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# AFRITAC South

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Independent Mid-Term Evaluation  
Phase I: June 2011 to April 2014

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Volume II: Appendices  
May 2015

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*These appendices comprise the second volume of a two-volume report.*

*This Report has been produced in English, French and Portuguese. In case of conflicts or inconsistencies between the versions, the English version prevails.*

## 1. EVALUATION TERMS OF REFERENCE

**TERMS OF REFERENCE FOR THE  
INDEPENDENT MID-TERM EVALUATION OF THE  
AFRICA REGIONAL TECHNICAL ASSISTANCE  
CENTER SOUTH (AFRITAC SOUTH)**

June 2014



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## I. BACKGROUND AND OBJECTIVES OF THE EVALUATION

### A. Background

1. The International Monetary Fund's (IMF) Africa Regional Technical Assistance Center South (AFRITAC South) was established in June 2011 in Mauritius to help countries in the region strengthen their capacity for effective macroeconomic management and to support the region's further integration into the world economy. AFRITAC South's specific objective is to strengthen the institutional and human capacities of governments to manage public finances effectively, maintain robust financial systems, and produce reliable macroeconomic statistics. Its activities are directed to five areas that are common policy challenges for member countries: revenue administration; public financial management; financial sector supervision; macroeconomic statistics; and monetary policy framework operations.
2. AFRITAC South provides technical assistance (TA) and training to 13 beneficiary countries<sup>1</sup> over a five-year cycle. AFRITAC South's first cycle started in June 2011 and is scheduled to end in April 2017. AFRITAC South's operations are funded by contributions from the host country, the IMF, and bilateral and multilateral donors<sup>2</sup>, including AFRITAC South's beneficiary countries. The total budget of AFRITAC South for the current five-year funding cycle was originally estimated at about US\$59 million.
3. Operations are guided by a rolling annual work plan within a results-based management (RBM) framework that was established in FY 2013 during the second year of AFRITAC South's operations. This approach ensures that activities are planned and implemented, as integral part of the overall IMF TA program, on the basis of beneficiary country needs, and are complementary to other forms of IMF TA and those of TA providers. AFRITAC South is guided by a steering committee (SC) composed of representatives of the authorities of the AFRITAC South countries, the donors, and the IMF. During the first two years of operations, the SC met twice a year to discuss the Center's strategic directions, review progress against its work plan, and discuss and endorse a work plan for the next year and beyond. From FY 2014, the SC meetings shifted to an annual cycle.
4. AFRITAC South's assistance to beneficiary countries, which is provided through eight resident advisors, short-term experts (STXs) visits, and HQ-led diagnostic missions, is based on assessment of the TA and training needs of member countries, TA demands from those countries, and IMF TA priorities for the region. The activities in the Center, which may also include TA in areas not covered by the resident advisors, are backstopped by subject-matter specialists at IMF headquarters.

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<sup>1</sup> Angola, Botswana, Comoros, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia and Zimbabwe. The Executive Board of the IMF suspended delivery of TA to Zimbabwe in 2002, and partially lifted the suspension in 2009. AFS provides TA to Zimbabwe only in areas in which the suspension has been lifted. The IMF and AFRITAC South re-engaged with Madagascar in mid-March 2014, following the normalization of the political situation in the country.

<sup>2</sup> Donors include the African Development Bank, Australia, Brazil, Canada, UK Department for International Development (DFID), European Union (EU)-ACP, EU-COMESA, EU-SADC, European Investment Bank (EIB), Germany (German Agency for International Cooperation), Swiss Economic Cooperation (SECO), and the host country, Mauritius.

## B. Objectives of the Mid-Term Evaluation

5. The terms and conditions governing establishment and operation of the AFRITAC South multi-donor trust fund call for independent evaluation of the Center's activities. They specify that evaluation of activities financed by the AFRITAC South subaccount "will be initiated no later than 40 months after the activities financed under the subaccount with respect to each funding cycle have begun." In response, the AFRITAC South Program Document "proposes that, after no fewer than three years of operation, an independent external evaluation of the work of AFRITAC South be carried out by a team of independent experts. The evaluation will assess the effectiveness and sustainability of its TA, bearing in mind the long-term nature of capacity building. The evaluation will formulate recommendations for improvement. The findings of the evaluation will inform discussions of AFRITAC South's future operations".<sup>3</sup> This evaluation covers the first funding cycle (i.e., June 2011 to April 2017). Its objective is to assess the relevance of the program document, and the extent to which AFRITAC South has led to tangible results and is achieving its objectives efficiently and effectively, and whether the TA delivered is sustainable. The Center has been in operation for slightly more than two and a half years.

6. The evaluation will assess the extent to which AFRITAC South is achieving the advantages typically associated with delivering TA through Regional Technical Assistance Centers (RTACs): sound identification of country TA needs, rapid and flexible TA delivery, close interaction with beneficiary country authorities, strong country ownership, and effective exchange of information with other TA providers and donors in the region. The evaluation will identify the challenges and risks that AFRITAC South has faced in conducting TA and training, and what has been done to address these challenges and mitigate risks. On the basis of AFRITAC South's work and experience the evaluation will identify key lessons learned and make recommendations for improvement in the delivery of the center's capacity development. The evaluation will also look into how the recommendations of the previous evaluations have been taken into account in the design of AFRITAC South (AFRITAC East and West in 2009).

7. To address these objectives, evaluators will consider a set of linked questions, detailed below, that relate to (a) the relevance of AFRITAC South TA and training activities; (b) the efficiency by which resources (human resources/expertise, financial resources, and time) were allocated to achieve the desired outcomes; (c) the effectiveness of AFRITAC South TA and training—i.e., progress toward the outcomes identified in the Program Document; (d) the extent to which these are likely to be sustained; and (e) impact of AFRITAC South TA on beneficiary countries.

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<sup>3</sup> Page 70, paragraph 132 of the AFRITAC SOUTH Program Document that can be found at <http://www.imf.org/external/np/exr/key/RTACs.htm>.

8. AFRITAC South has recently introduced new tools to support RBM, including a strategic logical framework (log frame) for the Center, a series of topical log frames for TA area to guide the work of the resident advisors, and a new format for the work plan to track inputs. AFRITAC South has also built a database that provides for flexible management and reporting of the log frame and work plan. The evaluation will assess AFRITAC South's functionality and utilization of these tools to improve the efficiency of its operations.

### C. Steering Arrangements for the Mid-Term Evaluation

9. The IMF Institute for Capacity Development's Global Partnerships Division (ICDGP) will serve as secretariat of the evaluation, managing the procurement process, supporting information-gathering for the evaluation, and keeping the evaluation process on track. While the evaluation report will be addressed to the entire SC, an Evaluation Sub-Committee (ESC) has been established to guide the evaluation. The creation of ESCs is part of IMF evaluation practice and allows SCs to actively participate in the evaluation process. ICDGP will also serve as secretariat of the ESC.

10. The role of the ESC is to provide strategic guidance for the evaluation and to ensure that it takes into account issues relevant to stakeholders. The ESC will (1) review, comment, and agree on the draft terms of reference (TOR); (2) review and advise on the Inception Note prepared by evaluators; and (3) review and comment on the draft evaluation report. Whilst the ESC will guide the evaluation, and provide comments on draft outputs, it will have no power to determine what is included in the reports, and the evaluators will remain free to reach their own conclusions.

11. The ESC is chaired by a chair (a representative from a member country) who was selected by the ESC in consultation with the Chairperson of the SC. The ESC has 11 members, distributed as follows:

- ESC Chair – a representative of a member country (1)
- Member countries (2)
- Donors (3)
- IMF area department (1)
- IMF TA departments (3)
- IMF ICD (1)

## II. EVALUATION QUESTIONS

12. The evaluation will address linked questions aligned with best international practice and reflect the OECD's Development Assistance Committee criteria of relevance, efficiency, effectiveness, sustainability, and (likely) impact. Of these, relevance is fundamental — without it, no interventions can be effective, and where relevance and effectiveness are absent, efficiency cannot be tested. Finally, without relative success in the other three dimensions, no intervention is likely to be sustainable. While it is impossible to assess impact (e.g. on economic growth and poverty reduction) after only a rather short time of the center's operations, it should be possible to assess the extent to which the program has contributed to the sorts of conditions that would deliver the impact and the circumstances in which it is reasonable to expect that contribution to result in the expected impact.

13. Table 1 summarizes the basic evaluation questions.

**Table 1: Basic Evaluation Questions**

| DAC Criterion | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Relevance     | <ul style="list-style-type: none"> <li>• To what extent are the interventions consistent with program document?</li> <li>• Is AFRITAC South meeting the priority needs of member countries and is TA aligned with national reform priorities and regional integration objectives?</li> <li>• Is AFRITAC South's assistance sufficiently tailored to meet the differing needs of its diverse membership (e.g. LIC and MIC)</li> <li>• To what extent are AFRITAC South activities effectively coordinated with the work of development partners operating in the same sectors?</li> <li>• To what extent does AFRITAC South TA complement IMF TA programs (e.g. Topical Trust Funds) and TA provided by other organizations?</li> <li>• To what extent does AFRITAC South TA complement core IMF tasks and what would be the risks of overlap (e.g. in terms of accountability)?</li> <li>• Is the SC effective in ensuring strong country ownership of AFRITAC South activities and governance of the Center including strategic direction and oversight?</li> <li>• Has AFS succeeded in establishing a clear comparative advantage compared with other sources and delivery modes of related TA?</li> </ul> |
| Efficiency    | <ul style="list-style-type: none"> <li>• Are AFRITAC South activities delivered efficiently in terms of (i) implementation (e.g., timeliness in executing the work plan, follow up on TA delivered); (ii) use of resources (i.e., cost efficient achievement of results, including overhead cost, also in comparison with other TA providers); and (iii) monitoring and reporting (including dissemination of TA reports)?</li> <li>• Has AFRITAC South worked effectively to leverage its assistance with other TA provided by the IMF and other development partners?</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| DAC Criterion  | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                | <ul style="list-style-type: none"> <li>• To what degree do AFRITAC South's systems and institutional set-up allow for retention of organizational memory (e.g. to facilitate follow-up as needed, avoid duplication of effort, improve handovers, etc.)?</li> <li>• To what extent has backstopping from the HQ been an efficient way of quality control of RTAC activities?</li> <li>• Is the current shared management model of AFRITAC South together with the IMF Africa Training Institute efficient?</li> <li>• Has AFRITAC South in its first three years established robust management and operational systems (RBM, financial, document management systems, etc)?</li> <li>• To what extent is the RBM framework actually used for planning, monitoring and reporting, and does it adequately meet the needs of all stakeholders?</li> <li>• How does the heterogeneous national languages affect the efficiency of the TA provided to the member countries?</li> </ul> |
| Effectiveness  | <ul style="list-style-type: none"> <li>• To what extent have AFRITAC South TA and training led to tangible and lasting results and strengthened capacity? What progress has been achieved against the objectives in the results-based management framework?</li> <li>• Has the Center and its proximity to the Africa Training Institute helped to integrate TA and training?</li> <li>• Are peer-to-peer learning approaches and support to regional training institutions adequately used to support the effective delivery of TA and sustainable strengthening of capacity? What contribution has AFRITAC South made to building a robust network of local experts in the region, and to systematically identify and optimize the use of local and regional expertise?</li> <li>• Is the provision of TA under five-year funding programs effective?</li> <li>• Has the RBM framework improved AFRITAC South's effectiveness?</li> </ul>                                      |
| Sustainability | <ul style="list-style-type: none"> <li>• What factors affect sustainability of TA and training delivered by AFRITAC South? How are these factors (e.g., absorptive capacity of beneficiary countries) incorporated into the planning of the AFRITAC South work programs?</li> <li>• How have beneficiaries incorporated recommendations from AFRITAC South TA into their daily operations?</li> <li>• What are the challenges and risks faced in conducting TA and training in AFRITAC South member countries and sustaining the results achieved? Does AFRITAC South manage challenges and risk appropriately so as to ensure its delivery of effective TA?</li> </ul>                                                                                                                                                                                                                                                                                                          |

| DAC Criterion | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impact        | <ul style="list-style-type: none"> <li>• Is the AFRITAC South aggregated project level impact as defined in the program document being achieved or likely to be achieved?</li> <li>• What difference did the AFRITAC South TA and training bring to the beneficiary countries?</li> <li>• What impact did AFRITAC South TA have on the beneficiary countries in the areas of the Center's activity (e.g., intended and unintended results).</li> <li>• To what extent have external factors affected the impact of AFRITAC South TA (such as changes in basic policy environments, general economic and financial conditions, political instability, natural disasters, presence of IMF programs or budget support, etc.)?</li> <li>• What types of interventions are having the biggest impacts and in which sectors/areas?</li> <li>• Where is TA having the least traction and why?</li> </ul> |

14. Building on the answers to the evaluation questions, evaluators will assess the quality of the program document, consider the extent to which the underlying logic for AFRITAC South is still valid; whether there is still a clear role for AFRITAC South; and whether given its size and skills' mix, the Center is able to fulfill its and whether this level of operations can be sustained financially.

15. The evaluation should report on any significant lessons that can be drawn from the experience of AFRITAC South and other RTACs, highlighting strengths and weaknesses, and provide a focused, prioritized set of recommendations for improvement. It should also respond to any suggestions received during the course of the review on the direction of AFRITAC South operations and areas of work.

### **III. METHODOLOGY**

#### **A. Evaluation Criteria and Ratings**

16. A quantitative rating scheme will be used to (a) ensure transparency in the judgments made by evaluators; and (b) allow for aggregation across RTACs and functional areas. As an example, Appendix B presents a rating scheme consistent with that used in the 2009 external evaluations of other RTACs. In the Inception Note, evaluators will assess the adequacy of this rating scheme, considering that a consistent methodology will facilitate comparative analysis across all evaluations. The evaluators may propose amendments or refinements to the rating scheme. To deter the risk that these changes may undermine adequate comparative analysis with previous evaluations of RTACs, the evaluator should explain: how the recommendations to change the scheme would affect making these comparisons, and how the ESC and the SC will conduct such comparisons following changes to the scheme.

## B. Information Sources

17. The evaluation will draw on information from a range of sources, particularly IMF documents and data (see Appendix C for a list of documents); interviews with country authorities and the SC (including staff of beneficiary countries and donor representatives); and case studies. Each evaluation criterion should be assessed using at least two different information sources.

- **Document and data analyses:** Evaluators will be expected to analyze all available materials, including work plans, project/mission TORs, TA reports, SC minutes, SC member comments in the context of written procedure consultations, previous evaluations of RTACs, and internal transaction documents produced by the center coordinator, resident advisors, and STXs. Financial information will also be provided. Evaluators will also review recent trends in the main macroeconomic indicators in the member countries, to assess the extent to which countries are already succeeding in achieving macro policy targets—which will have a bearing on the nature and scale of AFRITAC South.
- **Interviews:** Evaluators will conduct semi-structured interviews with country authorities, SC members, AFRITAC South staff and other development partners. While all interviewees will be given the opportunity to comment across the full scope of the evaluation, interviews with country authorities are expected to cover in particular the appropriateness and responsiveness of the TA and training provided by both resident advisors and short-term experts and explore and document any specific results. Evaluators can propose to meet and interview those who served as counterparts when the TA was delivered and who may now be serving elsewhere in the government. Evaluators will also be expected to meet in Washington, with staff from IMF TA and area departments and ICD.
- **Survey:** Evaluators should conduct a survey to consult a wider range of individuals in beneficiary countries and the SC. Other donors currently not SC members as well as other TA providers should also be surveyed or consulted. Use of any online survey tool will be subject to review and approval by the IMF IT Security team. If Evaluators intend to use an online survey tool, evaluators are required to provide information about the tool in their response to this RFP.
- **Case studies (sample of countries/projects):** To provide deeper analysis and illustrate successes, challenges and gaps, evaluators will be expected to visit three or four countries in the region to draw up case studies that can be disseminated. Evaluators will propose a diverse and representative set of countries, case studies, both geographically and with respect to the Center's areas of activity.
- **Risks:** The key risks for this evaluation will be around the objectivity of evaluators and the availability of information, given that this is the first phase of AFRITAC South.

## IV. TIMING AND DELIVERABLES

### A. Timing

18. The evaluation is expected to begin in September 2014 and the draft final report disseminated to the SC by January 2015. Evaluators will be contracted for a maximum of 145 person-working-days including travel during that period. The evaluation process will be carried out in three phases: a desk phase, a field phase, and a synthesis phase.

- **Desk Phase:** Within four weeks after the contract is signed and before the field phase begins, evaluators will (i) conduct a desk review of documents; (ii) visit IMF headquarters to interview staff in the ICDGP, TA departments, and the African Department (AFR), including the center coordinator in Mauritius, and other stakeholders (key donors, SC Chair, etc); and (iii) prepare an Inception Note (see below), to be finalized in consultation with ICDGP and the ESC. Before embarking on the field phase, evaluators will hold a briefing for IMF staff. Total estimated work time: about 50 person-days.
- **Field Phase:** Evaluators will visit AFRITAC South and beneficiaries in three or four countries. They will ensure adequate consultation with, and involvement of, a variety of stakeholders, working closely with government authorities and agencies, and where relevant, donor offices. This will take place through face to face interviews, survey, phone and email exchanges. AFRITAC South will cooperate in providing contact details, where requested, and will provide official documentation explaining the center's support for the evaluation that will help to ensure collaboration from member countries and other stakeholders. However, AFRITAC South will not assist with logistical arrangements, as this could affect the independence of the evaluation. Total estimated work time: about 40 person-days including travel.
- **Synthesis Phase:** This phase is mainly devoted to drafting the report and any necessary follow-up interviews with IMF staff. Evaluators will make sure that assessment is objective and balanced and recommendations realistic, practical, and implementable and prioritized. The evaluation team will draft a report in English presenting the main findings, lessons learned, and recommendations, accompanied by a summary of the information gathered. The draft report will be prepared in English, French and Portuguese and submitted electronically to the entire SC. After receiving SC comments on the draft, the evaluation team will finalize the report. The revised draft report with comments incorporated should be delivered by March 2015. Evaluators will present the report findings to the AFRITAC South SC at its annual meeting planned for April 2015, or earlier. The final report will be posted on the AFRITAC South website after SC endorsement. Total estimated work time: up to 55 person-days, including the SC briefing and associated travel.

## B. Deliverables

19. The evaluation team will provide three deliverables, to be produced in English, French and Portuguese:

- **Inception Note:** The Inception Note will set out the methodology for data collection and analysis, including criteria for selection of samples or case studies; draft interview and survey instruments; a detailed work plan for data collection; list of potential interviewees; and an outline of the draft evaluation report table of contents. The draft Inception Note will be disseminated to the ESC and the final version endorsed by the ESC. This note should not exceed 10 pages, excluding annexes.
- **Draft Evaluation Report.** The draft Evaluation Report will be disseminated to the entire SC for comments. The ESC may request a video or teleconference to discuss consolidated comments to the draft report. This stand-alone report should not exceed 40 pages, excluding annexes. The report should also include an executive summary of no more than two pages.
- **Final Evaluation Report.** The ESC or the SC may request a brief presentation of the main messages of the report. This draft stand-alone report should not exceed 40 pages, excluding annexes. The report should contain no more than 10 recommendations that are focused, prioritized, and implementable. A summary presentation in a format to be agreed with the IMF will accompany this final report. Once discussed by the SC, the IMF will make the final evaluation report available on the AFRITAC South website.

## V. EVALUATOR QUALIFICATIONS

20. The evaluation team should demonstrate the following qualifications:

- Extensive knowledge of the issues covered by IMF TA and training, and expertise in the delivery and review of TA. Strong macroeconomic background, some experience in macroeconomic policy making and technical expertise in the TA areas covered by the Center are desirable.
- Knowledge of the work of other development partners in the region and their approaches.
- Experience in the region and countries served by AFRITAC South.
- Extensive experience in evaluation, especially evaluation of TA and training and familiarity with the OECD DAC evaluation criteria and the Paris/Accra/Busan principles.
- Ability to work effectively in English and Portuguese; working knowledge of French desirable.
- Knowledge of the work of other development partners in their region and their approaches.

21. Evaluators are also expected to outline the quality controls they will put in place to ensure the quality of all deliverables. In particular, bidders should lay out in their proposals how they will ensure independence/managing risk of bias, range of data, etc.

## APPENDICES

### A. Recommendations from the 2009 AFRITACs Evaluation

#### 2009 AFRITACs evaluation

- a) **Recommendation 1:** Office of Technical Assistance Management (OTM)<sup>4</sup>'s presentations during the negotiations for the next financial replenishment should argue for additional resources to strengthen the human and financial resources of the AFRITACs and necessary support from HQ together with implementing the recommendations of the evaluation.

*Response:* The activities and budgets of the AFRITACs have steadily been scaled-up since 2009. In addition to the expansion of the existing AFRITACs and the opening of AFRITAC West 2, the IMF is also stepping up TA to African countries through topical trust funds (see Section III.A for more details).

- b) **Recommendation 2:** The three AFRITACs should, in coordination with the TA departments, by the end of calendar year 2010, adopt a three-year plan for each cluster of TA interventions in a country that sets out the strategic objectives and outcomes that the capacity building initiative expects to achieve and provides a framework with indicators against which progress can be monitored.

*Response:* This program document is proposing medium-term indicative log frames for each cluster of TA interventions, which are integrated with the relevant country and regional organizations' reform programs and which also set out the strategic objectives of AFW2's initiatives. These proposals will be further elaborated during the first year of AFW2's operations. The proposals will include verifiable indicators against which progress can be monitored. The annual report of AFW2 will report on the progress made toward these indicators.

- c) **Recommendation 3:** While recognizing that beneficiary countries should lead donor coordination, all three AFRITACs need to strengthen their donor coordination and information dissemination strategies.

*Response:* Coordination with donors is being strengthened through a combination of measures, including by sharing information after AFRITAC missions and enhanced communication through each AFRITAC's website. The IMF has also adopted in May 2009 streamlined and strengthened procedures for the wider dissemination of TA-related information, including its mission planning, regional TA strategies and specific TA reports (Section III.C for more detail on coordination and dissemination).

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<sup>4</sup> OTM was merged in May 2012 with the IMF's "Institute", forming the new Institute for Capacity Development.

- d) **Recommendation 4:** All AFRITACs, the SCs as well as the center coordinators, resident advisors, the TA departments, and OTM must do some strategic thinking about how to strengthen TA sustainability. Among other things, this will involve providing more follow up and financing to support the implementation of recommendations resulting from TA. During its fieldwork, the evaluation team came across several cases where government officials said that while they agreed with and wished to implement the TA recommendations, the necessary funds were not available.

*Response:* This recommendation is being implemented through strengthened coordination with donors and other TA providers. Resident advisors, through their periodic missions to AFRITAC countries, indicate, when relevant, whether there is a need for funds to implement the recommendations such as for information technology, software and hardware, or support for undertaking surveys. Such needs are also highlighted at SC meetings. The need for follow-up TA is being disseminated to downstream TA providers through regular donor updating by AFRITACs' experts. Nevertheless, country authorities can also do more to strengthen TA sustainability by taking measures to retain and motivate skilled staff across government agencies.

- e) **Recommendation 5:** Each AFRITAC should prepare a plan to indicate how it will use a regional approach to facilitate the development of the macroeconomic tools in its areas of competence that are necessary to support regional integration and harmonization and present the plan to their SCs in 2010.

*Response:* This program document sets out how AFW2 would support regional integration and harmonization (see Section II for more details). AFW2 will report progress in these areas to the SC to facilitate coordination with other TA providers.

- f) **Recommendation 6:** By the end of the Financial Year (FY2010)<sup>5</sup> OTM should prepare a manual that codifies the organization, management and administrative procedures for the RTACs.

*Response:* This work is in progress after being put on hold to wait for all RTACs to migrate to the new framework instrument for external financing. The IMF's Institute for Capacity Development (ICD) is working on a manual, which is expected to be finalized in early 2013.

- g) **Recommendation 7:** As part of the next RTAC review, OTM should prepare a Ten-year vision for RTACs that outlines the strategic implications for the IMF.

*Response:* This recommendation has not been followed up. ICD is currently working on formulating a broader capacity development strategy. Further, the 2013 mid-term evaluation of three RTACs (AFRITAC West, AFRITAC East, CAPTAC-DR) will also provide be an opportunity to take stock of the RTAC.

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<sup>5</sup> The IMF's financial year runs from May 1 to April 30.

- h) **Recommendation 8:** By the end of 2009 the AFRITACs and OTM should develop formal action plans, identifying the necessary resources and monitorable benchmarks to implement the accepted evaluation recommendations and report the implementation status to the SCs in FY2010 and FY2011.

*Response:* Progress on the implementation of the recommendations of the evaluation is being reported at the AFRITACs SCs.

## B. Evaluation Sub criteria and Weights used in the 2009 Evaluation

| DAC Criteria and Weights | Indicative Evaluation Questions                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Sub criteria and Weights                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Relevance (30%)          | <ul style="list-style-type: none"> <li>• Are AFRITACs meeting the priority needs of member countries, especially given the changing conditions and new challenges in the region?</li> <li>• Is there strong country ownership of AFRITACs activities?</li> <li>• Are AFRITACs activities appropriately focused in terms of subject areas, taking into account IMF expertise, the priority needs of the beneficiary countries, HQ activities, and the work of other development partners?</li> </ul> | <p>The evaluation will begin with an overview of quantitative and qualitative data on AFRITACs activities (TA and training) since its inception. This will include an assessment of whether the TA and training delivered were relevant in terms of (a) priorities identified in the Program Document; (b) the needs of the member countries and the region; and (c) whether it was appropriately coordinated with other stakeholders.</p> <p><b>Ratings and weights will be:</b></p> <p>(i) <b>Consistency with the program document and government priorities (60%):</b> Particular attention to the link between AFRITACs TA and training and the macroeconomic reform and capacity-development programs formulated by ministries of finance, central banks and statistical agencies, regional organizations, and other recipients of AFRITACs TA and training.</p> <p>(ii) <b>Coordination with development partners (20%):</b> Whether there has been sufficient effort, including outreach, to coordinate with development partners.</p> <p>(iii) <b>Consistency with IMF headquarters' activities (20%):</b> The extent to which AFRITACs TA and training are integrated with TA, surveillance, and lending activities of IMF HQ; evidence of consistency could be examined by drawing on the results obtained from a review of documents and interviews with staff of area and TA departments and IMF resident representatives.</p> |

| DAC Criteria and Weights | Indicative Evaluation Questions                                                                                                                                                                                                                                             | Sub criteria and Weights                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Efficiency (22%)         | <ul style="list-style-type: none"> <li>Are AFRITACs delivering activities efficiently while ensuring the quality and timeliness of expert input (including management and backstopping by IMF headquarters-based staff)?</li> </ul>                                         | <p>The mid-term evaluation will consider issues of efficiency, including management and use of resources and the extent to which locational efficiencies have been achieved, i.e., the cost benefits of being based in the region.</p> <p><b>Ratings and weights will be:</b></p> <p>(i) <b>Process and implementation efficiency (40%):</b> Covering such factors as internal IMF management of AFRITACs activities, appropriate selection of counterpart/ workshop participants, and the quality and timeliness of management and backstopping of AFRITACs TA and training by HQ staff; planning for timely recruitment of qualified resident advisors; and the efficiency of planning and executing TA and training.</p> <p>(ii) <b>Efficient use of resources (40%):</b> Whether expenditures have been in line with annual work plans; whether AFRITACs TA and training are cost-effective compared to TA delivered by others; whether opportunities for efficiency gains are explored. Respondents to the TA and training evaluation survey may be asked to give their perceptions on the relative cost-efficiency of TA and training by AFRITACs compared to that of other TA providers, for example.</p> <p>(iii) <b>Monitoring and reporting (20%):</b> The degree to which AFRITACs use self-evaluation (i.e., monitoring) and better reporting to improve the efficiency and effectiveness of its activities. This involves examining AFRITACs use of TAIMS and efforts to put RBM in place.</p> |
| Effectiveness (28%)      | <ul style="list-style-type: none"> <li>Are AFRITACs appropriately focused on delivering outputs that contribute to the achievement of priority reforms, including assessing, to the extent possible, outcomes and impacts at topic, country, and regional level?</li> </ul> | <p>(i) <b>Use of AFRITACs outputs (40%):</b> Including assessment of the use of outputs of each topic area and whether the outputs are leading, or are likely to lead, to the outcomes identified in the Program Document; whether the TA and training have delivered outputs that contribute to achieving capacity-building reforms of the beneficiary country.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| DAC Criteria and Weights | Indicative Evaluation Questions                                                                                                                                                                                                                                                                                                                                                                                                                                  | Sub criteria and Weights                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          | <ul style="list-style-type: none"> <li>• What is the quality and timeliness of activities undertaken and outputs produced and the reporting and monitoring of these?</li> </ul>                                                                                                                                                                                                                                                                                  | <p>(ii) <b>Planned vs. actual achievements (30%):</b> Actual outputs compared to the planned outcomes stated in the AFRITACs' Program Document, work programs, and other documentation. Often there will be an unfinished agenda. In such cases, evaluators may form a judgment about whether the expected outcomes are likely to be achieved.</p> <p>(iii) <b>Significance of contribution to developing core economic functions and institution building (30%):</b> The contribution of AFRITACs activities and outputs to the development of core economic functions and strengthening institutions in beneficiary countries. Evaluators need to carefully distinguish between <i>attribution</i> and <i>contribution</i>. While it may be true that progress was made, the progress may reflect joint efforts of AFRITACs, HQ assistance, support provided by other development partners, and a government's own initiatives. Evaluators may estimate the relative importance of AFRITACs' contributions by considering whether the results could have been achieved without AFRITACs' involvement.</p> |
| Sustainability (20%)     | <ul style="list-style-type: none"> <li>• Have AFRITACs TA and training led to tangible and lasting results?</li> <li>• What constraints do AFRITACs' member countries face that prevent them from taking full advantage of AFRITACs' TA and training? How can such constraints be addressed?</li> <li>• What are the challenges and risks faced in conducting TA and training?<br/>What has been done to address these challenges and mitigate risks?</li> </ul> | <p>(i) <b>Executing agency ownership and use of the outputs (75%):</b> Whether participants and trainees use the knowledge gained in workshops and seminars on the job. Participant selection may be examined for this weighting. For example, how are TA outputs embedded in the routine business practices of the executing agencies?</p> <p>(ii) <b>Promoting the use of regional expertise (25%):</b> The extent to which AFRITACs has promoted the use of regional expertise, building local capacity, and contributed to sustainability in providing TA. Evaluators need to assess how effective AFRITACs have been in identifying regional expertise.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### C. List of Documents to be Provided by the IMF

- Program Document
- Work plans
- Annual reports
- Minutes of Steering Committee meetings
- Activity reports
- Annual budgets
- Project/mission TORs
- TA reports
- Previous evaluations of RTACs
- General information on IMF TA, RTACs, etc.

## 2. EVALUATION METHODOLOGY AND APPROACH

### 2.1 OVERALL APPROACH AND SCOPE

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The evaluation of the first phase of AFRITAC South (AFS), from June 2011 to April 2014, has been guided by its terms of reference (TORs), which set out *inter alia* its purpose, scope and methodology. The TORs also provided a list of Basic Evaluation Questions (BEQ) under each of the DAC Evaluation Criteria of relevance, efficiency, effectiveness, sustainability and impact, which have framed the scope of our assessment and provided the basis for rating AFS and topical area performance.

Our general approach for the Evaluation has been as follows:

1. Agree as part of the inception phase the evaluation rating criteria, methodology for evaluating both the AFS program and individual topical areas with IMF Institute for Capacity Development (ICD) and the Evaluation Sub-Committee (ESC), including appropriate adjustments to the TORs.
2. Develop and agree with ICD and the ESC a work plan to implement the agreed evaluation methodology.
3. Implement the work plan, which included:
  - Desk-based review of AFS documentation, including the AFS program document; FY 2012 to FY 2014 annual reports; FY 2015 work program; Steering Committee (SC) minutes; 2009 AFRITACs evaluation; and other general IMF and Regional Technical Assistance Centre (RTAC) related information.
  - Meetings at IMF Headquarters with ICD staff (covering TA officers, RBM implementation team, training and budgeting); staff from IMF technical assistance (TA) departments; and the African Department. The latter included interviews with staff from selected country teams. In addition, telephone interviews were conducted with staff from the Finance Department and ICD on financial management systems.
  - Visit to AFS offices in Mauritius to interview the Centre Coordinator, Resident Advisors, and Office and Administration staff. In addition, the Centre's systems, process and internal reports were reviewed.
  - Field trips to conduct case studies in Mauritius on financial sector supervision (FSS), conducted in conjunction with the visit to AFS offices; Seychelles and Zimbabwe on public financial management (PFM); Zambia on real sector statistics (RSS); and Swaziland on customs. In addition to interviews with staff from AFS counterpart institutions, meetings were held with the IMF Resident Representatives where present; selected local donor representatives; other TA providers; and the local SC representative.
  - Online surveys of TA beneficiaries, regional seminar participants and donor and member country participants of SC meetings.
  - Desk reviews for each topical area of selected TA reports and associated briefing papers (BP) and back to office reports (BTO); and regional seminars or in country workshops, covering selected presentations, BPs, BTOs, participant feedback summaries; and budget vs actual expenses of local expenses.
  - The evaluators were also able to draw on their knowledge of previous RTAC evaluations they have undertaken.
4. Conclude on findings, lessons learnt and recommendations for the future.
5. Draft and finalize the evaluation report incorporating AFS, IMF HQ and ESC comments.

We have listed the persons interviewed in Appendix 7.

The outputs of the evaluation are:

1. Inception note, in English, French and Portuguese.
2. Back to Office note covering the field trips.
3. Draft evaluation report.
4. Presentation to SC.
5. Final evaluation report, comprising two volumes, in English, French and Portuguese.

The timetable for evaluation has been/is:

1. Contract signed: August 2014.
2. IMF HQ visit: September 2014.
3. Visit to AFS Offices: October 2014.
4. Case study field visits for case studies: November 2014 (apart from Mauritius, which took place in October).
5. Presentation on initial findings: January 2015.
6. Draft evaluation report: January 2015.
7. Presentation to SC: April 2015.
8. Final evaluation report: May 2015.

## **2.2 EVALUATION CRITERIA AND RATING SYSTEM**

In line with the TORs, a mixed qualitative and quantitative rating methodology was used.

We adopted the rating system for individual DAC criteria of:

- Relevance ('R')
- Effectiveness
  - Outcomes ('E/OC')
  - Outputs ('E/OP')
- Efficiency ('E')
- Sustainability ('S')

We deployed the rating system for each of the above evaluation criteria that is set out in the table opposite to the extent feasible based on the project reviews, field trip case studies and an overall AFS-level assessment. Achievements of targets within these criteria have been rated as Excellent ('E'); Good ('G'); Modest ('M'); Poor ('P'); or Not Demonstrated ('ND'). In addition, we have given numeric scores to allow for gradation within each rating criterion.

| <b>Table: Evaluation Rating System</b> |                                          |                   |                    |
|----------------------------------------|------------------------------------------|-------------------|--------------------|
| <b>Rating</b>                          | <b>Achievement</b>                       | <b>Base Score</b> | <b>Range</b>       |
| <b>Excellent (E)</b>                   | All or substantially all objectives met. | <b>4</b>          | <b>&gt;3.5-4.0</b> |
| <b>Good (G)</b>                        | Majority of objectives met.              | <b>3</b>          | <b>&gt;2.4-3.5</b> |
| <b>Modest (M)</b>                      | Few/minority of objectives met.          | <b>2</b>          | <b>1.5-2.4</b>     |
| <b>Poor (M)</b>                        | Very few objectives met.                 | <b>1</b>          | <b>1.0-&gt;1.5</b> |
| <b>Not Demonstrated (ND)</b>           | Criteria cannot be assessed              |                   | <b>ND</b>          |

It is not possible to provide meaningful ratings for impact. This criterion has been assessed qualitatively.

We had some reservations about assigning weightings to the scores for individual DAC criteria and arriving at a consolidated score, as suggested in the TORs. These included:

1. DAC criteria are not homogenous.
2. A severe weakness in one area, for example, effectiveness, could lead to a failed project, yet the weightings applied to other criteria could still lead to a reasonable score.
3. The weightings assigned were, in our opinion, subjective. A project could, for example, score highly just by being consistent with the AFS program document given the disproportionately high weighting proposed for relevance.
4. Different weightings would be appropriate for different types of projects, for instance, sustainability would be more important in a capacity building project than, for example, in a legal drafting TA intervention.
5. Distorted scores would result in instances where we could not rate a criterion, e.g., outcomes or sustainability for an ongoing project.

To preserve comparability with the 2009 AFRITACs evaluation, we have provided weighted scores in Appendix 6.

## 2.3 CASE STUDIES

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We selected case studies based on criteria initially indicated in the TORs, as subsequently refined in the inception note. These included:

1. The case studies would be in different topic areas in at least three different countries.
2. Balance the need to select the topic areas with the highest intensity of TA delivered with the need to achieve a reasonable spread of topics, with a bias toward the former.
3. For each of the topic areas identified, we selected a country with relatively high intensity of TA received on that particular topic.
4. A mix of countries at different income levels.
5. At least one non-English speaking country (Seychelles was chosen, and we also selected a disproportionately high number of TA reports for desktop reviews from non-English speaking countries).
6. A bias toward projects that have, or are likely to, achieve outcomes, and also one or more projects in more challenging environments.
7. One case study in AFS host country, Mauritius, partly for logistical reasons as it could be combined with the visit to the Centre.

Within each topical area, selected projects were identified to enable a more detailed assessment of AFS TA activity.

Based on the above criteria, the following case studies were identified:

- **Public Finance Management (PFM):** Macro-fiscal framework and cash based IPSAS in Seychelles and Zimbabwe. Two countries were selected in PFM given the topical area accounts for a significant proportion of AFS TA delivery budget. Seychelles and Zimbabwe represent contrasting TA delivery environments.
- **Revenue Administration:** Customs post clearance audit in Swaziland. Swaziland customs was the largest recipient of AFS TA until FY 2014. The country is the highest recipient of AFS TA overall, with at times mixed results.
- **Real Sector Statistics (RSS):** National accounts in Zambia. The country is the second highest recipient of TA in the topical area.
- **Financial Sector Supervision (FSS):** Basel II, Pillar 2 in Mauritius is the AFS host country. It is also an example of a more sophisticated TA recipient especially in this area, requiring targeted interventions in focused areas.

Two of the case studies, in PFM and RSS, reflected projects where AFS has had extended engagement. The other two, in customs and FSS, were examples of shorter-term interventions. Zimbabwe is a Low-Income country, Swaziland and Zambia are Lower-Middle Income countries and Mauritius and The Seychelles are Upper-Middle Income countries.

The main report (Volume I) provides summaries of the case studies. Appendix 4 presents more details.

For the case studies, we augmented our review of documentation by undertaking extensive discussions with TA recipients of the selected project, as well as reviewing other interventions in the country to place the selected project in context. We constructed results chains for the project to identify expected outcomes and assessed outcomes realized or likely to be realized for ongoing projects. We applied relevant BEQ from the TORs to assess the project with reference to the DAC criteria. A key objective was to identify lessons learnt. In addition, we consulted with AFS donor representatives and selected other TA providers in the case study countries.

## 2.4 DESKTOP REVIEWS

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From each topical area, we selected three TA reports and one workshop for more detailed desktop reviews, to complement our work on the more in-depth case studies. Only one TA report was selected for review in monetary policy framework operations (MPFO) as activity in that topic has started very recently. Desktop review projects and workshops were selected for each topical area by considering their:

- Relative intensity of effort in the country.
- Size (mix of one-off missions and longer projects involving a number of missions).
- Country (non-case study country, mix of strong and challenging environments from the portfolio assessment).
- Preference for completed projects.
- For workshops, consideration of linkage with TA activities.

The following TA reports and workshops were reviewed:

1. **PFM. TA reports:** Angola. Medium-term Fiscal Framework. Mar 2012; Comoros. Development of Medium-Term Budgetary Framework. Oct 2013. *In country workshops:* Seychelles. Training for IPSAS Compliance; Zimbabwe. Macro-Fiscal Management workshop.
2. **FSS. TA reports:** Comoros. Risk Based Supervision. Jun 2013; Lesotho. Risk Based Supervision. Mar 2013; Swaziland. Compliance with BCPs. May 2013. *Regional seminar:* Cross Border Supervision. Jan 2013.
3. **Customs. TA reports:** Comoros. Customs Modernization. Dec 2013; Lesotho. PCA Development. Dec 2013; Mozambique. PCA Development. Apr 2014. *Regional seminar:* Trade Facilitation. Mar 2012.
4. **Tax. TA reports:** Botswana. LTU Business Processes. Apr 2013; Mozambique; Taxpayer Compliance. Dec 2013; Mauritius. Compliance Management. Jun 2013. Regional seminar: Tax Gap Analysis. Jun 2012.
5. **RSS. Lesotho.** Annual and Quarterly National Accounts; Lesotho. Prices; Angola. National Accounts and Prices. *Regional seminar:* National Accounts. Oct 2013.
6. **MPFO. TA report:** Mozambique. Modelling/Forecasting. Aug 2014

Our assessments from the desktop reviews, which were guided by the BEQ, were incorporated in the topical findings.

## 2.5 SURVEYS

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We conducted three targeted online surveys to obtain feedback on the selected TA projects and workshops. The surveys were web-based. The AFS Centre Coordinator sent out a notification email to targeted participants before the evaluators emailed the survey invitations, which will have helped increase the response rate.

The TA beneficiaries' survey covered: strategic context of the TA; TA design process; regional integration and harmonization issues; relationship of the beneficiary institution and the project with the IMF and other donors; donor coordination and AFS role; views on different aspects of AFS TA intervention with the institution; post-TA implementation, AFS support; and monitoring; barriers to implementing TA recommendations; and indication of TA results. 45 responses were received, out of a total of 147 invitees (31%).

The regional seminar participants' survey covered matters such as workshop needs analysis; appropriateness of the level of participants targeted and invited; linkage with TA; main benefits to participants; balance between the coverage of theory and practical matters; quality of presenters, presentations and organization; workshop structure and length; implementation of lessons post workshop and barriers thereto; and quality of AFS follow-up post workshop. 188 out of 578 (33%) invitees responded.

The SC participants' survey targeted SC members as well as other non-IMF attendees of SC meetings. Issues covered included views on AFS objectives; effectiveness; reporting; SC meetings; in country coordination in member countries; and implementation of RBM. Responses were disaggregated between donor and member country representatives. Out of 74 total invitees, 11 members, representing nine countries, and 7 donor representatives responded (24%).

The surveys were adversely affected by technical difficulties encountered by a large number of respondents. Essentially, their screen froze when entering responses. The survey provider couldn't identify the cause of the problem. Alternative approaches were taken, such as requesting participants to complete the surveys on forms with the evaluation team inputting the responses manually and extending the deadlines. Nevertheless, the response rate would have been lowered as a result, the evaluation had to be extended, and additional costs incurred. IMF required the evaluation team to use the selected survey provider as it is the only one it has vetted for security. Support services were poor and the license fee charged was a multiple of those charged by other online providers with adequate features to conduct surveys for an evaluation such as that we have conducted.

## 2.6 OTHER ISSUES

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### Implications of AFS RBM on evaluation approach

AFS reports on the progress of its TA activities through its RBM framework. This constitutes logframe outcomes by topical areas, and linked milestones on individual projects that are intended to show progress toward outcomes. We have highlighted various shortcomings in our report, relating to the selection of outcome indicators and the definition of milestones. As a result, although we have referred to milestones when assessing performance under topical areas, these and logframe indicators have not been relied upon to assess the program's performance. Instead, for case studies, we have created *ex post* results chains to establish what outcomes would have been anticipated and based TA performance against them. For desktop reviews, we have similarly applied implicit outcome indicators to arrive at our assessments.

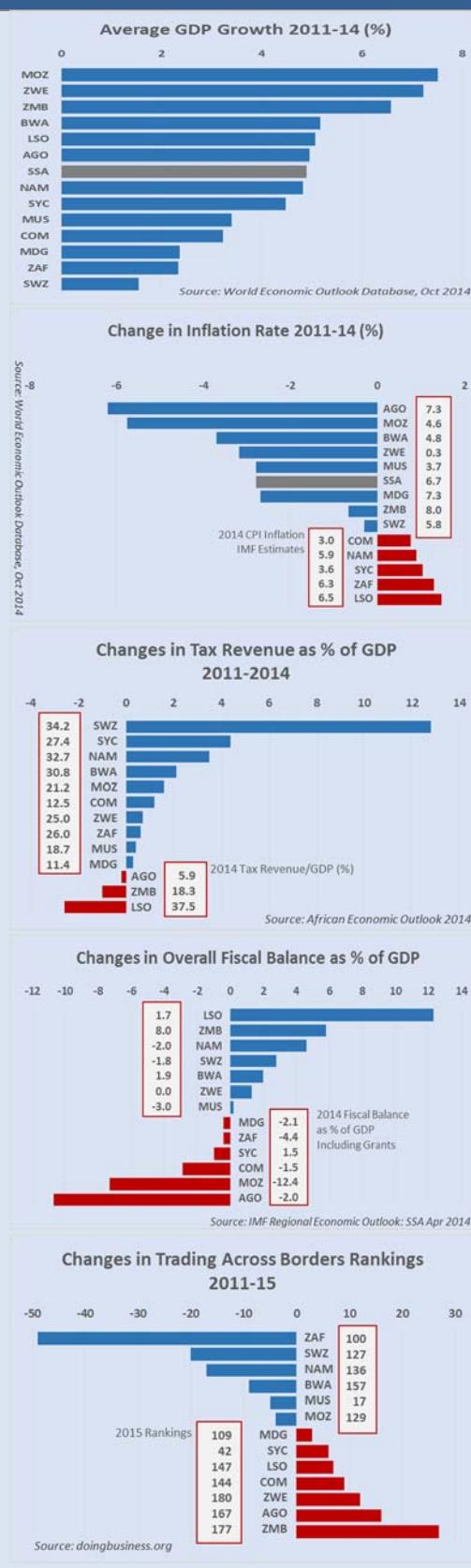
### **Addressing risk of optimism bias**

As required by the TORs, our assessments and conclusions have drawn on at least two sources of information when evaluating key BEQ. In addition, a wide range of stakeholders, extending beyond TA recipients and IMF staff, and including donors and other TA providers were consulted for their views on relevant matters. We also referred to the evaluation assessments of other RTACs to ensure that the relative rating of AFS DAC criteria were comparable and differences justified. Finally, we conducted an internal peer review of our evaluation report to ensure our assessments and ratings are robust.

### **Definition of outputs and outcomes**

In line with the approach adopted in the evaluation of AFRITACs East and West, and CAPTAC-DR, we have rated direct outputs under the definition of outputs. Indirect outputs, which are implementation oriented, have been rated as part of outcomes.

### 3. OVERVIEW OF AFS MEMBER COUNTRY MACROECONOMIC PERFORMANCE



During the period under review, AFS member countries have grown strongly, broadly in line with the SSA average of almost 5%. Service sector development, infrastructure and good harvests have contributed to growth. In particular, investment related to extractive industries was an important contributor to growth among high performers such as Angola, Botswana, Mozambique and Zambia. Zimbabwe's double-digit growth in 2011/12 fell in subsequent years whereas Swaziland has suffered from low investment and bad harvests throughout the period. South Africa, in turn, was exposed to the 2007/8 financial crisis and has structural constraints (such as electricity prices and supply shortages).

Inflation has fallen across member countries, with only three exceeding the SSA average of 6.7% in 2014. Lower food prices and broadly constant energy prices have contributed to limit price increases. Inflation has benefited from sound monetary policies, mostly based on inflation targets except for three countries that peg their currency to the Rand. Higher inflation in some member countries was mainly due to external pressures and devaluation. South Africa and Lesotho recorded the highest increases (of 1.4% and 1.6% respectively), though inflation remains within reasonable levels.

In the last decade, tax revenue has increased throughout SSA, though levels remain low by international standards.

Government revenue in Lesotho and Swaziland and, to some extent, Namibia is heavily dependent on SACU duties, which contributes to volatility in their public incomes. For the latter, tax collection rose sharply resulting from reforms broadening and deepening the revenue base, seeking to maintain both competitiveness and equity.

Many member countries improved their fiscal balances as their economies recover from the financial crisis. They have managed to limit expenditure growth while increasing revenues. Since some countries show volatile revenue streams, measures of the change of fiscal balances (such as those to the left) should be treated with caution as they depend on the base year used.

Botswana has switched from two-digit deficits to near balance. Other countries such as Angola and Zambia have seen a deterioration due to expansionary fiscal policies. In some cases this policy helps finance much needed investment in infrastructure. Others have increased recurring expenditure (such as wages in Mozambique). Another high performer, the Seychelles, introduced a new PFM bill in 2012/2013.

Trading across border rankings improved for a number of countries, such as Mozambique (which introduced single window) or Botswana (now implementing risk-based inspections).

Mauritius is ranked 17<sup>th</sup> in the trading across borders ranking, whereas South Africa moved up almost 50 positions since 2011. Other member countries have seen their relative rankings deteriorate, *inter alia*, because of a faster pace of reform elsewhere.

## 4. CASE STUDIES

### 4.1 THE SEYCHELLES AND ZIMBABWE: MACRO-FISCAL FRAMEWORK AND CASH BASED IPSAS

The table below shows PFM TA activity portfolio across member countries to place the case studies in context.

| Table: PFM Activities in Member Countries |            |                     |                  |                                                  |                                              |                                      |                                                                      |       |
|-------------------------------------------|------------|---------------------|------------------|--------------------------------------------------|----------------------------------------------|--------------------------------------|----------------------------------------------------------------------|-------|
|                                           | Diagnostic | PFM reform strategy | PFM legal & reg. | Medium-term macro-fiscal and budgetary framework | More effective cash and expenditure controls | Improved internal control procedures | Comprehensive timely and accurate accounting and financial reporting | Total |
| AGO                                       |            | ✓                   |                  | ✓                                                |                                              |                                      |                                                                      | 2     |
| BWA                                       |            |                     |                  | ✓                                                | ✓                                            | ✓                                    | ✓                                                                    | 4     |
| COM                                       |            | ✓                   |                  | ✓                                                | ✓                                            | ✓                                    |                                                                      | 4     |
| LSO                                       |            | ✓                   | ✓                | ✓                                                | ✓                                            |                                      |                                                                      | 4     |
| MUS                                       |            |                     | ✓                | ✓                                                |                                              |                                      |                                                                      | 2     |
| MOZ                                       |            | ✓                   |                  | ✓                                                | ✓                                            | ✓                                    |                                                                      | 4     |
| NAM                                       |            |                     | ✓                | ✓                                                |                                              | ✓                                    |                                                                      | 3     |
| SYC                                       |            |                     | ✓                | ✓                                                | ✓                                            | ✓                                    | ✓                                                                    | 5     |
| ZAF                                       |            |                     |                  | ✓                                                |                                              |                                      |                                                                      | 1     |
| SWZ                                       |            |                     | ✓                | ✓                                                | ✓                                            |                                      | ✓                                                                    | 4     |
| ZMB                                       |            | ✓                   |                  | ✓                                                |                                              | ✓                                    |                                                                      | 3     |
| ZWE                                       |            |                     |                  | ✓                                                |                                              |                                      | ✓                                                                    | 2     |
| <b>Total</b>                              |            | 5                   | 5                | 12                                               | 6                                            | 6                                    | 4                                                                    | 38    |

#### Background and AFS Activity

This case study concentrates on two sub-topics, Development of Macro Fiscal Framework (MTFF) and Support for Cash-Based IPSAS in two member countries of AFS, in the Seychelles and Zimbabwe.

Zimbabwe has been slowly emerging from the period of economic collapse, hyperinflation and isolation from mainstream donor support during which the regime of sanctions severely curtailed contacts with and support from both multilateral and bilateral agencies. This period witnessed a massive erosion of the public sector management systems and internal technical capabilities for effective PFM, including the departure of skilled staff, retrogression in public financial reporting and the breakdown of the GoZ Integrated Management Information System (IMFIS) for several years. The background to support for Macro Fiscal derives from the 2012 FAD mission, which set out a framework of reform measures for strengthening PFM. A substantial part of the AFS support to Zimbabwe has been in the fields of MTFF and PFM Legal and regulatory framework. Although in former times (up to the mid-1990s) Zimbabwe had developed a good capacity in this area, this capability had been substantially eroded through the weakening of existing systems and the departure of key technical and professional staff.

The Seychelles experienced a fiscal crisis in 2008 that led to a change of government and the adoption of a strong commitment to reforms to support improved PFM. However, the shift to a more positive approach towards PFM reforms started from a relatively low base in terms of budgetary procedures and institutions. AFS support for Macro-fiscal is more recent and has been largely driven by the targets set by the macro-fiscal milestone in the EFF program of the IMF. AFS activities to date have been limited to two missions, one of which provided basic training in macro-fiscal tools and management. Although starting from a low technical base in the area of macro-fiscal, the Seychelles is relatively well endowed with professional staff in the relevant team within the Ministry of Finance, Trade and Investment (MOFTI).

## Results Chains

The chart below provides two illustrative results chains, one for Macro-fiscal and the second for accounting and IPSAS compliance. The broad structure for each subject area is similar for both countries.

### Implementing Macro-Fiscal Framework

| Inputs/Activities                                                                                                                                                                                                                                                                                                 | Outputs                                                                                                                                                           | Outcomes                                                                                    | Impact                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <b>Seychelles:</b> 1 mission and 1 training course<br><b>Zimbabwe:</b> 6 missions including 2 training courses.                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>▪ TA reports on regulations, legislation and guidelines.</li> <li>▪ Manuals.</li> <li>▪ Workshop presentations.</li> </ul> | A reliable and institutionalised system for establishing medium term macro-fiscal strategy. | Improved budget predictability, and sustainability leads to enhanced public service delivery. |
| <b>Risks/Assumptions</b>                                                                                                                                                                                                                                                                                          |                                                                                                                                                                   |                                                                                             |                                                                                               |
| <ul style="list-style-type: none"> <li>▪ Political support for putting budget process on a sound technical footing.</li> <li>▪ Ability to recruit, train and retain professional staff in the macro-fiscal unit in the ministry of finance.</li> <li>▪ IT systems, reforms in complementary PFM areas.</li> </ul> |                                                                                                                                                                   |                                                                                             |                                                                                               |

### Implementing Cash-Based IPSAS Reporting

| Inputs/Activities                                                                                                                                                                                                                                                   | Outputs                                                                                                               | Outcomes                                                                       | Impact                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| <b>Seychelles:</b> 2 missions including a training course.<br><b>Zimbabwe:</b> 2 missions including a training course.                                                                                                                                              | <ul style="list-style-type: none"> <li>▪ Gap analysis vs IPSAS.</li> <li>▪ Compliance implementation plan.</li> </ul> | Cash-based IPSAS compliant public accounting and reporting system implemented. | Reliable accounting and financial reporting leads to improved sovereign credit rating and increased investment. |
| <b>Risks/Assumptions</b>                                                                                                                                                                                                                                            |                                                                                                                       |                                                                                |                                                                                                                 |
| <ul style="list-style-type: none"> <li>▪ Political support for increased transparency in public accounting.</li> <li>▪ Government agencies able to fully implement the IPSAS compliance plan.</li> <li>▪ IT systems, reforms in complementary PFM areas.</li> </ul> |                                                                                                                       |                                                                                |                                                                                                                 |

In both the technical areas and in both countries the underlying intervention logic of AFS support is the same: AFS provides TA to establish technical methodologies and a sequenced implementation plan for the reform process. The outcomes and impact depend critically on the willingness and capacity of the respective countries and agencies to implement and fully institutionalize the agreed technical reform proposals.

### Inputs and Activities

In Zimbabwe: Since 2011, AFS has provided TA mainly on the PFM legal and regulatory framework, MTFF and accounting and fiscal reporting. In particular, draft financial regulations and revisions to the PFM Act were developed with FAD/AFS assistance. The financial regulations were adopted by the Government in 2012. On Accounting and Fiscal Reporting, the March 2014 AFS diagnostic mission developed guidelines for strengthening fiscal reporting framework in Zimbabwe (adopted in September 2014). Support for moving to adoption and implementation of compliance with cash-based IPSAS accounting and reporting is at an early stage and has to date taken the form of a gap analysis against the requirements of cash basis IPSAS, a strategy and roadmap for implementing the reform and a training workshop for government officials. Six missions have been undertaken in MTFF between 2012 and September 2014. In addition, two MTFF missions have addressed accounting and financial reporting issues. The first mission was undertaken in November 2011, the second in 2014.

In Seychelles AFS has provided a very full program of support since 2011 spread across five of the six components of the PFM area. This has included support for redrafting of the Public Financial Management Finance Act, Financial Instructions/Regulations, modernizing the COA, strengthening cash management, implementing cash-basis IPSAS and, latterly, macro fiscal framework. 11 missions have been carried out in accounting and financial reporting, between March 2012 and 2014. Two missions have addressed accounting and financial reporting issues, both in 2014.

### Principal Outputs

In Seychelles, in the two sub-components under review in this case study the main outputs have been: (i) with respect to macro-fiscal, two AFS missions that have been undertaken in 2014, the first providing orientation on the issues and approaches to development of the Medium Term Fiscal Framework; the second mission was more detailed and provided an initial training course on development of a macro-fiscal analysis. In addition support has been provided in relation to macroeconomic statistics. With AFS support the Seychelles now has a functioning and regularly updated Macro Fiscal Framework, and there have been improvements in the statistical base for the MFF, including the development of quarterly GDP estimates; and (ii) with respect to implementation of cash-based IPSAS, a gap analysis to identify divergences from existing accounting practice from IPSAS has been completed, and recommendations on the formation of an IPSAS Implementation Working Group, including the scope of work for that WG, which is now meeting regularly.

In Zimbabwe, AFS support has built on the analysis and recommendations of the FAD mission report of April 2012 and has successfully supported FPAS to develop a multi-market MFF consistency framework. The staff of FPAS and the members of the Macroeconomics Working Group have been exposed to both orientation and more technical training in forecasting techniques (especially for revenue). With respect to IPSAS, the staff of the Office of the Accountant General, the Office of the Auditor General, the Budget Office and selected line ministries have been familiarised with the principles of cash-basis IPSAS accounting and reporting and have been exposed to a rigorous (and very highly regarded) technical training course on the issues arising in moving from the legacy accounting and reporting systems to full cash-based IPSAS compliance. This has not yet resulted in a clear policy directive to adopt cash-based IPSAS and, as a result, the proposed IPSAS Implementation Committee has not yet been formed. These are important issues for the authorities to address.

## Principal Outcomes

In the Seychelles good progress has been made towards outcome-level achievement in both Macro Fiscal Framework and Cash-based IPSAS compliance, though both work streams continue to be work in progress. As a result it is expected that near fully compliant financial reports for 2014 will be completed. With respect to the MFF, this is likely to require a continued period of consolidation for the existing consistency framework to be fully embedded as the technical underpinnings of a developed medium term budgeting process.

In Zimbabwe, the move to cash-based IPSAS compliance is still at an early stage of completion. Critically there has not yet been a clear policy indication of the adoption in principle of that standard, nor has a timetable been set for the functioning of an IPSAS Implementation Working Group. While the adoption of cash-based IPSAS and eventual compliance is likely to occur, there may well be some delays in achieving that standard. To keep this process on track the authorities need to adopt a clear timetable for actions as recommended in the 2014 AFS mission report, including the establishment of the IPSAS Implementation Committee.

With respect to MFF, from a low base, good progress has been made in establishing and populating a macro-fiscal consistency framework. However, this still needs considerable further development to become a flexible and reliable tool for examining the options for medium term fiscal policy. In addition the AFS support relating to the use of statistics for forecasting major macro variables underlying the MFF is still at an early stage of development and implementation.

## Impact

Given the relatively short period of operation of AFS it is in principle too early to reach firm conclusions concerning the impact of AFS support to the Seychelles and Zimbabwe in the areas falling under this case study. However, in both countries it is reasonable to believe that AFS support is building momentum towards the full achievement of the objectives of AFS support and will eventually have the desired effects at the impact level. In Seychelles the process of movement towards a more developed PFM system is progressing rapidly, as witnessed by the achievements in the legal and regulatory framework, banking arrangements, accounting and fiscal reporting and is strongly supported at the political level. In Zimbabwe there are continuing uncertainties as the country emerges from the period of isolation and it is to be expected that there will be delays in achieving the full desired results.

## Dependencies and assumptions

With respect to cash-based IPSAS the major risk/assumption relates to the ability of the authorities to carry forward the agreed implementation program that requires a clear commitment to proceed with the reform, the establishment of the IPSAS Implementation Working Group and the conduct of that WG. In Seychelles this process has gathered a reasonable momentum. In Zimbabwe, however, the process is currently stalled with no clear policy statement on adoption of the IPSAS compliance goal and, as a result the Implementation WG has yet to be established. In this situation the full benefits of the IPSAS training provided by AFS (which was rated very satisfactory by participants) may be diluted.

With respect to development of Macro-Fiscal Framework the major risk is the ability of the authorities to carry through the reforms in the scheduled time period. In the Seychelles the push for MTFF, which is a 2014 benchmark under the IMF EFF is competing with the routine tasks of the responsible unit in the Ministry of Finance and the view has been expressed that the milestone would have been more appropriately set for 2015. There is a risk of affecting the quality of the technical work. In Zimbabwe the main risk is loss of momentum following the initial training. In both countries the availability of skilled professional personnel to work on MFF is more favourable than in most countries in the region, where recruitment and retention of appropriately trained staffing of the MFF unit is usually a critical issue.

## Evaluation Based On DAC Criteria

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The following evaluation assessments are based on the limited scope of the specific case study areas in two sub-components in the PFM topic area.

### Relevance

- In both countries and both sub-topic areas the AFS interventions are clearly consistent with both the AFS program document and with the priorities established in country PFM strategies
- AFS is meeting priority needs of the countries. However, issues have been raised concerning the timing of the reform processes and the appropriateness of milestones with the suggestion that too fast a pace of reform is undermining quality of implementation or is creating conflicts with other reform initiatives. For example, the sequencing of MFF and Program based budgeting (supported by the World Bank) in Seychelles.
- There has been good complementarity with other donors in both countries. However, in Seychelles this has been achieved by almost exclusive reliance of the IMF/AFS, with the explicit purpose of ending conflicts between the advice of different donors which had arisen previously (e.g. in the approach to Internal Audit). In Zimbabwe the complementarity has largely resulted from the different types of support provided by the main donors (IMF, WB, UNDP, AfDB and DFID) with little GoZ coordination. The upcoming establishment of a new multi-donor support fund, ZIMREF, will provide an opportunity for a more consciously coordinated approach by the main donors.
- There has been very strong ownership of the AFS-supported reforms in Seychelles led directly by the Minister of Finance and the Principal Secretary; In Zimbabwe the commitment is also strong but weakened to a degree by continuing poor communication within and between institutions in the PFM sector. Also in Zimbabwe, the training provided by AFS for macro-fiscal is not viewed as being well-tuned to the requirements of the participants. Specifically the view was expressed (by a group of participants from the Macroeconomic Working Group interviewed during the evaluation) that the agenda for the training was too full, leading to the participants being broken into groups. This resulted in individual participants only gaining a partial coverage of the full range of topics covered in the course.
- AFS has a strong comparative advantage in the areas reviewed, and is able to support TA and local training with dedicated external high-quality training opportunities (e.g. in macro-fiscal framework design, COA, financial regulation drafting and IPSAS compliance)

### Effectiveness

#### *Outcomes*

- Given the short period for which the AFS has been operational, it is too early to reach firm judgments on the results at the outcome level in the sub-topic areas under review, though in selected areas significant progress has already been made as noted above. However, as a general observation, it is believed that the TA provided will be strongly supportive of the achievement of the stated outcomes in both countries in both sub-topic areas. However the timeline for delivery on outcomes is likely to be more extended than planned. This is especially true for Zimbabwe where continuing political and institutional uncertainties are likely to lead to delays in meeting program outcomes.
- There have been only limited efforts by AFS to garner much-needed supplementary support in the form of more extended TA and training by other donors. This is an area where greater efforts could lead to marked improvements in the achievements of outcomes on a timely basis. In Seychelles this partly reflects the conscious decision of the authorities to concentrate in PFM on the IMF/AFS to the exclusion of other donors. In Zimbabwe this reflects the delay in achieving full normalization of the IMF-GoZ relationship. The recent arrival of an IMF Resident Representative is likely to lead to a marked improvement in this area.

### *Outputs*

- In general the delivery of outputs of AFS TA and training has been in line with mission Briefing Documents. However, in a number of cases the TORs for missions have been over-ambitious, leading to only partial fulfilment of planned outputs. Examples encountered in the field trips included the incomplete work on the Seychelles Financial Regulations, which only managed to cover selected chapters, and the adverse effect on training in Macro-fiscal in Zimbabwe, where due to time constraints it was not been possible to complete an over-ambitious program satisfactorily.

### **Efficiency**

- The case study did not, in general, attempt to assess all Basic Evaluation Questions relating to efficiency. However, questions arise from the difficulties faced in realizing a smooth transition from TA advice to implementation by the government authorities. Where there are delays in reform implementation, especially following intense training sessions, the full benefits of the training are unlikely to be realized, as the content of the training is forgotten or trained staff are transferred to other functions. This risk is present with respect to the training on IPSAS in Zimbabwe, which may be adversely affected by delays in achieving policy confirmation of the IPSAS objective and in establishing the required IPSAS Implementation Working Group.

### **Sustainability**

In general it is too early to assess the sustainability of the reforms supported by AFS and reviewed in the case study. Reflecting the major risks identified above, the final results are likely to be heavily influenced by the ability and commitment of the respective governments to carry through agreed reforms. In Seychelles the outlook for such commitment is currently very good with a high expectation that sustainable reforms will be implemented. In Zimbabwe continued political and institutional uncertainty may lead to delays and even back-sliding in some reform areas.

### **Impact**

In Seychelles it is reasonable to assert that the improvements which have been achieved in macro management in the period since 2011 (declining debt/GDP ratio, reduced fiscal imbalance) have been positively influenced by the extremely active program of support provided by AFS. In assessing impact, however, it is necessary to look across the full range of areas of AFS support (not only the specific topics covered in this case study). Under PFM the improvements in fiscal reporting are believed to be contributing to greater public confidence in the reliability and transparency of the government accounts with positive implications for the investment climate and national development.

In Zimbabwe, the AFS program is providing support to fundamental aspects of sound public financial management, including the accounting and financial reporting systems. AFS support has also been largely instrumental in restarting a system of macro-fiscal analysis which is a prerequisite for future stabilisation of the budgetary process and the national economy.

### **Principal Findings and Conclusions**

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- AFS support to PFM in Seychelles and Zimbabwe in the areas reviewed has been in line with the AFS program.
- The overall framework used by AFS in defining the areas of support and the topics within each area, as set out in the AFS logframe, has been instrumental in providing a high degree of focus on the technical areas supported by AFS.
- AFS support is highly valued in both countries and has provided a consistently high level of technical support.
- The major issue in provision of AFS support is the difficulty in achieving a smooth transition from reform recommendations arising from TA which are agreed by the authorities and the implementation processes required to carry these forward. The position has been more favorable in Seychelles than in the more difficult circumstances of Zimbabwe.

- AFS support is necessarily thin in terms of the duration of missions (given the number of countries in the region and the number of sub-topic areas of support), and this has been reflected in some missions failing to complete their objectives or delivering end-of-mission training which are too short to have a profound and lasting effect.
- More extensive use of AFS short term experts (STX) to carry on the support function into implementation mentoring could assist in realization of better and more timely results at the outcome level by assisting to support the bridge between policy advice and reform implementation.
- There has been a good degree of complementarity between AFS support and that provided by other donors.

### Topical Recommendations

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1. AFS should consider limiting the total number of missions to permit concentration on a smaller number of longer missions, especially in countries implementing multiple projects.
2. AFS should explore the possibility of making more extensive use of STX to provide mentoring support for the critical transition process from reform recommendations to implementation processes and to provide more sustained and deeper training support.
3. AFS, in collaboration with the in-country IMF office where practicable, should engage more actively with other donors in attempting to identify additional TA and training support to supplement the adoption and implementation of agreed PFM reforms. TA providers represented in the AFS SC should more proactively support this effort, for example by sharing information about their work with the Centre.

## 4.2 ZAMBIA: NATIONAL ACCOUNTS

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### Background and AFS Activity

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Zambia has a decentralised statistics system. The Central Statistics Office (CSO) is responsible for national accounts, prices and major economic and social censuses and surveys. The Bank of Zambia is responsible for balance of payments and monetary statistics and the Ministry of Finance for government finance statistics. Statistics in fields such as education, health, mining and labour are the responsibility of the relevant line ministry.

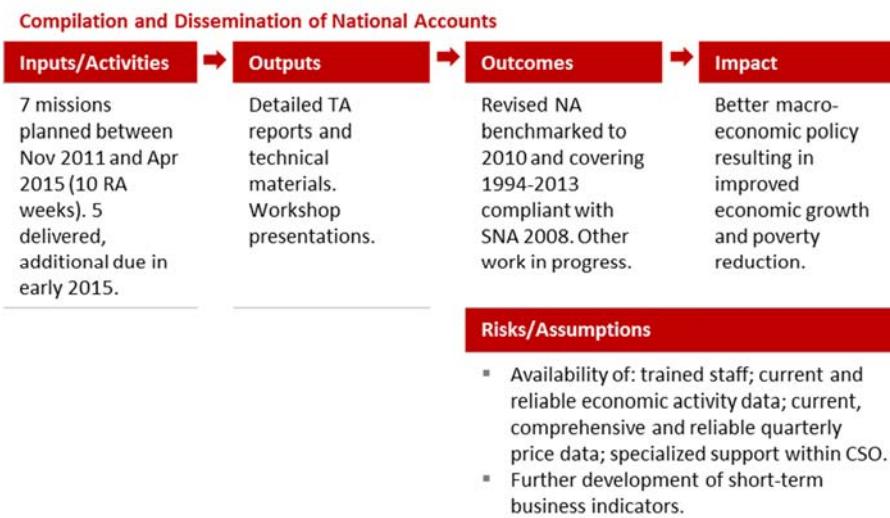
Other donors have assisted the government develop a strategy to create from the current poorly coordinated group of responsible agencies an integrated national statistical system, and a new draft statistics law. The aim would be to empower a new National Agency of Statistics to coordinate Zambian statistics to enable collection of data to be based on 'a well-planned and coordinated framework'. A strategy to build a national integrated management information system has also been developed. Both strategies and the draft law were completed in 2014 after many years of consideration and discussion.

When the AFS real sector statistics work was initiated in 2011, southern Africa's statistical ranking was very low for low and middle income countries: The average rank was 38 compared to an average rank of 56 for all low and middle income countries. Weaknesses with respect to national accounts and prices were a major factor in this poor ranking. Demand for IMF TA missions on national accounts was high. Multilateral and country donors were unanimous on the need to improve the capacity of CSOs to compile national accounts compliant with international standards in order to create a better macroeconomic policy environment in the region.

A 2005 IMF ROSC for Zambia found that 'resources for the compilation of national accounts (had) reached a risky and critical level'. Concurrently a DQAF described the national accounts as based on 'outdated data and benchmarks'. An AFS real sector statistics diagnostic mission to Zambia in November 2011 found that, six years on, the accounts still relied on 1994 data and benchmarks and found major deficiencies in compliance with international standards. A program of TA to address these issues was agreed with the authorities covering the period 2011 to 2016. The primary objective of the project was to improve the capacity of CSO to compile annual and quarterly national accounts and to improve compliance with international standards.

## Results Chain

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### Inputs and Activities

Seven missions were planned for the TA delivery period examined, November 2011 to April 2015. One was postponed at the request of the authorities, five were delivered involving 10 RA mission weeks, and the final mission is scheduled for early 2015. A visit to BOS Lesotho studied economic census data validation, two NA staff participated. In addition Zambia received 32 person days of formal seminars and workshops.

### Principal Outputs

Detailed recommendations for further actions (as agreed during the mission) and technical materials were provided to CSO soon after each mission. TA reports have been circulated in respect of three missions and two are close to finalisation. For each seminar or workshop CDs were distributed to participants containing all lectures, exercises and solutions.

### Principal Outcomes

Revised national accounts estimates benchmarked to 2010 and covering the period 1994 to 2013 were published by CSO in March 2014. They were compiled using up-to-date structural information and SNA 2008, the current international standard. The revised estimates of the Zambian economy differed significantly from the old estimates with the overall economy estimated to be 25% larger than previously thought for 2010. Big shifts in structure were also revealed; mining wholesale and retail trade were 340% and 60% larger respectively, and agriculture and financial and insurance activities nearly 40% smaller than previously thought.

'Ongoing compilation and dissemination of annual and quarterly national accounts in accordance with international standards' is work in progress. A revised description of the sources and methods used for the re-benchmarked GDP estimates was completed in August 2014 and following review GDDS metadata will be submitted to the IMF in early 2015. Revised GDP estimates for 2011, 2012 and 2013, based on the annual business survey results for 2011-2013,

will be released early 2015. Experimental quarterly accounts for business sector and government sector activities are planned for 2016.

### Impact

More reliable national accounts more accurately reflect actual economic performance. They provide a more robust basis for taking public and private sector economic decision. Ultimately, they should lead to more effective allocation of resources and better economic performance.

### Dependencies and assumptions

- Availability of suitable national accounts staff.
- Availability of current and reliable annual economic activity data from:
  - business enquiries, and/or
  - administrative sources (e.g. VAT, public finance statistics and income tax returns).
- Availability of current, comprehensive and reliable quarterly price data (Increased price scope remains essential as use of only the CPI to deflate volume estimates 'represents a major weakness in the constant price estimation process', according to IMF DQAF from January 2005).
- Further development of short-term economic indicators.
- Availability of adequate specialized support within CSO (planning, IT, data base management, time series analysis, classification, etc.).

### Evaluation Based On DAC Criteria

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#### Relevance

AFS national accounts and prices TA to Zambia is relevant and well-focused and addresses an urgent need.

Zambia's PRSP recommended a review of national accounts and consumer price index statistics noting that improving these statistics should enhance the government's ability to monitor macroeconomic performance and improve policymaking. Zambia's national accounts were compiled using SNA 1968, a superseded international standard. The use of an obsolete base period (1994), out-of-date and poor quality source data and heavy reliance on the CPI for preparing current price estimates further compromised the reliability of the accounts. Price statistics were limited to a CPI that used an obsolete base period. For better national accounts and informed price analysis other price indexes were needed such as a producer price index and export and import price indexes.

Following a diagnostic mission in November 2011, a TA program was tailored to Zambia's needs. Work was well sequenced with initial focus on producing reliable and current economic census data; a pre-requisite to the national accounts rebase. Later work is aimed at establishing ongoing annual and later quarterly accounts. The CPI has been rebased and prices work is now focused on extending the scope of available data.

Although the AFS program is consistent with stated government objectives, country involvement with the SC has been limited. Resource constraints within CSO have resulted in requests for TA deferral in both the national accounts and prices projects.

CSO management and the staff directly involved with the TA considered AFS to have a clear comparative advantage in the delivery of RSS technical advice. Benefits of the AFS cited included responsiveness to specific needs, the highly interactive nature of training provided, access to peer insights from within the region, the IMF's access to high quality technical experts, and the close connection with IMF HQ.

Other donors have complementary comparative advantage in areas of technical assistance such as institutional reform and infrastructure. In the area of institutional reform in Zambia, progress in statistics has been very slow. Without external prompting it is unlikely that the pace of change will improve significantly. To the extent that this is a political problem, AFS may be powerless to directly influence change. However, AFS and IMF HQ together may be able to encourage more rapid reform.

## Effectiveness

### *Outcomes*

With AFS assistance, in March 2014 CSO published revised national accounts estimates benchmarked to 2010 and covering the period 1994 to 2014. The new estimates were compiled according to the current international standard (SNA 2008) and current structural information (particularly re-referenced data from the 2011-12 Economic Census, the 2013 Non-agriculture Informal Sector Survey, the 2009-10 Post Harvest Survey (PHS) and the 2010 Living Conditions Monitoring Survey (LCMS)).

AFS assisted finalisation of the 2011-12 Economic Census. The collection was a combined sample/census with full enumeration of large enterprises and sampling of businesses with a turnover of less than K250 million. There were problems with the reliability of some reported data and with the business register (the listing phase of the Census was done in 2007 and updated in 2011) which resulted in under-coverage. AFS technical assistance enabled CSO to significantly enhance the reliability of the Census results (by correcting for date reporting errors and under-coverage). This had an important follow-on effect improving the quality of the rebased national accounts estimates that depended heavily on the Economic Census data.

### *Outputs*

Participants in AFS workshops and seminars rated them highly. Some had difficulty with the highly conceptual nature of the SNA and suggested practice sessions might be useful where they were required to use actual data to complete selected accounts. Longer courses were also suggested for both national accounts and prices. Favourable comments were made about the use of peer-to-peer training by AFS. A study tour to Lesotho during economic census data validation was considered timely and instructive by participants. TA recipients reported the AFS model of TA delivery responsive, flexible, providing continuity and highly interactive. A strong preference for this model was expressed by CSO management. They wished other TA donors would consider adopting this delivery method. They said two factors contributed to the success of the AFS TA; the quality and responsiveness of the advice provided by the RA, and the regional focus of AFS.

## Efficiency

TA reporting has been comprehensive, thorough and of good quality. CSO expressed appreciation of the high quality of detailed written advice they received following each mission. The advice set out the recommendations made and agreements reached during the mission for subsequent work. They commented that the quality of the written advice and the responsive access to email follow-up from the RA were important to success of their work. Finalisation of some TA reports was delayed as a consequence of the RA's intense schedule and changes to backstopping arrangements but without impacting on the TA delivery.

Apart from a period in 2013 when there were three separate backstoppers in a short interval, the backstopping arrangement has worked well. It has helped ensure final TA reports coming from different advisors and regions are of high and consistent quality. For the two AFS real sector resident advisors English is a second language enhancing the value of the backstopping process. Backstopping also assists IMF STA ensure consistency of advice across regions.

### Sustainability

AFS TA has already made a significant contribution to the sustainability of national accounting in Zambia. By helping CSO produce substantially better and more useful national accounts, it is helping break from the vicious cycle trap of low-performance/low-status/low-resources.

National accounts are the culmination of the work of the complete national statistical system so mitigation from within the program cannot be sufficient. National accounts reconcile and integrate economic and social data from the central statistical agency and other government institutions. They require advanced analytical and time series management capabilities so that this diverse information can be successfully reconciled and integrated into a coherent and dynamic picture of the national economy. How well this is done depends on the institutional context of each country. Any failures in the statistical system are reflected in the accounts: inadequate planning and coordination capabilities, incompatible or obsolete classifications, failure of business registers, inadequate legal structures for the sharing of administrative data, non-availability of key data, lack of data management capabilities and so on.

The need for change is clear. Currently approximately 25% of professional level positions in CSO are vacant as a consequence of a recruitment freeze. This has impacted the speed with which the national accounts, prices, business register and source data collecting areas have been able to implement work plans associated with the AFS TA. Resources originally budgeted in 2014 for development of the PPI were forfeited when the CSO budget was cut. Pending the allocation of additional resources and the creation of a separate unit, the PPI remains the responsibility of the CPI area. The freeze also impacts the recruitment and retention of skilled staff in key areas. Statistics remains a relatively low priority activity but there are encouraging signs placing statistics in Zambia at a watershed.

A new statistics law is due to go before parliament in early 2015. After a four-year gestation, a National Strategy for the Development of Statistics (NSDS) was endorsed by the Minister of Finance and published in August 2014. The NSDS aims to better integrate national statistics that are currently only weakly coordinated as many ministries have responsibility for the key data collections. The new law has been drafted to empower the proposed Zambia Statistics Agency (ZamStats) for the functions envisaged by the NSDS.

The long-term sustainability of the national statistical system and by implication the AFS national accounts TA will depend on the level of government funding of and support for CSO and for the statistical function in other agencies. Notwithstanding support from the Minister of Finance, the proposed NSDS faces opposition from parts of the bureaucracy, cynicism from some in the donor community and, following the death of the President, uncertainties arising from the current political situation. The joint influence and encouragement of the IMF, AFS and key bilateral and multilateral donors could help Zambia move to a new national statistical system and encourage the government to provide more adequate resources for statistics.

### Impact

The more reliable re-benchmarked national accounts estimates recently published should lead to better macro-economic policy thereby contributing to improved economic growth and a reduction in poverty. Ongoing and timely availability of annual and quarterly national accounts should result in further improvement in macro-economic policy and more responsive and better industry and regional policy further contributing to economic growth and poverty reduction.

## Principal Findings and Conclusions

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1. AFS national accounts and prices TA is relevant, responsive, provides continuity and is highly interactive.
2. AFS workshops seminars and peer-to-peer training were rated highly by participants.
3. Currently approximately 25% of professional level positions in CSO are vacant and recruitment is frozen.
4. The AFS model of TA delivery is responsive, flexible, provides continuity and is highly interactive. Two important contributory factors to this success are the quality and responsiveness of the training and advice provided by the RA and the regional focus of AFS.
5. CSO will need to increase significantly the resourcing of professional level positions in national accounts, prices and the business register if project outcomes with respect to improving the scope of price statistics and the ongoing release of annual and quarterly national accounts is to be achieved.
6. There appears to be scope for significant productivity gains by addressing 'soft' issues within CSO such as resource allocation, management culture and planning, etc. Given the impact they have on the effectiveness of their TA work, it may be useful for AFS to consider how such issues could best be addressed.
7. The risks associated with ongoing sustainability of this project are essentially systemic. Although AFS TA is making an important contribution to the macroeconomic statistical aspect of these systemic issues, this assistance is not and cannot be sufficient. Addressing the problem will require the cooperative endeavors of the government and all external donors. Active IMF support for current efforts by other donors to assist the government reform statistics in Zambia is vital to true sustainability of this project.

## Topical Recommendations

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1. IMF and AFS provide active support for current efforts by other donors to assist the government reform statistics in Zambia by updating the outdated 1964 Census and Statistics Act and by institutional reform to create a National Statistical System.
2. IMF and AFS should more intensively lobby where needed the relevant ministries of finance and statistical offices to resource adequately, as a matter of urgency, professional level positions in national accounts, prices and statistical business registers.

## 4.3 SWAZILAND: POST CLEARANCE AUDIT

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### Background and AFS Activity

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SRA (Swaziland Revenue Authority) is a semi-autonomous agency that is responsible for all revenue collection on behalf of the Swaziland Government. It started operations in January 2011, taking over responsibilities from the previous Departments of Income Tax and Customs and Excise. It operates through two divisions: Domestic Taxes and Customs. As a young institution, SRA has wide-ranging needs. An August 2013 World Customs Organization (WCO) diagnostic highlighted the need for significant strengthening across all areas of operation, other than leadership and communications. HR was assessed to require considerable attention.

AFS provides support to SRA in both taxes and customs, the former in partnership with IMF HQ and the Tax Policy and Administration Topical Trust Fund (TPA TTF). Between FY 2012 and FY 2014 Swaziland received 19 person weeks of AFS TA, making it the largest recipient of TA in that topic. At the initial stages of SRA operations, there was limited engagement by other TA providers, and the AFS customs team provided TA in a number of areas. Since then, focus has narrowed. In FY 2012, following a diagnostic (1 person week), AFS provided support in strengthening IT functionality of ASYCUDA++ (2 person weeks) and also supported the establishment of a risk management (RM) team provided it guidance on the use of ASYCUDA (1 person week). AFS also provided advice to the SRA training function on curriculum modification (2 person weeks) and establishing a port clearance audit (PCA) unit. In FY 2013, follow-up TA was provided on PCA (2 person weeks) and capacity building of the RM team (1 person week). FY 2014 activity

involved assistance in setting risk ASYCUDA risk parameter setting (1 person week) and mapping of major cargo declaration processes (4 person weeks). Over three years, therefore, the area of risk management has provided some constancy, AFS has provided shorter-term support in a number of areas. These different topics were addressed primarily at the request of SRA.

PCA was chosen as an example of a short-term customs TA as it was one of the earliest interventions, with the first mission in April/May 2012, with the second and final TA delivered in November 2012.

## Results Chain

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### Inputs and Activities

During a two-week mission in April/May 2012, AFS STX reviewed the emergent PCA department and provided a detailed action plan to develop it into an effective function. In a follow-up two-week mission in November 2012 the STX reviewed progress made (which was limited) and suggested further course of action. Subsequently SRA management requested the STX be engaged in a different activity (process mapping). There was no capacity building activity, e.g., through training, within the scope of the TA.

### Principal Outputs

The principal output of the project was the TA report produced during the first mission. It highlighted strengthening needs across a range of areas, including legislation. The unit's mandate; the planning and reporting process; human and IT resource; technical capacity; cooperation and coordination with other units; and operational tools, including audit manual, risk assessment tools and audit files. Templates for some forms were also provided. A two-year PCA Improvement Plan was outlined. The second mission assessed implementation of the earlier recommendations, and found limited progress had been made. The priority areas that required attention were highlighted by way of a short-term action plan. In addition, the TA report provided more detailed guidance on templates for the unit's annual and quarterly plans, performance measurement indicators and risk database.

### Principal Outcomes

The principal outcomes from the project would be expected to be an effective PCA function that undertakes risk-based audits, is integrated with the SRA risk management and information sharing process, and meets its performance targets, including with respect to completed audits, efficiency in terms of time taken and number of audits conducted and revenue generation. Over time, SRA customs would be expected to increase the share of post clearance audits.

## Impact

The impact of an effective PCA function would include reduced costs associated with trade for the private sector, both with respect to time taken and administrative costs, and lower cost of revenue collection. This would contribute to increased trade and stronger economic performance.

## Dependencies and assumptions

The main risks and assumptions for a project such as that being reviewed would be:

- Management commitment to the unit and its objectives, and resourcing it appropriately.
- Availability of adequate staff, and their capacity to undertake their tasks effectively.
- Effective organization-wide cooperation and coordination, especially in sharing risk based information.
- Effectiveness of other functions of the customs administration, including those relating to intelligence and enforcement.

## Evaluation Based On DAC Criteria

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### Relevance

The move to PCA is a key outcome indicator for customs in the AFS results based management (RBM) framework. The TA arose from an August 2011 TA needs assessment mission conducted by the RA, which identified a number of areas where AFS could assist. Although the WCO report did not highlight PCA directly other than its training needs, the need to move to more risk based performance has been stressed. Nevertheless, subsequent SRA management action and limited outcomes to date suggest that this is not considered a priority area (or at least SRA management have changed their mind). The PCA team is currently partly engaged in the partnership with the South African Revenue Service to develop the SRA preferred trader scheme. SRA is engaged with other donors, including the World Bank that has subsequently provided TA to PCA. There is limited evidence in the documentation that AFS is actively coordinating with other donors at SRA.

### Effectiveness

#### *Outcomes*

The main benefit from AFS, according to PCA staff, has been an awareness of the appropriate role and activities of a PCA. Some of the recommendations, such as a standardized approach to audits, have been implemented, but mainly partially. The majority of recommendations for a Two Year PCA Improvement Plan, however, are yet to be implemented (most of these were identified in the November 2012 follow-up mission). The full complement of staff has not yet been recruited; staff are diverted to other activities, there is no risk-based approach; a recommended Verification and Enforcement Committee never met and has been superseded by another committee with a different mandate; audit plans, though produced, are not met; etc. This reflects decisions by the authorities.

#### *Outputs*

The TA report and its recommendations were of high quality and tailored to a young institution such as SRA. There were no workshops but they would have been meaningful only as part of a medium/long-term capacity building effort in PCA.

### Efficiency

We feel that sustained effort is needed, over an extended period, to successfully develop new functions. The two missions of input were inadequate for this purpose. There is also need to monitor implementation of TA advice and corrective action taken in case it is delayed or doesn't take place. In this case SRA management reprioritized AFS activity and its own objectives. The lack of the resulting follow-up has contributed to limited outcomes being achieved. No TA in this area is envisaged for FY 2015. In any event it is unlikely to be effective if the PCA team is not adequately resourced and focused.

### Sustainability

SRA does have a functioning PCA unit, which is better aware of its role and how to conduct its activities. The capacity for implementation, however, is limited. More TA will be required after SRA management prioritizes this area to develop effectiveness on which meaningful sustainability can be built.

### Impact

The current performance of PCA is likely to make very limited contribution to impact.

## Principal Findings and Conclusions

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1. Developing an effective PCA function is a core objective for AFS and was seen as a priority for SRA.
2. AFS made an important intervention at a critical nascent stage of SRA and PCA development.
3. PCA staff credit AFS for raising awareness of function and scope of PCA activities.
4. Very limited implementation of recommendations have been made to date. Many of the shortcomings identified in first and follow-up missions over two years ago still persist.
5. The project highlights the challenge in the AFS model of balancing the need to be demand driven vs achieving meaningful outcomes

## Topical Recommendations

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1. The risk of being diverted into multiple short-term activities might be alleviated through more intensive and formalized engagement with the recipient at the project design stage to agree: the concrete outcomes being targeted; the AFS inputs planned and over what period; and the need to complete outcomes.
2. Especially with short-term interventions, more effort is needed to monitor implementation of advice. Lack of follow-through should be recorded and reported as part of the RBM reporting system.

## 4.4 MAURITIUS: BASEL II PILLAR 2

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### Background and AFS Activity

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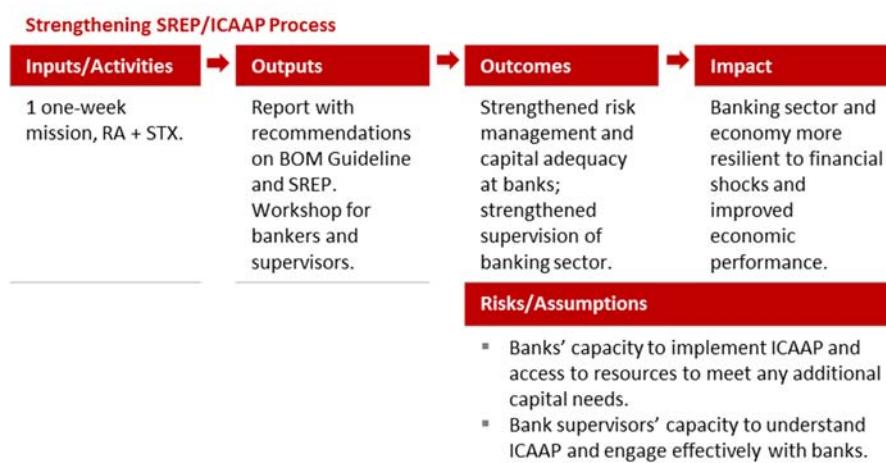
Mauritius has one of the more developed banking systems in the region. The banking sector is large compared to the domestic economy (assets 280% of GDP). It has a large presence of foreign-owned banks (51% of assets). Two largest domestic banks and two foreign banks account for 85% of domestic assets and 70% of total banking assets. The authorities have been upgrading the sector's regulatory and supervisory framework consistently as part of the country's objective to be a leading regional and international financial sector.

AFS TA engagement has been *ad hoc*, meeting focused needs of the Bank of Mauritius (BOM). In FY 2013, a one-week joint HQ and AFS RA mission reviewed the BOM action plan to implement the capital provisions of Basel III and provided preliminary comments on the enabling regulations. In FY 2014 a one week joint RA and STX mission *inter alia* reviewed BOM guidelines on supervisory colleges and provided a workshop on that topic. The need for TA on crisis resolutions framework was identified and is being provided in FY 2015 in partnership with HQ. In addition, the mission on implementation of Basel II Pillar 2 was undertaken.

The latter TA was selected as an example of more targeted intervention to a more sophisticated TA recipient.

## Results Chain

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### Inputs and Activities

One one-week mission in March 2014, with RA and one STX. Activities included a review of ICAAP/SREP guideline for banks, BOM supervisory processes, sample ICAAP/SREP reports, meetings with bankers and a workshop for supervisors (workshop was initially planned to include bankers as well).

### Principal Outputs

The principal output of the TA was a report that provided advice on making more detailed provisions for requirements of Internal Capital Adequacy Assessment Process (ICAAP) reports to be submitted by banks. In addition, a workshop gave guidance to supervisors on assessing ICAAP reports. The BOM supervisory review and evaluation (SREP) process was reviewed and guidance provided on strengthening it in targeted areas.

### Principal Outcomes

An intermediary outcome for the project would be the issuing of revised ICAAP guidelines to banks and updated SREP guidelines compliant with international standards. The ultimate outcome would be capital position of banks more aligned to their risks and more effective supervision of banks' capital positions.

### Impact

The targeted impact would be a more resilient, efficiently and effectively capitalised banking sector that can withstand shocks, contributing to improved economic performance.

### Dependencies and assumptions

The two main risks/assumptions related to achievement of the outcomes are related to the implementation of the guidelines:

- Capacity of banks to effectively assess and manage risk and appropriately allocate capital to meet such risks in line with guidelines. In cases where this might require the raising of additional capital, the availability of such capital is an important assumption.
- Capacity of supervisors to effectively assess risks in supervised institutions and make appropriate recommendations to address any shortcomings in compliance with the ICAAP guidelines.

## Evaluation Based On DAC Criteria

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### Relevance

The TA is within the Basel II implementation focus area for AFS financial sector supervision activities. It was a targeted activity in response to BOM request. It was also consistent with priority on improving risk management and strengthening bank capital as identified in the 2007 Mauritius FSAP. It was delivered in a reasonably timely manner: Six months between request and delivery. The STX was an ex Bank of England/FSA staff, with appropriate skills for Mauritius' level of development.

### Effectiveness

#### *Outcomes*

The expected intermediate outcomes of the project have essentially been achieved. Revised SREP/ICAAP guidelines incorporating a significant proportion of AFS suggestions have been consulted upon with the industry and have been issued. The BOM supervisory handbook is in the process of being updated, incorporating AFS suggestions. Although awareness of issues among supervisors has improved, no implementation capacity building of supervisors or bankers has taken place. We understand that especially smaller banks may lack capacity effectively review their internal risk assessment process and take corrective action, which is one of the key objectives of ICAAP. Moreover, the quality of reports submitted is often weak. Additionally, there appears to be need for capacity building among BOM supervisors to effectively review ICAAP submission and recommend appropriate action.

#### *Outputs*

BOM participants rated the workshop, which was extended at its request, as being very useful. Suggestions on improving guidelines were relevant, albeit generic. BOM were generally happy with quality of advice.

### Efficiency

The TA was delivered in one mission – a lot was achieved during this time. However, we believe (and the TA recipients concur) that further TA was warranted to provide hands on support to supervisors in this area. E.g., this was done for the ICAAP/SREP TA in Zambia. The mission had recommended follow-up joint supervisors and industry workshops to support effective implementation of the revised guidelines. These have not taken place.

### Sustainability

Given the relatively high level of core skills among BOM supervisors and the resources available to the institution, results of the TA is likely to be sustained.

### Impact

Contribution to impact will be achieved on effective implementation of the revised guidelines. This is likely to take place over time, although with more proactive follow-up AFS support it could be achieved more efficiently and quicker.

## **Principal Findings and Conclusions**

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1. AFS TA was well received by BOM. The institution sees it as part of a valuable partnership between itself and IMF.
2. AFS TA comments on SREP guidelines were seen by BOM as relevant and of high quality.
3. BOM sees value in AFS ability to draw on high quality international expertise.
4. BOM would have liked more extended support, for example more hands on TA to implement guideline.
5. Stakeholders consider BOM and some banks' capacity needs further enhancement to effectively implement guidelines.

## **Topical Recommendations**

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1. Framing individual TA projects with explicitly targeted outcomes might enable AFS to more effectively identify risks and assumptions, thereby enabling projects to be designed that are better able to deliver such outcomes.

## 5. EXTRACTS FROM AFS LOGFRAME

| Outcomes <sup>6</sup>                                                                                                                                                                                             | Verifiable Indicators FY 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>AFS Program objective: Improved macro policy frameworks to foster sustainable growth and poverty reduction</b>                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>PFM Topical Objective: Bring PFM systems of member countries closer to accepted international practices and standards, build PFM capacities, and promote regional harmonization in this area</b>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 1. PFM reform strategy and action plans developed                                                                                                                                                                 | <ul style="list-style-type: none"> <li>▪ Increased number of countries with a comprehensive country-owned PFM reform strategy (to cover all countries).</li> </ul>                                                                                                                                                                                                                                                                                                                                                       |
| 2. PFM Legal and regulatory frameworks updated                                                                                                                                                                    | <ul style="list-style-type: none"> <li>▪ Updated PFM legal and regulatory framework for at least 6 countries (Comoros, Lesotho, Mauritius, Seychelles, Swaziland, and Zimbabwe).</li> </ul>                                                                                                                                                                                                                                                                                                                              |
| 3. Medium-term macro-fiscal and budget frameworks implemented                                                                                                                                                     | <ul style="list-style-type: none"> <li>▪ Improved PEFA indicators for orderliness of budget process (PI 11) and multi-year fiscal planning framework (PI 12) for at least 12 countries (Angola, Botswana, Comoros, Lesotho, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia, and Zimbabwe).</li> </ul>                                                                                                                                                                                       |
| 4. More effective commitment, cash and expenditure management                                                                                                                                                     | <ul style="list-style-type: none"> <li>▪ Improved PEFA indicator for predictability of funding for commitment of expenditure (PI 16) for at least 6 countries (Botswana, Comoros, Mozambique, Lesotho, Seychelles, and Swaziland).</li> </ul>                                                                                                                                                                                                                                                                            |
| 5. Improved internal control procedures                                                                                                                                                                           | <ul style="list-style-type: none"> <li>▪ Improved PEFA indicators for payroll controls (PI 18), and controls on non-salary expenditure (PI 20) for at least 8 countries (Comoros, Lesotho, Mozambique, Namibia, Seychelles, Swaziland, Zambia, and Zimbabwe).</li> </ul>                                                                                                                                                                                                                                                 |
| 6. Comprehensive, timely and accurate accounting and financial reporting                                                                                                                                          | <ul style="list-style-type: none"> <li>▪ Improved PEFA indicators for budget classification (PI 5) and fiscal reporting (PI 24 and 25) for at least 6 countries (Botswana, Mauritius, Seychelles, Swaziland, Zambia, and Zimbabwe).</li> </ul>                                                                                                                                                                                                                                                                           |
| 7. Greater regional harmonization                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>▪ Series of regional capacity building and study activities.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Revenue Administration: Enhance tax and customs administration of member countries and promote regional harmonization and standardization consistent with international best practice to facilitate trade</b>  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Customs</b>                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 1. Enhanced tax and customs collections from improved and cost effective administrations and strengthened compliance                                                                                              | <ul style="list-style-type: none"> <li>▪ Increased regional average tax revenue to-GDP ratio (un-weighted).</li> <li>▪ Increased number of countries where customs administration relies more on post rather than pre-clearance accountability and controls.</li> </ul>                                                                                                                                                                                                                                                  |
| 2. More efficient and effective organizational structures                                                                                                                                                         | <ul style="list-style-type: none"> <li>▪ Increased number of countries where customs administration relies more on post rather than pre-clearance accountability and controls.</li> </ul>                                                                                                                                                                                                                                                                                                                                |
| 3. Barriers to trade are diminished and progress in regional harmonization with international best practice achieved                                                                                              | <ul style="list-style-type: none"> <li>▪ Improved un-weighted average ranking in the Efficiency of Customs Administration pillar of the Global Enabling Trade Report for Botswana, Lesotho, Mauritius, Madagascar, Mozambique, Namibia, South Africa, Zambia,</li> <li>▪ Improved un-weighted average index of trading across borders (ease of doing indicators of the World Bank) for Angola, Comoros, Seychelles, and Swaziland.</li> <li>▪ Simplified procedures program in place for certain registrants.</li> </ul> |
| <b>Tax</b>                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 1. Enhanced tax collections from improved and cost-effective administrations and strengthened compliance                                                                                                          | <ul style="list-style-type: none"> <li>▪ Increased regional average tax revenue to-GDP ratio (un-weighted).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2. More efficient and effective organizational structures                                                                                                                                                         | <ul style="list-style-type: none"> <li>▪ Increased number of countries with effective large taxpayers' units (LTU).</li> <li>▪ Increased number of countries with a simplified small business regime.</li> </ul>                                                                                                                                                                                                                                                                                                         |
| 3. Barriers to trade are diminished and progress in regional harmonization with international best practice achieved                                                                                              | <ul style="list-style-type: none"> <li>▪ 2 or 3 regional capacity building and harmonization events.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>FSS: Achieve higher level of compliance with international standards in the area of financial sector supervision and promote regional harmonization and greater cross-border cooperation among supervisors</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 1. Higher level of compliance with the Basel Core Principles for Effective Banking Supervision                                                                                                                    | <ul style="list-style-type: none"> <li>▪ All countries will have improved their compliance with BCP based on compliance assessment documented in FSAP reports and/or independent evaluation by experts wherever FSAPs are not available.</li> </ul>                                                                                                                                                                                                                                                                      |

<sup>6</sup> Logframe extracts from FY 2013 AFS Annual Report. MPOF indicators from FY 2014 AFS Annual Report.

| Outcomes <sup>6</sup>                                                                                                                                                                                                                                     | Verifiable Indicators FY 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Higher levels of compliance with the Basel I Capital Adequacy Framework, including requirement for capital charge for market risk and for some middle income countries, with the Basle II or III Capital Adequacy Framework                            | <ul style="list-style-type: none"> <li>▪ All countries will issue regulation on capital charge on market risk.</li> <li>▪ All countries will comply with Basel I standards.</li> <li>▪ Namibia will comply with Basel II standards, and Mauritius will implement Basel III standards as appropriate for their banking systems.</li> </ul>                                                                                                                                                                                                                                                                                  |
| 3. Implementation of / improvement in risk based supervision frameworks, with clear onsite and off-site supervisory methodologies and risk assessment criteria                                                                                            | <ul style="list-style-type: none"> <li>▪ Comoros will implement RBS.</li> <li>▪ The other countries will improve/ rationalize their RBS frameworks.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 4. Adoption of macroprudential approach to supervision and systemic risk assessment framework                                                                                                                                                             | <ul style="list-style-type: none"> <li>▪ South Africa, Mauritius, Zambia, Zimbabwe, and Mozambique will design a framework for macroprudential supervision.</li> <li>▪ The countries [list to be established] will adopt systemic risk assessment framework.</li> <li>▪ Seminar.</li> </ul>                                                                                                                                                                                                                                                                                                                                |
| 5. Greater cross-border communication and cooperation among the supervisory authorities in the region, as a way to foster regional financial stability                                                                                                    | <ul style="list-style-type: none"> <li>▪ An increased number of countries having presence of cross-border banks sign bilateral memoranda of understanding (MoUs) with parent jurisdictions.</li> <li>▪ Seminar on regional issues.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                              |
| 6. Needs assessment/diagnostic                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>RSS: Bring member countries closer to compliance with international standards for the compilation of national accounts and price statistics</b>                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1. Compilation and dissemination of annual and quarterly national accounts following international standards                                                                                                                                              | <ul style="list-style-type: none"> <li>▪ Reporting annual national accounts on timely basis in all countries, following the SNA 1993 and introduction of some basic methodological requirements of 2008 SNA in the last updated benchmark year (Mauritius, South Africa, Lesotho, Zambia, Swaziland, Mozambique)</li> <li>▪ Reporting quarterly national accounts on a timely basis in at least six AFS countries: Botswana (2), Lesotho, Mauritius (1), Seychelles, South Africa (1), Zambia</li> <li>▪ Regularly updated (on annual basis) inventory of sources and compilation methods for all AFS countries</li> </ul> |
| 2. Improved accuracy of price statistics                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>▪ Regularly updated (3) CPI in all AFS Countries</li> <li>▪ Regularly updated (3)/developed producer price index (PPI) in at least four AFS countries: Mauritius (1), South Africa (1), Zambia</li> <li>▪ Regularly updated (on annual basis) inventory of sources and compilation methods for all AFS countries</li> </ul>                                                                                                                                                                                                                                                         |
| <b>Macroeconomic Training: Strengthen capacity in macroeconomic analysis</b>                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Improved capacity in macroeconomic analysis                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>▪ Organize 8 courses on macroeconomic issues over the funding cycle and achieve an average improvement in scores of 20 percent.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>MPOF: Improve member countries' framework for monetary policy, strengthen operational instruments, and develop money markets with the objective of enhancing implementation of monetary and exchange rate policies [to be finalized in March 2014]</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1. Coherent approach to monetary policy formulation                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>▪ Consistent monetary policy objectives and targets in 2 more countries</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2. A firm grasp of the monetary transmission mechanism                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>▪ Existence of a credible inflation forecasting model in 5 more countries</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 3. Appropriate instruments for monetary operations                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>▪ An improved mix of instruments that can be used to achieve operating targets in 5 more countries</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4. Deeper and more efficient primary and secondary money markets                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>▪ Appropriate guidelines for the efficient operation of primary and secondary money markets in place in 4 more countries</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## 6. WEIGHTED DAC CRITERIA SCORES: 2009 EVALUATION APPROACH

Our inception report highlighted various reservations we have about arriving at composite ratings by applying weightings across different DAC criteria. These include the inherent subjectivity associated with arriving at relative weightings; different relative weightings may be appropriate for different types of project (e.g., legal advice and capacity building); and the potentially misleading results if performance under one of the criteria is very weak.

Nevertheless, to provide comparability with previous results, we have applied the weightings applied in the 2009 AFRITACs evaluation to arrive at weighted ratings. These weightings related to:

- DAC Criteria: Relevance 32%; Effectiveness 28%; Efficiency 22%; Sustainability 18%. As we have provided different scores for outputs and outcomes, we have attributed weightings of 14% to each of these criteria to reflect the weighting for effectiveness.
- Resources allocated to topical areas: The budget allocated to different topical areas were applied to weight results to arrive at the results of the RTAC. We have used total person weeks planned for each of the topical areas until FY 2014 for the relative weightings.

| DAC Criteria         | 2009<br>Weights | Topical Areas |             |             |             |             | AFS<br>Weighted<br>Average |
|----------------------|-----------------|---------------|-------------|-------------|-------------|-------------|----------------------------|
|                      |                 | PFM           | FSS         | RA-C        | RA-T        | RSS         |                            |
| <b>Person Weeks</b>  |                 | 421           | 161         | 126         | 143         | 103         | <b>954</b>                 |
| <b>Topical Share</b> |                 | 44%           | 17%         | 13%         | 15%         | 11%         | <b>100%</b>                |
| Relevance            | 32%             | 3.8           | 2.9         | 3.7         | 3.6         | 3.8         | <b>3.6</b>                 |
| Efficiency           | 22%             | 3.1           | 2.1         | 3.2         | 2.9         | 3.3         | <b>3.0</b>                 |
| Outcomes             | 14%             | 3.4           | 2.7         | 3.3         | 2.9         | 3.6         | <b>3.3</b>                 |
| Outputs              | 14%             | 3.7           | 3.7         | 3.7         | 3.6         | 3.7         | <b>3.7</b>                 |
| Sustainability       | 18%             | 3.2           | 2.8         | 3.1         | 2.9         | 2.9         | <b>3.1</b>                 |
| <b>Topical Score</b> |                 | <b>3.47</b>   | <b>2.79</b> | <b>3.43</b> | <b>3.22</b> | <b>3.49</b> | <b>3.35</b>                |
| <b>Rating</b>        |                 | <b>Good</b>   | <b>Good</b> | <b>Good</b> | <b>Good</b> | <b>Good</b> | <b>Good</b>                |

Rating Scale: Excellent: >3.5-4.0; Good: 2.5-3.5; Modest: 1.5-2.4; Poor: 1-<1.5.

## 7. LIST OF MEETINGS AND INTERVIEWS

| IMF HEADQUARTERS                                                             |                                                              |                              |
|------------------------------------------------------------------------------|--------------------------------------------------------------|------------------------------|
| Department                                                                   | Position                                                     | Name                         |
| Global Partnerships Division,<br>Institute for Capacity<br>Development (ICD) | Deputy Division Chief                                        | Mr. Holger Floerkemeier      |
|                                                                              | Senior Technical Assistance (TA) Officer                     | Ms. Marilyn Whan-Kan         |
|                                                                              | Budget Analyst                                               | Ms. Thao Nguyen              |
|                                                                              | Senior Budget Analyst                                        | Mr. Kojo Onumah              |
|                                                                              | Deputy Division Chief                                        | Mr. Simon Cauchi (phone)     |
| Training Division, ICD                                                       | Division Chief                                               | Mr. Marc Quintyn             |
| Strategy and Evaluation<br>Division, ICD                                     | Division Chief                                               | Mr. Robert Powell            |
|                                                                              | Senior Economist                                             | Ms. Hali Edison              |
|                                                                              | Senior Project Officer                                       | Mr. Michael Filippello       |
|                                                                              | Consultant                                                   | Mr. Robert Corker            |
| African Department                                                           | Division Chief                                               | Mr. Ricardo Velloso          |
|                                                                              | Advisor                                                      | Mr. Enrique Gelbard          |
|                                                                              | Assistant Director, Eastern 2                                | Ms. Doris C. Ross            |
|                                                                              | Deputy Division Chief                                        | Mr. Marshall Mills           |
|                                                                              | Deputy Division Chief                                        | Mr. Mauricio Villafuerte     |
|                                                                              | Senior Economist                                             | Mr. Byung Kyoong Jang        |
| Fiscal Affairs Department                                                    | Deputy Division Chief, PFM II                                | Mr. Mario Falcao Pessoa      |
|                                                                              | Senior Economist (Revenue Administration)                    | Mr. Gilles Motagnat-Rentier  |
|                                                                              | Senior Economist, PFM I                                      | Mr. Peter Murphy             |
|                                                                              | TA Advisor                                                   | Mr. Lesley Fisher            |
|                                                                              | TA Advisor                                                   | Mr. David Gentry             |
| Statistics Department                                                        | Deputy Director                                              | Mr. Johannes Mueller         |
|                                                                              | Assistant Director                                           | Ms. Armida San José          |
|                                                                              | Division Chief, Real Sector                                  | Ms. Kimberley Zieschang      |
|                                                                              | Deputy Division Chief, Resource Management<br>Division (RMD) | Ms. Wipada Soonthornsimma    |
|                                                                              | Deputy Division Chief, BOP Division                          | Mr. Ethan Weisman            |
|                                                                              | Senior Administrative Assistant                              | Ms. Sophia Perera            |
|                                                                              | Technical Assistance Officer, RMD                            | Ms. Claudia Mariel           |
|                                                                              | Technical Assistance Officer, RMD                            | Ms. Caroline Dyer-Lock       |
| Monetary and Capital Markets                                                 | Deputy Division Chief, TA Division                           | Ms. Anne-Margret Westin      |
|                                                                              | Senior Economist, TA Division                                | Ms. Susan George             |
|                                                                              | Economist, TA Division                                       | Mr. Romain Veyrune           |
|                                                                              | Senior TA Officer, RMD                                       | Ms. Ava Ayrton               |
|                                                                              | TA Officer, RMD                                              | Ms. Karen Lackey             |
|                                                                              | Advisor, RMD                                                 | Mr. Paul Mathieu             |
|                                                                              | Economist, TA Division                                       | Mr. Romain Veyrune           |
| Finance                                                                      | Accountant                                                   | Ms. Gaielle Latortue (phone) |

| AFRITAC SOUTH                                |                                                                      |                              |
|----------------------------------------------|----------------------------------------------------------------------|------------------------------|
| Institution                                  | Position                                                             | Name                         |
| AFRITAC South                                | Centre Coordinator                                                   |                              |
|                                              | Public Financial Management Resident Advisor                         | Mr. Jean-Luc Helis           |
|                                              | Resident Public Financial Management Advisor                         | Mr. McCarthy Phiri           |
|                                              | Resident Macro-Fiscal Advisor                                        | Mr. Roberto Tibana           |
|                                              | Resident Customs Administration Advisor                              | Mr. Stephen Mendes           |
|                                              | Resident Tax Administration Advisor                                  | Mr. Besweri Magoola Kalyebbi |
|                                              | Resident Advisor, Banking Supervision                                | Mr. Pramod Kumar Panda       |
|                                              | Regional Advisor on National Accounts and Price Statistics           | Mr. Todor Dimitrov Todorov   |
|                                              | Economist                                                            | Mr. Dovindutt Baichoo        |
|                                              | Administrative Assistant                                             | Ms. Diya Mungra              |
|                                              | Administrative Assistant                                             | Ms. Padma Chiran             |
|                                              | Office Manager                                                       | Mr. Yuvin Chundunsing        |
|                                              | Accounting/Administrative Assistant                                  | Ms. [ ] Mohit                |
|                                              | Administrative Assistant                                             | Ms. Lowtoo Jadunundon        |
| Africa Training Institute                    | Assistant Director                                                   | Mr. Jaromir Hurnik           |
| Mauritius                                    |                                                                      |                              |
| Institution                                  | Position                                                             | Name                         |
| Bank of Mauritius                            | Second Deputy Governor                                               | Mr. Issa Soormally           |
|                                              | Head Off-Site Supervision Department                                 | Mr. Deneesh Ghurburun        |
|                                              | Head- Supervision, On-Site, On Site Division, Supervision Department | Mr. Ramasamy Chiniah         |
|                                              | Head, Regulation, Policy and Licensing Division                      | Ms. Sudha Hurrymun           |
|                                              | Analyst – Regulation, Policy and Licencing Division                  | Mr. Yashwantsingh Rughoobur  |
| State Bank of Mauritius Ltd.                 | Chief Executive                                                      | Mr. Jairaj Sonoo             |
|                                              | Head of Risk                                                         | Mr. Kuon Li Pak Man          |
|                                              | Divisional Leader, Finance & Corporate Affairs                       | Mr. Chandradev Appadoo       |
|                                              | Head, Value Based Performance Management                             | Mr. Sanda Soondram           |
|                                              | Finance Director                                                     | Mr. Franco Davis             |
| Prime Minister's Office (PMO)                | Analyst/Senior Analyst                                               | Mr. Kamlesh Rughoonath       |
| Ministry of Finance and Economic Development | Lead Analyst                                                         | Mr. Mahess Rawoteea          |
|                                              | Lead Analyst                                                         | Mr. Rajesh Ancharuz          |
|                                              | Adviser                                                              | Mr. Prakash Hurry            |
|                                              | Analyst/Senior Analyst                                               | Mrs. Nesha Kureemun          |
|                                              | Analyst/Senior Analyst                                               | Mr. Anand Moteea             |
|                                              | Analyst/Senior Analyst                                               | Ms. Jaya Oogur               |
|                                              | Lead Analyst                                                         | Mr. Christ Paddia            |
|                                              | Analyst/Senior Analyst                                               | Mr. Vikraj Ramkelawon        |
|                                              | Lead Analyst                                                         | Mr. Kresh Seebundhun         |
|                                              | Analyst/Senior Analyst                                               | Mrs. Naima Suhootoorah       |
| Mauritius Revenue Authority                  | Service to Mauritius Program (STM)                                   | Ms. Deena Veerapen           |
|                                              | Director (Customs Department)                                        | Mr. James Lenaghan           |
|                                              | Team Leader                                                          | Mr. Roshan Oree              |
|                                              | Audit Section Head                                                   | Mr. Jeewonlall Audit         |
| Statistics Mauritius (SM)                    | Principal Statistician                                               | Mrs. Gangamah Appadu         |
| Australian High Commission                   | High Commissioner                                                    | Ms. Susan Coles              |

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|--------------------------------------|------------------------------------|--------------------------------------|
| European Delegation                  | Project Manager<br>Project Manager | Ms. Lalita Nosib<br>Ms. Corinne Paya |
| United Nations Development Programme | Technical Advisor (PFM)            | Mr. Emmanuel Bor                     |

**Zambia**

| Institution                | Position                                                        | Name                      |
|----------------------------|-----------------------------------------------------------------|---------------------------|
| Central Statistical Office | Director of Census and Statistics                               | Dr. John Kalumbi          |
|                            | Deputy Director, Economic and Financial Statistics              | Mr. Goodson Sinyenga      |
|                            | Deputy Director, Economic and Financial Statistics              | Mr. Daniel Daka           |
|                            | Head, National Accounts                                         | Mr. Litia Simbangala      |
|                            | Statistician, National Accounts                                 | Mr. Anthony Silungwe      |
|                            | Statistician, National Accounts                                 | Ms. Nancy Kazemba         |
|                            | Statistician, National Accounts                                 | Mr. Mwamba Mwango         |
|                            | Head, Production Statistics                                     | Mr. Nkandu Kabibwa        |
|                            | Statistician, Production Statistics                             | Ms. Tisa Alese Phiri      |
|                            | Head, Government Statistics                                     | Mr. Godwin Sishone        |
|                            | Head, Trade and BoP Statistics                                  | Mr. Joseph Tembo          |
|                            | Head, Price Statistics                                          | Mr. Raymond Muyovwe       |
|                            | Head of Branch, Foreign Trade Statistics                        | Mr. Peter Lungu           |
| Ministry of Finance        | Assistant Director, Macro                                       | Mr. Shilambwe Mwaanga     |
| COMESA                     | Senior Statistician & Unit Head                                 | Mr. Themba Munalula       |
| Bank of Zambia             | Director, Financial Markets (Steering Committee member)         | Dr. Emmanuel Mulenga Pamu |
| IMF                        | Resident Representative                                         | Mr. Tobias Rasmussen      |
| EU Delegation              | Head of Section, Economics Private Sector and Rural Development | Mr. Kirsi Pekuri          |
| KFW                        | Senior Programme Manager, Governance                            | Ms. Stefanie Peters       |
| World Bank                 | Program Leader/Lead Economist                                   | Mr. Praveen Kumar         |
|                            | Country Economist                                               | Mr. Asumani Guloba        |
|                            | Senior Private Sector Development Specialist                    | Mr. Brian G. Mtanya       |
| DFID                       | Team Leader, Inclusive Growth Team                              | Mr. Andrew Ockenden       |
| Australian Consulate       | Honorary Consul                                                 | Mr. Saul Radunski         |

**The Seychelles**

| Institution         | Position                                                       | Name                  |
|---------------------|----------------------------------------------------------------|-----------------------|
| Ministry of Finance | Minister of Finance                                            | Mr. Pierre Laporte    |
|                     | Principal Secretary, MoFSI                                     | Mr. Patrick Payet     |
|                     | Comptroller-General                                            | Mr. Damien Thesee     |
|                     | Seior Economist, Forecast and Analysis, MoFSI                  | Mr. Yannick Vel       |
|                     | Chief Internal Auditor                                         | Ms. Joan Fred         |
|                     | Principal Auditor, Office of Auditor General                   | Mr. Kaluru Bandara    |
|                     | Auditor General                                                | Mr. Marc Benstrong    |
|                     | Senior auditor, Office of Auditor General                      | Mr. Tony Miller       |
|                     | Senior Bureau Analyst, Public Enterprise Monitoring Commission | Ms. Rosalina Honareou |
|                     | Senior Analyst, Public Enterprise Monitoring Commissions       | Mr. Roland Marengo    |
|                     | Head, Treasury                                                 | Mrs. Gretel Quatre    |

| Zimbabwe                 |                                                   |                            |
|--------------------------|---------------------------------------------------|----------------------------|
| Institution              | Position                                          | Name                       |
| Ministry of Finance      | Head Fiscal Policy Analysis and Services          | Mr. Eric Hamandishe        |
|                          | Deputy Head, FPAS                                 | Mr. Jonah Mushayi          |
|                          | Economist, FPAS                                   | Mr. Kuda Mudereri          |
|                          | Acting Accountant General                         | Mr. Edwin Zvandasara       |
|                          | Deputy Accountant General                         | Mr. Gift Gumbira           |
|                          | Director PFMIS                                    | Mr. Sadwa Kanyosa          |
|                          | Accountant, National development Fund             | Mr. Forgive Mlambo         |
|                          | Accountant                                        | Mr. Joyful Makura          |
|                          | Accountant                                        | Mr Abednego Sibanda        |
|                          | Accountant                                        | Mr. Joel Matsvai           |
|                          | Economist                                         | Mr. Bangidja Itayi         |
|                          | Economist                                         | Mr. Chatheberth Mudhungayo |
|                          | Economist                                         | Ms. Trisj Chiinze          |
|                          | Economist                                         | Ms. Auxillia Ndaona        |
|                          | Economist                                         | Mr. Mafigo Kudakwashe      |
|                          | Economist                                         | Mr. Machinjike Noell       |
|                          | Economist                                         | Ms. Patience Yahobe        |
| IMF                      | Resident Representative                           | Mr. Christian Beddies      |
| World Bank               | Country Director                                  | Ms. Camille Nuamah         |
|                          | Finance and Private Sector Development Specialist | Mr Crispin Mawadza         |
|                          | Senior Financial Management Specialist            | Mr Daniel Domeleovo        |
| African Development Bank | Senior Program officer                            | Ms Eyerusalem Fasika       |
|                          | Procurement Specialist                            | Ms Jane Mukiri             |
| DFID                     | Economic Adviser                                  | Mr Phil Johnston           |
| UNDP                     | Economic Adviser                                  | Mr Amarakoon Bandara       |

| Swaziland                   |                                        |                             |
|-----------------------------|----------------------------------------|-----------------------------|
| Institution                 | Position                               | Name                        |
| Swaziland Revenue Authority | Commissioner General                   | Mr Dumsani E. Masilela      |
|                             | Commissioner Domestic Taxes (DT)       | Mrs. Nompumelelo W. Dlamini |
|                             | Commissioner of Customs and Excise     | Mr. I.V. Mazorodze          |
|                             | Director Customs Inland Operations     | Mr. Mduduzi E. Zwane        |
|                             | Senior Manager, Post Clearance Audit   | Mr. Samsom Mkhatswa (phone) |
|                             | Manager (Acting Director) LTU, DT      | Ms. June Khanyile           |
|                             | Manager Anti-Smuggling, Customs        | Mr. Stanley Mashaba         |
|                             | Manager Investigations, Customs        | Mr. John Msimango           |
|                             | Manager Excise, Customs                | Mr. Sifiso Nkambule         |
|                             | Senior Customs Officer                 | Ms. Fairlady Fakudze        |
|                             | Customs Officer                        | Ms. Iris DuPlessis          |
|                             | Customs Officer                        | Ms. Nompumeleo Nkambule     |
|                             | Director Compliance, DT                | Ms. Nkosingphile Mabuza     |
|                             | Director Central Operations, DT        | Ms. Zethu Nxumalo           |
|                             | Director Legislative                   | Ms. Ntombifuthi Simelane    |
|                             | Director Operations Policy, DT         | Mr. Reginald Vilakazi       |
|                             | Manager Taxpayer Services, DT          | Mr. Melisizwe Ginindza      |
|                             | Manager Operations Policy, DT          | Mr. Sicelo Dlamini          |
|                             | Senior Officer Operations Policy, DT   | Mr. Mxolisi Dlamini         |
|                             | Manager Customs Training               | Ms. Precious Nyoni          |
|                             | Manager Human Resources                | Mr. Tulani Mchunu           |
|                             | Senior International Relations Officer | Ms. Lindelwa Khumalo        |

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|---------------------|--------------------------------------------|-----------------------------------------------|
| Ministry of Finance | Head of Budget (Steering Committee Member) | Mr. Bheki Bhembe                              |
| EU Delegation       | Head of Cooperation<br>Economist           | Ms. Elisabeth Rousset<br>Ms. Nontobeko Mabuza |

| Botswana      |                                                      |                                      |
|---------------|------------------------------------------------------|--------------------------------------|
| Institution   | Position                                             | Name                                 |
| EU Delegation | Regional Cooperation, incl. SADC<br>Economic Attaché | Mr. Sagoh Djete<br>Ms. Vivien Rigler |