

Djibouti

Technical Assistance in Fiscal Year 2020

Banking Regulation and Supervision

January 14-16, 2020: METAC participated in an IMF HQ mission, which took place during January 6–20, 2020, and conducted Financial Sector Stability Review (FSSR). The review included an assessment of the following areas: (i) governance of the Central Bank of Djibouti (CBD) regarding financial stability oversight, (ii) banking regulation and supervision, (iii) banks' liquidity management, (iv) the financial safety net and crisis management, and (v) macroprudential policymaking. The mission's report included a roadmap for multi-year technical assistance delivery to help the CBD prioritize future reforms and build organizational capacity to enable these reforms and absorb future technical assistance. METAC will lead the work on future CD in banking regulation and supervision. A first follow up mission, addressing some of the FSSR recommendations, is planned for February 2020.

February 16-27, 2020: In line with a comprehensive action plan developed in November 2016, METAC assisted the Central Bank of Djibouti to implement the Basel II and III international regulatory framework for banks. The mission focused on developing a new capital adequacy regulation, including: (i) provision of hands-on training to the supervisors, (ii) definition of the various exposure types and risk weights, (iii) drafting the updated regulation, and (iv) preparing the templates to be used by the banks for the quantitative impact study and prudential reporting.

March 23-27, 2020: This activity, a follow-up to the February 2020 activity, assisted the Central Bank of Djibouti (CBD) to finalize the draft capital adequacy regulation by integrating the specific provisions related to Islamic banking products—in line with the international standards from the Islamic Financial Services Board—, develop the related prudential reporting, and illustrating how Islamic banking should be reported in the quantitative impact study template.

Public Financial Management

January 7-16, 2020: METAC advised the authorities on building a medium-term fiscal framework (MTFF) to underpin budget making and delivered a high-level workshop to discuss the experience of some West African countries that have implemented MTFFs.

March 3-12, 2020: This was a follow-up to the HQ 2017 recommendations. Based on the recent experience of Cameroon, the mission advised the authorities on key actions to (1) draft a monthly cash forecast plan as an appendix to the annual Budget Law, and (2) improve exchange of information for better cash forecasts. It also provided a detailed roadmap to set up a Treasury Single Account.

Statistics

September 8-19, 2019: METAC assisted the National Institute of Statistics of Djibouti in developing the national accounts compilation system and preparing the 2018 GDP estimates, incorporating the additional data provided on the activities of the ports and free zones of the country.