



AFRITAC West Quarterly Newsletter

Nb. 39 – February–April 2023

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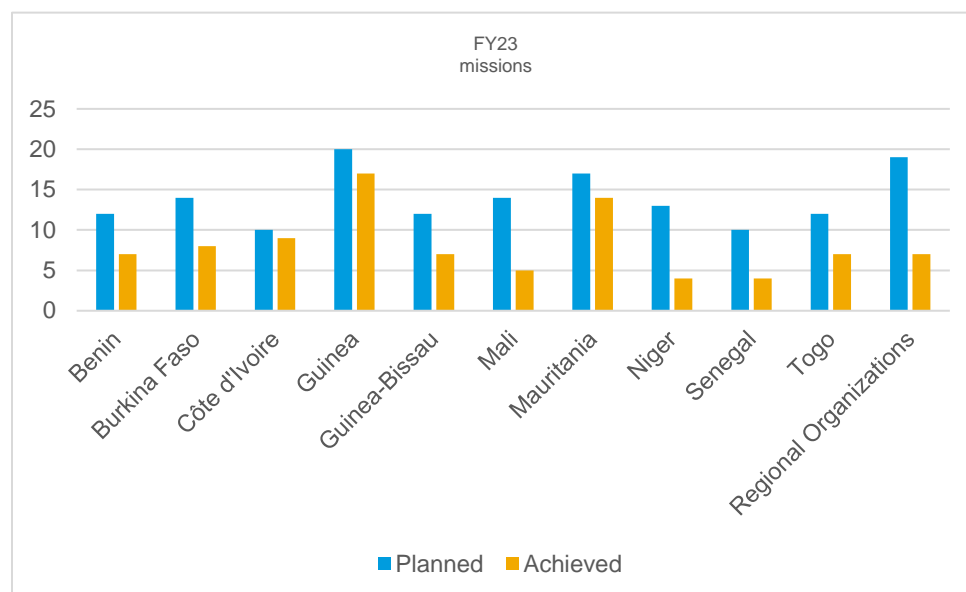


Belgique
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OVERVIEW

This issue of the Quarterly Newsletter covers AFRITAC West's activities from February to April 2023, encompassing 31 capacity building missions, four regional seminars and four peer to peer learning activities. It also includes information on activities planned for July and August 2023.



In terms of staff news, in the last quarter of FY2023 (may2022-april2023), the Real Sector Statistics Advisor, Mr. Fahd N'diaye left the center. His place has been taken by Sébastien Manzi.

Mr. Manzi has extensive experience of capacity building in national accounts and agricultural statistics. Before joining the AFRITAC West team, he was macroeconomic statistics advisor at AFRITAC Central based in Gabon. He has also worked as an economist in the IMF Statistics Department in Washington.

This issue of the Newsletter also contains a sidebar titled "**Continuous support between two technical assistance missions**".

ACTIVITIES BY AREA

Customs administration

AFRITAC supports customs authorities in their efforts to improve risk management and the selective targeting of audits, supervision of the import tax base, dematerialization to secure and simplify the customs clearance chain, and strengthening of the control and monitoring of exemption arrangements and customs suspension regimes.

Resident Customs Administration Advisor



Prior to joining AFRITAC West in September 2019, **Ahmed Boilil** served as Resident Customs Techniques Advisor in Togo, as part of an African Development Bank (AfDB) project. He had previously served as Resident Customs Administration Advisor at AFRITAC West from January 2009 to December 2012; and, before that, he was Deputy Director General of Customs in Mauritania.

Mauritania - Monitoring customs commitments and processing customs debt.

The key objectives of this mission, which spanned February 6–17, 2023, were to strengthen the strategy, procedures and methods used to limit the abuses and breakdowns identified in fulfilling commitments, by optimizing their control and monitoring. This resulted in an action plan on exemption arrangements and customs suspension regimes being proposed. Technical and regulatory documentation relating to the management, payment, and recovery of customs debt was also provided to the authorities.

Togo - The support provided from April 13 to April 20, 2023, was aimed at strengthening the customs valuation and control function at the import stage.

It was noted that: (i) the value committee was created in March 2023 to guide and monitor the reform, which also covers the vehicle customs clearance; (ii) the value section is now carrying out its responsibilities; (iii) the revenue generated for the 20 products with a tariff specification code has increased; and (iv) the goods valuation function has been taken over by the post-clearance inspection unit.

Tax administration

AFRITAC West conducts its technical assistance activities in close cooperation with the IMF's macroeconomic surveillance and programs, to help member countries overcome their weaknesses and align their revenue collection with their economic potential. In conjunction with the IMF's Fiscal Affairs Department (FAD), the Center focuses on improving the control of noncompliance risk and consolidating the core functions of tax administrations in the subregion.

Resident Tax Administration Advisor



Nicolas Hiol has been providing support to the tax administrations of Guinea, Niger, and Togo since 2017. Previously, as a member of the IMF's panel of experts, he had the opportunity to lead various technical assistance missions in the subregion, in Burkina Faso, Guinea, and Mauritania.

Togo - Support for the automated dashboard project for monitoring the activities of the Directorate of Taxes (Commissariat des Impôts – CI) (Lomé – from February 27 to March 10, 2023). The work familiarized the authorities with the requirements for success of the dashboard project. A risk matrix was prepared to support the findings. Practical support was offered, including the drafting of specifications for the future CI performance monitoring tool.

Guinea - Support for the preparation of SAFIG-2 software specifications (remote work from January 23 to February 4, 2023; on-site mission April 3–14, 2023). The missions made it possible to reframe the SAFIG-2 project around the following four pillars: (i) prioritization of core tax administration functions; (ii) recommendation of the "modular" approach to optimize the future software; (iii) identification of upstream risk mitigation measures; and (iv) strengthening of project documentation. The initial functional and technical specifications were then completed to optimize implementation of the future software.

For this edition of the Quarterly Newsletter, Nicolas Hiol reviews continuous support between two missions.

Continuous support between two missions: a type of assistance designed to consolidate the progress of tax administrations in AFW member countries.

Rationale: The main challenge faced by tax administrations in the subregion is the difficulty of keeping their staff under pressure once technical assistance missions have ended, to continue implementing reforms. Continuous support (CS) between two missions enables countries to continue to benefit from assistance after the formal mission has ended.

Enabling factors: The advent of virtual tools during COVID-19 was a major factor behind the more intensive use of this type of support, which relies on phone and online meeting applications.

Requirements for success: a strong commitment from the head of the tax authority is essential to the success of CS. In practical terms, CS is most effective when it targets a senior staff member or a small team dedicated to a specific project.

Methodology: An "action plan" must have been proposed by the expert at the end of the formal assignment. Continuous support then consists of organizing regular reviews,¹ to: (i) test the target audience's understanding of this plan, (ii) validate the sequencing of tasks, (iii) provide encouragement

¹ The review must take place at regular intervals (an exchange every two weeks; once a month, etc.). It must also be flexible (possibility for managers to contact the AFW advisor from time to time) while leaving teams sufficient time to carry out the agreed-upon actions, experience progress for themselves, and draw their own conclusions.

and practical advice, (v) identify difficulties and, on this basis, validate the objectives of the formal mission.

Value-added: CS helps maintain a focused dialogue that fosters a climate of trust between the AFW advisor and the beneficiary administration. It fosters a sense of empowerment among managers, which is essential for dealing with difficulties during the reform process.

Current experiences and prospects: CS is currently being launched with: (i) the Niger DGI team in charge of the taxpayer registration and directory automation project; and (ii) the Guinea DGI working group preparing the future strategic plan. The long-term deployment of CS in several countries in the subregion is essential to be able to make a detailed assessment of its impact on the transformation of tax administrations in AFW member countries.

Resident Tax Administration Advisor



Olivier Sanz has been Resident Tax Administration Advisor at AFRITAC West since 2021. Previously, he spent 25 years working in the French tax administration, where he held many positions of responsibility in both central administration and operational departments. He prepared and supported numerous reforms relating to change management, process reengineering, and network restructuring. Before rejoining AFRITAC West, where he had served as Resident Advisor from 2017 to 2019, Olivier Sanz was an international

consultant and member of the Fund's panel of experts. In this capacity, he led numerous technical assistance missions in the Maghreb, and in West and Central Africa.

Benin - Monitoring reforms and measures to support revenue mobilization (Cotonou, April 17–28, 2023).

The mission worked on management control systems, the monitoring of reforms, and tax audit strategy. The mission: (1) proposed a set of 10 key performance monitoring indicators, based on the tax administration's main activity benchmarks; (2) developed a draft reform monitoring framework to take into account all aspects of the issue; and (3) worked to strengthen the tax audit strategy. A plan for strengthening tax audit, a model strategic guidance note, and several lists of potentially noncompliant files were drawn up, to provide a very practical and specific illustration of the proposed file selection methodology.

Côte d'Ivoire - Participation in the Fiscal Affairs Department mission (Abidjan, from January 23 to February 3, 2023). Extending the strategic plan adopted by the tax authorities, the mission's main recommendations were to: (1) identify and tax medium-sized businesses in

the interior of the country; (2) improve the monitoring of VAT returns and payments; (3) increase the number of tax audits focused on VAT returns with zero or credit balances, which account for more than half of the VAT returns of large and medium-sized companies; (4) design a strategy for collecting tax arrears; (5) apply taxpayer classification rules; (6) ensure buy-in by large enterprises and extend electronic filing procedures to medium-sized enterprises; (7) adopt a data monitoring and processing strategy; and (8) modernize intelligence services.

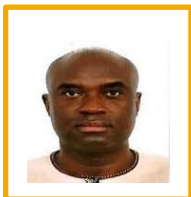
Mauritania - Participation in the Fiscal Affairs Department mission (Nouakchott, from February 17 to March 3, 2023).

The mission developed a master plan based on 10 core principles: (1) an appropriate legal framework; (2) an effective management framework in terms of organization and personnel; (3) a reporting system that encourages voluntary compliance; (4) simplified payment procedures; (5) taxpayer-

focused operations; (6) risk-based tax auditing; (7) extensive use of information technology; (8) modern human resource management practices;

(9) effective models for institutional change; and (10) an environment of integrity and good governance.

Resident Tax Administration Advisor



Roland Atanga Fongue, Senior Tax Inspector and Doctor of Public Law, worked for two decades in the Cameroon tax administration. In various positions of responsibility, he contributed to the implementation of numerous tax administration reforms and the densification of the international tax cooperation network. A member of the IMF's panel of experts since 2011, he has led many short-term missions to provide assistance to tax administrations in some fifteen countries. Before joining AFRITAC West in October 2022, he led long-term technical assistance for Chad, the Central African Republic (CAR), and the Democratic Republic of the Congo (DRC) between 2019 and 2022.

Mali: Support for modernizing the administration of medium-sized enterprises in Bamako (Bamako, February 15–28, 2023).

This activity, carried out in the framework of the AFW-CCCDI project, helped to strengthen the management of the recently established tax centers for medium-sized enterprises (CIMEs). In line with the mission's objectives, and taking the onsite findings into account, the mission's work made it possible to: (1) strengthen the management and organization of the two CIMEs in Bamako; (2) strengthen tax operations in this business segment; and (3) provide strong support for the day-to-day management of these tax centers.

Mali: Participation in the performance appraisal of the tax administration using the

TADAT methodology (Bamako, from April 24 to May 11, 2023).

The mission (IMF, World Bank, and ATAF) assessed the progress and shortcomings of Mali's tax administration through nine areas of analysis (registration and directory management, risk management, promotion of tax compliance, timely tax filing, timely tax payments, accuracy of information submitted, effective management of litigation, effective revenue management, transparency, and accountability), and through 32 performance indicators. It noted significant progress made since the first TADAT assessment conducted in November 2019. Mali's DGI received eight A grades out of 32 in 2023, compared to three A grades out of 32 in 2019. The DGI shows admirable efficiency in promoting tax compliance and managing litigation effectively.

P ublic financial management

In this area, AFRITAC seeks to improve the capacities of individuals and institutions with public expenditure management responsibilities. On the budget side, the program of activities aims to strengthen overall budgetary management, including preparation, execution, and control. In terms of cash management, the activities aim to enhance accounting and cash management processes.

Resident Public Expenditure Management Advisor – Budget



Ha Vu has held several positions at the IMF, including Senior Economist in the Fiscal Affairs Department (FAD), and has also worked at the World Bank. She has 20 years' experience in government finance. She contributed to the development of the IMF's Public Investment Management Assessment (PIMA) framework.

Côte d'Ivoire - Second phase of support for the implementation of internal budget control (IBC).

On April 3 and 4, 2023, this second round of support took the form of a seminar to launch the IBC approach, and to raise awareness among ministerial budgetary stakeholders regarding the challenges of IBC. The seminar attracted some 250 participants, including representatives from the Directorate for Regulation and Modernization of Budget Management (*Direction générale du budget et des finances* – DRMGB), the Directorate General for Budget and Finance (*Direction générale du budget et des finances* – DGBF), the financial affairs directorates of all sector ministries, and representatives of all program managers and financial controllers. An action plan for the phased roll out of IBC was developed at the meeting.

Togo - Strengthening personnel expenditure programming and budgeting in program mode.

From April 17 to April 28, 2023, the mission worked with the DGBF and the Civil Service Ministry, to provide an overview of both human resource management and payroll budgeting assessment practices. The mission drew up an initial map of the problems and avenues for progress, while presenting the

methodologies currently being used for payroll budgeting. The mission has provided the DGBF with the tools it needs to program and budget personnel expenses in line with international standards.

Côte d'Ivoire - Strengthening capacity to monitor the performance of public finance management – Formation of Public Financial Management Assessment (PEFA) indicators.

From April 12 to April 16, 2023, the mission supported the Ivorian authorities in strengthening their capacity to monitor the performance of public finance management. The support took the form of training on the main indicators of the PEFA framework for members of the Technical Monitoring Committee (*Comité Technique de Suivi* – CTS) and the Technical Coordination Unit (*Cellule Technique de Coordination* – CTC) of the Economic and Financial Management Support Project (*Projet d'appui à la gestion économique et financière* – PAGEF) of the Ministry of Economy and Finance.

A total of 23 participants from various entities involved in public finance management attended the training session, giving rise to lively discussions.

Resident Public Expenditure Management Advisor – Treasury



Naby Abraham Ouattara worked for 21 years at the Burkina Faso Treasury, where he successively held the main positions of responsibility, including Director of Monetary and Financial Affairs, Central Treasury Accountant, and Director General of Treasury and Public Accounting. He undertook several technical assistance missions as a short-term expert for the IMF's Fiscal Affairs Department. Before joining AFRITAC West, Mr. Ouattara spent three and a half years in Conakry as a public financial management advisor for the IMF.

Benin - Support for the implementation of accrual and asset-based accounting through internal accounting control (Cotonou, April 17–28, 2023). The mission supported the implementation of accrual-basis and balance-sheet accounting through the introduction of internal accounting control (IAC). To this end, the mission led a workshop on IAC for approximately forty senior staff from the Ministry of Economy and Finance; and it produced a draft action plan for the implementation of IAC.

The mission discussed ways and means of implementing a specific internal accounting control system, capitalizing on and complementing the existing framework for internal audit and control in general, already put in place by the authorities.

Guinea-Bissau – Monitoring implementation of the Treasury Single Account (Bissau, from February 20 to March 4, 2023). The mission supported Guinea-Bissau in developing the Treasury Single Account (TSA) and improving cash management processes. The mission noted ongoing efforts to implement the recommendations of previous missions; and it made recommendations for strengthening the

operation of the TSA Implementation Committee and rationalizing public bank accounts.

Mauritania - AFRITAC West organized an immersion and study mission on the inventory and valuation of the State's tangible fixed assets from April 24 to April 28, 2023, at the General Treasury of the Kingdom of Morocco, with support from FAD. The beneficiaries of this immersion mission were five senior staff from the Ministry of Economy and Finance of the Islamic Republic of Mauritania, from the State Assets Department, and the General Inspectorate of Finance. The mission forms part of AFRITAC-West's support for the implementation of accrual-basis and balance-sheet accounting.

The mission benefited from the Kingdom of Morocco's experience in high-level governance of the project to switch to balance-sheet accounting. It noted with great interest the five main pillars on which the success of the Moroccan experience was built: 1- accounting framework; 2- accounting information system; 3- accounting quality; 4- change management; 5- opening balance sheet

Debt management and financial market development

AFRITAC West supports the formulation and implementation of debt management strategies and cash flow planning; it assists authorities in their efforts to strengthen the organizational framework for

debt management; it helps improve information on public debt; it builds capacity for public debt analysis and management; and it supports regional institutions in the development of the regional market for WAMU government bonds.



Resident Debt Management and Financial Market Development Advisor

Before joining AFRITAC West in September 2019, **Soltani Chaker** was Public Debt Management Advisor at AFRITAC Centre (which serves nine Central African countries). Previously, he had held various positions in the Tunisian Ministry of Finance; he was appointed Director General of Debt from 2011 to 2014, and Director of Debt Strategy in 2006.

Mali - Improvement of the debt data management system, from February 22 to March 3, 2023.

The mission noted clear improvement, mainly owing to the development of a specific module for recording domestic debt, as well as reports and output statements for statistical and debt portfolio analysis purposes. The mission produced a tool for monitoring implementation of the recommendations. This consists of an Excel template comprising four worksheets relating, respectively, to the technical monitoring of actions, monitoring of the action plan, monitoring of compliance with information system governance requirements, and monitoring of compliance with security requirements. The work also produced a plan for technical deployment of the new version of the integrated debt management system (SIGED) in the debt department.

Guinea – Medium Term Debt Management Strategy (MTDS), from April 26 to May 5, 2023.

The mission reviewed the MTDS for 2024-2027, with a projection of the debt portfolio to end-2023 (base year). It took into account the repayment schedule, projections of external financing prepared on the basis of loans available or to be mobilized, and projections of domestic financing in the form of Treasury bills and bonds.

The strategy document that was prepared will be discussed and finalized by the Public Debt

Committee, based on the latest macrofiscal framework, before being submitted to the authorities for approval and publication.

Cote d'Ivoire - Medium-term debt management strategy (MTDS), May 10–19, 2023.

This support, which took the form of a workshop, brought together twenty agents representing the debt, treasury and budget departments of the Ministry of Economy and Finance (MEF). The technical assistance/training involved a cost-risk analysis of Côte d'Ivoire's debt, using the IMF/World Bank MTDS analytical tool. It helped update the debt management strategy for 2023-2027, in light of the medium-term macro-budgetary outlook, recent developments in the financial arena, and the financial market situation.

The mission also addressed issues relating to the content of the debt management strategy paper.

Joint FAD/MCM regional workshop on integrating debt and cash management, March 13–17, 2023

Objectives: This joint MCM/FAD regional workshop is intended to strengthen participants' knowledge of the importance of integrating debt management with cash management and the actions that can be taken to improve this integration.

Key lessons learned:

- Make legal use of data from the multiyear budget and economic programming paper (*document de programmation budgétaire et économique pluriannuelle* – DPBEP) in the process of preparing the draft budget, to make it more realistic.
- Throughout the budget preparation process, ensure the proper relationship between the budget forecast and the cash flow forecast.
- Ensure the production of all required annexes to the budget bill, particularly those related to debt management and cash management.
- Rigorously develop planning and forecasting tools for public procurement, expenditure commitments, and cash flow to improve their quality, ensure their consistency and periodic updating, and see to it that they are observed and made mandatory.
- Ensure proper coordination among the various stages of the issuance schedule through rigorous preparation, consistency, and judicious use of the MTDS, the Annual Financing Plan, and the Annual Cash Flow Plan.
- Make the budget more realistic and respect budget execution procedures by minimizing the use of exceptional procedures in order to meet the requirements of quality cash flow management.
- Make judicious use of expenditure control at the commitment stage to avoid resorting to cash rationing, which has shown its limitations in terms of generating budgetary arrears.
- Take up the challenge of integrating debt and cash management by strengthening interactions among the various participants to take better advantage of the necessary synergy by giving the Ministry of the Economy and Finance a vision of the entire market that will allow the Ministry to make the best decisions regarding the choice of instruments, as well as the proportions of long- and short-term financing.
- Move decisively towards the implementation of the TSA and the gradual coverage of its target range.
- Consider diversifying cash management instruments by exploring the possibility of using commercial paper, the repo market, and direct Treasury participation in the interbank market.

Banking supervision

AFRITAC West's actions in the field of financial supervision and regulation seek to enhance the soundness of the financial system, by aligning regulations and practices with the principles defined by the Basel Committee, such as the Basel II/Basel III prudential framework, and by consolidating the results achieved in the area of risk-based supervision.

Resident Banking Supervision Advisor



Jean-Charles Normand joined AFRITAC West in January 2021, after more than thirty years' experience of banking supervision with Banque de France. Since 2004, he has been head of on-site review missions with the main French banks and with insurance companies, working on behalf of the Prudential Supervision and Resolution Authority (*Autorité de contrôle prudentiel et de résolution – ACPR*) or the European Central Bank (ECB).

Inter-regional seminar on the prudential review process and early warning system, and their integration into risk-based supervision, March 6–10, 2023.

The aim of the seminar was to share experiences and good practices in the development of an integrated risk-based supervision system, focusing on three main themes that are simultaneously and jointly involved in this approach: (i) the prudential supervision process; (ii) the rating system used to identify and quantify the risks borne by credit institutions; and (iii) early warning indicators. Some thirty participants from ten banking supervisory and regulatory authorities participated in the seminar, which was both face-to-face and virtual. This facilitated a wide-ranging sharing of experiences, as each authority had the opportunity to present its regulatory and supervision framework, the challenges it faces in implementing the supervision process, the bank rating system, the integration of bank rating into the supervisory process and early warning indicators. At the same time, the experts reported the expectations of international bodies on these issues, and described certain examples in detail.

Guinea - Banque Centrale de la République de Guinée - Supervision of non Bank financial institutions, April 17–21, 2023.

This mission, undertaken remotely, forms part of the AFW work plan for 2023 in the field of banking supervision and the technical

assistance work plan shared with the Guinean authorities. Its objectives were to: identify the type of activities carried out, or likely to be carried out, by Guinean financial institutions not classified by the regulations as banks; to review the regulations and supervision methods applicable to these institutions; and to devise a roadmap for any adaptation that may be required.

Nonbank financial institutions that can be registered in the Republic of Guinea at present fall into four categories: (i) financing institutions (leasing, factoring, issuance of guarantees, etc.), (ii) electronic money issuers (EMIs), (iii) financial investment institutions; and (iv) other institutions (mainly financial intermediaries such as brokers).

In each case, a presentation was made of the corresponding activities and the regulatory practices in force in different jurisdictions for training purposes. The current Guinean regulatory framework was then analyzed with senior staff from the Bank Supervision Directorate (*Direction de la Supervision Bancaire – DSB*); and a draft roadmap was prepared, including short-term action needs and medium-term development prospects. Lastly, training was provided for categories of institutions not yet covered by Guinean regulations, such as crowdfunding institutions and third-party asset managers; and an approach was also presented for adapting prudential regulations to the specific features of Islamic finance.

Mauritania - Central Bank of Mauritania - Risk-based supervision, from January 31 to February 10, 2023. The main objective of this mission was to continue the work being done to

set up a comprehensive and effective risk-based supervision (RBS) framework, by supporting the Central Bank of Mauritania (BCM) in revising its credit institution rating system, and in adapting an initial set of supervision procedures.

The revision of the rating system has been finalized. The rating criteria used to assess the risks borne by banks have been identified; quantitative indicators have been selected and calibrated; and the elements for assessing the risk management and governance system have been defined.

Significant progress has also been made in internal licensing procedures. In particular, the evaluation grids for good repute and competence have been formalized, as have the guidelines for analyzing the business model of applicants for a banking license. Lastly, an in-depth analysis was made of the current sanctions regime.

Mauritania – Central Bank of Mauritania-Bank rating and approval procedures, April 24–28, 2023.

The objectives of this mission, undertaken remotely, were to: (i) provide training for case handlers on the new bank rating system; (ii) carry out an initial test of this system on institutions selected by the BCM; and (iii) continue with work on approval procedures. The training was delivered, and, as a follow-up, an initial exercise was carried out on two of Mauritania's 16 banks. In addition, a workshop was organized, bringing together bank

supervisors and agents in charge of fintechs, with a view to developing common approval procedures; the internal manual was updated accordingly.

WAMU - General Secretariat of the Banking Commission – training for stress tests, April 12–14, 2023.

The objectives of this three-day training course were to: (i) strengthen the capacities of the General Secretariat of the Banking Commission (*Secrétariat Général de la Commission Bancaire* – SGCBU) in terms of conducting microprudential stress tests; (ii) help define its expectations for the stress tests performed by banks and assess their quality; and (iii) present the links between stress tests and other supervision processes (such as the prudential review and assessment process, preventive recovery plans or internal assessments of capital requirements). Fourteen members of the Continuous Supervision Department and the Research and International Relations Department took part in the various sessions, some of whom had a scientific background. This training course, organized at the request of the SGCBU, proved particularly relevant as it was in line with the recommendations of the Financial Stability Assessment Program recently conducted in WAMU.

Government finance statistics

The main thrust of the technical assistance involves supporting implementation of the methodology of the IMF's Government Finance Statistics Manual (GFSM) 2001/2014, and the production and dissemination of government finance statistics (GFS) in tabular format. These mainly concern statistics pertaining to the budgetary central government, such as: (i) the Government Financial Operations Table (TOFE), the main GFS summary document, (ii) the cash flow situation, (iii) the financial balance sheet; and (iv) the debt situation.

Resident Government Finance Statistics Advisor



Before joining AFRITAC West in 2016, **Nicolas Kacou** spent part of his career at the Côte d'Ivoire Ministry of Economy and Finance, where he was responsible for preparing the Government Financial Operations Table (*Tableau des opérations financières de l'Etat* – TOFE), based on the General Treasury Accounts Balance.

Guinea - Government finance statistics - Improved production of the financial operations table of the budgetary central government aligned with GFSM 2014, from February 20 to March 3, 2023.

The mission's work focused on finalizing the project of migrating the TOFE to GFSM 2014 standards, as specified by the Guinean authorities. The mission's objectives in this regard were fully achieved. The work made it possible to: (i) assess implementation of the previous mission's recommendations; (ii) review the data sources required to produce the TOFE for the budgetary central government (BCG) in accordance with GFSM 2014; (iii) refine the BCG's TOFE at end-December 2022; (iv) produce a draft monthly analysis note explaining changes in the main TOFE aggregates based on GFSM 2014; and (v) update the work plan for compiling the GFS in line with GFSM 2014.

Togo - Statistiques des finances publiques - Amélioration de la production du Tableau des opérations financières de l'Etat selon le MSFP 2014 [Improved production of the Government Financial Operations Table

according to GFSM 2014], April 13–24, 2023 (in French only).

The mission's objectives were to continue the previous mission's work and consolidate its achievements. This consisted in training agents in the GFSM 2014 methodology and helping the compilers to improve the production of the BCG's TOFE. In line with its main objectives, the mission provided training on GFSM 2014 for some thirty senior staff and managers. This training session responds to the request made by the Togolese authorities to AFRITAC West in November 2022. However, these national workshops should be continued and intensified, to enable a larger number of senior staff (compilers, primary data providers, and GFS users) to gain knowledge of GFS.

In terms of extending the scope of GFS coverage to the social security subsector, the work involved examining the financial statements of the Togolese Pension Fund (*Caisse de retraite du Togo*), preparing a transition table, and producing the TOFE of this entity for FYs 2017 to 2021 on an experimental basis.

Resident Government Finance Statistics Advisor



A graduate of the University of Ouagadougou and Ecole Nationale des Régies Financières (ENAREF), **François Millogo** spent 15 years as Financial Services Manager at the Permanent Secretariat for Financial Policies and Programs Monitoring, then at the General Treasury

and Public Accounts Directorate of Burkina Faso. He worked mainly in the field of Government Finance Statistics (GFS), in particular the Government Financial Operations Table (TOFE). As Head of the Government Financial Operations Statistics Department, he participated in the implementation of TOFE reforms.

Taking nonmonetary transactions into account in government finance statistics (Grand-Bassam, from January 30 to February 3, 2023)

For several years now, the countries in the region have been actively engaged in a series of far-reaching reforms aimed at improving and modernizing public financial management and the production of macroeconomic statistics, including those of the

general government. Against this backdrop, considerable efforts have been made by states in the migration to GFSM 2014 standards and principles. In this connection, the situation at the end of December 2022 is as follows:

Actions	Results
Transition to TOFE aligned with GFSM 2014	Correspondence table available in all of the countries
Production of TOFE for the public sector	Only one country
Possibility of migration to TOFE aligned with GFSM 2014	One country is in the process of migration and four have the capacity needed to migrate
Cash flow statement	Seven countries produce this statement
Statement of financial position	Five countries produce this statement
Public debt statement	All the countries produce this statement; however, they need additional information to fine-tune the various operations
Gradual expansion of the scope of coverage: social security	All the countries have a correspondence table; seven countries produce experimental versions and three of these countries distribute them
Gradual expansion of the scope of coverage: local governments	Seven countries produce statistics; three other countries have a correspondence table without production
Gradual expansion of the scope of coverage: extrabudgetary units	Five countries produce them, three of these distribute them; four countries have a correspondence table

These advances have enabled the Center to address another aspect of statistics production, namely the inclusion of nonmonetary transactions, most of which are not

included in macroeconomic statistics. The recent COVID-19 pandemic provided evidence of this. Indeed, significant exchanges in-kind among various economic agents, including the general

government, are not reflected in government finance statistics.

The work of the seminar, which followed on from that of April 2022, made it possible to adopt a method for calculating the benefits in-kind generated by company cars and to

record those resulting from company housing. Similarly, the need to capture all gift-in-kind transactions in government finance statistics was reiterated. The success of this inclusion of in-kind transactions in GFS revolves around the following three methodologies to be defined: (i) identification and collection of in-kind benefits; (ii) valuation; and (iii) implementation schedule.

R **real sector statistics**

AFRITAC West supports the authorities in the implementation of the 2008 System of National Accounts (SNA) and the change of base year in all its member countries. The Center is helping Benin, Côte d'Ivoire, Mali, and Niger to implement quarterly national accounts (QNA).

Resident Real Sector Statistics Advisor



Before joining AFRITAC West in 2018, **Fahd Ndiaye** worked for 10 years at Senegal's National Statistics and Demography Agency (ANSD).

Benin - National accounts. The work of the mission of February 13–17, 2023 noted cumulative delays in the production of the annual national accounts (ANA) and implications for the calculation of quarterly national accounts (QNA). The latest final ANA published are those for 2015 (base year) and 2016. So as not to interrupt the annual publications, the National Institute of Statistics and Demography (INStAD) has published annual provisional estimates based on the QNA. It is, however, necessary to regularly calculate ANA based on comprehensive annual sources such as statistical reporting, tax returns, and government finance statistics. Accordingly, the mission insisted on clearing the backlog of 2017–2021 final ANAs, followed by the recalculation of QNA with the final ANA and reporting on changes made to the QNA.

Burkina Faso - Financial accounts. The statistical sources for the compilation of the

2019 financial accounts were compiled and processed during the mission of February 13–24, 2023. With the new format for statistical reporting and tax returns since FY 2018, a new treatment has been implemented for those mainly covering nonfinancial corporations (NFCs) and financial auxiliaries.

Guinea - National accounts. The mission from January 23 to February 6, 2023, contributed to progress in the preparation of the new 2018 base year of the national accounts under the 2008 SNA, including improvement of the comparison between source data (pre-adjustment) as well as the preparation of goods and services accounts. In addition, support was provided for the training of staff and for beginning the preparation of the final 2020 and provisional 2021 national accounts according to the 2006 base year and the 2008 SNA with a view to their publication at end-March 2023.

Guinea-Bissau. National accounts. The mission from February 6 to February 17, 2023, assisted the national accounts team in finalizing the 2018 final and 2019-2020 preliminary ANA series and preparing the 2021 preliminary ANA. An update of the balance of payments data in the preliminary accounts tool was also completed prior to compiling the preliminary 2019 and 2020 ANA. The 2018 integrated economic accounts table was also prepared to meet forecasting needs pending the release of the 2019 and 2020 ANA.

Côte d'Ivoire and Senegal

The Moroccan High Commission for Planning hosted three senior staff from Senegal's ANSD and six senior staff from Côte d'Ivoire's INS from February 6 to February 10, 2023. Discussions focused on the data sources and methodology used to prepare the regional accounts. In particular, the regionalization of the production of companies located in the capital and other regions and the regionalization of data from the central government and the central bank. They also covered the treatment of taxes and subsidies, and the issue of volume-price distribution of aggregates.

Macro-budgetary analysis

The activities program prioritizes the integration of macroeconomic and budgetary framework processes, the deepening of macroeconomic forecasting tools, the strengthening of tax revenue forecasting systems, medium-term global budget allocation processes, the preparation of multiyear budgetary and economic programming documents, and the revitalization of institutional systems for validating the macroeconomic and budgetary frameworks.

Resident Macro-Budgetary Analysis Advisor



Djoret Biaka Tedang worked for several international organizations in the field of macroeconomic and budgetary modeling and framing before joining AFRITAC West in 2018. Mr. Djoret was also head of the Economic Climate and Forecasting Division in Chad.

Benin

Towards enhanced quantification practices and budgetary risk management, April 3–14, 2023

The mission ran a workshop to assess the budget risk analysis paper appended to the 2023 Finance Bill. It chaired bilateral discussions aimed at exploring ways to improve the quantification of budgetary risks.

The mission highlighted the need to formalize a budget risk identification and analysis framework, to prioritize risks and ensure a consistent approach, and to establish a budget risk register (BRR) that rigorously follows the budget risk identification and analysis framework.

An action plan to raise Benin's budget risk analysis practices to intermediate levels was discussed.

Guinea

Implementation of revenue forecasting tools and good practices, from April 24 to May 5, 2023

The mission, which follows on from the December 2019 mission on the same subject, aimed to improve practices and tools for forecasting budget revenues and simulating the impact of new tax measures.

During a workshop, the mission recalled the methodological framework for revenue projections and the challenges associated with the timetable and process for identifying and assessing the impact of the new measures.

At the end of the mission, a revenue forecasting tool covering seven main taxes and its user manual were delivered, but the estimates should be repeated once the granular data have been made available. In addition, a tool for simulating the impact of new tax measures and its user manual were also delivered. Recommendations have been made for putting these tools into operation, improving their quality, and enhancing their coverage.

Guinea-Bissau

Experience-sharing visit to Benin from April 17 to April 28, 2023. Two senior staff members from the General Directorate of Economic Studies and Forecasting and one from the General Directorate of Budget took part in an experience-sharing visit to Benin's General Directorate of the Economy. This visit enabled the Guinean staff to learn more about the organization of the economic and budgetary programming departments, and the challenges involved in introducing medium-term budgetary programming in line with WAMU directives.

Guinea - PIMA follow-up and C-PIMA assessment. From January 30 to February 17, 2023, the resident macroeconomic and budgetary analysis advisor took part in the FAD mission to monitor implementation of the Public Investment management Assessment (PIMA) and the assessment of the consideration of

climate change in public investments management. The advisor's contribution focused on analyzing the practice of public investment programming and the budgetary risks associated with public investments. Tools to enhance the programming of public investments were proposed.

Adoption of the macroeconomic framing tool (continued), from April 27 to May 10, 2023

The work consisted firstly in improving the model, by identifying and resolving information technology difficulties encountered in using it. Training in the use of the various modules (real sector, TOFE, balance of payments, monetary survey, and the steering hub for the model) was then provided.

The model's user manual was revised to incorporate the changes made to the model. In addition, a framing exercise (*cadrage*) was carried out using the model. Lastly, an outline for drafting the macroeconomic framework note was put in place, and work began on drafting it.

Mauritania

Workshops on the analysis and forecasting of revenues from extractive industries for Central and West African countries (with FAD), March 13–17, 2023.

This second regional workshop for West African countries strengthened the capacity of national officials to analyze and design tax regimes for the extractive sector and forecast their revenues.

The workshop proposed a blended learning approach based on three pillars: (1) lectures; (2) practical modeling exercises using the FARI model; (3) national case studies. The lectures focused on the mining sector and covered the following topics: Feasibility studies and technical reports; mineral and petroleum resource evaluation; royalties; corporate income tax; debt financing; and rental taxes. Participants worked

on seven case studies involving either tax system analysis or revenue forecasting.

The case studies were used to introduce a new simplified FARI revenue forecasting model that aggregates multiple projects into a sectoral forecasting model.

Feedback from participants on the model has been positive and will be incorporated into the model as efforts are made to develop it

further. The models will be refined and completed before the third workshop and should be ready for release in FY24. Participants expressed a high level of interest and engagement. The 34 participants from 10 countries found the topics relevant and the connection to tax modeling useful in illustrating key concepts.

IMF online courses

General information is available at <https://www.edx.org/school/imfx>.

Registration for online courses, which are open to civil servants and, in some cases, to the public, can be accessed at <http://imf.smartcatalogiq.com>.

The IMF Institute offers online training courses for officials from member countries and the general public. Short training videos are available at <https://www.youtube.com/c/IMFInstituteLearningChannel/featured>.

Mission reports posted on the IMF website

The following reports have been posted on the IMF's **Partners Connect** website. Country Steering Committee members and donors who have signed a confidentiality agreement with the IMF can access the reports at the following address: TA Reports (imfconnect.org).

BENEFICIARY	SUBJECT AREA	TITLE
Burkina Faso	Customs administration	Burkina Faso: Strengthening the management, monitoring, and control of exemptions and suspensive regimes (from February 20 to March 3, 2023), February 2023 (French)
Benin	Macroeconomic and budgetary analysis	Benin: Towards strengthened quantification practices and fiscal risk management April 3–14, 2023), April 2023 (French)
Guinea-Bissau	Public expenditure management	Guinea-Bissau: Follow-up of the implementation of the Treasury Single Account (from February 20 to March 4, 2023), March 2023 (French).
Mauritania	Customs administration	Mauritania: Automated risk management for front-line control selectivity (January 9–18, 2022), January 2023 (French)
BCEAO	Banking supervision	BCEAO: Regulation of the internal process (December 12–16, 2022), December 2022 (French).
BCEAO	Banking supervision	BCEAO: Preparation of the impact study relating to the implementation of IFRS 9 (November 7–11, 2022), November 2022 (French)
Guinea	Public expenditure management	Guinea: Implementation of commitment authorizations (AE) and expenditures (CP) to strengthen budgeting for public investment spending (from June 20 to July 1, 2022), July 2022 (French)

Mauritania	Debt management	Mauritania: Supporting the development of the domestic market for Treasury securities (November 13–23, 2022), November 2022 (French)
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UPCOMING ACTIVITIES

The main activities planned for the period June–August 2023 are summarized with indicative dates in the following table.

Public expenditure management		
Technical assistance missions		
Beneficiary	Topic	Date
Côte d'Ivoire	Training in forecasting and cash management	July 10–14, 2023
Mali	Support for the implementation of accrual and asset-based accounting – Review of financial statements	July 17–28, 2023
Debt management and financial market development		
Technical assistance missions		
Beneficiary	Topic	Date
Niger	Preparation and implementation of the Medium-term Debt Management Strategy and Annual Financing Plan	July 11–20, 2023
WAEMU Commission	WAEMU regional training on debt sustainability analysis in low-income countries	July 24 to August 4, 2023
Guinea	Training in debt sustainability analysis	August 15–25, 2023
Tax administration		
Technical assistance missions		
Beneficiary	Topic	Date
Mauritania	Inter-regional seminar on managing tax compliance risk in the oil and gas sector	Aman, July 10–13, 2023
Mauritania	Diagnostic assessment of the application architecture of the DGI information system	Nouakchott, August 7–18, 2023
Member countries	ISORA interregional seminar (International Survey on Revenue Administration – 2023 data collection campaign)	Ebène, August 14–18, 2023
Mali	Support for implementation of a post-TADAT strategy	June 2023
Mali	Strengthening of fiscal operations for medium-sized enterprises in Bamako	July 2023
Customs administration		
Technical assistance missions		
Beneficiary	Topic	Date
Guinea	Strengthening of the customs valuation function	July 10–21, 2023
Burkina Faso	Post-clearance inspection	September 18–29, 2023
Government finance statistics		
Burkina Faso	Capacity building and consolidation of operations in the government sector	July 17–28
Guinea	Refinement of the TOFE for budgetary central government	August 14–25

Banking supervision		
Technical assistance missions		
Beneficiary	Topic	Date
General Secretariat of the Banking Commission	Approval procedures for credit institutions	June 21–23, 2023
General Secretariat of the Banking Commission	Review of credit dossiers	July 5–7, 2023
General Secretariat of the Banking Commission	Market- and interest-rate risk in the banking book	August 29–31, 2023
Macroeconomic and budgetary analysis		
Technical assistance missions		
Beneficiary	Topic	Date
Côte d'Ivoire	Deepening the analysis and management of budgetary risks	June 5–16, 2023
Benin	Support for the quantification of budgetary risks in the 2024 Finance Bill budgetary risk analysis paper (remote)	June–September 2023
Niger	Analysis of budgetary risks (with FAD)	July 10–21, 2023
Benin	Strengthening risk analysis in relation to public enterprises and public debt	August 10–18, 2023
Regional workshop		
Member countries	Third workshop on the analysis and forecasting of revenues from the extractive industries	July 3–7, 2023
WAEMU countries, Guinea, Mauritania, Cabo Verde	Seminar on the economic climate in the first half of the year and medium-term forecasts for 2023-2026 in member countries – With the WAEMU Commission and AFRISTAT	May 29 to June 2, 2023

MEMBERS



Benin



Burkina Faso



Côte d'Ivoire



Guinea



Guinea-Bissau



Mali



Mauritania



Niger



Senegal

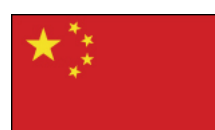


Togo

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