

## **Regional Workshops and Webinars**

### **Banking Supervision**

#### **Reserve Requirements (June 21-22, 2022)**

METAC organized a virtual regional workshop on Reserve Requirements on June 21-22, 2022, as part of its new Central Bank Operations Technical Assistance workstream.

Reserve requirements are a monetary policy operation (MPO) used to influence the demand for central bank reserves. The virtual regional workshop examined how this MPO helps central banks to meet their mandate of price and financial stability, and how its effectiveness depends on the alignment of its design and calibration with the purpose for which it is targeted. For example, if reserve requirements are used for monetary policy implementation (the most common objective), central banks should allow commercial banks to average the reserve requirements over a sufficiently long maintenance period to help stabilize short-term interest rates. As different objectives may conflict, central banks should seek alternative instruments to delimit the purposes of reserve requirements and improve their efficiency.

Targeted senior officials with responsibility for reserve requirements and other central bank liquidity management and operations tasks. Eleven senior officials from six METAC member countries attended the event.

#### **Risk-Based Supervision (June 27-30, 2022)**

METAC and the IMF Center for Economics and Finance (CEF) in Kuwait jointly organized a regional course on “Risk-Based Banking Supervision (RBS) for the New Normal.” The purpose of the workshop was to enlighten supervisors on the concepts, elements, and benefits of risk-based supervision, highlight the new risk drivers that are added to their supervisory dashboard amid the challenging macroeconomic conditions resulting from Covid-19 and the Ukraine war. The virtually delivered course was attended by more than 50 participants from 10 Arab countries, of which one third of the participants were from Fragile and Conflict-Affected States (FCS). Participants actively engaged in round-table discussions and case studies. Two guest lecturers, a senior financial expert from the IMF and the deputy chair of the Financial Stability Institute (FSI), discussed current banking supervision topics, including supervisory policy responses to Covid-19 and the challenges of exit strategies, as well as key topics on the agenda of the Basel committee, including current financial risks, crypto assets, and climate change.

### **Central Bank Operations**

#### **Central Bank Operations and Digital Money (February 12-15, 2023)**

METAC and the IMF’s Monetary and Capital Markets department offered a three-day workshop on Central Bank Operations and Digital Money in Amman, Jordan. 21 representatives from ten METAC central banks and one GCC central bank participated in the event. The workshop contributed to a better understanding of recent innovations in digital money, including Central Bank Digital Currency ([CBDC](#)), and the implications of such developments for the central bank

balance sheet, central bank operations, public and private money creation, seignorage, and the interest rate channel. Highly interactive discussions took place around 11 country presentations covering current developments and challenges with respect to digital money and monetary policy implementation in their respective central banks and countries.

## **Public Financial Management**

### **Fiscal Transparency (June 6-9, 2022)**

The course was delivered virtually at the CEF jointly with the International Budget Partnership (IBP), as a follow-up of the series of workshops on fiscal transparency in June-July 2020. The course garnered a large participation of 30+ attendees from Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Saudi Arabia, Somalia, Tunisia, and West Bank and Gaza. The course included (i) a presentation of the Open Budget Survey 2021 results for the MENA region, along with perspective from the civil society (Jordan case), and a country case study of fiscal transparency reforms via the Global Initiative for Fiscal Transparency network, as well as (ii) presentations on the key indicators of the four pillars of the Fiscal Transparency Code with examples from comparable countries. All sessions included a practical workshop with three virtual breakout rooms (by language), where countries would (i) individually rate themselves on selected indicators of the OBI and the FTC and identify challenges and quick wins, (ii) discuss results within the group, and (iii) report in the plenary session.

### **Regional Course on Cash Management at the IMF Center for Economics and Finance (CEF) (December 12-15, 2022)**

The four-day hybrid course conducted at the CEF in Kuwait brought together 31 participants from 12 countries (9 METAC, 2 GCC, and Mauritania) to enhance their understanding of cash management. Lectures and workshop sessions focused on Treasury Single Accounts (TSA), cash forecasting, and the coordination between cash and debt management. In the context of economic and fiscal uncertainties, countries should aim to consolidate cash resources by establishing TSAs and widening their coverage; strengthen cash forecasting to help allocating resources to key spending priorities; and strengthen cash balance management and institutional coordination.

## **Revenue Administration**

### **Tax Administration Diagnostic Assessment Tool (June 27-30, 2022)**

A virtual Tax Administration Diagnostic Assessment Tool (TADAT) training course was provided jointly with the TADAT Secretariat team to enhance METAC member tax administrations' knowledge of the TADAT methodology and raise awareness of internationally recognized good practices and the process to request TADAT assessments. The daily online training sessions were attended by 18 participants from 9 METAC countries. The course was delivered through interactive sessions covering the nine performance outcome areas and exercises developed around real country case scenarios. The discussions and reflections from participants moderated by the three trainers helped officials prepare for a future TADAT assessment.

## **Challenges to implement WTO Valuation Agreement in METAC region, and the IMF Customs book (October 12-13, 2022)**

METAC organized this event to initiate peer-to-peer learning among customs administrations in METAC member countries to support the effective implementation of the WTO Customs Valuation Agreement (CVA). The workshop focused on a review of the rules governing the use of the transaction value for the assessment of the imported goods. Officials from five customs administrations presented their experience and the challenges with the implementation of the CVA agreement. Three presentations discussed the use of new technologies, including mirror data analysis, artificial intelligence in customs, and an introduction to machine learning for customs administration. The IMF also presented its new book on *Customs Matters: Strengthening Customs Administration in a Changing World*. This workshop was organized in cooperation with the IMF's Middle East Center for Economics and Finance (CEF).

## **METAC Regional ISORA Workshop (October 31-Nov 4, 2022)**

METAC delivered a regional workshop on the "International Survey on Revenue Administration (ISORA)" in Amman, Jordan. The workshop, which was attended by 31 participants from 12 METAC countries and three Gulf Cooperation Council countries, raised the importance of ISORA and explained how to complete an ISORA survey. The training sessions were delivered by experts from the IMF's Fiscal Affairs Department's Revenue Administration Fiscal Information Tool (RA-FIT) team. All participants made short presentations about their tax administrations, including information on data collected that can be used in measuring revenue performance.

### **Tax Expenditure**

## **Regional Workshop on Tax Expenditures (December 12-14, 2022)**

METAC and the IMF Fiscal Affairs Department (FAD) jointly hosted a three-day regional workshop on tax expenditures in Amman, Jordan, during December 12-14, 2022. The workshop aimed to build capacity in estimating and publishing tax expenditures to enhance transparency and inform policymaking. 25 participants from nine countries across the METAC and GCC regions attended the workshop. Discussions took place around nine country presentations covering income taxes and the VAT, among other taxes. Topics included: 'benchmark tax system', data requirement, estimation techniques, template microsimulation models, and current practices in the area of tax expenditures in the region.

### **Real Sector Statistics**

## **Regional Workshop on Consumer Price Index (CPI) (November 27-Dec 1, 2022)**

In cooperation with the Center for Economics and Finance (CEF), METAC conducted a one-week course on consumer price index (CPI) compilation issues. The course included an overview of index calculation methods, developing weights, selecting samples, price collection, and data dissemination. The course was attended by 23 participants from Djibouti, Egypt, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Tunisia, and the United Arab Emirates.

## **Outreach Activities**

### **Participation in UNECA Webinar on System of National Accounts (June 6-9, 2022)**

METAC's real sector statistics advisor attended the United Nations Economic Commission for Africa (UNECA) Third Regional Thematic Webinar on the System of National Accounts Update Program. The webinar briefed participants on progress made in developing new Guidance Notes and informed them on how to participate in testing and early implementation of the new standards.

### **Webinar on Approaches to Climate Risk Analysis (October 3, 2022)**

Climate-related financial risks have moved to the forefront of the agenda for financial institutions, central banks, and other financial sector regulators. The topic is of particular relevance to the financial supervisors and regulators of the Middle East region being a hotspot for climate change. The Monetary and Capital Markets Department (MCM) and the Middle East Technical Assistance Center (METAC) jointly organized a webinar on "Approaches to Climate Risk Analysis". The webinar presented approaches to identify, monitor, and respond to climate-related financial stability risks. It introduced the key terms and concepts used in climate risk analysis. It also explained the approaches to standard risk analysis used in the Financial Stability Assessment Process (FSAP) and how these approaches could be modified to incorporate climate risk, both for physical and transition risk. Data needs and challenges in climate risk analysis were also discussed. About 90 participants from various countries in the region attended and actively participated in the webinar. Delegates from the European Union and Swiss SECO participated as discussants and shared their insightful views which enriched the discussions. Prior to the webinar, a survey on the analysis of climate-related risks was distributed to the participating member countries, and the results were discussed during the event.

You can view the PowerPoint presentation shared during the webinar [here](#).

### **The 9th Meeting of the Technical Committee of the Arab Statistics Initiative "ArabStat" (November 9-10, 2022)**

At the invitation of the Arab Monetary Fund (AMF), METAC attended the ninth (virtual) meeting of the Steering Committee of the Arab Statistics Initiative (ArabStat) during November 9-10, 2022. Participants from the IMF's Statistics Department presented on New Technologies in Real Sector Statistics and discussed the regional data availability and policy uses of sectoral financial accounts. The meeting also discussed remittances, statistical challenges during pandemics, public debt statistics, and financial soundness indicators.

### **Yemen Technical Assistance and Capacity Development Group (TA/CDG) Workshop (November 1-2, 2022)**

Mr. Holger Floerkemeier (METAC Director) and Mr. Jonas Frank (PFM advisor) attended the Yemen Technical Assistance and Capacity Development Group (TA/CDG) meeting in Riyadh. The TA/CDG's coordinates targeted CD by development partners in response to the needs of Yemeni public institutions (including the Central Bank and Ministry of Finance). The objective is to leverage complementarities and realize synergies while considering absorptive capacity constraints and

minimizing duplication of CD efforts. The Yemeni authorities presented their reform plans, followed by discussion of CD priorities and potential support from development partners. Careful prioritization and sequencing of CD programs will help achieve tangible outcomes in a setting of limited institutional capacity. METAC organized a session on PFM approaches in fragile and conflict-affected states as part of the event, which was hosted by the Saudi Development and Reconstruction Program for Yemen (SDRPY).

### **9th Meeting of the Technical Committee of the Arab Statistics Initiative “ArabStat” (November 9-10, 2022)**

At the invitation of the Arab Monetary Fund (AMF), METAC attended the ninth (virtual) meeting of the Steering Committee of the Arab Statistics Initiative (ArabStat) during November 9-10, 2022. Participants from the IMF's Statistics Department presented on New Technologies in Real Sector Statistics and discussed the regional data availability and policy uses of sectoral financial accounts. The meeting also discussed remittances, statistical challenges during pandemics, public debt statistics, and financial soundness indicators.

### **39th annual meeting of the Arab Committee on Banking Supervision, Arab Monetary Fund (December 5, 2022)**

Ms. Nehmat Hantas, METAC's banking supervision advisor, delivered a session on Risk-based Supervision (RBS) at the 39th annual meeting of the Arab Committee on Banking Supervision, discussing the benefits of RBS and highlighting key aspects important to respond to emerging risks such as foresightedness and flexibility. The session also addressed the key risk drivers that are on the supervisory dashboard. These includes new risks related to climate change and crypto/Fintech, in addition to existent risks (credit, market, operational, interest rate risk in the banking book) and how these risks are impacting the financial sector amid the macroeconomic pressures arising from soaring inflation, increasing interest rates, rising debts, currency pressures and recession concerns. Active projects conducted by METAC on enhancing RBS in member countries were also described during the meeting. The session concluded with some remarks highlighting that RBS is more relevant than ever given the challenging circumstances and encouraging supervisors to complete Basel III reforms, activate their forward-looking tools, build up capital and liquidity buffers, enhance corporate governance, put more efforts on climate risk analysis, understand the new trending crypto and fintech risks, and continue the capacity building of supervisors including the new specialized areas.

### **Outreach Event on Banking Regulation and Supervision and Central Banking Operations (January 23, 2023)**

METAC organized a virtual outreach event on banking regulation and supervision, and central banking operations. The purpose of the event was to update development partners and member countries on METAC projects in these two workstreams and to gather stakeholders' feedback. METAC advisors presented their lines of work, the activities performed during the fiscal year and the most active topics that are currently in high demand by member countries. They also highlighted METAC's competitive advantages in delivering capacity development in the financial stability and central banking areas and shared some key takeaways and success factors for these

activities. A representative from Bank Al-Maghrib presented the newly developed SRP (Supervisory Review and Evaluation Process) methodology, as a country case to illustrate what METAC can do to support its member countries. The presentations were followed by a Q & A session, during which some authorities inquired about the Bank Al-Maghrib's new SRP methodology to learn from the latter's experience on this topic.

### **IMF-Germany CD Roundtable (February 6-7, 2023)**

Mr. Floerkemeier joined the IMF's Global Partnerships team in Berlin, Germany, for meetings with the German Ministry of Finance ([BMF](#)), Ministry of Economic Cooperation and Development ([BMZ](#)), and Gesellschaft für Internationale Zusammenarbeit ([GIZ](#)), as well as a half-day roundtable discussion on debt management, PFM in Africa and the Middle East, and the macro-criticality of gender. The roundtable discussion was also attended by other government agencies and civil society organizations.

### **Webinar on Crypto Asset Risks and Challenges (February 9, 2023)**

While global standards for [crypto assets](#) exist in areas of combating money laundering and terrorist financing, there are gaps in relation to prudential and conduct regulation, which leaves users and markets with little recourse when things go wrong. The Monetary and Capital Markets Department (MCM) and METAC jointly organized a webinar on "Crypto Asset Risks and Challenges". The webinar aimed at providing participants from central banks and supervisory authorities with an opportunity to understand trends in crypto markets and explore key prudential and conduct regulatory responses. The speakers introduced definitions, a taxonomy that groups together crypto assets based on structural features, use cases and risks, as well as the key entities that carry out core functions. They presented the key challenges to crypto asset regulation and the approaches that regulatory authorities had taken to respond to these challenges, including the nascent development of global standards covering prudential and conduct regulation. A discussant from the European Commission on Digital Finance provided an insightful intervention on the topic. More than one hundred participants attended the webinar, demonstrating a strong interest in the topic in the MENA region.

### **High-level Outreach Event on Revenue Mobilization (February 9-10, 2023)**

IMF-METAC, the IMF Fiscal Affairs Department (FAD), and the IMF Middle East and Central Asia Department (MCD) co-organized a high-level outreach event on revenue mobilization for three METAC member countries' tax and customs administrations (Iraq, Libya, and Yemen), in Amman, Jordan. Tailored presentations on tax and customs administration challenges and policies to mobilize revenues for resilient and inclusive growth were delivered. In bilateral meetings with the three country delegations, tax and customs officials discussed the challenges their administrations are facing and presented their reform agendas and capacity development (CD) needs. The IMF team emphasized the importance of coordination with development partners to better prioritize and sequence CD activities to ensure complementarity, avoid duplication, and pay heed to absorptive capacity constraints.

### **Arab Institute for Training and Research in Statistics (AITRS) (February 15, 2023)**

Mr. Floerkemeier met with [AITRS](#) director Mr. Hedi Saidi to discuss a new METAC-AITRS training partnership. A first concrete outcome of this collaboration will be a joint regional workshop on SUTs, scheduled in mid-June 2023 in Amman, Jordan.

### **CEF Steering Committee Meeting (March 1, 2023)**

Mr. Floerkemeier attended [CEF](#)'s 2023 SC meeting to discuss METAC-CEF collaboration, including joint courses, webinars, and regional seminars. In FY24, METAC will increase the number of regional courses delivered jointly with CEF from five to seven. METAC and CEF also plan to join forces on developing a webinar series on the economics of climate change and envisage peer-to-peer events and other joint activities to generate operational efficiencies and synergies between TA and training. METAC's regional workshops are open for participation by all CEF member countries (on a self-financed basis for non-METAC country representatives).

### **CEF Course on “Building Institutions to Fight Corruption” (March 5-9, 2023)**

In March 2023, PFM Advisor Mr. Jonas Frank delivered a lecture on “governance issues in asset and liability management” jointly with Jacques Charaoui ([IMF Fiscal Affairs Department](#)) and Merle Wilkinson (IMF Short-term Expert) to a course on “[Building Institutions to Fight Corruption](#)” for Arab countries, organized by the IMF's Middle East Center for Economics and Finance ([CEF](#)) in collaboration with the IMF's Fiscal Affairs, Legal and Finance Departments. The course was attended by a wide range of government institutions, including finance ministries, central banks, Prime Minister's offices, revenue authorities, and anti-corruption agencies. The objective of the course was to set out a road map for identifying and addressing vulnerabilities to corruption in the PFM cycle.

### **Swiss State Secretariat for Economic Affairs (SECO) (April 6, 2023)**

Mr. Floerkemeier visited the Swiss State Secretariat for Economic Affairs ([SECO](#)) to update METAC's longstanding development partner on the Center's activities and latest developments.