



## Offsite Supervision – Afghanistan

METAC Banking Supervision Resident Advisor, Mr. Rachid Awad, conducted a workshop on offsite supervision at Da Afghanistan Bank (DAB) from November 3-7. The workshop covered many topics including financial and prudential analysis, monitoring of weak banks, and coordination between offsite and onsite supervision. The workshop was attended by 16 supervisors from several divisions of DAB's Financial Supervision Department (FSD). The mission also followed up on other technical assistance (TA) topics provided by METAC, mainly in relation to the enhancement of the enforcement framework.

## Onsite Supervision – Sudan

A METAC mission visited Khartoum during November 19-28 to assist the Central Bank of Sudan (CBOS) in improving its onsite inspection framework. The mission assessed the current onsite system, provided recommendations to enhance it, and prepared a roadmap to assist in developing a new onsite inspection manual in line with best international practices. The mission comprised Messrs. Rachid Awad, METAC Banking Supervision Resident Advisor, and Khaled Ahmed Mohamed, METAC Islamic banking short-term expert.

## Compilation of External Statistics by BDL

The Banque du Liban (BDL) has completed a first, preliminary, international investment position (IIP) statement for Lebanon, consistent with *BPM5* methodology. METAC Statistics Advisor, Mr. Jean Galand, visited the BDL to discuss the consistency of data across related datasets. The BDL noted that the difference in debt liabilities recorded in the IIP and external debt statistics results from different definition of external debt (residence based vis-à-vis currency of denomination based). In a second meeting with BDL, it was agreed to publish external debt data in line with the *BPM5* methodology by using the residence criterion as the base for classifying debt as external.

## Cash Management and Financial Planning – Afghanistan

METAC organized a TA mission to Kabul from November 4-14 to assist the authorities with the implementation of the April 2012 Fiscal Affairs Department (FAD) mission's recommendations related to financial planning and cash management. The mission comprised Messrs. Jacques Charaoui, METAC Advisor for Public Financial Management, and Mike Williams, international expert of the FAD panel.



## Value Added Tax Workshop in Morocco



In cooperation with the United States Agency for International Development (USAID), METAC organized a regional workshop on “Effective Administration of the Value Added Tax (VAT)” in Rabat, Morocco from November 27-29, 2012 for around 50 finance and taxation officials from around the region to share experiences, best practices and challenges associated with implementing a VAT system.

The workshop was designed to help regional taxation officials adopt and improve VAT taxation systems. VAT is a consumption tax which – as opposed to a sales tax – taxes only the value added to a product, material or service by this stage of its manufacture or distribution. A country's taxation system is at the heart of an effective relationship between government and citizens. Efficient and transparent taxation systems will be a key to maintaining the region's ongoing reform efforts.

In his opening remarks, Mr. Saade Chami, METAC Coordinator, stressed the role of a good tax administration and a well designed tax system in generating revenue to finance the increased need for public spending on rebuilding infrastructures and expanding social services as the region is going through fundamental transformation. He also highlighted the role of taxation in promoting growth including by creating the framework for enhancing private sector activities.

