

AFRITAC South Seminars: May 2018–April 2019

*Improving
macroeconomic
management
frameworks to foster
sustainable growth and
poverty reduction in
Southern Africa*

Fiscal Year 2019



AFRITAC South Seminar/Course- recently held and forthcoming The venue is AFS, Ebene, Mauritius, unless otherwise stated	Dates
Foreign Exchange Market Simulation for Central Banks Workshop Coordinators: Ms. Carina Selander, Mr. Zsolt Ersek, and Mr. Marin Molosag Venue: Johannesburg, South Africa	June 25-29, 2018
Impact of Basel III Reforms in the Implementation of Basel II/III in Emerging Market and Developing Economies Seminar Coordinator: Mr. Ravi Mohan P.R.	July 16-20, 2018
Strengthening the Administration and Control of Excise Seminar Coordinator: Mr. Kenneth Head	September 3-7, 2018
Medium-Term Fiscal Frameworks and Fiscal Risks Seminar Coordinator: Mr. Sybi Hida Jointly with AFE/COMESA Venue: Sandton, Johannesburg, South Africa	September 10-14, 2018
Crisis Management and Crisis Resolution Seminar Coordinator: Mr. Ravi Mohan P.R. Venue: SARB Academy, Pretoria, South Africa For SADC member countries	October 15-19, 2018
Orientation Program for newly recruited Central Bank Officers Seminar Coordinators: Ms. Carina Selander and Mr. Ravi Mohan P.R. Venue: Bank of Mauritius (BOM), Port Louis Jointly with BOM	October 22-26, 2018
Model Based Policy Analysis and Forecasting Course Coordinator: IMF Institute for Capacity Development Jointly with AFE/AFW2	November 5-16, 2018
Mainstreaming National Accounts and Balance of Payment Statistics Seminar Coordinator: Mr. Achille Pegoue	December 3-7, 2018
Moving Towards International Public-Sector Accounting Standards (IPSAS) Seminar Coordinator: Mr. Jean Luc Helis Jointly with AFE/COMESA Venue: Sheraton Hotel, Pretoria, South Africa	January 21-25, 2019
Advanced Rulings for Classification Purposes, Origin and Valuation Seminar Coordinator: Mr. Kenneth Head Jointly with AFE/COMESA	January 28-February 1, 2019
Compilation of Export and Import Price Indices Seminar Coordinator: Mr. Achille Pegoue Jointly with AFE/COMESA Venue: Sheraton Hotel, Pretoria, South Africa	February 18-22, 2019
Macroeconomic Management in Resource-Rich Countries Course Coordinator: Mr. Nikola Spatafora Jointly with AFC	March 11-22, 2019
Fintech: Opportunities, Challenges and Risks to the Financial System Seminar Coordinator: Ms. Faith Stewart Jointly with AFE Venue: Sheraton Hotel, Pretoria, South Africa	March 19-21, 2019

FOREIGN EXCHANGE MARKET SIMULATION FOR CENTRAL BANKS

WORKSHOP COORDINATORS: MS. CARINA SELANDER, MR. ZSOLT ERSEK and MR. MARIN MOLOSAG

Area of technical assistance:	Monetary Policy and Operations
Targeted audience:	Mid -to Senior-level experts working in foreign exchange (FX) market operations or very closely related areas, who have already acquired an FX trading certificate
Participation:	One-two participants per country from central banks of the following countries: Angola, Botswana, Madagascar, Mauritius, Mozambique, Seychelles, South Africa, Zambia (the selection of countries is based on their current exchange rate regime and the level of the advancement of the FX market)
Dates:	June 25-29, 2018
Venue:	Johannesburg, South Africa
Nomination deadline:	May 10, 2018

Workshop description

Recent experience of exchange rate volatility in sub-Saharan African countries has forced many central banks to rethink their foreign exchange market operations. Inefficiency of market movement shows there is a general need to move away from pure administrative measures towards more market conforming methods and to deepen the understanding of money and foreign exchange market dynamics. Thus, central banks in the region are currently striving to improve their market intelligence for better understanding of market dynamics, to update market conventions and regulations, develop new instruments, and improve central bank operations to increase market efficiency and price discovery. To complement regular TA within this area, this workshop will provide for both theoretical fundamental knowledge and practical skills training.

This workshop's intensive program will provide for close to real-life simulations of trade in a foreign exchange market environment. It is tailored to central banks and deals extensively with market conventions, role of central banks in the foreign exchange markets, and forward transactions. The workshop will have several sessions with foreign exchange market simulation exercises which are carried out on an electronic trading platform. The participants will trade with each other while market news come in. In addition, the workshop will include sessions on interbank market conventions, swap and forward instruments, characteristics of forward markets, trading platforms - features for swaps, and methods for trading.

This program is delivered by ACI Australia, which has a long experience in this type of FX market simulation courses. More information about ACI and the dealing simulations can be found at: <http://aciaustralia.com.au/>

As the event is held jointly with AFRITAC West 2 and East AFRITAC it will provide an excellent forum for experts from Eastern, Southern and Western African central banks to exchange experiences.

Language requirements:

The course will be conducted in English and good working knowledge of English is required

**IMPACT OF BASEL III REFORMS IN THE IMPLEMENTATION OF BASEL II/III
IN EMERGING MARKET AND DEVELOPING ECONOMIES**
SEMINAR COORDINATOR: Mr. P.R. RAVI MOHAN

<i>Area of technical assistance:</i>	<i>Financial Sector Supervision</i>
Targeted audience:	Mid- to senior-level supervisors of banks from central banks/prudential supervisory agencies
Participation:	Two–three participants per country
Dates:	July 16–20, 2018
Venue:	Ebene, Mauritius
Nomination deadline:	May 18, 2018

Seminar description

The seminar will cover the details of recently finalized Basel III reforms by the Basel Committee on Banking Supervision (BCBS) especially aspects relating to the standardized approaches for Credit and Operational risks as well as Leverage Ratio framework, Credit Value Adjustment risk framework and introduction of a robust Output Floor.

In the wake of the global financial crisis, the BCBS has been reviewing the adequacy of the capital framework and completed revisions in December 2017. The aim was not only to address the weaknesses that were revealed during the crisis, but also to reflect the experience gained with the implementation of the Basel framework since 2004. The Basel III framework, being the central element of the BCBS's response to the crisis, addresses a number of shortcomings in the pre-crisis regulatory framework and provides a foundation for a resilient banking system that will help avoid the build-up of systemic vulnerabilities. The BCBS has revised the standardized approaches for credit, market and operational risks. The BCBS's objective has been to ensure that the combined revisions to the standardized approaches imply that the capital requirements reflect the inherent riskiness of exposures and that the standardized approaches constitute a suitable alternative and complement to internal models. It has also revised certain elements of the Internal Ratings Based Approach to credit risk, leverage ratio framework, output floor and transitional arrangements. This will have a substantial impact on the Basel II/III implementation program of many countries in sub-Saharan Africa and there is an urgent need for prudential regulators to keep abreast of these developments.

The seminar will inform participants about the regulatory developments and help prepare for the implementation challenges. It will review key aspects of the standardized approaches to Credit, Market and Operational risks, including the operational challenges in a domestic and a cross-border context. The seminar will also highlight recent developments including proposed revisions to the Pillar 3 framework. The seminar will provide the participants an opportunity to discuss the following issues:

- revisions to standardized approaches for credit, market and operational risks- concepts, framework and implementation challenges;
- impact of revision to standardized approaches on the Basel II implementation plan of countries in sub-Saharan Africa;
- developments relating to revision of Basel III- leverage ratio, CVA risk, Output floors, etc; and
- roundtable discussion on implementation framework for Southern African countries.

The seminar will require close interaction among participants, with the resource persons guiding the interactions. Representatives from selected countries will be required to make a presentation on case studies involving Basel II implementation aspects in their country. Presentations will be given by international experts, including from IMF headquarters. This course is designed to enhance participants' ability to judge the quality and effectiveness of implementation of the Basel Capital adequacy process and to enhance their supervisory capabilities in preparation for conducting assessments in larger, more complex banks. The seminar includes interactive discussion and group exercises with fellow participants, regulatory experts, and industry practitioners.

References:

Participants should consult the following references ahead of the seminar to prepare themselves for an effective participation:

Basel III: Finalizing post - crisis reforms, BCBS. December 2017. www.bis.org/publ/bcbs.pdf

Basel III regulatory consistency assessment programme. <http://www.bis.org/publ/bcbs.htm>

Pillar 3 Disclosure Requirements-Updated Framework -Consultative Document- February 2018.<http://www.bis.org/publ/bcbs.htm>

Revision to the minimum capital requirements for Market Risk -Consultative Document - March 2018
<http://www.bis.org/publ/bcbs.htm>

IMF Staff Position paper- The Making of Good Supervision: Learning to Say "No": Vināls, José; Fiechter, Jonathan; Narain, Aditya ; Elliott, Jennifer A. ; Tower, Ian ; Bologna, Pierluigi ; Hsu, Michael, available at :
www.imf.org/external/pubs/ft/spn/2010/spn1008.pdf

Language requirements:

The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required.

STRENGTHENING THE ADMINISTRATION AND CONTROL OF EXCISE

SEMINAR COORDINATORS: MR. KENNETH HEAD

Area of technical assistance:	Revenue Administration (Customs)
Targeted audience:	Officials from excise control units in the customs and tax administrations responsible for participating in and managing the excise function. Participants are expected to be familiar with excise legislation, and the control and monitoring of excise operators both through risk based audits and physical inspections.
Participation:	Three officials per country from the customs and tax administrations
Dates:	September 3-7, 2018
Venue:	Ebene, Mauritius
Nomination deadline:	July 2, 2018.

Seminar description

The seminar will provide a forum for discussion to explore challenges to the administration of excise programs and build capacity of the participants by looking at:

- review aspects of the supporting legislation/regulations, and control processes and procedures in the region;
- trader information, application, approval and registration of operators, risk management, physical and audit control, planning a control program, conducting a compliance visit, reporting, system audit and accountancy, and management controls;
- explore opportunities of increasing revenue through extending excise to other trade sectors, e.g., betting and gaming, specific petroleum products, and mobile telephone airtime; and
- developing an excise compliance strategy.

Language requirements:

The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required.

MEDIUM-TERM FISCAL FRAMEWORKS AND FISCAL RISKS

SEMINAR COORDINATOR: Mr. SYBI HIDA

Area of technical assistance:	Macro-Fiscal
Targeted audience:	Senior technical staff of Macro-Fiscal Units, Budget Departments, and Public Enterprises Monitoring Units.
Participation:	Two participants per country
Dates:	September 10-14, 2018
Venue:	Santon, Johannesburg, South Africa
Nomination deadline:	July 16, 2018

Seminar description

Robust macroeconomic and fiscal forecasts are crucial to developing a sustainable fiscal strategy and ensuring greater predictability of budget allocations. In most countries medium-term macro-fiscal forecasts are presented as part of their Medium-Term Fiscal Framework (MTFF). The MTFF encompass the top-down specification of the aggregate resources envelope and is also the foundation for developing a sound medium-term budget framework (MTBF) and annual budget. In terms of the three main goals of Public Financial Management (aggregate fiscal discipline, strategic allocation of resources, efficient service delivery), the focus of the MTFF is on maintaining aggregate fiscal discipline and fiscal sustainability. The MTFF is the appropriate vehicle to explore the boundaries to the set of fiscal and macroeconomic policies that are consistent with continued financial stability and fiscal sustainability.

More than 15 years ago, many countries in sub-Saharan Africa embarked on a program of budgetary reform, an important element of which was a medium-term budget framework (MTBF). The objectives of this reform were to enhance fiscal discipline, achieve a better alignment of resource allocation with national priorities, and improve the certainty of funding, both internal and external, over the medium term. The progress of these reforms, in six selected countries, is assessed by a recent IMF Working Paper.¹ It assesses the effectiveness of MTBFs in achieving improved fiscal discipline, resource allocation, and certainty of funding, as well as wider economic and social criteria such as poverty reduction and more efficient public investment. The authors recommend developing countries to focus on building their capacity in macro-fiscal forecasting and analysis. This will allow the authorities to table a credible MTFF that creates the base for a credible medium-term budget framework.

The MTFFs provide guidance but not guarantee for the future. Unforeseen factors may cause fiscal outcomes to deviate from expectations or forecasts, known as fiscal risks. Formulation of a credible MTFF requires (i) a more complete understanding of fiscal risks and their potential threats to their fiscal position and (ii) taking these risks into account when formulating fiscal targets. To assess whether policies are consistent with intended targets, it is essential to understand the size of fiscal risks and their potential effect on public debt ratios in case they materialize. In recent years, following the guidance of the IMF's Fiscal Transparency Code (2014/2016) countries have increase their analysis of fiscal risks and many of them produce fiscal risk statement. The objective of a fiscal risk statement is to identify and, where possible, quantify fiscal risks and uncertainties and present the policies adopted or proposed to manage the different risks. The statement could be published as a chapter of the medium-term fiscal strategy/budget papers or as a separate document.

¹Allen, R., T. Chaponda, L. Fisher, and R. Ray, 2017, "Medium-Term Budget Frameworks in Selected Sub-Saharan African Countries", IMF WP/17/203.

The seminar will be organized in cooperation with the Common Market for Eastern & Southern Africa (COMESA) and the IMF's Africa Regional Technical Assistance Center-East (AFE) and will provide a platform for senior PFM officials to develop and exchange knowledge with peers, including on strengthening MTFFs and fiscal risks management. The aim will be to combine international knowledge and participant country experiences to ensure effective knowledge transfer. AFS will liaise with the IMF's Fiscal Affairs Department to mobilize international experts in fiscal risks management. Observers from regional organizations will provide a regional integration perspective of the ongoing initiatives intended to achieve and maintain macroeconomic stability in the region.

The seminar will cover the following main topics:

Macro-fiscal forecasting tools and MTFF. The tools and methodologies that work in practice: (1) an overview of macroeconomic models and models used in AFS and AFE countries; (2) tools that ensure consistency between MTFF and other economic sectors; (3) MTFF coverage; (4) forecasting the future versus preparing for the future; and (5) forecasting versus targeting.

MTFF and Fiscal Rules. The role of fiscal rules in preparing the MTFF and the design of fiscal rules. Elaboration on distinguishing fiscal rules and macro-fiscal targets and linking MTFF with debt dynamics.

MTFF and Medium-Term Budget Framework (MTBF). The four phases of the global MTBFs discussed in the IMF paper; the role of MTFF in the budget process.

MTFF and Fiscal Risks Analysis: The relationship between fiscal risks management and the integrity of the budget and MTFF; a review of identification and disclosure of information on fiscal risks, how governments mitigate fiscal risks in a cost-effective manner, and what legal and administrative frameworks are needed for an effective management of fiscal risks.

Fiscal Risks Stress Test (FST). The proposed fiscal stress test and fiscal risk toolkit in the IMF paper.² The FST integrates analysis of macroeconomic shocks and the realization of contingent liabilities using historical data.

Country experiences on MTFF and fiscal risks management. Each country will present its own experiences on MTFF and fiscal risks management.

References:

Allen, R., T. Chaponda, L. Fisher, and R. Ray, 2017, "Medium-Term Budget Frameworks in Selected Sub-Saharan African Countries", IMF Working Papers, WP/17/203.

Hemming, R., "The Macroeconomic Framework for Managing Public Finances", Chapter 1 in Allen, R., R. Hemming, and B. Potter (eds.) 2013, The International Handbook of Public Financial Management, (Basingstoke, UK: Palgrave Macmillan).

IMF Fiscal Transparency Code <http://www.imf.org/external/np/fad/trans/>

International Monetary Fund (IMF). 2016. "Analyzing and Managing Fiscal Risks-Best Practices." Fiscal Affairs Department Policy Paper, Washington. <http://www.imf.org/en/publications/policy-papers/issues/2016/12/31/analyzing-and-managing-fiscal-risks-best-practices-pp5042>

International Monetary Fund (IMF). 2015. "Monitoring and Managing Fiscal Risks in the East African Community." African Department Paper, Washington. http://www.imf.org/~media/Websites/IMF/imported-full-text-pdf/external/pubs/ft/dp/2015/_afr1507.ashx

Language requirements:

The seminar will be conducted in English with simultaneous interpretation in French and Portuguese, if required.

² International Monetary Fund (IMF). 2016. "Analyzing and Managing Fiscal Risks-Best Practices." Fiscal Affairs Department Policy Paper, Washington.

CRISIS MANAGEMENT AND CRISIS RESOLUTION
SEMINAR COORDINATOR: MR. RAVI MOHAN P.R.

Area of technical assistance:	Banking Supervision
Targeted audience:	Mid- to Senior-level supervisors from SADC countries
Participation:	Two–three participants per country
Dates:	October 15-19, 2018
Venue:	South Africa Reserve Bank (SARB) Academy, Pretoria, South Africa
Nomination deadline:	August 3, 2018

Seminar description summary

The seminar will cover the conceptual aspects of the recent work program of the Basel Committee on Banking Supervision (BCBS) and the Financial Stability Board (FSB) to put in place a robust framework for Crisis Management and Crisis Resolution for banks. It will discuss the implementation challenges in adopting the crisis management and crisis resolution architecture and analyze experiences from different parts of the world. This course will be conducted in collaboration with the South African Reserve Bank Academy.

Background

The global financial crisis, which unfolded in 2007, forced countries to adopt ad hoc policies to stem the collapse of the financial system. Faced with lack of adequate crisis management strategies and resolution tools, many jurisdictions had to resort to large-scale government support and bailouts of financial institutions to preserve financial stability. The bailouts highlighted the shortcomings in the resolution mechanism of many jurisdictions, including inadequate powers and tools for resolving both bank and non-bank financial institutions, especially large and complex ones with cross border operations. In the aftermath of the crisis, the international standard setting bodies such as the Financial Stability Board (FSB), Basel Committee on Banking Supervision (BCBS), International Association of Insurance Supervisors (IAIS), International Organization of Securities Commission (IOSCO), and Committee on Payment and Settlement Systems (CPSS), have been developing policy proposals to address the moral hazard risks posed by Systemically Important Financial Institutions (SIFIs).

One important regulatory reform is the “Key Attributes of Effective Resolution Regimes for Financial Institutions,” which set out the core elements for the resolution of financial institutions while limiting taxpayers’ exposure to loss and protecting vital economic functions. The Key Attributes are complemented by the formulation of supporting guidance for the resolution of non-bank financial institutions, including insurance companies and financial market infrastructures (FMIs). Contingency planning by the financial institutions is equally important both for supervisors as well as the resolution authority. It involves development of recovery plans formulated by the institution and aimed at detailing in advance the early but credible options/actions that would be taken by the concerned financial institution to restore its long-term viability if the institution’s financial situation deteriorated due to idiosyncratic and market-wide stress. In contrast, the development of a resolution plan is the responsibility of the resolution authorities or (equivalent bodies) and sets out in advance a feasible strategy and detailed roadmap with options for orderly resolution. The process of formulation of recovery and resolution plans in advance would give a clear picture of the feasibility of resolvability of the financial institution. It is important that at least the domestic SIFIs are brought

within the framework. The objective of crisis management policies is to seek to prevent serious domestic or international financial instability that would have an adverse impact on the real economy. While financial crisis management remains a domestic competence, the growing interactions between national financial systems require international cooperation by authorities. Home authorities should lead work with the key host authorities to look at the practical barriers to achieving coordinated action in the event of a financial crisis involving cross-border Financial Institutions.

Seminar description

The seminar will inform participants about the need to keep abreast of the above developments and afford them an opportunity to share experiences on implementation challenges. It will offer participants the opportunity to review and discuss key aspects of the resolution process including recent developments by the international standard setting bodies such as the BCBS and FSB. It will strive to find internationally coordinated solutions that take account of the impact of the crisis on the financial systems and real economies of other countries, drawing on information, arrangements and plans developed ex-ante. In the aftermath of the global financial crisis, *these issues* have rapidly risen to the top of international and regional policy agendas. Reforms initiated in crisis management target the improvement of powers and tools for dealing with weak banks as well as other SIFIs. The seminar will address the following:

- introduction to the key elements of macroprudential supervision and financial stability;
- key attributes of effective resolution regimes for financial institutions;
- developments in cross border supervision; and
- roundtable discussion on an implementation framework for Southern African countries.

The seminar will require close interaction among the participants, with the resource persons guiding the interactions. Representatives from select countries will be required to make a presentation on case studies involving crisis resolution infrastructure and crisis management strategies in their country. Presentations will be given by international experts, including from IMF headquarters. The seminar curriculum includes interactive discussion and group exercises with fellow participants, regulatory experts, and industry practitioners.

References

Participants should consult the following references ahead of the seminar to prepare themselves for an effective participation:

Progress report on implementation of the Basel regulatory framework, BCBS. www.bis.org/publ/bcbs.pdf

IMF Staff Position paper- The Making of Good Supervision: Learning to Say "No": Vināls, José; Fiechter, Jonathan; Narain, Aditya; Elliott, Jennifer A.; Tower, Ian; Bologna, Pierluigi ; Hsu, Michael, available at : www.imf.org/external/pubs/ft/spn/2010/spn1008.pdf

Key Attributes of Effective Resolution Regimes for Financial Institutions by Financial Stability Board and related papers

Language requirements:

The seminar will be conducted in English with simultaneous interpretation in French and Portuguese, if required.

ORIENTATION PROGRAM FOR NEWLY RECRUITED CENTRAL BANK OFFICERS
PROGRAM COORDINATORS: MR. RAVI MOHAN P.R. and Ms. CARINA SELANDER

Area of technical assistance:	Banking Supervision
Targeted audience:	Nominees should have been recruited within the last two years
Participation:	Two participants per country
Dates:	October 22-26, 2018
Venue:	Bank of Mauritius, Port Louis
Nomination deadline:	September 12, 2018

Program description

This is a joint orientation program co-hosted with the Bank of Mauritius

The program will provide an overview of Central Banking with practical experience from the Bank of Mauritius (BoM) on various topics. The IMF advisors at the AFRITAC south (AFS) and the Africa Training Institute (ATI) in Mauritius will provide lectures on a broad spectrum of topics relating to the various activities and responsibilities of the central banks. These topics will include among others;

- Central banks independence
- The use of statistics in central banks,
- The role of the central bank in debt management,
- Cash management the role of government and central bank,
- Modeling and forecasting in policy making,
- Central bank communication,
- Regulation and supervision of financial markets,
- Financial stability and Macprudential policy,
- Governance issues in central banking,
- Payments system and infrastructure

The orientation program is suitable for newly recruited staff within the central bank core areas and will provide for an orientation of the core business of modern central banking. In addition, it will provide an opportunity for newly recruited staff to meet and learn from other central bankers as well as to learn from the experience shared by the Bank of Mauritius.

Language requirements:

The seminar will be conducted in English and participants are expected to have a working knowledge of English.

MODEL-BASED POLICY ANALYSIS AND FORECASTING

COURSE COORDINATOR: IMF Institute for Capacity Development

<i>Area of technical assistance:</i>	<i>Monetary Policy Framework</i>
Targeted audience:	Mid- to senior-level officials involved in monetary policy decision making and staff involved in macroeconomic analysis and forecasting or operating macroeconomic models.
Participation:	Two–three participants per country from selected member countries of AFE, AFS and AFW2
Dates:	November 5-16, 2018
Venue:	Ebene, Mauritius
Nomination deadline:	September 7, 2018

Course description

This course, presented by the IMF Institute for Capacity Development, provides rigorous training on the use of simple Dynamic New Keynesian (DNK) models to conduct monetary analysis and forecasting; it emphasizes analysis of monetary policy responses to macroeconomic imbalances and shocks. Participants are provided with the tools necessary to develop or extend the model to fit their own monetary policy framework. Country case studies are used to reinforce participant understanding and to help them compare and assess a variety of possible experiences.

Upon completion of this course, participants should be able to:

- customize a simple model of an economy that embodies the monetary policy transmission mechanism, and the shocks this economy may face;
- acquire and apply tools used in modern central banks to conduct monetary policy analysis and forecasting using a hands-on Matlab-based model;
- conduct nowcasting and near-term forecasting using a variety of estimation-based econometric techniques supported by expert judgment;
- use the model to develop consistent medium-term quarterly projections of such key macroeconomic variables as output, inflation, interest rate, and exchange rate;
- identify risks in the baseline forecast and draw up medium-term projections for alternative scenarios that assume that the risks materialize; and
- start building a simple model for monetary policy analysis using their own national data, when they return home.

Language requirements:

The course will be conducted in English and fluency in English is required

MAINSTREAMING NATIONAL ACCOUNTS AND BALANCE OF PAYMENT STATISTICS
SEMINAR COORDINATOR: MR. ACHILLE PEGOUÉ

Area of technical assistance: Statistics	
Targeted audience:	Primarily designed for national accounts compilers from the statistical agencies responsible for official national accounts data. Participants from other government institutions and central banks as main users of economic statistics will be welcome
Participation:	Limited to two–three participants per country
Dates:	December 3-7, 2018
Venue:	Ebene, Mauritius
Nomination deadline:	October 6, 2018

Seminar description

The main objective is to strengthen knowledge of the national accounts concepts and methods that overlap with balance of payment statistics. The seminar will consist of lectures and workshop sessions covering methodological and compilation issues based on the *2008 System of National Accounts and Balance of Payment Statistics Manual 6th edition*.

Proficiency in Microsoft Excel is required.

Reference:

System of National Accounts 2008; New York, 2009; European Commission, International Monetary Fund, Organization for Economic Co-operation and Development, United Nations, World Bank.

Balance of payments and international investment position manual. —Washington, D.C.: International Monetary Fund, 2009.

Language requirements:

The seminar will be conducted in English with a simultaneous interpretation into French and Portuguese, if required.

IMPROVING FISCAL REPORTING USING INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

SEMINAR COORDINATOR: MR. JEAN LUC HELIS.

Area of technical assistance: <i>Public Financial Management</i>	
Targeted audience:	Budget Directors and Accountants General from member countries from COMESA, AFE, and AFS selected member countries.
Participation:	Two participants per country
Dates:	January 21 – 25, 2019
Venue:	Sheraton Hotel, Pretoria, South Africa
Nomination deadline:	November 15, 2018

Seminar description

In recent years, the global financial crisis highlighted the significant gaps and weaknesses in public sector accounting practices and underscored the need for more comprehensive, reliable, and timely financial reporting by governments. These concerns were echoed by the G-20 at their meeting in Moscow in February 2013, when they called on the IMF, World Bank, and OECD to work to improve the transparency and comparability of public sector financial reporting.

To help policymakers and citizens to understand and address these sources of fiscal risk, fiscal transparency standards and practices need to improve along several dimensions: more complete coverage of public sector institutions; more comprehensive reporting of assets and liabilities; recognition of a broader range of transactions and other economic flows; more frequent and timely fiscal reporting; more rigorous approach to fiscal forecasting and risk analysis; and alignment of standards for budgets, statistics, and accounts.

IPSAS have a potentially significant role to play in enhancing the transparency and comparability of government financial information. The International Public Sector Accounting Standards Board (IPSASB), a part of the International Federation of Accountants (IFAC), is responsible for issuing International Public Sector Accounting Standards (IPSAS). Currently there are some thirty IPSASs applicable to accrual based accounting and one IPSAS applicable to cash-based accounting. Subjects so far covered by IPSASs include presentation of financial statements, the effects of changes in foreign exchange rates, financial instruments, contingent liabilities, and segment reporting. IPSASs are designed to facilitate the generation of government financial reports of high quality that are internationally comparable.

Several COMESA, AFRITAC South (AFS) and AFRITAC East (AFE) member countries have recently chosen to adopt and implement the Cash-basis IPSAS as a stepping stone towards the ultimate adoption of the accrual basis of accounting and financial reporting. The approach offers a number of distinct advantages: it achieves compliance with an internationally recognized standard, prior to implementing full accrual accounting; it provides a base which can be progressively supplemented with accrual disclosure notes; and it creates early awareness of the reporting requirements for consolidating controlled entities. Others AFS countries are already moving towards Accrual-basis IPSAS.

What is the right approach? What are the preconditions and the underlying reforms to be undertaken? The purpose of this seminar is to bring together senior PFM officials from governments in the region for both knowledge development and peer-to-peer exchange of ideas and experiences in improving fiscal reporting and implementing International accounting standards. The existence of both mature and emerging countries moving towards cash- and accrual-based accounting in the AFS region creates opportunities for reviewing lessons learnt and considering how

contextually appropriate accounting standards and the PFM capabilities can be established to ensure effective and relevant fiscal reporting.

The aim will be to combine international knowledge and experience with Sub-Saharan Africa country experience to ensure effective knowledge transfer. AFS will liaise with the IMF's Fiscal Affairs Department to mobilize international experts in different aspects of developing and implementing International accounting standards and good practices supportive to a performant fiscal reporting. Observers from regional organizations and blocs will also provide a regional integration perspective of the ongoing initiatives in moving towards accrual accounting and using International accounting standards.

The seminar will cover the following main topics:

- **Understand the concepts and the challenges on accounting and fiscal reporting:**
 - ***Understand the distinct but related concepts of government accounting, fiscal reporting, fiscal transparency, and fiscal risk:***
 - *Government accounting* refers to the concepts, standards, rules, and systems used to generate the financial information used in fiscal reporting;
 - *Fiscal reporting* refers to the production of summary information about the past, present, and future state of the public finances for both internal (management) and external (accountability) uses;
 - *Public fiscal reporting* refers to the publication and dissemination of this summary information about the state of the public finances to citizens in the form of fiscal forecasts (in fiscal strategy or budget documents), government finance statistics (fiscal reports produced in accordance with statistical standards), or government financial statements or accounts (fiscal reports produced in accordance with accounting standards);
 - *Fiscal transparency* refers to the clarity, reliability, frequency, timeliness, and relevance of public fiscal reporting and the openness to the public of the government's fiscal policy-making process. Within this, clarity refers to the ease with which these reports can be understood by users, reliability refers to the extent to which these reports reflect the government's true financial position, frequency (or periodicity) refers to the regularity with which reports are published, timeliness refers to the time lag involved in the dissemination of these reports, relevance refers to the extent to which these reports provide users with the information they need to make effective decisions, and openness refers to the ease with which the public can understand, influence, and hold governments to account for their fiscal policy decisions; and
 - *Fiscal risks* are factors that lead to differences between a government's forecast and actual fiscal position.
 - ***Overview of the main challenges in Africa in accounting and fiscal reporting.***
- **How can the implementation of Cash-basis IPSAS help in addressing these challenges?**
 - Cash-basis IPSAS: a stepping stone towards accrual IPSAS?
 - Purpose and content of the Cash-basis IPSAS standard.
 - Challenges in implementing Cash-basis IPSAS (application of a pure cash basis, external assistance, consolidation).
 - Overview of African experiences in implementing Cash-basis IPSAS.
- **The move towards accrual accounting and the use of Accrual-basis IPSAS**
 - What is accrual accounting?
 - What are the reasons for moving from cash to accrual accounting?
 - What are the main steps to be taken in moving from cash to accrual accounting?
 - What are the preconditions for introducing accrual accounting?
 - How should a move to accrual accounting be sequenced and managed in relation to the government's overall agenda for public management reform?
 - Regional perspectives and initiatives on improving fiscal reporting and using international accounting standards: Southern African Development Community (SADC) and Common Market for Eastern and

Southern Africa (COMESA), and possibly CEMAC and WAEMU to present their experience in moving to accrual accounting.

- **Improving the Underlying Accounting prerequisite to accruals**

- Establishing legal prerequisites.
- Strengthening Reconciliation Procedures.
- Improving In-Year Reporting.
- Using a relevant chart of accounts.
- Developing an appropriate IFMIS.
- Adapting the institutional framework and strengthening human resource capacity.

Language requirements:

The seminar will be conducted in English. Simultaneous interpretation into French and Portuguese will be provided if required.

ADVANCED RULINGS FOR CLASSIFICATION PURPOSES, ORIGIN AND VALUATION

SEMINAR COORDINATOR: MR. PHILIP WOOD

Area of technical assistance:	Revenue Administration (Customs)
Targeted audience:	Officials from customs administrations working in developing advanced rulings in origin and tariff classification. Participants are expected to be familiar with the WTO Trade Facilitation Agreement respective legislation, and the key steps in processing advanced ruling requests
Participation:	Three officials from the customs administration
Dates:	January 28 to February 1, 2019
Venue:	Ebene, Mauritius
Nomination deadline:	November 30, 2018

Seminar description

This is a joint seminar with East AFRITAC and the Common Market for Southern Africa (COMESA).

The seminar will provide a forum for discussion to explore challenges to the key steps in processing advanced ruling requests in origin and tariff classification. The seminar will build advanced ruling capacity of the participants by looking at:

- outlining the background and reasoning behind advanced rulings;
- an overview of issues requiring consideration to ensure an effective advanced ruling process;
- the key steps in processing advanced rulings including identifying best practice;
- objectives and procedures to support advanced ruling for tariff classification; and
- preparing a communications strategy.

Language requirements:

The seminar will be conducted in English and fluency in English is required.

COMPILATION OF EXPORT AND IMPORT PRICE INDICES
SEMINAR COORDINATOR: MR. ACHILLE PEGOUÉ

<i>Area of technical assistance:</i>	<i>Price statistics</i>
Targeted audience:	Officials responsible for compiling and further developing methodologies of price indices.
Participation:	Limited to two–three participants per country
Dates:	February 18–22, 2019
Venue:	Sheraton Hotel, Pretoria, South Africa
Nomination deadline:	December 22, 2018

Seminar description:

This is a joint seminar with East AFRITAC and the Common Market for Southern Africa (COMESA).

The main objective is to strengthen the participants' knowledge of price indices concepts and methods. The focus will be on specific data sources and compilation procedures.

This five-day seminar will focus on specific issues and challenges relating to the implementation of international standards and best practices regarding the compilation of price indices. Topics will include general price indices issues, challenges, and problems such as developing/updating weights, selecting samples, quality adjustment issues, pricing difficult items, and others. Participants will be invited to list specific questions, topics, issues which will be discussed during the seminar.

Proficiency in Microsoft Excel is required

Reference to the methodological manuals:

Export and Import Price Index Manual: Theory and Practice (2009). International Labour Organization, International Monetary Fund Organization for Economic Co-operation and Development, Statistical Office of the European Commission (Eurostat), United Nations Economic Commission for Europe, and The World Bank

Language requirements:

The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required.

Area of technical assistance:	Financial Market Infrastructures & Payments
Targeted audience:	Senior- and mid-level officials involved with financial sector regulation, supervision and oversight
Participation:	Maximum of two participants per country: from central banks and securities regulators
Dates:	March 19-21, 2019
Venue:	Sheraton Hotel, Pretoria, South Africa
Nomination deadline:	November 30, 2018

Seminar description

Financial technology (**fintech**) is the new technology and innovation used in the delivery of financial services. Increasingly these technologies compete with and disrupt traditional financial services, including mobile payments, money transfers, loans, fundraising, and asset management.

How much of fintech is hype and how much is reality, and how should policy and regulation respond to this fast-changing industry are the main issues the seminar aims to address. The seminar will explore how fintech technologies could lead to the emergence of new risks, by creating greater volatility and instability, and how central banks and regulators can mitigate potential risks to financial stability and integrity without stifling innovation.

The seminar will examine practical fintech applications. It will explore central bank responses to potential opportunities and challenges arising from cryptocurrencies and examine a range of use cases with distributed ledger technology and the issuance of central bank digital currencies. Discussions will also focus on experiences in *Regtech* and *Suptech* and potential risks from their broad adoption. *Regtech* can be defined as the use of fintech by financial institutions for improving their regulatory compliance and risk management. Similarly, *Suptech* can be defined as financial supervisors themselves using fintech to improve their supervisory and regulatory processes.

Purpose of the Seminar

This seminar responds to the strong interest expressed by member countries in fintech developments and its implications for financial stability, financial integrity and financial inclusion. A joint initiative between the IMF's Regional Technical Assistance Centers in East and Southern Africa (East AFRITAC and AFRITAC South), the seminar is intended for senior and mid-level officials of the regulatory, supervisory and oversight agencies of the 20 member-countries. Guided by legal and policy experts and entrepreneurs/'innovators', the forum will address the key risks, opportunities and regulatory challenges associated with the use of these emerging technologies.

Methodology

Panel discussions and presentations. Selected participants will be requested to make presentations on fintech developments in their domestic environment.

Language requirements:

The seminar will be conducted in English with simultaneous interpretation into French and Portuguese, if required.