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MAIN HIGHLIGHTS

In collaboration with IMF HQ, AFS continued to support member countries mitigate the impact of the COVID-19 pandemic through remote technical assistance (TA) missions and webinars. Capacity development services increased by six percent during the quarter—driven mostly by revenue administration and statistics portfolios. With the arrival of new resident advisors, the center is expecting further increase in CD activities going forward, mainly in the areas of monetary policy operations, banking supervision and financial market infrastructure ad fintech. This bulletin highlights the CD areas covered by the center during the quarter and provides a plan for the rest of FY21.

EXECUTION OF THE FY21 CD PLAN

Tax Administration By *Thabo Letjama*

Angola and Mozambique: Working in partnership with the Administração Geral Tributária of Angola and the Autoridade



Tributária of Mozambique, a mission developed a training program and provided guidance to both tax administrations on completing the International Survey on Revenue Administration (ISORA 2020). Technical workshops were delivered to develop understanding of the survey, train coordinators and correspondents on accessing the platform, and provided guidance on completion of the on-line forms. For both countries, an action plan was developed to integrate ISORA data requirements as a permanent feature in their operational reporting. This will help complete the annual questionnaires starting with data for 2020.

Comoros: The tax administration in Comoros --Administration Générale des Impôts et des Domaines (AGID) --was assisted to advance progress in implementing a tax administration management information system. AGID was also assisted to improve its taxpayer registration processes. The mission helped to streamline taxpayer registration processes and make a better use of the taxpayer’s identification number.

Madagascar: In response to a request, a Tax Administration Diagnostic Assessment Tool (TADAT) training and accreditation workshop for select senior officials was run remotely. The purpose of the training was to build capacity to understand the TADAT tool and run a self-assessment. The mission provided guidance on applying the tool, gathering evidence, and allocating assessment scores.

Namibia: Following appointment of a Commissioner for Namibia Revenue Authority, a mission started to provide guidance on the revision of the plan for establishment of the revenue administration and provided advice and support on its implementation.

Seychelles: The Seychelles Revenue Commission (SRC) was assisted to advance progress on developing a multi-year compliance improvement plan (CIP). A July 2020 assignment assisted the SRC to establish a critical path for the development of its first CIP by September 30, 2021. A follow-up assignment assessed that the SRC was making good progress and was on-track to deliver the CIP as planned. The mission reviewed material produced by SRC and, through a series of remote meetings, provided guidance to advance design and implementation issues.

Zimbabwe: The Zimbabwe Revenue Authority (ZIMRA) was assisted to adopt and institutionalize a strategic management framework and develop a clear reform strategy. A fifth mission on the topic supported ZIMRA to build the required mechanisms and leadership capacity to lead, monitor, and evaluate the implementation of the 2019-2023 strategic plan.



Completion of the ISORA 2020. A major preoccupation during the quarter was to assist countries to complete ISORA 2020, covering 2018 and 2019 fiscal years. The major focus is now on assisting Lesotho, Botswana, Zambia, and Zimbabwe to complete the remaining parts of the survey and submit the data. Comoros and Mozambique are participating in the survey for the first time.



Customs Administration
By Philip Wood

Botswana: A mission delivered the second of a series of technical workshops on Leadership and Management Development. The workshops were delivered via a series of remotely facilitated webinars to selected members of the BURS senior management group. All participants completed personal development action plans. The plans are to be used to provide a structure for further coaching and mentoring support.

Comoros: A follow-up mission supported the Head of the Oils Unit on the operationalization of the unit along with the implementation of new customs clearance and accounting procedures for petroleum products.

Lesotho: CD support was provided on a technical review of a draft excise legislation. The excise duty bill is now in its final draft form and is to be submitted to the senior management team for approval. A separate mission worked with the Preferred Trader Program (PTP) team on the design of an Authorized Economic Operators (AEO) program. A gap analysis was completed to assess the key differences between the existing PTP and an AEO program, specifically the requirements for the inclusion of additional safety and security requirements. The requirements of the regional AEO program, currently in development by the Southern Africa Customs Union, were also shared with the Lesotho Revenue Authority and a meeting facilitated with the South Africa Revenue Service to discuss mutual recognition requirements.

Madagascar: A mission supported the revenue authority to strengthen the capacity of the General Directorate of Customs (GDC) to effectively implement and manage a reform and modernization program. The mission supported the GDC to adapt for implementation the European Union Project Cycle Management methodology model and to develop a draft strategic communication plan for the reform and modernization program.

Seychelles: AFS supported the SRC to review its draft organizational disaster recovery plan along with five business continuity plans. The mission team also assisted the Emergency Management Business Continuity Committee to develop terms of reference for an Emergency Operations Center.

Zambia: A mission assisted in strengthening the risk management capacity and to review progress on the implementation of the National Intelligence Strategy. Using data generated by a previous data matching mission, the authority has successfully secured over 50 million Zambian Kwacha (ZMW), circa 2.4 million USD, in additional revenue. Further revenue of 150 million ZMW, circa 7.2 million USD, is in the process of being collected.

Zimbabwe: A mission formulated a draft framework to support the development of a Coordinated Border Management (CBM) strategy. The strategy includes the creation of a national CBM Technical Committee with a mandate to oversee the implementation of CBM nationwide. A second mission focused on assessing progress against previously agreed action plans for the Risk Management Unit and provided support to the Revenue Assurance Division with the implementation of the National Intelligence Strategy. The implementation of the key findings from a recent AFS supported data matching exercise have generated over 45 million USD in additional revenue.



Public Financial Management (PFM)
By Moulay El Omari, Robert Clifton and Camilo Gomez Osorio

Angola: A mission supported the Ministry of Finance in the preparation of its first Medium-Term Expenditure Framework (MTEF). The team built capacity on expenditure forecasting at the sector and program level and shared new methodologies to estimate and distribute

expenditure ceilings. Angola is taking steps to prepare a comprehensive, credible, and internally consistent MTEF baseline.

Botswana: AFS provided follow-up support to the Enterprise Development Policy Unit in MoF to develop capacity to identify, monitor, and mitigate the fiscal risks emanating from the State-Owned Enterprises. The mission contributed to a more comprehensive disclosure and management of contingent liabilities and other specific risks.

Mauritius: AFS fielded a remote mission on public investment management. The mission was divided into two parts occurring in November and January. In November TA was provided to upgrade the PIM Manual expanding the pre-appraisal, appraisal, and selection processes for large capital projects. Further TA was provided in January to design the

roll-out strategy and pilot arrangements for key new public investment management (PIM) practices defined in the new PIM Manual.

Multi-country customized peer learning workshops PIM: AFS, in collaboration with AFW2 and AFE, hosted a week-long online workshop bringing together 21 countries and more than 80 participants from francophone, lusophone, and anglophone African countries to discuss opportunities, challenges and experiences in strengthening practice for public investment management.

South Africa: A workshop informed the National Treasury of approaches used in various OECD and other countries to improve spending efficiency and generate savings through budget reforms based on zero-based budgeting principles. The workshop provided advice through presentations and panel discussion using experts from prominent European countries.



Real Sector Statistics By Donna Grman and Achille Pegoue

Namibia: A mission continued to assist with the development of producer price indices in preparation for dissemination in March 2021.

Seychelles: A mission assisted the National Bureau of Statistics (NBS) with updating the consumer price index (CPI) weights primarily using results of the 2018/19 Household Budget Survey (HBS). HBS expenditure data were supplemented by other data sources to correct underreporting of alcohol, tobacco and communications services, and to estimate “net weights” for insurance. The NBS plans to release the updated CPI by the end of February 2021.

South Africa: A mission continued to review and improve the seasonal adjustment procedures as part of the rebasing of the national accounts.



Financial Market Infrastructure and Fintech By Anrich Daseman

Eswatini: The Central Bank of Eswatini (CBE) has completed assessments of the financial market infrastructures (FMIs) - the real-time gross settlement system (RTGS), and the central securities depository (CSD), against the *CPMI-IOSCO Principles for financial market infrastructures (PFMIs)*. A mission provided feedback to the CBE on the RTGS assessment and suggested strategies and timelines to address gaps to enhance compliance with the PFMIs.



Regional Webinar: AFS in conjunction with the MCM Department hosted a webinar on *Digitizing Payments – Regulatory and Policy Perspectives*. The webinar aimed to build capacity in formulating and implementing regulatory and policy frameworks that strive to harness the benefits of fintech innovation, while safeguarding payments system safety and efficiency. The webinar covered topics such as fintech innovations in payments; analytical framework for regulation and oversight in the fintech era; implications of using digital money for cross border payments; and key considerations for retail Central Bank Digital Currencies. These topics reflect the priorities indicated by the authorities in earlier discussions. In addition, three countries (Eswatini, Mauritius and South Africa) were selected to share their experiences on fintech developments.



Banking Regulation and Supervision By Benjamin Stefanou

Comoros: AFS undertook a review of the current prudential regulations in relation to Basel II and III standards; and developed with the Central Bank of Comoros (CBC), based on the review, a regulatory framework enhancement strategy and TA plan to assist the Bank enhance its suite of prudential regulations in line with Basel II and III (selected elements). The mission also reviewed CBC’s current prudential regulations against international practice on regulating governance and risk management and incorporated development needs into the strategy and TA plan.

Eswatini: AFS assisted with the development of an updated comprehensive licensing framework, incorporating both internal guidance material and external guidance documents and procedures, based on updated draft legislation and international practice.

Lesotho: A mission reviewed the Risk Based Supervision (RBS) framework of the Central Bank of Lesotho (CBL), including relevant manuals and supervisory tools, in order to further assist the Bank with enhancing and implementing its RBS framework. The mission also reviewed the alignment between the framework and the implementation of the Pillar 2

supervisory review process and developed with the CBL an RBS framework enhancement implementation plan, covering actions needed to help finalize the RBS framework reform.

Regional Webinar: In October and November 2020, IMF’s Monetary and Capital Markets Department (MCM) and AFS collaborated in establishing and delivering a webinar series on the fundamentals of financial crisis and resolution frameworks. The webinar series was designed to provide a detailed overview of crisis preparedness and bank resolution, which are issues that are of high relevance to member countries. Participants were introduced to effective means of quantifying capital and liquidity needs, supervising problem banks, as well as methodologies for resolving failed banks.

TA REPORTS TRANSMITTED TO AUTHORITIES

Members of the AFS Steering Committee are encouraged to register to access confidential TA-related information from the center’s secure website. The site provides a broad range of information, including TA reports, status of milestones, minutes of Steering Committee meetings, and forward-looking TA mission plans. To acquire access, please contact Mr. J. Kawal (jkawaljeewan@imf.org) or Mr. D. Chundungsing (DChundungsing@imf.org). The table below shows additional reports transmitted to authorities during the period November 2020 -January 2021.

Area	Country	Report Title
CADM	Madagascar	Legislation - Mise en Conformité du Code des Douanes avec le Règlement du COMESA portant Code Douanier – Projets de textes
CADM	Eswatini	Data Matching Phase II
CADM	Madagascar	Strategic Planning and Reform Management
CADM	Angola	Auditoria Interna (FASE I)
CADM	Botswana	Leadership and Management Development
CADM	Lesotho	Excise Duty
CADM	Seychelles	Business Continuity Planning
CADM	Zambia	Risk Management and Intelligence
CADM	Zimbabwe	Coordinated Border Management
RSS	Lesotho	Report on the Consumer Price Index Mission
RSS	Angola	Report on the Price Statistics Mission
RSS	Angola	Report on the National Accounts mission
RSS	Zambia	Report on the National Accounts mission
RSS	Botswana	Report on PPI Mission
RSS	Madagascar	Rapport sur les comptes Nationaux
RSS	Comoros	Rapport sur les comptes Nationaux
RSS	Angola	Report on the National Accounts Mission
RSS	Eswatini	Report on the National Accounts Mission
RSS	Botswana	Report on the National Accounts Mission
TADM	Comoros	Développement d’une stratégie de gestion des arriérés fiscaux
TADM	Eswatini	Strengthening audit capacity for insurance sector -
TADM	Madagascar	L’Elaboration d’un Cadre de Contrôle Interne
TADM	Zimbabwe	Implementation of the Strategic Management Framework and Reform Management
TADM	Zimbabwe	Strengthening Audit Capacity

CADM-Customs Administration; RSS-Real Sector Statistics; TADM-Tax Administration.

FORTHCOMING CD ACTIVITIES

The table below provides the CD activities, including webinars, planned in the last quarter of FY21.

Project	Country	Description	Start Month
BSR	Comoros	Risk Based Supervision	2021/04
BSR	Mauritius	Cyber Risk Regulation and Supervision Capacity Development	2021/02
BSR	Namibia	NAMFISA: Prudential Reporting	2021/03
BSR	AFRITAC South	Webinar: Corporate Governance	2021/02
BSR	South Africa	Customized training: Risk Based Supervision	2021/03
BSR	Lesotho	Basel II/III; DSIB Framework	2021/02
CADM	Comoros	Tax and customs administration	2021/02
CADM	Comoros	Legislation	2021/04
CADM	AFRITAC South	Webinar: Leadership and Management Development	2021/02
CADM	AFRITAC South	Webinar: Business Continuity and Disaster Planning	2021/03

Project	Country	Description	Start Month
CADM	Mauritius	Intelligence and investigation	2021/03
CADM	AFRITAC South	Webinar: Leadership and Management Development	2021/04
CADM	AFRITAC South	Weminar: Data Analysis	2021/04
CADM	Namibia	Data Matching Phase 2	2021/03
CADM	Seychelles	Customs valuation Phase II	2021/04
CADM	South Africa	Legislation Led by FADR2 and LEG	2021/04
CADM	Zambia	Post Control Audit	2021/02
CADM	Zimbabwe	Authorized Economic Operator Program:	2021/02
CADM	Zimbabwe	Customs Valuation	2021/02
CADM	Zimbabwe	Governance Review (Follow-up)	2021/03
FFL	Botswana	Income Tax and VAT	2021/02
FFL	Mauritius	Banking Legislation	2021/03
FFL	Mauritius	Digital Currency	2021/04
FMI	Botswana	Review of Oversight Guidelines	2021/02
FMI	Madagascar	Payment System Oversight Training	2021/02
FMI	AFRITAC South	Webinar: Cyber Resiliency for FMIs	2021/04
FMI	Mozambique Republic Of	Drafting of NPS Law	2021/03
FMI	Namibia	PFMI Assessment Review	2021/03
MPO	Comoros	Emergency Liquidity Assistance	2021/03
MPO	Madagascar	Monetary Policy Implementation and Operations	2021/04
MPO	Mauritius	Forecasting and Policy Analysis System	2021/03
MPO	AFRITAC South	Webinar: Debt Management	2021/04
MPO	Botswana	Forecasting and Policy Analysis System	2021/04
PFM	Angola	Asset and Liability Management	2021/04
PFM	Botswana	Macro Frameworks and Fiscal Reporting	2021/03
PFM	Botswana	IFMIS and Fiscal Reporting	2021/03
PFM	Comoros	Budget Execution & Control - Accounting and Cash-management	2021/02
PFM	Comoros	Revision of the PFM Organic Law	2021/02
PFM	Comoros	Fiscal Risks-Follow-up on FAD mission on SOEs	2021/03
PFM	Comoros	Fiscal Reporting	2021/03
PFM	Kingdom Of Eswatini	Budget Preparation - Macroeconomic Forecasting to Strengthen the MTFE	2021/02
PFM	Kingdom Of Eswatini	Budget Execution and Control - Commitment control and arrears management	2021/04
PFM	Lesotho	Fiscal Risks -Fiscal Risks from SOEs and PPPs	2021/04
PFM	Madagascar	Wage bill and Pension Projection	2021/02
PFM	Madagascar	Budget Execution & Control-Accounting, cash management and treasury reforms	2021/04
PFM	Madagascar	PIM follow-up mission	2021/04
PFM	AFRITAC South	Webinar: Building Resilience to Natural Disasters and Climate Change	2021/02
PFM	AFRITAC South	Webinar: Computerization and Digitalization to Enhance PFM Transparency	2021/03
PFM	Mauritius	Fiscal reporting and Asset and Liability Management -Transition to IPSAS	2021/03
PFM	Mozambique Republic Of	Fiscal reporting and Asset and Liability Management	2021/04
PFM	Seychelles	PFM Law and Institutions - IFMIS Strategy	2021/02
PFM	South Africa	Fiscal Objectives and Gender Budgeting workshop [remote]	2021/03
PFM	Zimbabwe	Budget Preparation - Baseline Costing	2021/03
PFM	Zimbabwe	PFM Law and Institutions- Governance Follow up	2021/04
RSS	Comoros	Price Statistics- Dissemination of improved CPI series	2021/03
RSS	Comoros	Training (in-country): National Accounts	2021/04
RSS	Kingdom Of Eswatini	Price Statistics- Dissemination of the new PPI series	2021/03
RSS	Kingdom Of Eswatini	National Accounts- Seasonal adjustment of quarterly GDP	2021/04
RSS	Seychelles	National Accounts- Rebased ANA	2021/02
RSS	Lesotho	National Accounts- Development QGDP and commence rebase of ANA	2021/03
RSS	Mauritius	National Accounts- Compilation of financial accounts and balance sheets	2021/03
RSS	Botswana	National Accounts- Rebased national accounts and QNA improvement	2021/04
RSS	Namibia	National Accounts- Improving QGDP re-referencing GDP and commence rebasing ANA	2021/04
RSS	South Africa	National Accounts- Seasonal Adjustment	2021/03
RSS	South Africa	Price Statistics- Residential Property Price Indices	2021/04
RSS	Angola	National Accounts	2021/04
RSS	South Africa	Price Statistics- Residential Property Price Indices	2021/02
RSS	Zambia	National Accounts	2021/03
RSS	Mauritius	National Accounts-Measurement of informal economy	2021/02

Project	Country	Description	Start Month
TADM	Botswana	Finance Sector Compliance	2021/02
TADM	Kingdom Of Eswatini	Insurance Sector Compliance	2021/03
TADM	Madagascar	Tax Audit	2021/03
TADM	Madagascar	Enhancing Data Analysis Capacity	2021/03
TADM	Mauritius	Advanced Data Analysis	2021/02
TADM	AFRITAC South	Regional Tax/Customs Seminar on BCP	2021/03
TADM	Mozambique Republic Of	IT System Implementation	2021/03
TADM	Namibia	Strategic Management	2021/03
TADM	Seychelles	Developing a BCP- Phase 2	2021/02
TADM	Seychelles	Developing a Business Continuity Plan - Phase 4	2021/04
TADM	Angola	Follow up-Train on high-performance leadership change manag and innovation skills[WFH]	2021/02
ICD Training	AFRITAC South	Financial Development and Financial Inclusion	2021/03

BSR-Banking Supervision and Regulation; CADM-Customs Administration; FFL-Financial and Fiscal Law; FMI-Financial Market Infrastructure; PFM-Public Financial Management; RSS-Real Sector Statistics; and TADM-Tax Administration.

Note: Some dates are yet to be confirmed by authorities.

IMF ONLINE COURSES

Free IMF online courses could be accessed from [here](#). Current courses available online include financial market analysis, macro-econometric forecasting, financial development and financial inclusion, Public financial management, macroeconomic diagnostics, financial programming and policies, monetary policy analysis and forecasting, and foundations of central bank laws.

STAFF NEWS

AFS Team welcomes two new staff, Marin Molosag and Faith Mazani, resident advisors on monetary policy operations and tax administration respectively.



Marin Molosag is a national of the Republic of Moldova. He joined the AFS team on January 4, 2021. Marin has been active at the National Bank of Moldova for more than 24 years in various capacities, such as monetary policy designing and implementation, FX market, financial market regulation and development, BOP, etc. During 2002-2009, Marin was Deputy Governor and during 2009-2016 First Deputy Governor and Deputy Chairman of the Board of the National Bank of Moldova. He was a MONOPS advisor at the IMF AFRITAC East and he has also served as the IMF Government Debt Market Development and Monetary Policy Resident Adviser at the National Bank of Ethiopia.



Faith Mazani, a Zimbabwean national, joined the AFS team on February 4, 2021. Faith was the Commissioner General of the Zimbabwe Revenue Authority (ZIMRA) from 1 February 2018. She has more than 38 years' experience in revenue administration in both Customs and Taxes, having served at senior management levels in different administrations in Southern Africa. She was also the Regional Revenue Administration Advisor for AFRITAC West 2. Before joining the IMF in January 2014, Faith had gained extensive experience working with regional and international organizations including ATAF, COMESA, the OECD and SADC.

