



Union of Arab Banks Workshop

Mr. Chami, METAC Coordinator, participated in a workshop on the *“Impact of Credit Rating on Banking and Financial Sectors”* organized by the Union of Arab Banks in Beirut on November 21. Mr. Chami made a presentation on the spillover impact of sovereign credit rating. He stressed that in integrated financial markets, a sovereign rating downgrade has an adverse impact across countries and financial markets. More specifically, a downgrade does not only affect the instrument being rated (bonds) but also other assets (stocks).

Meeting with European Union

On November 9, Mr. Chami, METAC Coordinator, met with Mr. Diego Escalona Paturel, Head of the Cooperation Section, Mr. Francisco Lopez-Menchero, Economic Development Attaché, and Mr. Charles Abdallah, Economist. Mr. Chami provided a brief overview of METAC's activities and future work program, emphasizing the importance of coordination on issues that are of common interest. The EU representatives indicated that they have a large technical assistance (TA) program with the Ministry of Finance of Lebanon on PFM and hoped for further cooperation in this area. It was agreed to intensify contact in the future to enhance coordination further and avoid any overlap in our work in Lebanon.

Developing an Interbank Market in Sudan

In response to a request from the Central Bank of Sudan (CBOS), Ms. Nelly Batchoun, METAC Public Debt Management Advisor, visited Sudan from November 20 to 29 to assist the authorities in developing an interbank market. The mission reviewed the current situation at CBOS and banks to examine what is needed for developing the interbank market, including the possibility of introducing short-term monetary instruments taking into account the Islamic nature of the banking system in Sudan.

International Financial Reporting Standards Workshop in Sudan

Mr. Rachid Awad, METAC Banking Supervision Advisor, visited Sudan from November 15 to 24 to deliver a workshop on *“International Financial Reporting Standards (IFRS)”* for the supervisors of the CBOS. The workshop discussed the main IFRS related to banks as well as the latest reforms and projects that are being pursued by the International Accounting Standards Board (IASB) to respond to the G20 recommendations to strengthen the financial sector.



EIB



EU



FRANCE



Kuwait



Oman

DONORS



RECIPIENT COUNTRIES

AFGHANISTAN	EGYPT
IRAQ	JORDAN
LEBANON	LIBYA
SUDAN	SYRIA
WBG	YEMEN

Regional Workshop on Asymmetries in Bilateral Data



During a regional workshop on Remittances in Beirut in March 2009, participants agreed to complete a questionnaire on compilation practices in the area of remittances, including provision of data with a geographical breakdown, where available, and to send it to the Banque du Liban (BDL) who would centralize and compile the answers.

A workshop, jointly organized with the BDL, took place in Beirut during November 23 to 24, to share the results of this exercise among METAC countries, and possibly to identify ways of improving remittances data by comparing bilateral estimates and discussing asymmetries. In this respect, one of the outcomes of the workshop was the recognition of the importance of regular contact among compilers in the region to improve estimates at national level.

FAD and METAC in Egypt

Mr. Jacques Charaoui, METAC Public Financial Management (PFM) Resident Advisor, participated in an FAD diagnostic mission to Egypt from November 10 to 22 in collaboration with the World Bank. The mission took stock of the PFM reform progress in recent years, reviewed key-areas of the budget process including those related to budget preparation and the medium-term budget framework, budget execution, internal controls and audit. The mission prepared a PFM reform action plan focusing on the three main stages of the budget process: formulation, execution, and control. It aims at making the budget a more strategic policy tool, improving the management of resources in the execution phase, and reinforcing internal controls. It also includes suggestions for managing the reform agenda by identifying the role of development partners in the design of specific elements of the reform strategy.

