

Technical Assistance and Training

Banking Supervision

WEST BANK AND GAZA

METAC organized a workshop on the Supervisory Review and Evaluation Process (SREP) for 39 staff of the Palestine Monetary Authority (PMA). The training covered Basel II Pillar 2 principles and requirements, the building blocks of a SREP, the assessment of banks' business model, corporate governance, and risks to capital and liquidity. The workshop addressed, among other things, the challenges encountered with assessing banks' Internal Capital Adequacy Assessment Process, the use of benchmarking information, and the scoring methodology for SREP. As the PMA is in the process of implementing SREP, identification of next steps were addressed through a brainstorming session.

Public Financial Management

IRAQ

This activity assisted Iraq in finalizing its revised budget classification, which the authorities prepared based on METAC's action plan of July 2018. The following tasks were completed: (i) review of the budget classification tables; (ii) identification of remaining gaps relative to international standards and practices; and (iii) definition of a short-term action plan to ensure the timeline for the implementation of the new classification and chart of accounts is consistent with the requirements of the

Integrated Financial Management Information System project. World Bank's representatives participated in the mission as observers. This new classification will be used in the preparation of the 2020 budget of the government of Iraq.

LEBANON

METAC co-organized a national workshop on Gender Responsive Budgeting with the Institut des Finances Basil Fuleihan. Its main objectives were to:



(i) develop a better understanding of gender budgeting practices and their integration with the overall public financial management (PFM) system; (ii) present innovations in gender budgeting, building on regional and international experiences and practices; and (iii) discuss challenges and opportunities for using gender budgeting to promote gender equality. The opening panel was attended by more than 70 participants from ministries, public institutions, and civil society organizations, highlighting the importance of this topic for Lebanon.

MOROCCO

Following the 2017 Public Investment Management Assessment (PIMA), this activity supported the Direction des Entreprises Publiques et de la Privatisation (DEPP) in assessing and managing the fiscal implications of Public Private Partnership

(PPPs), including identifying the appropriate institutional framework. The tasks focused on developing a common understanding of various aspects related to PPPs management within the DEPP, and providing training on the PPP Fiscal Risk Assessment Model to strengthen the DEPP's current risk assessment methodology.



WEST BANK AND GAZA

METAC supported the strengthening of the Macro Fiscal Unit's (MFU) outputs and role. Considerable efforts have been invested to identify data in the accounting system that can be used to prepare mapping tables between the system and the draft new set of fiscal reporting tables. The Economic Forecasting Workgroup met twice during the mission, agreed on the methodology for preparing medium-term projections, and prepared a draft workplan for 2019. On the first day of the mission, the Minister of Finance and Planning issued a decision establishing the Revenue Analysis Committee, which also met twice to prepare the 2019 workplan. Most of the milestones for METAC's technical assistance to the MFU have been achieved and a draft work program for the period May 2019 – April 2020 was prepared.

Revenue Administration

LEBANON

METAC organized a two-week expert visit to assist the Lebanese Tax Administration

on the development of a compliance improvement plan (CIP)—one of the areas identified in the April 2018 Tax Administration Diagnostic Assessment Tool report. In a collaborative approach with senior management, the expert: (i) assessed current work being performed in the area of risk management; (ii) delivered workshops and animated discussion groups on risk related topics; and (iii) outlined the steps for the development of a CIP. This visit achieved an initial awareness of the work needed and the corresponding resource requirements.

WEST BANK AND GAZA

METAC continued its support to the Ministry of Finance and Planning (MoFP) in establishing a functioning Large Tax Office (LTO). Advice was provided on the following key issues: how to improve the LTO's status within MoFP; how to restructure the LTO so it can operate efficiently within a function-based tax administration, including regarding risk management; and developing performance monitoring indicators. The advice was built into a time-bound action plan.

Outreach and Collaboration

Fiscal Policy: Critical Taxation Themes for Egypt

METAC's Coordinator, Mr. Mario Mansour, participated as a speaker and panelist in a high-level conference on the taxation of multinational companies and informality, organized by the Egyptian Center for Economic Studies in Cairo. More than 100 persons attended, including government officials, international and bilateral organizations, and Egyptian business and civil society representatives. Minister of Finance Mohamad Maait spoke on the

challenges of taxation in the management of Egyptian public finances, and the appreciable progress achieved in recent years with the support of the IMF and METAC. Other speakers included Mr. Pascal Saint-Amans, head of the OECD Center for Tax Policy and Administration, who gave an update on the BEPS G20/OECD project, and Mr. Amr El-Monayer, former Egyptian Vice-Minister for Taxation, who spoke on the challenges that Egypt faces in reforming its international tax rules. Mr. Mansour spoke on conceptual and practical issues in the design and enforcement of small business tax regimes, and country experiences with informality and its impact on tax systems and tax revenues.

European Commission Neighbourhood South Budget Support Seminar

This seminar brought together European Commission (EC) PFM teams from southern Mediterranean countries to discuss recent EC budget support to these countries, and brainstorm on the design of future support. Mr. Mario Mansour presented to the group IMF experience in PFM capacity development in METAC countries and METAC's 2020 workplan, with a particular emphasis on fiscal risks and medium-term revenue strategies.

Analytical Corner

A new IMF How-to Note on tax expenditures provides a user-friendly approach for countries to produce and use tax expenditures in fiscal management. Tax expenditures are generally defined as spending through the tax system. Although tax expenditures can be a useful policy tool to address certain shortcomings in markets,

their revenue cost can be substantial (the estimates range from 2 to over 7 percent of GDP around the world), and they can undermine equity and efficiency of the tax system. Publishing tax expenditures enhances transparency in fiscal management and provides important information for enriching the policy debate on taxation. In the METAC region, only Morocco has published tax expenditures (since 2006). The How-to note can be downloaded at the following link:

<https://www.imf.org/~media/Files/Publications/HowToNotes/HTNEA2019002.ashx>

Technical Assistance Reports

The following TA reports were uploaded to METAC's website. Steering Committee members of countries and donors who have signed a confidentiality agreement with the IMF may access the reports @ www.imfmetac.org

Banking Supervision	Iraq
	Enhanced Bank Internal Audit and Compliance Regulations
Public Financial Management	Tunisia
	Renforcement de la gestion de trésorerie : suivi de la feuille de route de 2017
Revenue Administration	Algeria
	Strengthening Arrears Collection
Statistics	Lebanon
	Price Statistics
	Tunisia
	National Accounts Statistics

IMF Online Courses

Available to government officials and, in some cases, to the general public through <http://imf.smartcatalogiq.com> and <https://www.edx.org/school/imfx>

Current and forthcoming online courses include:

- **Macroeconomic Management in Resource-Rich Countries (MRCx)**
Language: French, April 10 – May 29, 2019
Course Conducted Online
Apply online by April 3, 2019
- **Energy Subsidy Reform (ESRx)**
Language: English, May 1 – April 30, 2020
Course Conducted Online
Apply online by April 24, 2019
- **Financial Programming and Policies, Part 1: Macroeconomic Accounts and Analysis (FPP.1x)**
Language: Arabic, May 1 – October 31, 2019
Course Conducted Online
Apply online by April 24, 2019
- **Financial Programming and Policies, Part 2: Program Design (FPP.2x)**
Language: French, May 22 – July 10, 2019
Course Conducted Online
Apply online by May 15, 2019

Planned Activities in April 2019

Country	Topics	Resident Advisor	Short-Term Expert	Dates
Banking Supervision				
Tunisia	Consolidated Supervision	Didier Casier	Frederic Barge	01 - 05
METAC & CEF Countries	Course on IFRS 9 implementation	Didier Casier	Gerald Edwards	22- 25
Revenue Administration				
Egypt	Advise on identification, assessment and ranking of compliance and institutional risks	-	Stephen Howlin	14-25
Morocco	Strengthening the integrity of the registered taxpayer base (outcome of TADAT assessment)	Stoyan Markov	Pierre Vandenberghe	15-26
METAC & CEF Countries	Workshop on performance management in tax administration	Stoyan Markov	Paul Martens	01-04
Statistics				
Afghanistan	Training on development of a Producer Price Index	-	To be advised	21 - 25
Djibouti	Finalize the methodological documentation and strengthen the rapid estimates compilation framework	-	Ibrahima Sory	14- 25
Jordan	Compilation of supply and use tables	Issam Alsammak	-	14- 25

Development Partners



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