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FOR IMMEDIATE RELEASE

June 30, 2025

AFRITAC South Steering Committee Convenes in Madagascar to Advance Regional Capacity Development Program

The Steering Committee of the International Monetary Fund's Regional Technical Assistance Center for Southern Africa (AFRITAC South) met in Antananarivo, Madagascar, on June 30, 2025, under the chairpersonship of Hon. Rindra Hasimbelo Rabarinirinarison, Minister of Economy and Finance of Madagascar.

In her opening remarks, Hon. Rindra Hasimbelo Rabarinirinarison welcomed Madagascar's hosting of the annual Steering Committee meeting for the first time. The Minister highlighted the importance of the IMF's capacity development (CD) work and AFRITAC South's (AFS) critical role in institution building across Southern Africa. The Minister conveyed Madagascar's achievements through AFRITAC South's CD support in areas such as fiscal risk management, fiscal reporting, valuation of state assets, optimization of customs and tax procedures, and modernization of central bank operations.

At the conclusion of the meeting, the Chair of the Steering Committee issued the following statement:

"The Steering Committee took note of the challenges posed by the difficult external economic and financing landscape facing sub-Saharan Africa, including southern Africa. The high exposure of many AFS members to developments in the global trading regime has compounded recent shocks and added pressure to efforts to ensure macroeconomic stability and attain long-term development goals. In this context, strengthening institutions and human capital are key to increasing resilience and growth.

Members welcomed the CD results achieved with AFS support, including in areas such as fiscal transparency, mitigating fiscal risks, addressing debt vulnerabilities, improving revenue administration, digitalization of fiscal policy, strengthening central bank operations, and

improving the quality of macroeconomic statistics to support policy making. The many examples and testimonials provided during the meeting, including via panels on core areas of IMF expertise –debt management, monetary policy, and public accounting—were appreciated.

“The Steering Committee noted that AFS has to scale back delivery given the financing outlook despite the many CD needs to overcome macroeconomic vulnerabilities amid heightened global uncertainty. It expressed concerns over the financing gap for Phase III and the precarious liquidity outlook. The Committee called on the IMF to continue efforts to diversify its partnership base, on members to ensure timely contributions, for AFS to continue to seek funding from IMF thematic funds, to partner with other IMF regional capacity development centers, and to continue pursuing efficiencies in operations. The Committee also endorsed the FY2026 CD plan with a reduced working budget, which may be revised down further at the mid-year meeting in December 2025, contingent on fundraising progress over the next six months.”

The June 2025 annual Steering Committee meeting was attended by officials of all 13 AFS member countries (Angola, Botswana, Comoros, Eswatini, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Zambia, and Zimbabwe), representatives of contributing partners (European Union, Germany, Kingdom of Saudi Arabia, and United Kingdom) and representatives of the Southern African Development Community, the Common Market for Eastern and Southern Africa (COMESA) Monetary Institute, Macroeconomic and Financial Management Institute of Eastern and Southern Africa, and officials from revenue departments and statistics agencies from several AFS member countries.