 reviewed progress with the reform plan to date, and outlined the path for future TA. Tax reforms will continue to be supported by FAD under the JSA 3 program. No funding is available for further support for customs administration. <i>Customs:</i> Two STX visits (September/October 2012 and April/ May 2013) focused on strengthening management structures and practices, including performance indicators; drafting the 2014–18 reform and modernization plan; coordination with donors working on post-clearance auditing, risk management, and anti-smuggling; and developing the AEO Project, the National Single Window Project and the Revenue Mobilization Strategy.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Lao PDR Revenue Administration	Provide support for passing new legislation and drawing up and implementing strategies to improve operational performance, in particular taxpayer compliance, risk assessment, and auditing.	<p>One HQ-led tax and customs mission to assess achievements of the current TA program and remaining medium-term TA needs.</p> <p>Three STX visits to assist with customs reforms.</p>	<p>The HQ mission completed in August 2012 recommended that a reform strategy be prepared that established clear priorities for reforms, especially the need for enhancing IT systems and large taxpayer management.</p> <p>No funding is available for further support to customs administration.</p> <p>Three customs STX visits in July 2012 and January and March 2013 reviewed customs legislation and the five-year reform plan, finalized compliance strategies and action plans, and assisting in implementation and use of ASYCUDA.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Nepal Public Financial Management Revenue Administration	<p>Provide support for developing and maintaining realistic medium-term fiscal estimates and the related medium-term budget frameworks; and reinforcing capacity to manage public funds.</p> <p>Advise on measures to improve revenue collection in the medium term and raise taxpayer compliance, in particular TA on broadening the tax net (taxpayer registration), increasing the number of taxpayers filing returns, reducing arrears, and increasing revenues from audit programs through better audit selection and better-trained auditors.</p>	<p>One PFM expert visit on commitment control.</p> <p>In revenue administration, one HQ mission for inspection of regional advisor.</p> <p>Four short-term expert visits to assist with customs reform implementation.</p> <p>Three short-term expert visits to assist with implementing taxpayer compliance strategies.</p>	<p>The PFM regional advisor drafted a commitments control manual and trained more than 30 MOF staff and over 35 line ministry staff. The advisor will continue to provide assistance on implementing the manual.</p> <p><i>Revenue Administration:</i> An inspection visit was completed in December 2012. Feedback from the authorities on the regional advisor's work was positive. No funding is available for further support for customs administration.</p> <p><i>Customs:</i> Four STX visits (June and September 2012; January and April 2013) focused attention on implementation of the current Strategic and Action Plan 2009–13 and on preparing for development of the Strategic and Action Plan for 2013–17. Progress has been achieved in managing reforms and IT development, post-clearance auditing, trade facilitation, risk management, performance measurement, and client service.</p> <p><i>Tax:</i> The first of three STX visits analyzed and segmented the taxpayer database to better understand the compliance risks presented by each taxpayer segment. The second continued the headquarters redesign work to ensure that headquarters was effectively managing risk assessment, design, development, and monitoring of the new compliance risk management approach. The third visit, planned to end in April 2013, was completed in May and focused on compliance improvement strategies for registration, filing, and payments.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Korea Public Financial Management		One regional seminar on PFM reforms for fiscal sustainability.	The 65 participants at the seminar represented 20 countries in the region and deliberated on modernizing fiscal institutions and financial management practices.
Democratic Republic of Timor-Leste Public Financial Management	Strengthen expenditure management, treasury operations, and fiscal reporting and advised on how to maintain fiscal discipline after devolving expenditure assignments to line ministries and subnational governments.	The resident advisor was extended by six months to provide support for the treasury system and the TSA. An HQ-led mission assessed the PFM system to provide input into review of the PFM development strategy.	<p>The extension of the treasury resident advisor (requested by the minister) resulted in refinement of the treasury system and reform of budget execution. The legal framework was clarified by drafting a law on the treasury; numerous bank accounts were closed or transferred to the TSA; drafting of a treasury manual commenced, and progress was made in automating bank reconciliations and improving payroll operations.</p> <p>The HQ mission assisted the authorities as they formulated strategies for implementing the updated Treasury Strategic Plan. The mission also installed the new treasury advisor (funded by the JSA 3 program) and, in consultation with the authorities, drafted the advisor's work plan for the next 12 months.</p>

SOUTH EAST EUROPE: STRENGTHENING FISCAL MANAGEMENT (JPN103)

The three-year program (FY10–12) provided TA on PFM and tax administration to 11 countries in South East Europe (SEE). The program aimed to assist them in implementing budget and treasury reforms, with a specific focus on developing medium-term budgeting and aligning the region's revenue administration with international best practices and EU requirements. The program helped countries to (i) achieve fiscal consolidation; (ii) exercise fiscal control and financial discipline; (iii) improve allocation of resources through budgeting; (iv) increase taxpayer compliance with tax laws; and (v) provide fair and service-oriented tax administration.

The program financed STX visits, HQ-led visits, seminars, and two regional advisors, one each for PFM and tax administration, posted in Slovenia, who provided assistance to Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, the Former Yugoslav Republic of Macedonia, Moldova, Montenegro, Romania, Serbia, and Slovenia.

Program Budget for FY10 through FY12	\$5,823,133
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Europe: Multiple Countries Public Financial Management Revenue Administration	Strengthen implementation of budget and treasury reforms and help advance the step-by-step adoption of a programmatic approach to budget preparation within an MTBF. Improve revenue administration by assisting revenue agencies to introduce strategic planning, performance management, compliance and risk management programs, human resource management reforms, and IT strategies.	The PFM regional advisor provided advice on visits to Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, Romania, and Serbia. to strengthen implementation of budget and treasury reforms. The missions were also designed to help implement a robust approach to medium-term budgeting. The revenue administration advisor provided advice to SEE countries on reforming tax administration. One seminar, held at the Center for Excellence in Finance (CEF) in Slovenia, and 2–3 workshops.	The visits of the regional advisor served to prepare and determine the aims and focus of the HQ and STX missions and provide advice on future steps in PFM reforms. The revenue administration advisor paid three visits each to Albania, Croatia, and Moldova and visited Montenegro and Romania once to facilitate implementation of the recommendations of the HQ-led missions and support STX delivery of TA. The main focus was on improving taxpayer compliance. The advisor also provided advice by email and telephone. At the CEF headquarters, the advisor delivered numerous training sessions and workshops that targeted tax administration in SEE. The focus has been on the CRM model, especially its application to large corporations.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Albania Public Financial Management Revenue Administration	Provide support to (i) integrate improvements in debt and cash management and treasury reform in support of the medium-term budgeting objective; (ii) develop a compliance risk management system; (iii) develop the capability to measure operational performance; (iv) strengthen large taxpayer operations; and (v) improve core business processes and help the authorities to replace outdated IT systems.	One HQ-led PFM mission and one short-term visit by the long-term advisor. Three visits by the revenue administration long-term advisor and five STX visits to facilitate improvements in governance and compliance management, including a strategic plan and operational compliance plans.	The HQ mission provided guidance on the strategic priorities for cash and debt management reform and assistance with integrating cash and debt management. The advisor reviewed Albanian debt management operations and recommended strategies to reinforce the organizational structure and general capacities of the Debt Management Directorate. He also advised on enhancing integration of debt and cash management, since the two functions are managed by separate MOF directorates.
Bosnia and Herzegovina Public Financial Management	The program aimed to integrate development and implementation of fiscal policy across all levels of central and general government. It also aimed to strengthen a new Fiscal Council's capacity to provide meaningful policy advice and accurate and timely information on consolidated government finances.	One STX visit by the long-term advisor.	Bosnia and Herzegovina is making progress, but fragmented political and administrative systems have limited its efforts to develop PFM capacity. The Republika Srpska recently successfully completed a major reform, bringing direct budget users under the umbrella of line ministries. In FY 2013, an STX, accompanied occasionally by the LTX, has continued to provide courses and seminars on financial reporting to officials of the Federation, the Republika Srpska, and Bosnian institutions to improve the coverage, accuracy, and timeliness of general government fiscal reports. The LTX has also produced a plan for a more structural solution of this problem through organization of an annual seminar for officials of all relevant entities.

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bulgaria Public Financial Management	Assist authorities with developing program budgeting and an MTBF.	No activities were planned for FY 2013.	
Croatia Public Financial Management Revenue Administration	Assist authorities with drafting an MTBF strategy and program budgeting.	No activities were planned for FY 2013.	
Kosovo Public Financial Management Revenue Administration	Assist authorities with: (i) building the capacity of local governments to assume new responsibilities under the government's proposal for fiscal decentralization; (ii) developing government debt management capacity; and (iii) improving the IT strategy and taxpayer compliance.	One HQ-led PFM mission to review the MTBF and develop and integrate cash and debt management functions. One short-term PFM expert visit to follow up on the recommendations of the HQ mission.	The mission was completed successfully. At the authorities' request, it focused on a rule-based fiscal framework and prevention of arrears. The follow-up visit was not necessary
FYR Macedonia Public Financial Management	Assist the authorities with (i) implementing a medium-term fiscal and budget framework; (ii) strengthening cash and debt management capacity and strategy; and (iii) strengthening taxpayer compliance efforts.	One HQ-led PFM mission to follow up on the MTBF and streamline classification of expenditures. Two short-term missions with the long-term advisor. No tax administration support was planned for FY 2013.	The HQ mission was postponed at the request of the authorities. The long-term advisor completed one mission without an STX. The mission reached provisional agreement with the Minister of Finance that the HQ mission in FY 2014 will cover medium-term budgeting procedures, administrative and programmatic budget classifications, and strengthening commitment controls.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Montenegro Public Financial Management Revenue Administration	Support the authorities in strengthening medium-term fiscal forecasting and developing an MTEF.	<p>One HQ-led PFM mission to follow up on debt management, fiscal reporting, and fiscal responsibility legislation.</p> <p>One STX visited along with the long-term advisor to assess progress in introduction of the MTBF.</p> <p>Two short-term revenue administration expert visits focusing on the large taxpayer office.</p>	<p>The mission was completed successfully. The report focuses on recommendations for the new Budget Code of Montenegro and more effective debt management, which was not in the original plan, but was requested by the authorities.</p> <p>The LTX completed the mission, which also reviewed the budget code. No STX was needed.</p>
Moldova Public Financial Management Revenue Administration	<p>Support the authorities in program budgeting, cash management, and macrofiscal analysis.</p> <p>The program also assisted authorities in the State Tax Inspectorate with improving field organization, risk management, audits, IT systems, and the Large Taxpayer Unit.</p>	In the area of revenue administration, one HQ-led mission and four STX visits on compliance management	All planned activities were delivered. The focus has been on improving taxpayer compliance (compliance strategies and operational plans, VAT fraud prevention, and the high-wealth individual compliance project).

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Romania Public Financial Management	Assist authorities with implementing an FRL, improving the budgeting process, and strengthening fiscal discipline.	One HQ-led mission to provide follow-up advice on MTBF and fiscal reporting system and one STX mission to follow-up on cash and debt management. Wth regard to revenue administration, one HQ mission and four STX visits, mainly to facilitate the implementation of the high-wealth-individual compliance strategy.	The mission was completed successfully. The report focuses on future steps for improving financial reporting in Romania. All of the planned revenue administration activities were delivered, with the focus on moving forward the compliance project on high-wealth individuals, including development of a comprehensive training packet for auditing personal income taxes, which can be utilized throughout the region.
Serbia Public Financial Management	Assist authorities with drawing up a general revenue administration reform strategy, and with risk and compliance, IT strategies, audit, and taxpayer services to improve revenue administration. The program also helped improve fiscal reporting and debt and cash management.	No activities were planned for FY 2013.	
Slovenia Public Financial Management	Support the authorities as they transition to performance-based budget processes.	No missions were planned for FY 2013 although the regional advisor based in Slovenia is available for consultation.	

MIDDLE EAST AND CENTRAL ASIA: SAFEGUARDING FINANCIAL RESOURCES IN CENTRAL ASIAN COUNTRIES (JPN104)

The three-year program (FY10–12) provided TA to help safeguard financial resources and strengthen fiscal institutions in eight Central Asian countries. The program aimed to (i) enhance financial oversight and establish crisis management and crisis resolution mechanisms and financial safety nets; (ii) build institutions and frameworks for medium-term strategic and policy-oriented budget management and assist with the fiscal consolidation required because of the global financial crisis; (iii) further strengthen implementation of budget and treasury reforms, with emphasis on better fiscal reporting and introduction of an MTBF; (iv) enhance banking sector regulation and supervision and implement remedial action for problem banks; and (v) upgrade supervisory practices, especially stress testing and early warning systems.

The program financed STX visits, HQ-led visits, seminars, a resident advisor posted in Kazakhstan and a PFM advisor posted in Uzbekistan, who assist Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. The program involved scoping missions to some countries to identify specific TA needs for the medium term.

Program Budget for FY10 through FY12	\$4,277,228
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Armenia Public Financial Management Bank Resolution	Assist the authorities as they (i) introduce integrated medium-term budget and planning frameworks; (ii) improve fiscal reporting, particularly with respect to coverage, classification, and presentation; and (iii) strengthen bank resolution procedures.	Assistance of the regional advisor (resident in Uzbekistan) and one STX visit to follow up on the HQ-led PFM mission in October 2011 to help the authorities develop an appropriation system focused on programs. Two STX visits to strengthen bank resolution procedures.	<p>The regional advisor made a follow-up visit in November 2012 and provided further follow-up advice remotely on accounting reform. STX input was not required and was reallocated to Kazakhstan. The macroeconomic linkages with the budget process have improved; draft accounting standards based on accrual IPSAS are being reviewed; an enhanced reporting regime for noncommercial organizations has been introduced; and legislation requiring budget presentation and reporting by program has been approved. The authorities are making good progress and using FAD advice productively.</p> <p><i>Bank Supervision:</i> Following the 2012 FSAP and targeting TA to the FSAP recommendations, in April 2013 an STX visit on the prudential framework for traded market risk advised the authorities on data for banking supervision. The TA has contributed to strengthening the Central Bank of Armenia's prudential framework in relation to traded market risk, specifically FX risk.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Azerbaijan Public Financial Management Banking Supervision	Assist the authorities as they (i) introduce integrated medium-term budget and planning frameworks; (ii) improve fiscal reporting, particularly in respect to coverage, classification, and presentation; and (iii) develop a strategy for consolidating the banking sector and possible follow-up on strengthening supervision.	No specific PFM TA activities were planned for FY13. <i>Banking supervision:</i> One HQ-led mission with one expert to conduct a needs assessment after the planned FSAP in September 2012 to help the authorities implement FSAP recommendations.	In response to a request from the authorities, the regional PFM advisor undertook a scoping visit in March 2013. The authorities identified a number of TA needs and followed up with a request for an HQ-led mission early in FY13–14 on debt and cash management, budget classification, and associated accounting and reporting issues. <i>Banking supervision:</i> Because the Azeri authorities postponed the FSAP to January or February 2014, a mission to assist in implement FSAP recommendations was no longer appropriate.
Georgia Public Financial Management	Assist the authorities as they introduce integrated medium-term budget and planning frameworks and improve fiscal reporting, particularly with respect to coverage, classification, and presentation.	A visit by the regional advisor had been planned for FY2013.	In connection with an HQ-led mission the regional advisor visited in May 2012 to advise on ownership, monitoring, and risk management issues related to the new Partnership Fund. The advice led the authorities to be more cautious in providing financial support for private investment projects and they have requested TA in this area in FY 2013–14.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Kazakhstan</p> <p>Public Financial Management Banking Supervision and Problem Asset Resolution</p>	<p>Assist the authorities with improving the medium-term fiscal and budget framework (MTFF/MTBF), strengthening budget preparation and execution, and reforming the bank resolution legal framework and management of impaired assets.</p>	<p>The PFM regional advisor planned three visits with STXs. two to continue to assist the authorities in introducing accrual IPSAS in public institutions particularly in the following areas: (i) assessment and testing of accounting software; (ii) design of the UCOA; and (iii) selected accounting policies. The third STX visit would focus on evaluation of expenditure in the context of the performance budgeting system that Kazakhstan has introduced. Also, one STX was planned to work from home on accounting analytical assignments that would not require presence in the field.</p> <p><i>Bank supervision and problem asset resolution:</i> Two STX visits to (i) help strengthen the regulatory and supervisory framework and the bank resolution framework; and (ii) conduct stress testing.</p> <p>Posting of an LTX to improve the quality of the loan portfolios of commercial banks.</p>	<p>The PFM regional advisor made three visits with an STX (May and October 2012 and February 2013), on accounting reform issues, including the IT infrastructure. A second STX worked from home in connection with the May 2012 visit. One of the STXs was reallocated from Armenia. The first stage of public sector accounting reform, introduction of accrual IPSAS in public institutions, was achieved on schedule and efficiently. The authorities made excellent use of FAD advice in preparing this stage, and are moving ahead in preparing for the second stage of the reform, introducing a unified COA, integrating the treasury into the reform process, and preparing consolidated whole-of-government accrual IPSAS-based financial statements.</p> <p><i>Bank supervision and problem asset resolution:</i> Since the authorities have not requested STX missions, the two that were planned did not materialize.</p> <p>The long-term resident advisor took up his post effective February 25, 2013. Financing for this component of the project has been extended through April 2014. The main LTX task is to give advice to a centralized problem-loans fund on all aspects of problem loan recovery and restructuring.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Kyrgyz Republic Public Financial Management Banking Supervision	Assist the authorities as they (i) upgrade PFM systems; (ii) advise the MOF on measures to strengthen budget preparation and the MTFE and manage expenditure arrears; and (iii) help the authorities to implement a framework for remedial actions and, if needed, bank resolution.	<p>An HQ-led PFM mission was planned to follow up on the 2011 mission, emphasizing measures specified in the IMF-supported program, including restructuring the MOF, treasury reforms, and fiscal implications of the authorities' plans to establish a development bank.</p> <p>The regional advisor was scheduled to visit to follow up on treasury reforms, the development bank plans and, with an STX, on monitoring SOEs. Another STX was assigned to work from home on accounting analytical assignments that would not require a presence in the field.</p> <p><i>Bank supervision:</i> Extension of the resident banking supervision LTX to continue assistance in strengthening bank supervision and dealing with problem banks</p>	<p>An HQ-led PFM mission in February 2013 focused on the draft Budget Code and fiscal responsibility law and budget preparation. The regional advisor made two visits, in September 2012 and April 2013. The first dealt with development of commitment control, treasury single account, and cash planning and management systems. The second was made in connection with an HQ-led fiscal safeguards mission. The authorities responded positively to FAD advice on the draft Budget Code, but the code is at an early stage of parliamentary consideration. They also responded positively to FAD advice on commitment controls, cash planning and management, and the design of the TSA system. However, as yet they have only been able to implement some elements of the advice because of delays in commissioning the new IT system required to support the new processes. The authorities approved legal documents required for accounting reform, including the unified COA, which also requires support of the new IT system before it can be implemented. FAD provided important recommendations on key aspects of the accounting reform in 2012, but because it is focused on cash-basis IPSAS, so far the reform is not as comprehensive as in other countries. It is expected to develop into a fully-fledged accrual IPSAS-based framework in due course. The regional advisor and other IMF departments provided advice remotely on State Development Bank issues. However, STX input was not required, and the delays in implementing accounting reform also meant the planned home-based STX work was also not required in this fiscal year.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			<p><i>Bank supervision:</i> The resident advisor's contract was extended in October 2012. During the period under review the resident advisor</p> <ul style="list-style-type: none"> i. provided advice on problem bank resolution strategies and their implementation; ii. helped the local supervisory authority to build internal capacity by providing direct advice as well as on-the-job training to the on-site inspectors and off-site analysts; iii. delivered seminars on banking supervision to the staff of the supervision function; iv. drafted and revised regulatory documents; and v. provided guidance on development and implementation of the supervisory strategies for individual banks.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Tajikistan Public Financial Management Banking Supervision	<p>Assist the authorities in such high-priority areas as implementing commitment controls, cash management, and a full TSA system.</p> <p>Support them as they implement stronger supervisory practices, such as improved implementation of the Basel Core Principles; enhance capacities to stress-test potential crises; and strengthen the legal framework for bank resolution.</p>	<p>Visits by the PFM regional advisor to follow up on SOE monitoring, extension of the TSA system, budget classification, accounting reform, commitment control, and cash planning and management.</p> <p><i>Bank supervision:</i> Two HQ-led missions to perform diagnostics of troubled banks and develop a strategy for resolving problem banks.</p>	<p>The PFM regional advisor visited three times, in June and September 2012, and April 2013. He dealt with SOE monitoring, extension of the TSA system, budget classification, accounting reform, commitment control, and cash planning and management. He also advised on most of these issues remotely during the course of the year. The authorities have approved the revised GFSM 2001-based budget classification and unified COA and the treasury reorganization required for implementing improved commitment controls and cash planning and management. The planned implementation date of January 2013 was not met in large part because of delays in mobilizing TA funded by other donors, but work is on schedule for the revised January 2014 date. The authorities have been making progress in extending the TSA system to all local budget organizations, and have approved extension of monitoring to eight additional SOEs. The latest PEFA for Tajikistan showed improvement in 14 of 28 performance indicators, with deterioration only in one and the others unchanged, or not directly comparable, since the previous PEFA in 2007.</p> <p><i>Banking supervision:</i> An IMF mission visited the National Bank of Tajikistan in December 2012 to assess the adequacy of its regulatory and supervisory frameworks. BCBS Principles were used as the most important reference document to carry out the assessment. A follow-up mission took place in April 2013.</p>

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Turkmenistan Public Financial Management Banking Supervision	Assist the authorities as they (i) introduce integrated medium-term budget and planning frameworks; (ii) improve fiscal reporting, particularly with respect to coverage, classification, and presentation; and (iii) implement stronger bank supervisory practices.	No specific PFM TA activities planned. No banking supervision activities planned for FY2013.	The PFM regional advisor made a scoping visit in May 2012 and held discussions with the authorities, who indicated that they would make a request for TA on their ambitious PFM reform intentions. However, they have not yet followed through with a written request.
Regional Seminar Public Financial Management		No regional seminar planned for FY2013.	No regional seminar took place in FY2013

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Uzbekistan Public Financial Management Banking Supervision	Assist the authorities as they (i) introduce integrated medium-term budget and planning frameworks; (ii) assist the authorities with cash management, commitment control, TSA, and other accounting systems; and (iii) strengthen banking supervision and regulation.	No PFM activities were planned for FY2013 apart from advice from the regional advisor, who has been based in Uzbekistan. <i>Bank supervision:</i> One HQ-led mission with one expert to assess needs and lay out the work program, and one STX visit for TA on banking supervision and regulation.	The PFM regional advisor provided recommendations on accounting reform and consolidated GFSM 2001-based fiscal reporting. The authorities are making steady progress in PFM reform and have resumed publishing the approved and executed budget, although this is in the old format (in which it is still presented to parliament) and not yet in the <i>GFSM 2001</i> format (in which it is prepared, executed and reported internally). Commentaries on the draft Budget Code are being prepared so that the code can be submitted to the government. The tender for procurement of software for the treasury's IT system is in progress; the system is required for implementation of the unified COA; incorporation of revenues within the TSA system, and comprehensive cash planning and management. <i>Bank supervision:</i> A mission in October 2012 reviewed off- and on-site processes, provided training, and left a list of recommendations. Follow-up missions in February and April 2013 reviewed progress and provided support on implementation.

ENHANCING FISCAL MANAGEMENT: STRENGTHENING TREASURY MANAGEMENT, FISCAL REPORTING, AND TAX AUDITING (JPN105)

This three-year program (FY10–12) provided TA in the areas of tax administration and PFM to four South American countries (Bolivia, Colombia, Paraguay, and Peru) so that they can continue and consolidate their efforts to build institutions and frameworks for medium-term strategic and policy-oriented revenue administration and budget management. The program addresses compliance management and weaknesses in the treasury function by improving cash and debt management and information management systems (IFMIS). Since many countries in Latin America have similar PFM difficulties, a regional component facilitated exchange of experiences.

The program finances STX visits, HQ-led visits, and seminars to provide assistance to Bolivia, Colombia, Paraguay, and Peru. For some countries, the program also involves scoping missions to identify specific medium-term TA needs.

Program Budget for FY10 through FY12	\$1,341,641
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Bolivia Revenue Administration	Improve tax compliance, combat tax evasion, strengthen institutional capacity, and enhance the audit function and customs control.	A three-day workshop and two sTX visits.	The three-day workshop on strategic management issues trained 23 local SET staff members. The two STX visits, in October and March, supported development of risk-based assessment methods in customs.
Colombia Revenue Administration	Improve the process of integration of the statistics and public credit departments.	STX visits, two on department integration procedures, and two HQ TA missions.	No activities took place in FY2013.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Paraguay Public Financial Management Revenue Administration	Enhance cash and debt management capacity, and modernize the tax and customs administration.	In the PFM area, two STX visits to assist the authorities in developing a public investment system and to implement previous recommendations on debt and cash management. One HQ-led mission to prepare a reform action plan on debt and public investment management for consideration by the incoming administration.	The HQ mission on debt and public investment management took place in March 2013. The two STX missions, also in March 2013, advised on controlling and monitoring implementation of public investments and on debt management.
Peru Public Financial Management	Assist the authorities as they implement the IFMIS, and strengthen audit operations and debt collection.	One STX visit to support modernization of treasury management following a business continuity planning program. An HQ TA mission scheduled for January 2014.	The STX mission in April dealt with improving treasury management, and drawing up a risk assessment strategy and business continuity plan. The expert also advised on business continuity planning during the regional workshop (see below).
Regional	Provide guidance and a peer learning forum to Latin American treasurers through the regional forum of Latin American treasuries (<i>Foro de Tesorerías Gubernamentales de América Latina</i> , FOTEGAL).	One regional seminar to provide guidance and offer a peer-learning forum.	The third FOTEGAL meeting took place in August 2012 in Colombia with treasurers from 12 countries participating. The IMF provided presentations on coordination between treasuries and central banks, best practices in operational risk management and business continuity plans for government treasuries. Other issues discussed were the cost of treasury services, legal frameworks and specific laws that support main treasury operations, and TSA management. All participants presented their country's experiences and discussed further development of their treasury systems.

ASIA-PACIFIC REGION: STRENGTHENING MACROECONOMIC MANAGEMENT (JPN201)

This three-year program (FY10–12) provided training to strengthen macroeconomic management by improving the ability of officials to analyze economic conditions, diagnose problems, and design and implement appropriate policies. The training, delivered through the IMF-Singapore Regional Training Institute (STI), included courses on macroeconomic analysis and policy, money and financial markets, the external sector, the fiscal sector, and anti-money-laundering and combating the financing of terrorism.

The program covered the costs for LTXs, STX visits, HQ-led visits, the IMF share of participant costs, interpretation and translation, and course preparation and staff delivery time.

Program Budget for FY10 through FY12	\$6,085,097
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
<p>Asia-Pacific - multiple countries</p> <p>Macro-economic Management and Training</p>	<p>Strengthen the ability of Asian officials to analyze economic conditions and design and implement macroeconomic policies.</p>	<p>None.</p>	<p>In the end-of-course evaluations, the average score for courses was 4.6 on a scale of 1–5 on questions pertaining to the value of the course. These questions addressed satisfaction with the course, whether participants could use the knowledge gained in their jobs, and whether they would recommend the course to others.</p> <p>Follow-up surveys of both participants and the managers who had sponsored them were conducted in late 2011, more than a year after the STI course on Economic Policies for Financial Stability in August 2010. All respondents agreed that the course has helped participants do their jobs better, strengthened their analysis of economic developments and preparation of forecasts, and increased participants' ability to provide policy advice; they also all agreed that participants have shared what they learned with their colleagues. Almost all respondents indicated that the course has given participants opportunities to advance in their careers and that they have been given added responsibilities.</p> <p>The most recent triennial survey in early 2012, which covered all ICD training, indicated that 98 percent of agencies in the Asia-Pacific region were satisfied with the ICD training program (77 percent were very satisfied). Both ratings were the highest yet in IMF Institute/ICD surveys, which have been conducted since 1995. A large majority of agencies report that their staff values IMF Institute training more than training by other providers on similar topics (92%). A large majority of agencies report that ICD training has helped participants do their jobs better (97%) and such training has facilitated their collaboration with the IMF (89%).</p> <p>At the recent Training Directors meeting in the Asia-Pacific region, in January 2013, country officials expressed a high level of satisfaction with the training ICD/STI currently offers and there are no apparent gaps in the curriculum, although demand is greatest for macro-financial topics and shorter courses. ICD has been updating its curriculum to include more content on the macro-financial linkages.</p>

**ECONOMIC AND MONETARY COMMUNITY OF CENTRAL AFRICAN STATES (CEMAC):
STRENGTHENING REGIONAL FINANCIAL AGENCIES (JPN401)**

This three-year program (FY10–12) provided TA to improve regional financial stability, integration, and intermediation and help increase economic activity and reduce poverty. The program aims to (i) support policies and mechanisms to better manage the regional monetary union; and (ii) strengthen regional financial supervision and oversight.

The program financed STX visits, an HQ-led visit, seminars, a regional advisor posted at the *Banque des Etats l'Afrique Centrale* (BEAC) in Cameroon, and a general advisor assigned to the General Secretariat of the Central African Banking Commission (COBAC) to provide assistance to Cameroon, the Central African Republic, Chad, the Republic of Congo, Equatorial Guinea, and Gabon.

Program Budget for FY10 through FY12	\$3,260,612
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Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
BEAC Public Debt Management Banking Supervision	Help BEAC to: i. establish an effective infrastructure for the regional government securities market; ii. strengthen its research capacity to support well-informed policy decisions; and iii. address profound shortcomings in its governance, especially accounting and internal audit operations, by concentrating on TA in management and operations areas.	i. MCM-led multi-topic advisory mission on monetary policy design and implementation, accounting and bank vulnerability assessment. ii. MCM-led advisory mission in central bank operations and governance and financial stability analysis. iii. One LTX resident advisor to the Governor of BEAC on corporate governance (May 2012–April 2013). iv. Four STX missions on central bank accounting. v. Two STX missions on monetary operations and liquidity management.	The mission planned for FY2013 was postponed to FY2014, taking into account the progress in implementing the recommendations of the March 2012 multi-topic mission. The resident advisor to the Governor, Mr. Casier, has continued to engage with BEAC senior management, the Audit Committee and the External Auditors in enhancing BEAC governance, participating in weekly BEAC Managing Board meetings and advising on major decisions related to implementation of Reform and Modernization Plan Horizon 2013 (PRM H2013). His other main activities have been dedicated to help upgrading the accounting system—the first priority of the PRM H2013. He also participated in the Human Resource Master Plan project and helped strengthen the processing of the international payments.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
		<ul style="list-style-type: none"> vi. One LTX resident advisor to the Governor of BEAC on monetary policy design and implementation (October 2012–September 2013). vii. LTX travel within the region. viii. Regional seminars/workshop. 	<p>Mr. Casier completed his second term in May 2013 and will not continue his assignment for the third year as planned. MCM accepted the authorities' request that Mr. Casier continue his assistance through short-term visits so as to maintain continued and consistent advice on BEAC governance and accounting modernization. A mission was organized for March/April 2012. The upgrading of the central bank accounting system has benefited from the continued assistance of Mr. Casier, but the mission was postponed, awaiting the arrival of the resident advisor on monetary policy and operations, who is expected to assume his position in mid-2013. He will assist the authorities to define the complementary TA needed from short-term expert missions. The appointment was delayed due to a rigorous selection process to identify a qualified expert in this area. Finally, a senior IMF staff member was selected as the best of 17 applicants. He is expected to take leave from the IMF to assume his appointment.</p> <p>In FY 2013, Mr. Casier visited the BEAC National Direction of Gabon to discuss clearing significant VAT-related suspense accounts.</p> <p>An MCM staff member presented at the BEAC seminar on Sovereign Wealth Funds.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
COBAC Banking Supervision	<p>Help COBAC, in accordance with the recommendations of the 2006 regional CEMAC FSAP, to</p> <ul style="list-style-type: none"> i. strengthen off-site analysis capacity and the banking regulatory framework; and ii. strengthen capacity for conducting on-site supervision. 	<ul style="list-style-type: none"> i. One resident LTX for bank supervision and regulation. ii. One STX mission on onsite supervision. iii. Two STX missions on offsite supervision. iv. One STX mission on financial stability. 	<p>The resident advisor has assisted the COBAC Secretary General in such decisions on banking supervisory issues as preparation of staffing reinforcement, revision of the regulation on bank loan reclassification (assisted by AFRITAC Central), enhancing the conduct and reporting of on-site bank examination, and preparing to revise procedures for supervision of MFIs.</p> <p>The missions were postponed due to slow progress in TA implementation as the result of ongoing organizational changes.</p> <p>The mission was postponed awaiting a clear determination of need due to slow progress in implementing previous recommendations as the result of the complex COBAC structure and the shortage of staffing.</p>

ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN): ENHANCING REGIONAL STABILITY THROUGH IMPROVED SUPERVISION (JPN402)

The three-year program (FY10–12) provided TA to enhance financial stability within four ASEAN member countries by (i) encouraging convergence and harmonization of supervisory practices consistent with international standards; and (ii) leveling the competitive playing field by strengthening the basis for expanding financial intermediation and for enhancing regional financial integration.

The program has financed STX visits, an HQ-led visit, seminars, and regional advisors posted in Cambodia, Indonesia, Philippines, and Vietnam to provide assistance.

Program Budget for FY10 through FY12	\$4,632,980
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Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Cambodia Banking Supervision	Assist the National Bank of Cambodia (NBC) with (i) improving the supervisor's capacity to monitor banking sector risks and developments; (ii) enhancing bank supervision and regulation by strengthening off-site analysis and prudential standards through a risk-based approach; (iii) providing advice on supervisory policy issues, generally, including resolution of troubled banks; and (iv) organizing training for staff involved in bank supervision and financial stability work.	Enhance capacity for off-site supervision, analysis, and banking regulation. Organize the training program for staff involved in bank supervision and financial stability work. Continue work on formulating prudential standards and the accounting framework applicable to securities activities. With the banking sector expanding, help the NBC to enhance its regulatory reach and supervisory capability, Tighten up rules and regulations. Provide assistance to finalize a Memorandum of Understanding (MoU) with the Ministry of Economy and Finance and the Securities and Exchange Commission of Cambodia to achieve regulatory convergence and heighten supervisory cooperation.	With the ongoing support of the LTX major achievements at the NBC during the reporting period include i. a comprehensive training program put in place for building the capacity of the Banking Supervision Department (BSD) staff for off-site analysis and banking regulation; ii. prudential standards and the accounting framework for securities activities drafted; iii. a stronger legal and regulatory framework for banking supervision (two notes already issued, others drafted and under discussion); iv. banking supervision work reorganized to reinforce the decision-making process, and the forward-looking and risk-based approach and regulatory and prudential treatment of cash settlement and clearing banks upgraded; v. regulation on reserve requirements enhanced, given major credit expansion; vi. several MoUs signed with foreign regulatory and supervisory authorities to enhance cooperation on cross-border supervision issues; and vii. steps taken to finalize the draft MoUs among the regulators and the MEF on consolidated supervision and the crisis management framework.

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Indonesia Banking Supervision	Assist the Bank Indonesia (BI) with (i) strengthening regulatory and supervisory policies to support risk-based supervision; (ii) enhancing the supervisor's capacity to monitor banking developments and facilitate risk-based supervision; and (iii) designing a crisis resolution framework for the banking system.	Identify legal, regulatory, and supervisory gaps in dealing with problem bank resolution, including crisis management and financial safety net frameworks. Provide capacity building to review the appropriateness of examination manuals, methodologies, and rating definitions that underpin the new bank rating system. Provide support to identify and manage system-wide risks and to assess the micro and macro prudential implications of BI's adoption of IFRS.	Continuous assessment of risk identification and follow-up in banks, including independent review and advice on specific problem banks. Training provided on practical implementation of a risk-based framework. Advice and practical insight provided on Basel II and III drafting and application. Support for BI efforts for regional ASEAN Bank Integration Framework (ABIF) ahead of the planned AEC in 2015 and designation of accredited banks. Regular identification of issues that can affect the banking system and preparation of informative material and possible actions. Such material was presented to senior management and the Deputy Governor on such topics as: FATCA, best practice report on bank ownership and control rules, senior management training and development, and overall supervisory training and development programs. Assistance provided on finalization of a national financial stability and CMP framework. The draft act is being discussed between the MOF, BI and Parliament. Draft revisions to the BI and Banking Acts were assessed. Advice and detailed plans-of-action provided on the planned transfer of banking supervision to the financial services authority (OJK) in January 2014. The advisor also provided close assistance and advice concerning the reorganization of BI.

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
			<p>Guidance and practical examples were provided concerning macroprudential supervision and financial stability needs, which will be the main roles for BI after bank supervision is transferred.</p> <p>In response to a proposal for assistance in dealing with problem banks, BI management did not commit due to the lack of concern about the area and vast priorities elsewhere, such as formation of the OJK, implementation of Basel II, internal reorganization, and implementation of risk-based supervision.</p> <p>There is a need to ensure that BI's proposed new macroprudential framework is blended with a national framework and there is cross-agency cooperation.</p>

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Philippines Banking Supervision	Assist the <i>Bangko Sentral ng Pilipinas</i> (BSP) with (i) enhancing risk-based banking supervision; (ii) strengthening enforcement of prudential regulations to ensure consistency in the conduct of both examinations and supervisory enforcement; and (iii) improving BSP capacity to identify and resolve problem banks.	Support the BSP through STX visits by three experts on i. strengthening implementation of risk-based supervision; ii. enhancing supervisory capacity; iii. disseminating guidance to all technical supervisory staff; iv. strengthening analytical review of banks risk profiles and implementing an early warning system v. identifying and treating unsafe and unsound practices in Reports of Examination (ROE) vi. providing guidance on on-site examination of data integrity and appropriate supervision; vii. enforcing data quality standards; viii. consolidating and reinforcing progress in dealing with weak banks; and ix. building capacity to identify and address problems before banks deteriorate to PCA status.	<p>Experts worked on strengthening risk-based supervision by providing continuing advice on better integration of on-site examination and off-site monitoring through intensive reviews of the supervisory cycle, i.e., from developing institutional knowledge through scoping an on-site examination (Scope Memorandum) through to the final ROE.</p> <p>Experts built supervisory capacity through supporting the supervisory core training initiative. In addition to outlining and vetting course content, experts guided course committees to design and deliver quality, experiential classroom learning. They also focused on building sustainable capacity within BSP to maintain, strengthen, and update course content.</p> <p>Dissemination of supervision techniques and practices was a core part of multiple missions; risk forums were presented over the past fiscal year as part of a regular monthly series which began in March 2011.</p> <p>Experts continued to work on bank risk profiles and the importance of data quality. Reviews of reports such as ROEs have been a core component of the TA program. Also, core courses emphasized bank risk profiles.</p> <p>Experts provided guidance on issuance of Cease & Desist Orders and treatment of unsafe and unsound practices in ROEs. One noteworthy achievement is that it now takes much less time to complete profiling now that CPCs are more active in ensuring data quality and integrity. As SES considered formal guidelines for data quality, in February 2013 experts reviewed drafts and provided oral and written comments to the working group.</p> <p>They also provided guidance on on-site examination of data quality, treatment in ROEs, and enforcement of data quality standards.</p>

Annex 2A

Beneficiary/ Subject Area	Objectives	FY2013 Work Plan	Activities/Outcomes
Vietnam Banking Supervision	Assist with strengthening bank supervision by the State Bank of Vietnam (SBV) by (i) identifying and addressing shortcomings in supervisory and regulatory areas, including the organizational structure and supervisory practices and tools; (ii) developing the capacity of the supervisory staff to conduct risk-based supervision; and (iii) coordinating as needed additional TA from the IMF and other providers.	<p>The absence of clear support for the resident advisor from SBV—in addition to the number of other TA providers and the limited absorption capacity of the SBV Banking Supervisory Agency—compromised the TA that could be provided. When the resident advisor’s term ended in January 2012, he was not replaced.</p> <p>1 STX mission was planned to help with bank evaluation.</p>	<p>The authorities have not requested the STX TA because they were preparing for the FSAP. Moreover, legal constraints did not allow for TA providers to join on-site evaluations.</p> <p>However, a mission on FSIs consisted of a seminar and a workshop, with good attendance but limited success, in that because of legal considerations, the authorities did not provide real data that would have helped to tailor the events more effectively to their needs.</p>

JSA TA Projects (Completed Projects)*

JSA #	Beneficiary	Commitment (\$)
3073	African Countries	119,600
1744	Burundi	285,804
3088	Liberia	31,057
1732	Madagascar	119,600
2738	Madagascar	119,600
1757	Rwanda	280,788
3075	South Africa	179,400
4349	Southern African Development Community	50,000
4346	West African Countries	50,000
2768	Uganda	93,171
4331	Bangladesh, Nepal	279,513
2724	People's Republic of China	179,400
1750, 2716	Philippines	405,404
1740	Thailand	62,114
1742	European Countries	50,000
2754	Albania	75,274
2747	Moldova	119,600
4298	Middle East and Central Asia	286,000
4342	Islamic Republic of Afghanistan	120,000
4316	Central American Monetary Council	59,900

*Projects 4347 for Islamic Republic of Afghanistan, 1745 and 2756 for Madagascar, 1760 for Moldova, and 1737 for the Philippines have been canceled.

JSA Technical Assistance Projects

Projects Completed in FY13 – Assessments (21)

AFRICA REGION

Beneficiary/ Commitment	Description	Project Outcomes
<p>Africa – multiple countries (3073)</p> <p>\$119,600</p>	<p>This project involved the provision of legal assistance to Rwanda (on payment systems legislation), Lesotho (on central banking legislation), Guinea (on central banking legislation, and Seychelles (on tax legislation) via short-term expert missions to each of these countries.</p>	<p>Rwanda enacted a Payment Systems Law in 2010. Guinea enacted a new charter of the Central Bank in 2009. Seychelles enacted a Revenue Administration Act and a Business Tax Act in 2010.</p>
<p>Burundi (1744)</p> <p>\$285,804</p>	<p>The intent originally was to provide a general advisor to assist the Bank of the Republic of Burundi (BRB) in (i) modernizing its organizational structure and work practices as to bring them into line with best practices and thereby improve decision-making and communication; (ii) implementing action plans drawn up with MCM and other providers by building up operational capacity in key central banking areas; and (iii) coordinating effectively the TA provided by MCM and other donors.</p>	<p>During the term of his assignment, the resident advisor</p> <ol style="list-style-type: none"> i. effectively assisted in the reorganization of and recruiting for the banking supervision department; ii. contributed crucially to revisions and further elaboration of the Banking Law; iii. participated very effectively in MCM multi-topic TA missions; iv. coordinated smoothly the provision of TA from AFRITAC Central (AFC), in close collaboration with Mr. Lahrache (long-term advisor in AFC); v. produced very useful BRB internal Notes on subjects related to bank supervision; vi. organized and participated in training of BRB staff; and vii. coordinated effectively with other donors providing TA in areas relevant to bank supervision (e.g., with the World Bank on TA for payments systems).

Beneficiary/ Commitment	Description	Project Outcomes
Liberia (3088) \$31,057	The project involved preparing amendments to the tax code to implement a number of tax policy decisions of the government, including rationalization of tax incentives, modernization of the taxation of agriculture and natural resources, effectively taxing small businesses, broadening the inclusion of fringe benefits in the tax net, and making technical amendments needed for a better functioning of the tax system.	The amendments to the Tax Code were enacted in September 2009. This project was part of a larger effort to provide assistance to the government to improve its tax legislation, which spanned several years, and which resulted in a number of legislative amendments.
Madagascar (1732) \$119,600	The project supported the <i>Banque Centrale du Madagascar</i> (BCM) in building capacity for internal audit through short-term visit from HQ and by an expert. However, due to the difficult political environment and security concerns after the 2009 coup, full delivery of the TA was not feasible. The STX carried out one mission in August-September 2008.	The STX worked with the BCM Internal Audit Department on i. assessing its operational and technical capacity; ii. drawing up a medium-term plan of action for implementing risk-based internal audits; and iii. formulating a multiyear, time-bound training program for staff. The prospect of TA provision in the near future is unlikely due to the uncertain political situation.
Madagascar (2738) \$119,600	The authorities had developed comprehensive customs and tax administration reform programs (with technical assistance from FAD and the World Customs Organization) to strengthen revenue collection, facilitate trade, and modernize the structures and procedures of the customs and tax departments. Project assistance was designed to help the customs and tax departments implement critical initiatives of the reform programs.	Customs directors and their management teams were trained on the planning process, use of planning and monitoring documents and templates, and the components of the templates (for example, how to set SMART objectives and define meaningful results). Amendments to customs procedures were drafted. Medium Taxpayers' offices were established in Antananarivo and Toamassina.

Beneficiary/ Commitment	Description	Project Outcomes
Rwanda (1757) \$135,148	<p>The project provided a resident advisor to assist the <i>Banque Nationale du Rwanda</i> (BNR) to enhance its capacity to supervise the financial sector, particularly in-house capacity for regulation and oversight of pension funds.</p>	<p>With the assistance of the resident advisor, the BNR completed the following:</p> <ol style="list-style-type: none"> i. Developed the regulatory and oversight framework and drafted regulations consistent with the draft pension law. ii. Developed operational manuals and guidelines covering <ol style="list-style-type: none"> a. registration and licensing of players in the pension sector; and b. risk-based supervision [<i>monitoring, analysis, off-site and on-site inspection processes, supervisory stance and enforcement</i>]. iii. Designed an organizational structure for the pension division, set recommended human resource needs, and wrote broad job descriptions for the technical staff. iv. Developed a strategy for operationalization the law and identified prioritized actions to begin supervising the pension sector. v. Trained staff and industry players on the expected new regulatory and supervisory framework. vi. Drew up a plan to implement the supervisory process in the new Financial Stability Directorate (FSD), after promulgation of the legal framework.
South Africa (3075) \$179,400	<p>The project involved the provision of assistance to the South African Treasury and the South African Revenue Service on reform of the tax legislation, in particular the income tax law and legislation on tax administration.</p>	<p>A new Tax Administration Act was enacted in 2011. This Act resulted in a simplification of the tax laws (particular the Income Tax Act), and in providing a more transparent and user-friendly legal basis for the South African Revenue Service to administer the tax laws. It also provided for greater uniformity of procedural rules across the different taxes.</p>

Beneficiary/ Commitment	Description	Project Outcomes
Southern African Development Community (4349)	This project consisted of a workshop in Monetary and Financial Sector Statistics Harmonization for Southern African Development Community (SADC) countries.	The main accomplishments of the workshop were (i) presentations on progress made with preparations for the SADC Monetary Union; (ii) harmonization of the tools for monetary data and statistical requirements for monetary unions; and (iii) a draft action plan for harmonizing SADC member monetary and financial statistics.
\$50,000	The workshop took place November 27–29, 2012, in Cape Town. The main objectives were to (i) determine progress to date in achieving the objectives of the monetary statistics module of previous phases of the DFID/EDDI project in SADC member states; (ii) identify gaps and areas for harmonization of monetary data in SADC member states; (iii) discuss future technical needs and specific data issues related to harmonization of monetary and financial statistics in the proposed SADC Monetary Union; and (iv) prepare an action plan for harmonizing monetary and financial statistics in the SADC member states.	

Beneficiary/ Commitment	Description	Project Outcomes
West African Countries (4346) \$50,000	<p>The project consisted of a regional workshop in Banjul (The Gambia) on international investment position (IIP) and external debt statistics. Presented in collaboration with the West African Institute for Financial and Economic Management (WAIFEM). Countries participating were The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. The workshop built on balance of payments training courses conducted in 2004 and 2006 and on the workshop conducted in 2007 but also addressed methodological changes brought about by the new <i>Balance of Payments and International Investment Position Manual (BPM6)</i>.</p> <p>The primary focus of the workshop was on the development and improvement of IIP statistics. A secondary objective was improvement in external debt statistics, based on the methodology developed in: <i>External Debt Statistics: Guide for Compilers and Users</i>.</p>	<p>The workshop went ahead as planned. Participants showed keen interest in the lectures as evidenced by the vivid discussions that followed presentations. The hands-on sessions on IIP were also greatly appreciated as an opportunity to exchange concrete experience on how best to compile data based on existing data sources.</p> <p>For Nigeria and Sierra Leone, the hands-on training sessions helped identify additional data sources to be exploited to improve coverage of the current IIP data.</p> <p>At the end of the workshop The Gambia provided preliminary IIP data for STA review and comments. Training sessions with Nigeria and Sierra Leone helped identify additional data sources to be exploited to improve the coverage of the current IIP data.</p> <p>Training was provided on methodology and compilation practices for external debt statistics, with emphasis on the need for external debt data to be consistent with statistical data sets (in particular IIP, government finance statistics, monetary statistics). Inter-institutional cooperation was identified as critical for improving data quality, especially coverage and consistency. The Gambia and Liberia were encouraged to report external debt data to the QEDS database. The mission is hopeful that they will soon start reporting.</p> <p>Following the workshop, discussions with WAIFEM on future cooperation concluded that a one-week course on Remittances would be organized by WAIFEM.</p>

Beneficiary/ Commitment	Description	Project Outcomes
Uganda (2768) \$93,171	<p>The intent of the project was to assist the Uganda Revenue Authority (URA) in implementing such critical revenue administration reforms as (i) creation of a medium taxpayer office (MTO) to more effectively administer the source of approximately 20 percent of domestic tax collections; (ii) completion of the long-awaited Tax Procedure Code that is needed, inter alia, to strengthen domestic tax integration, streamline VAT management and small taxpayer administration, and incorporate provisions for resource tax administration; (iii) strengthening tax audit capacity for complex large taxpayer cases—particularly on transfer pricing and the telecommunications sector; and (iv) refocusing the customs administration post-clearance audit function. The project therefore planned for three peripatetic TA assignments geared to (i) provide guidance on effective medium taxpayer management; (ii) reviewing the draft procedure code and aligning it with new systems and procedures, particularly for taxation of oil and other natural resources; and (iii) strengthening audit management and quality of domestic taxpayer and import trade audits.</p>	<p>Project activities were delivered satisfactorily with minor adjustments to reflect the current status of reforms and their requirements. The following TA activities were delivered:</p> <p>One STX provided guidance, training, documentation and reference material in transfer pricing.</p> <p>One STX assisted in strengthening compliance management, with recommendations for identifying and assessing revenue risk, prioritizing resources for core tax operations, and developing and implementing compliance measures to address risks in defined taxpayer segments (large and medium taxpayers and importers and high wealth individuals).</p> <p>One STX helped the LTO to develop a targeted and risk-based approach to addressing taxpayer compliance issues in the financial services sector.</p>

ASIA PACIFIC REGION

Beneficiary/ Commitment	Description	Project Outcomes
Bangladesh, Nepal (4331) \$279,513	<p>The objective of this project was for IMF Statistics Department (STA) to provide TA on national accounts and (CPI) methodology to Bangladesh and on QNA to Nepal.</p> <p>Delivery consisted of a series of five peripatetic missions and two CPI missions to Bangladesh, and two peripatetic missions to Nepal. The project took two years, from July 2009 to June 2012.</p>	<p>Bangladesh:</p> <p><i>National accounts:</i> The exercise to update the GDP base year from 1995/96 to 2005/06 was completed using all current and newly available survey data on industries and the informal economy. The GDP estimates are now in line with the <i>1993 System of National Accounts (1993 SNA)</i>.</p> <p><i>The CPI</i> Work continues on updating weights using data from the 2005–2006 Household Budget Survey; Bangladesh plans to have an updated CPI by October 2013. Compilation of national accounts data using internationally accepted practices will require the Bangladesh Bureau of Statistics (BBS) to survey annually nonfarm enterprises, with priority given to retail and wholesale trade, hotels, and restaurants. This will improve the quality of the data available for the next revision of the GDP base year to 2010/11. To support continued improvements in national accounts, the BBS also needs to increase the number of national accounts staff. Further TA is also needed.</p> <p>Nepal:</p> <p><i>Quarterly national accounts:</i> Preliminary back estimates covering 28 quarters (2004/2005 to 2010/2011) were published on the CBS website in July 2012. The series are compiled for the production side, and at constant price gross value added (GVA). Compilation of current price QNA and seasonally adjusted data continues. The Nepalese Bureau of Statistics needs (i) to continue to establish indicators for forward estimates—as far as possible these estimates should also be used for deriving the backward series to obtain temporally consistent series; (ii) make sure that the benchmark-to-indicators ratios are fairly constant over time before an indicator is accepted; (iii) for economic activities that are most likely to be affected by the business cycle, it is essential to have quality indicators and avoid trend extrapolations; (iv) adjust the series seasonally; and (v) run tests on the complete system for a number of forward quarters before starting to release official figures.</p>

Beneficiary/ Commitment	Description	Project Outcomes
<p>People's Republic of China (2724)</p> <p>\$179,400</p>	<p>Six peripatetic expert visits supported China's program to modernize the State Administration of Taxation (SAT); these created synergies with IMF-financed TA missions in four areas: (i) development of a medium- to long-term strategic plan for delivering taxpayer services; (ii) improvement of business planning and individual performance methods; (iii) advice on project governance, enterprise architectural design and project management for Golden Tax Project 3 (GTP3); and (iv) development of a compliance strategy for large taxpayers.</p>	<p>In the face of shifting priorities, the SAT made good progress in the first three areas and the focus of five of the six peripatetic expert visits was on the fourth area, large taxpayer administration. The SAT's decision during the project to develop a national strategic planning process rather than modify its existing business planning and personnel performance system temporarily narrowed the project's scope. One expert visit was focused on assessment of the proposed arrangements for GTP3, a large IT modernization initiative. The start date of GTP3 was later delayed and the SAT relied on partnering with a large IT consulting firm for further TA. Overall, the SAT has made considerable progress in developing its strategic planning capability, strengthening its commitment to improving taxpayer service offerings, and implementing a large IT modernization program. Most recently, the SAT has made great strides in strengthening the administration of large taxpayers in line with the FAD recommendations.</p>

Beneficiary/ Commitment	Description	Project Outcomes
Philippines (1750, 2716) \$405,404	<p data-bbox="391 579 704 1115">Four one-month expert visits were focused on three areas: cash forecasting, government banking arrangements, and managing cash balances. Two expert visits were delivered in each of 2009 and 2011. No work was done in 2010, the general election year. The two initial visits took stock of progress since a 2008 FAD mission, identified next steps, and set targets in the three areas. The other two visits focused on improving cash flow forecasting and further developing the TSA.</p> <p data-bbox="391 1150 704 1562">The goal of this project was to make internal processing of banking supervision activities at <i>Bangko Sentral ng Pilipinas</i> (BSP) more efficient and sought to promote sustained development of BSP bank supervision functions by coordinating and completing the necessary policies, reforms, and infrastructure changes to secure comprehensive and uniform adoption of standards.</p> <p data-bbox="391 1598 704 1976">From May 2009 to May 2010, a resident advisor in bank supervision assisted the BSP Supervision and Examination Sector with implementation of risk-based supervision. The objective was to consolidate previous TA on risk-based banking supervision and continue strengthening and institutionalizing new supervisory processes.</p>	<p data-bbox="740 579 1451 957">The complexity of the government structures and the uncertainties associated with the 2010 general election slowed the progress of the project but it nevertheless successfully prepared ground for more specific future reforms. A road map was prepared, at the request of the Secretary of Finance, for TSA implementation and reduction in agency cash holdings and collection lags. Authorities were presented with a number of analytical documents on the pros and cons of different options. These generated greater awareness of the needs and a political will to reform. A wide range of officials now have a better understanding of the nature, significance, and challenges of the TSA and related issues that need to be addressed when it is designed.</p> <p data-bbox="740 993 1451 1245">The project was put on hold to better plan a new strategy to address the specific BSP requests related to internal compliance through institutionalization and standardization of risk-focused examination procedures across its operating divisions. After the new strategy was developed, certain aspects of the project's scope, such as strengthening banking supervision, were later implemented as part of another TA project, also funded by JSA. Therefore, this project as originally envisioned was cancelled.</p> <p data-bbox="740 1281 1451 1507">Meanwhile, however, through the project risk-based supervision was enhanced by</p> <ul style="list-style-type: none"> <li data-bbox="740 1350 1133 1377">i. adoption of a report review policy; <li data-bbox="740 1381 1419 1409">ii. training in effective supervisory writing and communication; <li data-bbox="740 1413 1435 1472">iii. advising on changes to on- and off-site supervisory approaches; and <li data-bbox="740 1476 1295 1503">iv. assistance with structuring training for new hires. <p data-bbox="740 1539 1451 1598">The TA was later continued under a programmatic ASEAN bank supervision project also funded by Japan.</p>

Beneficiary/ Commitment	Description	Project Outcomes
Thailand (1740) \$62,114	The objective of this project was to enable the Bank of Thailand (BOT) to effectively implement Pillar 2 of Basel II in accordance with best practices.	The project objective was satisfactorily achieved; the BOT adopted guidelines for evaluation of the ICAAP BOT in September 2009. A follow-up mission held an onsite workshop to train BOT staff on ICAAP implementation.

EUROPEAN REGION

Beneficiary/ Commitment	Description	Project Outcomes
Europe – multiple countries (1742) \$50,000	The project was designed to provide TA to countries in central, eastern, and south-eastern Europe establishing contingency planning frameworks. It was considered beneficial to organize a regional workshop on contingency planning and war games to (i) discuss the elements of a comprehensive contingency planning framework; (ii) elaborate on conceptual and practical difficulties in establishing and implementing such frameworks; (iii) discuss how to organize and carry out crisis simulations or war games in a regional context; and (iv) create a platform for national supervisory and monetary authorities and experts to exchange views and share experiences. The core audience was officials from emerging market economies in the region.	The project could not be executed as expected due to the unexpectedly pressing demands on national officials and IMF staff caused by the financial crisis and more recently the sovereign debt crisis. Consequently, authorities' requests for TA from MCM have shifted to actual crisis management rather than crisis simulation and preparation. The World Bank has partly filled the gap by taking a more active role in crisis simulation exercises.

Beneficiary/ Commitment	Description	Project Outcomes
Albania (2754) \$75,274	This project financed two STX assignments of three weeks each to provide guidance to the General Directorate for Taxation (GDT) on a key component of its IT reform: drafting an IT strategy. It was foreseen that the strategy would articulate the vision of the agency's future state in terms of both technology and business requirements.	<p>It was evident that the IT reform would be long-term, lasting at least three to five years and potentially costing millions of dollars. The reform would include (i) development of a comprehensive IT strategy to define the exact requirements for a new system; (ii) redesign of business processes to match good tax administration practices and features of modern IT systems; (iii) possible fine tuning of headquarters organization and streamlining of field offices; (iv) procurement, installation, and continuous management of software and hardware; and (v) a comprehensive training program for GDT staff and taxpayers. The initiative would require significant donor support and TA to implement.</p> <p>This project was established to provide guidance on drafting a traditional IT strategy, which would have five component steps: (i) ascertain and articulate the high-level view of what drives the business of tax administration and the broader context; (ii) document and evaluate the state of the current IT environment; (iii) research, develop, and articulate the desired future IT environmental state; (iv) analyze the gap between the current and desired environmental states and draw up a plan to transition between the two; and (v) determine and institute the means to manage the changes and maintain them once implemented. Initially, the TA was provided on the assumption that the GDT would procure the services of a global IT firm to provide day-to-day help to draft such a strategy—a task that would usually take 12–18 months to complete. Despite several attempts, the authorities did not succeed in identifying funds for this work, which prevented the reform from moving forward.</p>

Beneficiary/ Commitment	Description	Project Outcomes
		<p>However, the project helped the authorities to find a shortcut to accelerate IT reform efforts, despite the initial lack of funds. To speed up the IT reform process, IMF experts advised the authorities not to develop a full-blown and very expensive and time-consuming IT strategy (as the project proposal envisaged), but to focus on the elements of a traditional IT strategy that are essential in the context of procuring a commercial-off-the-shelf (COTS) solution. This meant first defining the user requirements for a new system. Using COTS means accepting that only essential customization of software will take place; instead the tax administration will redesign business processes to match the capability of the modern IT system (“reverse reengineering”). This approach therefore significantly curtails the procurement and implementation timeframes and is likely to be less expensive. IMF experts further helped the tax authorities write the business case for attracting donor interest in financing the procurement of the new IT system and specify the main requirements for a new system. The TA also familiarized the tax agencies with methods for ensuring the involvement of the functional business owners in both the IT reform efforts and management of these large-scale projects. Expert assignments were all in the context of broader tax administration reforms that also addressed other strategic priorities in tax administration reform.</p>

Beneficiary/ Commitment	Description	Project Outcomes
Moldova (2747) \$119,600	<p>The objective was to assist the Moldova State Tax Inspectorate (STI) on a number of strategic aspects of reforming STI's IT system. While at the outset of this project, the STI had utilized IT effectively for more than a decade, the agency had reached a point where the IT systems needed a total overhaul because the technology platform (FoxPro) was outdated.</p> <p>The project funded two short-term peripatetic expert assignments to assist the STI develop the high-level strategies for an IT reform to increase the STI's chances to attract donor interest in investing in what would be a large scale IT replacement project. This project constituted an integrated component of a much wider TA program delivered by the IMF's Fiscal Affairs Department (FAD) to help strengthening the capacity of the STI across all major tax administration components.</p>	<p>The project initially provided detailed advice on developing a comprehensive IT strategic plan (ITSP). However, to speed the process as trends in the IT industry were changing, IMF experts advised the authorities to not develop a full-blown and very time-consuming ITSP (which usually takes 18–24 months) as originally foreseen for this project but to focus on elements of a traditional ITSP that are essential in the context of procuring a COTS solution, beginning with defining the user requirements to a new system.</p> <p>This project helped the tax authorities to develop the business case for attracting interest from the EU and the World Bank on financing the IT reform efforts. The STI was also familiarized with methods to ensure involvement of functional business owners in the IT reform efforts and in management of this large-scale project. The overriding IT strategies are expressed in the STI Strategic Plan for 2010–15. Building on this project's initial work, the EU project has supported the STI in completing the very detailed user requirements for the new system, which are “readymade” for a new WB project to procure software and hardware, and design the new business processes that are associated with obtaining a modern IT system.</p>

MIDDLE EAST AND CENTRAL ASIA REGION

Beneficiary/ Committed	Description	Project Outcomes
Middle East and Central Asia – Multiple Countries (4298)	<p>Targeted countries: Algeria, Djibouti, Mauritania, Morocco, and Tunisia.</p> <p>The TA project was expected to achieve the following results in participating countries: (i) improved monetary and finance statistics (MFS) data that are aligned as much as possible with the <i>Monetary and Financial Statistics Manual (MFSM)</i>; (ii) trained MFS compilers at the central banks; and (iii) completion of Standardized Report Forms (SRFs) for the central bank and other depository corporations and compilation of a depository corporations survey for use in policy making, publications and vulnerability analysis by both the participating countries and the IMF.</p>	<p>Migration to SRFs has been completed for Algeria and Morocco with regard to central bank, commercial banks, and money market funds (for Morocco; no money market funds in Algeria).</p> <p>Migration to SRFs is advanced for Mauritania, at a preliminary stage for Tunisia, and stalled for Djibouti.</p> <p>Algeria: TA missions were conducted by IMF STA staff.</p> <p>Migration is completed for central bank (1SR), other depository corporations—commercial banks—(2SR), and bank-like financial intermediaries—finance companies—(4SR). Data were produced submitted to the IMF, and published monthly since mid-2006. Money aggregates in 5SR include data from both depository corporation and deposits of money sectors with the postal administration and the Treasury. Financial corporations not yet covered are insurance corporations. STA provides regular TA (one mission in 2009 and one in 2012) to the Bank of Algeria to move this program forward.</p> <p>Djibouti: TA missions were conducted by experts M. Shaboyan in 2007 and M. Raymond in 2009. <i>Banque Central de Djibouti</i> lacks knowledgeable staff and shows little capacity to absorb technical information. The project is therefore stalled. Offers will be reiterated after migration to SRFs for Mauritania and Tunisia in completed.</p>
\$286,000		

Beneficiary/ Committed	Description	Project Outcomes
		<p>Mauritania: TA missions were conducted by STA staff in 2006, then by an expert from Algeria in 2008 and 2010. Migration has been done for the central bank (1SR) and other depository corporations—commercial banks—(2SR); data produced in these formats are submitted to the IMF on request. Form 5SR for money aggregates is not yet produced. Financial corporations not yet covered are other bank-like financial intermediaries—finance companies and microfinance—and insurance corporations (4SR). STA will provide TA as needed for completion of 1SR, 2SR, and 5SR based on the availability of the expert. The <i>Banque Centrale de Mauritanie</i> lacks knowledgeable staff and has little capacity for absorbing technical information.</p> <p>Morocco: TA missions were conducted by STA staff and an expert in 2008 and STA staff in 2010 and 2011.</p> <p>Migration has been completed for the central bank (1SR) and other depository corporations—commercial banks and money market funds— (2SR). Money aggregates in 5SR include data from both depository corporation and deposits with the postal administration and the Treasury. Data have been produced, submitted to the IMF, and published monthly since mid-2010. Financial corporations are yet not covered are finance and microfinance companies, investment funds other than money market funds, insurance corporations, and pension funds. Data for all the financial corporations and other than depository corporations will be recorded in form 4SR progressively.</p> <p>Tunisia: There has been no activity so far because the <i>Banque Centrale de Tunisie</i> (BCT) was not interested in benefiting from the project. Recently, BCT requested STA to provide TA to review some work undertaken on central bank data (1SR) and help move forward the migration to SRFs. At the request of BCT an STA staff member will conduct a TA mission to Tunis in February 2013.</p>

Beneficiary/ Committed	Description	Project Outcomes
Islamic Republic of Afghanistan (4342) \$120,000	The objective of this project was to provide TA to Da Afghanistan Bank (DAB) to strengthen the collection and compilation of monetary and financial statistics (MFS) and improve data quality and consistency.	<p>DAB regularly compiles and reports the Standardized Report Forms (SRFs) 1SR for the central bank and 2SR for other depository corporations (ODCs) to the IMF's Statistics Department (STA) for publication in the IMF's <i>International Financial Statistics (IFS)</i>.</p> <p>As result of the peripatetic Monetary and Financial Statistics missions; the source data for compiling SRFs have improved as more breakdowns by sector and by type of financial instrument has become available. Some accounts were reclassified after it was clarified that their status was in line with the IMF's <i>Monetary and Financial Statistics Manual (MFSM)</i>. The Integrated Monetary Database (IMD), which includes SRFs 1SR and 2SR; the surveys for DAB, ODCs, and depository corporations; and the analytical presentations of monetary data designed for the IMF Middle East and Central Asia Department (MCD) was established and is regularly shared with MCD. However, more work needs to be done to improve consistency in the reporting of interbank data and the consistency of MFS with related data in the external sector and government finance statistics.</p>

WESTERN HEMISPHERE REGION

Beneficiary/ Commitment	Description	Project Outcomes
Central American Monetary Council (4316) \$59,900	The objective of this project was to define a regional framework for global finance statistics (GFS) that is in accordance with international recommendations; assess current national practices (in a kick-off workshop); and adopt the regional framework using available subannual and annual source data.	<p>A workshop was held to launch the project to achieve regional harmonization of GFS among Central American countries, Panama, and the Dominican Republic (CAPTAC-DR). The objective included defining the project purpose in detail and identifying activities to be undertaken.</p> <p>At the workshop (i) compilers enhanced their understanding of the <i>Government Finance Statistics Manual (GFSM 2001)</i>; (ii) received assistance in recasting fiscal data from national presentations to the <i>GFSM 2001</i> framework; and (iii) initiated discussions for next steps in the project. A schedule for additional missions was agreed and the missions were delivered. They provided guidance on next steps to improve each country's data. The missions advised on compilation of data for general government and made suggestions on how to implement regular reporting for other levels of governments.</p>

Joint Japan-IMF Field Visits

Purpose

Joint Japan-IMF field visits give the Japanese authorities a firsthand view of how JSA funds are being used. The visits are designed to assess (1) how the local authorities value the work of JSA-funded experts; (2) whether the authorities are making effective use of the assistance; and (3) whether the TA is contributing to reform. Discussions also touch on topical issues related to TA policy and operations.

Format

A mission usually consists of two Japanese officials, representing the Ministry of Finance and the IMF Japanese Executive Director's Office, and an IMF staff member. The countries and projects the Japanese authorities select for review reflect different levels of economic development and structural reform and vary by region and subject area.

Once mission members are briefed, they visit the countries where TA is being provided, and when possible meet separately with senior representatives of the host institutions (usually the minister of finance, governor of the central bank, or chairman of the central statistical organization); the immediate counterparts to JSA-funded experts (usually department heads); and the experts themselves. In reviewing seminars or training courses, the mission meets with both participants and officials in charge of human resources development at the training institution. The team typically also meets with other donor partners to seek their views.

Findings

Since this practice was introduced in FY96 there have been 18 missions that have covered 23 countries, 2 regional training institutes, the Pacific Financial Technical Assistance Center, the East Africa Regional Technical Assistance Center, and the Middle East Technical Assistance Center. The missions all concurred that JSA funding is administered well and used effectively. In all the visits, local authorities were aware of, fully recognized the importance of, and expressed their appreciation for Japan's financial support for IMF TA. The positive firsthand view by the Japanese authorities has encouraged Japan's continued support, through JSA financing, for the IMF TA program. A list of all field visits through FY13 follows; there was no field visit in FY12. Reports on earlier field visits can be found in previous JSA Annual Reports.

Joint Field Visits, FY96–11¹

1. Fiji (Pacific Financial Technical Assistance Center) and Western Samoa, March 1996
2. Kazakhstan and the Kyrgyz Republic, June 1996
3. Zambia and Zimbabwe, December 1996
4. Russian Federation, July 1997
5. Bulgaria and Lithuania, June 1998
6. Indonesia, IMF-Singapore Regional Training Institute, and Thailand, June/July 1999
7. Belarus and Slovenia, June 2000
8. Azerbaijan and the Joint Vienna Institute, June 2001
9. Cambodia and the IMF-Singapore Regional Training Institute, June 2002
10. Mongolia and Timor-Leste, September 2002
11. Indonesia and Fiji, December 2003
12. Botswana and the East Africa Regional Technical Assistance Center, December 2005
13. Cambodia, the IMF-Singapore Regional Training Institute, and the Philippines, March 2007
14. Middle East Regional Technical Assistance Center, May 2008
15. Cambodia, and the IMF-Singapore Regional Training Institute, January 2009
16. Philippines and Fiji (Pacific Financial Technical Assistance Center), May 2010
17. Vietnam and Nepal, May 2011
18. Cambodia, June 2012²

¹ Because of scheduling difficulties, joint field visits were not carried out in FY05.

² Implemented by a delegation of a member of the Japan Executive Director's Office and an IMF staff, in connection with filming of the JSA video on Cambodia.

Administered Accounts—Japan Financial Statement FY13

	Administered Account for Selected Fund Activities—Japan		Framework Administered Account for Technical Assistance Activities—Subaccount for Japan Advanced Scholarship Program		Framework Administered Account for Selected Fund Activities—Japan Subaccount for Selected Fund Activities	
	2013	2012	2013	2012	2013	2012
<i>(In thousands of U.S. dollars)</i>						
Balance Sheets as of April 30, 2013 and 2012						
Assets						
Cash and cash equivalents	2,066	2,555	—	—	40,014 ¹	41,746 ¹
Total assets	2,066	2,555	—	—	40,014	41,746
Resources						
Total resources	2,066	2,555	—	—	40,014	41,746
Income Statements and Changes in Resources for the Years Ended April 30, 2013 and 2012						
Balance, beginning of the year	2555	8,669	—	—	41,746	30,449
Income earned on investments	2	1	—	—	27	6
Contributions received	—	—	—	—	30,404	35,311
Contributions transferred	—	(4,508)	—	—	(400)	(400)
Payments to and on behalf of beneficiaries	(491)	(1,607)	—	—	(31,763)	(23,620)
Net changes in resources	(489)	(6,114)	—	—	(1,732)	11,297
Balance, end of the year	2,066	2,555	—	—	40,014	41,746

¹ These amounts are provided net of accruals. The financial statement of the Other Administered Accounts in the IMF annual report, which includes this Subaccount, reports year end accruals separately.

Note: The IMF arranges for an annual audit of the JSA to be undertaken by its external auditors, in connection with their annual audit of the IMF's own accounts, and for a separate certificate of completion to be provided to the Japanese authorities.



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