FISCAL YEAR 2020

# AFRITAC SOUTH SEMINAR PLAN

## MAY 2019-APRIL 2020

AFRITAC South

**IMPROVING MACROECONOMIC MANAGEMENT FRAMEWORKS TO FOSTER SUSTAINABLE GROWTH AND POVERTY REDUCTION IN SOUTHERN AFRICA**

**MEMBERS**

Angola, Botswana, Comoros, Eswatini, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Zambia, Zimbabwe

**PARTNERS**

European Union, SADC, COMESA, SECO, Germany, China, UKaid, Ministry of Foreign Affairs of the Netherlands, European Investment Bank, Australian Aid

7th Floor, BRAMER HOUSE, EBENE, MAURITIUS

| AFRITAC South Seminar/Course- recently held and forthcoming<br>The venue is AFS, Ebene, Mauritius, unless otherwise stated | Dates |
|---|---|
| Macroeconomic Training- Financial Development and Financial Inclusion<br>Workshop Coordinator: Mr. Sami Ben Naceur | June 17-28, 2019 |
| Customized Training Course for Comoros and Madagascar on Auditing<br>Seminar Coordinator: Mr. Thabo Letjama<br>Venue: Antananarivo, Madagascar | August 5-16, 2019 |
| IFRS 9- Implementation Issues<br>Seminar Coordinator: Mr. Ravi Mohan P.R. | August 19-23, 2019 |
| Monetary Policy Implementation and Financial Market Development<br>Seminar Coordinator: Ms. Carina Selander<br>Venue: SARB Academy, Pretoria, South Africa | August 26-30, 2019 |
| Improving budget outcomes through transparent and gender responsive budgets<br>Seminar Coordinator: Mr. Robert Clifton<br>Venue: Pretoria, South Africa | September 23-27, 2019 |
| High-Level Seminar on Revenue Administration Governance<br>Seminar Coordinators: Messrs. Berlin Msiska, Thabo Letjama and Henry Kaperi<br>Venue: Cape Town, South Africa<br>Jointly with AFE/AFW2 | September 23-25, 2019 |
| Establishment of Effective Systems and Procedures for Customs Valuation<br>Seminar Coordinator: Mr. Philip Wood<br>Venue: South Africa (TBC) | October 7-11, 2019 |
| Corporate Governance Issues in Banking Sector<br>Seminar Coordinator: Mr. Ravi Mohan P.R.<br>Venue: SARB Academy, Pretoria, South Africa<br>Joint AFS/SADC Countries | October 14- 18, 2019 |
| Regulatory, Supervisory and Oversight Responsibilities towards Compliance with the CPSS-IOSCO Principles for Financial Market Infrastructures<br>Workshop Coordinator: Ms. Faith Stewart<br>Jointly with AFE/MEFMI | November 11-15, 2019 |
| Monetary Policy Forecasting and Analysis<br>Course Coordinator: Ms. Carina Selander<br>Jointly with AFE/AFW2 | December 2-13, 2019 |
| High Level Seminar on Governance<br>Jointly with ATI<br>*(Overview forthcoming)* | December 2-6, 2019<br>*(Tentative)* |
| Volume and Price Measures in National Accounts<br>Seminar Coordinator: Mr. Achille Pegoue<br>Venue: Livingstone, Zambia<br>Jointly with COMESA | January 13-17, 2020 |
| Strengthening Public Debt Management and Managing Public Wealth<br>Seminar Coordinator: Mr. Sybi Hida<br>Venue: Pretoria, South Africa<br>Jointly with AFE/COMESA | January 20-24, 2020 |

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| Effective use of Data Analytical Tools to support the Implementation of a Risk-Based Compliance Program<br>Seminar Coordinator: Mr. Philip Wood<br>Jointly with AFE/COMESA | January 27-31, 2020 |
| Fundamentals of Price statistics<br>Seminar Coordinator: Ms. Donna Grcman<br>Venue: Gaborone, Botswana | February 10-14, 2020 |
| Cours sur la Gestion macroéconomique dans les pays riches en ressources naturelles<br>Course Coordinator: TBC<br>Jointly with AFC | March 2-13, 2020 |



FINANCIAL DEVELOPMENT AND FINANCIAL INCLUSION

COURSE COORDINATOR: Mr. SAMI BEN NACEUR

| *AREA OF TECHNICAL ASSISTANCE:* | *MACROECONOMIC TRAINING* |
|---|---|
| **Targeted audience:** | Mid-level to senior officials from central banks and government agencies dealing with regulation of the financial sector |
| **Participation:** | Two participants per country |
| **Dates:** | June 17-28, 2019 |
| **Venue:** | Africa Training Institute**,** Ebene, Mauritius |

**Seminar description**

This course, presented by the IMF Institute, explains the macroeconomic relevance of financial development and inclusion. Beginning with an analysis that defines the role of finance in the economy, the course reviews the theoretical and empirical literature on the impact of finance on macroeconomic performance and growth. It also addresses policies to encourage financial development (market-enabling policies) and limit its potentially destabilizing effects (market-harnessing policies). The course introduces financial inclusion as an integral dimension of financial development—a perspective that has only recently received proper attention because for many years the discussion instead centered on the concept and measurement of financial depth. The course reviews the indicators currently used to measure financial inclusion, its distinct macroeconomic impact, and the main policy strategies usually pursued.

| *Language requirements:* |
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| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. |



**CUSTOMIZED TRAINING COURSE FOR COMOROS AND MADAGAGASCAR ON AUDITING**

SEMINAR COORDINATOR: MR. THABO LETJAMA

| *AREA OF TECHNICAL ASSISTANCE:* | *REVENUE ADMINISTRATION* |
|---|---|
| **Targeted audience:** | Auditors |
| **Participation:** | Ten participants from each of Madagascar and Comoros. |
| **Dates:** | August 5-16, 2019 |
| **Venue:** | Hotel Colbert-Antananarivo, Madagascar |

## Background

The capacity for detecting and deterring inaccurate reporting is low in both Madagascar and Comoros. The audit staff in the two countries need further training to run effective audits. AFRITAC South has provided technical assistance on audit to the two countries through several in-country missions and provided hands on guidance to the officers on applying audit techniques to enhance audit performance outcomes. However, more work is still required to build a strong and effective audit capacity in both countries. Due to their many similarities including speaking the same language and fragility, it is only effective and synergistic to run a customized training course, in French, which shall target capacity gaps peculiar to both countries.

## Purpose of the Seminar

The purpose of this seminar is to enhance the capacity of both countries to detect and deter inaccurate reporting by taxpayers. The training shall guide officers on detailed steps to take to audit and verify balances declared in taxpayer returns. Leading presentations shall be made on the processes, procedures, steps and techniques for carrying out audits. Participants shall be requested to apply acquired knowledge to solve problems and case studies. The course shall take into account the context of the two countries including, running audits in a manual environment with no tools for automation of the audit process and with taxpayers submitting paper returns. The real value of this seminar is expected to be largely drawn from the interactions, exchanges, sharing of experiences by participants themselves, and applying their learning to solve problems that shall closely resemble their challenges.

| *Language requirements:* |
|---|
| The seminar will be conducted in French. |



IFRS 9 -IMPLEMENTATION ISSUES
SEMINAR COORDINATOR: Mr. P.R. RAVI MOHAN

| *AREA OF TECHNICAL ASSISTANCE:* | *FINANCIAL SECTOR SUPERVISION* |
|---|---|
| **Targeted audience:** | Mid- to senior-level supervisors of banks from central banks/prudential supervisory agencies working in Supervisory policy, off-site and on-site examination in the supervision department, macroprudential supervision, and prudential regulation/accounting/financial stability |
| **Participation:** | Two–three participants per country |
| **Dates:** | August 19-23, 2019 |
| **Venue:** | Ebene, Mauritius |

**Seminar description**

IFRS has been adopted in most countries in the region and the implementation of IFRS 9 from January 2018 has resulted in a paradigm shift in the manner in which financial institutions classify, measure and account for impairment of financial instruments. Intricately connected to IFRS 9 are two other accounting standards, IFRS 7 (Financial Instruments: Disclosure) and IFRS 13 (Fair value measurement of financial instruments).

The overarching goal of the seminar is to enhance the ability of prudential regulators and bank supervisors/examiners to understand the implementation challenges of IFRS with specific focus on the above noted standards. The seminar is designed as a capsule program to familiarize participants with the underlying concepts of these standards and equip them with the tools and techniques for conducting supervision of banks/financial institutions under the new framework in the most effective way.

The seminar aims to make participants aware of the inter-linkages among these standards and implementation challenges involved. Aided by this awareness, officials will be better equipped to gain insights into the implications of IFRS 9 on credit risk models. This will enable the participants to be prepared for an efficient transition to IFRS 9 and design supervisory frameworks appropriate for their jurisdictions.

The participants will have the opportunity to discuss and learn the following:

- Critical aspects of IFRS 7, IFRS 9, and IFRS 13
- Classification and Measurement and Impairment of Financial Instruments under IFRS 9
- Asset classification & Provisioning -Regulatory Approach
- Disclosure requirements of IFRS 7
- Fair Value Accounting -IFRS 13
- BCBS guidance on accounting for Expected Losses
- Transition arrangements of IFRS 9
- Implementation issues in IFRS 9
- Country experiences. Presentation by participants

The seminar will require close interaction among the participants, with the resource persons guiding the interactions. Participants from select countries will be asked to make presentations on their country experiences.

Presentations will be given by international experts in the area. Participants are expected to review the reading materials on the list of references.

| *Language requirements:* |
| --- |
| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. All materials and presentations will be in English only. |

References:

- IASB
  - IFRS 7, IFRS 9 & IFRS 13
- IMF
  - Gaston, Ellen, In Wong Song, "Supervisory Roles in Loan Loss Provisioning in Countries Implementing IFRS", 2014, IMF Working Paper WP/14/170 (Washington DC: International Monetary Fund)
- BCBS
  - Developments in credit risk management across sectors: current practices and recommendations (June 2015)
  - Guidance on credit risk and accounting for expected credit losses (December 2015)
  - The interplay of accounting and regulation and its impact on bank behaviour: Literature review, Working Paper 28 (January 2015)
  - Prudential Treatment of Problem Assets—Definitions of Non-Performing Exposures and Forbearance, (April 2017).
  - Regulatory Treatment of Accounting Provisions-Interim Approach and Transitional Arrangement, (March 2017)
  - Standards on Pillar 3 disclosure requirements – consolidated and enhanced framework, Bank for International Settlements, (March 2017)
  - Technical Amendment on Pillar 3 disclosure requirements – regulatory treatment of accounting provisions, Bank for International Settlements (August 2018)
- Others
  - Implementation of IFRS 9 impairment requirements by banks GPPC (June 2016)
  - Risk.net, IFRS 9 Poses Credit Risk Model Dilemma for Asian Banks, (January 2017).
  - McKinsey and Company, IFRS 9: A silent revolution in banks' business models, (April 2017)
  - European Central Bank, SSM Thematic Review on IFRS 9, Assessment of Institutions' Preparedness for the Implementation of IFRS 9, (November 2017)



MONETARY POLICY IMPLEMENTATION AND FINANCIAL MARKET DEVELOPMENT
SEMINAR COORDINATOR: MS. CARINA SELANDER

| *Area of technical assistance:* | *Monetary Policy and Operations* |
|---|---|
| **Targeted audience:** | Mid- to senior-level staff involved in market operations, market analysis and liquidity forecasting at the Financial Markets Departments of the Central Banks in the AFRITAC South region |
| **Participation:** | Two-three participants per country |
| **Dates:** | August 26-30, 2019 |
| **Venue:** | SARB Academy, Pretoria, South Africa |

**Seminar description**

Many central banks in southern Africa are in the process of modernizing their central banks. Monetary policy regimes are changing and with these changes comes changes in the implementation frameworks as they need to be adapted to the monetary policy regime. However, there is no "one size fits all" implementation framework. Central banks operating the same monetary policy regime have chosen different implementation frameworks. During this seminar you'll have the opportunity to hear from many of your peers how their respective frameworks are designed, the benefits and challenges they are associated with and what practical and technical requirements they are attached with. In addition, you'll learn from the IMF recourse persons about various monetary policy regimes and operational frameworks.

An effective implementation framework is one key element for developing the financial markets. Managing liquidity in an effective way and thus steering short-term interest rates, implicitly or explicitly, is one key element for developing the interbank market as well as for developing the securities and capital markets. This requires good knowledge, understanding, and forecasting of liquidity developments. During this seminar you'll learn about liquidity forecasting and liquidity management, including from your peer countries. Other key elements are linked to legal frameworks and market infrastructures, features that the seminar will also touch upon.

Almost regardless of the monetary policy implementation framework, key to success is the independence of the central bank, good governance features, and transparency. This seminar will also touch upon these issues. You will have the chance to learn more about this topic as well as the opportunity to discuss this with your peers; compare your specific situation with others, challenges and restrictions you face and how they impact on monetary policy.

Finally, the seminar will offer a unique opportunity to learn from the SARB about their journey to inflation targeting; the reforms the made, how the financial markets in SA have developed, the establishment of the South African Foreign Exchange Committee, and more. The SARB will have a leading role during the seminar and share their experience with you.

The seminar will thus offer a platform to discuss practical and technical issues of an effective implementation of a modern monetary policy framework, based on country experience in the region as well as the experience by the IMF resource persons. It will give the opportunity for participants to learn from their peers, who are at various stages on the journey of monetary policy modernization.

The seminar aims at equipping delegates with knowledge of the latest trends on monetary policy implementation and operations, and the ability to assess different monetary policy implementation frameworks, including what would be a suitable framework for their central bank. The participants will, among others, have the opportunity to discuss and learn the following:

- The development of the financial markets – how to improve the functioning of the money, securities and FX markets, including experience by SARB
  - Financial market analysis – inputs to policy making

- Financial market analysis and intelligence, including country experience
- Managing and forecasting liquidity, including country experience
- Effective implementation frameworks and various instruments and type of auctions
- Liquidity forecasting tools
- The journey towards inflation targeting – experience by the SARB

The seminar will require close interaction among the participants, with the resource persons guiding the interactions. Participants from select countries will be asked to make presentations on their country experiences. Presentations will be given by international experts in the area. Participants are expected to review the reading materials on the list of references.

| *Language requirements:* |
| --- |
| The seminar will be conducted in English, thus all materials and presentations will be in English only. |

References:


- IMF, 2015, "Evolving Monetary Policy Frameworks in Low-Income and Other Developing Countries", Board Paper 15/172
- Laurens, B. J., K. Eckhold, D. King, A. Naseer, N. Maehle, and A. Durré, 2015, "The Journey to Inflation Targeting: Easier Said than Done. The Case for Transitional Arrangements along the Road," IMF Working Paper WP/15/136.
- Maehle, Nils, 2016, Monetary Policy Implementation: Operational Issues for Countries with Evolving Monetary Policy Frameworks. IMF Working Paper 14/xx
- Consultation paper on selected interest rate benchmarks in South Africa http://www.resbank.co.za/Lists/News and Publications/Attachments/8722/Consultation Paper 28-08-2018.pdf
- Report on stakeholder feedback on the reform of interest rate benchmarks in South Africa http://www.resbank.co.za/Lists/News and Publications/Attachments/9269/Report on stakeholder feedback on the reform of interest rate benchmarks in South Africa.pdf
- Markets (tab) on the SARB website http://www.resbank.co.za/Markets/Pages/default.aspx



## IMPROVING BUDGET OUTCOMES THROUGH TRANSPARENT AND GENDER RESPONSIVE BUDGETS

SEMINAR COORDINATOR: MR. ROBERT CLIFTON

| *Area of technical assistance:* | *PUBLIC FINANCIAL MANAGEMENT* |
|---|---|
| **Targeted audience:** | Budget Directors and staff from AFRITAC South member countries |
| **Participation:** | 3 participants per country |
| **Dates:** | September 23-27, 2019 |
| **Venue:** | Pretoria, South Africa |

**Seminar description**

An open, accessible and responsive budget is one of the most important enablers for achieving the ultimate outcomes of public financial management (PFM), namely aggregate fiscal discipline, strategic allocation of resources, and efficient service delivery. At the same time, the credibility of the budget is highly dependent on the strength of the PFM system as whole. Orderly and inclusive budget preparation including openness in forecasting macro-fiscal trends, revenue and expenditure estimates, as well as disclosing budget execution information regularly and in meaningful formats reflects a robust PFM system.

According to the Open Budget Survey 2017, progress in budget transparency has slowed with governments making less fiscal information available in recent years. In Sub-Saharan Africa the declines were the most pronounced. In addition, the inclusive nature of budgets needs to be considered from the gender perspective. Gender equality improves macroeconomic outcomes and make societies more resilient to economic downturns. At the same time, embedding gender responsive practices in the budget process must be done within a credible medium-term budget framework and subject to the same prioritization criteria applied to other budget reforms.

But what are the best approaches to making strides in budget transparency and gender responsiveness? What are the preconditions and the underlying reforms to be undertaken? The purpose of this seminar is to bring together senior budget officials from governments in the region for both knowledge development and peer-to-peer exchange of ideas and experiences. The seminar will provide an overview of good practices and take stock of the regional status of implementation, main gaps and avenues for reform. The existence of both mature and emerging practices in Southern Africa moving towards much higher levels of budget transparency and gender responsiveness creates opportunities for reviewing lessons learnt and considering how contextually appropriate reforms can be designed and implemented to ensure better budget outcomes.

AFS will liaise with the IMF's Fiscal Affairs Department to mobilize international and regional experts in different aspects of developing and implementing good practice. Observers from regional organizations and blocs will also provide a regional integration perspective of the ongoing initiatives.

The seminar will cover the following main topics:

- **Understanding the concepts, opportunities and the challenges to budget transparency.** Publications and content of budget documents and fiscal reports necessary to improve transparency.
- **Systems and methods to improve accessibility, usefulness of budget information to enhance budget transparency.** Underlying capabilities necessary to ensure sustained improvement in budget transparency and levels of public access to information.

- **Gender responsive budgeting (GRB) conceptual framework.** Objectives of gender budgeting, IMF initiatives in GRB, presentation and discussion of the methodology developed in the IMF G7 Paper on GRB and subsequent expansions.
- **Good PFM principles to implement gender policies over the budget cycle.** This includes medium-term planning, annual budget preparation, and execution.
- **Country experiences in budget transparency and GRB.** Each country will present its own experiences in enhancing budget transparency and GRB.

| *Language requirements:* |
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| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. |



HIGH-LEVEL SEMINAR ON REVENUE ADMINISTRATION GOVERNANCE- JOINT AFE-AFS-AFW2

SEMINAR COORINATORS: MESSRS BERLIN MSISKA, THABO LETJAMA and HENRY KAPERI

| *Area of technical assistance:* | *REVENUE ADMINISTRATION* |
|---|---|
| **Targeted audience:** | Commissioners General, chairpersons of governing boards, and Principal Secretaries responsible for Finance |
| **Participation:** | Maximum of 3 participants per country: Commissioner General, Board Chair, and Principal Secretary responsible for Finance |
| **Dates:** | September 23-25, 2019 |
| **Venue:** | Cape Town, South Africa |

## Background and Description

Good governance is one of the key drivers of sustainable and good performance in revenue administrations. The level of transparency, accountability, and integrity of the revenue administration determines the extent to which the public have confidence and trust in the revenue administration to competently and fairly execute its mandate. Limited trust and confidence in the revenue administration limits the extent to which taxpayers voluntarily comply with their tax obligations and ultimately affect revenue performance.

In addition, the operating environment is rapidly changing compelling revenue administrations to think differently about governance areas including strategy; technology; risk management; compliance; (by taxpayers and by the administration itself to governing laws and regulations), assurance; and stakeholder inclusiveness. Governing boards or governance bodies for revenue administrations are tasked with directing the administrations to overcome these challenges and deliver good and sustainable performance.

The Fund and in collaboration with African Tax Administration Forum (ATAF) successfully ran workshops in the past on governance, and the last one for Commissioners General, Chairpersons of governing boards, and Principal Secretaries responsible for Finance was held in Cape Town during September 2016. The participants requested more similar events to continue discussions on governance topics including (i) role and powers of the Minister, the Ministry, the Board, and the Commissioner General; (ii) accountability of the revenue administration to state oversight bodies; (iii) degree of stakeholder inclusiveness in running operations of the administration; (iv) alignment of the revenue authority strategy to broad government strategic direction and policy, and (v) role of the board in building an ethical culture, good performance, and effective control of revenue administration operations.

## Purpose of the Seminar

The purpose of this seminar- a joint event by AFRITAC East (AFE), AFRITAC South (AFS), and AFRITAC West 2 (AFW2) in collaboration with ATAF and the Commonwealth Association of Tax Administrators (CATA), is to strengthen governance arrangements for revenue administrations. It shall discuss key governance emerging issues and challenges facing revenue administrations in the 21$^{ST}$ century, discuss principles and practices of good governance, and create a platform for participants to share their experiences in instilling good governance in their respective countries.

Methodology

Experts shall lead discussions with presentations on outcomes, principles and practices of good governance. Panels of selected participants will be requested to discuss and share their experiences on governance practices in their domestic environment.

| *Language requirements:* |
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| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. |



## ESTABLISHMENT OF EFFECTIVE SYSTEMS AND PROCEDURES FOR CUSTOMS VALUATION

SEMINAR COORDINATOR: MR. PHILIP WOOD

| *Area of technical assistance:* | *Customs Administration* |
|---|---|
| **Targeted audience:** | Mid-level managers from central verification/valuation, risk management and policy units of revenue authorities. |
| **Participation:** | Two-three participants per country |
| **Dates:** | October 7-11, 2019 |
| **Venue:** | South Africa (TBC) |

### Seminar description

The seminar will focus on the practical application of the WCO good practice guidelines for the establishment and operation of a customs valuation unit and/or associated procedures. The focus will be on providing revenue authorities with details of the WTO GATT valuation rules and the practical actions required to ensure that authorities comply with their obligations as members of the WTO. The seminar will also review the latest IMF Technical Note on Valuation matters with a view to identify key risk areas and to develop appropriate risk-mitigation strategies designed to improve compliance. Guest speakers will also look to share practical examples of the results achieved through the practical application of the guidelines provided.

| *Language requirements:* |
|---|
| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. |



CORPORATE GOVERNANCE ISSUES IN BANKING SECTOR
SEMINAR COORDINATOR: Mr. P.R. RAVI MOHAN

| *Area of technical assistance:* | *Financial Sector Supervision* |
|---|---|
| **Targeted audience:** | Mid- to senior-level supervisors of banks from central banks/prudential supervisory agencies of SADC countries working in Supervisory policy, off-site and on-site examination in the supervision department, macroprudential supervision, and prudential regulation/accounting/financial stability |
| **Participation:** | Two-three participants per country |
| **Dates:** | October 14-18, 2019 |
| **Venue:** | South African Reserve Bank's Academy, Pretoria, South Africa |

**Seminar description**

The Global Financial Crisis has resulted in an overhaul of the global financial regulatory and supervisory architecture and has been instrumental for a paradigm shift in the manner in which financial institutions classify, measure and manage various categories of risk. The scope of banking regulation and supervision has also been extended to include elements of Corporate Governance. Consequently, the international standard setters issued revised/enhanced standards relating to Corporate Governance. The Basel Committee on Banking Supervision (BCBS) in 2015 issued Corporate Governance Principles for Banks, which focus on addressing deficiencies at the level of Board of Directors. The organization of Economic Co-operation and Development (OECD) has also issued revised Corporate Governance standards. IMF's initiatives on Governance and Corruption resulted in publication of the policy papers in August 2017. The Financial Stability Board (FSB) has also done considerable work in the area of Corporate Governance including stocktaking of governance practices in major banks and thematic peer reviews.

One of the main lessons from the Global Financial Crisis is the need to strengthen Corporate Governance, both in terms of the regulatory/legislative frameworks and in respect of the practices by the financial institutions. Effective Corporate Governance is critical to the proper functioning of the financial system and financial stability. It plays a critical role in making the financial institutions resilient and the financial sector robust, thereby facilitating mitigation of systemic risk. Failure of Corporate Governance principles and practices has been a primary reason for the crisis in financial institutions and markets across the globe in recent times.

The overarching goal of the seminar is to enhance the ability of prudential regulators and bank supervisors/examiners to understand the implementation challenges of the reform process set in motion by the international standard setters with specific focus on the above-mentioned principles/standards. The seminar is designed to familiarize participants with the underlying concepts of Corporate Governance and enable them to issue appropriate guidelines in their jurisdictions. It will also equip them with the tools and techniques for conducting supervision of banks/financial institutions under the new framework in the most effective way.

The seminar aims to make participants aware of the inter-linkages between Corporate Governance and the regulation/supervision of AML/CFT portfolio. Aided by this awareness, officials will be better equipped to design regulatory/supervisory frameworks appropriate for their jurisdictions.
The participants will have the opportunity to discuss and learn the following:

- Conceptual issues of Corporate Governance, evolution, lessons and recent developments
- Principles issued by various standard setters relating to Corporate Governance
- Regulatory Approach in different jurisdictions in framing Corporate Governance guidelines

- Legal enforceability of the measures
- AML/CFT issues and the inter-linkages with Corporate Governance
- Country experiences. Presentation by participants

The seminar will require close interaction among the participants, with the resource persons guiding the interactions. Participants from select countries will be asked to make presentations on their country experiences. Presentations will be given by international experts in the area. Participants are expected to review the reading materials on the list of references.

| *Language requirements:* |
| --- |
| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. All materials and presentations will be in English only. |

References:


- IMF
  - Policy Paper, "The role of the Fund in Governance Issues- Review of the Guidance Note" (August 2017)
  - Policy Paper, "The Role of the Fund in Governance Issues- Review of the Guidance Note- Background Notes" (August 2017)
  - Policy Paper, "Key Aspects of Macroprudential Policy" (2017)
- BCBS
  - "Basel III: A Global Regulatory Framework for More Resilient banks and Banking Systems"
  - "Basel Core Principles for Effective Banking Supervision" (September 2012)
  - "Corporate Governance Principles for Banks" (July 2015)
- FSB
  - Thematic peer review on Corporate Governance (April 2017)
- FATF
  - Risk Based Approach- Guidance for the banking sector 92014)
- Others
  - OECD revised principles on Corporate Governance (September 2015)
  - Adrian, Tobias "Risk Management and Regulation" Journal of Risk 20, 2017.
  - European Central Bank, SSM Thematic Review on Corporate Governance.



REGULATORY, SUPERVISORY AND OVERSIGHT RESPONSIBILITIES: TOWARDS COMPLIANCE WITH THE CPSS-IOSCO PRINCIPLES FOR FINANCIAL MARKET INFRASTRUCTURES

WORKSHOP COORDINATOR: MS. FAITH STEWART

| *Area of technical assistance:* | *Financial Market Infrastructures & Payments* |
|---|---|
| **Target audience:** | Senior- and mid-level professionals responsible for the operation, regulation and oversight of the payment, clearing & settlement systems |
| **Participation:** | Maximum two participants per central bank/country |
| **Dates:** | November 11-15, 2019 |
| **Venue:** | Ebene, Mauritius |

## Background and Description

Financial market infrastructures (FMIs) facilitate the clearing, settlement, and recording of monetary and other financial transactions and are critical for the effective conduct of monetary policy. They enable improved risk management and can strengthen the markets they serve. However, if not properly managed, they can pose significant risks to the financial system and be a potential source of contagion, particularly in periods of market stress. Because of their critical importance for financial stability, risk management standards have been promulgated for the operations of FMIs and oversight responsibilities for regulators, supervisors and overseers of these systems. These are the CPSS-IOSCO Principles for Financial Market Infrastructures (PFMI) published in 2012 by the Committee on Payment and Settlement Systems (CPSS) of the Bank for International Settlements and the Technical Committee for the International Organization of Securities Commissions (IOSCO).

## Purpose of the Workshop

The workshop is a joint initiative with the IMF's Regional Technical Assistance Center in East Africa (AFRITAC East, AFE). Accordingly, a total of twenty countries are targeted. The workshop is being hosted in conjunction with the MEFMI. It is intended for senior and mid-level officials of central banks and other agencies and operators involved with the operation, regulation and oversight of the payment, clearing and settlement systems. The workshop responds to the needs of member countries to strengthen legal, governance and risk management frameworks (Principles 1 to 3) and fulfil the regulatory, supervisory and oversight responsibilities (Responsibilities A to E) of the PFMI. It will provide a forum to discuss member countries' experiences and progress on these fronts and enhance internal capability to conduct assessments of these elements. Allied to the analysis of principle 1 (Legal Basis), member countries have requested that the forum also discuss how policy and regulatory environments have evolved/are evolving to address the key risks, opportunities and regulatory challenges associated with the use of the emerging financial technologies (fintech).

## Methodology

The workshop brings together officials from two regions, and is designed to be interactive, allowing for extensive peer-to-peer exchange. Presentations will be given by technical and legal experts. Using a case study approach, participants will apply the selected principles and responsibilities to a hypothetical country, identify weaknesses and propose recommendations. Some participants will also be selected to make presentations on the key features of their legal and regulatory environment for FMIs and fintech. The CPSS-IOSCO Principles for Financial Market Infrastructures (April 2012) and the related Disclosure Framework and Assessment Methodology (December 2012) are **required reading** as part of the preparations. These documents are accessible at the following links: *https://www.bis.org/cpmi/publ/d101a.pdf* ; *https://www.bis.org/cpmi/publ/d106.pdf*

| *Language requirements:* |
| --- |
| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. All materials and presentations will be available in English only. |



MONETARY POLICY FORECASTING AND ANALYSIS
COURSE COORDINATOR: MS. CARINA SELANDER

| *Area of technical assistance:* | *Monetary Policy Forecasting and Analysis* |
|---|---|
| Targeted audience: | Mid- to senior-level staff involved in monetary policy forecasting and modeling Research/Monetary Policy Departments of the Central Banks in the AFRITAC South region |
| Participation: | Three participants per country; Two with capacity and experience in running the CB's macro model and one with capacity to run the nowcasting models used. |
| Dates: | December 2-13, 2019 |
| Venue: | Ebene, Mauritius |

**Seminar description**

A more detailed seminar description will be provided at a later stage when date, venue, and cooperating partners have been confirmed.

The seminar will require close interaction among the participants, with the resource persons guiding the interactions. Participants will be asked to make presentations on their country specific macro models, forecast processes, nowcasting frameworks etc. experiences. Presentations will be given by international experts in the area. Participants are expected to review the reading materials on the list of references.

**Each country team will be required to bring their own models, data and laptops**

| *Language and other requirements:* |
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| The seminar will be conducted in English, and all materials and presentations will be in English only. |

**References:**


- Andrle, M., A. Berg, E. Berkes, R. A. Morales, R. Portillo, and J. Vlcek, 2013, "Money Targeting in a Modern Forecasting and Policy System: An Application to Kenya," IMF Working Paper 13/239, available at www.imf.org.
- Beneš, Jaromír, Jaromír Hurník, and David Vávra, 2008, "Exchange Rate Management and Inflation Targeting: Modeling the Exchange Rate in Reduced-Form New Keynesian Models," Czech Journal of Economics and Finance, Vol. 3–4. Available via: http://journal.fsv.cuni.cz/storage/1128_str_166_194--benes-hurnik-vavra.pdf
- Berg, A., P. Karam, and D. Laxton, 2006a, "A Practical Model-Based Approach to Monetary Policy Analysis—Overview," IMF Working Paper 06/080 (April 2006), available at www.imf.org ———, 2006b, "Practical Model-Based Monetary Policy Analysis—A How-to Guide," IMF Working Paper 06/081 (April 2006), available at www.imf.org
- Berg, Andrew, Philippe D. Karam, and Douglas Laxton, 2006, "Practical Model-Based Monetary Policy Analysis—A How-To Guide," IMF Working Paper 06/81 (Washington: International Monetary Fund), available at: http://www.imf.org/external/pubs/ft/wp/2006/wp0681.pdf
- Laxton, Douglas, David Rose, and Alasdair Scott, 2009, "Developing a Structured Forecasting and Policy Analysis System to Support Inflation-Forecast Targeting (IFT). IMF WP/09/65, available at www.imf.org.



VOLUME AND PRICE MEASURES IN NATIONAL ACCOUNTS
SEMINAR COORDINATOR: MR. ACHILLE PEGOUE

| *Area of technical assistance:* | *Statistics* |
|---|---|
| **Targeted audience:** | The seminar is designed for annual and quarterly national accounts compilers from the statistical agencies responsible for official national accounts data. |
| **Participation:** | Limited to two–three participants per country [AFS and COMESA countries] |
| **Dates:** | January 13-17, 2020 |
| **Venue:** | Livingstone, Zambia |

**Seminar description**

The main objective is to strengthen the participants' knowledge of national accounts concepts and methods relating to the implementation of international standards and best practices.

This five-day seminar will focus on the decomposition of transactions included in GDP into price and volumes. Issues with the choice of the base and reference year and the use of deflation or extrapolation methods. Participants will be invited to list specific questions, topics, issues which will be discussed during the seminar. The seminar will consist of lectures and workshop sessions.

**Reference:**

*System of National Accounts 2008*; European Commission, International Monetary Fund, Organization for Economic Co-operation and Development, United Nations and World Bank.
*Quarterly National Accounts Manuel 2017 Edition,* International Monetary Fund.
*Handbook on price and volume measures in national accounts 2001, EUROSTAT*

| *Language and other requirements:* |
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| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese if required |



STRENGTHENING PUBLIC DEBT MANAGEMENT AND MANAGING PUBLIC WEALTH

SEMINAR COORDINATOR: MR. SYBI HIDA

| *AREA OF TECHNICAL ASSISTANCE:* | *PUBLIC FINANCIAL MANAGEMENT* |
|---|---|
| **Targeted audience:** | Macro-Fiscal Departments, Debt Management Departments and Public Private Partnerships Units. Staff from AFRITAC South member countries as well as COMESA, SADC and selected AFRITAC East countries |
| **Participation:** | 2-3 participants per country |
| **Dates:** | January 20-24, 2020 |
| **Venue:** | Pretoria, South Africa |

**Seminar description**

The economic recovery in sub-Saharan Africa continues, but there is duality in growth performance and prospects within the region. About half of the region's countries, mostly non-resource-intensive, are expected to grow at 5 percent or more, and see a faster rise in income per capita than the rest of the world on average over the medium term. The remaining countries, comprising mostly resource-intensive countries are expected to fall behind. However, these countries also share the challenges of strengthening resilience and creating sustained high and inclusive growth. Addressing these challenges will require, among others, strengthening public financial management, ensuring efficient public investment, containing fiscal risks from state-owned enterprises and public-private partnerships (PPP), improving debt management, and enhancing debt transparency[1].

The IMF and other international organizations have provided guidelines and tools to help countries to address the above challenges. Some of these include the public sector balance sheets (PSBSs) approach, a PPP fiscal risks assessment model (PFRAM), and guidelines on strengthening public debt transparency. To enhance public debt transparency, particularly in developing countries, the IMF and the World Bank (WB) have prepared two notes on this. The first note outlines a work agenda to address identified issues in debt management capacity of member countries as well as in the scope and type of technical assistance being provided. And, the second note looks at how the IMF and the WB can strengthen public debt transparency, through their role in collecting and disseminating debt data, conducting and publishing public debt analysis, and supporting and promoting sustainable borrowing and lending practices.

On containing fiscal risks from PPPs, the IMF and WB have developed a PPP fiscal risks assessment model (P-FRAM). The P-FRAM is an analytical tool to quantify the macro-fiscal implications of PPP projects. It is designed to be used mostly by PPP units in ministries of finance, and it provides a structured process for gathering information for a PPP project in a simple, user-friendly, Excel-based platform, following a four specific steps.

Another useful approach and tool of strengthening public financial management is PSBSs approach, presented in the October 2018 IMF Fiscal Monitor. Using data from 31 countries the research shows that few governments know how much they own and owe. Public sector balance sheets provide the most comprehensive picture of public wealth. They bring together all the accumulated assets and liabilities that the government controls, including public corporations, natural

[1] Regional economic outlook. Sub-Saharan Africa: recovery amid elevated uncertainty.

resources, and pension liabilities. They thus account for the entirety of what the state owns and owes, offering a broader fiscal picture beyond debt and deficits. Most governments do not provide such transparency, thereby avoiding the additional scrutiny it brings. Better balance sheet management enables countries to increase revenues, reduce risks, and improve fiscal policymaking.

The aim will be to combine international knowledge and experience with Sub-Saharan Africa country experience to ensure effective knowledge transfer. AFS will liaise with the IMF's Fiscal Affairs Department to mobilize international experts in different aspects of developing and implementing good practice. Observers from regional organizations and blocs will also provide a regional integration perspective of the ongoing initiatives.

The seminar will cover the following main topics:

- Public debt management and transparency. Gaps in the recording, monitoring, and reporting of reliable and comprehensive public debt data. Prerequisites for effective debt recording, monitoring, and reporting. The consequences that lack of transparency can have for borrowers. The IMF and WB role in collecting, disseminating debt statistics, and carrying out debt analysis.
- Public-private partnerships and P-FRAM. Why do we worry about PPPs? What can governments do to manage PPPs? How can we use the P-FRAM to identify and evaluate PPP fiscal costs, fiscal risks, and mitigation measures to manage them?
- Managing public wealth: The public sector balance sheet. What do PSBSs look like, and how have they evolved? How can the PSBS approach improve risk analysis and promote resilience? How can the PSBS approach strengthen fiscal policy?
- Country experiences on public debt transparency and PPP management. Each country will present its own experiences on public debt transparency and management of PPPs.

| *Language and other requirements:* |
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| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese if required |

References:

International Monetary Fund. 2018. *Fiscal Monitor: Managing Public Wealth.* Washington, October.
International Monetary Fund. 2019. *Regional economic outlook. Sub-Saharan Africa: recovery amid elevated uncertainty.* Washington, April.
International Monetary Fund and World Bank. 2018. *G20 Notes on Strengthening Public Debt Transparency,* June.



## EFFECTIVE USE OF DATA ANALYTICAL TOOLS TO SUPPORT THE IMPLEMENTATION OF A RISK-BASED COMPLIANCE PROGRAM

SEMINAR COORDINATOR: MR. PHILIP WOOD

| *AREA OF TECHNICAL ASSISTANCE:* | *CUSTOMS ADMINISTRATION* |
|---|---|
| **Targeted audience:** | Mid-level managers from the risk management, analytical units or customs departments of revenue authorities. |
| **Participation:** | Two–three participants per country |
| **Dates:** | January 27–31, 2020 |
| **Venue:** | Ebene, Mauritius |

### Seminar description

The seminar will focus on the use of analytical tools for the purposes of identifying potential areas of non-compliance. The seminar will look to identify all data sources available to revenue authorities and to guide participants through the practical application of various tools and techniques. Guest speakers will also look to share practical examples of the results achieved through the use of the techniques and tools.

| *Language requirements:* |
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| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. |



FUNDAMENTALS OF PRICE STATISTICS

SEMINAR COORDINATOR: MS. DONNA GRCMAN

| *AREA OF TECHNICAL ASSISTANCE:* | *PRICE STATISTICS* |
|---|---|
| **Targeted audience:** | Price statistics compilers from the statistical agencies responsible for official price statistics data |
| **Participation:** | Two–three participants per country |
| **Dates:** | February 10-14, 2020 |
| **Venue:** | Gaborone, Botswana |

**Seminar description**

The main objective is to strengthen the participants' knowledge of price indices concepts and methods relating to the implementation of international standards and best practices.

This five-day seminar will focus on the fundamental data sources and compilation procedures as well as the challenges compilers face in developing/updating price indices. Topics will include general price indices issues; contributing to the development of source data surveys as well as analyzing the subsequent results; constructing expenditure shares; issues with the development/updating weights, selecting samples, quality adjustment issues, and pricing difficult items. Participants will be invited to list specific questions, topics, issues which will be discussed during the seminar.

| *Language requirements:* |
|---|
| The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required. |