

# ANNUAL REPORT

September 2014



# MIDDLE EAST REGIONAL TECHNICAL ASSISTANCE CENTER (METAC)



## STATEMENT BY THE CHAIRPERSON OF THE METAC STEERING COMMITTEE

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The Fiscal Year (FY) 2014 was another difficult year for most of the Middle East Regional Technical Assistance Center (METAC) countries that continue to face a very difficult security situation and political transformation. Despite these difficulties, METAC remained engaged with all its member countries, except Syria, and delivered 173 person weeks of technical assistance (TA), about 70 percent of the FY14 program. This was achieved mainly through flexibility and readiness to response to emerging needs and requests from member countries. Also, for countries with difficult security situation METAC held missions in external locations.

Developments in recent years indicate that most, if not all, of METAC member countries have struggled when it comes to economic development and creating inclusive economic models. Many of the problems facing the METAC countries are structural in nature and will take long time to address. Capacity building, TA and training, anchored on strong human capital and institutions is key to start addressing the economic problems facing METAC countries.

Since its establishment in 2004, METAC has been playing a key role in helping its member countries build their capacity for effective macroeconomic management and to support the region's further integration into the world economy. These efforts are now crucial for our region where many countries are in transition and in need of extensive economic reforms. METAC has a strong track record of successes and in responding quickly to TA requests from the authorities.

The region needs METAC and its role in the period ahead will be crucial. I am pleased that METAC's current program cycle has been extended by one year, until April 2016, and that efforts are underway to expand its coverage of topics and membership to include some of the countries in North Africa.

For METAC to be able to carry-out its mandate and broaden its activities, we need to ensure that it has the needed resources. I am grateful for all METAC donors and its member countries for their contributions thus far and look forward for their strong commitment to increase their contribution in the period ahead, so that METAC can fulfill the objectives that will be set for its members under Phase IV (May 2016-April 2021). I would like to assure you that we, in Lebanon, will make every effort to ensure that METAC achieves its objectives and, as in previous years, we will continue to support it financially.

*Ali Hassan Khalil*  
*Minister of Finance of Lebanon*

## FOREWORD BY THE METAC COORDINATOR

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FY2014 was another challenging year for most METAC members particularly countries that are going through difficult socio-political transformation. The security situation in some countries weakened considerably which limited METAC's involvement on the ground. Despite these serious difficulties, METAC remained engaged in all its member countries, except Syria, and delivered 173 person weeks of TA, about 70 percent of the FY14 program. We have worked around security constraints to TA, where METAC experts were unable to work in a country, missions were

held in external locations.

Reflecting the needs of our member countries, our capacity building efforts continued to focus on helping countries develop their tax policy and revenue administration, expenditure policy and public financial management, banking supervision and financial sector stability, and macroeconomic and financial statistics. The heaviest work was in the area of revenue administration and public financial management, respectively, they accounted for 38 percent and 33 percent of total TA delivery.

With the shift of work towards relatively more stable countries, Lebanon and Jordan received the largest share of TA (23 and 20 percent, respectively) followed by Sudan with 16 percent. In addition, METAC organized six regional workshops and participated in several outreach activities on the role that the International Monetary Fund (IMF) and METAC are playing in the region and their contribution to capacity building that is needed for the effective conduct of macroeconomic policies.

In view of the amount of TA provided to Jordan since the inception of METAC, a special section is dedicated in this report to take a closer look at the delivery of TA from METAC and to evaluate the progress made in the core areas of METAC's work (Box 2).

The work plan for FY15 (Annex III) is based on the assessment of the TA and training needs of member countries, feedback from those countries, METAC advisors' knowledge of the countries, and IMF TA priorities for the region. It is also guided by a rolling annual work plan within a results-based management framework (RBM). This approach ensures that activities are planned and implemented on the basis of beneficiary country needs, are complementary to other forms of IMF TA, and are an integral part of the overall IMF TA program.

Looking ahead, in line with the Steering Committee's (SC) endorsement of May 5, 2014, and considering the fact that there are some countries in the region not currently serviced by an IMF Regional Technical Assistance Center (RTAC), we will approach countries in North Africa to discuss their inclusion in METAC. The SC also agreed to extend the current funding cycle by one year until end-April 2016. A program document for Phase IV, covering the period May 2016-April 2021, which is

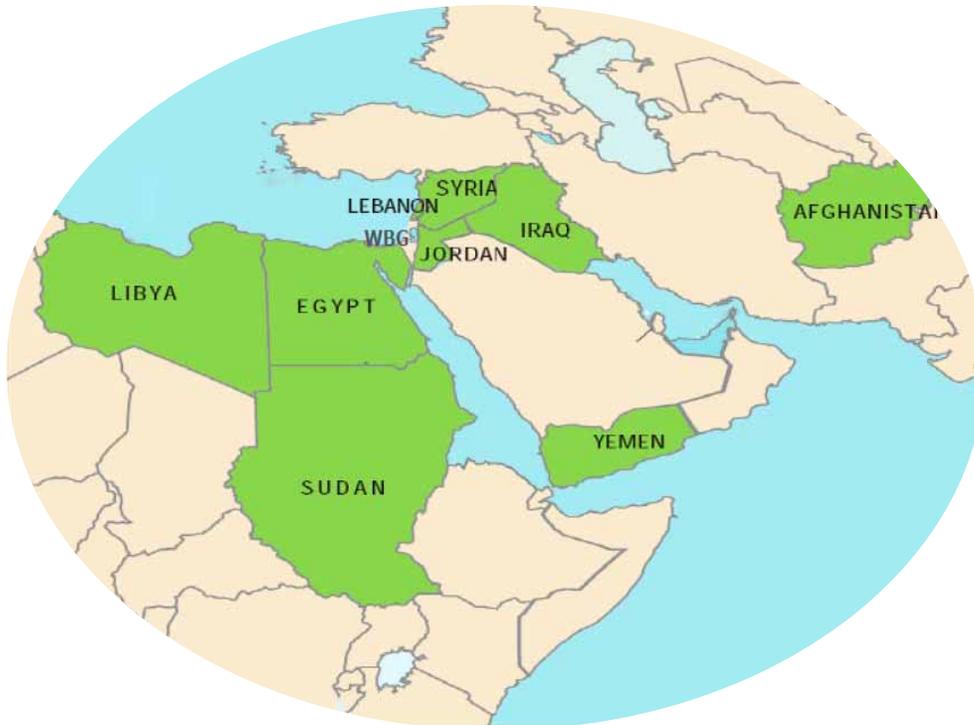
being prepared will address the benefits of broadening METAC membership and will also take into account the recommendations of METAC Mid-Term Evaluation.

The extension of the current funding cycle until April 2016 will give METAC more clarity on regional developments and in particular on the security situation in member countries. This is needed to know the level of engagement METAC will have in the region before the start of a new funding cycle. Also, this will give us time to start discussions with the countries in North Africa on joining METAC. The new program document will be the basis to initiate a consultation process with donors and METAC beneficiary countries, including new members, on how METAC would best assist its member countries in further developing their capacity in macroeconomic management.

With the generous contribution from METAC member countries and donors, METAC has sufficient funds to extend the current funding until April 2016. However, once the situation in the region stabilizes, for METAC to be able to fulfill its mandate and meet the increasing capacity development needs of its countries during this critical time in the region's history, financing will have to be put on a solid foundation.

***Mohamad Elhage***  
***METAC Coordinator***

# METAC COUNTRIES/CONTRIBUTORS



## METAC Donors



The European  
Commission



France



The European  
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Kuwait



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Oman



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## SELECTED ACRONYMS AND ABBREVIATIONS

AITRS	Arab Institute for Training and Research in Statistics
BAC	Business Activity Classification
BCCL	Banking Control Commission of Lebanon
BDL	Banque du Liban
<i>BPM6</i>	<i>Balance of Payments and International Investment Position Manual, sixth edition</i>
BSL	Budget System Law
CAP	Capability Assessment Program
CAS	Central Administration of Statistics, Lebanon
CBE	Central Bank of Egypt
CBJ	Central Bank of Jordan
CBL	Central Bank of Libya
CBOS	Central Bank of Sudan
CBS	Central Bureau of Statistics, Sudan
CBY	Central Bank of Yemen
CCS	Commission Control Systems
CDIS	Coordinated Direct Investment Survey
CEF	Middle East Center for Economics and Finance, IMF
CIASA	Credit Information and Scoring Agency
CMD	Cash Management Department, Lebanon
COA	Chart of Accounts
COFOG	Classification of Functions of Government
CPI	Consumer Price Index
CPIS	Coordinated Portfolio Investment Survey
CSO	Central Statistical Organization, Yemen
DAB	Da Afghanistan Bank
DI	Direct Investment
DOS	Department of Statistics, Jordan
EDS	External Debt Statistics
EIB	European Investment Bank
EMDEs	Emerging Markets and Developing Economies
ESCWA	Economic and Social Commission for Western Asia, United Nations
EU	European Union
EWS	Early Warning System
FAD	Fiscal Affairs Department, IMF
FDI	Foreign Direct Investment
FY	Fiscal Year
GCC	Gulf Cooperation Council
GCC-Stat	Statistical Center for the Cooperation Council for the Arab Countries of the Gulf
GFMIS	Government Financial Management Information System
<i>GFSM 2001</i>	<i>Government Finance Statistics Manual 2001</i>

GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH, (on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ))
HQ	Headquarters
ICD	Institute for Capacity Development, IMF
IFMIS	Integrated Financial Management Information System
IFSB	Islamic Financial Services Board
IIP	International Investment Position
IMF	International Monetary Fund
ISTD	Income and Sales Tax Department
ISTIC	International Standard for Industrial Classification
IT	Information Technology
ITRS	International Transactions Reporting System
LTO	Large Taxpayers' Office
LTU	Large Taxpayers' Unit
MFU	Macro Fiscal Unit
MCD	Middle East and Central Asia Department, IMF
MCM	Monetary and Capital Markets Department, IMF
MENA	Middle East and North Africa
METAC	Middle East Regional Technical Assistance Center
MFI	Micro-Finance Institutions
MFP	Macroeconomic Management and Fiscal Policy
MOF	Ministry of Finance
MOU	Memorandum of Understanding
MTBF	Medium-Term Budgeting Framework
MTEF	Medium-Term Expenditure Framework
MTF	Medium-Term Framework
MTFF	Medium-Term Fiscal Forecasting Framework
MTO	Medium Taxpayers' Office
NA	National Accounts
NBFIs	Non-Bank Financial Institutions
PCA	Post-Clearance Audit
PCBs	Private Credit Bureaus
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PMA	Palestine Monetary Authority
PW	Person Weeks
PPI	Producer Price Index
QIS	Quantitative Impact Study
QNA	Quarterly National Accounts
RBM	Results-Based Management
RTAC	Regional Technical Assistance Center

SC	Steering Committee
SNA	<i>System of National Accounts</i>
SREP	Supervisory Review and Evaluation Process
STA	Statistics Department, IMF
SUTs	Supply and Use Tables
TA	Technical Assistance
TC	Taxation Chamber, Sudan
TPC	Tax Procedure Code
TSA	Treasury Single Account
UNESCO	United Nations Educational, Scientific and Cultural Organization
USAID	United States Agency for International Development
VAT	Value Added Tax
YTA	Yemen Tax Authority

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# **S**ECTION **I**:

## **THE IMF'S RTAC INITIATIVE AND METAC**

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## **SECTION I: THE IMF'S RTAC INITIATIVE AND METAC**

### **The IMF Regional Technical Assistance Centers (RTACs)**

#### **General Information on RTACs**

Nine Regional Technical Assistance Centers (RTACs) in the Pacific, the Caribbean, Africa, the Middle East, and Central America help countries strengthen human and institutional capacity to design and implement sound macroeconomic policies that promote growth and reduce poverty.

RTACs combine local expertise and on-the-ground capacity building with strategic advice from IMF headquarters. All TA and training is integrated into the IMF's lending and surveillance operations, and coordinated with other IMF TA as well as that of other providers. All TA is backstopped by IMF headquarters, ensuring quality and consistency of policy advice.



#### **RTACs' Key Areas of Work and Delivery Modes**

RTACs host a team of resident advisors who assist countries in implementing their reform programs. The composition of competencies is tailored to the specific needs of the region and may include: public finance management, medium-term expenditure frameworks, tax and customs policy and administration, revenue administration, debt management, financial sector supervision and regulation, financial sector development, capital market development, monetary policy and operations, economic and financial statistics, national accounts and price statistics, financial programming, and training in macroeconomics. The work of the resident advisors is supported

by short-term experts, including in areas that require specialized knowledge. Other delivery modalities include workshops and seminars, courses on key macroeconomic issues in collaboration with the IMF Institute, as well as short-term professional attachments.

#### **RTACs' Regional Approach**

The IMF's regional approach to TA and training allows for better tailoring of assistance to the particular needs of a region, closer coordination with other assistance providers, and enhanced ability to respond quickly to emerging needs.

RTACs develop a deep knowledge of their countries and region, including cross-cutting and regional integration issues. They are close to their clients, and RTAC resident advisors are in frequent contact and travel to recipient countries to provide step-by-step assistance with TA implementation. Given their

physical proximity, they can respond promptly to urgent TA requests and follow-up, and are less costly in the delivery of TA. RTACs are using and building local expertise.

### **RTACs' Governance Structure and Operational Arrangements**

RTACs are governed by Steering Committees (SC) composed of representatives of recipient countries, donors and the IMF. This governance structure has proven highly successful as it builds stakeholder ownership of work programs, facilitates peer review and networking, and provides a platform for donor coordination.

TA needs are identified and prioritized by the country authorities in cooperation with area and TA departments at IMF headquarters and the center, and the work plans are endorsed by the SC.

The day-to-day management of the center falls into the responsibility of the center coordinator who is an IMF staff member. The center's professional staff (resident advisors and short-term experts) are recruited, supervised, and backstopped by the IMF, ensuring quality and consistency of policy advice.

**The Middle East Regional Technical Assistance Center (METAC)** was established in Beirut, Lebanon, in 2004 to serve ten countries/territories in the Middle East: Afghanistan, Egypt, Iraq, Jordan, Lebanon, Libya, Sudan, Syria, West Bank and Gaza, and Yemen. METAC's main objective is to help strengthen capacity for effective macroeconomic and financial management in the region, and to support the region's integration into the world economy. A particular focus is to help post-conflict countries in the region achieve macroeconomic stability and develop basic institutions for policymaking. METAC is designed to enhance coordination among development partners and to promote effective implementation of economic initiatives within the Middle East region. METAC's current program cycle is financed by contributions from the European Investment Bank, the European Union, France, Germany, the IMF, Kuwait, Oman, the United States, the host country Lebanon, and beneficiary countries.

### **Current Activities**

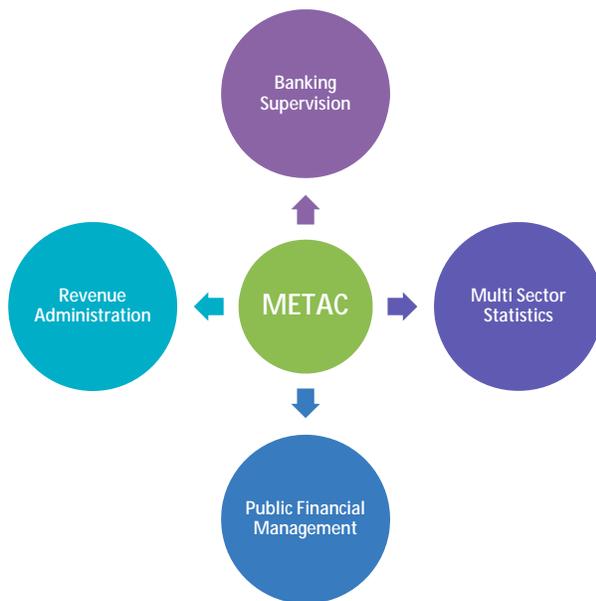
METAC's current activities focus on the delivery of TA and training (regional and in-country) in the areas of banking supervision, public financial management (PFM), revenue administration, and macroeconomic statistics. Until October 2012 METAC provided TA and training in the area of improving debt management and developing money markets for efficient financing of governments' needs and for better conduct of monetary policy.

## 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 (EWS); 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.

## Multi Sector 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.

## **METAC Governance and Management**

METAC is guided by a 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 a "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 (HQ); 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.

## **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 missions' 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.

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# **S**ECTION **II**:

**METAC'S TECHNICAL ASSISTANCE  
ACTIVITIES IN FY 2014**

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## SECTION II: METAC'S TECHNICAL ASSISTANCE ACTIVITIES IN FY 2014

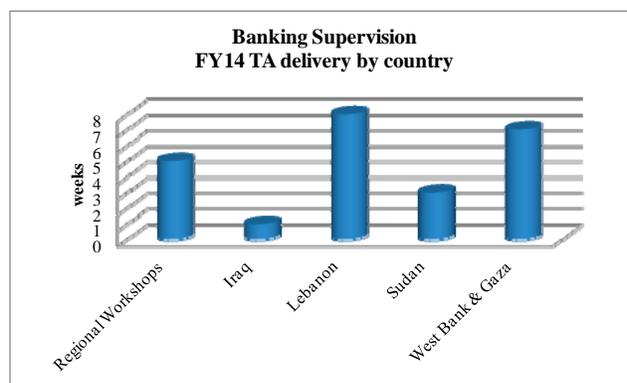
The FY14 was a difficult year for METAC, reflecting mainly the weakening security situation in several member countries. As a result, the overall implementation ratio reached around 70 percent of planned person weeks (PW).

TA delivery was the largest in the areas of revenue administration at around 38 percent of total delivery followed by PFM at 33 percent. TA delivery in the areas of banking supervision and statistics was impacted by the fact that there was a delay in the recruitment of the new resident advisors.

### A. Banking Supervision

Activities in banking supervision for FY14 witnessed a general slowdown compared to FY13. This was mainly due to the deteriorating security situation in many METAC countries. Despite the fact that the banking supervision advisor left METAC in October, he continued to backstop short-term experts' missions until January 2014.

During FY14, regulatory reforms continued to evolve around the international supervisory scene with new standards being finalized or revised. The set of Basel III reforms is now getting closer to completion with the implementation starting in 2015. This is coupled with additional regulatory reforms governing the various supervisory aspects from dealing with systemic financial institutions to issues on bank resolution and shadow banking activities. While banking systems and supervisory regimes in most METAC countries were struggling before 2011 to implement the new Basel II framework, political developments and the weakening security situation since then have imposed new priorities on regulators, mainly related to regulating and supervising banking systems in a potential crisis mode. As a result, the focus of TA in banking supervision was largely on strengthening supervisory frameworks to detect problems at an earlier stage, so as to deal with them more effectively. The supervisory authorities have a long way to move forward with implementing reforms and will be in need of much more TA.



The deteriorating security situation in the region during FY14 limited METAC's ability to provide TA to some member countries. The main countries benefiting from METAC's TA in banking supervision

during FY14 were Lebanon and West Bank and Gaza. TA provision was moderate to Sudan and Libya, and remote support was provided to Afghanistan.

In line with the RBM framework, the work of METAC in banking supervision generally revolves around four main areas: (a) helping authorities strengthen their supervisory and enforcement frameworks; (b) improving the regulatory framework in line with Basel standards and best practices; (c) continuing the enhancement of credit registries and bureaus; and (d) building the capacity of supervisors through seminars and workshops. Activities in FY14 encompassed all four areas.

## **Technical Assistance Delivery**

### **Strengthening the Supervisory and Enforcement Framework**

Most of the TA in banking supervision in FY14 focused on this area as much effort is still needed to transform the supervisory regimes in the region to focus on risk analysis, in order to facilitate the early detection of potential problems and enable appropriate action to be taken.

- In **Lebanon**, METAC completed the TA project with the Banking Control Commission of Lebanon (BCCL) on drafting a new risk-based supervisory manual for Non-Bank Financial Institutions (NBFIs). The manual was well received by the authorities. The TA program included extensive hands-on assistance through a pilot inspection of a Lebanese NBF. Training was then delivered to a wider BCCL audience on the implementation of the manual using a practical case study and the pilot inspection exercise as an illustration.
- In **Afghanistan**, METAC followed up remotely on the implementation of the medium-term action plan for strengthening banking supervision, which was developed with METAC's assistance. The plan, which has been approved by the Da Afghanistan Bank (DAB) supreme council and is comprehensive, outlines the main objectives and milestones to be achieved in five years. Efforts are under way to start the implementation of the plan.
- In **West Bank and Gaza**, TA provision is ongoing in the area of risk-based supervision with the Palestine Monetary Authority (PMA). An important part of this project is to develop a new risk-focused approach and a manual for supervising banks. While reasonable progress has been achieved so far and the PMA team seems committed to moving the work forward, there have been some delays in the project's initial action plan. The latter reflects the fact that substantial work was needed to build the team's capacity to implement the new risk-based approach.
- In **Sudan**, METAC continued discussing with the Central Bank of Sudan (CBOS) ways to enhance its onsite inspection process including through introducing a new risk-based approach and manual. TA related to this project will constitute the main TA provision to Sudan in the area of banking supervision during FY15.

## **Improving the Regulatory Framework**

Work on enhancing regulatory frameworks was limited in FY14. Libya was the only country that received TA in this area. The METAC banking supervision advisor participated in an IMF Monetary and Capital Markets Department (MCM) mission focused on assisting the authorities in developing their Sukuk market and banking regulations. An action plan was agreed on to develop the regulations further in line with international standards and to lay the foundations for the planned conversion of the country's banking system into pure Islamic banking.

## **Enhancement of Credit Registries and Bureaus**

METAC has been assisting some member countries develop the infrastructure for setting up credit bureaus and expanding their existing credit registries. Provision of TA has focused on the development of credit registries and bureaus that capture the credit activities and exposures in member countries and disclose them to interested parties in order to better inform the credit granting process.

- In **Sudan**, METAC continued assisting the CBOS in expanding and upgrading its credit registry. Substantial progress has been achieved and the project is close to completion. The new Credit Information and Scoring Agency (CIASA), which is an entirely-owned CBOS subsidiary has assumed the credit registry's products and services. One of the main challenges is ensuring good data quality and consistency. Some TA recommendations were given in this regard and a METAC short-term-expert is regularly following up on the progress of those recommendations and any other operational difficulties. At a later stage, CIASA wishes to expand its coverage to micro-finance institutions (MFIs), and its functionality to include more services such as credit scoring.
- In **West Bank and Gaza**, The PMA Credit Registry, a leading credit registry in the region, has been the product of METAC TA and PMA's commitment. Following a request from the PMA, METAC conducted a mission to assess the good standing of the credit registry and to provide some advice on plans to further enhance the functions of the registry and its governance.

## **Capacity Building Activities in Banking Supervision**

Activities in capacity building were mainly in the form of regional workshops that gathered senior level supervisors and central bankers from the METAC countries as well as other Arab countries. Two regional workshops were conducted in FY14.

## Regional Workshops

- Financial Stability and Macro-Prudential Policy** – METAC organized, jointly with MCM, a regional workshop for senior banking supervisors and central bankers on the main reforms and good practices to enhance financial stability in their respective jurisdictions and to establish a good institutional framework for designing effective macro-prudential policies. The workshop, which was held in December 2013, in Jordan, was considered very important for the region at a time when various supervisory authorities and central banks were starting to establish new financial stability functions and deciding on adopting various macro-prudential tools. The workshop discussed the issues from a practical perspective and included a country-specific session where each delegation presented the financial stability framework in their institutions and the main challenges faced in this respect. This proved to be very useful as it provided an excellent platform for exchange of views and experience among the different countries across the region.



Workshop on “*Financial Stability and Macro- Prudential Policy*”  
Jordan, December 2013

- The Regulation and Supervision of Islamic Banks** – In April 2014, METAC, jointly with the IMF, Middle East Center for Economics and Finance (CEF) conducted a regional workshop in Kuwait, on regulation and supervision of Islamic banking. The workshop focused on the main requirements and standards set by the Islamic Financial Services Board (IFSB) in managing the risks of Islamic products and bank operations, as well as the requirements of the new capital adequacy standard, liquidity risk management, stress testing, and shari’ah governance.



Workshop on “*The Regulation and Supervision of Islamic Banks*”  
Kuwait, April 2014

## B. Macroeconomic Statistics

The availability of accurate and timely macroeconomic statistics is equally important for the conduct of economic policies by the authorities and informed decision-making by the private sector.

METAC provides TA and training in the various areas of external sector statistics, covering: (i) balance of payments; (ii) international investment position (IIP); and (iii) external debt statistics (EDS). In addition, it supports the development of national accounts (NA) and price statistics, both consumer price index (CPI) and producer price index (PPI). 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, such as the United Nations Economic and Social Commission for Western Asia (ESCWA) and the Arab Institute for Training and Research in Statistics (AITRS).

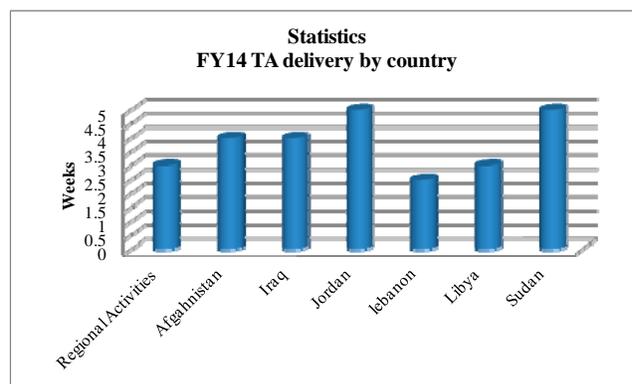
### Technical Assistance Delivery

In FY14, the deterioration in the security situation in several METAC countries impacted the implementation of METAC's work plan. The security concerns led to the rescheduling of numerous missions, rather than outright cancellations. However, given the persistent weak security situation, not all missions could be rescheduled within FY14 and some had to be postponed until FY15.

In FY14, as in previous years, METAC provided TA in the areas of NA, balance of payments, IIP statistics (including direct investment (DI)), and EDS. While considerable progress has been made in the

area of compilation and dissemination of the IIP, in most member countries insufficient human and financial resources have been allocated to the national statistical agencies. Moreover, the implementation of DI surveys, an indispensable step for the collection of DI data of good quality, has not been possible for lack of resources. In addition, a more supportive legal framework would be needed to facilitate the collection of source data, in particular in the area of

international accounts, where central banks are generally in charge of the compilation of statistics. They should be endowed with the authority to collect data directly from economic agents outside the banking sector. In some of the METAC countries that have been experiencing political unrest, progress achieved before the events may have been halted or reversed and new assessments will be necessary.



The main highlights of METAC's activities in statistics were as follows:

### **National Accounts**

- In **Jordan**, a METAC short-term expert visited the department of statistics (DOS) to provide assistance with the development of supply and use tables (SUTs) for the year 2010 and advise the DOS on the estimation of quarterly national accounts (QNA) using the expenditure approach; an action plan was prepared, in agreement with the authorities, for the finalization of the 2010 SUTs, which would serve directly the estimation of QNA.

### **External Sector Statistics**

- In **Afghanistan**, a mission visited the DAB to assess the status of the recommendations of the previous mission regarding the compilation of the first IIP statement; and to review the current compilation practices for balance of payments statistics, including the compilation of current and capital transfers, and developments regarding plans for conducting a DI survey. The mission identified several areas that need improvement. An action plan was prepared for improving the quality and the compilation practices of balance of payments statistics. An IIP statement prepared with the mission covering the period 2009-2012 was published in March 2014, and the report was issued in April 2014.
- For **Iraq**, METAC conducted a joint mission with the IMF Statistics Department (STA) in Beirut. The mission assessed progress made in implementing the agreed action plan that was developed during STA's March 2012 mission; provided training on the *Balance of Payments and International Investment Position Manual, sixth edition (BPM6)* methodology; and reviewed current compilation practices in key areas, including direct, portfolio, and other investment flows and positions. The mission also updated the action plan to reflect work in implementing *BPM6* going forward. As an outcome of the current mission, quarterly balance of payments data (2013: Q1 and Q2) and IIP data for 2012 were finalized and published in the IMF website using the *BPM6* reporting template.
- In **Jordan**, a mission on EDS reviewed the current compilation practices and assessed its adherence to the internationally accepted standards. The mission identified areas where changes are needed to bring Jordan's EDS compilation practices in line with international standards. The mission also assisted the public debt department at the ministry of finance (MOF) to compile EDS by (i) remaining maturity principle; (ii) the foreign currency and domestic currency breakdowns; and (iii) the debt-service payment schedule for outstanding external debt.
- In **Lebanon**, several short visits to the Banque du Liban (BDL) took place, to assist with the preparation and the review of a preliminary IIP statement for Lebanon, calculated partially from real stock data (e.g., balance sheets of the monetary sector, surveys of portfolio investment

assets, data published by the Bank for International Settlements, EDS of the government) and partially from the accumulation of balance of payments flows. In addition, the mission reviewed the progress made by the BDL on the DI survey of financial institutions and also reviewed the current practices to compile the financial account. In this regard, the mission noted that the scope of the financial account is impacted by the quality of data sources, and lack of consistency checks with related data sources. The mission recommended using monetary statistics as a basis for compiling, or validating, transactions that are related to the financial account.

- **For Libya**, an external sector statistics mission, conducted in Tunis, to assist the Central Bank of Libya (CBL) to initiate the compilation of an IIP statement and to provide hands-on training on the compilation of balance of payments and IIP statistics based on *BPM6* methodology took place in April. The mission reviewed the current compilation practices for balance of payments statistics; assessed the current legal and data sharing and collection arrangement; and identified potential areas for improvement. The mission also provided guidance on identifying new data sources to compile the required statistics.
- In **Sudan**, METAC fielded two missions to follow up on the implementation of a DI survey, the estimation of informal trade in goods, and the improvement of the coverage of current and capital transfers. In addition the missions reviewed the compilation of travel and workers' remittances and assisted the CBOS in adopting the format of the *BPM6* for data dissemination. Regarding the DI survey, cooperation between the ministry of investment, the CBOS and the central bureau of statistics (CBS) at national and at regional levels should make it possible to conduct the survey. Similarly, estimations of informal trade can be made jointly by the regional offices of the CBS and the regional branches of the CBOS.

## Regional Workshops

- **International Transactions Reporting System (ITRS)** – METAC organized a regional workshop on international transactions reporting system (ITRS) in Amman, during April 2014. The workshop provided an overview of the ITRS as a data collection framework for international accounts, outlined the features of an ITRS, highlighted the different forms used to compile balance of payments and IIP flows and positions, and discussed in depth the uses and issues of an ITRS in compiling such statistics. In addition, the workshop discussed the implications for the ITRS in implementing the sixth edition



Workshop on “International Transactions Reporting Systems”  
Jordan, April 2014

of the IMF's *BPM6*. The event also covered the alternative sources that could supplement or replace the ITRS. Around 25 participants from the region participated in the workshop (of which 20 participants from METAC countries). The workshop was well received by participants and provided an opportunity for knowledge exchange and sharing of experiences.

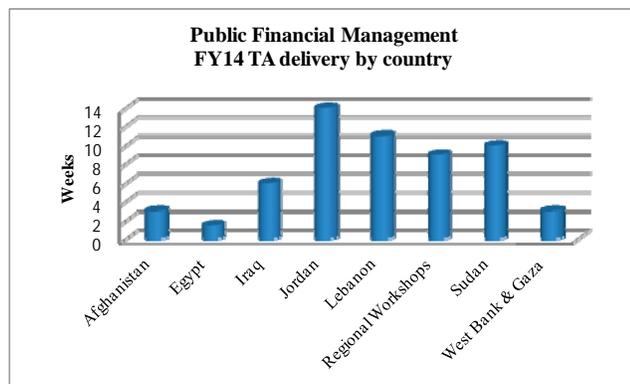
### C. Public Financial Management

In the area of PFM, METAC delivered TA in seven out of the ten member countries during FY14 and made meaningful contributions towards building capacity and strengthening PFM practices.

METAC completed 12 missions and two regional workshops during FY14. The lower than anticipated implementation of missions resulted from cancellation/postponement of planned missions due to security constraints in number of METAC countries.

PFM activities focused on: (i) cash management, financial planning and banking arrangements in Lebanon and Sudan; (ii) expenditure arrears and commitment control systems (CCS) in Jordan; (iii) budget classification in Iraq and Sudan; and (iv)

assessment of recent developments in PFM in Afghanistan and West Bank and Gaza. As part of its regional activities, METAC organized two workshops: (i) on budget execution and cash management; and (ii) on integrated financial management information systems (IFMIS) – challenges and implementation risks.



#### Technical Assistance Delivery

- In **Egypt**, METAC reviewed and agreed with the authorities on PFM reform priorities for the MOF. A number of TA missions and workshops have been requested and are planned for delivery during FY15.
- **For Iraq**, METAC provided TA and hands-on training with implementing the main necessary measures to adopt classification of functions of government (COFOG) functional classification; and improving the quality of the fiscal reporting.
- In **Jordan**, METAC provided assistance to the authorities with the implementation of the structural benchmarks related to arrears under the current Fund-supported program for Jordan. Another follow-up mission reviewed and assessed the accumulation of arrears in the public health sector and recommended corrective measures.

- In **Lebanon**, METAC conducted a review of the organization and output of the cash management department (CMD) and analyzed ways to move towards a fully-fledged treasury single account (TSA); assisted the CMD to develop further cash plans and forecasts; and proposed improvements to internal coordination and policy integration. METAC also conducted a diagnosis of the public accounting system at the MOF and more specifically at the public accounting directorate, and identified reform priorities and capacity building requirements.
- In **Sudan**, METAC provided follow-up TA on implementing the main necessary measures to adopt the functional classification compliant with the COFOG, and consolidate the final accounts. METAC conducted a workshop on cash management issues together with representatives from the cash management unit of the Turkish Treasury, and analyzed the current banking arrangements in order to provide a better foundation for reforms in this area.

METAC long-term resident and short-term experts participated with the IMF Fiscal Affairs Department (FAD) in led missions to Afghanistan, Jordan, and West Bank and Gaza that focused on:

- **Afghanistan:** reviewing progress in implementation of PFM reforms and suggesting next steps to advance the reform process.
- **Jordan:** advising on (i) establishing a reporting system on expenditure arrears; (ii) introducing effective commitment controls; and (iii) managing government trust accounts.
- **West Bank and Gaza:** developing a PFM reform framework for 2014-2016 to serve as input for the preparation of the PFM related provisions of the Palestinian National Development Plan. The framework provides a timeline for the implementation of the reform measures and refers to potential sources of TA. This framework will be used as a guide in defining the reform priorities and coordinating TA activities and commitments in the PFM area.

## Regional Workshops

METAC organized two regional workshops:

- Budget Execution and Cash Management** – METAC organized a workshop in Beirut, on budget execution and cash management in July 2013. The workshop focused on the policy choices and operational techniques required for efficient government cash management; and specifically: (i) budget execution and control options; (ii) payment arrangements; (iii) banking arrangements and the TSA; and (iv) management of government cash balances including interaction with the central bank and banking sector.
- Integrated Financial Management Information Systems (IFMIS) – Challenges and Implementation Risks** –METAC organized, jointly with the IMF CEF, a regional workshop on integrated financial management information systems – challenges and implementation risks in March 2014, in Kuwait. During this workshop, participants were exposed to issues related to PFM strategies, the preconditions for successful implementation of an IFMIS, the overall sequencing of a PFM reform program, and the main challenges in design, development or acquisition of software, operation, maintenance, and support personnel.

These two workshops received excellent feedback from the participants, and provided an opportunity for knowledge exchange, sharing of experience and lessons learnt.



Workshop on “*Budget Execution and Cash Management*”  
Lebanon, July 2013



Workshop on “*Integrated Financial Management Information Systems (IFMIS) – Challenges and Implementation Risks*”  
Kuwait, March 2014

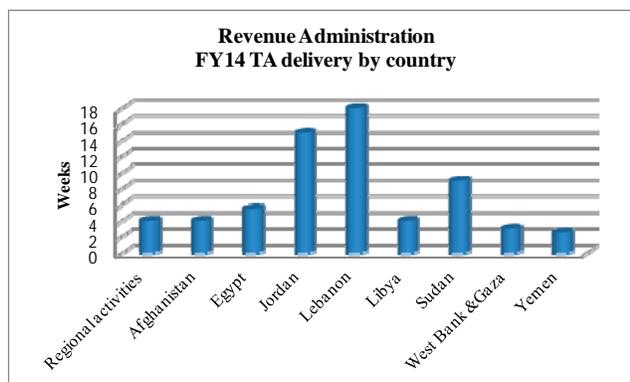
## D. Revenue Administration

In the area of revenue administration, METAC continued to strongly support the revenue reform strategies of member countries. METAC's activities focused on assisting revenue administrations with implementing key initiatives in support of their modernization programs. During FY14, delivery of the work plan faced a number of challenges, notably the unstable political environment and the difficult security conditions in the region. Nevertheless, flexibility in re-allocating resources and responding to supplemental needs led to an overall implementation ratio of 97 percent.

### Technical Assistance Delivery

TA covered key components of tax and customs operations aiming at increasing compliance rates and improving revenue collection. During FY14, METAC was the main TA provider within the Fund to the revenue administrations in the region, and its activities were instrumental in developing capacity in tax administration and customs systems. Relevant support was provided through on-site missions, regional and country-specific workshops, and focused training. TA delivery was driven by the following main considerations:

- The status of revenue reforms in METAC countries and priority actions needed to strengthen revenue performance, as identified by METAC resident revenue administration advisor and by FAD, and METAC follow-up and TA missions.
- Plans and programs for member countries set by FAD and the area department.
- TA requests of member countries.
- The RBM framework for TA that METAC adopted starting FY13 and the corresponding revenue administration log frame that sets clear objectives, outcomes, verifiable indicators, and risks and assumptions.
- Security conditions in some member countries that affected delivery of on-site visits.



In particular, METAC's assistance covered the following components:

### **Strengthening Risk-Based Compliance and Enforcement Management**

In the framework of the self-assessment systems that are being implemented in METAC countries, there are growing needs to strengthen the compliance and enforcement management relying on risk analysis and modern audit techniques. Indeed, designing and implementing an efficient risk-based compliance strategy is a major concern for tax administrations in the region aiming at achieving better compliance rates at a reasonable cost through designing well-targeted compliance and enforcement programs. METAC provided TA in this area, with a particular focus on large and medium-sized taxpayers.

- In **Jordan**, METAC assisted the authorities with designing pilot compliance improvement projects in two sectors chosen by the income and sales tax department (ISTD) (medical doctors and construction) and consolidating existing compliance management approach into one holistic framework, and ensuring that the two sectoral pilot projects align with this global approach.
- In **Sudan**, tax auditors were trained on risk-based audit planning and risk analysis and modeling, and appropriate approaches to develop an audit manual.

### **Firming-up the Taxpayer Register and Streamlining Tax Operations**

METAC continued supporting member administrations in modernizing and streamlining tax operations, particularly with regard to taxpayers' registers, business process reengineering, and integrated automated information systems.

- METAC assisted the tax authorities in **Jordan** with implementing the business activity classification (BAC) in the central taxpayers' database, based on the latest release of the international standard for industrial classification (ISTIC version 4).
- METAC assisted the taxation chamber (TC) in **Sudan** with streamlining the business processes implemented in the large and medium taxpayers' offices (LTOs and MTOs), with a particular focus on registration and front-office operations.

### **Strengthening Value Added Tax (VAT)**

During FY14, **Jordan** and **Lebanon** benefited from METAC's assistance in VAT compliance and refund management. Focused TA was provided to both administrations to strengthen capacity in managing VAT refunds and applying appropriate schemes to assess tax evasion risks, detect abusive activities and prevent fraud.

## Enhancing Tax Systems

METAC supported the efforts of Lebanon, Libya, Sudan and Yemen in this area.

- The METAC revenue administration advisor participated in an FAD tax policy mission to support the development of the fiscal regime for the oil and gas sector in **Lebanon**. The mission reviewed draft policy and other documentation relating to the development of the sector, commented on the fiscal alternatives to be considered in engaging with international investors and operating companies, and on the institutional and organizational issues to be considered in ensuring that the revenue regime operates within a framework of professionalism and transparency.
- METAC's revenue administration resident advisor participated in the assessment of the tax administration capability in **Libya**, within the framework of FAD's capability assessment program (CAP), providing the authorities with an evaluation of the MOF's capacity to carry-out, and coordinate between, its core functions. After reviewing the resources available to the MOF in each functional area, the assessment identified a number of issues and gaps that need to be addressed to strengthen expenditure management and enhance revenue collection in the near term, and promote fiscal stability and economic development in the long-term. Action plans for each functional area were developed, along with TA and training plans that would help the authorities with implementing key reform measures over the next four years.
- Focused TA was provided to the TC of **Sudan** to develop a tax procedures code (TPC). As a result, a preliminary draft prepared with METAC's assistance, was reviewed and updated. The final draft will now be considered by a tax reform committee to be appointed by the MOF.
- METAC organized a study mission in Lebanon for a delegation from the **Yemen** Tax Authority (YTA). The main purpose of the study mission was to enable senior YTA representatives to benefit from Lebanon's Tax Department's experience and expertise in administering income tax and VAT with particular focus on computerized tax administration business processes and risk-based compliance and enforcement schemes.

## Strengthening Taxpayer Segmentation

METAC continued to support member tax authorities in 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 an LTO— implemented in most METAC countries – and 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.

During FY14, **Lebanon** and **West Bank and Gaza** benefited from METAC's assistance in this area. As such, focused TA was provided to both administrations to strengthen capacity in operating the LTO and develop appropriate measures to deploy in the next stage, aimed at enhancing the overall operational effectiveness of the LTO.

### Supporting Customs

METAC supported the efforts of Afghanistan, Egypt and Lebanon in this area.

- Focused TA was provided to support implementation of a management control system at **Afghanistan** Customs Department. Current approaches to risk management and post-clearance audit (PCA) were assessed, and guidance was provided on developing approaches to recruitment and training of a new professional customs officer cadre, along with management information needs.
- METAC delivered TA to the customs administration in **Egypt**. It examined high priority issues that impact the Egyptian Customs Authority, and recommended a set of immediate and medium-term measures. METAC's assistance covered both technical and managerial components and stressed the need to coordinate the reform initiatives within a formal change program. It also outlined further TA that would be needed to support the implementation of the recommended measures, covering structural, operational, and risk management areas.
- TA was delivered to the customs administration in **Lebanon** to strengthen risk management, valuation systems, and PCA, aimed at improving targeting and selectivity, and establishing an effective monitoring and evaluation framework.

### Regional Workshops

- **Taxation of Extractive Industries** – METAC organized, jointly with the IMF FAD, a regional workshop on taxation of extractive industries, in December 2013, in Lebanon. The workshop provided a platform for knowledge exchange on how to design effective extractive industry fiscal regimes and ensure capacity to administer subsequent arrangements. The event covered the key trends and challenges in the taxation of extractive industries with emphasis on the natural gas market. It provided delegates with the opportunity to explore best ways to realize the revenue potential of this sector through developing the necessary tax instruments and administrative capacity. The workshop covered topics on tax policy and



Workshop on “Taxation of Extractive Industries”  
Lebanon, December 2013

revenue administration for extractive industries, and related issues on transfer pricing and the economic modeling of fiscal regimes.

## E. METAC's Other Activities

### Enhancing European Union (EU) – IMF Cooperation in the Middle East and North Africa Region (MENA) Region

A joint workshop on Enhancing EU – IMF Cooperation in the MENA region was organized by the EU and the IMF during May 2013 in Amman, Jordan. The workshop aimed at:

- a) Increasing awareness of the IMF's TA model and strengthening working relations between the two institutions; and
- b) Laying the foundations for how this 'strategic partnership' could work in practice.

METAC Coordinator, Mr. Mohamad Elhage, presented the modality of METAC's work and its role and involvement in serving the TA needs of the region. METAC advisors also participated in the workshop and discussed issues and answered questions about their work in their respective areas. Participants from different departments of the IMF made presentations along with participants from the EU.

### Implementation Strategy for the 2008 System of National Accounts (SNA) and Supporting Statistics in the Arab Region

METAC statistics advisor, Mr. Jean Galand, participated in the meetings organized in Amman, during June 2013, by the United Nations Statistics Division, the UN ESCWA, and the AITRS on the *Implementation Strategy for the 2008 System of National Accounts (SNA)* and supporting statistics in the Arab Region. The meetings comprised three parts: (i) a national workshop for Jordan selected as a pilot country, aiming to initiate the formulation of a national implementation strategy; (ii) a high level meeting focused on advocacy; and (iii) a regional seminar to address issues of implementation of the 2008 SNA.



*“The Implementation Strategy of the 2008 System of National Accounts (SNA) and Supporting Statistics in the Arab Region”  
Jordan, June 2013*

### Macroeconomic Management and Fiscal Policy

METAC contributed to a course on macroeconomic management and fiscal policy (MFP) organized by the IMF's Institute for Capacity Development (ICD) and the IMF's CEF, in December 2013, in Kuwait. To that end, the METAC resident revenue administration advisor delivered a lecture on key trends and challenges in tax policy and revenue administration.

### **Collaboration with the IMF Center for Economics and Finance (CEF)**

METAC organized, jointly with the IMF CEF, a regional workshop on **“Integrated Financial Management Information Systems – Challenges and Implementation Risks”** in March 2014, in Kuwait. The workshop was attended by 26 senior officials representing 11 countries from the region, and was led by Mr. Jacques Charaoui, METAC PFM advisor, and Messrs. Ali Hashim and Farooq Khan (both IMF short-term experts).

Another workshop was organized in Kuwait, from April 27 to 30, 2014 on **“Regulation and Supervision of Islamic Banking”**. The workshop focused on the main requirements and standards set by the IFSB in managing the risks of Islamic products and bank operations, as well as the requirements of the new capital adequacy standard, liquidity risk management, stress testing, and shari’ah governance.

## Outreach Activities

### The 21st Arab Economic Forum

Mr. Elhage participated in a panel discussion at the 21<sup>st</sup> edition of the Arab Economic Forum in Beirut, in May 2013. In the session **“An Agenda for Managing the Economic Transition and Challenges of Restoring Growth”**, Mr. Elhage discussed the IMF’s assessment of the economic conditions in the Arab World, making a distinction between oil importing and oil exporting countries; what needs to be done in order to maintain macroeconomic stability and achieve higher economic growth in the two groups of countries; and how the IMF is helping the countries in the region.

### Conference on Reshaping the Future of the Banking System: The Right Moves

In September 2013, Mr. Elhage delivered the Keynote speech at a conference in Beirut, Lebanon, on Reshaping the Future of the Banking System: The Right Moves, hosted by Al Bank Wal Mustathmer Group. Mr. Elhage discussed the outlook for the global economy and examined the current situation and outlook for the regional countries. He discussed the reform measures needed in the Arab countries to maintain macroeconomic stability and achieve higher and more inclusive economic growth. He also discussed how METAC is helping its member countries build their capacity to develop and implement effective macroeconomic policy.



*“Reshaping the Future of the Banking System in Lebanon”  
September 2013*

### Workshop for Parliamentarians from Arab Countries

Mr. Elhage participated in a regional workshop, which was held in Kuwait jointly between the IMF MCD and the IMF CEF, in November 2013, for parliamentarians from Arab countries. The focus of the workshop, which was attended by 22 parliamentarians from different Arab countries, was to familiarize the participants with the IMF’s work and provide a forum to exchange views on socio-economic developments in the region. Mr. Elhage delivered lectures on the role of the IMF and how it is helping member countries, and discussed the outlook for the global economy and examined the current situation and outlook for the countries of the MENA region. The workshop was an opportunity for the IMF to discuss concerns and suggestions by the parliamentarians and it also provided a platform for the exchange of opinions regarding the right economic policies to address the challenges facing the region.

### **Media Training Seminars in Jordan**

During December 2013, Mr. Elhage participated in the two media training seminars organized by the IMF Communications Department in Amman for the Iraqi and Jordanian journalists. The training targeted a group of journalists from each country who cover economic issues for the national newspapers and TV. Mr. Elhage discussed the role of the IMF at the regional and global level and the economic outlook for the MENA region. In addition, there were presentations by other IMF staff on the Fund's engagement/relationship with Iraq and Jordan. The feedback was very positive and participants said that this type of training improved their understanding of the IMF's work.

### **8th GCC Regulators Summit**

During February 2014, Mr. Elhage participated in the 8th Gulf Cooperation Council (GCC) Regulators Summit which was held in Dubai. The summit was organized by Thomson Reuters and co-hosted by Dubai International Financial Center. The summit was attended by about 400 people, mainly regulators and compliance officers from both the public and private sectors in the GCC countries. The summit covered a wide range of topics related to financial regulations: (i) GCC Regulatory Landscape; (ii) Corporate Governance; (iii) Anti-Money Laundering; (iv) Foreign Account Tax Compliance Act; (v) Enforcement and Sanctions; and (vi) Basel III. Mr. Elhage participated in the Basel III session and discussed: (i) implementation status of Basel III in emerging markets and developing economies (EMDEs); (ii) Basel III Capital and Liquidity Framework Challenges for EMDEs; (iii) the GCC Basel III implementation status; and (iv) the Fund's views on Basel III and the TA it provides countries to map out implementation plans.

### **Third Annual Lebanon Economic Forum**

In March 2014, Mr. Elhage participated in the third annual Lebanon Economic Forum which was held in Beirut. The President of the Republic inaugurated the forum which was attended by more than 500 people, including many ministers and high government officials from Lebanon and the region. Mr. Elhage participated in the session on **“Challenges of the Transitional Phase in the Region”** and discussed recent economic developments in the oil importing countries in the MENA region, with particular focus on Arab Countries in transition. He highlighted the key recommendations given by the IMF to the countries of the region to achieve sustainable and inclusive growth. He also discussed how the IMF is supporting the countries in the MENA region.



*“Third Annual Lebanon Economic Forum”  
Lebanon, March 2014*

## The Launching of CPI

Mr. Elhage participated in the launch of the new CPI for Lebanon which was held at the Serail, the HQ of the Prime Minister of Lebanon in Beirut, during March 2014. Mr. Elhage highlighted the TA that METAC and the IMF STA have provided to the Central Administration of Statistics (CAS) over the years which has resulted in major improvements in the coverage, reliability, and frequency of reporting of the CPI. Mr. Elhage also stressed that helping member countries build comprehensive and reliable statistical databases is an important part of IMF work. During the event which was attended by about 200 people, including several ambassadors and former ministers, the IMF and METAC received a great deal of recognition for the support they have provided to Lebanon.



*“Consumer Price Index Launching in Lebanon”  
Lebanon, March 2014*

## Meetings with the Governor and Deputy Governor of Jordan

On the occasion of the METAC regional workshop on the ITRS that was held in Amman during April 7 to 9, 2014, Mr. Elhage held meetings with the Governor and Deputy Governor of the Central Bank of Jordan (CBJ) to discuss how METAC can further assist Jordan meet its TA needs and briefed them on the issues that will be covered during the SC meeting that was held in Jordan on May 5, 2014.

## Launching of the Statistical Center for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat)

Mr. Elhage attended the official inauguration of the Statistical Center for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat) in Muscat, Oman during April 2014. The ceremony was attended by government officials and diplomatic mission representatives from GCC member states. In his keynote speech, Mr. Sabir bin Said Al Harbi, Director General of GCC-Stat, stressed that the Center aspires to establish a complete and comprehensive statistical system that meets the requirements of future developments. A two-day international forum on transforming the statistical system in GCC countries accompanied the official launch of the GCC-Stat. The forum provided a platform for exchange of views and experiences of different countries.

## **METAC Mid-Term Evaluation**

ECORYS, the consulting firm conducting the Mid-Term Evaluation of METAC visited the IMF HQ and completed their visit to Jordan, Lebanon, and Sudan where they had meetings with the authorities and other METAC's counterparts.

An online survey was concluded, and telephone interviews were conducted. The draft report was sent to the IMF on August 14, 2014 and was circulated to the SC and IMF departments involved METAC's work for comments. As was agreed during METAC's SC meeting in May 2014, a conference call will be arranged to the SC to determine how the findings and recommendations in the report will be implemented.

### **Stepping Back and Looking Forward: a results-based management framework for future activities**

To guide the preparation of METAC's regional log frame, in October 2013, we issued the second edition of the Report "**Stepping Back and Looking Forward: a results-based management framework for future activities**". This framework helps in the formulation, delivery and assessment of TA results in the future. In this document, we reviewed METAC's past activities and prepared country work programs until end-April 2015. This allowed us to step back and take a closer look at what has been done and what needs to be done in each country until the end of Phase III, April 2015.

## METAC Annual Steering Committee Meeting



METAC held its annual SC meeting on May 5, 2014 in Jordan. The meeting was chaired by Mr. Alain Bifani, the Director General of the MOF in Lebanon and attended by most METAC member countries, all donors, and representatives from all IMF departments involved in METAC's work. In his opening remarks, Mr. Bifani highlighted the role METAC has been playing in capacity building in its member countries and stressed that METAC's role in the period ahead will be very crucial in helping the countries in the region that are currently going through political transition. Mr. Mohamad Elhage, METAC Coordinator, presented the work of the Center during the previous FY highlighting the notable achievements in the various areas and noted that despite a difficult security situation in some of METAC's member countries, the Center was able to deliver 173 PW of TA, about 70 percent implementation ratio. METAC resident advisors presented a summary of achievements in their specific areas of responsibilities in FY14 and discussed their work plans for FY15. Mr. Maher Sheikh Hasan, Deputy Governor of the CBJ, addressed the meeting and highlighted the TA the CBJ has received from METAC since its establishment in 2004. He noted that the overall outcome of METAC's work in Jordan has been to enhance the prudential supervision and regulatory framework, as well as building capacity within the CBJ. Discussions were lively and all SC members agreed to extend the current funding cycle by one year, until April 2016, and to approach new countries as potential members.

## Box 1: METAC's Notable Achievements

### Banking Supervision

- ✓ **Lebanon:** The completion of a new risk-based supervisory manual for examining Non-Bank Financial Institutions (NBFIs). The manual was well received by the authorities.
- ✓ **Afghanistan:** The development of a medium-term action plan for strengthening banking supervision that outlines the main objectives and milestones to be achieved in five years.
- ✓ **Sudan:** Substantial progress has been achieved in expanding and upgrading CBOS credit registry and this project is close to completion.

### Macroeconomic Statistics

- ✓ **Afghanistan:** For the first time, DAB submitted an IIP statement to the IMF for publication.
- ✓ **Iraq:** The CBI **started compiling** and publishing quarterly BOP statistics. The CBI starts to report quarterly BOP and Annual IIP statistics based on the *BPM6* methodology.
- ✓ **Lebanon:** For the first time, the BDL launched DI survey for the first time for financial sector.

### Public Financial Management

- ✓ **Jordan:** Improvement of the commitment control system by limiting the budget appropriations to be released quarterly based on the treasury cash position.
- ✓ **Sudan:** Preparation of an action plan for presenting general government data in a consolidated manner. The objective of this consolidation is to evaluate the total revenues and expenditures of the Republic of the Sudan starting from the fiscal year 2012 by eliminating positions and flows between different levels of government.

### Revenue Administration

- ✓ **Jordan:** Income and Sales Tax Department has enjoyed some success in tackling serious cases of VAT refund fraud.
- ✓ **Lebanon:** Good progress made by the VAT Directorate in strengthening refund management, and cooperation with Customs to prevent refund fraud has commenced.
- ✓ **Sudan:** Outstanding issues have been resolved with the draft Tax Procedures Code, and the Minister is to appoint a Tax Reform Committee which will consider the proposed new law.

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# **S**ECTION **III**:

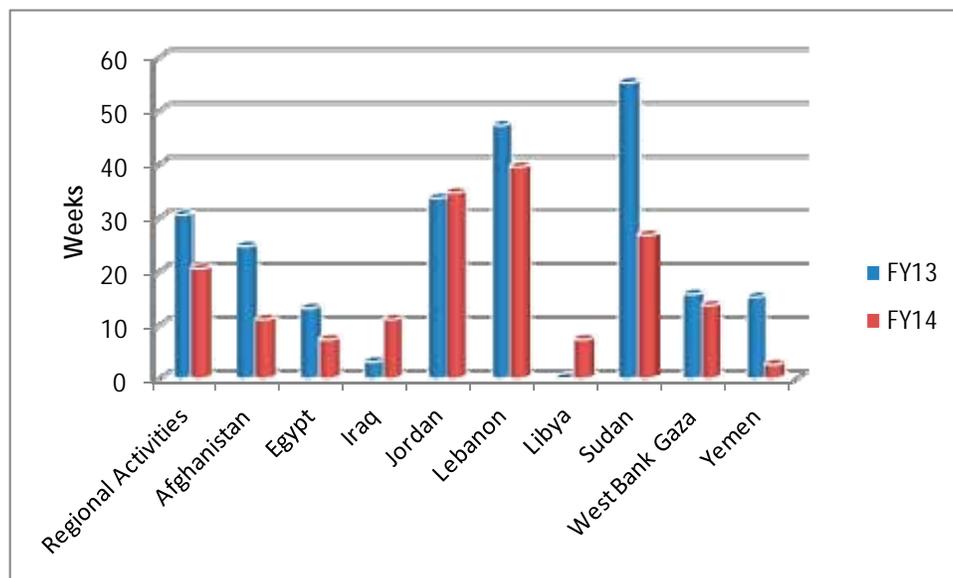
**TECHNICAL ASSISTANCE INPUTS IN FY 2014**

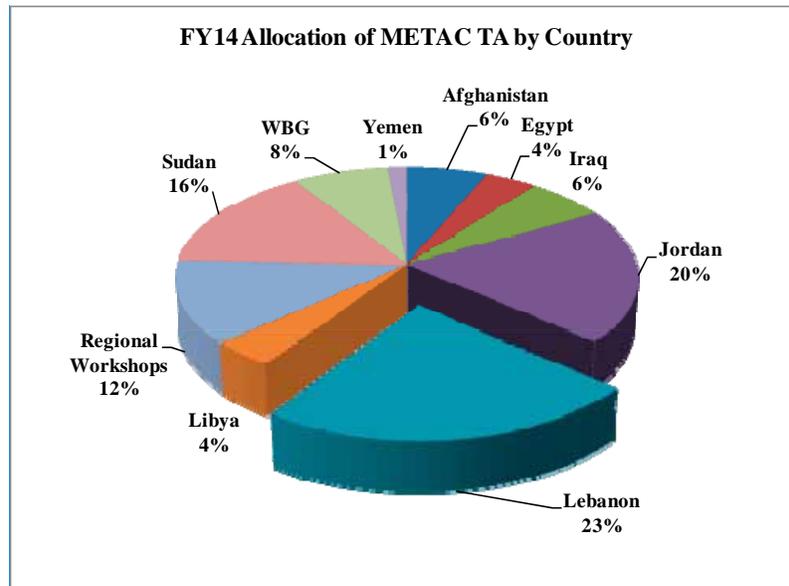
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## SECTION III: TECHNICAL ASSISTANCE INPUTS IN FY 2014

During FY14, despite difficult security situation in many member countries, with the exception of Syria, all member countries received TA from METAC. Due to weak security situation, METAC missions for Libya and Yemen were held in Tunis and Beirut, respectively. Iraq, Jordan, and West Bank and Gaza received more TA than was planned. In total, 173 PW of TA were delivered compared to 254 PW planned. Lebanon received the largest share of TA resources, accounting for 23 percent of total TA delivery, followed by Jordan at 20 percent.

**Figure 1: Distribution of METAC TA by Country  
FY13 and FY14 (in person weeks)**



**Figure 2: Allocation of METAC TA by Country****Table 1: METAC TA Delivery by Area and Beneficiary Country  
FY 2014 (In Persons in Weeks)**

	Banking Supervision	Public Financial Management	Revenue Administration	Statistics	Total
Regional Activities	5	9	3.5	3	20.5
Afghanistan	0	3	4	4	11
Egypt	0	1.5	5.5	0	7
Iraq	1	6	0	4	11
Jordan	0	14	15.5	5	34.5
Lebanon	8	11	18	2.5	39.5
Libya	0	0	4	3	7
Sudan	2.5	10	9	5	26.5
West Bank & Gaza	6.5	3	4	0	13.5
Yemen	0	0	2.5	0	2.5
<b>Total</b>	<b>23</b>	<b>57.5</b>	<b>66</b>	<b>26.5</b>	<b>173</b>
Activity Distribution as % of total	13.3	33.2	38.2	15.3	100

## **Box 2: Jordan and METAC: Taking Stock and Looking Forward**

### **Introduction**

Since the inception of METAC, Jordan has been one of the main users of technical assistance.

In the area of banking supervision, technical assistance to the Central Bank of Jordan focused on enhancing the prudential supervision framework and developing and implementing an early warning system model that helps the Central Bank of Jordan forecast the performance of individual banks and the banking system as a whole.

In the statistics area, technical assistance focused on bringing compilation practices in line with international standards and enhancing the authorities' capacity.

In public financial management, the focus was on capital budgeting, expenditure prioritization procedures, cash management, treasury single account, fiscal reporting, commitment control, and development of macro-fiscal capacity.

In the area revenue administration, METAC has focused on reducing the stock of tax debt through supporting the introduction of risk-based compliance management.

Going forward, technical assistance will focus on building upon progress made and addressing new areas of needs as they emerge.

### **Technical Assistance Key Results and Future Agenda**

#### **Banking Supervision**

The banking sector in Jordan is relatively well developed compared to many of its peers in the Middle East region. The Central Bank of Jordan employs a prudent banking regulation and supervision framework, which protected the Jordanian banking system from the impact of the global financial crisis that hit the international financial system starting in 2008. The Central Bank of Jordan continues to improve its banking supervision framework and upgrade its supervisory system in line with international best practices. It is also building the capacity of banks' examiners and enhancing their supervisory skills.

Since 2009, METAC has been providing considerable technical assistance to the Central Bank of Jordan in several areas of banking supervision, aimed at enhancing the prudential supervision framework. METAC assisted the Central Bank of Jordan in a project to develop and implement an early warning system model that helps the Central Bank of Jordan forecast the performance of banks and the banking system, in order to identify any potential financial problems at the level of individual banks, and the banking system as a whole, and to address these problems in a timely and efficient

manner. For that purpose, several missions have been undertaken and others are planned for the coming year.

METAC also participated, with the International Monetary Fund, Monetary and Capital Markets Department, in a project to assist the Central Bank of Jordan in enhancing its current Basel II framework. The project involved providing technical assistance in capacity building in internal capital adequacy assessment process and in risk-based supervision.

METAC assisted the Central Bank of Jordan in preparing a framework for licensing private credit bureaus by providing technical assistance in drafting regulations based on the credit information law to be implemented by these private credit bureaus and in delivering guidelines for the development of a procedural manual for licensing private credit bureaus.

The Central Bank of Jordan benefited from technical assistance provided by METAC to build the capacity of banks' examiners in Basel II and particularly in Pillar II and to train them on the responsibility of the Central Bank of Jordan in its supervisory review and evaluation process over the operating banks in Jordan.

METAC will maintain its technical assistance to the Central Bank of Jordan in terms of early warning system, private credit bureaus, licensing, off-site supervision enhancement, and in delivering training sessions to the Central Bank of Jordan supervisors on different banking supervision issues.

### **Macroeconomic Statistics**

Since its inception, METAC has provided technical assistance in macroeconomic statistics to Jordan in the areas of national accounts, price statistics, external sector statistics, and government finance statistics. In addition, METAC assisted Jordan to subscribe to the International Monetary Fund's special data dissemination standard.

The beneficiary institutions were the ministry of finance, the Central Bank of Jordan and the department of statistics.

Among the notable achievements was developing the initial steps towards the compilation of supply and use tables, which is essential for the ongoing project to implement the 2008 System of National Accounts in Jordan. The supply and use tables will form a benchmark for estimating gross domestic product. With respect to external sector statistics, technical assistance provided has resulted in improvement in the quality and the scope of data, especially in the financial account.

Going forward, METAC technical assistance will be necessary to build upon progress made thus far, in particular in the area of national accounts and prices statistics. In the external sector statistics, technical assistance support may be needed to implement the changes in line with the *Balance of Payments and International Investment Position Manual, sixth edition*. In addition, the compilation of

external debt statistics needs to be brought fully in line with international standards.

METAC is also in a position to provide assistance to develop a real estate property price index and to help Jordan participate in the International Monetary Fund's Coordinated Portfolio Investment Survey.

### **Public Financial Management**

During the past few years, Jordan has received significant technical assistance from both, the International Monetary Fund, Fiscal Affairs Department, and METAC, mainly on capital budgeting, expenditure prioritization procedures, cash management, treasury single account, fiscal reporting, commitment control, and the development of macro-fiscal capacity.

The reform objectives were broadly designed to:

- Strengthen macro fiscal forecasting by establishing a unit and developing a medium-term fiscal framework;
- Adopt a new Government Finance Statistics Manual 2001-compliant budget classification and chart of accounts;
- Consolidate government banking arrangements by introducing a treasury single account regime;
- Establish a government financial management information system; and
- Introduce a medium-term expenditure framework and results-oriented budgeting.

Jordan has made significant progress since it began the public financial management reform program in 2003. Progress includes revision of budget classifications in line with the Government Finance Statistics Manual 2001, and the redesigning of chart of accounts to reflect the revised classification with additional accounts to capture off budget accounts thus paving the way for a modern accounting system; improvement to cash and debt management with the establishment of a treasury single account and closure of a number of commercial bank accounts extending the treasury single account coverage; creation of a cash management department with responsibility for preparing detailed cash flow forecasts; introduction of financial planning for line agencies, and timely production of fiscal reports.

The problem of reviewing expenditures, and eliminating the low quality ones – both current and capital – was raised in 1999. In 2009, an International Monetary Fund, Fiscal Affairs Department mission performed the analysis in relation to capital budgeting. That analysis and recommendations became the basis for METAC's assistance to capital budgeting.

The Fiscal Affairs Department and METAC have recently provided support to the ministry of finance with the implementation of two structural benchmarks under the current Fund-supported program for

Jordan:

1. Establishing a reporting system to report stocks of payment arrears quarterly; and
2. Amending the commitment control module in the Government Financial Management Information System to prevent fresh arrears.

Going forward, METAC plans to provide technical assistance and training to (i) establish a macroeconomic unit in the ministry of finance; and (ii) introduce commission control systems order to prevent the occurrence of new arrears.

### **Revenue Administration**

Since its inception in 2004, METAC has engaged with Jordan in the area of revenue administration. Although in the early years this engagement was limited to supporting Fiscal Affairs Department missions, from 2007 onwards METAC has actively, and increasingly, provided specific technical assistance missions in its own annual work plans.

Within the general framework provided by the Fiscal Affairs Department's ongoing interaction with Jordan, METAC has provided technical assistance inputs on broad organizational issues, including the establishment and consolidation of the integrated Income and Sales Tax Department, the segmentation of the taxpayer base, and the role and structure of the headquarters' planning function.

It has also provided short-term missions to support more specific areas of Income and Sales Tax Department operations, such as:

- The introduction of self-assessment;
- Risk-based compliance management;
- Collections and arrears management;
- Strengthening business activity classification in the taxpayer register; and
- Strengthening value added tax refund management and preventing refund fraud.

The METAC resident revenue administration advisor has engaged actively with the United States Agency for International Development Fiscal Reform Project II team in Jordan to ensure that technical assistance inputs are complementary, and this engagement will continue with the anticipated extension of the United States Agency for International Development support.

In Fiscal Year, 2015, METAC plans to: provide specialized training in risk-based audit in the construction and medical practitioners' sectors; review critical areas of revenue risk underlying the compliance gap; and engage with the director general of customs to assess possible areas for future collaboration.

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# **S**ECTION **IV**:

## **OVERVIEW OF THE FY 2015 WORK PLAN**

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## SECTION IV: OVERVIEW OF THE FY 2015 WORK PLAN

The work plan for FY15 was developed with the view that it is crucial that METAC remains engaged in all member countries and the assumption that, with the exception of Syria, METAC will be able to resume its activities in all member countries. In case the security situation prevents METAC from fielding missions to some countries, certain missions will be held outside those countries, a practice that started in FY14 with Yemen (in Beirut) and Libya (in Tunis). Furthermore, the situation will be re-assessed six months into the new fiscal year, and if need be, the work plan will be revised.

### A. Banking Supervision

The FY15 work plan in banking supervision has been prepared to continue METAC's support to member countries to strengthen the resilience of their banking systems. The program will focus on the main outcomes as outlined in the RBM approach, adopted by METAC at the beginning of FY13, which has been developed in line with the MCM and MCD strategies, and also to meet member countries' requests and needs especially in Islamic banking supervision. The work plan envisages the completion of some projects and activities that have previously been launched. TA support will be provided through missions to be conducted by the banking supervision advisor and short-term experts and through regional and country-specific workshops and training.

The work plan in banking supervision will cover the following activities:

#### Capacity Building

- **Regional workshops:** (i) on Basel III implementation; and (ii) on Islamic banking and consolidation and cross-border supervision.
- Training on Islamic banking supervision for **Afghanistan**.
- Training on off-site supervision for **Afghanistan**.
- Training on cross-border and consolidated supervision for **Yemen** and **Lebanon**.

#### Enhancement of the Regulatory and Supervisory Framework

- Developing a new regulatory framework for Islamic banking activities for **Libya** and **Yemen**.
- Update and upgrade the regulatory framework for **Egypt** and **Iraq**.
- Continue the development of a statistical-based EWS for **Jordan**.
- Enhance cross border supervision and development of a supervisory college for **Lebanon**.

- Assist in drafting regulation on stress testing for **Sudan**.
- Assist **Afghanistan** in modernizing and upgrading its financial supervision department.

### **Enhancement of Risk-Based Supervision**

- Continue the project for the development of a risk-based supervision manual for banks to **West Bank and Gaza** and **Sudan**.
- Assist **Lebanon** in implementing a risk-based supervision manual for non-bank financial institutions to be adopted by the Capital Market Commission.

### **B. Macroeconomic Statistics**

Activities in macroeconomic statistics in FY15 will continue to focus on improving the quality of the external sector statistics, and support the work on price statistics, NA, and government finance statistics.

The work program in statistics is consistent with the RBM framework, and in line with STA and MCD strategies, also responds to member countries' requests and benefits from METAC's accumulated experience in the region. In particular, METAC will assist:

- **Egypt, Lebanon, and Sudan** in completing the DI surveys.
- **Lebanon** in working towards publication of IIP, and **Libya** in completing a preliminary IIP.
- **Afghanistan, Egypt, Iraq, Jordan, Lebanon, Libya, Sudan, West Bank & Gaza** and **Yemen** in improving the overall quality of the external sector statistics (balance of payments, IIP and EDS).
- **Afghanistan, Libya, West Bank & Gaza** and **Yemen** in improving their CPI, and in compiling a PPI (**Afghanistan** and **Yemen**) or resuming the PPI compilation (**Libya**).
- **Jordan, Lebanon, Libya, Sudan, West Bank & Gaza** and **Yemen** in improving their NA (annual and/or quarterly, as relevant).
- **Egypt and Libya**, to assist in the implementation of the Government Finance Statistics Manual 2014.

In addition to direct TA, METAC will continue to promote regional training and cooperation on critical topics in the statistics of external and real sectors. In this context, METAC will organize two regional

workshops that aim at strengthening information sharing, knowledge exchange and regional networking in the following topics: (i) improvement of financial accounts - Coordinated Direct Investment Survey (CDIS) and Coordinated Portfolio Investment Survey (CPIS); and (ii) strengthening the national accounts compilation.

### C. Public Financial Management

The FY15 work plan remains in line with the core objectives of the METAC regional log frame FY 2013-2015, with emphasis on activities in the areas of treasury and budget. While the METAC work plan covers a 12-month period, and defines the specific TA planned in each country and regionally, METAC is flexible to respond to new issues, particularly where urgent and unforeseen needs arise, and also where changes in priorities occur.

During FY15, TA is planned to address the following areas:

- Modernizing PFM legal and regulatory frameworks;
- Planning and budget reforms;
- Treasury management;
- Accounting and reporting; and
- Strengthening the internal control environment.

METAC will continue to participate in FAD diagnostic and assessment missions to **Afghanistan, Egypt, Yemen and West Bank and Gaza**, and will adjust its work program on the basis of the missions' findings.

In **Afghanistan**, METAC will follow up on previous FAD recommendations and will provide TA to improve coordination between the Budget and Treasury Departments on the issuance of in-year allotments and during budget execution.

In **Egypt**, METAC will provide TA to extend the TSA coverage along with plans to reduce the number of, and eventually eliminate, non-TSA bank accounts; and will provide training on GFMIS and PFM issues to the relevant SC members responsible of the PFM Information Technology (IT) Reforms.

For **Iraq**, METAC will continue to provide assistance in reviewing the budget classification and the COA in line with the *GFSM 2001* and the COFOG standards.

In **Jordan**, METAC will provide follow-up TA on the commitment system and on payment arrears; and will support the establishment of a macroeconomic unit in the MOF.

In **Lebanon**, METAC will (i) support for the modernization of legal and regulatory frameworks by providing guidance on strengthening PFM legislation, and developing consistent financial regulations; and (ii) deliver training on the methodology for (a) forecasting government revenues and expenditures; and (b) analyzing policies' efficiency and their repercussion on the economy.

For **Libya**, METAC will resume TA missions on treasury reforms (assistance in establishing a TSA and in modernizing cash management practices) and will be ready to respond to any new TA needs as they emerge.

In **Sudan**, TA will be provided on (i) establishing procedures to align accounting bases used for budgeting and accounting mainly for capital projects; and (ii) reviewing the budget preparation process with a view to developing a Medium-Term Framework (MTF).

For **Yemen**, the work will support the transfer of the Treasury function from the Central Bank to the MOF.

METAC plans to organize two regional workshops. The first will stress the need for accurate and on-time financial reporting. This workshop will explain (i) the objective of financial reporting standards; (ii) the qualitative characteristics; (iii) and the requirements of those reports. The second workshop will cover the Medium-Term Budgeting Framework (MTBF) and will address specifically (i) the key aspects of the strategic, top-down fiscal policy approach; and (ii) how a multi-year plan permits fiscal strategies including expenditure plans for the entire interval to be set out, and plans for the upcoming year to be cast within a multi-year context.

#### **D. Revenue Administration**

The FY15 work plan for revenue administration has been prepared to continue METAC's support to member countries to achieve sustainable improvements in taxpayer compliance and revenue performance. It aims to strengthen capacity in critical operational areas, based on strategies that are tailored to reflect the specific circumstances of each country. As in previous years, TA interventions will take the form of focused technical training; regional and country-specific workshops; and on-site missions resulting in specific recommendations, including implementation roadmaps and action plans. In total, it is planned to undertake a total of 62.5 weeks of TA activity, which will be delivered by the resident advisor and a selection of regional and international experts.

The proposed work plan seeks to ensure that all member countries derive benefit from METAC's revenue administration activities. In some cases this will be reflected in planned interventions that follow up on recommendations arising from previous missions. However, due to the difficult political situation in some member countries, it has not been possible to maintain engagement on a continuous basis; and for these countries it is planned for the METAC advisor to join HQ missions, in order that METAC's activities form part of a comprehensive and coordinated package of support measures. In all cases, the approach taken will involve active dialogue with member administrations, and will reflect an agreed program designed to maximize near-and medium-term benefits in accordance with national priorities.

Specifically, the work plan for FY15 proposes to support:

- Strengthening LTO operations in preparation for the introduction of VAT, and strengthening Customs risk management in **Afghanistan**.
- Strengthening LTO operations and the interaction between Customs and Tax administrations in preparation for the introduction of VAT in **Egypt**.
- Reviewing critical areas of compliance risk and associated revenue loss, and strengthening sector-specific risk-based audit in **Jordan**.
- Developing an LTO revenue enhancement strategy and strengthening sector-specific risk-based audit in **Lebanon**.
- Preparing an Information Systems/IT strategy and investment plan, and evaluating specialist skills retention options in **Sudan**.
- Reviewing critical areas of compliance risk and associated revenue loss, and strengthening LTO operations in **West Bank and Gaza**.

The resident advisor will also join HQ missions to Iraq, Libya and Yemen as and when these are undertaken, in order to ensure that revenue administration priorities are incorporated into future METAC plans.

METAC will also continue to promote regional dialogue and cooperation on matters of common concern to member countries' revenue administrations. In pursuit of this, two workshops are proposed for FY15, which will focus on:

- Inter-departmental cooperation between Tax and Customs.
- Organizational responses to compliance behavior and revenue risk.

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**S**ECTION **V**:

**BUDGET AND FINANCING**

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## SECTION V: BUDGET AND FINANCING

### **Project Status – Third Funding Cycle (Phase III)**

The initial Program Document budget for Phase III, covering May 2010 through April 2015, was estimated at \$33 million, including the IMF in-kind contribution of \$5.0 million and \$1.5 million in-kind from Lebanon for hosting the Center, in addition to its \$5.0 million generous contribution to TA. The work program assumed that donors' resources would support five resident advisors and the historical average of short-term experts to deliver specialized TA. The budget would support salaries for experts, travel, seminars, backstopping, and project management. At the June 2010 meeting, the SC adopted the Program Document and the proposed budget for METAC Phase III.

However, at the October 10, 2010 pledging session in Washington D.C., donors and member countries only pledged a total of \$15 million. The total included a rollover of the EIB's contribution from Phase II, under a separate framework agreement and a generous financial contribution from Lebanon (Table 2). There were also pledges received from the European Commission, France, Kuwait, Oman, and METAC beneficiary countries: Egypt, Jordan, Libya, Syria, Sudan, and Yemen. These pledges, together with \$6.5 million of in-kind contributions from the IMF and host country Lebanon for the Center's operating cost, brought the total to about \$21 million, or about two-thirds of Phase III requirements. At the May 2014 meeting, the SC endorsed extension of Phase III through April 2016.

### **The FY14 Budget and Expenses**

The FY14 budget for TA delivery to member countries and Mid-Term Evaluation was scheduled to be \$3.4 million (Table 1). The budget was prepared with the expectation that METAC will deliver 82 TA missions and 8 regional workshops. Security and political developments in the region limited METAC's engagement in most member countries. METAC delivered only 45 TA missions and 6 regional workshops. Mid-Term Evaluation budget of \$0.3 million was moved from FY14 to FY15. As a result, as of end-April 2014, METAC actual spending was \$2.18 million.

### **Contribution Roster – Phase III**

The total confirmed funding pledged for Phase III has reached about \$18.5<sup>1</sup> million (Table 2) with Germany contributing and disbursing \$2.4 million in FY13 and USAID contributing and disbursing \$1.3 million in FY14. The composition of the pledges continued to reflect a strong regional ownership, with METAC countries contributing about half of total resources. Scheduled installments were received

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<sup>1</sup> Exact amount is subject to exchange rate of pending installments in currencies other than USD.

from Jordan, France, and USAID during FY14; two installments from Jordan totaling \$0.2 million, \$0.5 million from France, and the full contribution of \$1.3 million from USAID. Also, the Government of Jordan, within the framework of the French Debt Swap Agreement, pledged an additional \$140,000 to METAC bringing the total pledge by Jordan during this funding cycle to \$640,000.

### **The FY15 Budget**

The FY15 budget for TA delivery to member countries is scheduled to be \$3.53 million<sup>2</sup> which includes the budget for the Mid-Term Evaluation of \$0.3 million rolled over from FY14 (Table 3). The expectation in FY15 is that TA delivery will pick up this year when compared to FY14.

### **Expected carryover at the end of the current funding cycle**

Contributions received thus far are \$13.7 million and it is expected that before the end of this funding cycle another \$4.7 million will be disbursed, bringing the total disbursed to about \$18.5 million. As of end-April 2014, total spending for TA delivery during this funding cycle reached \$9.66 million (Table 1). Adding budgeted \$3.53 million for FY15, it brings total expected spending to \$ 13.19 million. As such, the expected carryover at the end of this current cycle is about \$5.3 million. This amount will be used for TA delivery through April 2016, as per Phase III extension.

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<sup>2</sup> FY15 budget of \$3.4 endorsed by May 2014 SC corrected for an error (transposed digits) in the Project Management line.

International Monetary Fund  
 Middle East Regional Technical Assistance Center  
 Third Funding Cycle (Phase III) May 2010 April 2015

**Table 1. Consolidated Financial Status**  
*(US\$ millions)*

ACTIVITY	FY 2010– FY 2015			FY 2014		
	BUDGET	EXPENSES	REMAINING	BUDGET	EXPENSES	REMAINING
Long-term experts	6.75	4.46	2.29	1.49	0.96	0.54
Short-term experts	3.76	2.70	1.06	0.63	0.64	-0.01
Travel	0.73	0.59	0.14	0.14	0.12	0.02
Seminars	1.06	0.52	0.54	0.26	0.13	0.13
Staff TA delivery	0.03	0.03	0.00	0.00	0.00	0.00
Miscellaneous	0.08	0.08	0.00	0.02	0.04	-0.03
Backstopping	0.99	0.39	0.60	0.24	0.10	0.14
Project management	0.46	0.25	0.21	0.10	0.05	0.05
<b>Total TA Delivery</b>	<b>13.85</b>	<b>9.03</b>	<b>4.83</b>	<b>2.88</b>	<b>2.04</b>	<b>0.85</b>
Evaluation	0.3	-	0.3	-	-	-
Trust fund management						
(7%)	0.99	0.63	0.36	0.20	0.14	0.06
<b>GRAND TOTAL **</b>	<b>15.14</b>	<b>9.66</b>	<b>5.49</b>	<b>3.08</b>	<b>2.18</b>	<b>0.91</b>

\*\* Does not include IMF in-kind contribution of \$5M and host country in-kind contribution of \$1.5M.

International Monetary Fund  
Middle East Regional Technical Assistance Center  
Third Funding Cycle (Phase III) May 2010 - April 2015

**Table 2. Status of Financial Contributions**

	Pledge** (US\$ dollars)	LOU Status	Contributor Currency	Pledge (Contributor Currency)	Contributions Received (US\$)	Future Installments (US\$)
<b>Phase III - Signed Agreements:</b>						
<b>(A) Under Multi-Donor SFA</b>						
European Commission	1,849,005	12/29/2009	<i>Euros</i>	1,500,000	1,647,000	202,005
Libya	1,500,000	5/24/2010	<i>U.S. dollars</i>	1,500,000	900,000	600,000
Syria	500,000	8/27/2010	<i>U.S. dollars</i>	500,000	100,000	400,000
Kuwait	250,000	10/27/2010	<i>U.S. dollars</i>	250,000	250,000	-
Egypt	1,000,000	12/1/2010	<i>U.S. dollars</i>	1,000,000	600,000	400,000
Jordan	500,000	12/9/2010	<i>U.S. dollars</i>	500,000	400,000	100,000
Sudan	500,000	12/1/2010	<i>U.S. dollars</i>	500,000	-	500,000
Lebanon*	5,000,000	01/31/2011	<i>U.S. dollars</i>	5,000,000	3,000,000	2,000,000
France	2,459,664	3/15/2011	<i>Euros</i>	1,800,000	1,974,852	484,812
Oman	500,000	8/9/2011	<i>U.S. dollars</i>	500,000	500,000	-
Germany	2,434,036	11/12/2012	<i>Euros</i>	1,880,000	2,434,036	-
USAID	1,300,000	9/25/2013	<i>U.S. dollars</i>	1,300,000	1,300,000	-
<b>Subtotal</b>	<b>17,792,705</b>				<b>13,105,888</b>	<b>4,686,817</b>
<b>(B) UNDER FAA</b>						
European Investment Bank	578,552	4/3/2008	<i>U.S. dollars</i>	578,552	\$578,552	\$ -
<b>Subtotal</b>	<b>18,371,257</b>				<b>\$13,684,440</b>	
<b>Phase III - Pledges - Pending</b>						
Syria 2	250,000	<i>sent 4/2011</i>	<i>U.S. dollars</i>	250,000		250,000
Yemen	500,000	<i>sent 12/2010</i>	<i>U.S. dollars</i>	500,000		500,000
Jordan (2nd LOU)	140,000	<i>n/a</i>	<i>JD</i>	100,000		140,000
<b>Subtotal</b>	<b>890,000</b>					<b>890,000</b>
<b>GRAND TOTAL</b>	<b>19,261,257</b>				<b>\$13,684,440</b>	<b>\$5,576,817</b>

\*Lebanon contributes \$1.5 M in-kind for hosting the Center, in addition to its contribution to TA, and has disbursed \$0.9M thereof as of April 2014.

\*\*Total pledged amount reflects actual amounts received to date in US\$ plus remaining installments converted at the current exchange rate.

International Monetary Fund  
 Middle East Regional Technical Assistance Center  
 Third Funding Cycle (Phase III) May 2010 - April 2015

**Table 3. FY 2015 Budget May 2014 - April 2015**

*(US\$ millions)*

DESCRIPTION	FY 2015 BUDGET
Long-term experts	1.55
Short-term experts	0.65
Travel	0.15
Seminars	0.27
Miscellaneous	0.02
Backstopping	0.25
Project Management	0.10
<b>Total TA Delivery</b>	<b>3.00</b>
Evaluation*	0.30
Trust fund management fee (7%)	0.23
<b>GRAND TOTAL</b>	<b>3.53</b>

\* Evaluation amount of \$300,000 was moved from FY14 to FY15.

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# ANNEXES

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## **ANNEX I: THE IMF REGIONAL TECHNICAL ASSISTANCE CENTERS (RTACs)**

### **Existing RTACs**

**The Pacific Financial Technical Assistance Center (PFTAC)** was established in Suva, Fiji, in 1993, now serves 16 Pacific island countries and territories, including the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, and Vanuatu. Its current program cycle is funded by the Asian Development Bank, Australia, the EU, the IMF, Korea, New Zealand, and the host country Fiji.

**The Caribbean Regional Technical Assistance Center (CARTAC)** was established in Bridgetown, Barbados in 2001. It serves 20 Caribbean island countries and territories, including Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Turks and Caicos. Its current program cycle is funded by Australia, Canada, the Caribbean Development Bank, the EU, the IMF, the United Kingdom, the host country Barbados, and beneficiary countries.

### **The African Regional Technical Assistance Centers**

The African Regional Technical Assistance Centers are part of the IMF's [Africa Capacity-Building Initiative](#), launched in May 2002. Responding to calls from African leaders, including under the [New Partnership for Africa's Development](#) (NEPAD), the Initiative promotes strengthening the capacity of African countries to design and implement their poverty-reducing strategies, as well as to improve the coordination of capacity-building technical assistance in the Poverty Reduction Strategy Paper (PRSP) process. The centers' activities take place in close cooperation with the [African Development Bank](#) and donor partners. This facilitates a coordinated design, implementation, and monitoring of ongoing technical assistance programs in member countries.

As part of the Initiative, five African Regional Technical Assistance Centers (AFRITACs) have been established. AFRITAC East was opened in Dar es Salaam, Tanzania, in 2002, now serves seven countries in East Africa (Eritrea, Ethiopia, Kenya, Malawi, Rwanda, Tanzania, and Uganda). AFRITAC West was opened in Bamako, Mali, in 2003 and moved to Abidjan, Côte d'Ivoire, in mid-2012 to serve ten countries in West Africa (Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, and Togo). AFRITAC Central was opened in Libreville, Gabon, in 2007, to serve countries in the CEMAC group, plus Burundi and the Democratic Republic of the Congo. AFRITAC South was opened in Port Louis, Mauritius, in June 2011, to serve 13 countries in Southern Africa (Angola, Botswana, Comoros, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia, and Zimbabwe). AFRITAC West 2, based in Accra, Ghana, started operations in December 2013, covering the non-francophone countries from the **Economic Community of West African States (ECOWAS)** that are not served by the current AFRITAC West: Cape Verde, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone.

The AFRITACs are financed by contributions from a number of donors, the IMF, as well as host and beneficiary countries. Current donors include the African Development Bank, Australia, Brazil, Canada, the European Investment Bank, the European Union, France, Germany, Italy, Kuwait, Luxembourg, the Netherlands, Switzerland, and the United Kingdom.

**The Middle East Regional Technical Assistance Center (METAC)** was established in Beirut, Lebanon, in 2004 to serve ten countries/territories in the Middle East, including Afghanistan, Egypt, Iraq, Jordan, Lebanon, Libya, Sudan, Syria, West Bank and Gaza, and Yemen. METAC's main objective is to help strengthen capacity for effective macroeconomic and financial management in the region, and to support the region's integration into the world economy. A particular focus is to help post-conflict countries in the region achieve macroeconomic stability and develop basic institutions for policymaking. METAC is designed to enhance coordination among development partners and to promote effective implementation of economic initiatives within the Middle East region. METAC's current program cycle is financed by contributions from the EIB, the EU, France, Germany, the IMF, Kuwait, Oman, the host country Lebanon, and beneficiary countries.

**The Central America, Panama and the Dominican Republic Regional Technical Assistance Center (CAPTAC-DR)** started operations in May 2009 in Guatemala. It serves Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The Center's TA is focused on financial sector supervision, tax and customs administration, medium-term expenditure frameworks and public financial management, money markets, and macroeconomic statistics. Improved institutions and increased regional integration are the objectives. The Center is funded by Canada, the Central American Bank for Economic Integration, the EU, Germany, the Inter-American Development Bank, the IMF, Mexico, Spain, the host country Guatemala, and beneficiary countries.

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# **A<sub>NNEX</sub> II:**

## **LOG FRAMES**

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## ANNEX II: LOG FRAMES

### Strategic Objective

Financial capacity for effective macroeconomic management to achieve higher and sustainable growth.

Enhance risk-oriented banking supervisory and prudential framework that enhances financial stability in line with international standards and best practices.

Strengthen integrated budget planning and fiscal management process that effectively links policies to budgetary allocation, and further develop treasury management, government banking arrangements, financial reporting tools, cash management and financial management information system.

Improve tax administration to bring it to best international standards, focusing on enhanced audit procedures and effective compliance to improve revenue performance and increase tax revenue collection.

Bring countries closer to compliance with international standards for the compilation of external accounts, NA, and price statistics.

1. Restoration of political and security stability in a number of METAC countries that would allow delivery of TA in a timely manner.

2. Sufficient ownership of reform measures by the country authorities and commitment to provide resources to carry out their duties and implement reform measures

3. Mobilization of sufficient financing for METAC

4. Complementary TA by HQ and other TA providers is available.

## 1. Banking Supervision

	Indicators for end-FY15	AFG	Egypt	Iraq	Jordan	Lebanon	Libya	Sudan	Syria	WBG	Yemen
Policy and on and offsite	1.1 Risk-based onsite inspection and enforcement manuals are developed and enhanced and are well integrated within the overall supervisory framework.										
	1.2 EWS Models are developed and effective risk assessment is being prepared using offsite supervisory tools and prudential reports.										
	1.3 New Onsite and Offsite manuals are adopted for supervision of Islamic banking activities.										
Regulatory framework particular	2.1 New regulations are issued in line with Basel core principles.										
	2.2 Issuance of new regulations and application of new supervisory tools and techniques that are in further compliance with Basel II accord and Basel III reforms.										
	2.3 New supervisory regulations and guidelines are issued for Islamic banking activities.										
Public credit international	3.1 The public credit registries will be fully operational with expanded financial and demographic database along with an effective software and comprehensive reporting.										
	3.2 A framework for licensing and supervising Private Credit Bureaus (PCBs) is developed and effectively applied.										
	3.3 Increased access to credit and reduction in the level of payment delinquencies and default rates.										
Have a better and standards their improving.	4.1 Offsite and onsite supervisors apply the developed risk-based frameworks effectively and show a thorough knowledge of the new regulations and apply them effectively throughout their work.										
	4.2 Weak and problem banks are identified early and dealt with through prompt corrective action plans that are rigorously followed up.										
	<b>Assumptions/Risks</b>										
n.	<ol style="list-style-type: none"> <li>Political stability and security conditions allow the delivery of METAC TA and the implementation of needed reforms.</li> <li>Supervisory authorities support the implementation of projects assisted by METAC, show continued commitment to apply the new manuals and the draft regulations, and take all necessary and timely actions to put METAC's recommendations into effect.</li> <li>Banking supervisors make good use of the knowledge and TA provided by METAC and apply them effectively in the course of supervising banking and financial activities.</li> <li>Sufficient financing for METAC is mobilized.</li> </ol>										
sions.											
annuals.											
training.											

## 2. Macroeconomic Statistics

Indicators for end-FY15		AFG	Egypt	Iraq	Jordan	Lebanon	Libya	Sudan	Syria	WBG	Yemen
Reserves data	1.1. Timely reporting of balance of payments data for IMF publications.										
	1.2. Timely reporting of IIP data for IMF publications.										
	1.3. Balance of payments and <i>International Investment Position Manual, sixth edition (BPM6)</i> methodology implemented.										
	1.4. Reporting of the Reserves Data Template.										
	1.5. Participation in the Quarterly EDS database.										
CPIS to	2.1. Participation in the CDIS										
	2.2. Participation in the CPIS										
NA, and for	3.1. Timely reporting of annual NA for IMF publications										
	3.2. Timely reporting of quarterly NA for IMF publications										
CPI and price	4.1. Updated CPI										
	4.2. Developed/updated PPI										
<b>Assumptions/Risks</b>											
ics. stopping.	<ol style="list-style-type: none"> <li>1. Sufficient ownership of reforms by the country authorities, including implementation of missions' recommendations.</li> <li>2. Sufficient funding by the country authorities and other donors for needed resources.</li> <li>3. Sufficient funding for METAC TA activities.</li> <li>4. Complementary HQ and other donors' TA are available.</li> <li>5. Political/security conditions in member countries allow for TA delivery and reforms' implementation.</li> </ol>										

#### 4. Public Financial Management

	Indicators for end-FY15	AFG	Egypt	Iraq	Jordan	Lebanon	Libya	Sudan	Syria	WBG	Yemen
Programs appropriate	1.1. A medium-term budget framework (MTBF), with a budget document including budget estimates for at least two out-years in addition to the next FY is developed.										
Capital and	2.1. An integrated budget planning and management process that effectively links policies to budgeting is established.										
	2.2. Estimated cost of expenditure programs and integrated budgets for capital and recurrent expenditures are included in the budget document.										
Planning and management	3.1. A cash planning function is developed leading to a good evaluation of the future profile of the total cash resources available to the government to meet its budget expenditure plans.										
	3.2. A TSA regime is implemented.										
Internal	4.1. Budget Classification compliant with <i>GFSM 2001</i> on a cash basis is introduced.										
	4.2. Expenditure controls, accounting and financial reporting, as well as internal control and audit are compliant with relevant international standards.										
<b>Assumptions/Risks</b>											
Backstopping.	<p>1. <b>Assumptions</b></p> <p>a. The country authorities remain committed to the implementation of the PFM reform agenda.</p> <p>b. The political conditions in member countries allow the normal delivery of TA.</p> <p>c. HQ's TA, backstopping and guidance available in particular on diagnostic assessments, institutional framework, and PFM reform strategies.</p> <p>2. <b>Risks</b></p> <p>The authorities face major challenges in the fiscal area, mainly as a result of recent political, economic, and security developments in the region. These developments may impede the implementation of a comprehensive PFM reform agenda because the authorities would need to focus on urgent policy issues rather than on medium-term oriented fiscal structural reforms.</p>										
Budget control and											

## 4. Revenue Administration

	Indicators for end-FY15	AFG	Egypt	Iraq	Jordan	Lebanon	Libya	Sudan	Syria	WBG	Yemen
ational structures.	1.1 Established large taxpayers' offices (LTOs).										
ons.	2.1 Enhanced registration system with unique Tax Identification Number.										
	2.2 Effective computerized Integrated Tax Administration System.										
	2.3 Streamlined filing and payment procedures.										
sk-based compliance.	3.1 Move from administrative to self-assessment systems.										
	3.2 Increased compliance rates.										
	3.3 Increased collection rates.										
	4.1 Introduction of VAT.										
	4.2 Enactment of a TPC.										
	4.3 Simplified regime for small taxpayers.										
on.	5.1 Reduced pre-clearance.										
	5.2 Increased risk-based post-clearance.										
	<b>Assumptions/Risks</b>										
tion.	<ol style="list-style-type: none"> <li>1. Sufficient ownership of reforms by the country authorities.</li> <li>2. Sufficient funding by METAC for TA activities.</li> <li>3. Complementary HQ and other donors' TA are available.</li> <li>4. Political/security conditions in member countries allow for TA delivery and reforms' implementation.</li> <li>5. Sufficient funding by the country authorities and other donors for needed resources.</li> </ol>										

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# **A<sub>NNEX</sub> III:**

**WORK PLAN FOR FY 2015**

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## ANNEX III: METAC WORK PLAN FOR FY 2015

<b>METAC FY15 Work Plan May 2014 – April 2015</b>								
Objective	Description /Activity	Medium-term outcome	Milestones	Output	Tentative Date	LTX	STX	TOTAL
<b>Regional Activities</b>								
Basel III Implementation in METAC countries: Requirements and Challenges.	Deliver a regional workshop.	Banking supervisors in the region have a better understanding of the latest practices and standards on banking supervision and develop their supervisory skills and capabilities accordingly.		Training/Evaluation.	Q2	2	1	3
Consolidated, Supervision, Supervisory College and Cross-Border Supervision.	Deliver a regional workshop.	Banking supervisors in the region have a better understanding of the latest practices and standards on banking supervision and		Training/Evaluation.	Q4	2	1	3



**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
To improve inter-departmental cooperation between Tax and Customs	Regional Workshop	Increased exchange of information and development of joint intelligence, audit and enforcement mechanisms and activities.		Training/Evaluation.	Q2	3	1	4
To exchange ideas about organizational responses to compliance behavior.	Regional Workshop.	More effective deployment of organizational resources.		Training/Evaluation.	Q4	3	3	6
Improve balance of payments and IIP statistics.	Regional Seminar on Financial Account.	Improving the quality of Balance of payments and IIP countries participating in CDIS and CPIS.		Training/Evaluation.	Q3	3	-	3

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve National Accounts (NA) compilation.	Regional Workshop on National Accounts.	Improving the Quality of NA. Implement the 2008 SNA.		Training/Evaluation.	Q4	0.5	2	2.5
						<b>17.5</b>	<b>9</b>	<b>26.5</b>

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Afghanistan</b>								
Enhance a banking supervisory and regulatory framework.	Training on Off-Site Supervision and EWS and dealing with vulnerable banks.	The Da Afghanistan Bank (DAB) works on strengthening its banking supervision practices through the modernization of its Financial Supervision Department and enhancing the supervisory framework, as well as building the capacity of banks examiners, particularly in Islamic banks supervision.	Training held and improved practices introduced to detect EWS.	Training to be delivered and mission report.	Q1	2	1	3

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Enhance a banking supervisory and regulatory framework.	Follow up on the development of medium-term action plan for strengthening banking supervision.	The DAB works on strengthening its banking supervision practices through the modernization of its Financial Supervision Department and enhancing the supervisory framework, as well as building the capacity of banks examiners, particularly in Islamic banks supervision.	Implemented long-term strategy for the development of the Financial Supervision Department.	Documented long-term strategy.	Q3	2	-	2
Enhance a banking supervisory and regulatory framework.	Deliver training on Islamic Banking Supervision.	DAB works on strengthening its banking supervision practices through the modernization of its Financial Supervision Department and	Training held and improved practices introduced to examine Islamic banks.	Training to be delivered and mission report.	Q3	2.5	1	3.5



**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Facilitate the successful introduction of VAT.	Assess LTO readiness for VAT implementation.	Improved compliance and collection performance through the effective implementation of VAT.	VAT introduced; registration targets met.	TA report.	Q4	1.5	-	1.5
Improve Customs revenue mobilization.	Strengthen risk management and PCA.	Improved Customs service delivery and collection performance.	Staff trained and improved practices introduced.	TA report; Procedures Manuals; Training.	Q4	1.5	2	3.5
Improve balance of payments and international investment position statistics.	Improving the coverage of current and capital transfers, assist in launching the direct investment survey as part of efforts to enhance the financial account, improving the coverage of goods and services accounts, follow up on the status of	<ul style="list-style-type: none"> <li>• The quality of balance of payments has improved.</li> <li>• Better estimates of DI flows and stocks.</li> <li>• The quality of data collected via the ITRS has improved.</li> <li>• Compiling and disseminating</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the coverage of current and capital transfers.</li> <li>• Improve the coverage of goods account.</li> <li>• Implementation of a Foreign Direct Investment (FDI) survey.</li> </ul>	Mission report. Hands-on training.	Q2	4	-	4

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
	previous mission recommendations, improving the scope of IIP and consistency with balance of payments and assist DAB in reporting data on <i>BPM6</i> .	IIP statement.						
Improve real sector statistics.	<ul style="list-style-type: none"> <li>• Improving compilation of the CPI</li> <li>• Preparing the compilation of a PPI and of external trade indices.</li> </ul>	Further improve the CPI. Develop a PPI. Develop import and export price indices.	Detailed item descriptions and sample selection geographic areas, outlets, and items reviewed. Plans prepared for developing a producer price index and price indices for external trade.	Mission report. Hands-on training.	Q2	0.5	2	2.5
						<b>15.5</b>	<b>8.5</b>	<b>24</b>

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Egypt</b>								
Further strengthening the banking supervision framework.	Review, update and upgrade the current prudential and regulatory framework.	The Central Bank of Egypt (CBE) implements a strong regulatory and supervisory framework in line with Basel principles on banking supervision. The CBE is working on strengthening and enhancing this framework, and improving the tools to assess financial stability including the development of a EWS system.	New prudential regulatory framework with Basel principles on banking supervision.	Mission report.	Q1	2	-	2

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Further strengthening the banking supervision framework.	Review, update and upgrade the current prudential and regulatory framework.	The CBE implements a strong regulatory and supervisory framework. The CBE is working on strengthening and enhancing this framework, and improving the tools to assess financial stability including the development of a EWS system.	New prudential regulatory framework with Basel principles on banking supervision.	Mission report.	Q2	2	-	2
Further strengthening the banking supervision framework.	Training the CBE examiners on the new prudential regulations.	The CBE implements a strong regulatory and supervisory framework. The CBE is working on strengthening and enhancing this framework, and improving	Examiners trained and improve practices introduced.	Training to be delivered and mission report.	Q3	1.5	-	1.5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		the tools to assess financial stability including the development of a EWS system.						
Advancing treasury single account (TSA) and cash management reforms.	Extend TSA coverage along with plans to reduce and eventually eliminate the number of bank accounts.	Improved PFM system (measured through internationally recognized diagnostic tools, such as PEFA.	Action plans, developed and approved by MoF to support the implementation of PFM reforms on TSA and Cash Management (Feb 2015).	TA Report.	Q1	2.5	1.5	4
Advancing treasury single account (TSA) and cash management reforms.	Capacity building for the SC members responsible of the PFM IT Reforms on IT and PFM issues.	Improved PFM system (measured through internationally recognized diagnostic tools, such as PEFA.	Action plans, developed and approved by MoF to support the implementation and integration of GFMS and E-Payment systems (Feb	TA Report.	Q3	3	-	3

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

Objective	Description /Activity	Medium-term outcome	Milestones	Output	Tentative Date	LTX	STX	TOTAL
			2015).					
Establish framework of priorities for support to Egypt.	METAC advisor to join HQ mission to assess needs and priorities.	Focused TA interventions based on agreed priorities.	Approved METAC work plan in May 15.	TA report.	Q1	2.5	-	2.5
Support successful launch of VAT.	Support integration of tax administration in preparation for introduction of VAT.	Support successful launch of VAT.	Support integration of tax administration in preparation for introduction of VAT.	TA report.	Q2	2	2	4
Support successful launch of VAT.	Support integration of tax administration in preparation for introduction of VAT.	Support successful launch of VAT.	Support integration of tax administration in preparation for introduction of VAT	TA report.	Q2	2	2	4

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Facilitate the successful introduction of VAT.	Strengthen interaction between Customs and Tax administrations.	Effective inter-departmental cooperation resulting in sound VAT collection performance.	Interactive working practices instituted.	TA report.	Q3	2	2	4
Improve balance of payments and international investment position statistics.	Monetary, IIP, and external debt (EDS) are consistent. The results of the DI survey are published.	<ul style="list-style-type: none"> <li>• The DI survey has been conducted, and the results have been published.</li> <li>• Egypt effectively participates in the CDIS.</li> <li>• The quality of Current Account statistics and of flows and stocks of the private sector's external debt has improved; remittances data are collected by country of origin.</li> <li>• Statistics are</li> </ul>	Monetary, IIP, and external debt statistics (EDS) are consistent. The results of the DI survey are published.	Mission report. Hands-on training.	Q1	4	-	4

**METAC FY15 Work Plan  
May 2014 – April 2015**

Objective	Description /Activity	Medium-term outcome	Milestones	Output	Tentative Date	LTX	STX	TOTAL
		consistent with national accounts. • The balance of payments and the IIP are compiled according to <i>BPM6</i> methodology.						

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve balance of payments and international investment position statistics.	The quality of current account has improved; remittances data are collected by country of origin. The balance of payments and the IIP are compiled according to <i>BPM6</i> methodology.	<ul style="list-style-type: none"> <li>• The DI survey has been conducted, and the results have been published.</li> <li>• Egypt effectively participates in the CDIS.</li> <li>• The quality of Current Account statistics and of flows and stocks of the private sector's external debt has improved; remittances data are collected by country of origin.</li> <li>• Statistics are consistent with national accounts.</li> <li>• The balance of payments and the IIP are compiled according to</li> </ul>	The quality of current Account statistics has improved.	Mission report. Hands-on training.	Q4	1.5	-	1.5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		<i>BPM6</i> methodology.						
Migration to GFSM 2014 including Public Sector Debt Statistics.	Collect stock data by instruments, including multitier gross debt data.	Improved integration of stock and flow data	Report quarterly financial balance sheet and gross debt data (by April 2015).	TA report.	Q1	-	2	2
						25	9.5	34.5

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Iraq</b>								
Improve the regulatory and supervisory framework.	Update and upgrade supervisory regulations in line with Basel Committee and best practices requirements. Train the staff on the new supervisory regulations.	Some progress was made at the level of the banking supervision department (BSD). CBI supervisors have now a thorough understanding of the banking regulations and possess the necessary skills to perform an effective onsite and offsite supervision of banks operating in Iraq.	Drafted prudential regulation in line with Basel principle.	New and upgraded prudential regulations in banking supervision.	Q1	2	-	2
Improve the Budget Classification in line with the COFOG and <i>GFSM 2001</i> .	Authorities recently introduced new budget classification that is not fully consistent with <i>GFSM 2001</i> . TA mission on budget	Budget classification is improved and permits a better tracking of expenditures according to the	Budget department has prepared a guide explaining how to use the functional classification.	TA report.	Q2	2	1	3



**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve balance of payments and international investment position statistics.	Improving the coverage of current account (goods, services primary income and secondary income accounts). Assist in launching the DI survey as part of efforts to enhance the financial account. Follow up on the status of previous mission recommendations. Improving scope of IIP and consistency with balance of payments.	<ul style="list-style-type: none"> <li>• The quality of current account statistics has improved.</li> <li>• The balance of payments and the IIP are compiled according to <i>BPM6</i> methodology.</li> <li>• The DI survey has been conducted, and the results have been published.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the coverage of current and capital transfers.</li> <li>• Improve the coverage of goods account.</li> <li>• Implementation of an FDI survey.</li> </ul>	Mission report. Hands-on training.	Q3	3	-	3
						<b>9</b>	<b>1</b>	<b>10</b>

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Jordan</b>								
Enhance supervisory review process.	Improve capacity in monitoring and assessing financial risks, including the conduct of stress tests and detecting EWS of banks and the banking sector.	The CBJ has a risk-focused and effective offsite supervisory framework, including statistical based EWS framework.	Developed a historical database for all banks going back to at least five years on a quarterly basis.	TA report.	Q2	1.5	1	2.5
Enhance supervisory review process.	Improve capacity in monitoring and assessing financial risks, including the conduct of stress tests and detecting EWS of banks and the banking sector.	The CBJ has a risk-focused and effective offsite supervisory framework, including statistical based EWS framework.	Develop a historical database for all banks going back to at least five years on a quarterly basis.	TA report.	Q2	1.5	1	2.5
Establishment of a macroeconomic unit in the Ministry of Finance (MOF) (structural benchmark under the	TA to support the establishment of a macroeconomic unit in the MOF.	Macroeconomic unit is established.	Action plan and decree to establish the unit are approved by MOF (Oct. 2014).	TA report.	Q4	2.5	1.5	4

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
program).								
Further strengthening of the budget execution framework.	Follow up on the TA already provided on the commitment system and on payment arrears.	CCS is consistent with internationally accepted standards.	Expenditure arrears are monitored and controlled on a regular basis. (Dec. 2014).	TA report.	Q4	2	1	3
Improve collection performance through more effective audit practices.	Strengthen risk-based audit in the medical and construction sectors.	Improved compliance and collection performance in the identified sectors	Procedures reviewed and training conducted.	TA report.	Q1	2	2	4
Enhance LTO revenue performance.	Evaluate critical areas of revenue risk and leakage.	Enhanced service levels and revenue performance.	Compliance gap assessed; compliance model developed.	TA report.	Q2	1.5	1.5	3

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Increase interaction between the Tax and Customs Departments.	Evaluate current interaction and opportunities for improvement.	Increased levels of inter-departmental cooperation, especially in VAT audit/inspection.	Inter-departmental mechanisms approved and in place.	TA report.	Q2	1	1	2
Improve balance of payments, international investment position and external debt statistics.	The balance of payments and IIP compilation system have been updated to implement <i>BPM6</i> .	<ul style="list-style-type: none"> <li>• Improved coverage of the external assets of the private, non-bank sector</li> <li>• The compilation of remittances data has been further improved.</li> <li>• EDS are fully consistent with international standards.</li> <li>• The balance of payments and IIP compilation system have been updated to implement <i>BPM6</i>.</li> </ul>	Reporting balance of payments and IIP data according to <i>BPM6</i> . Public EDS is based on the nonresident status of the holders rather than on currency of denomination of the liabilities.	Mission report. Hands-on training.	Q4	0.5	1	1.5

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Compiling SUTs for 2010. Improve NA compilation.	Compiling SUTs for 2010. Improve NA compilation.	<ul style="list-style-type: none"> <li>• Improving compilation of annual NA, based on assumptions consistent with the current reality of the Jordanian economy.</li> <li>• As a cascading effect, improvements in the quality of quarterly NA.</li> <li>• Regular production of SUTs.</li> </ul>	<ul style="list-style-type: none"> <li>• Updating the base year using 2011 survey data.</li> <li>• The SUTs for 2010 completed.</li> </ul>	Mission report. Hands-on training.	Q3	0.5	1	1.5
						<b>13</b>	<b>11</b>	<b>24</b>

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Lebanon</b>								
Further enhancing cross border supervision.	Develop a supervisory college framework and assist in implementing Cross Border Supervision.	The BCCL has an enhanced regulatory and supervisory framework that complies with Basel core principles for effective banking, including well trained banks examiners. Non-banking sector regulation has improved and a supervision manual to supervise non-bank financial institutions is in place. The BCCL is working on introducing supervisory colleges to	Developed supervisory college and Memorandum of Understanding (MoU) signed with host supervisory authorities.	Mission report.	Q1	1	1	2

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		oversee cross-border activities of largest banks.						
Further enhancing cross border supervision.	Follow up on developing supervisory college framework and assist in implementing Cross Border Supervision.	The BCCL has an enhanced regulatory and supervisory framework that complies with Basel core principles for effective banking, including well trained banks examiners. Non-banking sector regulation has improved and a supervision	Developed supervisory college and MoU signed with host supervisory authorities.	Mission report.	Q2	1	1	2

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		manual to supervise non-bank financial institutions is in place. The BCCL is working on introducing supervisory colleges to oversee cross-border activities of largest banks						
Further enhancing cross border supervision.	Follow up on developing supervisory college framework and assist in implementing Cross Border Supervision.	The BCCL has an enhanced regulatory and supervisory framework that complies with Basel core principles for effective banking, including well trained banks examiners. Non-banking sector regulation has improved and a	Developed supervisory college and MoU signed with host supervisory authorities.	TA report.	Q3	1	1	2





**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve collection performance through more effective audit practices.	Strengthen risk-based audit in selected sectors.	Improved compliance and collection performance in the identified sectors.	Procedures reviewed and training conducted.	TA report.	Q1	2	1	3
Improve Customs practices.	Review requirements and define future TA inputs.	Improved Customs service delivery and collection performance.	Future TA definition agreed and approved	Briefing Papers.	Q1	1.5	-	1.5
Enhance LTO revenue performance.	Increase use of compliance modeling to direct resource allocation.	Enhanced service levels and revenue performance.	Compliance gap assessed; compliance model developed.	TA report.	Q3	1.5	1.5	3
Improve balance of payments, and international investment position.	Reviewing results of the DI survey of financial institutions.	<ul style="list-style-type: none"> <li>• DI survey of financial institutions completed.</li> <li>• DI survey is conducted on a regular basis.</li> <li>• IIP statements are compiled and published</li> </ul>	<ul style="list-style-type: none"> <li>• DI survey of financial institutions completed.</li> <li>• IIP statements are compiled and published on a regular basis.</li> </ul>	Mission report. Hands-on training.	Q4	1.5	-	1.5

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		on a regular basis.						
Improve balance of payments, and international investment position.	Reviewing the compilation of Current Account. The balance of payments and IIP compilation system have been updated to implement <i>BPM6</i> .	<ul style="list-style-type: none"> <li>• The current account data improved</li> <li>• Balance of payments and IIP statistics are compiled in accordance with <i>BPM6</i> methodology.</li> </ul>	The current account data improved. Reporting balance of payments and IIP data according to <i>BPM6</i> .	Mission report. Hands-on training	Q1	1.5	-	1.5

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improving compilation of NA.	Improving compilation of NA.	<ul style="list-style-type: none"> <li>• The surveys needed for the compilation of national accounts are conducted periodically.</li> <li>• In line with international standards, sustainable compilation of annual national accounts at current and constant prices by production and expenditure has been developed.</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable unit established within CAS for compilation of NA.</li> <li>• CAS receives data needed for the compilation of NA from the MOF and the Ministry of Municipalities and uses the data in compliance with the detailed guidelines provided by previous mission.</li> </ul>	Mission report. Hands-on training.	Q2	0.5	2	2.5
						<b>18.5</b>	<b>12.5</b>	<b>31</b>

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Libya</b>								
Assist the Central Bank of Libya (CBL) in transforming conventional banks to Islamic banks.	Upgrade and improve templates and call reports for key supervisory returns and align them with Islamic banks services and products including development of new set of financial statements for Islamic banks.	An improved level of banks returns and call reports from banks was completed which allows for implementing adequate supervision of banks activities and monitoring their financial performance.	Draft supervisory new templates and call reports.	Drafted templates and call reports for key supervisory returns.	Q3	2	1	3
Assist the CBL in transforming conventional banks to Islamic banks.	Upgrade and improve templates and call reports for key supervisory returns and align them with Islamic banks services and products including development of new set of financial statements for Islamic banks.	An improved level of banks returns and call reports from banks was completed which allows for implementing adequate supervision of banks activities and monitoring	Draft supervisory new templates and call reports.	Drafted templates and call reports for key supervisory returns.	Q3	2	1	3

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		their financial performance.						
Assist the CBL in transforming conventional banks to Islamic banks.	Drafting Islamic Banking circulars.	A number of key prudential circulars for Islamic banks have been issued.	Developed prudential regulations for Islamic banks in line with IFSB standards.	Drafted circulars.	Q4	2	1	3
Establish a TSA and modernize Cash Management.	Assist with development of TSA strategy.	TSA established.	Idle bank balances are eliminated (April 2015).	TA report.	Q2	2.5	1.5	4



**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improving balance of payments statistics and initiating compilation of an IIP.	Improving balance of payments statistics and initiating compilation of an IIP.	<ul style="list-style-type: none"> <li>• The quality of balance of payments has improved gradually, in particular regarding remittances</li> <li>• A DI survey has been conducted</li> <li>• Libya compiles and publishes an IIP.</li> </ul>	<ul style="list-style-type: none"> <li>• The population of companies to be included in a DI survey has been identified.</li> <li>• First IIP statement compiled and published.</li> </ul>	Mission report. Hands-on training.	Q2	2.5	2	4.5
Improving balance of payments statistics and initiating compilation of an IIP.	Improving balance of payments statistics and initiating compilation of an IIP (follow-up).	<ul style="list-style-type: none"> <li>• The quality of balance of payments has improved gradually, in particular regarding remittances.</li> <li>• A DI survey has been conducted.</li> <li>• Libya compiles and publishes an IIP.</li> </ul>	<ul style="list-style-type: none"> <li>• The population of companies to be included in a DI survey has been identified.</li> <li>• First IIP statement compiled and published</li> </ul>	Mission report. Hands-on training.	Q4	1	1	2

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improving CPI compilation and restarting compilation of the PPI.	Improving CPI compilation and restarting compilation of the PPI.	<ul style="list-style-type: none"> <li>The CPI weights have been updated based on the results of a new household budget survey</li> <li>Expanded coverage of the PPI to include agriculture, construction, services, and other activities to align with the production accounts compiled by the NA staff.</li> </ul>	<ul style="list-style-type: none"> <li>Coverage of the CPI expanded.</li> <li>Continuous time series of data for Tripoli-only index available.</li> </ul>	Mission report. Hands-on training.	Q2	0.5	2	2.5
Improving compilation of NA.	Assess the compilation of NA.	<ul style="list-style-type: none"> <li>The surveys needed for the compilation of NA are conducted periodically.</li> <li>In line with international standards, sustainable compilation of</li> </ul>	Improving national accounts statistics.	Mission report. Hands-on training.	Q2	0.5	2	2.5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		annual NA at current and constant prices by production and expenditure has been developed.						
Migration to GFSM 2014 including Public Sector Debt Statistics (PSDS).	Prepare a migration plan, institutional structure of the public sector, flow and stock data.	Improved integration of stock and flow data.	Report quarterly cash flow statement, financial balance sheet, and gross debt data (by April 2016).	TA report.	Q3	-	2	2
						<b>19.5</b>	<b>16.5</b>	<b>36</b>

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Sudan</b>								
Improve the regulatory and supervisor framework.	Assist in drafting stress testing regulation and in conducting stress test on operating banks resilience.	The Central Bank of Sudan (CBOS) has an updated regulatory framework that includes comprehensive instructions and guidelines regarding the supervision of Islamic banks services and products.	Developed regulation on stress testing and conducted stress testing on operating banks resilience.	Drafted regulation and stress test to be conducted.	Q3	2	-	2
Improve the regulatory and supervisor framework.	Upgrade the inspection manual to be in line with risk-based approach.	The CBOS has an effective supervisory framework including manuals for effective supervision over Islamic banks and a strong enforcement framework.	Risk-based on-site inspection manual in line with international best practices.	Inspection manual.	Q4	1	1	2

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve the regulatory and supervisor framework.	Upgrade the inspection manual to be in line with risk-based approach.	The CBOS has an effective supervisory framework including manuals for effective supervision over Islamic banks and a strong enforcement framework.	Risk-based on-site inspection manual in line with international best practices.	Inspection manual.	Q4	1	1	2
Develop a policy and procedural framework to align accounting bases used for budgeting and accounting; develop a procedural framework for the systematic dissemination of fiscal data.	Assist with aligning accounting bases used for budgeting and accounting mainly for the capital projects.	Consolidated and regular financial management reports are prepared and published in line with internationally accepted standards.	A policy and procedural framework to align accounting bases used for budgeting and accounting is developed (Jan. 2015).	TA report.	Q2	3	2	5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Budget preparation: Strengthen the analytical capacity of the Macroeconomic Programming Unit of the General Directorate of Planning and Research. Develop a medium-term plan consistent with the macro-framework and linked to annual budget allocations, and a comprehensive financing plan with both cash and noncash financing accounting basis and the compilation of consolidated	Assist to review the budget preparation process and develop an MTF.	MTFF is linked to Staff Monitored Program structural benchmark.	Budget Department at MoF has a good understanding of top-down budgeting techniques, MTFF, MTBF and MTEF. (Nov. 2014).	TA report.	Q3	3	-	3



**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve balance of payments and international investment position statistics.	Implementation of a DI survey, training of dedicated staff. Reporting data according to <i>BPM6</i> .	<ul style="list-style-type: none"> <li>• The DI survey is conducted, and the results are published.</li> <li>• Sudan effectively participates in the CDIS.</li> <li>• Capital transfers are identified and recorded in the balance of payments.</li> <li>• Balance of payments and IIP are compiled according to <i>BPM6</i> methodology.</li> </ul>	<ul style="list-style-type: none"> <li>• DI survey conducted.</li> <li>• DI survey results analyzed and published.</li> <li>• Data on current and capital transfers are collected.</li> <li>• Estimates of informal trade are made regularly.</li> </ul>	Mission report. Hands-on training.	Q1	3.5	-	3.5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve balance of payments and international investment position statistics.	DI survey, review of results.	<ul style="list-style-type: none"> <li>• The DI survey is conducted, and the results are published.</li> <li>• Sudan effectively participates in the CDIS.</li> <li>• Capital transfers are identified and recorded in the balance of payments.</li> <li>• Balance of payments and IIP are compiled according to <i>BPM6</i> methodology.</li> </ul>	<ul style="list-style-type: none"> <li>• DI survey conducted.</li> <li>• DI survey results analyzed and published.</li> <li>• Data on current and capital transfers are collected.</li> <li>• Estimates of informal trade are made regularly.</li> </ul>	Mission report. Hands-on training	Q3	2.5	-	2.5
Improving compilation of NA.	Improving compilation of NA.	<ul style="list-style-type: none"> <li>• A new base year has been implemented.</li> <li>• Source data have improved.</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment census conducted.</li> <li>• Classification of imports reviewed.</li> </ul>	Mission report. Hands-on training.	Q1	0.5	2	2.5
						<b>21</b>	<b>8</b>	<b>29</b>

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>West Bank and Gaza</b>								
Enhance the supervisory framework and align it with risk-based supervision.	Review and update the supervisory inspection manual.	<p>The PMA has a new risk-based on-site inspection manual tailored to be commensurate with the risk profile of each banking institution and takes into consideration the latest developments in banking supervision.</p> <p>The PMA has a new offsite supervision system that enhances and support the work of their offsite monitoring and analysis, which</p>	The new risk-based supervisory framework.	Drafted Manual.	Q1	0.5	1.5	2

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		complements the activities performed at the level of onsite supervision.						
Enhance the supervisory framework and align it with risk based supervision.	Assist in the implementation of the new supervisory manual.	<p>The PMA has a new risk-based on-site inspection manual tailored to be commensurate with the risk profile of each banking institution and takes into consideration the latest developments in banking supervision.</p> <p>The PMA has a new offsite supervision system that enhances and</p>	The new risk-based supervisory framework.	Hands-on training.	Q3	0.5	1	1.5



**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Improve Large Taxpayers' Unit (LTU) performance.	Develop and agree strategy for sustainable LTU improvement.	Expanded and improved LTU staffing, compliance management and collection performance.	Increase in LTU staffing; introduction of improved compliance management practices.	TA report.	Q1	3	-	3
Enhance LTU revenue performance.	Evaluate critical areas of revenue risk and leakage.	Enhanced service levels and revenue performance.	Compliance gap assessed; compliance model developed.	TA report.	Q3	1	1.5	2.5
Enhance LTU revenue performance.	Compliance management training.	Increased LTU revenue.	Training delivered.	TA report.	Q4	1	1	2
Improve balance of payments and international investment position statistics.	Compiling CDIS and CPIS.	<ul style="list-style-type: none"> <li>• Consistency between balance of payments flows (current and capital accounts) and IIP stocks has been ascertained</li> <li>• The balance of</li> </ul>	Reporting BOP and IIP data according to BPM6. Participate in the CDIS and CPIS.	Mission report. Hands-on training	Q4	2.5	-	2.5

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		payments and the IIP are compiled according to <i>BPM6</i> methodology.						
Improve NA compilation.	Updating economic surveys data according to changes related to 2012 census for the years (2009-2011). Update the base year.	Improve NA compilation and statistics.	Updating economic surveys data according to changes related to 2012 census for the years (2009-2011). Update the base year.	Mission report. Hands-on training.	Q1	0.5	2	2.5
Improve prices statistics.	Assess CPI and PPI compilation.	Improve prices statistics compilation and statistics	Review CPI and PPI compilation.	Mission report. Hands-on training.	Q2	1	2	3
						<b>11</b>	<b>11</b>	<b>22.0</b>

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
<b>Yemen</b>								
Upgrade and update the supervisory framework.	Review and assess the current supervisory framework.	The Central Bank of Yemen (CBY) has developed a supervision framework on banking supervision that applies on conventional banks	Gap analysis and compliance with Basel Core principle.	Assessment report and recommendation	Q4	2	1	3
Upgrade and update the supervisory framework.	Develop prudential framework for Islamic banks, including drafting new supervisory regulations.	The CBY has developed a supervision framework on banking supervision that applies on conventional banks	Developed Islamic banking prudential regulations and call reports including financial statements for Islamic banks.	Draft regulations and report	Q4	1	1	2
Enhance cross border and consolidate supervision.	Deliver a workshop on cross border and consolidated supervision	The CBY has developed a supervision framework on banking supervision that applies on conventional banks	Training held and improved practices introduced to supervise cross border banks.	Training	Q4	1.5	1	2.5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
Establish a Treasury Function.	Conduct a comprehensive study and devise an action plan to transfer the Treasury function from CBY to the MOF.	Treasury Function established.	Action plan to transfer the Treasury function from CBY to MOF approved (January 2015).	TA report.	Q2	2	1	3
Enhance revenue performance	Assess near and medium-term development and TA requirements.	Enhanced performance capacity	Development requirements prioritized and TA support agreed	TA report	Q3	1.5	-	1.5
Improving balance of payments statistics and IIP statistics	Improving balance of payments statistics and IIP statistics	<ul style="list-style-type: none"> <li>• Improved coverage of remittances data; better estimates of FDI flows and stocks</li> <li>• Semi-annual balance of payments data are available within six months of the reference</li> </ul>	<ul style="list-style-type: none"> <li>• New ITRS forms implemented.</li> <li>• Balance of Payments Unit structured and responsibilities defined.</li> </ul>	Mission report. Hands-on training	Q2	3.5	-	3.5

**METAC FY15 Work Plan**  
**May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		period.						
Improving balance of payments statistics and IIP statistics (follow- up)	Improving balance of payments statistics and IIP statistics (follow up)	<ul style="list-style-type: none"> <li>• Improved coverage of remittances data; better estimates of FDI flows and stocks</li> <li>• Semi-annual balance of payments data are available within six months of the reference period.</li> </ul>	<ul style="list-style-type: none"> <li>• New ITRS forms implemented.</li> <li>• Balance of Payments Unit structured and responsibilities defined.</li> </ul>	Mission report. Hands-on training	Q4	3.5	-	3.5
Improving compilation of national accounts	Improving compilation of national accounts	<ul style="list-style-type: none"> <li>• Annual NA at current and constant prices are compiled on sound methodological bases and use the most recent</li> </ul>	<ul style="list-style-type: none"> <li>• Coverage of GDP estimates improved.</li> <li>• GDP estimates by production and expenditure reconciled</li> </ul>	Mission report. Hands-on training	Q1	2.5	-	2.5

**METAC FY15 Work Plan  
May 2014 – April 2015**

<b>Objective</b>	<b>Description /Activity</b>	<b>Medium-term outcome</b>	<b>Milestones</b>	<b>Output</b>	<b>Tentative Date</b>	<b>LTX</b>	<b>STX</b>	<b>TOTAL</b>
		economic surveys results						
Updating the CPI and compiling a PPI	Updating the CPI and compiling a PPI	<ul style="list-style-type: none"> <li>• The CPI is compiled on sound bases, using appropriate item classifications and specifications</li> <li>• The Central Statistical Organization (CSO) compiles and publishes regularly a PPI.</li> </ul>	<ul style="list-style-type: none"> <li>• Establishments recruited</li> <li>• Weights available at the 4-digit level of ISIC Rev</li> </ul>	Mission report. Hands-on training	Q3	0.5	2	2.5
						<b>18</b>	<b>6</b>	<b>24</b>
						<b>168</b>	<b>93</b>	<b>261</b>

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# **A<sub>NNEX</sub> IV:**

**UPDATED WORK PLAN FOR FY 2014**

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## ANNEX IV: UPDATED WORK PLAN FOR FY 2014

<b>METAC Consolidated FY14 Work Plan</b>									
<b>May 2013 - April 2014</b>									
<b>Medium-Term Outcome</b>	<b>Milestone(s) for FY 14</b>	<b>Activity in FY 14</b>	<b>Output(s)</b>	<b>Activity Status</b>	<b>Tentative Date</b>	<b>Inputs</b>			
						<b>METAC Funded</b>			
						<b>RA (Beirut)</b>	<b>RA (Mission)</b>	<b>ST Expert</b>	<b>Total</b>
<b>Regional Activities</b>									
Banking supervisors in the region have a better understanding of the latest practices and standards on banking supervision and develop their supervisory skills and capabilities accordingly.		Macro prudential Supervision and Financial Stability.	Training	Done	Dec.13	1.5	0.5	0.5	2.5
		Islamic Banking.	Training	Done	Apr.14	1.5	0.5	0.5	2.5
Better understanding of budget execution and reporting in compliance with international standards.		Workshop on Treasury Reforms.	Regional workshop	Done	Jul.13	2	1	1	4
Better understanding of multi-year spending programs across line ministries		Workshop on Medium-Term Budgeting Framework	Regional workshop	Done	Mar.14	2	1	2	5

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
and spending agencies.		(MTBF).							
Strengthened self-assessment and risk-based compliance management.		Audit trends of large taxpayers.	Regional Workshop	Postponed		-	-	-	0
Streamlined and automated operations.		Information Systems: challenges & opportunities for tax administration.	Regional Workshop	Postponed		-	-	-	0
Enhanced tax systems.		Workshop on Extractive Industries.	Regional Workshop	New/Done	Dec.13	2	0.5	1	3.5
Improved reporting of the International Reserves Template.		Regional workshop on International Reserves Template.	Training on concepts of international reserves and reporting of the template.	Cancelled		-	-	-	0

**METAC Consolidated FY14 Work Plan****May 2013 - April 2014**

<b>Medium-Term Outcome</b>	<b>Milestone(s) for FY 14</b>	<b>Activity in FY 14</b>	<b>Output(s)</b>	<b>Activity Status</b>	<b>Tentative Date</b>	<b>Inputs</b>			
						<b>METAC Funded</b>			
						<b>RA (Beirut)</b>	<b>RA (Mission)</b>	<b>ST Expert</b>	<b>Total</b>
Improved remittances data through regional cooperation.		Regional workshop on the operation of an ITRS.	Training on the general economy and practical operation of an ITRS.	Done	Apr.14	2	0.5	0.5	3
						11	4	5.5	20.5



METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
A top-down, multi-year budget preparation process is adopted.	Budget circular includes a macro-fiscal framework and revenues forecasting prepared by the macro-fiscal unit (December 2013).	Capacity building of the macro-fiscal unit.	Set of capacity building activities including seminars and workshops to the macro-fiscal unit.	Postponed		–	–	–	0
Improved PFM system (measured through internationally recognized diagnostic tools, such as Public Expenditure and Financial Accountability, PEFA).	PFM reform strategy and action plans updated (Mar 2014).	FAD / METAC follow-up mission on PFM assessment.	Assessment of progress related to PFM reform	Done	Mar.14	1	2	–	3
Strengthened self-assessment and risk-based compliance Management	Improved compliance management of large taxpayers.	Strengthen LTO operations.	TA Report	Postponed		–	–	–	0
More effective customs administration	Improved risk-based clearance.	Strengthen Customs administration.		New/Done	Nov.13	1		3	4

## METAC Consolidated FY14 Work Plan

May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
External statistics  • Better estimates of DI flows and stocks  • The quality of data collected via the ITRS has improved  • balance of payments statistics are of sufficient quality for inclusion in IMF publications	• Publication of the IIP (end FY 14).  • Improved coverage of current and capital transfers (end FY 14.) • Implementation of An FDI survey (end FY 14).	Improvement of balance of payments statistics and development of an IIP	Mission report	Cancelled		–	–	–	0
			Mission report	Done	Jan.14	2	2	–	4
Price statistics  • Further improve the CPI • Develop a PPI • Develop import and export price indices	• Detailed item descriptions and sample selection geographic areas, outlets, and items reviewed. • Plans prepared for developing a producer price index and price	• Improving compilation of the CPI • Preparing the compilation of a PPI and of external trade indices	Mission report	Postponed		–	–	–	0

**METAC Consolidated FY14 Work Plan****May 2013 - April 2014**

<b>Medium-Term Outcome</b>	<b>Milestone(s) for FY 14</b>	<b>Activity in FY 14</b>	<b>Output(s)</b>	<b>Activity Status</b>	<b>Tentative Date</b>	<b>Inputs</b>			
						<b>METAC Funded</b>			
						<b>RA (Beirut)</b>	<b>RA (Mission)</b>	<b>ST Expert</b>	<b>Total</b>
	indices for external trade								
						4	4	3	<b>11</b>

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>Egypt</b>									
The CBE has a strong regulatory and supervisory framework that is in line with the latest Basel principles on banking supervision including Basel II and Basel III.	Supervisory Review and Evaluation Process (SREP) Manual adopted by CBE by end FY14.	Develop a manual for Supervisory Review and Evaluation Process (SREP).	Draft SREP Manual	Cancelled		-	-	-	0.0
Improved PFM.	Approved list of PFM TA missions.	Assessment visit.	Back to Office Report (BTO)	New / Done	Jun.13	1	0.5	-	1.5
Overall systems of internal controls (including internal audit) and accounting and reporting are consistent with internationally accepted standards.	Action plans, developed and approved by MoF, to support the implementation of PFM reforms on internal control (Feb 2014),	TA mission on preventive and detective controls over payments across Accounting Units	Carry out a study on how to develop own financial control in line agencies (ref. Law No. 127 of 1981)	Postponed		-	-	-	0

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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
Cash management and commitment controls functions are consistent with internationally accepted standards,	Action plan developed and approved by MoF to support implementation of PFM reforms on cash management and commitments controls (Dec 2013).	FAD / METAC follow-up mission on PFM assessment	Advancing treasury single account and cash management reforms	Postponed		-	-	-	0
Enhanced tax systems,	Draft Tax Procedure Code (TPC) developed within 6 months after TA.	Support development of TPC	TA Report	Postponed		-	-	-	0
Strengthened self-assessment and risk-based compliance Management,	Improved audit methods & techniques	Strengthen risk-based audit for specific sectors	TA Report	Postponed		-	-	-	0
More effective customs administration	Dependent upon recommendations made	Support customs	TA Report	Done	May 13	1	2	2.5	5.5

## METAC Consolidated FY14 Work Plan

May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<p>External Statistics</p> <ul style="list-style-type: none"> <li>The DI survey has been conducted, and the results have been published. Egypt effectively participates in the CDIS.</li> <li>The quality of merchandise trade statistics and of flows and stocks of the private sector's external debt has improved; remittances data are collected by country of origin.</li> <li>Statistics are consistent with national accounts.</li> <li>The balance of payments and the IIP are compiled according to BPM6 methodology.</li> </ul>	<ul style="list-style-type: none"> <li>Monetary, IIP, and external debt statistics are consistent (end-September 2013).</li> <li>The results of the DI survey are published (end-2013).</li> </ul>	Intersectoral consistency of external statistics	Mission report	Postponed		-	-	-	0
		Reviewing results of the DI survey	Mission report	Postponed		-	-	-	0
						2	2.5	2.5	7

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>Iraq</b>									
The Central Bank of Iraq (CBI) supervisors have a thorough understanding of the banking regulations and possess the necessary skills to perform an effective onsite and offsite supervision of banks operating in Iraq.		Training on Miscellaneous Basel Requirements	Training	Cancelled		-	-	-	0
Some progress was made at the level of the banking supervision department. CBI supervisors have now a thorough understanding of the banking regulations and possess the necessary skills to perform an effective onsite and offsite	Further enhancing the regulatory framework.	Needs assessment visit in banking supervision		New / Done	Mar.14	0.5	0.5	-	1



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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<p>Improve balance of payments and international investment position statistics</p> <p>The balance of payments and The IIP are compiled according to <i>BPM6</i> methodology</p>	<p>Improved coverage of current and capital transfers</p> <p>Reporting balance of payments and IIP data according to <i>PBM6</i></p>	<p>Improvement of balance of payments statistics and development of an IIP</p>		New / Done	Dec. 2013	2	2	-	4
						5.5	4.5	1	11





METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
Strengthened self-assessment and risk-based compliance Management	Improved VAT compliance rates and refunds practices	Strengthen VAT operations & refunds	TA Report	Done	Jul.13	1	2	2	4.5
Strengthened self-assessment and risk-based compliance Management	Improved LTO compliance rates	Strengthen LTO operations	TA Report	Done	Feb.14	1	1	2.5	4.5
Strengthened self-assessment and risk-based compliance Management	Improved audit methods & techniques	Strengthen risk-based audit for specific sectors	TA Report	Postponed		-	-	-	0
Strengthened self-assessment and risk-based compliance Management	Improved compliance in two sectors	Strengthen compliance management framework		New / Done	Oct.13	1.5	2	3	6.5
National accounts • Improved compilation of annual national accounts, based on assumptions consistent with the current reality of the Jordanian economy. • As a cascading	• Updating the base year using 2011 survey data by end-FY14. • The SUTs for 2010 completed by end-FY14.	Follow up on the implementation of a new base year and finalization of 2010 SUTs.	Mission report		Sep.13	1	-	2	3

## METAC Consolidated FY14 Work Plan

May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<p>effect, improvements in the quality of quarterly national accounts.</p> <ul style="list-style-type: none"> <li>Regular production of Supply and Use Tables (SUTs).</li> </ul>									
<p>External statistics</p> <ul style="list-style-type: none"> <li>Improved coverage of the external assets of the private, non-bank sector.</li> <li>The compilation of remittances data has been further improved.</li> <li>External debt statistics are fully consistent with international standards.</li> <li>The balance of payments and IIP compilation system</li> </ul>	<p>Public external debt (EDS) is based on the nonresident status of the holders rather than on currency of denomination of the liabilities.</p>	<p>Improving balance of payments, IIP and external debt statistics.</p>	<p>Mission report</p>		Mar.14	1	0	1	2

**METAC Consolidated FY14 Work Plan**

**May 2013 - April 2014**

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
have been updated to implement <i>BPM6</i> .									
						9.5	9	16	34.5

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>Lebanon</b>									
The BDL and the BCCL have an updated EWS that enhances the supervisory and regulatory framework.	A framework for EWS and for Financial Stability is agreed upon between BDL and BCCL by Apr.14	Assist in the implementation of the EWS	TA report	Cancelled		-	-	-	0.0
The BCCL has an enhanced regulatory and supervisory framework, including improved loan classification and provisioning rules, manuals to supervise non-bank financial institutions, and introducing supervisory colleges to oversee cross-border activities of the largest banks.	A supervisory college for supervising activities of large banks is established by end FY14	Assist in Cross Border Supervision of Large banks	TA report	Postponed		-	-	-	0.0

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May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
The BCCL has an enhanced regulatory and supervisory framework that complies to the largest extent possible with the Basel core principles for effective banking supervision.	- Manual for supervision of non-bank financial institutions (NBFIs) is approved by BCCL in June 2013. - Manual is implemented by end FY14.	Review and Finalization of Manual for NBFIs	Manual	Done	May 13	0.5	1.0	1.0	2.5
		Pilot Test the new Manual	on-the job-training	Done	Jun.13	0.5	0.0	1.5	2
		Finalizing NBFIs inspection		New/Done	Jul.13	0.5		1.5	2
		Training on Manual	Training		Aug.13	0.5	0.0	1.0	1.5
The budget cycle is streamlined in line with international good practice with the introduction of a sound and practical new BSL.	Final BSL draft is submitted to cabinet. (Dec 2013)	Capacity building of MoF and other GOL agencies on law and regulations	Set of capacity building activities including seminars and workshops to the different stakeholders (MoF, COA, Members of the Parliament,	Postponed		-	-	-	0

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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
			State Council...)						
The budget cycle is streamlined in line with international good practice with the introduction of a sound and practical new BSL.	Final BSL draft is submitted to cabinet. (Dec 2013)	Review draft of the BSL.	Diagnostic review of the budget system, its fiscal institutions, and decision-making processes.	Postponed		-	-	-	0
An active cash management function is developed to identify at the earliest opportunity temporary and permanent (or structural) cash shortfalls so that the latter is effectively used for expenditure adjustments.	Build Cash Management Department capacity to develop accurate in-year cash plans with what-if scenario analysis	Follow-up assistance on cash management	TA Report	New / Done	Oct.13	1	2	2	5

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May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
The Public Accounting Directorate includes an internal audit function.	Accounting and auditing procedures consistent with International Practices	TA mission to review the role, staff and procedures of the Public Accounting Department	TA Report	New / Done	Mar.14	2	2	2	6
Strengthened self-assessment and risk-based compliance Management	Improved VAT refunds practices	Strengthen VAT refunds	TA Report	Done	Jul.13	1	1.5	2	4.5
Strengthened self-assessment and risk-based compliance Management	Improved LTO compliance rates	Strengthen LTO operations	TA Report	Done	Nov.13	1.5	1.5	2	5
Strengthened self-assessment and risk-based compliance Management	Improved audit methods & techniques	Strengthen risk-based audit for specific sectors	TA Report	Postponed		-	-	-	0
More effective customs administration	Improved risk-based clearance	Strengthen valuation system and risk management at customs	TA Report	Done	Jul.13	1	0.5	2	3.5

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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
More efficient and effective organizational structures	Development of integrated systems & procedures	Follow-up visits to support integration process	BTO Report	Cancelled		-	-	-	0
Fiscal framework for the licensing round is finalized	Fiscal terms and draft petroleum tax law	Review of terms and draft petroleum tax law	TA Report	new/done	Mar.14	2.0	3	-	5
External statistics	<ul style="list-style-type: none"> <li>In the ITRS, transactions below the threshold are reported as global figures.</li> <li>DI survey of financial institutions completed.</li> <li>IIP compiled and published.</li> </ul>	Improving balance of payments and IIP statistics.	Mission report	Done	Jul.13	0.5	0.5	-	1
<ul style="list-style-type: none"> <li>The DI survey is conducted on a regular basis (at least every other year).</li> <li>Data from the General Security are available for estimating travel services.</li> <li>IIP statements are compiled and published on a regular basis (at least annually).</li> <li>Balance of payments and IIP statistics are</li> </ul>		Reviewing results of the DI survey of financial institutions.	Mission report	Done	Feb.14	1	0.5	-	1.5



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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<p>National accounts</p> <ul style="list-style-type: none"> <li>The surveys needed for the compilation of national accounts are conducted periodically.</li> <li>In line with international standards, sustainable compilation of annual national accounts at current and constant prices by production and expenditure has been developed.</li> </ul>	<ul style="list-style-type: none"> <li>CAS is officially in charge of the compilation of national accounts.</li> <li>Sustainable unit established within CAS for compilation of NA.</li> <li>CAS receives data needed for the compilation of NA from the Ministry of Finance and the Ministry of Municipalities and uses the data in compliance with the detailed guidelines provided by the July 2010 mission.</li> </ul>	Improving compilation of national accounts	Mission report	cancelled	Apr.14	0	-	0	0
						12.0	12.5	15.0	39.5





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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
External statistics <ul style="list-style-type: none"> <li>The quality of balance of payments has improved gradually, in particular regarding remittances</li> <li>A DI survey has been conducted</li> <li>Libya compiles and publishes an IIP</li> </ul>	<ul style="list-style-type: none"> <li>The population of companies to be included in a DI survey has been identified (end-FY14)</li> <li>First elements of an IIP have been assembled (end-FY14)</li> </ul>	Improving balance of payments statistics and initiating compilation of an IIP (assessment)	Mission report. Hands-on training on IIP compilation (postponed from FY13)	Done	Apr.14	2	1	–	3
		Improving balance of payments statistics and initiating compilation of an IIP (follow-up)	Mission report	Postponed	–	–	–	–	0
Price statistics <ul style="list-style-type: none"> <li>The CPI weights have been updated based on the results of a new household budget survey</li> <li>Expanded coverage of the PPI to include agriculture, construction, services,</li> </ul>	<ul style="list-style-type: none"> <li>Coverage of the CPI expanded.</li> <li>Continuous time series of data for Tripoli-only index available.</li> </ul>	Improving CPI compilation and restarting compilation of the PPI	Mission report	Postponed	–	–	–	–	0

**METAC Consolidated FY14 Work Plan****May 2013 - April 2014**

<b>Medium-Term Outcome</b>	<b>Milestone(s) for FY 14</b>	<b>Activity in FY 14</b>	<b>Output(s)</b>	<b>Activity Status</b>	<b>Tentative Date</b>	<b>Inputs</b>			
						<b>METAC Funded</b>			
						<b>RA (Beirut)</b>	<b>RA (Mission)</b>	<b>ST Expert</b>	<b>Total</b>
and other activities to align with the production accounts compiled by the NA staff									
						4	3	0	7

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May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>Sudan</b>									
The Central Bank of Sudan (CBOS) has a well functioning credit registry that is in line with international standards and best practices.	- Credit Information and Scoring Agency (CIASA) operational framework is revised by end FY14	Review of the CIASA structure and Framework	TA report	Done	May 13	1	-	1.5	2.5
The CBOS has an updated regulatory framework that includes comprehensive instructions and guidelines about the supervision of Islamic banking services and products including regulations about the measurement and management of liquidity risk and about stress testing principles and practices.	- CBOS issues new regulations on stress testing and performs some stress tests by Apr.14	Assist in stress testing	- Draft Regulations - Training	Postponed		-	-	-	0
The CBOS has effective operational frameworks including manuals for	- CBOS reviews its onsite inspection Approach by	Draft Onsite Inspection Manual	Part of Inspection Manual	Postponed		-	-	-	0

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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
effective supervision over Islamic banks and a strong enforcement framework.	Apr.14	Follow-up on Drafting Onsite Inspection Manual	Part of Inspection Manual	Postponed		-	-	-	0
		Follow-up on Drafting Onsite Inspection Manual	Part of Inspection Manual	Postponed		-	-	-	0
An active cash management function is developed to identify at the earliest opportunity temporary and permanent (or structural) cash shortfalls so that the latter is effectively used for expenditure adjustments	Cash management plans approved by the Cabinet. (April 2014)	Follow-up assistance on cash management	Follow up assistance in developing a modern cash planning and management function	Done	Nov.13	1	2	2	5

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
A medium-term plan consistent with the macro-framework and integrated with annual budget allocations is developed, together with a comprehensive financing plan with both cash and noncash financing	Implementation of the July 2012 FAD mission recommendations. (April 2014)	FAD / METAC follow-up mission on PFM assessment	Assessment of progress related to PFM reform	Cancelled		-	-	-	0
Budget classification is improved and permits a better tracking of expenditures according to the COFOG	Budget department has prepared a guide explaining how to use the functional classification	Mission on Budget classification	TA Report	New/Done	Dec.13	1	2	2	5
Streamlined and automated operations	Bring register up to date & simplify registration procedure	Strengthen registration and support re-engineering of business processes in LTO/MTOs	TA Report	Done	Jan.14	1	1.5	1.5	4
Strengthened self-assessment and risk-based compliance Management	Draft Audit manual developed within six months after TA	Support development of audit manual	TA Report	Done	Jan.14	1		1.5	2.5

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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
Enhanced tax systems	Draft TPC finalized within 4 months after TA	Support finalization of TPC		New/Done	Jan.14	1		1.5	2.5
External statistics • The DI survey is conducted, and the results are published. Sudan effectively participates in the CDIS. • Capital transfers are identified and recorded in the balance of payments. • The compilation system is adapted to the new economic territory of the country (e.g. residence status of bank account holders, DI relationships with South Sudan). • Balance of payments and IIP are compiled according to <i>BPM6</i> methodology.		Implementation of a DI survey, training of dedicated staff	Mission report	Done	Jul.13	1	1	–	2
		DI survey, review of results	Mission report	Done	Nov.13	2	1	–	3

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<b>Medium-Term Outcome</b>	<b>Milestone(s) for FY 14</b>	<b>Activity in FY 14</b>	<b>Output(s)</b>	<b>Activity Status</b>	<b>Tentative Date</b>	<b>Inputs</b>			
						<b>METAC Funded</b>			
						<b>RA (Beirut)</b>	<b>RA (Mission)</b>	<b>ST Expert</b>	<b>Total</b>
National accounts • A new base year has been implemented. • Source data have improved.	• Establishment census conducted. • Classification of imports reviewed	Improving compilation of national accounts	Mission report	Postponed		-	-	-	0
						9	7.5	10	<b>26.5</b>

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>Syria</b>									
The Central Bank of Syria has an effective regulatory framework that addresses the main risks faced by banks and the banking system.	Action Plan for strengthening banking supervision and TA priorities approved by authorities by end of FY 14	TA needs assessment	TA report	Cancelled		-	-	-	0
Improved PFM system (measured through internationally recognized diagnostic tools, such as PEFA)	PFM action plan approved by the Minister of Finance. (April 2014)	FAD / METAC follow-up mission on PFM assessment	Full FAD / METAC mission on PFM assessment	Cancelled		-	-	-	0
Strengthened self-assessment and risk-based compliance Management	Dependent upon recommendations made	Follow-up visit to support implementation of reforms	TA report	Postponed		-	-	-	0

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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
External statistics <ul style="list-style-type: none"> <li>• The quality of balance of payments and IIP has improved gradually</li> <li>• Balance of payments statistics are compiled at a higher frequency (quarterly)</li> <li>• External debt statistics are submitted quarterly to the Quarterly EDS database.</li> </ul>	Submissions of balance of payments and IIP data have resumed.	Improving balance of payments and IIP statistics	Mission report	Postponed		–	–	–	0
						0	0	0	<b>0</b>

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>West Bank and Gaza</b>									
<p>- The PMA has a new risk-focused onsite inspection manual that is tailored to The risk profile of each banking institution and that takes into consideration The latest developments in banking supervision.</p> <p>- The PMA has a new offsite supervision system that enhances The work of their offsite monitoring and analysis in order to complement The activities performed at The level of onsite supervision.</p>	<p>- New Risk-Based Supervisory Framework is adopted by PMA by end FY.14</p>	Draft Onsite Inspection Manual	- Part of Draft Manual - Training	Done	Jul.13	0.5	-	1.5	2
		Continue Drafting Supervisory Manual	- Part of Draft Manual - Training	Done	Nov.13	0.5	-	2	2.5
		Continue Drafting Supervisory Manual	- Part of Draft Manual - Training	Postponed		-	-	-	0



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Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<p>External statistics</p> <ul style="list-style-type: none"> <li>• Aid-related transactions are appropriately classified</li> <li>• Consistency between balance of payments flows (current and capital accounts) and IIP stocks has been ascertained.</li> <li>• The balance of payments and the IIP are compiled according to <i>BPM6</i> methodology.</li> <li>• An ITRS is being developed, subject to a positive feasibility study.</li> </ul>	<ul style="list-style-type: none"> <li>• Balance of payments and IIP data are consistent.</li> <li>• Both time series are consistent over time.</li> <li>• External debt data published in a timely manner, with the appropriate breakdowns.</li> </ul>	Improving balance of payments and IIP statistics	Missing report	postponed	Apr.14	-	-	-	0
						3	-	10.5	13.5

METAC Consolidated FY14 Work Plan									
May 2013 - April 2014									
Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
<b>Yemen</b>									
The CBY has an updated regulatory framework that is in line with Basel core principles for effective banking supervision.	- Regulation on Framework for Corrective Action approved by CBY by Dec.13	Review and Training on Enforcement Framework	- Draft Regulation - Training	Cancelled		-	-	-	0
The CBY has an updated regulatory framework that is in line with Basel core principles for effective banking supervision.	- Basic Regulations and Reports on Islamic Banking activities issued by end FY14	Islamic Banking Regulations and Reports	- Draft Regulations and Reports	Postponed		-	-	-	0
An MTFE is developed and is used on a rolling basis for budget preparation.	Budget sector at MoF has a good understanding of top-down budgeting techniques, MTFE, MTBF and MTEF. (October 2013)	Seminar on Medium Term Framework	Seminars on Medium Term Framework to build the capacity of the budget sector at MoF (and other relevant sectors at MoF and MoPIC).	Postponed		-	-	-	0

## METAC Consolidated FY14 Work Plan

May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
Commitment control system (CCS) is consistent with internationally accepted standards.	Action plan approved by MoF. (Feb 2014)	Workshop on treasury functions	Action plan for the implementation of a treasury system	Postponed		-	-	-	0
Strengthened self-assessment and risk-based compliance Management	Dependent upon recommendations made	Follow-up visit to support implementation of reforms	Technical report	Postponed		-	-	-	0
Streamlined and automated operations	Bring register up to date & simplify registration procedure	Strengthen registration and support re-engineering of business processes in LTO/MTOs	TA Report	Postponed		-	-	-	0
Enhanced tax systems		Study visit to Lebanon tax system		New/Done	Sep.13	1.5	1	-	2.5

## METAC Consolidated FY14 Work Plan

May 2013 - April 2014

Medium-Term Outcome	Milestone(s) for FY 14	Activity in FY 14	Output(s)	Activity Status	Tentative Date	Inputs			
						METAC Funded			
						RA (Beirut)	RA (Mission)	ST Expert	Total
Price statistics • The CPI is compiled on sound bases, using appropriate item classifications and specifications • The CSO compiles and publishes regularly a PPI.	<ul style="list-style-type: none"> <li>Establishments recruited</li> <li>Weights available at the 4-digit level of International Standard for Industrial Classification (ISIC Rev. 4).</li> </ul>	Updating the CPI and compiling a PPI	Mission report	Postponed		-	-	-	0
National accounts • Annual NA at current and constant prices are compiled on sound methodological bases and use the most recent economic surveys results.	<ul style="list-style-type: none"> <li>Coverage of GDP estimates improved.</li> <li>GDP estimates by production and expenditure reconciled.</li> </ul>	Improving compilation of national accounts	Mission report	Postponed		-	-	-	0
External statistics • Improved coverage of remittances data; better estimates of FDI flows and stocks. • Semi-annual balance of payments data are available within six months of the	<ul style="list-style-type: none"> <li>New ITRS forms implemented.</li> <li>Balance of Payments Unit structured and responsibilities defined.</li> </ul>	Improving balance of payments statistics and IIP statistics	Mission report	Postponed		-	-	-	0
		Improving balance of payments statistics and	Mission report	Postponed		-	-	-	0

**METAC Consolidated FY14 Work Plan****May 2013 - April 2014**

<b>Medium-Term Outcome</b>	<b>Milestone(s) for FY 14</b>	<b>Activity in FY 14</b>	<b>Output(s)</b>	<b>Activity Status</b>	<b>Tentative Date</b>	<b>Inputs</b>			
						<b>METAC Funded</b>			
						<b>RA (Beirut)</b>	<b>RA (Mission)</b>	<b>ST Expert</b>	<b>Total</b>
reference period.		IIP statistics (follow-up)							
						1.5	1	0	2.5
						<b>62</b>	<b>48</b>	<b>64</b>	<b>173</b>

## ANNEX V: LIST OF SEMINARS AND WORKSHOPS IN FY 20

<b>Area</b>	<b>Title of Seminar / Workshop</b>	<b>Location</b>	<b>Collaborating Institution</b>	<b>No. of Participants</b>
Banking Supervision	Financial Stability and Macro-Prudential Policy	Jordan	METAC & IMF, MCM	24
Banking Supervision	The Regulation and Supervision of Islamic Banks	Kuwait	METAC & IMF, CEF	35
Macroeconomic Statistics	International Transactions Reporting System: uses and issues	Jordan	METAC	25
PFM	Budget Execution and Cash Management	Lebanon	METAC	27
PFM	Integrated Financial Management Information Systems- Challenges and Implementation Risks	Kuwait	METAC & IMF, CEF	28
Revenue Administration	Taxation of Extractive Industries	Lebanon	METAC & IMF, FAD	37

## ANNEX VI: METAC STEERING COMMITTEE MEMBERS

### METAC Country Representatives

#### Afghanistan

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Ministry of Finance

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#### Iraq

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**European Investment Bank****Mr. Pedro José Frias, de Lima**

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**Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ)****Mr. David, Nguyen-Thanh**

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**USAID****Mr. Tyler, Holt**

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## METAC STAFF PROFILES

The Center is staffed with a Center Coordinator, four 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 technical assistance providers. The Center also makes significant use of short-term experts.

**Center Coordinator**  
**Mr. Mohamad Elhage**  
**E-mail: [melhage@imf.org](mailto:melhage@imf.org)**

Prior to METAC, Mr. Elhage was an Advisor and Senior Budget Manager in the Institute for Capacity Development in the International Monetary Fund (IMF). Mr. Elhage has more than 20 years experience at the IMF. He served on the Executive Board and as a Senior Economic Advisor at the Central Bank of Libya. His Fund experience includes dealing with all aspects of training, managing technical assistance programs, and leading surveillance and program missions to countries in the Middle East and Central Asia region. He was the IMF mission chief for Afghanistan, Libya, and United Arab Emirates. Before joining the IMF in 1992, Mr. Elhage worked as an economist in the United States Department of Commerce.

**Banking Supervision Advisor**  
**Mr. Ahmad El Radi**  
**E-mail: [aelradi@imf.org](mailto:aelradi@imf.org)**

Before rejoining METAC, Mr. Ahmad El Radi worked for five years as the Group Chief Risk Officer for a leading Lebanese Bank with subsidiaries in the Middle East, North Africa and Europe. There, his duties included assisting the Board of Directors and senior management in developing the group's risk strategy and policies, following up on their implementation, and identifying, evaluating and monitoring the group's risks. Prior to that, Mr. El Radi worked for four years at METAC as the Banking Supervision Advisor, where he assisted the supervisory authorities in some countries of the Middle East region in enhancing their practices in banking supervision and providing them with advices in line with Basel Committee on Banking Supervision (BCBS) and the Islamic Financial Services Board (IFSB). Before METAC, Mr. El Radi occupied the position of the International Monetary Fund (IMF) Resident Advisor in Banking Supervision at the Central Bank of Syria (CBoS) for three years (January 2002 till December 2004), where he assisted in the development of the CBoS supervision framework including drafting supervisory regulations in line with Basel Committee recommendations and in building the staff capacity. Before joining the IMF, he worked at the Banking Control Commission – Banque du Liban – for a period of nineteen years (February 1983 till December 2001) during which he has occupied several senior functions in On-Site and Off-Site banking supervision, and was nominated as an Interim Manager at an insolvent bank.

**External Statistics Advisor****Mr. Malik Bani Hani****E-mail: [mbanihani@imf.org](mailto:mbanihani@imf.org)**

Before joining METAC, Mr. Bani Hani, served for ten years as a Senior Economist in the Balance of Payments (BOP) Division in the Research Department at the Central Bank of Jordan (CBJ). He compiled and analyzed Jordan's BOP, international investment position, and external debt statistics. During his work at the CBJ, he was assigned to the Prime Minister Economic Office as a Senior Economic Researcher for two years. Since 2007, Mr. Bani Hani has been a member of the IMF Statistics Department panel of technical assistance experts. In this capacity he participated in several IMF missions to Arab countries to oversee the overhaul of the countries' BOP statistics compilation system. Prior to that, he worked for over six years in the United Arab of Emirates in different positions and held part-time positions as a lecturer in various Educational Institutions, where he taught Economics, Statistics, Financial Accounting and Financial Analysis. During his career at the CBJ, Mr. Bani Hani played an active role in developing Jordan's BOP and IIP compilation practices, joining the SDDS and developing FDI statistics.

**Revenue Administration Advisor****Mr. Charles Jenkins****E-mail: [cjenkins@imf.org](mailto:cjenkins@imf.org)**

Mr. Jenkins has been involved in the field of public revenue administration for over twenty years, both as a private sector consultant with Deloitte and PricewaterhouseCoopers, and as an executive manager. He has assisted tax and customs authorities in numerous countries in the areas of strategic development, organizational integration and change, new systems implementation, and performance management. He has also served as the Commissioner General of the Revenue Authority in Lesotho.

**Public Financial Management Advisor****Mr. Jacques Charaoui****E-mail: [jcharaoui@imf.org](mailto:jcharaoui@imf.org)**

Before joining METAC, Mr. Jacques Charaoui served as a project manager for a World Bank reform project at the ministry of finance of Lebanon. The project aims at improving efficiency of public financial resources through the implementation of a number of core inter-linked reforms in budget preparation and execution and in debt and aid management. He provided technical guidance on various project components, focusing mainly on Budget Classification and Chart of Account in line with Government Finance Statistics Manual 2001 (GFSM2001), and on a new modern budget system law. Earlier in his career, Mr. Charaoui worked for over 10 years in consulting in Europe where he conducted several evaluation and technical assistance missions.

**METAC Operations are also supported by four Local Staff:**



Mrs. Sawsan Saidi  
Office Manager



Mrs. Mona Demian  
Administrative  
Assistant



Mrs. Nathalie Tawil  
Administrative  
Assistant



Mr. Fadi Mehrez  
Driver/Messenger

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