



# INTERNATIONAL MONETARY FUND

Middle East Regional Technical Assistance Center

**DONORS:** | EUROPEAN UNION | FRANCE | GERMANY | SWITZERLAND | THE NETHERLANDS

**BENEFICIARIES / CONTRIBUTORS:** | AFGHANISTAN | ALGERIA | DJIBOUTI | EGYPT | IRAQ | JORDAN |  
LEBANON | LIBYA | MOROCCO | SUDAN | SYRIA | TUNISIA | WEST BANK AND GAZA | YEMEN



## **IMF's Middle East Regional Technical Assistance Center Concludes Workshop on Public Corporations and Fiscal Risk**

The International Monetary Fund (IMF)'s Middle East Regional Technical Assistance Center (METAC) held a regional workshop on **"Public Corporations and Fiscal Risk"** in Beirut, Lebanon, during February 5-8, 2018. It gathered twenty senior officials who oversee public corporations and manage the related financial and fiscal risks in Afghanistan, Algeria, Djibouti, Egypt, Iraq, Jordan, Lebanon, Morocco, Sudan, and West Bank and Gaza.

While public corporations play a major role in all the METAC member-countries, they often lag private firms in terms of financial, economic, and operational performance. In addition, many state-owned banks show signs of vulnerabilities, such as weak balance sheets and low capitalization, poor underlying profitability, and high levels of non-performing loans compared to the private sector. As a result, public corporations create large and persistent fiscal risks.

METAC's experts presented international and regional experiences, and discussed methodological guidance to monitor and mitigate fiscal risks related to public corporations. They also shared their experience of integrating fiscal risk management of public corporations into the budget cycle.

The workshop provided a venue for very active peer-to-peer learning and country experience sharing. It alternated presentations, group work, case studies, and open discussions. It also included bilateral meetings between individual country representatives and METAC's experts to exchange views on country-specific matters in a one-to-one setting.

The discussions illustrated countries' exposure to a wide-range of fiscal risks related to public corporations, the challenges to identify and mitigate them, and the need to improve fiscal transparency practices within the region. Participants expressed strong interest in follow-up technical assistance from METAC to strengthen their fiscal risk management framework and in further peer-to-peer experience sharing.