

Public Financial Management

Djibouti

Analysis of Fiscal Risks related to State-owned Enterprises

During 12-16 May, a mission team worked with the Public Accounting Department at the Ministry of Budget (MoB) and held meetings with other stakeholders to analyze the current fiscal risk management systems linked to State-owned Enterprises (SOEs). The mission trained the DCP teams on the use of the SOE-"Health Check Tool", developed by the IMF Fiscal Affairs Department. Fiscal risks were analyzed for two public enterprises, and recommendations were proposed for improving fiscal risk monitoring and management. Finally, MoB staff applied the "Health Check Tool" to a third SOE and analyzed the results with the mission team.

Addressing Fiscal Risks from Public Private Partnerships (PPP)

A mission during 13-17 April supported Djibouti's authorities in strengthening their capacity to improve monitoring and managing fiscal risks associated with Public-Private Partnerships (PPPs). The mission reviewed the existing legal and regulatory framework for PPPs as well as their treatment in the budget process and assessed existing mechanism for monitoring and managing respective fiscal risks. The mission also presented the PPP Fiscal Risk Assessment Model (PFRAM) tool and conducted a three-day training for 42 staff from the PPP Unit in the Ministry of Economy and Finance, the Ministry of Budget, and contracting authorities.

Egypt

Managing Fiscal Risks from State-Owned Enterprises (SOE)

METAC provided training on the use of the IMF Fiscal Affairs Department's state-owned enterprise Health Check Tool ([SOE-HCT](#)) to assess two entities—Alexandria Port Authority and EgyptAir—to strengthen the SOE financial oversight in the Ministry of Finance and build capacity of prospective staff of the newly established Fiscal Risks Unit. Over the course of five-days, METAC organized working sessions with the Ministry's technical team to deliver hands-on training and support the practical application of the tool. The mission also introduced the Debt Guarantees and Loans Assessment Tool ([DGAT](#)) as a potential instrument to improve the assessment of risks related to loans and guarantees.

Support to the Macro-fiscal Planning Unit (MFPU)

A desk review of Egypt's Macro-Fiscal Framework reviewed the current forecasting methodology and Excel-based templates to provide advice on possible improvements. METAC will provide follow-up in-country support to operationalize the proposed improvements and support drafting of a user's manual.

Iraq

Implementing the Treasury Single Account (TSA)

The third workshop to advance the implementation of the TSA in Iraq was organized by FAD/METAC, in collaboration with the Ministry of Finance of Iraq, during the period July 24-27 in Amman (Jordan). Building on the outcome of the second workshop in March 2024, the event gathered 13 core members from the "TSA Implementation Committee", formed by key stakeholders including the Ministry of Finance

(MoF), Central Bank of Iraq (CBI), and four State-owned banks (SOBs). The mission discussed the progress made in the implementation of the TSA roadmap and the key challenges encountered over the past few months. Participants actively engaged in discussions and agreed actions to be implemented until October 2024, including advancing the TSA design and concept note, developing a database for TSA bank accounts, and designing portals for data collection as an interim step while the roll out of the core banking system in the largest two SOBs is completed.

Lebanon

Cash Management

Together with the Fiscal Affairs Department, METAC supported Lebanon's authorities in December on cash management to address increasing spending pressures during the war. The mission fostered cross-agency collaboration, welcoming participants from the Ministry of Finance and the Central Bank. The mission focused on government banking arrangements, cash forecasting, and reporting. It provided practical recommendations that were achievable within the current crisis context and highlighted the importance of establishing a Cash Management Committee to improve coordination and cooperation, data collection, and to support policy level decision-making. The mission also provided recommendations on budget execution and controls for strengthened crisis management and discussed budget credibility issues that adversely affect cash management.

Joint budget costing training with the Institute of Finance

In collaboration with the Lebanon Institute of Finance, PFM Advisor Ms. Amra Srdanovic delivered a budget costing workshop during April 14–17, introducing costing techniques widely used in other countries to strengthen budget credibility, ensure equal treatment of line ministries and agencies, and improving alignment with government priorities. Key practices underpinning the budget preparation process, and the practical use of baselines, were introduced to over sixty budget and finance staff, as prerequisites for establishing a reliable Medium-Term Fiscal Framework (MTFF) and Medium-Term Budget Framework (MTBF).

Libya

Restore Core PFM Functions

During June 23-27, a joint FAD/METAC team met with officials from the Libyan Government of National Unity (GNU) Ministry of Finance in Tunis, Tunisia. The activity focused on strengthening budget preparation processes amid ongoing political instability and fragmentation. Key recommendations included formalizing the budget timetable, developing a Fiscal Strategy Paper, and enhancing budget transparency through the publication of key budget documents that are already being produced. The mission also highlighted the role of the medium-term fiscal framework in guiding budget discussions and improving fiscal planning. Despite the challenges faced in Libya, officials were confident they would be able to implement achievable and practical improvements in the budget preparation processes.

Off-site mission in Tunis to strengthen strategic budget preparation

METAC facilitated a one-week workshop in during 6-10 October to support the Libyan Ministry of Finance in strengthening its macro-fiscal unit's role and capacity in strategic budget preparation. The workshop fostered cross-departmental collaboration, welcoming participants from various MoF units, who gained

insights into medium-term fiscal frameworks (MTFF) and macro-fiscal planning. Sessions covered Libya's current budget process, underscored the MTFF's importance in supporting fiscal discipline, and emphasized aligning budget preparation with the MTFF. Participants expressed a strong interest in empowering the Macroeconomic Unit to play a central role in setting expenditure ceilings and producing macroeconomic parameters. The event concluded with a review of recommendations and next steps to bolster Libya's budget preparation and macro-fiscal capacity.

Sudan

Development of an Integrated PFM Law

Since November, METAC is providing on-going support to Sudan for the development of an integrated PFM law which the authorities consider to be a first step prior to other key PFM reforms such as the adoption of an IFMIS. METAC provided guidance on strengthening the concept note prepared by the PFM Law Drafting Committee based on international good practices and budgeting literature. The authorities integrated most of the feedback regarding good practices in their first draft of the law. METAC is currently in the process of reviewing and providing guidance on how to strengthen the content of the draft law itself.

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Yemen

Rolling out the Expenditure Control and Monitoring of Commitments (ECMC) framework

An off-site mission in Amman during February supported Yemen's Ministry of Finance in rolling out its new "expenditure control and monitoring of commitments" (ECMC) framework. The mission evaluated the progress made in institutionalizing the ECMC framework, and identified challenges in the 2024 rollout, such as resistance from key stakeholders, sudden interruption of donor funding for training and, the limitations of the Excel tool developed to help implement the framework. The mission team also supported the authorities in developing a realistic roll-out plan for 2025, which also included training and IT tool development components. The event concluded with a review of recommendations and next steps to support Yemen implement this key reform.

Strengthening Cash Management Practices

An off-site mission in Amman during April supported Yemen's Cash Forecasting Team (CFT) from the Ministry of Finance in strengthening existing cash management practices. Officials from the Ministry of Finance, the Tax Authority and the Customs Authority participated. The mission first discussed the two cash forecasting scenarios prepared by the CFT for 2025 and took stock of progress made in cash forecasting practices and processes. It then supported the authorities in developing an initial annual

borrowing plan for discussion with the Central Bank of Yemen prior to integration in the cash forecasts. The mission also delivered a two-day workshop to build the capacity of the CFT in preparing risk scenarios. At the request of the Yemeni delegation, it presented different practices of institutional arrangements for cash management and treasury single account designs based on country examples.