



EIB



JAPAN

DONORS



EU



KUWAIT



FRANCE



OMAN



RECIPIENT COUNTRIES

AFGHANISTAN	EGYPT
IRAQ	JORDAN
LEBANON	LIBYA
SUDAN	SYRIA
WBG	YEMEN

Regional workshop in Cairo on “Expenditure Control and Internal Audit” May 31-June 2, 2011

METAC organized a regional workshop in Cairo on Expenditure Control and Internal Audit from May 31-June 2. The workshop was a landmark event as it gathered, for the first time, multiple sponsors that included the Ministry of Finance of Egypt, the European Union, USAID, the World Bank and the ADETEF of the Ministry of Finance of France. The seminar gathered some fifty participants from 8 METAC countries and GCC. In his opening remarks, Mr. Saade Chami, METAC Coordinator, indicated that such cooperation has many advantages as it: avoids duplication of efforts and waste of resources; gives more consistent messages to recipient countries; and benefits participants from exchanging experiences with donors and making full use of respective comparative advantages.

The workshop focused on expenditure control and internal audit practices in the region with respect to international practices. Each TA provider, co-organizer, presented their international or national experiences in the area and discussions focused on how to develop a strategy of control and audit.

Prior to the workshop, Mr. Saade Chami, met with USAID/Egypt's Mission Director, Mr. Jim Bever, to discuss the importance of aligning multi-donor coordination in PFM and explore further cooperation and harmonizing efforts in the future.



Recommendations from the workshop

The workshop did not advocate any model of audit. However, it highlighted the underpinnings and rationales of each model and the difficulty to mix them without generating duplication and waste of resources. It emphasized the need to:

- Clarify and rationalize the picture of control and audit prior to implementing any new framework in order to avoid the risks of duplicative control and overall inefficiency;
- split functions within the existing inspections between audit and inspections tasks, despite its inherent difficulties; and
- adopt a gradual and sequenced approach taking into consideration the features of existing systems and their realistic progress to arrive at the new system.

Revenue Administration Missions

Lebanon

A METAC tax administration mission worked with officials from the Lebanese Revenue and VAT Directorates of the Ministry of Finance to further develop plans for the eventual integration of the two existing tax directorates. Pending a formal decision on integration, a working group developed detailed transition plans for each key headquarters function for tax administration e.g., service, collections, audit and compliance and legal support. The working group identified areas where technical collaboration could begin immediately, focusing on current and proposed future staffing levels for the integrated organization. The creation of informal teams for each headquarters function was also proposed so that work on transition could continue.

Jordan

A METAC tax administration mission visited Jordan to work with the authorities on assessing progress of the Income and Sales Tax Department (ISTD) in implementing effective integrated headquarters and provide recommendations to strengthen the related structural and organizational arrangements and improve the strategic and operational planning. The mission focused on previous FAD advice related to the creation of an integrated, function-based organization structure. It highlighted the direction to take so as to establish strong headquarters and provided advice on how to strengthen the ISTD strategic and operational planning process.

Farewell and Welcome



Mr. Pierre Messali, METAC Resident Advisor in Public Financial Management for the past three years left METAC

at end June to re-join the World Bank. Pierre did a great job during his tenure at METAC and served the region with hard work and dedication. We take this opportunity to express our gratitude to Pierre and wish him all the best in his future endeavors.

Mr. Jacques Charaoui has been selected as Pierre's replacement and will join METAC in September 2011.



Before joining METAC, Jacques 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. Earlier in his career, he worked for over 10 years in consulting firms in Europe where he conducted several evaluation and technical assistance missions.

