

ANNUAL REPORT

September 2010



MIDDLE EAST REGIONAL TECHNICAL ASSISTANCE CENTER (METAC)



Statement by the Chairperson of the METAC Steering Committee



*M*ETAC's annual report for Fiscal Year 2010 comes at an important time as the second funding cycle concluded and the third funding cycle (Phase III, FY2010–15) is launched.

Since its inception in 2004, METAC has made a considerable contribution to capacity building in member countries by strengthening institutions and developing the skills needed for effective economic and financial management. The modality of delivering technical assistance (TA) through METAC provides a flexible way of responding to the region's needs and proves to be very cost effective.

In delivering technical assistance and training in the core areas of the IMF expertise, METAC succeeded in achieving tangible results and successes along the way. In Lebanon, for example, METAC recently assisted in: (i) adopting the International Bank Account Number (IBAN) in cross border bank transactions; (ii) training the banking control commission on stress testing techniques; (iii) improving the workflow of the research and statistics department at the Banque du Liban (BDL); and (iv) supporting revenue administration modernization and the integration of the revenue and VAT directories. METAC has also increasingly been active in providing outreach and regional knowledge-sharing activities that are of benefit to the region.

The Steering Committee, in its June 2010 meeting, concurred with the findings of the recent independent external evaluation that METAC is serving the region well, highlighting METAC's solid governance and high quality of its technical assistance. The Committee provided strong backing for METAC's new Phase strategy (May 2010 - April 2015), which integrates (i) the adoption of a result-based management system to track the implementation of its TA projects and activities; (ii) increased focus on regional activities including through holding more workshops and networking that are of interest to the region; and (iii) the promotion of the creation of regional associations to enhance knowledge sharing.

Lebanon has committed to host METAC and to support it financially and in kind. We will continue to honor our commitment and will do our best to strengthen METAC and further enhance its effectiveness. We consider that the presence of METAC in Beirut serves the country's aspiration of becoming a center of excellence in the knowledge economy.

On behalf of the Steering Committee, I would like to express my appreciation and gratitude for METAC's important achievements in FY2010 and I look forward to yet another successful year. A financially sound METAC is in the best interest of the region. I call on all donors and member countries to increase their financial support substantially for METAC so that it could remain a viable center in service for the region.

Mrs. Raya Haffar El Hassan
Minister of Finance of Lebanon

Foreword by the METAC Coordinator



This year's annual report comes in the wake of the Independent External Evaluation and at the beginning of Phase III, 2010-2015. In addition to highlighting key achievements in FY2010 and the main features of the work plan for FY2011, the report discusses some of the recommendations of the external evaluation, which the Program Document and the work program for FY2011 try to address, and covers other activities including outreach.

The October 2009 Independent External Evaluation Report concluded that METAC's work is of good quality and points to a number of advantages that METAC presents to the region. These include a cost-effective and flexible technical assistance (TA), a firm rooting in the IMF's quality control and procedures, and a strong regional base. Beneficiary countries highly rated the quality of TA provided by METAC and appreciated METAC's quick response to their needs. The Evaluation team recommended to increase focus on regional activities. Other recommendations included: a results-based reporting system and a more effective representation of all beneficiary organizations in the Steering Committee (Section II). A European Commission (EC) monitoring visit concurred in its findings that METAC has several regional advantages, and that beyond doubt METAC has done valuable work and achieved results.

This report describes METAC's TA and training activities and highlights some of the main achievements in FY2010 (Section III). The implementation ratio of the work plan exceeded 90 percent, despite the rather long time it took to replace two resident experts toward the end of the year. While a number of activities were cancelled or postponed, mostly at the authorities' request, a number of missions were added to respond to emerging needs. Work in the area of Central Bank Accounting continued in Lebanon and Syria after the departure of the resident advisor in October 2009. Two very successful projects have come to a close and are highlighted in the report: the mandatory implementation of the International Bank Account Number (IBAN) as of July 1, 2010 in Lebanon, and the reform of the Palestine Monetary Authority credit registry, which is now considered by many as one of the most effective public credit registries in the region.

The work plan for FY2011 was guided by (i) the program document for Phase III; (ii) the regional TA strategy note prepared by the Middle East and Central Asia Department (MCD) of the IMF; (iii) the experience accumulated by METAC resident and short-term experts on TA needs in member countries; and (iv) requests by country authorities. In each TA area, the work program was prepared with a view to move toward the verifiable output indicators included in the Program Document. This would serve the overall objective of moving toward results-based management, and respond to one of the main recommendations of the external evaluation.

METAC beneficiary countries identified more sharing of regional experience through METAC as the most important measure for improving the quality of TA provision. In FY2011, METAC will double the number of regional workshops, providing a platform for sharing experiences and knowledge, and will engage in regional initiatives to strengthen regional networking. Study tours are also envisaged to benefit first hand from the successful experiences of other countries in specific areas. And, as in the past few years, regional workshops will be open to all countries in the region (particularly the Gulf Cooperation Council (GCC)) to extend knowledge sharing beyond METAC member countries.

Saade Chami
METAC Coordinator

SELECTED ACRONYMS

ABL	Association of the Banks in Lebanon
AFRITACs	Africa Regional Technical Assistance Centers
AITRS	Arab Institute for Training and Research in Statistics
BBAN	Basic Bank Account Number
BCBS	Basel Committee on Banking Supervision
BCC	Lebanon Banking Control Commission
BDL	Banque du Liban
BMENA	Broader Middle East and North Africa
BOS	Central Bank of Sudan
BPM	Balance of Payments Manual
CAPTAC	Central America, Panama, Dominican Republic Regional Technical Assistance Center
CARTAC	Caribbean Regional Technical Assistance Center
CAS	Lebanon Central Administration of Statistics
CASTAC	Central Asia Regional Technical Assistance Center
CBE	Central Bank of Egypt
CBI	Central Bank of Iraq
CBJ	Central Bank of Jordan
CBS	Central Bank of Syria
CDIS	Coordinated Direct Investment Survey
CEMLA	Center for Latin American Monetary Studies
COA	Chart of Accounts
CPI	Consumer Price Index
CREDAF	Centre de Rencontres et d'Etudes des Dirigeants des Administrations Fiscales
CRS	Credit Registry System
CSO	Central Statistics Office
DfID	Department for International Development (The United Kingdom)
DQAF	Data Quality Assessment Framework
EC	European Commission
EIB	European Investment Bank
ESCWA	United Nations Economic and Social Commission for Western Asia
EU	European Union
EXD	External Debt Statistics
FAD	Fiscal Affairs Department, IMF
FDI	Foreign Direct Investment
FX	Foreign Exchange
FY	Fiscal Year
GCC	Gulf Cooperation Council
GCTF	General Commission for Taxes and Fees
GDDS	General Data Dissemination System
GFMIS	Government Financial Management Integrated System
GFS	Government Financial Statistics
GFSM	Government Financial Statistics Manual
HQ	Headquarters

IAS	International Accounting Standards
IBAN	International Bank Account Numbering
IFRS	International Financial Reporting Standards
IIP	International Investment Position
IMF	International Monetary Fund
ISO	International Standards Organization
IT	Information Technology
ITRS	International Transactions Reporting System
LTO	Large Taxpayers Office
MCD	Middle East and Central Asia Department, IMF
MENA	Middle East and North Africa
METAC	Middle East Regional Technical Assistance Center
MFIs	Micro Finance Institutions
MOF	Ministry of Finance
MTEF	Medium-Term Expenditure Framework
MTFF	Medium-Term Fiscal Forecasting Framework
MTO	Medium Taxpayers Office
NA	National Accounts
OECD	Organisation for Economic Co-operation and Development
OIA	Office of Internal Audit, IMF
OTM	Office of Technical Assistance Management, IMF
PFM	Public Financial Management
PFTAC	Pacific Financial Technical Assistance Center
PMA	Palestine Monetary Authority
PMACR	Palestine Monetary Authority Credit Registry
PPI	Producer Price Index
REO	Regional Economic Outlook
ROSC	Report on the Observance of Standards and Codes
RTAC	Regional Technical Assistance Center
SBO	Senior Budget Officials
SC	Steering Committee
SDDS	Special Data Dissemination Standard
STA	Statistics Department, IMF
TA	Technical Assistance
TSA	Treasury Single Account
UNDP	United Nations Development Program
USAID	United States Agency for International Development
VAT	Value-Added Tax

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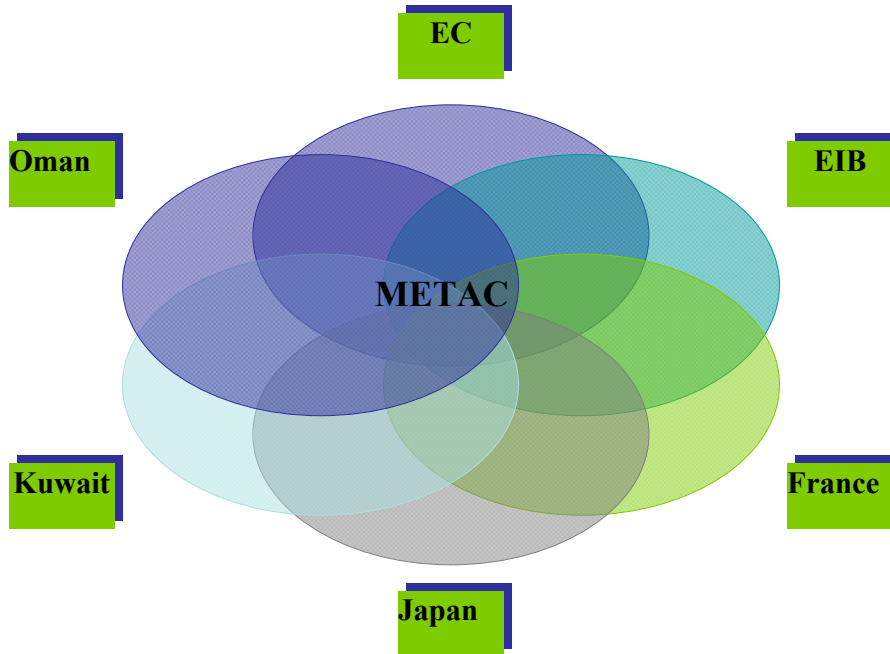
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METAC COUNTRIES / CONTRIBUTORS



METAC DONORS



SECTION I: THE IMF'S RTAC INITIATIVE AND METAC

Regional technical assistance centers (RTACs)

Regional technical assistance centers (RTACs) have become an increasingly important modality for technical assistance (TA) delivery by the International Monetary Fund (IMF). Since 1993, the IMF has used RTACs to provide TA to groups of countries that are likely to derive added benefits from a field-based, regional approach for strengthening institutions and developing the skills needed for effective economic and financial management. Seven regional TA centers in the Pacific, the Caribbean, Africa, the Middle East and Central America help countries strengthen human and institutional capacity to design and implement policies that promote growth and reduce poverty. The Pacific Financial Technical Assistance Center (PFTAC) was established in 1993 to serve Pacific Island countries. The Caribbean Regional Technical Assistance Center (CARTAC) followed in 2001 to serve countries in the Caribbean. In 2002 and 2003, respectively, two Africa Regional Technical Assistance Centers (AFRITACs) were established to serve countries in East and West Africa, and in 2004 the Middle East Regional Technical Assistance Center (METAC) was opened for ten countries and territories in the Middle East region. Central AFRITAC was launched in Gabon in 2007. In May 2009, the IMF opened a new center in Central America (CAPTAC), and it is planning to open three additional regional centers—in Central Asia (CASTAC), and two further centers in Africa (AFRITAC West 2 and AFRITAC South).

Overview of METAC

The idea of setting up a Middle East Regional Technical Assistance Center (METAC) was launched in October 2003 at the International Donors' Conference for the Reconstruction of Iraq in Madrid, Spain. By providing targeted capacity building, the Center originally aimed to assist post-conflict countries in restoring macroeconomic stability and developing basic institutions for policy-making, is now serving a broader audience including emerging market economies. METAC's location within the region and its close collaboration with regional organizations and other technical assistance (TA) providers facilitates improved coordination among donors and existing economic initiatives within the Middle East region.



METAC was officially inaugurated on October 25, 2004 in Beirut, Lebanon. METAC serves Afghanistan, Egypt, Iraq, Jordan, Lebanon, Libya, Sudan, Syria, West Bank and Gaza, and Yemen.



METAC is a collaborative effort between the International Monetary Fund (IMF), the recipient countries, and bilateral and multilateral donors; and its main mandate is to provide capacity-building, facilitate the reform process in member countries, and support the region's integration in the world economy through a team of resident advisors and short-term experts with expertise in core areas of the IMF's work.

Located close to the countries/territories it serves, METAC offers several advantages that are typical of the IMF RTACs including: (i) decentralized TA delivery that is tailored to the particular needs of the region; (ii) enhanced country ownership and accountability; (iii) faster and more efficient response to TA requests; (iv) more effective follow up in implementing country TA strategies as designed by IMF headquarters; (v) closer coordination with other TA providers in the region; and (vi) more focused subject-specific and hands-on training for local officials. METAC's activities are complementary to other forms of IMF TA, and are closely integrated into the IMF's TA program. The IMF ensures accountability and quality control of METAC's TA and training activities.

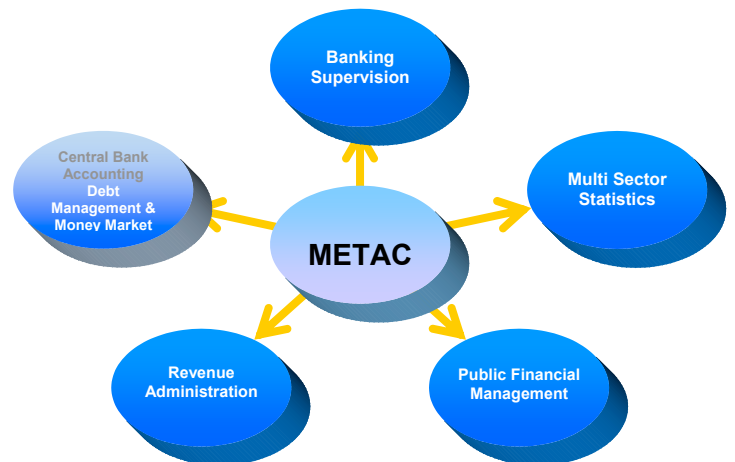
Funding

METAC is funded through grant contributions from:

- Lebanon, which in addition to its large financial contribution, finances METAC's office facilities and local staff;
- participating countries: Egypt, Jordan, Lebanon, Libya, Sudan, Syria and Yemen; and
- the IMF, the European Commission (EC), the European Investment Bank (EIB), France, Japan, Kuwait and Oman.

Current Activities

METAC's current activities focus on the delivery of TA and training (regional and in-country) in the areas of banking supervision, public financial management, revenue administration, macroeconomic statistics, debt management and money market development, and central bank accounting and internal audit. These activities reflect the priorities set by member countries and could change according to their evolving needs.



Banking Supervision

METAC assists member countries in creating a sound banking supervision environment to maintain public trust and confidence in the banking sector. This includes enhancing banking supervision procedures in accordance with international best practices; building the capacity of bank examiners through training, seminars, and workshops; strengthening the examination process through the development of new financial statements and early warning systems; and developing credit registry systems for better monitoring of credit risk.



Public Financial Management

METAC assists member countries in building capacity for reforms in budget preparation and execution, to improve expenditure control and revenue monitoring. This includes improving organization and providing capacity building at ministries of finance; improving financial accounting and reporting; strengthening internal and external control mechanisms; reforming budgeting and accounting classifications; and improving treasury systems.

Revenue Administration

METAC provides technical advice in planning and implementing revenue administration reforms by enhancing the organization and procedures of revenue administrations; implementing effective compliance control tools for tax collection; and developing legislative frameworks for tax administration.

Multisector Statistics

The main purpose of TA in the area of statistics is to improve the overall quality of macroeconomic statistics and to promote the use of internationally-accepted concepts and statistical methodologies. This encompasses the development of data compilation and dissemination procedures, the identification of emerging data sources, the preparation and verification of data, and the documentation of data sources and compilation methods.

Central Bank Accounting

METAC assists central banks and monetary authorities in modernizing central bank accounting systems, procedures, policies, and controls. It provides technical support for the transition to integrated financial management information systems. METAC also provides technical advice on improving the financial and management reports in compliance with International Financial Reporting Standards (IFRS), and on developing the internal audit function.

Debt Management and Money Markets Development

TA in the area of debt management and money markets development aims to assist METAC countries in creating sound debt management practices based on clear debt management objectives and proper coordination between debt management and monetary and fiscal policy. Moreover developing money markets will improve the effectiveness of monetary policy. Work in these areas will include building capacity in debt and money markets development; strengthening the functioning of primary and secondary markets; and developing regulation and market infrastructure.



METAC Governance and Management

METAC is guided by a Steering Committee (SC) comprising representatives of METAC beneficiary countries, multilateral and bilateral donor agencies, and the IMF. The SC provides strategic guidance and contributes to setting METAC's priorities. The chairman of the SC is the Minister of Finance of Lebanon. The SC meets once a year or on an "as needed" basis to discuss and endorse the work plan and priorities for the coming period.

METAC is managed by a coordinator, who ensures the proper management of the Center and its staff. The coordinator is the key interlocutor between the IMF and the SC. He has an important role in producing the work plan by drawing on the inputs of METAC beneficiary countries, resident advisors and IMF headquarters; and in following up with country authorities on the implementation of METAC's TA program. The coordinator reports to the Director of the Middle East and Central Asia Department (MCD) of the IMF in Washington, D.C.

The Ministry of Finance acknowledges and highly recognizes the technical support provided by METAC experts and the training provided to the Ministry's staff. This support has strengthened our continuous and persistent efforts to reform and improve the efficiency of the public financial management.

Dr. Moh'd Abu Hammour
Minister of Finance of Jordan

Resource Allocation

TA is allocated to beneficiary countries according to needs as identified by national authorities and the IMF, and the pace of delivery is influenced by the strength of a country's ownership of TA programs, as evidenced by progress in implementing previous METAC's TA mission recommendations. METAC does not provide TA to its members in an equal amount, nor does it seek to provide TA commensurate with member countries' financial contributions. Resources are pooled and used according to countries' needs and priorities.

SECTION II: METAC EVALUATION AND THE DEVELOPMENT OF A RESULTS-BASED MANAGEMENT SYSTEM

A. The Independent External Evaluation

An external evaluation in mid 2009 found that METAC has been delivering TA services that are generally effective and highly appreciated by the beneficiaries. The evaluation highlighted the positive role of METAC's governance structure and its ability to provide cost-effective and flexible TA. The strengths of METAC are a firm rooting in the IMF's well established systems and quality control and management processes, together with a strong regional base, and a network of experts able to work effectively in the region.

- Beneficiary organizations considered that the work of METAC is demand-driven and responsive to the needs of countries. They also rated the quality of expertise and TA highly, and viewed its response as more timely than that of other TA providers.
- There was a strong consensus among beneficiary countries that METAC's regional activities were very useful and that more focus should be placed on these activities.
- METAC has made significant progress in developing a network of local and regional experts.
- METAC is a unique or principal supplier of TA in the region in many of its technical areas. Its regional presence and link to the quality control and supervision activities of the IMF provides it with a strong comparative advantage.

The evaluation team recommended to further strengthen METAC's operations and effectiveness. The most important recommendations, and how METAC will address them, are discussed below:

- **Results-focused reporting system.** Phase III operations should include a clear statement of METAC's objectives with defined performance indicators and an articulation of the linkages between METAC's activities and these objectives, and the key assumptions that these require. In this context, the program document for Phase III sets out verifiable indicators in each of the areas of METAC's activities. These objectives are linked directly to activities in each of the countries that METAC serves, and METAC annual work plan will be linked to the objectives. In addition, the IMF plans to develop a results based management framework (see below).

There was a strong consensus from the countries studied that METAC regional activities were very useful and that more focus should be placed on these...

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Independent External Evaluation

- **Regional networking.** The evaluation recommended that for Phase III, more focus should be put on regional networking and

information sharing and communication. The Phase III program document's regional focus has been strengthened by including more regional networking, including through the establishment of regional networks that would promote information sharing and problem solving. Regional workshops/seminars will continue to be held on issues that are common to the region.

- Increasing METAC's Profile.** The evaluation recommended a more effective use of METAC's website for information sharing purposes, and noted that one route for increasing METAC's profile would be to hold events linked to SC meetings on issues of topical importance. In this regard, METAC's website has been upgraded and includes relevant documents useful for regional information sharing and networking. METAC's public profile is being enhanced by monthly newsletters, press releases on important meetings, intensifying media contacts to highlight METAC's work, and engaging in outreach activities. Moreover, regional networking will more actively involve countries from the GCC and North Africa to enhance knowledge transfer in a wider regional context. However, linking events to the SC meetings would be meaningful only when there is a large overlap between participants of the event and SC members.

The screenshot shows the METAC website with the following content:

- Issue 03**, May 2010
- METAC enters Phase III**: This month, METAC entered its third phase (May 2010-April 2011), in which work will remain focused on core activities and will respond to emerging needs. More emphasis will be put on regional activities and training to enhance knowledge sharing among countries in the region, as recommended by the External Independent Evaluation. In response to donors and METAC evaluators, METAC will move towards results-based management system to track the implementation of its TA projects and activities, and enhance the accountability of TA to donors and country authorities.
- Public Debt Management**: We are pleased to announce that METAC has a new area of technical assistance, Public Debt Management to replace Central Bank Accounting and will focus on improving public debt and money markets development. The new resident advisor, Ms. Neily Satchouh, a Jordanian national, joined METAC last month. She will assess the state of public debt in METAC countries and will prepare a work plan to enhance debt management frameworks and improve coordination between debt management and monetary policy.
- The 18th Arab Economic Forum Beirut**: Mr. Chami, METAC Coordinator, participated in a panel discussion on the role of the youth of the region during the Arab Economic Forum that was organized by the Al-Balad wal Ahsan Group in Beirut on May 20-21, with the participation of the Prime Minister of Greece, the Secretary General of the Arab League, and under the patronage and presence of Prime Minister Hariri. Mr. Chami presented the results of the roundtable discussions that were held in the region early this year, as part of the IMF Youth Dialogue, focusing on unemployment, investment and growth, the region integration into the world economy, and the role of the IMF. Students from different universities were present and expressed interest in a continuation of this dialogue in the future.
- METAC and AITRS conduct a training course in Jordan**: METAC and the Arab Institute for Training and Research in Statistics (AITRS) conducted a training course on Data Dissemination Practices in Amman, Jordan, from May 3-6, 2010. METAC provided the course program and content. Mr. Gilmore Hoedtsack, METAC's Statistics Advisor and Mr. Husam Khalifa, a METAC short-term expert, contributed to this seminar, which was attended by 26 participants from 14 countries in the Middle East.
- CPI Mission for Afghanistan in Beirut**: METAC sponsored a Consumer Price Index (CPI) mission for Afghanistan that was held in Beirut, Lebanon during the period May 17-20, 2010. Mr. Dale A. Smith, METAC short-term expert worked with two officials from the Central Statistics Organization (CSO) to develop an updated market basket for the new CPI. The cooperation of the CSO officials, who carried a large number of tabulations on household expenditure data from 2007/2008 National Risk and Vulnerability Assessment (NRVA) Survey, was key to the success of the mission.
- Upcoming Events**:
 - Steering Committee Annual Meeting**: On June 8, 2010 METAC will hold its annual Steering Committee meeting in Beirut. The meeting will be chaired by Ms. Riyaq Hafar, the Minister of Finance of Lebanon. Statements will be made by the IMF's Middle East and Central Asia Department (MCD) representative, METAC Coordinator, Technical Assistance Department, the Office of Technical Assistance Management (OTM), and resident advisors. METAC financial position will also be discussed, and the TA workshop for FY2011 will be presented.
 - Fiscal Forecasting and Budgeting Workshop**: The Public Financial Management (PFM) area is organizing a workshop in Beirut from June 14-16, 2010 on Fiscal Forecasting and Budgeting for METAC and non-METAC countries with already an early confirmation of participation from Kuwait.

Donors: EC, FRANCE, JAPAN, KUWAIT, OMAN. Beneficiary Countries: ALGERIA, ARABIAN PENINSULA, BAHRAIN, EGYPT, JORDAN, LIBYA, SYRIA, TUNISIA, YEMEN.

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- Effective representation of all beneficiary organizations by the SC.** The evaluation considered that this could be done in a number of ways, including by appointing an alternate SC member representing other organizations of each country, or the development of a set of subcommittees or networks of beneficiary organizations in each technical area to inform decision making. The SC meeting will discuss the appointment of an alternate SC member from the second most important beneficiary organization that METAC is dealing with in each country. METAC will continue to encourage the SC members of beneficiary countries to strengthen their discussion with beneficiary agencies in each technical area in their country.

B. European Commission Monitoring Visit

The METAC programme is highly relevant in the region as it responds in a customized, demand-driven and flexible manner to the growing number of requests for TA by beneficiary countries' administrations for assistance in adapting their structures to international macroeconomic standards of best practice...

EC Monitoring visit

A European Commission (EC) monitoring visit that took place last summer reported that METAC's activities were highly relevant for the region, as they respond in a customized, demand-driven and flexible manner to the requests for TA by beneficiary countries. According to this report, the strengths of METAC are its flexibility, permanent regional presence, and quick reaction to specific requests. METAC's activities are generally well appreciated by beneficiary countries and well coordinated with those of other TA providers. The report also indicates that

METAC "beyond doubt has done (and is doing) valuable work and has achieved results". However, the report pointed out that the present reporting system does not allow METAC donors to follow progress achieved, and this has to do with the lack of results-oriented reporting (a conclusion similar to the external evaluation). This issue, as indicated above, will be taken up in the next Phase of METAC.

C. Review of METAC Financial Operations

METAC received an inspection mission by the IMF Office of Internal Audit (OIA) in October 2009 as part of the OIA work on reviewing financial operations of the Fund's Field Offices. The mission found that METAC's financial operations were in good order and no major exceptions were noted in the interviews conducted or tests performed. The mission recommended strengthening cash and petty cash controls, and improving physical and Information Technology (IT) security.

D. Development of a Results Based Management Framework

External evaluations have recommended the adoption of a results focused management framework for METAC and other RTACs. Such a framework would increase the effectiveness and monitor the successes and failures of RTACs more efficiently, partly by moving from a mission-based input approach to a real program-based strategy focused on management of outcomes and results. By focusing on well-formulated, long-term objectives, the IMF also seeks to improve coordination with other TA providers as well as harmonization and integration of IMF TA in the national strategies of its member countries.

To this end, the IMF is working to develop the framework of a results based management system relevant to its activities, the skills to administer it, and the information required to produce a work plan that can be monitored and measured in accordance with the wishes of the SC. The aim is to put in place a framework that is practical, useful and simple to implement.

SECTION III: METAC ACTIVITIES FOR FY2010

The work plan for Fiscal Year (FY) 2010 was implemented largely as originally planned, with the implementation ratio exceeding 90 percent. This outcome reflected tremendous efforts made by resident advisors to make up for the time lost in replacing departing advisors, and the cancellation of some missions by country authorities. The actual TA delivery also demonstrates the ability of METAC to respond quickly to emerging country requests, given that several new missions were added to the work program during the course of the year. While measuring the impact of TA over a short time span is inherently difficult, METAC's work resulted in concrete achievements in FY2010, as discussed below and in Box 1.

A. Banking Supervision

An effective system of banking supervision should be based on a number of prerequisites. These include among others, competent examiners and auditors, a strong legal framework, an adequate flow of information to supervisors, and implementation of international accounting standards. Where weaknesses exist, METAC supports member countries in addressing these weaknesses and creating a sound banking supervision environment. METAC's efforts in FY2010 focused on building the capacity of bank examiners, developing new sets of regulations and implementing best international practices. METAC's objectives were achieved through: providing seminars to examiners, conducting on-the-job trainings, developing new systems and circulars, and conducting assessment missions.

METAC's major achievements in FY2010 were in the following areas: (i) on-site supervision improvement in Jordan, Libya and Yemen; (ii) credit registry upgrading in Sudan and West Bank and Gaza; (iii) off-site supervision enhancement in Iraq; (iv) prudential regulations development in Iraq and Syria; and (v) risk management and Basel II implementation in Jordan, Lebanon, Sudan, Syria, West Bank and Gaza, and Yemen.

In addition, METAC organized one regional workshop on an important regional issue (the future of banking supervision beyond the financial crisis) with participation of some Gulf countries.

In FY2010, most of the banking supervision work plan was implemented. Some missions were cancelled or postponed due to security reasons, difficulties in obtaining entry visas, or at the request of authorities. Other difficulties were related to finding short-term experts in the areas of supervision of exchange houses and Micro Finance Institutions (MFIs) and Islamic finance. Despite these difficulties, the rate of implementation for FY2010 work plan reached about 87 percent, and a few new missions were added to respond to emerging needs.



Regional workshop on the Future of Banking Supervision Beyond the Financial Crisis

Technical Assistance Delivery

On-site supervision

After developing on-site inspection manuals according to CAMELS approach (C- Capital Adequacy; A- Quality of Assets; M- Quality of Management; E- Earnings; L- Liquidity; S- Sensitivity of the Bank to Market Risk) to promote the implementation of risk-based supervision, METAC conducted training sessions, including on-the-job training to put the manual into practice.

- In Jordan, the inspection manual was reviewed and finalized in line with risk-based supervision, and examiners were trained on how to evaluate the prudence of banks' practices, the adequacy of capital and liquidity, the quality of assets and earnings, and the adequacy of internal control systems.
- In Libya, a METAC short-term expert provided on-the-job training to bank examiners on how to conduct on-site inspection by following a risk focused examination approach (CAMELS). This activity included starting the examination of a large Libyan commercial bank and attending all meetings with its management.
- In Yemen, training was provided to the team leaders and the on-site examiners on the implementation of the risk-focused inspection manual using the CAMELS assessment and rating process.



Mr. Mohamad Ali Hassan, METAC banking supervision advisor, lecturing in one of METAC workshops

Credit registry

To meet the requests of the Central Bank of Sudan (BOS) and the Palestine Monetary Authority (PMA), METAC improved their existing credit registries to make them more responsive to the needs of the banking sector, and to provide continuous up-to-date information on borrowers' exposures and situations.

- The credit registry in Sudan, once completed, will be a credit monitoring unit for risk-based supervision, and at the same time it will serve as a credit registry used by financial institutions in their credit adjudication processes.

- In West Bank and Gaza, METAC assisted the authorities in: (i) adding comprehensive and detailed data to empower users of the credit registry system; (ii) automating the credit registry for more efficient and responsive system; and (iii) adding credit information on MFI to the Palestine Monetary Authority Credit Registry (PMACR) database. Additional activities planned include the development of an internal credit scoring.



Short-term expert, Jim Aziz (standing far left) and Mr. Ali Faroun (sitting), deputy director banking supervision department with the PMACR team

Off-site supervision activities should be focused on financial analysis, monitoring and surveillance of banks, as well as follow-up on on-site examinations. Developing new bank returns and supervisory call reports is essential for enabling the banking supervision department to adopt monthly indicators and produce annual off-site reports. After finalizing the financial statements and call reports (bank returns) in line with the requirements of the Basel Committee on banking supervision and international best practices, METAC provided training to the Central Bank of Iraq (CBI) examiners on how to use these statements and reports in analyzing banks' positions and risks while conducting off-site supervision.

Prudential regulations

The development of a comprehensive legal framework is crucial for any banking supervision reform. METAC assisted in the development of a number of prudential banking regulations in line with the Core Principles for effective Banking Supervision and Basel requirements.

- In Iraq, METAC trained the CBI examiners on the newly developed prudential regulations covering: risk management, internal audit, internal control, corporate governance, credit risk and large exposures, loans classification, capital adequacy ratio and components, market risk and operational risk, Foreign Exchange (FX) positions and provisions for loans.
- In Syria, METAC assisted the Central Bank of Syria (CBS) in developing a draft resolution on "management assessment" and "country risk", covering the elements of sound country risk management process, inspection procedures, and reporting requirements. In addition, METAC updated the instructions on "Disclosures requirements for preparing annual and interim financial statements by banks" according to the International Accounting Standards (IAS) and International Financial Reporting Systems (IFRS).

Risk management and Basel II

One of the main objectives of Basel II, besides setting a solid foundation of prudent capital requirements, supervision, and market discipline, is to enhance further risk management and financial stability. While all countries are adopting risk-focused supervision, some countries have started implementing Basel II (Jordan, Lebanon, Syria and West Bank and Gaza) and others are still applying Basel I.

- Jordan is currently focusing on implementing Pillar 2 (Supervisory Review Process) as part of strengthening the Basel II framework.

METAC trained the Central Bank of Jordan (CBJ) examiners on the enhancements and measures taken by the Basel Committee on Banking Supervision (BCBS), and the experience of other countries in this regard.

- In Lebanon, METAC's work focused on enhancing the capacity of the Banking Control Commission (BCC) examiners through seminars and workshops, covering advanced topics such as stress testing techniques and consolidated supervision.
- In Sudan and Yemen, METAC's assistance focused on developing bank examiners' capacity in risk management through several training courses. Bank examiners in Syria attended training courses on "sensitivity to market risk", "licensing and bank strategy", and "business plan analysis".
- In West Bank and Gaza, METAC developed a road map to implementing Basel II to bring the regulatory and supervisory system and procedures in line with BCBS requirements.

My attendance of the future of banking supervision after the financial crisis workshop led me to develop a better understanding of the financial crisis, as well as to learn lessons from the global financial crisis...

We wish to stress the importance of holding such meetings because of their scientific importance of keeping up on developments and changes taking place in the banking industry.

Mohamed Ben Belghasem
Central Bank of Libya

Box 1. METAC NOTABLE ACHIEVEMENTS



Banking Supervision

- ✓ METAC assisted in improving the quality of bank examiners by conducting a number of workshops and hands-on training in most member countries: Iraq, Jordan, Lebanon, Sudan, Syria, and Yemen.
- ✓ The most notable achievement was the development of credit scores in the West Bank and Gaza as part of the credit registry. This is the first registry in the region and one of only a few worldwide (refer to Box 2).

Statistics

- ✓ **Libya:** An “All Libya” consumer price index (CPI) index is now operational, replacing the Tripoli only index. METAC assisted in the development of the initial weighting scheme for the PPI, and in the selection of a sample of establishments for price collection.
- ✓ **Syria** has recently completed the International Investment Position (IIP) for 2007 and 2008, improved the international reserves compilation practices, and compiled external debt data largely consistent with the internationally accepted methodology.
- ✓ **West Bank and Gaza** is very close to completing the producer price index (PPI).
- ✓ **In Yemen,** METAC assisted the Central Statistical Office (CSO) in correcting a serious *shortcoming in the calculation of the CPI index, which brings TA in this area to a close*. METAC also assisted in setting the base for developing the PPI, which should be ready for publication in 2011. METAC also identified weaknesses and inconsistencies in the GDP series in current and constant prices, and provided advice on how to revise the economic surveys and their results to enhance the accuracy, reliability and the coverage of the GDP estimates.

Revenue Administration

- ✓ **Sudan and Yemen:** The organizational arrangements at the tax administration headquarters have been amended for better efficiency.
- ✓ **Syria:** The General Commission for Taxes and Fees (GCTF) was established, and most processes have been re-engineered and automated within the interim IT solution. Also, the preparations for the launching of the pilot Damascus Medium Taxpayers Office (MTO) are being finalized.

Public Financial Management

- ✓ **Afghanistan:** Daily cash availability statements and monthly cash projections are supplied to the budget and treasury departments.
- ✓ **Egypt:** The accounting network (40,000 accounting units) has been dramatically tightened to implement the Treasury Single Account (TSA).
- ✓ **Syria:** Capital expenditures’ management was transferred from the State Planning Commission to the Ministry of Finance and the related Organic Law amendment operated in 2009 has been effectively implemented in FY2010.

Central Bank Accounting (see Box 3).

Box 2. The Palestine Monetary Authority Credit Registry (PMACR) A Success Story

With METAC, the Palestine Monetary Authority (PMA) undertook a major reform effort to improve the functioning of its credit registry. A well-functioning credit registry is essential for reducing credit risk and enhancing the soundness of the banking system.

The work on the PMACR was completed in three phases. The first phase involved the addition of comprehensive and detailed information on borrowers to empower users of the system to make better-informed credit decisions. The second phase consisted of automating the registry to create a more efficient and responsive registry. The third phase witnessed two important achievements: (i) the PMACR database was populated with credit information from Micro Finance Institutions (MFIs), and MFIs began to have access to the registry to inquire about credit applicants; and (ii) an internal credit scoring instrument was developed.

METAC started providing TA to the PMA in 2006 and the new Credit Registry System (CRS) was launched in 2007. The online service of the CRS began in 2008, and the MFIs were connected to the CRS in 2009. A bounced checks system was started in 2010 and the credit scoring system was also launched in early 2010.

The PMA has established one of the most effective Public Credit Registries in the region. This is a testament to their hard work, strong commitment, and responsiveness to the TA provided during the whole period. With the implementation of bureau credit score model, the PMA has become the second (after Malaysia) central bank registry (out of a total of 65 central bank credit registries) in the world with a credit scoring system for its own internal use as well as for the use of banks and MFIs, none of which currently have their own credit scoring system. The system predicts the probability of a borrower becoming past due in a 24-month period. Credit scoring is a best practice for all credit grantors, and more precision in credit scoring allows for risk based pricing and assists with the evaluation of credit limits.

The PMACR provides data users with complete picture of a credit applicant's debt obligations as they handle credit requests. It provides the PMA with outstanding MFI credits within the MFI sector along with details of past due and writes off credits.

The efficiency of Palestinian lenders underwriting processes will likely improve, with the introduction of automated decision making process, fairer credit decisions, and quicker turnaround. The system is quite advanced with twenty seven regulated entities (19 banks and 8 MFIs) and provides the PCR with all credit information on all borrowers. In addition, the bounced check system is now automated and information is included in credit reports. It is the first central bank to have developed this system. By the end of 2010, the PMA plans to offer consumer rights and protections.

The PMACR main features are:		
Major characteristics of PMA Credit registry in Feb. '06	Changes made to move to best practice	Value added of changes
Only bank credits with balances greater than US\$10,000 value reported to credit registry.	Eliminated reporting threshold so that all bank credits are reported.	Expands amount of available credit data to registry users in order to arrive at better informed credit decisions.
Credit information reported to the registry included only original amount of individual credits and outstanding balances of those credits.	Expanded information reported to include opening date, monthly payment, date of last payment, arrears, security etc.	Empowers users with more detailed information to allow for determination of borrower capacity for handling payments of requested credits, frequency of borrowing and security pledged on borrowings.
User requests for credit reports took from 3 to 4 days for response from registry.	Users have access to registry automated system, 24/7, while response time to credit requests is immediate.	Allows data users to provide substantially improved service in making credit decisions.
Credit card and guarantor information not reported to registry.	All credit card and guarantor information now being reported to the PMACR.	Provides data users with complete picture of a credit applicant's (or guarantor's) debt obligations as they handle credit requests. Provides the PMA with confirmation of outstanding bank credits within the banking sector along with details of past due and write off credits.
MFI information not reported to registry.	MFI information now being reported to the PMACR.	Provides data users with complete picture of a credit applicant's debt obligations as they handle credit requests. Provides the PMA with confirmation of outstanding MFI credits within the MFI sector along with detail of past due and write off credits.
Paid credits not being included in database searching.	Paid credits now being included in database search.	Provides more information to banks and MFI as they complete their credit adjudication process.
No reports, from database content, that could be used by various PMA departments.	42 supervisory reports developed for use by various departments – bank supervision, inspection, statistical, money laundering etc. Move to conform to Basel II and risk based supervision.	A best practice that allows the PMA to move to risk based supervision, as envisioned by Basel II, by providing timely and detailed information on bank and MFI credit portfolios and identifying potential or existing problem areas that should be addressed.
Delinquency levels extremely high due to lack of comprehensive credit information.	Bank delinquencies and loss provisions have seen significant declines, while there has been major credit growth within the banking sector.	Confirms international empirical evidence that the existence of a credit registry protects the health and safety of the banking credit sector.

B. Macroeconomic Statistics

Macroeconomic statistics provide a framework for planning, conducting, and monitoring economic policies and are useful instruments for the decision making processes of the public and private sectors.

METAC provides TA and training in the areas of balance of payments and external sector statistics, and supports the development of national accounts (NA) and price statistics. Key focus areas include establishing and maintaining underlying basic data collection and dissemination procedures, and promoting the use of internationally accepted concepts and statistical methodologies. In carrying out these tasks, METAC collaborates with other regional agencies, including the Arab Institute for Training and Research in Statistics (AITRS) and the United Nations Economic and Social Commission for Western Asia (ESCWA). Furthermore, in order to avoid duplication of efforts in member countries, METAC collaborates with other international organizations such as the World Bank and the Department for International Development (DfID).



Technical Assistance Delivery

In FY2010, METAC provided TA in the areas of consumer and producer price statistics (CPI and PPI), NA, balance of payments and international investment position (IIP) statistics (including foreign direct investment (FDI)), international reserves, and external debt statistics (EXD). METAC also assisted some countries that are members of the IMF's General Data Dissemination System (GDDS) in updating statistical information (metadata).

While considerable progress has been made in the area of price statistics, and in the compilation and dissemination of the IIP, there is a need to allocate sufficient human and financial resources to national statistical agencies to improve further Statistics in the region.

The main highlights of METAC's statistical activities are as follows:

Price Statistics

- In Libya, METAC assisted the authorities in producing a national CPI index to replace the Tripoli only index. Regarding the PPI, METAC assisted in the development of the initial weighting scheme, and in the selection of a sample of establishments for price collection. The new CPI and PPI were released in May 2010.
- In Lebanon, METAC provided an assessment mission to the Central Administration of Statistics (CAS) to review the CPI, which was introduced in 2008. METAC initiated work on the compilation of the PPI, which should be ready by 2011.
- In Yemen, METAC assisted the Central Statistical Office (CSO) in correcting a serious shortcoming in the calculation of the CPI index, which brings TA in this area to a close. Furthermore, METAC assisted in setting the base for developing the PPI, which should be ready for publication in 2011.



National Accounts

- In Yemen, METAC identified weaknesses and inconsistencies in the GDP series in current and constant prices, and provided advice on how to revise the economic surveys and their results to enhance the accuracy, reliability and the coverage of the GDP estimates. Revised GDP data were published in May 2010.
- In Sudan, METAC worked with the Central Bureau of Statistics to make better use of the 2007 household survey and the 2001 manufacturing survey, and assisted in building the compilation software system for the NA.

External Sector Statistics

METAC assisted in:

- Improving basic balance of payments data collection procedures in Jordan, Lebanon, Libya, Syria, Sudan, West Bank and Gaza, and Yemen.
- Improving collection and compilation practices for remittances statistics in Jordan, Lebanon, and Syria.
- Introducing and providing advice on improving surveys for FDI statistics in Egypt, Libya, Sudan, Syria, and West Bank and Gaza.

- Compiling and improving IIP statistics in Libya, Sudan, Syria, West Bank and Gaza, and Yemen. Syria has recently completed the IIP for 2007 and 2008 and West Bank and Gaza is very close to completing the IIP as well.
- Improving compilation and dissemination procedures of international reserves in Libya, Syria and Yemen.
- Providing technical advice on External Sector Data Statistics for Syria. Syria is currently disseminating EXD consistent with international practices, and consistency of data between the Ministry of Finance and the CBS has been achieved.

The FDI seminar provided an in-depth insight of how to compile FDI data through best international practices. The experience gained during this seminar helped me a lot as we prepared the methodology and questionnaire for compiling international investment data in Palestine consistent with the seminar's recommendations. The exchange of experiences among the participating countries also had a great impact in understanding the subject.

Participant in the FDI Seminar

Other Areas

- METAC assessed the data dissemination practices in West Bank and Gaza against the requirements of the Special Data Dissemination Standard (SDDS) and provided recommendations for resolving outstanding issues.
- Using elements of the IMF's Data Quality Assessment Framework (DQAF), METAC provided TA to the Banque du Liban (BDL) by assessing the current organizational structure of the Statistics and Research Divisions for the BDL and provided advice for improvement.

Workshops and in-country training

METAC organized in collaboration with the CBS a regional seminar on FDI Statistics. Morocco, Oman, Saudi Arabia, the United Arab Emirates, and all METAC member countries, except Afghanistan participated. The seminar covered: (i) the conceptual framework and institutional and regulatory arrangements of compiling FDI statistics; (ii) the design, sample selection, and the implementation of an FDI survey; (iii) the interpretation of the result of the FDI survey; and (iv) current IMF initiatives in the area of FDI. In the spirit of encouraging knowledge sharing, the representatives of Oman, Syria, and West Bank and Gaza presented their



METAC Coordinator, Mr. Saade Chami, in the opening of the FDI seminar, Syria

country experiences, generating an interesting and lively debate. The workshop discussed the way towards improving FDI statistics in the Middle East.

METAC continued to emphasize in-country and hands-on training in FY2010. In-country training was provided to: (i) Egypt on conducting an FDI survey; (ii) Jordan and Lebanon on collecting and compiling remittances statistics; (iii) Libya on balance of payments concepts and in particular financial accounts related items; (iv) Sudan on external trade statistics and on trade credit facilities; (v) Syria on IIP, FDI and External Debt; (vi) West Bank and Gaza on compiling balance of payments and IIP, data quality issues, the IMF's SDDS, and on analyzing balance of payments data; and (vii) Yemen on collecting and compiling information for the balance of payments, the International Transactions Reporting System (ITRS), External Debt, and on reporting information on services and remittances.

Collaboration with other donors

METAC collaborated with other regional agencies, including the AITRS in the seminar on "Data Quality", which was held in Amman, Jordan, and in the second Arab Statistical Conference held in Surt, Libya. Furthermore, METAC participated in the international conference on The National Statistical System-Facts and Visions, which was held in June 2009 in Ramallah, West Bank and Gaza and provided advice on Palestine's Statistical Master Plan.

C. Revenue Administration

METAC's activities in FY10 continued to support the tax reform strategies adopted by member countries. A number of factors challenged the implementation of all envisaged tasks, including the three-month gap between the appointment of the new resident advisor and the end of assignment of the predecessor, the difficulty in obtaining entry visas on time to some countries, and requests for cancellation or rescheduling of a few missions by country authorities. Nevertheless, an overall implementation ratio of about 80% was attained, including a 95% implementation ratio for the activities delivered by the revenue administration resident advisor.

Technical Assistance Delivery

The Director of Revenue in Lebanon thanks METAC for its continuous assistance including through participation in the international workshops.

يُتقدم مدير الواردات بفائق الشكر والتقدير لـ METAC عن المساعدة المستمرة التي يقدمها للإدارة الضريبية اللبنانية، من خلال إشراكها في كافة ورش العمل التي ينظمها بالإضافة إلى المساهمة في بعض ورش العمل التي تنظمها هيئات دولية والتي كان آخرها اللقاء السنوي الذي نظمه مركز اللقاءات والدراسات لمديري الإدارات الضريبية CREDAF الذي عقد في دكار، السنغال والذي تمحور حول موضوع التدقيق الضريبي.

لؤي الحاج شحادة
مدير الواردات في وزارة المالية اللبنانية

In FY2010, TA was synchronized with IMF headquarter activities, and the METAC resident advisor participated in FAD diagnostic missions on revenue administration. METAC delivered TA to all member countries, except Afghanistan and Libya, in the following areas:

Strengthening the organizational structure

Strengthening the organizational arrangements of tax administrations has been a key area of METAC's support given its strategic importance in tax modernization programs. A number of METAC countries have made good

progress towards the establishment of modern, integrated, and function-based headquarters and operational offices.

- Syria established the General Commission for Taxes and Fees (GCTF). In this regard, functional statements were reviewed, senior officials were appointed, and new premises were allocated. The GCTF should become fully operational before end-2010. The related legislations are being drafted and preparations are underway to facilitate the transfer of tax offices and operations to the GCTF by that time.
- In Jordan, Sudan and Yemen, the recently redesigned headquarters are being reviewed and strengthened.
- In Lebanon, a draft restructuring plan is being finalized with respect to integrating the Value-Added Tax (VAT) and Revenue directorates and establishing unified headquarters.
- In Egypt, the integration of income and sales tax departments is proceeding, both at headquarters and field offices.

Implementing taxpayer segmentation

METAC supported member tax authorities in developing and implementing taxpayer segmentation concepts. This is a particularly important component of the reform program that allows tax administrations to target their service and compliance programs to each category of taxpayers, and thereby, improve the overall effectiveness of the tax system and enhance revenue collection. This concept is usually implemented through the establishment of a large taxpayer office (LTO) – implemented in most METAC countries – and medium-size taxpayers' offices (MTOs). Subsequent steps are also taken to extend the segmentation concept to small and micro-businesses through the development of a simplified regime for small taxpayers. TA in this area included:



Regional workshop on the role and responsibilities of a modern tax administration headquarters, Lebanon

- Strengthening LTO operations in Jordan, Lebanon, Sudan, Syria, West Bank and Gaza, and Yemen.
- Supporting the establishment of MTOs in Syria and Yemen.
- Strengthening the MTOs operations in Jordan and Sudan.
- Developing a simplified regime for small taxpayers in Egypt and Lebanon.

Streamlining tax operations

METAC continued to support member tax administrations in modernizing and streamlining operations, particularly with respect to business process reengineering, integrated automated information systems, taxpayers' registration, and performance monitoring based on key performance indicators. In addition to improving the business processes and procedures in a number of METAC tax administrations, key developments in FY2010 included: progress in the acquisition process of a new computer system to support tax operations in Syria and Sudan, progress in redesigning the front office processes (registration, filing, payment) in Syria and Yemen, and development of an interim IT solution in Syria to be used in the transitional period (two to three years) before the deployment of the new system.



Strengthening self-assessment and risk-based compliance management

Implementing self-assessment has been a major initiative in METAC countries. Most member administrations are moving to a self-assessment system – away from traditional administrative assessments – which relies on effective risk-based compliance programs. While a well-targeted audit program ensures that scarce tax department resources are not wasted on low revenue-yielding activities, it does require a number of conditions, including: accurate data, credible risk-based selection criteria, appropriate audit techniques, effective case management, a rigorous penalty regime, and a fair appeals system. In FY2010, METAC continued to provide TA in this area to Sudan, Syria, West Bank and Gaza, and Yemen, with a focus on large and medium-sized taxpayers.

Workshops and Training



**METAC participants in the CREDAF Annual Workshop
on "Risk-Based Audit Management"
Dakar, Senegal**

METAC organized a regional workshop on “Functional Organizations and the Role of Headquarters” in Beirut, Lebanon, from June 24 to 26, 2009. All METAC countries were represented mostly at the level of tax administration heads. A senior short-term expert provided a general review of organizational principles and issues with a particular focus on the role of headquarters. Sudan, Syria and Yemen presented recent organizational developments in their respective administrations, and a high level of participation resulted in a useful exchange of views and experience.

METAC also organized a workshop for senior Iraqi tax officials on key tax administration modernization issues in Beirut.

METAC participated in the annual workshop of the Centre de Rencontres et d'Etudes des Dirigeants des Administrations Fiscales (CREDAF) on "Risk-based Audit Management" that took place in Dakar, Senegal, from April 19 to 22, 2010. The workshop was a great opportunity to share experiences, best practices and challenges in the design and implementation of a modern risk-based audit scheme with focus on risk analysis and the roles and responsibilities of the audit functions. METAC sponsored participants from Egypt, Jordan, Lebanon, and Syria.

D. Public Financial Management

In FY2010, METAC's activities in the area of Public Financial Management (PFM) supported the reform strategies adopted by member countries, and the TA strategy of the IMF's Fiscal Affairs Department (FAD), which aims for enhancing TA coordination between FAD, METAC, and other TA providers on a rolling three-year basis.

METAC's activities focused on the following areas: (i) budget classification in line with Government Financial Statistics Manual 2001 (GFSM 2001) in Lebanon and Sudan; (ii) budget integration of capital and current budgets in Syria; (iii) budget preparation and Medium-Term Expenditure Framework (MTEF) in Jordan; (iv) budget execution and gradual introduction of commitment control in Jordan; (v) banking arrangements for treasury single accounts (TSA) in Afghanistan, Lebanon, and Sudan; and (vi) cash management in Afghanistan, Lebanon, and West Bank and Gaza.

- METAC participated in FAD TA missions (some with the World Bank) to Egypt, Iraq, Jordan, Sudan, Syria, and West Bank and Gaza. This participation allowed METAC to have an up-to-date assessment of TA needs from the IMF and other TA providers.
- As part of its regional activities, METAC organized a workshop on capital expenditures and a study tour on cash management/ TSA. METAC also participated in the Organisation for Economic Co-operation and Development (OECD) for the Middle East and North Africa (MENA) Senior Budget Officials (SBO) meeting on the subject of "Budget Office and the Economic and Financial Crisis" which was held in Qatar.
- The work plan was implemented in all countries, except Libya due to the delay in conducting a diagnostic FAD mission, which would have set the agenda for METAC's intervention and follow-up work. On the other hand, Iraq and Yemen have regained some momentum in



defining their PFM strategy, which will allow them to benefit more from METAC's TA in FY2011.

Technical Assistance Delivery

Treasury banking arrangements, cash management and budget execution

METAC's work focused on cash management, to integrate cash projections and budget management in the budget execution cycle, and on TSA reform to rationalize and consolidate public funds between the central bank and ministry of finance. This resulted in more accurate cash forecasting and proper TSA design in Egypt and Lebanon, and in incorporating the provincial treasury funds in Afghanistan. In providing such assistance, METAC stressed the need for increasing the role of the national staff assigned to these tasks.

- In Sudan, despite progress with the TSA's conceptual design following an FAD mission, the system is not yet fully operational, an issue that METAC is planning to pursue in FY2011.
- In Jordan and West Bank and Gaza, with a full-fledged Government Financial Management Integrated System (GFMIS) environment, METAC worked on commitment control—to integrate cash and budget management and avoid accumulation of arrears—and specified (as part of a joint FAD mission in the case of West Bank and Gaza) a timeframe for the reform of the expenditure process.
- In Syria, METAC participated in a FAD mission (with the World Bank) to appraise the PFM treasury components (classification, GFMIS, and TSA), with a view to defining further new areas for METAC's TA in coordination with the TA provided by the World Bank and the EC.

Budget preparation and classification

METAC delivered TA in its traditional areas of expertise particularly in budget classification, chart of accounts (COA), and fiscal reporting in line with GFSM 2001. It also extended its work to new areas, including MTEFs for budget preparation and multi-year forecasting, and forward estimates of capital expenditures. In particular, METAC provided TA to:

- Lebanon and Sudan on budget classification, and participated in a FAD mission to Sudan that resulted in a positive assessment of the TA's results.



Regional workshop on Capital Expenditures

- Jordan on MTEF, focusing specifically on capital spending estimates as a follow up on a previous joint FAD-METAC's mission (with the World Bank).
- Egypt on PFM law reform by referring to best practices and benchmarking it against comparable countries, and integrating fiscal decentralization within the broader PFM and institutional framework.
- Sudan and West Bank and Gaza on budget preparation on basic procedures (budget calendar, fiscal forecasting, and budgeting) and on more advanced concepts (program-based budgeting and MTEF).

Budget integration of capital and current expenditures

- METAC followed up on its FY2009 activities in budget integration (current and capital budgets) in Syria and prepared the ground, during joint missions with FAD, for further TA in this area in other countries, notably Sudan.
- In Syria, METAC continued to provide assistance in the preparation of capital budget and monitoring its execution under an integrated multi-year, top-down and program-based budgeting framework. This TA should culminate in the presentation of the 2011 budget under a newly defined aggregate medium-term fiscal forecasting framework (MTFF) and in a new program structure for seven pilot ministries prior to a roll-out to all ministries in the 2012 budget.

Workshops and study tour

- METAC organized the second part of the study tour on cash management and TSA launched in FY2009 to Turkey. Six participating countries (Afghanistan, Egypt, Jordan, Sudan, Syria, and Yemen) benefited first hand from the successful Turkish experience. Lebanon and West Bank and Gaza participated in the first study tour in FY2009. The tour resulted tentatively in the establishment of a results-oriented framework aimed at mapping the gap of each participating country with best practices. This allowed the countries and METAC to better identify TA needs and monitor progress towards best international practices.
- METAC organized a regional three-day workshop on capital expenditures, which was attended, in addition to member countries, by two non-member countries, the United Arab Emirates and Qatar. The seminar covered basic issues (such as classification and integration with the current budget), as well as more advanced concepts (MTEF, asset management, environment sustainability, appraisal and cost-benefit). A results-oriented assessment similar to the one above (resulting from the study tour) was completed during the seminar. As a result, METAC received a TA request from Afghanistan to improve its capital expenditures management.

E. Central Bank Accounting



The Central Bank Accounting function that began in April 2007 continued until the end of FY2010 with work on the International Bank Account Numbering (IBAN) for Lebanon and the internal audit in Syria. By that time, METAC's work in this area has come to a close.

METAC increased the awareness and importance of complying with the IFRS in the member countries' central banks. This was achieved by periodic missions to the various central banks, and by organizing regional workshops. METAC assisted central banks by developing a draft IFRS compliant accounting policies and COA, which can cater for the requirements of IFRS based financial and monetary reports and statistics.

METAC increased the awareness and importance of complying with the IFRS in the member countries' central banks. This was achieved by periodic missions to the various central banks, and by

In the area of internal audit, METAC's objective was to ensure that a proper Internal Audit function exists and that the audit methodology of central banks shifts towards 'risk-based' audit. To achieve this, METAC provided assistance to develop an Audit Charter, re-organize the audit functions and organization and train the Internal Auditors with workshops and on-the-job training.

Technical Assistance Delivery

METAC developed with the authorities an action plan identifying objectives and tasks to be achieved in the Accounting and Internal Audit areas. METAC experts conducted several missions to Libya, Sudan, Syria, West Bank and Gaza, and Yemen. These activities included:

- Jordan. Work focused on accounting principles relating to the recognition, measurement, and disclosure of investments.
- Libya. Two short term missions assisted with the development of the Internal Audit function and with moving from compliance to risk based audits.
- Syria. A short-term expert conducted five short term missions to further develop the Internal Audit function. The short term expert assisted with the re-organization, duty statements of audit officers, audit charter, audit programs, and preparation for the move towards risk based audits.
- Lebanon. At the request of the BDL, a METAC short-term expert continued to assist BDL and the Association of the Banks in Lebanon (ABL) in the IBAN implementation. As a result, the IBAN numbering system became operational in July 2010, and this was one of the main achievements in this area.

Box 3. International Bank Account Number (IBAN) system in Lebanon A Success Story

In October 2008, at the request of Banque Du Liban (BDL), METAC examined the existing account number system for customer accounts, proposed an IBAN format, and initiated a plan to develop and implement an IBAN system for Lebanon. BDL adopted the work done by METAC and published a circular announcing that IBAN usage would start on January 1, 2010 and be mandatory for all banks as of July 1, 2010. As a result of this project, Lebanon is now registered as IBAN User Country in the SWIFT-IBAN Registry. This is a significant achievement due in large part to BDL's and banks' commitment to this reform and their cooperation with the technical assistance provided by METAC.

What is IBAN?

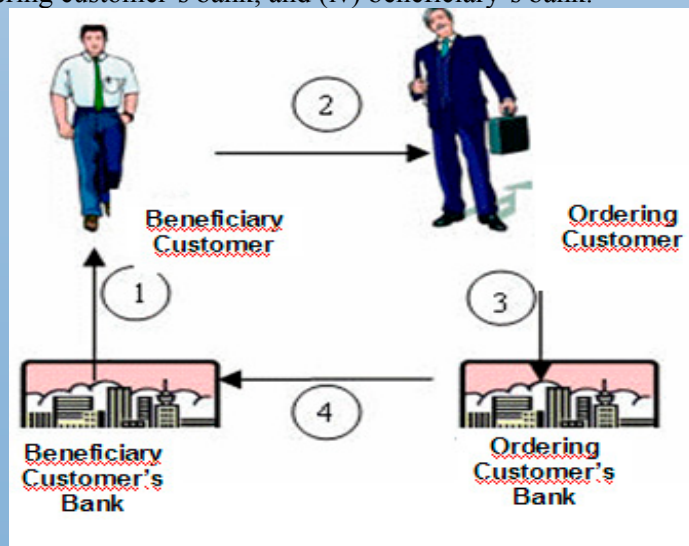
IBAN is defined by the International Standards Organization (ISO) as an internationally recognized account number used to automatically process bank account identifications in cross-border money transfers, uniformly validate bank account identifications, and route fund transfer transactions more easily.

In international commerce, because of the variations in the domestic account numbers shown on invoices received from abroad, account numbers may not be perceived and processed correctly. Therefore cross-border payment transactions may be incorrect and incomplete entailing extra costs, efforts, and delays.

IBAN uniquely identifies an individual account, at a specific financial institution, in a particular country. It consists of: (i) a two-letter country code; (ii) two check digits; and (iii) up to thirty alphanumeric characters for a Basic Bank Account Number (BBAN) which has a fixed length per country.

How does IBAN work?

In a cross border money transfer, there are 4 main parties: (i) ordering customer; (ii) beneficiary customer; (iii) ordering customer's bank; and (iv) beneficiary's bank.



Box 3. International Bank Account Number (IBAN) system in Lebanon A Success Story (Cont.)

The use of IBAN can simply be represented as follows:

1. The IBAN of Beneficiary's Account is produced and given to Beneficiary by Beneficiary's Bank.
2. The Beneficiary's IBAN is forwarded to the ordering customer by such means as invoice, letterhead, or international payment instruction by the Beneficiary.
3. The ordering Customer submits a cross-border credit transfer order, which includes the Beneficiary's IBAN to the Ordering Customer's Bank.
4. The cross-border credit-transfer message includes the Beneficiary's IBAN, which has been validated by the Ordering Customer's Bank, using the standard check digit algorithm within the IBAN. If IBAN check digits cannot be validated, the transaction is aborted at Ordering Customer's Bank.
5. After receipt of the message by the Beneficiary's Bank, the Beneficiary's account will be credited.

How did Lebanon become an IBAN user?

The implementation and use of the IBAN in Lebanon followed several steps as shown below:

Lebanese IBAN Format. A METAC short-term expert conducted a comprehensive study and proposed an IBAN structure of 28 digits which is ISO Standard compliant. BDL reviewed the structure and adopted the proposed number format.

Legal framework for IBAN. Rules and regulations regarding IBAN implementation were issued by the BDL through circular No. 120. In addition, all rules and regulations, affected by the IBAN, were reviewed and amended.

IBAN Implementation. The plan for IBAN implementation was finalized by METAC short-term expert and BDL Project Team. More recently the IBAN has been implemented in BDL and 64 commercial banks.

Communication Strategy. Commercial banks communicated the IBAN to customers in different formats such as customer documents, Internet, text messages, and leaflets. For correspondent banks overseas, BDL and banks broadcasted messages through the SWIFT. BDL made great efforts to create awareness inside the country by sending IBAN guides and official letters to banks and public institutions that have accounts with BDL, as well as publishing leaflets and creating an IBAN internet page on the BLD website (www.bdl.gov.lb).

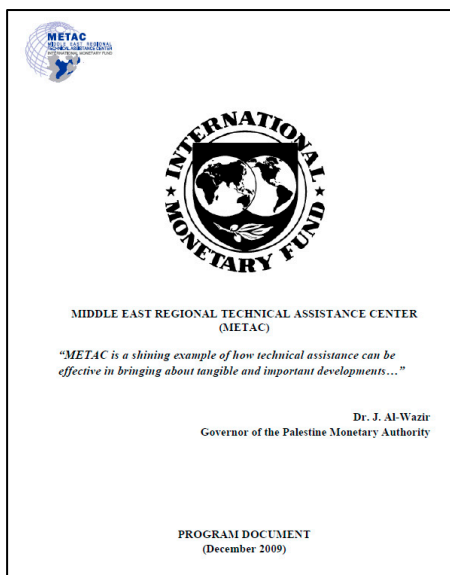
IBAN's registration. Lebanon is now registered as an IBAN user Country in the SWIFT-IBAN Registry. Upon the completion of technical implementation, Lebanon submitted the SWIFT Registration Form to the SWIFT Society, which reviewed it and registered Lebanon in the list of IBAN-user countries.

IBAN's use. IBAN use started on January 1, 2010 with BDL and METAC providing support to banks. BDL established a help desk for banks. The mandatory use of IBAN began on July 1, 2010.

F. Other Activities

In FY2010, several activities took place in addition to the delivery of direct TA and the two evaluation missions. These activities included the preparation of the program document for METAC's Phase III and outreach activities.

Program Document



METAC worked jointly with the IMF's Office of Technical Assistance Management (OTM) and the MCD on the program document, which was issued in December 2009. This document lays out METAC's TA strategy and country-specific activities for Phase III (May 2010-April 2015). METAC's strategy is based on consultations with country authorities, the experience acquired by METAC with beneficiary countries over the past few years, and member countries' requests, taking into account the recommendations of the recent independent external evaluation. This strategy provides an overall direction of METAC's work. It will be updated regularly, and applied flexibly to reflect new developments and new emerging needs.

Annual Report

The second Annual Report was issued in October 2009 ahead of the IMF-World Bank Annual Meetings in Istanbul. The report highlighted METAC's major activities and accomplishments during the year, and outlined the work plan for FY2010 and the priorities based on the outcome of the SC meeting that took place in early May 2009.

Outreach activities

METAC participated in several outreach activities in FY2010. The METAC Coordinator (i) presented the IMF's Regional Economic Outlook (REO) for the Middle East and North Africa in October 2009 to the media and a couple of universities; (ii) participated in a panel on "Challenges of Competence and Confidence Building" at the Basel Fuleihan Institute of the Ministry of Finance of Lebanon (MOF); (iii) made a presentation on lessons from the financial crisis in a conference on "New approach to Risk Management" in Beirut with the participation of high officials from the region; (iv) made a presentation on the "Status and Impact of Economic Policy in the Arab Region in the context of the global financial and economic crisis" in the conference on "Economic Reform and Private Sector in BMENA Region in the Context of the International Financial Crisis"; and (v) led roundtable discussions with university students on the major economic challenges facing them as part the Youth Dialogue Initiative launched by the IMF in early 2010. While carrying out these activities, METAC Coordinator used these opportunity to

highlight the work done by METAC and to stress the importance of capacity building in the region.

Donors Meeting

METAC organized a donors meeting in Beirut on April 13, 2010. The meeting was attended by some 20 representatives of both recipient and donor countries, and was chaired by Ms. Raya Haffar, the Minister of Finance of Lebanon. Ms. Haffar reiterated Lebanon's strong commitment to METAC, emphasizing that this commitment never wavered even under the most difficult circumstances. She urged donors to increase their contributions to METAC substantially since an effective METAC is good for the whole region. For Phase III, Minister Haffar committed that Lebanon will contribute \$1 million a year to METAC, in addition to



Minister Haffar at the Donors' Meeting

the rent and the salary of METAC local staff (estimated at another \$300,000 per year). METAC Coordinator made a Presentation on METAC's activities, achievements, and the way forward, and answered questions from participants, including on coordination with other TA providers, the way METAC operates, and recipient countries' views on the work of METAC. Several donors expressed interest in supporting METAC in Phase III.

SECTION IV: TECHNICAL ASSISTANCE INPUTS IN FY2010

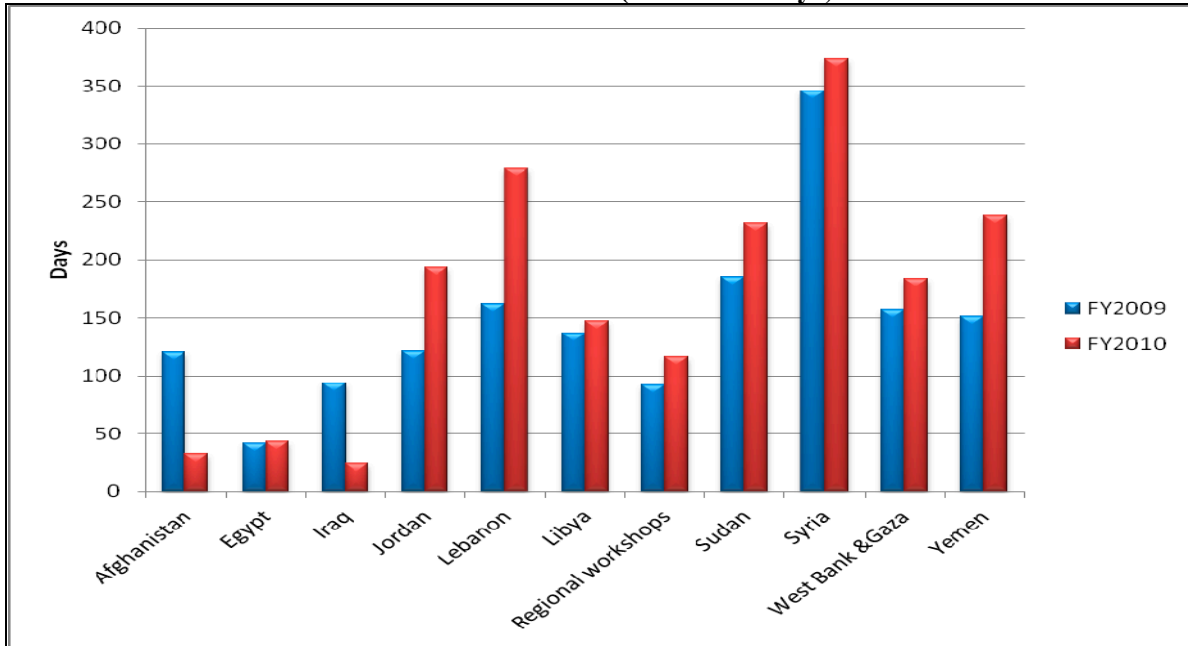
During FY2010, 138 TA and training missions were conducted, representing a 94 percent implementation ratio of activities included in the original work plan. This ratio reflects the total number of missions including those that were added during the year, either to replace missions that were cancelled or new missions requested by the authorities.

As mentioned in the individual sections, a number of factors affected the cancellation of missions in FY2010. These included delays by some country authorities in completing tasks required for follow-up TA, a shift in country's priorities, technical problems including receiving entry visas on time and in some cases limited institutional capacity for TA absorption. Although the revenue administration advisor position was vacant for three months, the new advisor made a considerable effort to catch up with the work plan and to respond to countries' needs. Work on central bank accounting by short-term experts continued after the departure of the resident advisor in October 2009.

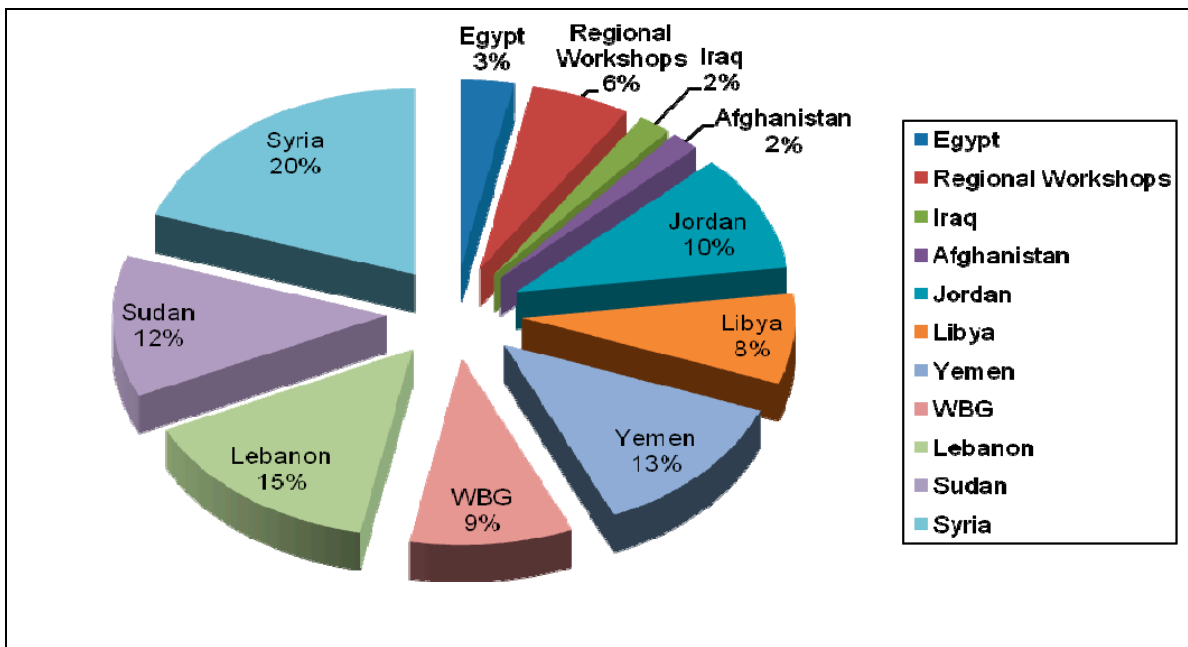
Syria continued to be the largest beneficiary of TA, accounting for 20 percent of METAC's resources, slightly less than its share in FY2009. Lebanon had the second largest share at 15 percent, a noticeable jump from the 10 percent last fiscal year. Yemen, Sudan, Jordan and Libya followed. The increase in the shares of Lebanon and Jordan resulted from a concerted effort to engage them more in METAC's activities. Egypt, however, continued to rely little on METAC's TA (3 percent), while Afghanistan and Iraq received 2 percent each. About 6 percent of resources were devoted to regional activities, about the same level as last fiscal year.

The relative country shares of METAC's TA delivery reflect countries' needs, and the activities of other TA providers, including the IMF. Figure 1 shows the distribution of TA by beneficiary country for FY2009 and FY2010 in person days; Figure 2 shows the country allocation of TA (by both resident and short-term experts) in FY2010. The distribution of resources by area shows (Table 1) that macroeconomic statistics was the most active given the tremendous needs in most METAC countries and the fact that the resident advisor is an expert in balance of payments statistics (relying less on short-term experts and hence responding quickly to demands).

**Figure 1: Distribution of METAC Technical Assistance by Area and Country
FYs 2009 and 2010 (in Person Days)**



**Figure 2: Allocation of Technical Assistance Delivery by Beneficiary Country
FY2010 (in percent)**



**Table 1: METAC Technical Assistance Delivery by Area and Beneficiary Country
FY2010 (in person weeks)**

	Macro economic Statistics	Banking Supervision	Public Financial Management	Revenue Administr ation	Central Banking	Other	Total
Regional Activities	4	4	5	7	2	1	23
Afghanistan	0	0	4	0	0	0	4
Egypt	7	0	2	2	0	0	11
Iraq	0	5.5	2	3	0	0	10.5
Jordan	4	5	12	6	3.5	0	30.5
Lebanon	15	11.5	9	9	7	0	51.5
Libya	12.5	3	0	0	13	0	28.5
Sudan	9	10	8.5	5	3	0	35.5
Syria	12	11.5	9	16	14	0	62.5
West Bank and Gaza	9	8.5	5	3.5	3	0	29
Yemen	31	6.5	2	6	2	0	47.5
Total	103.5	65.5	58.5	57.5	47.5	1	333.5
Activity Distribution as % of total	32.4	19	17.5	17.2	13.6	0.3	100

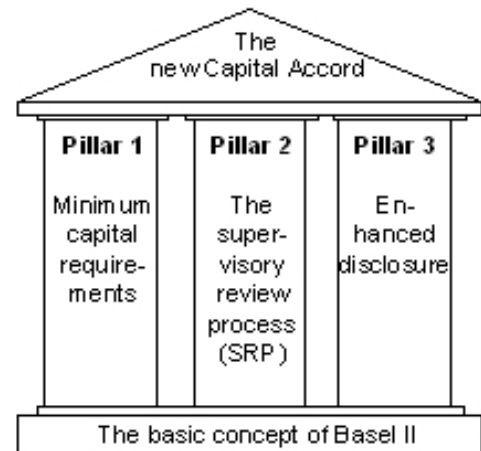
SECTION V: OVERVIEW OF FY2011 WORK PLAN

The work plan for FY2011 was guided by the five-year TA strategy as developed in the program document, and by the need to respond to the recommendations of the external independent evaluation as well as the recommendations of the EC monitoring report. In particular, the work plan envisages an almost doubling of regional activities and takes into account in formulating the work program the need to move toward achieving verifiable indicators for each area and toward a results based management system.

Specific activities were chosen to reflect the needs of the country authorities as submitted to METAC and as identified by the resident experts in consultation with these countries. In addition, the work plan was guided by the IMF's TA priorities as articulated in MCD's regional strategy note. METAC will continue to provide TA in the areas of banking supervision, macroeconomic statistics, revenue administration, and PFM. After the completion of TA activities in the area of central bank accounting, METAC will begin offering in FY2011 TA on debt management and money market development.

A. Banking Supervision

METAC will continue to assist member countries in improving and strengthening their financial systems and maintaining public trust and confidence in the banking sector. Implementation of Basel II, migration of other countries from Basel I to Basel II, adoption of a risk-focused on-site inspection approach, and strengthening the off-site supervision activity will remain an important part of METAC's TA. In addition, METAC will cover new areas such as Islamic banking operations, exchange houses and MFI, early warning system development and the supervision of funds and structured products.



The FY2011 work plan was prepared in line with the objectives set in the program document for METAC's Phase III, reflecting priorities in consulted countries. In addition to enhancing bank safety and soundness, and moving toward full implementation of Basel II, the work plan will cover the following areas in the coming year, with a view to achieve the objectives set in the program document:

- Creating a regulatory framework in Afghanistan, Syria, and Yemen through the development of prudential regulations;
- Monitoring credit risk in Sudan and West Bank and Gaza through the development of a new credit registry system;
- Targeting a higher level of compliance with IAS through the development of new financial statements (Iraq, Libya, and West Bank and Gaza) and the delivery of training courses with emphasis on latest amendments (Syria);

- Strengthening on-site supervision, off-site supervision, and risk-focused supervision for most countries where results are measured by the development of risk-based inspection manuals; the development of call reports; and the adoption of the CAMELS approach; and
- Providing TA on Islamic finance (Afghanistan, Jordan, and Sudan), structured products and mutual funds (Lebanon), MFI and exchange houses (Syria and Yemen) and early warning system (Lebanon).

METAC seeks to promote regional cooperation on different supervisory and regulatory issues. Therefore, METAC plans to organize regional workshops and meetings of bank supervisors to exchange information and synchronize to the extent possible banking supervision practices. Sharing information and experiences among countries' supervisors will help in the implementation of the Basel II Framework. In this context, METAC will organize two regional workshops in FY2011 on Islamic Banking, and Banking Supervision Enhancement and the Relationship with Internal and External Auditors.

B. Macroeconomic Statistics

In response to requests from member countries, and consistent with the IMF Statistics Department (STA) strategies and METAC accumulated experience in the region, activities in macroeconomic



statistics in FY 2011 will continue to focus on improving the quality of the balance of payments, NA, and price statistics. In addition, the work program will respond to the Independent External Evaluation mission recommendation on the need to move to results-based management, and will aim at achieving the verifiable indicators as set in METAC's program document. The work program will emphasize external sector statistics, including FDI, remittances, and EXD, and strengthening balance of payments data collection programs and compilation methods as well as improving IIP statistics. In particular, METAC will assist:

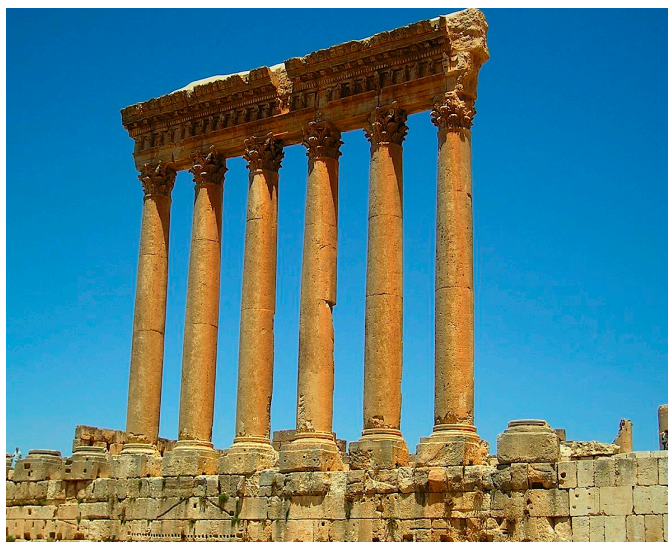
- Egypt, Lebanon, and Syria in completing the FDI surveys;
- Lebanon, Libya, and West Bank and Gaza in completing the IIP;
- Sudan and Yemen in improving the overall balance of payments and IIP;
- Lebanon and Yemen in compiling PPI statistics and Afghanistan in improving its CPI (work on most other countries' CPI is underway); and
- Jordan in improving its NA.

METAC will organize two regional workshops on: (1) the changes from Balance of Payments Manual, fifth edition (BPM5) to the Balance of Payments Manual, sixth edition (BPM6), and (2) international trade in services. METAC will also participate in a joint seminar with the AITRS in the area of Data Quality and Dissemination Standards.

C. Revenue Administration

The revenue administration work plan for FY2011 has been developed to respond to METAC member tax administrations' needs, and to follow up on the work done in FY2010. The planned activities have been aligned with the FAD strategies for member countries, and have been harmonized with FAD's TA delivery.

The proposed work plan also reflects the TA strategy of METAC for Phase III (2010-2015) as laid out in the program document. It focuses on key tax administration reform areas: self-assessment, compliance management, taxpayer segmentation, operations' streamlining, risk-based audit, and organizational structure.



The planned TA will cover:

- Strengthening the LTO and MTOs operations in Libya, Sudan, and Yemen;
- Supporting the establishment of MTOs in Syria;
- Strengthening collection operations and arrears management in Jordan and Lebanon;
- Supporting the business process reengineering and the implementation of integrated automated systems in Sudan and Syria;
- Strengthening the central taxpayer database in Sudan and Syria;
- Strengthening compliance management and risk-based audit in Sudan;
- Supporting the preparations for the introduction of self-assessment and VAT in Syria;
- Reviewing tax and customs operations in Egypt;
- Supporting the establishment of an integrated tax administration in Egypt and Lebanon; and
- Enhancing the skills of local staff in specific tax modernization areas in Afghanistan and Iraq.

In FY2011, METAC will deliver its first TA in the area of customs administration. Notwithstanding the considerable needs in tax administration reforms, customs modernization is also a keystone of the revenue reform strategy; disparities in the performances of both tax and customs administrations will hinder the achievements of a number of initiatives such as VAT implementation. Consequently, METAC will initiate a customs administration activity in Egypt in FY2011, and will extend its support in this area to other member countries in the future.



In line with METAC's strategy to strengthen regional networking and knowledge exchange, two workshops will be organized in FY2011: one on taxpayer services strategies and best practices (to be held in Lebanon), and the second on segmentation strategy and tax administration organizational arrangements (to be held in Egypt). In addition, a study tour on taxpayer services is envisaged. Negotiations are underway with the French tax administration to host this event.

D. Public Financial Management

The work plan for FY2011 reflects the strategy set out in the program document for the next five years. Activities aim at continuing the work done in previous years in the budget and treasury areas. METAC plans to work on new issues as highlighted by the program document such as fiscal decentralization (Egypt) and PFM institutional reform (Sudan).

In FY2011, METAC plans to renew its TA activity in Yemen and begin a new cooperation with Libya following FAD diagnostic missions. In both countries, the focus will be on treasury reform. The work plan also reflects enhanced cooperation with FAD (about ten joint missions with FAD for new or follow up TA missions) as part of the programmatic approach implemented in FY2010.

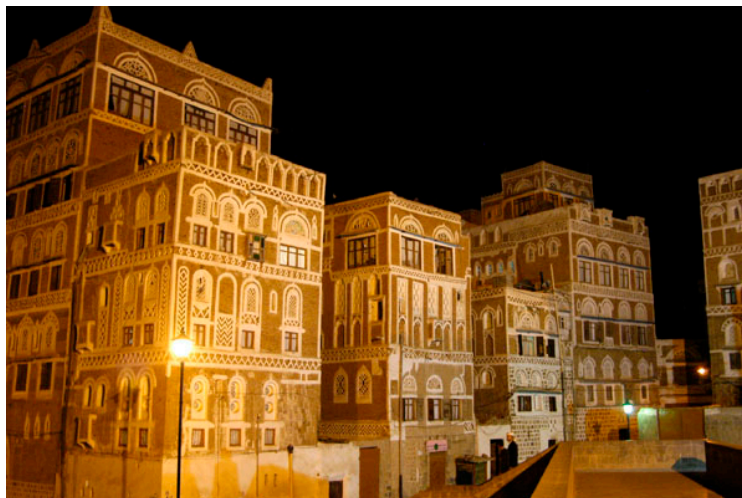
METAC's TA work program is mostly designed to achieve the expected results that will be assessed against the verifiable indicators indicated in the program document. In this context, emphasis will be put on the following activities:

- TSA in Lebanon and Sudan to increase the proportion of public funds channeled through the new consolidated treasury system;
- Cash management and integration with budget management in Jordan, Lebanon, Sudan, and West Bank and Gaza to reduce the time-horizon used for cash forecasting from monthly to daily, while the level of commitment controls effectively implemented during the budget execution of the public expenditures (current, and capital) will measure the integration of cash and budget management (Jordan and West Bank and Gaza); and
- Budget preparation in Egypt, Jordan, Sudan, and Syria where success will be measured by the number of budget ceilings issued during the budget process (Egypt), the number of budgets presented under a program structure combining current and capital expenditures (Syria), and the effectiveness of the presentation of the budget under a MTFE (Syria and Sudan) or MTEF (Jordan).

In response to the recommendations of the Independent External Evaluation, METAC plans to intensify its regional activities. Two regional workshops will be held, to which other non-METAC member countries will be invited. One workshop will cover fiscal forecasting and budgeting particularly in a medium-term perspective, and another will be on cash management,

TSA, and commitment control. In addition, a study tour to benefit from the successful PFM experience in other countries would be organized.

METAC will strengthen further its coordination with other TA providers, in particular in countries with large donor presence. Collaboration will be enhanced further with the United States Agency for International Development (USAID) in Egypt and Jordan; the EC in Egypt and Syria; the World Bank in Lebanon, Syria, and Yemen; and DfID in Yemen and West Bank and Gaza through regular contacts and sharing of TA reports, following the adoption of the IMF



new dissemination policy. The strong cooperation already established in Afghanistan, Egypt, Jordan, Lebanon, Syria, and Yemen will be deepened and extended to other countries. Coordination with FAD will be strengthened further in the context of the systemic approach developed in FY2010 with a view of clarifying the role of each TA provider and avoiding duplication.

E. Debt Management and Money Markets Development

A resident expert in the area of debt management and money market development will replace the departing resident advisor on Central Bank Accounting and Internal Audit after discussions with member countries and the IMF. Demand for improving public debt management and developing public debt markets are important for METAC members.

The principal components of sound debt management in many countries are based on the importance of having clear debt management objectives, proper coordination between debt management and monetary and fiscal policy, a prudent risk management framework, an effective institutional framework, and a strong operational capacity enabling efficient funding and sound risk management practices. Accordingly, the resident advisor will assist member countries in:



- Developing plans to improve the functioning of the primary markets including primary issuance techniques (for capital and money markets);
- Improving liquidity in the secondary markets for government debt and secondary market design including instruments, regulation, and market infrastructure;

- Supporting broader capital market development including the possibility of introducing primary dealers and market makers;
- Developing and delivering debt management and debt market development capacity building events through workshops and seminars;
- Developing plans to strengthen public debt management frameworks including institutional arrangements for public debt management and debt management strategy development; and
- Enhancing the effective coordination between debt management and monetary policy.

The new resident advisor on debt management will initially assess the state of debt management in METAC countries and consult with debt management units of member countries regarding their direct TA needs and priorities. In light of these discussions, the tentative work plan for FY2011 will be revisited to respond to countries' needs.

However, the preliminary work plan is based on some initial contacts with country authorities and country teams in the MCD. Some countries showed interest in issues related to money market development rather than debt management, and it is likely that a large part of the work of the advisor will be devoted to money market and operations.

The main elements of this tentative work plan are:

- Review of monetary frameworks and central bank instruments, and development of interbank and money markets in Afghanistan, Libya, Sudan, and Yemen;
- Development of capital market (government securities) in Afghanistan, Jordan, Syria, and Yemen;
- Development of primary markets for issuing CDs in Libya and West Bank and Gaza;
- Issuance of Treasury Bills in Afghanistan, secondary market development for central bank notes in Afghanistan and Libya, and improvement of T-bill auctions in Iraq;
- Follow-up on debt management and financial market development in Jordan; and
- Support the design and development of a debt strategy in Jordan, Lebanon, and Syria.

In addition, METAC plans to organize two workshops on the preparation of debt strategy and on Islamic Sukuk in FY2011.



SECTION VI: BUDGET AND FINANCING

Project Status – Phase II

At the April 2009 SC meeting, members agreed to reduce the cycle duration to two and a half years. Although Phase II finished on April 30, 2010, some costs are yet to be processed for Seminars and Miscellaneous costs. These will add to the existing outturn and may be in the range of \$50,000-100,000. At present, 92% of the revised budget for Phase II was implemented. The increased activity of METAC in the last 12 months was reflected in the expenditure for FY2010, which, despite some intervals between the assignments of resident advisors, was 18% higher than in FY2009, reflecting a higher implementation ratio over FY2009.

Contribution Roster – Phase II

Pledges totaling \$8.4m were received from donors and recipients for METAC Phase II. The composition of these pledges reflected METAC's strong regional ownership, with METAC beneficiary countries contributing around 53% of total resources. All contributions for this cycle have now been received.

Project Status – Phase III

The total budget of Phase III is \$33m, as described in the program document. Phase III is expected to run for 5 years, from May 2010 to April 2015 – twice the duration of Phase II. The portion of this budget that is expected to be funded by donors is \$26.5m, with a budget of \$4.1m in the first year.

The new budget provides for inflation adjustment over the course of the coming 5 years, some additional activities (e.g. study tours), and an expansion of TA delivery (e.g. in the seminar program).

SECTION VII: STAFFING NEWS

Mr. Gillmore Hoefdraad, METAC resident advisor in statistics for the past two years, left METAC at the end of June, and shortly thereafter he has been nominated as the Governor of the Central Bank of Suriname. The work done by Mr. Hoefdraad has been highly appreciated by beneficiary organizations in METAC countries. The Acting President of the Palestinian Central Bureau of Statistics (PCBS), Ms. Ola Awad, and the Mission Chief to Libya and Syria at that time, Mr. Khaled Sakr, expressed their gratitude:

“On behalf of the Palestinian Central Bureau of Statistics, please accept our warmest congratulations for being nominated as the Governor of the Central Bank of Suriname. You are well deserved for this position with outstanding achievements in the METAC region over the past years. You have been such a dedicated and devoted person with considerable abilities and potential. At this pleasant moment, we take the opportunity to acknowledge and appreciate your accomplishments and vital support that you have provided to PCBS. We were very fortunate to have someone of your obvious abilities and we were truly delighted and honored to work with you over the past two years.”

“I would like to express my appreciation of his very valuable assistance and cooperation with MCD missions... He was always available to provide timely and high quality input and advice and made an effort to get out of his way to overlap with us in order to implement METAC’s strategy of ensuring close collaboration between TA and surveillance work. Both the mission teams and the authorities have been also very appreciative of him.”

Mr. Jean Galand, from the IMF Statistics Department, has replaced Mr. Hoefdraad and joined METAC at the end of August 2010.

Mr. Silan Nadarajah, METAC Central Bank Accounting Advisor left in October 2009. This area has been replaced by Debt Management and Money Markets Development, handled by Ms. Nelly Batchoun.

Ms. Rowaida Khalife, Budget/Office Manager left METAC in March and was replaced by Ms. Sawsan Saidi.

ANNEX 1: METAC PLANNED ACTIVITIES, FY2011

	BANKING SUPERVISION	STATISTICS
Regional Activities	Strengthening banking supervision practices. Support Islamic Banking.	Two workshops on balance of payments and one workshop on data quality.
Afghanistan	Training and developing simple models to measure credit, market and operational risk. Risk Management and Islamic Banking.	To be determined.
Egypt	To be determined.	Assist in planning for full-scale FDI Survey and work with the Central Bank of Egypt (CBE) on Report on the Observance of Standards and Codes (ROSC) outstanding issues.
Iraq	Training on new developed regulations and call reports and letters of credits, and development of an off-site supervision report.	
Jordan	Training on Islamic financial transactions and implementation of Basel II.	Improving balance of payments and IIP compilation practices, and Quarterly National Account Statistics.
Lebanon	Capacity building on mutual funds and structured products. Developing an early warning system.	Improving balance of payments components and compiling IIP statistics. Assist Lebanon in collecting source data and compiling PPI statistics, and provide training on the link between macroeconomic statistics.
Libya	On-site training on inspection manual and follow-up missions.	Strengthening the compilation of balance of payments statistics and initiating compilation of IIP Statistics.
Sudan	Training course on Islamic banking. Follow-up mission on the implementation of the credit registry.	Improving balance of payments and IIP Statistics and provide training. Follow-up mission with a focus on FDI.
Syria	Develop a manual on small and MFI, measure its risks and evaluate its performance. Ensure the conforming between Basel committee and banking supervision legislations and laws. Provide training on IAS and IFRS. Prepare a controlling draft on the work of external auditor. Follow up mission on the implementation of Basel II.	Review of ITRS, Coordinated Direct Investment Survey (CDIS) preparation, and follow up on remittances. Review current CPI compilation practices and prepare the stage for PPI.
West Bank and Gaza	Updating call report to comply with IFRS, IAS, and Basel II requirements. Follow up mission on the implementation of the credit registry.	Review Foreign Investment Survey and assist in finalizing IIP data.
Yemen	On-the job training on inspection manual and development of new circulars.	Improving collection and compilation practices for balance of payments and IIP statistics, as well as CPI compilation practices.

	PUBLIC FINANCIAL MANAGEMENT	REVENUE ADMINISTRATION
Regional Activities	Workshop on fiscal forecasting and budgeting. Workshop on treasury issues. Study tour on PFM reform.	Workshop in Beirut on Taxpayer Services. Workshop in Egypt on modernizing tax administration. Study tour on taxpayer services.
Afghanistan	Assessment of PFM.	Workshop on tax administration modernization strategy.
Egypt	Assessment of PFM. Assisting with fiscal forecasting and top-down, and with the development of internal controls and audit.	Support to tax and customs administration modernization.
Iraq	Assessment of PFM.	Workshop to senior tax officials on fundamentals of tax administration modernization strategy.
Jordan	Follow-up missions on PFM assessment, CCS and cash management and MTEF.	Strengthen collection operations & arrears management.
Lebanon	Assessment of PFM. Assist with improving PFM, cash management, and TSA.	Strengthen collection operations & arrears management. Support restructuring & integration: integration plan and functional statements.
Libya	Assessment of PFM. Assist with improving PFM.	Assess and strengthen progress in implementing the reforms: HQ structure, establishment of LTO and MTOs.
Sudan	Follow-up mission on PFM assessment, and assist with budget preparation, cash management, and TSA.	Assess progress in implementing the information technology strategy. Provide an on-site workshop to strengthen audit techniques and implementation of self-assessment. Review front office business processes in LTO/MTOs.
Syria	Follow-up mission on PFM assessment. Assist with budget integration, cash management, and TSA.	Support implementation of self-assessment. Strengthen the TIN implementation including the business activity code (ISIC). Support establishment of MTOs, including the implementation of the interim IT solution. Support tax administration in compliance management strategy, including risk-based audit planning and implementation. Provide support in the preparations for VAT, and to the Customs Administration.
West Bank and Gaza	Follow-up mission on PFM assessment.	Support to tax administration modernization.
Yemen	Assessment of PFM.	Assess progress in implementing the reforms, and strengthen the LTO and MTO operations.

	DEBT MANAGEMENT AND MONEY MARKET DEVELOPMENT
Regional Activities	Workshop on preparing debt strategy. Islamic Sukuk.
Afghanistan	Monetary instruments, liquidity forecasting, and forecasting of monetary aggregates. Capital market development/development of secondary market for central bank notes. TA on issuance of treasury bills.
Egypt	Assessment of needs for debt management and money market development. Debt strategy.
Iraq	Strengthening and developing debt market and money market by improving the auction mechanism of bills.
Jordan	Follow-up on debt management and financial market development capital market development, and support the design of a debt strategy.
Lebanon	Assessment of needs for debt management and money market development. Planning a debt strategy.
Libya	Assess the needs for debt management and money market development. Develop interbank and secondary markets. Primary market for issuing CDs and auction system for CD.
Sudan	Assess the needs for debt management and money market development, and assist in the development of efficient monetary markets and instruments.
Syria	Assess the needs for debt management and money market development. Develop a government security market and a formal debt strategy. Produce regular reporting on the size and composition of debt.
West Bank and Gaza	Assess the needs for debt management. Legal, Operational Aspects, Internal Procedures (registrar, accounting, IT). General aspects of issuing CD.
Yemen	Review of monetary framework and central bank instruments/Money and Exchange Regimes. Develop intrabank market/capital market development. Assess the needs for debt management and money market development.

ANNEX 2: LIST OF SEMINARS / WORKSHOPS, FY2010

Title of Course/Seminar	Location	Collaborating Institution	# Participants	Target Countries	
				METAC	Other
<i>Workshop on the Role and Responsibilities of a Modern Tax Administration Headquarters for Tax Officials</i>	Lebanon		23	9	2
<i>Capital Expenditure Workshop</i>	Lebanon		25	9	2
<i>Workshop for the Study and Description of the current situation of the organizational and operational structure of tax public authority in Iraq</i>	Lebanon		5	1	0
<i>The Application of Risk Based Auditing for Central Banks Workshop</i>	Lebanon		22	9	0
<i>Study Tour No. 2 on Cash Management</i>	Turkey		7	6	0
<i>IMF-Regulations for the Central Bank of Iraq Workshop</i>	Lebanon	MCM	10	1	0
<i>Financial Programming and Policies Course</i>	Lebanon	IMF Institute	22	2	0
<i>International Accounting Standards Training Course for Iraq</i>	Lebanon		6	1	0
<i>Foreign Direct Investment Seminar</i>	Syria	Central Bank of Syria	24	9	4
<i>CBI Developed Training regulations Training Course for Iraq</i>	Lebanon		6	1	0
<i>The Future of Banking Supervision Beyond the Financial Crisis Workshop</i>	Lebanon		21	7	2
<i>Annual workshop of the Centre des Rencontres et d'Etudes des Dirigeants des Administrations Fiscales (CREDAF) on "risk-based audit management"</i>	Senegal	Organized by CREDAF	6	4	0

ANNEX 3: LIST OF METAC MISSIONS, FY2010

Afghanistan

Sector	Mission Activities	Mission Dates
Public Financial Management	Improve integrating cash and budget execution management	Feb-10

Egypt

Sector	Mission Activities	Mission Dates
Balance of Payments Statistics	Assist in planning for full-scale FDI Survey and work with the CBE on ROSC outstanding issues	Jun-09
Public Financial Management	Assist with the establishment of TSA and related accounting rules	Nov-09
Revenue Administration	Follow-up visit to take stock of progress in implementing the reforms: HQ restructuring, development of MTOs and establishment of STOs	Mar-10

Iraq

Sector	Mission Activities	Mission Dates
Banking Supervision	Training on newly developed Financial Statements and call reports	Oct-09
Banking Supervision	Training course on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)	Jan-10
Banking Supervision	Training on newly developed Regulations	Feb-10
Public Financial Management	Full FAD mission with METAC on reforms	Oct-09
Revenue Administration	Workshop for senior tax officials to discuss tax administration modernization issues	Sept-09

Jordan		
Sector	Mission Activities	Mission Dates
Remittances and external debt data	Assist in improving remittances collection and compilation practices and assess EXD	Oct-09
Balance of payments and IIP Statistics	Improving balance of payments (errors and omissions) and IIP statistics	
Banking Supervision	On-the-job training on the implementation of the new inspection manual	May-09
Banking Supervision	Implementation of Basel II	Mar-10
Public Financial Management	Inspection visit with FAD	Jun-09
Public Financial Management	Assist with the development of the TSA and improving fiscal reporting	Aug-09
Public Financial Management	Assist with improving the evaluation of COAs	Mar-10
Public Financial Management	Improving capital expenditures	Apr-10
Revenue Administration	Follow-up visit to assess progress in implementing the reforms, more specifically the restructuring of HQ	May-09
Revenue Administration	Strengthening the headquarters structure, functions, and operations	Feb-10
Central Bank Accounting	Further development of the budgetary system	Jun-09
Central Bank Accounting	IAS39 application in central banks	Aug-09

Lebanon		
Sector	Mission Activities	Mission Dates
Real Sector Statistics	Review compilation practices of the CPI against international methodology	Jan-10
Statistics	Improve workflow in Research and Statistics Department by reviewing current compilation and dissemination practices and provide advice where needed	Feb-10
Balance of payments and IIP Statistics	Improving balance of payments components and compiling IIP statistics	May-09
		Sept-09
		Jan-10
		Feb-10
Banking Supervision	Assessment of bank's strategy and business plan	Jul-09
Banking Supervision	Workshop: consolidated supervision	Mar-10
Banking Supervision	Training: Stress testing techniques	Nov-09
Public Financial Management	Inspection visit with FAD	May-09
		Aug-09
Public Financial Management	Update budget classification from Government Financial Statistics (GFS) 1996 to GFS 2001 and update the charts of accounts accordingly	Apr-10
Public Financial Management	Follow up mission on cash management reforms	Dec-09
Revenue Administration	Contribution to FAD mission	Apr-10
Revenue Administration	Visit to support integration of Revenue and VAT Directorates	Apr-10
Revenue Administration	Follow-up visit to assess progress in implementing the reforms and prepare for remaining TA in FY10	Mar-10
Central Bank Accounting	Assist with the implementation of IBAN	Jun-09
		Aug-09
		Oct-09
		Nov-09
		Feb-10

Libya		
Sector	Mission Activities	Mission Dates
Real Sector Statistics	Improving CPI and training in PPI methodology	Oct-09
		Feb-10
Balance of Payments Statistics	Improving balance of payments components and compiling IIP statistics	May-09
		Nov-09
Banking Supervision	Capacity building: On-the-job training on the implementation of the new inspection manual	Oct-09
Central Bank Accounting	Review action plan, progress, and compliance with IFRS	Jun-09
Central Bank Accounting	Central Bank accounting	May-09
Central Bank Accounting	Move towards Risk based Audits	May-09
		Jun-09
		Aug-09
		Sept-09

Sudan		
Sector	Mission Activities	Mission Dates
Real Sector Statistics	Developing data sources (including economic surveys)	Jul-09
		Apr-10
Balance of Payments Statistics	Improving balance of payments components, compiling IIP statistics, and providing training	Jul-09
Banking Supervision	Follow up mission on upgrading the BOS credit registry system	May-09
		Dec-09
Banking Supervision	Training course on risk focused supervision	Dec-09
Banking Supervision	Assessment Credit Registry System and Banking Supervision	Jun-09
Public Financial Management	Enhance the TSA and improve cash management	Jan-10
Public Financial Management	Develop COA consistent with budget classification	Jul-09
Revenue Administration	Improve taxpayers segmentation (Large, Medium and small taxpayers)	Jul-09
Revenue Administration	Follow-up visit to assess progress in implementing the tax administration modernization program	Mar-10
Central Bank Accounting	Review action plan, progress and compliance with IFRS	Jul-09

Syria		
Sector	Mission Activities	Mission Dates
Remittances	Improving remittances data	
Remittances	Review current remittances and compensation of employees practices	Oct-09
Balance of Payments Statistics	Review of ITRS and Surveys (Follow up) and training on External Debt Methodology	May-09
Balance of Payments Statistics	EXD Training and review IIP data	Sept-09
Balance of Payments Statistics	Regional FDI Seminar	Feb-10
Balance of Payments Statistics	Review of balance of payments and IIP, FDI survey results and preparing FY11	Mar-10
Banking Supervision	Assessment of the Syrian needs	May-09
Banking Supervision	Assessment of bank's strategy and business plan	Jul-09
Banking Supervision	Follow-up mission on the implementation of Basel II	Sept-09
		Oct-09
		Jan-10
Banking Supervision	Training on early warning system	Nov-09
Banking Supervision	Workshop: Consolidated Supervision	Mar-10
Public Financial Management	Training with fiscal and financial programming in integrating investment budget into MoF	Jul-09
Public Financial Management	Follow-up mission on developing a results-oriented budget framework in integrating the investment budget into MoF	Jan-10
Revenue Administration	Contribution to the Legal Department mission to review the draft of tax procedure code	May-09
Revenue Administration	Assess progress in implementing the reforms and prepare for remaining TA in FY10	Jan-10
Revenue Administration	Support preparation for VAT implementation and administration	Oct-09
Revenue Administration	Support establishment of MTOs	Feb-10

Syria

Revenue Administration	Support establishment of Headquarters	Apr-10
Revenue Administration	Support preparation for VAT implementation and administration visits	Feb-10
		Apr-10
Revenue Administration	Short visits to follow-up on implementation	Aug-09
Central Bank Accounting	Follow up mission	Aug-09
Central Bank Accounting	Review action plan, progress and compliance with IFRS	Sept-09
Central Bank Accounting	Assist with the implementation of IBAN	May-09
		Jun-09
		Aug-09
		Nov-09
		Jan-10

West Bank and Gaza

Sector	Mission Activities	Mission Dates
Statistics	Present comments on Palestine Statistical Masterplan in the context of Data Quality	May-10
Statistics	SDDS assessment mission	Feb-10
Balance of Payments Statistics	Follow up mission (focus on FDI)	Feb-10
Banking Supervision	Follow up on the implementation of the credit registry	May-09
		Oct-09
Banking Supervision	Draft road map towards Basel 2 implementation	Jul-09
Public Financial Management	Follow-up mission on FAD mission on Budget preparation reform	Dec-09
Revenue Administration	Follow-up and assessment visit of the tax administration modernization and operations	Mar-10
Central Bank Accounting	Review action plan, progress, and compliance with IFRS	Sept-09

Yemen		
Sector	Mission Activities	Mission Dates
Real Sector Statistics	Updating CPI Weights	Jul-09
		Jan-10
Balance of Payments Statistics	Review implementation of project framework summary of METAC January 2009 mission	Jul-09
		Jan-10
Balance of Payments Statistics	Improving scope, periodicity, and timeliness of sources data	May-09
		Jan-10
Banking Supervision	On-the-job training on risk based supervision	Nov-09
Banking Supervision	Assessment of banking supervision project	Nov-09
Banking Supervision	Market risk training course	Apr-10
Public Financial Management	Support the implementation of recommendations on treasury	Mar-10
Revenue Administration	Follow-up visit to assess progress in implementing the reforms: HQ structure, establishment of LTO and MTOs	Jun-09
Revenue Administration	Strengthen the implementation of the VAT	Jun-09
Central Bank Accounting	Review action plan, progress, and compliance with IFRS	Jul-09

ANNEX 4: METAC STEERING COMMITTEE MEMBERS

METAC Country Representatives

Afghanistan

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METAC STAFF PROFILES

The Center is staffed with a Center coordinator, five resident advisors, and four support staff. The Center coordinator has responsibility for leadership and management of the Center's activities and staff. The resident advisors deliver training and advice in their respective areas of competence, and coordinate with other TA providers. The Center also makes significant use of short-term experts.



Center Coordinator:
Mr. Saade Chami
E-mail: schami@imf.org

Prior to METAC, Mr. Chami was Division Chief in the Middle East and Central Asia Department (MCD) where he led missions to several countries in the region including Jordan and Yemen. While on leave without pay from the IMF, Mr. Chami spent a few months in Lebanon in 2005-2006 to help the Lebanese government in the preparation of the main document for the Paris III donors meeting. Mr. Chami also worked on several countries in the Middle East, Europe, Africa and Asia. Before joining the IMF, Mr. Chami was Director of the Graduate School of Business and Management at the American University of Beirut where he taught economics and finance for six years and served as an advisor to the Central Bank of Lebanon and a board member of the Deposit Insurance Corporation.



Banking Supervision Advisor:
Mr. Mohamad Ali Hassan
E-mail: malihassan@imf.org

Before joining METAC in March 2009, Mr. Ali Hassan was Senior Manager at the Banking Control Commission (BCC)-Banque du Liban. He has 19 years of experience in banking supervision. For the last 7 years at the BCC, he was the Head of Financial Institutions and Market Risk Department. From 1990 to 2001, Mr. Ali Hassan worked as on-site examiner for banks and financial institutions. Prior to joining the BCC in 1990, Mr. Ali Hassan worked in the banking sector for four years. He has held a part-time instructor position at the American University of Beirut where he taught accounting for 9 years.



Multisector Statistics Advisor:

Mr. Gillmore Hoefdraad

E-mail: ghoefdraad@imf.org

Mr. Hoefdraad is a senior economist at the IMF Statistics Department. He has ten years of experience in macroeconomic statistics. Prior to joining the IMF in 1999, Mr. Hoefdraad was the coordinator of the Caribbean Program at the Center for Latin American Monetary Studies (CEMLA) in Mexico. At the IMF, he has worked in the areas of balance of payments and external debt statistics, and the IMF's data dissemination standards, providing TA and training to a number of South American, European, Central Asian, African and Middle Eastern countries.



Revenue Administration Advisor:

Ms. Manal Assir

E-mail: massir@imf.org

Ms. Assir has more than 16 years of experience in tax administration and tax system reforms. Before joining METAC in December 2009, she was the Director of the United Nations Development Program (UNDP) Tax Reform Program in Lebanon. Since 2005, she has been a member of the IMF Fiscal Affairs Department panel of experts. From 2001 until 2005, she directed a World Bank project aiming at the modernization of the Cadastre / Land Registry operations in Lebanon. She has been a panel expert of a number of international organizations and conducted several evaluation and TA missions. She had also worked as a senior management consultant in modeling and developing financial and tax information systems in Canada and the Middle East. Ms. Assir had held a part-time instructor position at the Saint-Joseph University where she taught project management modules.



Public Financial Management Advisor:

Mr. Pierre Messali

E-mail: pmessali@imf.org

Before joining METAC in September 2008, Mr. Messali was for seven years a Senior Public Financial Management advisor at the World Bank (Headquarters) working on African and Middle Eastern countries. Prior to the World Bank, Mr. Messali was at the Ministry of Finance in France where he held several positions in different areas: public financial management at the Budget Directorate and the Parliament (Budget Committee), tax policy in a State-Owned Enterprise, and human resources at the French Ministry for the development of the Euro currency.

**Public Debt Management and Money Markets Development Advisor:
Ms. Nelly Batchoun
E-mail: nbatchoun@imf.org**



Prior to joining METAC in April 2010, Ms. Batchoun spent most of her career at the Central Bank of Jordan where she held several high level positions dealing with Public Debt Management, Open Market Operations, Payment Systems and Domestic Banking Operations, Banking Supervision and Reserve Management. Ms. Batchoun also worked at the World Bank in Washington D.C. for the period 1994-1996 on financial sector restructuring, financial markets development, and private sector development. Ms. Batchoun served also as consultant for the Jordan Securities Commission. In February 2007, His Majesty King Abdullah II of Jordan granted Ms. Batchoun Wissam Al-Istiqlal (Order of Independence), First Class in appreciation of services while at the Central Bank of Jordan.

METAC operations are also supported by four local staff:



Mrs. Sawsan Saidi
Office Manager



Mrs. Mona Demian
Administrative Assistant



Mrs. Rita Faddoul
Administrative Assistant



Mr. Fadi Mehrez
Driver / Messenger

