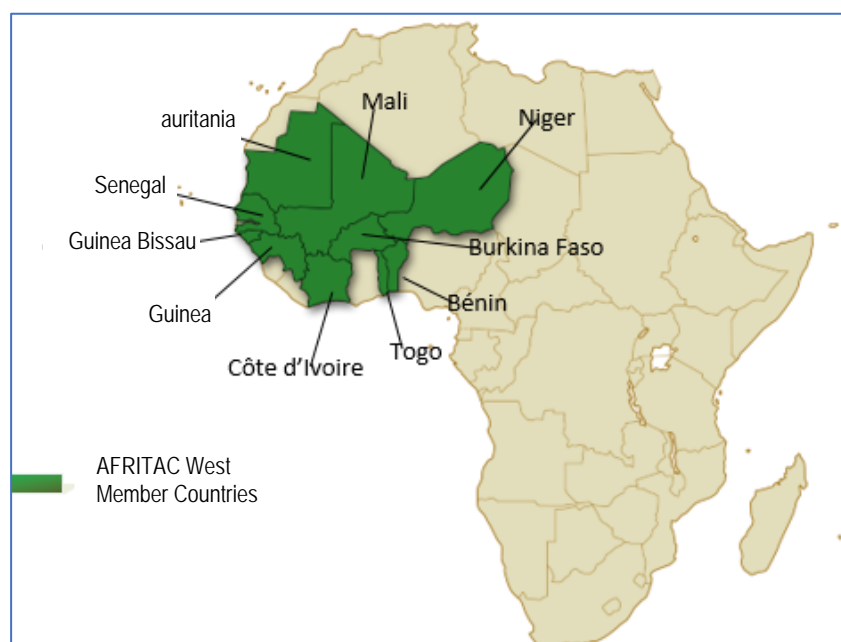


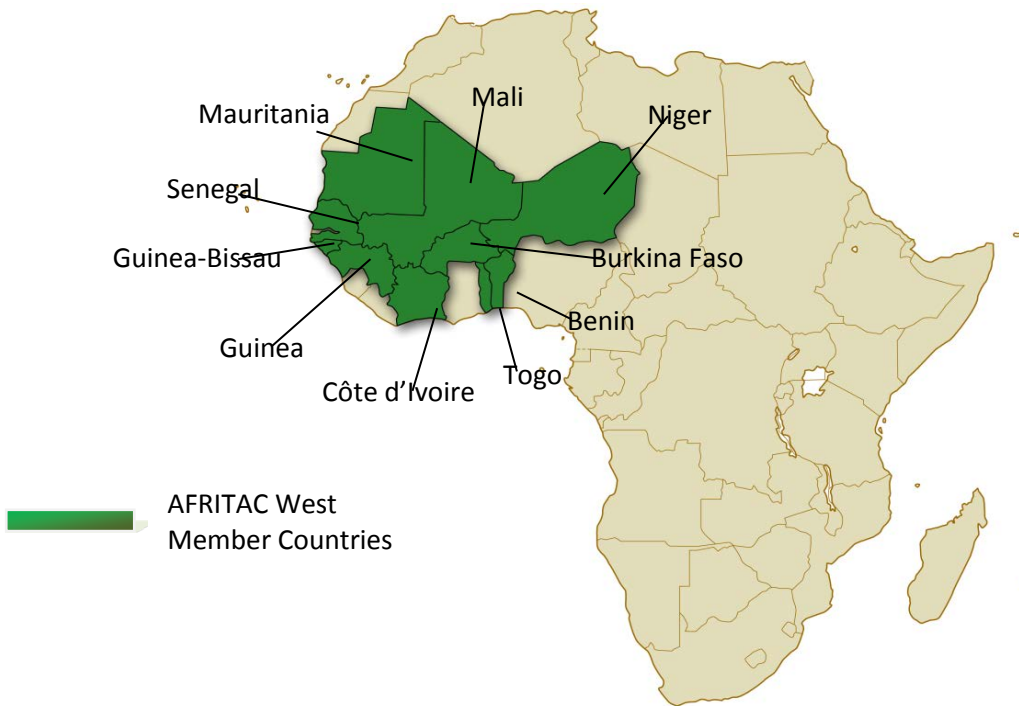
**INTERNATIONAL MONETARY FUND
REGIONAL TECHNICAL ASSISTANCE CENTER FOR WEST AFRICA -
AFRITAC WEST (AFW)**

**ACTIVITY REPORT
2018**



International Monetary Fund

Member Countries



Technical and Financial Partners



Germany



France



Italy



Kuwait



Luxemburg



Netherlands



Switzerland



German Cooperation Agency



China



Australian International Development Agency (AUSAID)



European Union



African Development Bank (AfDB)



Central Bank of West African States (BCEAO)



European Investment Bank (EIB)



International Monetary Fund (IMF)



West African Economic and Monetary Union (WAEMU)



International Monetary Fund
Regional Technical Assistance Center
for West Africa

Activity Report

2018

REMARKS BY THE CHAIR OF THE AFRITAC WEST STEERING COMMITTEE



At the start of the fourth AFRITAC West funding cycle, Côte d'Ivoire is honored to assume the chairmanship of the Center's Steering Committee (SC) for FY 2018 and 2019. The SC is the appropriate body for discussing AFRITAC West activities and I would like to take this opportunity to congratulate it on the pertinence and quality of its work.

At its 28th meeting, held in Abidjan in March 2018, the SC reviewed execution of the work program approved in Ouagadougou in February 2017 and examined the activities planned for FY 2019, which runs from May 1, 2018 to April 30, 2019. This work program, which takes into account the priorities agreed upon by AFRITAC West and the member states and institutions benefiting from its technical assistance, is based on the Center's medium term strategic logical frameworks and will serve as a guide to the capacity-building goals to be attained in FY 2019.

The actions undertaken by AFRITAC West to build capacity in our administrations through training seminars and technical assistance missions lend significant support to the implementation of reforms in our States. I would therefore like to congratulate the AFRITAC West teams on that contribution and on the work accomplished all these past years with such compelling results that they have helped expand the Center's outreach and boosted our economies.

Here I would like to underscore the important, ongoing financial support provided by our development partners, which enables AFRITAC West to conduct its activities, achieve the goals assigned to it and respond effectively to the capacity-building needs of its member states. Thus, on behalf of all the member states of AFRITAC West, I would like to thank our technical and financial partners and to encourage them to continue and to step up their financial contributions to the Center's budget. In particular, I would like to invite them and all member states of AFRITAC West to commit to contributing to the Center's budget for the fourth five-year funding cycle, which began in June 2017. This is a period replete with challenges and ambitious goals, particularly as regards achievement of the Millennium Development Goals and completion of a number of reforms in the West African Economic and Monetary Union (WAEMU). In both areas, AFRITAC West technical assistance will continue to be needed.

Adama Koné

Minister of Economy and Finance of Côte d'Ivoire

TABLE OF CONTENTS

REMARKS BY THE CHAIR OF THE AFRITAC WEST STEERING COMMITTEE	4
LIST OF ABBREVIATIONS AND ACRONYMS	7
I. ANALYTICAL SUMMARY	11
II. CENTER ACTIVITIES AND RESULTS IN 2017-18	13
Benin	15
Burkina Faso	17
Côte d'Ivoire	19
Guinea	21
Guinea-Bissau	24
Mali	25
Mauritania	28
Niger	30
Senegal	32
Togo	34
WAMU Securities Agency	36
BCEAO and the General Secretariat of WAMU Banking Commission	36
Regional Council for Public Savings and Financial Markets (CREPMF)	36
WAEMU Commission	37
III. TRAINING	38
IV. THE WORK PROGRAM FOR FY 2019	47
A. OVERVIEW	47
B. ACTIVITIES ENVISAGED, BY AREA	53
Customs administration	53
Tax administration	55
Public expenditure management – Budget	59
Public expenditure management – Accounting and Treasury	62
Government finance statistics	64
Real sector statistics	66
Debt and the development of financial markets	68
Banking supervision and restructuring	72
Macroeconomic and budgetary analysis	75
V. THE CENTER'S BUDGET-EXECUTION IN 2018 AND FORECASTS FOR 2019	77
CHARTS	
CHART 1. EXECUTION OF THE WORK PROGRAM FOR FY 2018 BY AREA OF ACTIVITY	14
CHART 2. EXECUTION OF THE WORK PROGRAM FOR FY 2018 BY TA RECIPIENT	14

CHART 3. DISTRIBUTION OF TA VOLUME BY AREA	49
--	----

CHART 4. DISTRIBUTION OF THE VOLUME OF TA BY COUNTRY	49
--	----

TABLES

TABLE 1. EXECUTION OF THE WORK PROGRAM FOR FY 2018 IN PERSON-WEEKS, BY AREA	14
---	----

TABLE 2. SEMINARS ORGANIZED IN FY 2018	38
--	----

TABLE 3. IMMERSION INTERNSHIPS OFFERED IN FY 2018	44
---	----

TABLE 4. SUMMARY OF THE STRATEGIC LOGICAL FRAMEWORK FOR 2017-2022	48
---	----

TABLE 5. DISTRIBUTION OF THE VOLUME OF TA BY AREA, FY 2018	49
--	----

TABLE 6. REGIONAL SEMINARS SCHEDULED FOR FY 2019	51
--	----

TABLE 7. PEER-LEARNING PROGRAM – FIELD TRIPS PLANNED	52
--	----

TABLE 8. SCHEDULED CUSTOMS ADMINISTRATION MISSIONS BY COUNTRY	54
---	----

TABLE 9. SCHEDULED TAX ADMINISTRATION MISSIONS BY COUNTRY	57
---	----

TABLE 10. SCHEDULED PUBLIC EXPENDITURE MANAGEMENT MISSIONS BY COUNTRY (BUDGET)	60
--	----

TABLE 11. SCHEDULED PUBLIC EXPENDITURE MANAGEMENT MISSIONS BY COUNTRY	62
---	----

TABLE 12. SCHEDULED GOVERNMENT FINANCE STATISTICS MISSIONS BY COUNTRY	65
---	----

TABLE 13. SCHEDULED REAL SECTOR STATISTICS MISSIONS BY COUNTRY	67
--	----

TABLE 15. SCHEDULED DEBT MANAGEMENT MISSIONS BY COUNTRY/INSTITUTION	69
---	----

TABLE 15. PLANNED BANK SUPERVISION AND RESTRUCTURING MISSIONS BY COUNTRY/INSTITUTION	73
--	----

TABLE 16. PLANNED MISSIONS ON MACROECONOMIC ANALYSIS AND FORECASTING BY COUNTRY	75
---	----

TABLEAU 17. AFRITAC WEST – BUDGET EXECUTION 2017-18 AND PROJECTIONS FOR 2018-19	78
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LIST OF ABBREVIATIONS AND ACRONYMS

AA	Accrual Accounting
ACPR	Prudential oversight and resolution authority
AFC	AFRITAC Central
AfDB	African Development Bank
AFRISTAT	Economic and Statistical Observatory for sub-Saharan Africa
AFRITAC	IMF Regional Technical Assistance Center for Africa
AFW	AFRITAC West
AMU	Arab Maghreb Union
ANA	Annual National Accounts
ASYCUDA	Automated System for Customs Data
ATI	Africa Training Institute
AUT	WAMU Securities Agency
BB	Budget Bill
BCEAO	Central Bank of West African States
BCM	Central Bank of Mauritania
BCRG	Central Bank of the Republic of Guinea
BGCT	Treasury Account Balance Sheet
BNV	National Valuation Office
BTP	Building and public works
CA	Commitment authorizations
CAA	Autonomous Amortization Fund
CB	Capacity building
CET	Common External Tariff
CME	Medium-sized Enterprise Center
CNDP	National Public Debt Committee
CNE	National Debt Committee
COFEB	West African Training Center for Banking Studies
COTECNA	Import inspection entity
CREPMF	Regional Council for Public Saving and Financial Markets
DCIME	Directorate of the Center for Taxation of Medium-sized Enterprises
DDP	Public Debt Directorate
DGB	Directorate General of Budget
DGD	Directorate General of Customs
DGE	Large Enterprise Directorate
DGI	Directorate General of Taxes
DGSBF	Directorate General of Banking and Financial Supervision
DGSCN	Directorate General of Statistics and National Accounts
DGSIF	Directorate General of Financial Institution Supervision
DGTCP	Directorate General of Treasury and Public Accounting
DME	Medium-sized Enterprise Directorate
DNCI	National Directorate of Land Registry and Taxes
DND	National Directorate of Customs
DNI	National Directorate of Taxes
DNTCP	National Directorate of the Treasury and Public Accounting

DPBEP	Multiyear Budgeting and Economic Programming Document
DPME	Small and Medium-sized Enterprise Directorate
DPPD	Multiyear Expenditure Programming Document
DRFM	Director of Financial Resources and Equipment
DSA	Debt Sustainability Analysis
DSBB	Dissemination Standards Bulletin Board
DSF/DSA	Debt Sustainability Framework and Analysis
DSID	Directorate of Statistics and Customs Data
ECA	United Nations Economic Commission for Africa
ECOWAS	Economic Community of West African States
EIB	European Investment Bank
EPN	Government enterprises
ERETES	IT tool for compiling the national accounts
FAD	IMF Fiscal Affairs Department
FY	Fiscal year
GATT	General Agreement on Tariffs and Trade
GDDS	General Data Dissemination System
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GIZ	German Technical Cooperation Agency
HFI	High frequency indicators
HICP	Harmonized index of (final) consumer prices
HR	Human Resources
HRM	Human resources management
IBFI	International Banking and Finance Institute of Banque de France
ICA	Turnover indicators
ICC	Indicators of construction costs
ICD	IMF Institute for Capacity Development
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
INS	National Statistics Institute
INSAE	National Institute for Statistics and Economic Analysis
INSEE	National Institute for Statistics and Economic Studies
IPI	Industrial production index
IS	Information System
ISRT	Inter-State Road Transit
LOLF	Budget framework law
MBP6	Balance of Payments and International Investment Position Manual
MCM	IMF Monetary and Capital Markets Department
MdF	Ministry of Finance
MEF	Ministry of Economy and Finance
MSFP	Government Finance Statistics Manual
MTAP	Multiyear Technical Assistance Project
MTDS	Medium-term Debt Strategy
MTEF	Medium-term Expenditure Framework
MTFF	Medium-term Fiscal Framework

NBE	Government Budget Nomenclature
NGP	Net Government Position
NTP	Net Treasury Position
OA	Office/desk audit
OHADA	Organization for the Harmonization of Business Law in Africa
PA	Payment appropriations
PAP	Annual performance projects
PB	Program Budget
PCE	Government Chart of Accounts
PCSE	Simplified Government Chart of Accounts
PE	Commitment plans
PF	Public Finance
PIMA	Public Investment Management Assessment
Pôle de Dakar	Pole “Development strategies and public finance”, a unit of the UNDP Dakar Regional Centre
PP	Procurement Plans
PPI	Producer price index
PPP	Public-Private Partnerships
PRSP	Poverty Reduction Strategy Paper
QNA	Quarterly National Accounts
RAFIT	Revenue Administration’s Fiscal Information Tool
RB	Remaining balances
RTACs	IMF Regional Technical Assistance Centers
SA	Suspense accounts
SGE	Large Enterprises Department
SIAR	Computerized Risk Analysis System
SIGFIP	Integrated Public Financial Management System
SME	Medium-sized Enterprises Department
SNA	System of National Accounts
SP-CTBPE	Permanent Secretariat of the Technical Committee of the Government program-budget
STE	Short-term Expert
SUT	Supply and Use Table
SVT	Specialists in Treasury securities
SYDAM	Automated Customs Clearance System
TA	Technical Assistance
TAME	Electronic processing of merchandise and threat assessment method
TCEI	Table of Integrated Economic Accounts
TFP	Technical and Financial Partners
TIN	Unique taxpayer identification number
TOFE	Government Financial Operations Table
TSA	Treasury Single Account
TXA	Tax Audit
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
UVI	Unit value index
VAT	Value Added Tax

WADB/BOAD	West African Development Bank
WAEMU	West African Economic and Monetary Union
WAMU	West African Monetary Union
WCO	World Customs Organization
WTO	World Trade Organization

Abbreviations of member country names

BEN	Benin
BFA	Burkina Faso
CIV	Cote d'Ivoire
GIN	Guinea
GNB	Guinea-Bissau
MLI	Mali
MRT	Mauritania
NER	Niger
SEN	Senegal
TGO	Togo

I. ANALYTICAL SUMMARY

1. **This report presents AFRITAC West's activities and results for FY 2018, and its work program for FY 2019.** In FY 2018, the Center executed 80 percent of its total volume of activities. In addition to technical assistance missions, it delivered 11 regional seminars and offered 7 immersion internships as part of its peer learning program. These training actions helped develop the capacity and experience of about 343 country managers and member institutions of AFRITAC West.
2. **Implementation of the work program for FY 2018 was satisfactory.** Indeed, by the end of the fiscal year, execution rates for the Center's activities were in the 97-74 percent range for 9 of the 10 areas covered by the Center. The execution rate was, however, exceptionally low (30 percent) in the area of macrofiscal analyses due to particularly long delays in the recruitment of a new resident advisor in that area. Consequently, the average execution rate for FY 2019 turned out to be 80 percent. The Center's activities were conducted in a stable regional environment, with fewer missions suspended and with stepped-up Center support for three pilot countries in connection with the IMF engagement with countries in fragile situations. The countries and institutions benefiting from AFRITAC West technical assistance (TA) have continued to voice their satisfaction with the support provided by the Center and there appears to be greater responsiveness on the part of administrations when it comes to programming TA missions. Demand for peer learning internships is also growing. In some areas, it is still proving difficult to find short-term experts. For that reason, the Center has continued its efforts to identify sought-after skills in the administrations of the member countries.
3. **The activities planned for FY 2019 are based on the Center's medium-term strategic logical frameworks.** The work program envisages 672 person-weeks of technical assistance, which represents an increase in all areas of activity over the year before, and especially in revenue administration, where the Center plans to step up its activities in support of the countries' efforts to achieve the Sustainable Development Goals. The program also envisages 12 regional seminars and 10 peer learning internships.
4. **The Center continues its communication and outreach efforts with respect to its activities.** Such efforts were made when the Center's Director met with donor representatives, member country authorities, and the media. Communication efforts also included regular information updates, press releases, gazette publications, and other documents posted on the AFRITAC West website and Facebook page.
5. **The AFRITAC West Steering Committee (SC) met on March 22, 2018 in Abidjan, Côte d'Ivoire for its 28th meeting.** All members were attended, except for Togo, Guinea-Bissau and Niger. At the end of the meeting, the SC put the following recommendations to AFRITAC West: (i) continue its efforts to improve coordination of missions with the authorities and other donors and creditors; (ii) continue its search for competent managers in the administrations of the member countries to address the lack of short-term experts in certain areas; and (iii) organize training activities for members of the WAEMU Financial Stability Committees. With respect to the BCEAO, the SC recommended that it resolve the information system update problem which is hampering completion of the Treasury Single Account reforms in WAEMU member countries. In addition, the SC encouraged the member countries of the Center to proceed, like

Burkina Faso and Côte d'Ivoire, to sign Letters of Understanding confirming their contributions to the budget for the fourth cycle. As regards the donors and creditors, the SC recommended that they continue their efforts to coordinate TA activities, to facilitate mission synchronization and reduce the workload for the administrations, particularly during periods when they are drafting national budgets.

6. **In the course of this meeting, the Steering Committee:**

- ❖ Adopted the minutes of the 27th meeting, held on February 23, 2017 in Ouagadougou, Burkina Faso.
- ❖ Ratified the reports on execution of the work program and of the budget for FY 2018 as of end-January 2018 as well as the FY 2019 budget and work program.
- ❖ Welcomed with satisfaction the signing of Letters of Understanding by Burkina Faso and Côte d'Ivoire regarding their respective contributions to the AFRITAC West budget for the fourth cycle and encouraged the other member countries to do likewise.
- ❖ Welcomed the commitments made to date by the Center's external partners in support of the fourth financing cycle, in particular the European Union, Germany, Luxemburg, the Netherlands, China, the European Investment Bank and France.
- ❖ Agreed that the next meeting of the Steering Committee would take place in Côte d'Ivoire in March 2019.

II. CENTER ACTIVITIES AND RESULTS IN 2017-18

A. Brief overview

7. **Execution of the work program at end-April 2018.** The Center provided 501 person-weeks of TA during FY 2018, an execution rate of 80% (Tableau 1). Four factors, in particular, explain why this rate was lower than in previous years: (i) FY 2018 activities began in June, rather than in May¹; (ii) the more than one-month-long vacancy in four posts (Public Expenditure Management, Tax Administration, Real Sector Statistics and Macroeconomic Analysis and Forecasting); (iii) the security situation in some countries, which hampered the carrying out of missions envisaged in the program; and (iv) the cancelation or postponement of missions at the request of the authorities. However, it is worth pointing out that, as Chart 1 shows, this overall rate disguises major differences between areas. As regards beneficiaries of TA provided by the Center, the highest volumes of activity were in Guinea, Bénin and in regional organizations (Chart 2). Training activities involved 11 regional seminars (Table 2), and 7 immersion internships (Table 3). These training activities provided capacity-building for 343 managers in the countries and institutions covered by the Center.

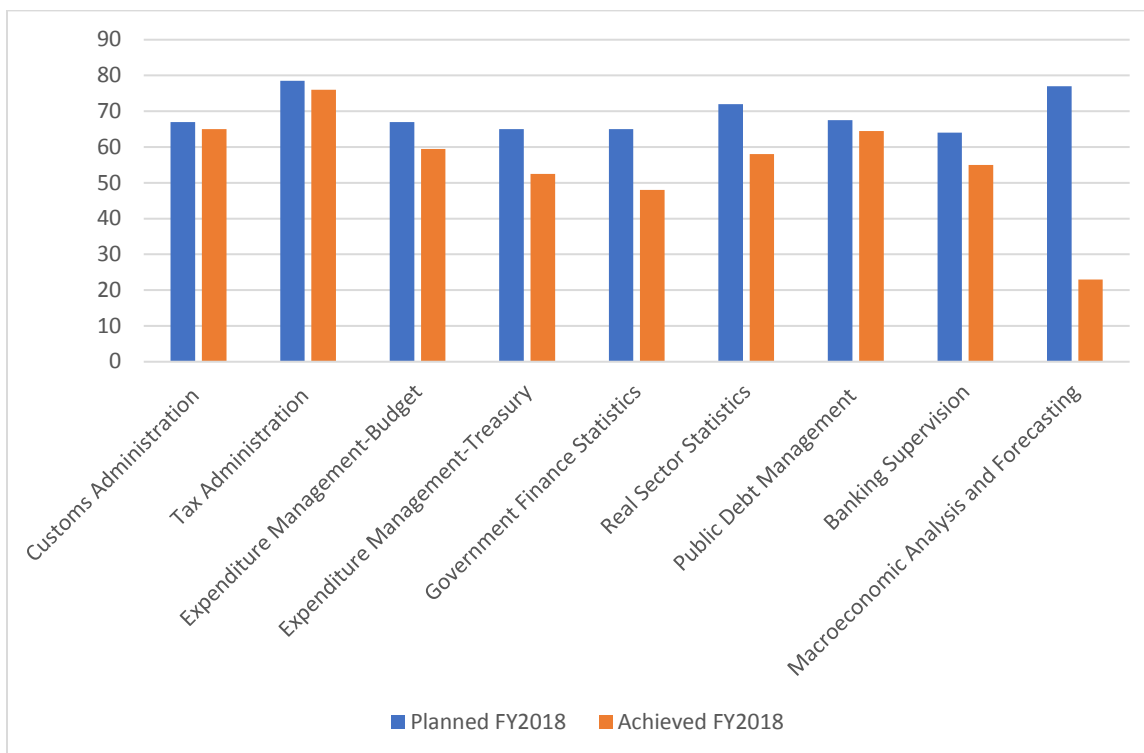
8. **Staff turnover.** During FY 2018, four resident advisors were replaced when their contracts expired and an additional resident advisor was hired in tax administration. In FY 2018, this new advisor's activities were primarily focused on the three pilot countries (Guinea, Niger and Togo) chosen in connection with the implementation at AFRITAC West of the IMF initiative to strengthen TA for countries in fragile situations.

9. **Communication activities.** Implementation of the communication strategy focused on:

- ❖ Exchanges of views between the Center's Director and the authorities and national representatives of donors and creditors in Côte d'Ivoire, Guinea, Mauritania and Niger. Those discussions served mainly to raise awareness of expectations, goals and challenges with respect to the fourth cycle; to examine implementation of the system for monitoring the impact of TA from a results-based management standpoint; and to address the challenges of coordinating TA activities among donors and creditors and the Center.
- ❖ Renovation and improvement of communication tools through use of social media. In September 2017, AFRITAC West acquired a new website and a Facebook page. Those two tools have stepped up access to information about the Center's activities and about the support provided by donors and creditors.
- ❖ Posting and promotion of the support provided by donors and creditors to the Center, especially during training workshops.
- ❖ Communication through local media.

¹ In December 2016, the Steering Committee had approved a one-month extension of the third funding cycle (from end of April to end of May, 2017).

**Chart 1. Execution of the Work Program for FY 2018 by Area of Activity
(in person-weeks)**



**Chart 2. Execution of the Work Program for FY 2018 by TA Recipient
(in person-weeks)**

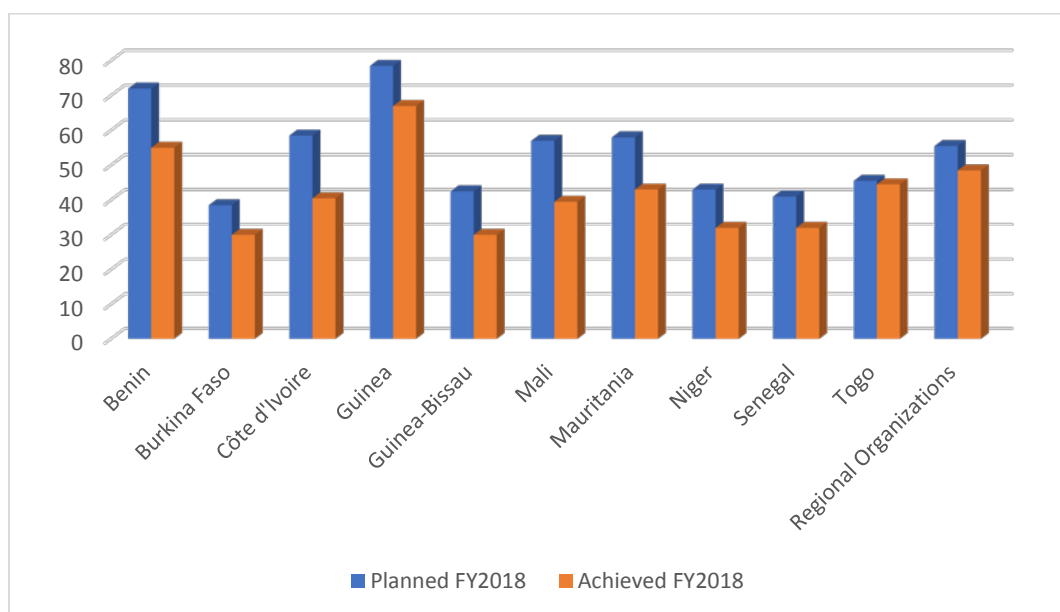


Table 1. Execution of the Work Program for FY 2018 in person-weeks, by area

Area of Activity	Initial program FY 2018	Revised program FY 2018	Resources used FY 2018	Rate of execution (%)
Customs Administration	65	67	65	97
Tax Administration	71	78.5	76	97
Expenditure Management-Budget	67	67	59.5	89
Expenditure Management-Treasury	65	65	52.5	81
Government Finance Statistics	65	65	48	74
Real Sector Statistics	69	72	58	81
Public Debt Management	70	67.5	64.5	96
Bank Supervision	70	64	55	86
Macroeconomic Analysis and Forecasting	69	77	23	30
TOTAL	611	623	501.5	80

B. Execution of the work program, by country – principal outcomes

Benin

Customs administration

10. **Capacity-building in post-clearance audits.** A workshop on risk management and post-clearance audits brought together 30 inspectors from different units in the Directorate General of Customs and Excise Duties (DGDDI). Through exercises and practical work, the participants familiarized themselves with the various stages in the process, namely: (1) determination of the context; (2) risk assessment; (3) risk management; (4) audit and inspection; and (5) documentation, communication and consultation. Moreover, numerous exchanges among the participant deepened their grasp of the topics addressed.

11. **Continuation of the Multiyear Technical Assistance Project (MTAP) on automated risk management.** Few improvements were observed in the implementation of the MPAT, mainly due to a blatant failure to espouse a risk management culture. An Action Plan has been provided and approved by the customs authorities, with the following objectives: (1) improving “ownership” of the project by stakeholders and all personnel; (2) continually updating audit rule selectivity; (3) tracking and redirecting release for consumption customs declarations in the yellow and red channels to the green channel; and (4) recruiting at least two statisticians/ data analysts and assigning them to the project.

Tax administration

12. **Enhancement of tax intelligence.** This outcome has been reached among supervisors thanks to consolidated use of spot audits; and among investigative staff by boosting efforts to combat tax evasion and avoidance, especially in the informal economy. AFRITAC West experts have supported tax intelligence teams through:

- ❖ Awareness-raising actions for supervisors through pedagogical reviews studies of audited files; and for investigators, by looking at documents seized in tax fraud search operations;
- ❖ Training for 26 managers in the practicalities of spot audits and internal tax intelligence gathering;
- ❖ The preparation of supplementary audit programs based on lists of companies detected as being tax delinquent;
- ❖ The dissemination of practical tools, especially technical datasheets on on-site investigations, the tax investigator's right of communication, inspection and seizure rights, audits of clandestine activities and the use of the "*flagrance fiscale*" procedure (to draw up a report of tax infringements);
- ❖ Improvement of tax collection by reducing the number of payment extensions due to tax litigation and exemptions; and by promoting the carrying out of a special campaign to recover the remaining collection balances pending. The methods deployed to that end could include the preparation of settlement plans, forced collection and administrative closures.

Public expenditure management

13. **Capacity-building in public investment management.** Two AFRITAC West technical support missions have helped with implementation of the commitment authorizations (CA) and payment appropriations (PA) technique for proper budgeting and for monitoring execution of public investment expenditure. That support was provided at both the central and sector ministry level. It made it possible to:

- ❖ Structure public investment expenditure in seven ministries piloting the CA and PA technique and enhance the quality of their multiyear expenditure programming documents (DPPD);
- ❖ Put together a team of trainers at the Directorate General of Budget (DGB) to extend the CA and PA structuring of public investment expenditure to other ministries and institutions;
- ❖ Build capacity among all those involved in public investment management using the Public Investment Management Assessment (PIMA) methodology and improve their self-assessment.
- ❖ Propose a priority plan of action for improving public investment in the short to medium term.

14. **Progress with implementing regional reforms in government accounting** The TA provided by the Center made it possible to prepare draft instructions on the methodology for determining the open balance sheet with a view to implementing accrual accounting and developing a draft standard organizational chart of the government accounting network in line with the new accounting system objectives.

Government finance statistics

15. **No activity.** At the request of the authorities, the only mission envisaged in the FY 2018 program was not executed.

Real sector statistics

16. **Progress with preparing a new base year.** AFRITAC West worked with authorities on tasks related to introducing a new 2015 base year, in line with new international standards, and developing a new methodology for compiling a homogeneous GDP series from 1999 to 2015.

Public debt management

17. **Capacity building for the preparation and implementation of financing strategies.** The TA provided by the Center delivered training to managers in the Autonomous Amortization Fund (CAA) and the Directorate General of Treasury and Public Accounting (DGTCP) in financial strategy assessment procedures and on the analytical tools used for Medium-term Debt Strategy (MTDS). The Center also trained managers in the procedures used to prepare and implement the government securities issuance schedule. It also devised an analytical tool that managers could use to prepare and update the issuance schedule.

18. **Strengthening the institutional framework for public debt management.** The Center helped with the compilation of a procedures manual to serve as a guide for executing government securities issuance activities in Benin.

Macroeconomic analysis and forecasting

19. **No activity.** The support that was going to be given to the Directorate General of Economic Affairs with revitalizing the institutional mechanism and developing procedures for preparing macroeconomic frameworks did not materialize due to time constraints for the short-term experts.

Burkina Faso

Customs administration

20. **Strengthening of the mechanism for managing, monitoring and auditing exemptions.** With the TA provided by AFRITAC West, the Directorate General of Customs improved oversight of final destination and activation of the exemptions management module in the Automated System for Customs Data (ASYCUDA). However, ongoing shortcomings include: (1) the failure to audit postings relating to investment project inventories that could result in overstatement of the volumes and value of merchandise; (2) major delays in delivering exemption certificates that frequently result in the direct removal of merchandise; (3) difficulty obtaining the detailed information needed to analyze tax policy and identify guidelines for improvement.

Tax administration

21. **Strengthening medium-sized enterprise administration.** The TA provided by AFRITAC West helped to:

- ❖ Develop an action plan and provide methodological tools for making the taxpayer database more reliable;
- ❖ Implement risk analysis procedures, particularly by developing spot audits of nil or refund VAT returns;
- ❖ Improve processing of VAT refund requests;
- ❖ Put forward an escrow account solution to deal with cash flow problems.

Public expenditure management

22. **Strengthening of the mechanism for program mode expenditure execution and improvement of public investment management.** The technical support provided by AFRITAC West for implementing tools for executing program mode expenditure helped to strengthen the budget execution mechanism and to tailor it more effectively to the new program-budget environment. In particular, it provided ways to assess the new expenditure execution mechanism introduced as of January 1, 2017, propose improvements to it, and prepare initial expenditure programming and performance steering tools.

23. **Improved management of public investment.** AFRITAC West supported implementation of Public Investment Management Assessment (PIMA) recommendations and helped to noticeably improve public investment management in Burkina Faso. The work done with the Center's short-term experts made it possible to implement nearly half of the most important PIMA recommendations; support prioritization of the projects envisaged in the National Economic and Social Development Plan (PNDES) by helping to define prioritization criteria and an evaluation template; and support the drafting of methodological guidelines for ex-ante evaluation of public investment projects.

Government finance statistics

24. **Refining of the tables in the minimum analytical framework for public finance.** The Center assisted with the work needed to refine the Government Financial Operations Table (TOFE), budgetary central government, the cash flow statement, and public debt statistics. It also lent support to expansion of the scope of government statistics by producing statistics on an experimental basis for the extrabudgetary units and local authority subsectors. The work done on the social security subsector made it possible to classify social protection agencies according to the GFSM 2001/2014 criteria.

Real sector statistics

25. **Preparation of the new 2015 base year in accordance with the new international standards.** The support provided by the Center helped estimate financial intermediation services and their impact on the revised Gross Domestic Product.

Debt management

26. **No activity.** The mission that had been planned was postponed due to institutional reform processes under way in the Ministry of Economy, Finance, and Development.

Macroeconomic analysis and forecasting

27. **Strengthening the features and functions of the Automated Forecasting Instrument (IAP).** The TA provided focused on refining the projection modules for “other administrations”, “construction works” and “transport” and on mechanisms for projecting private investment. Also included was the organization of a workshop on quasi-accounting modeling techniques for preparing macroeconomic and fiscal frameworks.

Cote d’Ivoire

Customs administration

28. **Improvement of conditional relief arrangements and exemptions.** The TA work highlighted progress made in certain sectors, in particular:

- ❖ The 26 percent decline in revenue foregone due to exemptions from 2015 to 2016;
- ❖ The increased number of transmissions by line ministries of required documents, such as legal agreements and laws;
- ❖ Stepped-up post-clearance audits of the beneficiaries of preferential regimes, which resulted in the recovery of 3.8 billion in duties foregone (*droits compromise*) in 2016;
- ❖ The carrying out of pertinent risk analyses, which resulted in the identification of risk sectors, such as public sector construction, mines and petroleum products;
- ❖ Finalization of the I.T. module on “Exemptions”, scheduled to be up and running by November 2017.

29. **Capacity-building in intelligence, risk analysis and targeting.** The TA provided by the Center focused on evaluating the capacity of Customs to cover the tasks assigned to the monitoring departments and strengthening that capacity. Together with a working group formed for that purpose, experts from the Center drafted a paper describing the current state of the monitoring departments and presenting outlines of what could be done to strengthen them.

Tax administration

30. **Capacity-building in risk analysis.** The TA provided by the Center served to boost capacity in the new department responsible for investigations, intelligence and risk analysis within the Directorate General of Taxes (DGI). The main improvements were:

- ❖ Definition of the scope and internal organization of the new department;
- ❖ The breaking down of the risk map chosen into programmatic focuses;
- ❖ The introduction of practical tools for monitoring and centralized steering of tax audits (sample monographs of individual sectors, a draft National Tax Audit Plan, a programming schedule, the establishment of performance indicators and benchmarks, the preparation of work schedules and scorecards);
- ❖ Encouragement of the use of the tax audit module by verification teams, enhancement of the data in the Data Center, and automating cross-checks in connection with the development of an Infocenter, as a decision-making support tool.

Public expenditure management

31. **Capacity-building in public investment management.** Two AFRITAC West technical support missions helped with the implementation of the commitment authorizations (CA) and payment appropriations (PA) technique to ensure proper budgeting and for monitoring execution of public investment expenditure. This support was provided at both the central level and in the line ministries. It led to:

- ❖ The structuring of public investment expenditure under CA and PA in 13 additional ministries and to improvements in the quality of their Multiyear Expenditure Programming Documents (DPPD).
- ❖ The formation of a joint team of trainers of the Directorate General of Budget and Finance (DGBF) and of the Directorate of Public Investment programming (DPIP) to continue the structuring of public investment expenditure under CA and PA in other ministries and institutions.

32. **Training in keeping accrual accounts.** A first segment was organized for training managers in accrual-basis accounting and in the preparation of financial statements. It enabled them to grasp the issues and purposes associated with this form of accounting. It also gave them insight into the procedures needed to update the information system in preparation for the switchover from cash-basis to accrual-basis accounting in 2019.

Government finance statistics

33. **Progress with implementing regional reforms.** The Support provided by the Center helped complete the bridge table needed to migrate to the TOFE and to embark on the work of expanding the coverage of government finance statistics based on the GFSM 2001/2014. Progress was also made with the compiling of budgetary central government statistics based on the Treasury Account Balance Sheet (BGCT) and pursuant to the Government Finance Statistics Manual

(GFSM) 2011/2014. With respect to expansion of coverage the various missions conducted to that end served to:

- Compile the bridge tables of the extrabudgetary units and social security subsectors.
- Identify the data for producing the local governments TOFE. Likewise, in the case of tables for the minimum analytical framework, the budgetary central government TOFE based on *GFSM 2001/2014* was compiled using data from end-December 2016; the draft tables of financial assets and liabilities and the draft public debt statement table are available for 2015, and the financial statements of the social protection agencies were transposed to the transactions format of the *GFSM 2001/2014* analytical framework.

Real sector statistics

34. **Compilation of a quarterly national accounts (QNA) series.** The technical support provided by the Center served to consolidate the annual GDP figures for 2015 and 2016 to produce the first and second quarter GDPs. Also worth noting is that the latest institutional changes in the National Statistics Institute included the establishment of a quarterly national accounts department: a potentially important vehicle for the absorption of technical assistance.

Debt management

35. **Training activities.** Some 15 managers from the Ministry of Economy and Finance of Côte d'Ivoire were trained in the use of the new debt sustainability framework.

Macroeconomic analysis and forecasting

36. **Training activities.** The support provided by the Center took the form of a workshop on the methodology for carrying out surveys of current conditions in industry, construction, commerce and services. It was attended by some 10 managers from the Economic Forecasting, Policy and Statistics Department (DPPSE) and those of the National Statistics Institute (INS). The training combined a theoretical phase on the standard mechanisms generally used for surveys of current economic conditions in the sectors covered by the workshop with practical tasks that enabled participants to master the techniques taught. The training also focused on best practices for compiling and publishing quantitative indicators for the current business cycle. The tasks involved preparing four draft questionnaires for business cycle surveys and a road map for ongoing work on implementing the current cycle survey mechanism.

Guinea

Customs administration

37. **Progress with implementing the TA recommendations.** The Center conducted both of the scheduled missions. The first involved strengthening monitoring and audits in respect of exemptions and conditional relief arrangements. The mission noted that the Guinean Customs had striven to improve those two areas, particularly by establishing databases for recording specifications and tracking temporary vehicle admissions. However, major problems persist,

including: (i) compartmentalization of information, making it difficult to monitor paper documents and keep track of operations; (ii) deficient monitoring of agreements/contracts by beneficiary or by project through to completion; and (iii) ineffective audits, characterized by system audit operations without any analysis of risk and without a post-clearance audit plan. The second mission sought to assist with implementation of automated management of the national transit. A survey of the transit procedure was conducted with a view to putting together a multiyear technical assistance project (MTAP). A list of prior measures was discussed and approved with Customs administration, along with a schedule for the MTAP and a draft communication plan.

Tax administration

38. **Progress with the cleanup of the taxpayer database and with governance of other tax operations.** The TA program for Guinea was overhauled to take into account its inclusion as a pilot country in the IMF engagement with capacity-building in “countries in fragile situations”. Thus, instead of the one mission originally programmed, Guinea had received four by end-April 2018. During those missions, the National Directorate of Taxes (DNI) received AFRITAC West assistance with cleaning up its taxpayer file, the idea being to expand the tax base by enlarging the core of the database made up of 355 large and 222 medium-sized “locked-in” enterprises. As a result, according to DNI managers, the number of taxpayers regularly filing their returns increased among large enterprises from 355 to 656 (up 84 percent) and among medium-sized enterprises from 222 to 482 (up 117 percent). In addition, a roadmap was proposed for coming up with a new tax identification card and internal audit arrangements were revamped.

Public expenditure management

39. **Enhancing the quality of the Multiyear Expenditure Programming Documents (DPPD).** AFRITAC West technical support served to build capacity among those involved in drafting the DPPD and to enhance the quality and relevance of those documents. It resulted in:

- ❖ Capacity building for the departments and managers in charge of multiyear budget and expenditure programming
- ❖ Stronger and more finely tuned tools and methods for preparing medium-term macrofiscal and expenditure frameworks, with a view to producing more exhaustive and credible expenditure programming documents for 2019-2012.

40. **Progress with implementing regional reforms in public accounting.** In the area of accounting and Treasury, the TA provided by the Center served to:

- ❖ Support the drafting of a bill on reorganization of the government accounting network in line with accrual accounting requirements;
- ❖ Draft a technical note on implementation of stock accounting;
- ❖ Prepare a manual of accounting procedures for nontax revenue.

Government finance statistics

41. **Compilation of budgetary central government statistics.** This was done via classification of the new budget nomenclature of the central government and of the social security subsector based on *GFSM 2011/2014*. Moreover, with support from the Center, the authorities have undertaken to restructure the team in charge of the work needed for migration to the *GFSM 2011/2014*, to revitalize the production of government finance statistics.

Real sector statistics

42. **Estimation of 2016 GDP.** Technical support provided by the Center was directed at estimations of 2016 GDP and revision of 2015 GDP in the current series. It also sought to train staff of the National Statistics Institute and of the Ministry of Planning and International Cooperation in national accounts concepts and regarding their implementation in Guinea. Finally, the finishing touches were put to the strategy for changing the national accounts base year to 2015. It incorporates compliance with new international standards, publication of the 2015 base year in 2019, and the production of quarterly national accounts.

Debt management

43. **Development of the government securities market.** The Center helped the authorities prepare a draft Instruction on auctions of Treasury bills and bonds. It also provided advice on how to correct shortcomings noted in certain Government security issuance practices.

Banking supervision and restructuring

44. **Strengthening of banking supervision.** With support from the Center, the authorities proceeded to adjust the chart of accounts for credit institutions and to revise the templates of periodic statements and financial statements that the banks must submit to the BCRG. All these changes were transmitted to the banking profession for consultation with a view to facilitating implementation of the new procedures that are vital for supervising Guinean credit institutions. A view of the system for rating credit institutions has also begun, with a view to identifying weak or fragile banks relating to the introduction of risk-based supervision.

Macroeconomic analysis and forecasting

45. **Training activities.** TA activities focused on training managers at the BCRG, the National Planning and Projections Directorate (DNPP), the National Statistics Institute and the National Economic Studies and Forecasting Directorate (DNEEP). Following is a list of the training provided:

- ❖ Technical support from the Center served to train managers in the Economic Studies and Research Directorate of the BCRG in the use of MATLAB and IRIS software for developing systems for monetary policy analysis and forecasting.
- ❖ The Center also trained managers in the National Planning and Projections Directorate and in the National Economic Studies and Forecasting Directorate on national accounting concepts and on incorporating the annual national accounts in the Simulation Model for

the Guinean Economy (MSEGUI). That activity served to create synergies among senior staff working in the real sector statistics section and those in the macroeconomic analysis and forecasting section.

- ❖ Three thematic workshops were conducted on improving institutional and technical arrangements for constructing the macroeconomic framework. The first focused on training managers at the DNPP, the INS and the DNEEP in national accounting concepts. The second served to continue adjusting the MSEGUI with the DNPP team. The third dealt with the work done at special meetings of the Macroeconomic Framework Technical Committee.

Guinea-Bissau

Customs administration

46. **Follow-up on implementation of the TA recommendations and preparation of a Multiyear Technical Assistance Project (MTAP).** TA activities focused on taking stock of the application of transaction value to imported goods and on the preparation and validation by the Customs authorities of Guinea-Bissau of a list of prior measures needed for embarking on a MTAP monitored by AFRITAC West. A plan of action relating to those prior measures and a timetable for implementing the MTAP were also proposed.

Tax administration

47. **Cleanup of the taxpayer database.** Several activities were undertaken with managers to redefine taxpayer portfolios according to pre-established segments and with missions to strengthen actions undertaken to look for, locate and monitor unknown or dormant enterprises. AFRITAC West experts helped the teams involved by:

- ❖ Organizing awareness-raising and training activities for the 19 officers responsible for managing large, small and medium-term enterprises in methods for compiling, keeping and archiving files;
- ❖ Drawing up the list of said enterprises for 2018, based solely on turnover, to define competence thresholds for the departments involved.
- ❖ Drafting a matrix for automating cross checks of the Customs and tax databases to identify enterprises new to the tax authorities and expand the tax base.

Public expenditure management

48. **Enhancement of the expenditure chain.** The TA provided by the Center helped yield the following results in connection with budgets:

- ❖ Identification of measures for rationalizing and strengthening expenditure chain audits.

- ❖ Preparation of an improved institutional and legal framework for financial audits tailored to implementation of the innovations associated with the new legal framework for public financial management.
- ❖ Establishment of an expenditure flow target in connection with a rationalized and enhanced budget audit and execution mechanism.

49. **Preparation of a detailed accounting framework to improve cash accounting.** The TA provided by the Center served to support drafting of the government chart of accounts taking into account the economic classifications of the government budget nomenclature. The idea is eventually to improve the cash accounting system in Guinea-Bissau.

Government finance statistics

50. **Progress with implementing regional reforms.** TA from the Center was used to refine the bridge tables for the budgetary central government and social security subsectors. The work done led to progress with sectorization of public administration units for the identification of the extrabudgetary units subsector and to the start of work on classifying transactions of the local government subsector. In addition, the TA served to identify the data available for producing other tables in the minimum analytical framework, particularly tables covering cash flow and public debt management.

Real sector statistics

51. **Progress in work on estimating GDP and compiling the national accounts.** The activities carried out by the Center served to identify rationalization measures useful for estimating GDP for 2016; strengthen the revised 2015 GDP in the current series; and prepare the annual national accounts for 2015 and 2016 in accordance with *SNA 2008* guidelines.

Debt management

52. **Training activities.** The Center trained 15 managers in identifying sources of vulnerability in the public debt portfolio for Guinea-Bissau.

Mali

Customs administration

53. **Follow-up to technical assistance recommendations.** The Center conducted a capacity-building mission to Mali to enhance Customs valuation. Based on certain improvements introduced by the administration, including, in particular, the incorporation of the “Value” module in the process for imports of merchandise; the creation of a litigation management tool; and the drafting of intelligence framework instructions, after taking stock of the situation, the mission proposed: (i) a list of prior measures, discussed and agreed upon with Malian customs, that are needed to be able to implement a multiyear technical assistance project; a plan of action for implementing those prior measures; and (iii) a schedule for the project.

54. **Expiration of the Multiyear Technical Assistance Project (MTAP) on automated risk management.** A number of improvements were ascertained, including: i) the activation of a blocking field with respect to inspection certificates that the inspector is required to fill in; the establishment of a Selectivity Committee; and (iii) awareness-raising for inspectors on the rules for filling in the aforementioned inspection certificates. However, there are still major shortcomings with respect to: (i) monitoring of the selectivity of audits (no monitoring currently takes place and more than 90 per cent of customs declarations are placed in the inspection channel; (ii) the updating of the rules governing selectivity (the audit selectivity parameters in ASYCUDA are obsolete as they have not been updated since 2011); and (iii) a risk management culture, whereby such management should be much more than an I.T. operation; rather it should involve a whole set of departments and professionals (a Selectivity Committee, operational departments, information technology experts and statisticians).

Tax administration

55. **Strengthening tax administration of medium-sized enterprises.** The Center brought its expertise to bear on plans to restructure tax administration for medium-sized enterprises, above all by helping to:

- ❖ Establish practical procedures for distributing and transferring files between and from the old sections to the new ones to be created. This had to do, in particular, with the geographical distribution of medium-sized enterprises and tailoring it to the reality of the country's fiscal fabric and striking a balance in terms of the number of enterprises and magnitude of the files in one Center vis-à-vis others.
- ❖ Specify the organizational arrangements to be put in place within the new sections. In this case, it was a matter of establishing reporting lines, objectives, the principal performance indicators to monitor, the use of resources, and the functional links there ought to be with other units and departments in the DGI.
- ❖ To evaluate staffing needs within a forward-looking job management framework.
- ❖ Implement measures to facilitate the changeover.

56. **Strengthening spot audits of VAT returns.** The Center brought its technical expertise to bear on the following areas:

- ❖ The establishment of goals.
- ❖ Strengthening the file audit programming process.
- ❖ Directing efforts to attainment of the assigned goals.
- ❖ Practical training for 45 officials, inspectors and managers in performing a spot audit, focusing in particular on preparatory tasks, time frames, procedural documents and documents to be requested.

Public expenditure management

57. **Improvement of the budget execution mechanism and procedures to support implementation of the program budget.** As regards budgeting, the TA provided by the Center served to identify shortcomings in the current budget execution mechanism and to prepare an action plan for improving it and adapting it to results-based budget management. Specifically, it was used to produce the following results:

- ❖ Updated evaluation of the existing budget execution mechanism;
- ❖ Preparation of an action plan for improving the mechanism and adapting it to program-budget management.
- ❖ Familiarizing managers and financial auditors with the tools used for initial programming of expenditure and for steering performance.
- ❖ Reviewing and validating the program management chain.

58. **Development of operational benchmarks for the preparatory tasks relating to implementation of accrual-basis accounting.** In the area of accounting and Treasury, the TA provided by the Center was used to compile two guides, one on the workings of the government chart of accounts and the other on the methodology for determining the opening balance sheet. These important benchmarks will enable those in charge of accrual accounting to understand the different ways of recording economic and financial flows in the various accounts.

Government finance statistics

59. **Follow-up on TA recommendations.** Progress was made with implementing the recommendations of the January 2017 mission on the production of government finance statistics pursuant to WAEMU Directive No. 10 of 2009 on the TOFE. Those advances in terms of both organizational arrangements and compilation of the minimum analytical framework tables meant that work could begin on extending the scope and coverage of government finance statistics to public administration subsectors. That work, in turn, led to preliminary drafts of the social security bridge table and to a sample list of local government subsectors and extrabudgetary units.

Real sector statistics

60. **Estimation of quarterly GDP for fourth quarter 2017.** Support from the Center was used to begin in-house publication of quarterly GDP up to fourth quarter 2017.

Debt management

61. **Capacity-building for preparing financing strategies.** TA provided by the Center was used to boost the ability of managers in the Ministry of Economy and Finance to evaluate financing strategies and the use the medium-term debt strategy analytical tool. It also served to identify in a roadmap the steps needed to improve implementation of each year's financing strategy and to illustrate the features and functions of the debt data management system recently developed by the authorities.

62. **Improving information on debt.** In connection with support for enhancing the features and functions of the debt data management system developed by the authorities, the Center noted that 90 percent of the enhancements scheduled for end-March 2018 were in fact implemented by the authorities. The Center helped with the development of a short list of new functionalities and updated the schedule of actions to reflect the progress made and the new improvements detected.

Mauritania

Customs administration

63. **Review of the National Valuation Office (BNV) project.** The Center carried out the last mission of the multi-year TA project aimed at setting up the BNV. AFRITAC West experts ascertained that the problems associated with the use of Customs valuation are tending to subside. Customs is about to activate the ASYCUDA World “Value” module to lend greater support to the verification officers responsible for accepting, auditing and approving or rejecting the transaction value. They have shared some concerns with the Director General regarding delays that could jeopardize the project’s progress. They point in particular to insufficient involvement of the Directorate of Surveys and Customs Controls (DECD) in post-clearance audits of transaction value and the need to add extra phases in order to include new products in the database. At the Director General’s request, a timetable has been submitted for actions needed to continue and complete the project.

64. **Expiration of the multiyear National Valuation Office project.** Following up on the work and recommendations described in the foregoing paragraph, the Center’s experts proceeded to close the MTAP on the BNV. They ascertained that the multiyear project had achieved its goals. In fact, Customs applies the international standards issued under Article VII of the WTO Agreement, as a result of which more revenue has been secured. The principal shortcoming is still the lack of commitment to the project on the part of the DECD, which is responsible for post-clearance audits. The Customs authorities are aware of the importance of second-tier audits for mastering customs evaluation and have therefore asked the Center to support their efforts to boost that function.

Tax administration

65. **Strengthening of the research and tax audit departments.** The TA provided by the Center served to build research and tax audit capacity, above all through:

- ❖ Awareness raising activities, focusing in particular on pedagogical scrutiny by the experts, managers and inspectors of a sample set of large and medium-sized enterprise files, audited off-site and verified through an external tax audit.
- ❖ Training courses for 13 managers on how to garner tax intelligence and use risk analysis for tax audits.
- ❖ The dissemination of practical tools aimed at reducing the compartmentalization of the various departments when it comes to circulating information (briefing bulletins, requests

for more in-depth investigation, programming sheets, the establishment of activity indicators and benchmarks, preparation of work schedules and development of scorecards).

Public expenditure management

66. **Capacity-building and support with breaking down and structuring public policies in program budgets of the various ministries.** AFRITAC West technical assistance served to continue assisting budget authorities with the structuring of ministerial program budgets as part of the strategy for gradual implementation of program budgeting. That assistance was furnished to six ministries and involved the Directorate General of Budget and the Unit for Coordinating Budgetary Reforms. It served to:

- ❖ Strengthen ownership by the authorities of the principles and technique needed to structure programs and translate them into actions.
- ❖ Prepare draft program budget models for 11 more ministries.

67. **No Accounting and Treasury activities were carried out.** However, at the request of the authorities, the activity initially scheduled in the work program was revamped. The Center had initially envisaged supporting a “review of the accounting information system and its ability to withstand the accounting reform.” It turned out that the European Union delegation in Mauritania had taken charge of execution of that activity in the first half of the year. In its place, the authorities filed a request for support for the Directorate of the Treasury’s review of management of expenditure based on assigned funds. That activity was carried out in the fourth quarter. Within that same framework a draft decree was prepared on modalities for decentralized public expenditure execution.

Government finance statistics

68. **Identification and installation of a committee in charge of government finance statistics.** Given the changes made in the body responsible for statistical studies and the information system, the Center helped the country establish a larger team in charge of government finance statistics.

Real sector statistics

69. **Revision of the GDP.** The technical support provided by AFRITAC West was used to incorporate data sources in the calculation of the GDP based on the new series of annual accounts in line with the new international benchmarks. It was also used to measure the impact of that work on revised GDP.

Debt management

70. **Strengthening the workings of the government securities market.** The Center helped with updating the Circular on public security issuances on the primary market. The authorities were also provided with an economic reform plan and schedule for enhancing the workings of the Treasury bills and bonds market.

Banking supervision and restructuring

71. **Strengthening of prudential regulations.** The TA focused primarily on adapting the prudential regulations applicable to banks. This entailed prior studies aimed at fine-tuning the new regulations regarding the solvency and liquidity of credit institutions. Those studies provided further insight into the nature of the banking operations practiced and paved the way for the drafting of regulatory documents. The Center's experts also helped optimize both off-site banking supervision methods by establishing a framework for examining banks and on-site supervision methods using tools for analyzing the findings made by inspection teams.

Niger

Customs administration

72. **Follow-up to TA recommendations.** The TA focused on analyzing the measures implemented to improve customs controls and examining the provisions for mastering customs valuation of imports. Given the migration from the automated clearance system to ASYCUDA World and the establishment of a "Valuation Unit" initiated by the Nigerian authorities, the mission advised:

- ❖ Operating the "audits selectivity" module based on a project supported by a project group. In that context, Customs was provided with a plan for implementing and monitoring the project;
- ❖ Embarking on a multiyear technical assistance project (MTAP) on customs valuation. The commitment of the DGD to customs valuation is obvious but transaction value is not correctly applied. There is an urgent need for custom officials to re-appropriate and master application of transaction value pursuant to the provisions of the WTO Agreement. To achieve that goal, the TA concentrated on proposing several measures as part of a MTAP focusing on seven facets, each one of which is vital for its success: (1) the Supervision Committee; (2) the Valuation Unit; (3) training; (4) the ASYCUDA World I.T. tool; (5) the products to be determined; (6) post-clearance audits; and (7) communication.

Tax administration

73. **Strengthening of tax operations and support for devising a performance plan to facilitate monitoring of the progress made in tax administration.** Implementation of the multiyear program for strengthening the Nigerian tax administration's operations yielded the following results:

- ❖ The listing of taxpayers regularly filing returns to the large enterprise and medium-sized enterprise directorates, with 312 large enterprises and 1,224 medium-sized enterprises already listed.
- ❖ Initiation of the process of regularization of missing tax returns from taxpayers not filing returns and clarification of the status of dormant taxpayers.
- ❖ Support for tax intelligence research departments needed to gradually expand the tax base.

- ❖ The development of tax audit governance tools.
- ❖ The proposal to restructure the unit for recovering revenue from taxes for the Large Enterprise Directorate (DGE) around sections specializing in each category of arrears.

Public expenditure management

74. **Capacity building and improvement of the quality of the Multiyear Expenditure Programming Document (DPPD) and Annual Performance Projects (PAP).** The TA served to build capacity among those involved in preparing the DPPD-PAP at both the central and line ministry levels. In particular, it was used to produce the following results:

- ❖ Increased technical capacity in the departments in charge of drafting the DPPD-PAP and better quality documents.
- ❖ Improved quality and consistency in the DPPD-PAP of the principal ministries.
- ❖ Enhanced credibility of the information contained in budget documents regarding the expected outcomes of public expenditure and of the indicators for evaluating the performance and effectiveness of budget programs.

75. **Improvement of the overall government account balance sheet (BGCE) with a view to implementing accrual accounting.** This activity served to examine with the authorities aspects of the current balance sheet that could be improved in accordance with pre-established accounting quality criteria. Measures for protecting financial information in the information system were underscored and brought to the attention of the authorities.

Government finance statistics

76. **Progress with implementing the regional reforms.** With support from the Center, Niger finalized drafting of the bridge tables for producing budgetary central government statistics and those of the social security subsector based on *GFSM 2011/2014*. In addition, the TA incorporated the work done by the Directorate of Government-owned Enterprises and the Government Portfolio (DEPPE) in the process of surveying and sectorizing extrabudgetary units in preparation for the compilation of this subsector's statistics in accordance with *GFSM 2011/2014*. To that end, the DEPPE proceeded to collect the financial statements of a number of bodies and to transmit them to the Directorate of Financial Reforms for processing. The TA was also used to help restructure the department in charge of compiling government finance statistics with proposals regarding the organizational chart, job definitions and profiles of agents to be recruited to boost staffing.

Real sector statistics

77. **Preparation of quarterly national accounts and revision of the base year in accordance with SNA 2008.** The assistance provided by AFRITAC West focused on the feasibility of compiling quarterly national accounts. In the course of that work, it was ascertained that the main challenges for producing quarterly accounts were achieving consistency between the

quarterly indicators and the annual accounts and the shortage of human resources. The work done thanks to TA on the annual national accounts helped trigger arbitration work on the outcomes.

Debt management

78. **Strengthening of the legal framework for public debt management.** The Center helped the authorities prepare the guiding principles for public debt management in Niger.

Senegal

Customs administration

79. **Strengthening of the management and auditing of exemptions and temporary admissions.** This reform project, as proposed by the Fiscal Affairs Department of the IMF in August 2016, has made little headway. Despite measures currently being prepared, especially the automation of procedures envisaged for April 2018 and the conditional relief arrangements contemplated in the 2017 audit plan, much of the work needed to achieve better handling of exemptions and temporary admissions still has to be done.

80. **Strengthening oversight of customs valuation.** Customs has made significant progress with improving oversight of customs valuation. However, complementary measures are still needed given that the Imports Inspection Program (PVI) is scheduled to end in December 2018. Customs Administration needs to ensure, in particular, that its officers apply transaction value in accordance with the provisions of the WTO Agreement and that correct use of the customs valuation function translates into increased and more secure revenue.

Tax administration

81. **Strengthening of the tax audit investigation and policy-making (pilotage) departments.** The TA provided by the Center was used to build capacity in tax audit investigation and steering, particularly by:

- ❖ Preparing a matrix of the potential for automation in the short and medium term of internal and external cross-checks, especially of data from customs and procurement.
- ❖ Carrying out awareness-raising and training activities for managers in the use of the database that came on stream at the beginning of 2018.
- ❖ Organizing a half-day of training for 32 department heads in the gathering of intelligence and use of risk analysis to prioritize information (dissemination of tools and practical case studies in a workshop with participants).
- ❖ Providing two days of specialized training for six investigative officers in the use of data relating to special and specific regimes, either never or only infrequently used before.
- ❖ Within this framework 10 performance indicators were chosen.

- ❖ Drawing up a scorecard of the research needed to monitor, measure and analyze results obtained.

Public expenditure management.

82. **Capacity-building in public investment management.** With respect to budgets, the TA provided contributed to the following outcomes:

- ❖ Capacity-building for those involved in public investment at the central government level and in the line ministries;
- ❖ Implementation of the commitment authorizations (CA) and payment appropriations technique for appropriate budgeting and for monitoring of public investment expenditure execution.
- ❖ The structuring of public investment expenditure according to CA and PA in five pilot ministries and enhancement of the quality of their Multiyear Expenditure Programming Documents (DPPD).
- ❖ Training of a team of trainers in the Budget Programming Directorate (DPB) to continue structuring public investment expenditure according to CA and PA in other ministries and institutions.

83. **Mapping of accounting processes.** The TA served to introduce mapping of accounting processes, thereby paving the way for a map of accounting risks for improving the internal accounting audit mechanisms of the Directorate General of Treasury and Public Accounting.

Government finance statistics

84. **Subscription to the Special Data Dissemination Standard of the IMF.** The TA provided by AFRITAC West enabled Senegal to produce consolidated general government statistics. Indeed, Senegal had embarked on a process of subscribing to the Special Data Dissemination Standard (SDDS), which requires the development, compilation and presentation of statistics in accordance with international rules and standards. Thus, the work of the Center made it possible, on the one hand, to finalize statistics for the different subsectors of general government and, on the other, to produce the consolidated general government statement for operations at end-December 2015. As a result, Senegal became the first West African country and the second country in Sub-Saharan Africa, after South Africa, to have subscribed to the Special Data Dissemination Standard of the IMF.

Real sector statistics

85. **Preparation of a new base year.** Technical support from AFRITAC West enabled Senegal to complete work on the new (2014) base year in accordance with the new international standards and to prepare the base data for 2015.

Debt management

86. **Capacity-building in the preparation of financing strategies.** The TA provided by the Center served to build capacity among managers at the Directorate General of Treasury and Public Accounting for evaluating financing strategies and using the analytical tools of the medium-term debt strategy (MTDS).

Togo

Customs administration

87. **Follow-up on implementation of the technical assistance recommendations.** The TA work yielded the following observations:

- ❖ Constant improvement of the database on audit findings despite numerous inspection certificates that can still not be used.
- ❖ Progress with audit selectivity even though more effort is needed to reduce the number of customs declarations put through the red channel.
- ❖ The success of tests carried out using the scoring-based methodology, opening up the possibility of introducing a provisional combined selectivity system based on intelligence, scoring, and random spot audits.
- ❖ Togolese Customs has striven to boost free trade zone audits and audits of exemptions and temporary admissions. Flagship actions taken include more significant use of risk management for audit selection, the obligation to present the inspection certificate before delivery of goods for release, the placement of the “Exemptions” and “Free Trade Zone” ASYCUDA World modules in test phase, and the conducting, on a large scale, of post-clearance audits of the beneficiaries of exemptions. Nevertheless, further improvements are still needed, including perfecting of the mechanism for auditing custom declarations registered in the free trade zone and adjustments to improve handling of exemptions and temporary admissions.

Tax administration

88. **Consolidation of key tax functions of the Togolese Revenue Office (OTR) to take more advantage of progress made with the segmentation and monitoring of declaration obligations.** Two technical assistance missions were conducted with the following outcomes:

- ❖ A review of the results obtained by the OTR with the support of AFRITAC West. The active taxpayer file of the Large Enterprise Directorate (DGE) increased by 2.6 percent since December 2016; that of the Medium-sized Enterprise Directorate (DME) by 13 percent. VAT declaration rates were 97 percent in the DGE, up from 91 percent in 2016, and 88 percent in the DME, up from 75 percent in 2016.
- ❖ To make the most of the aforementioned progress with respect to expansion of the tax base, an effort was made to build capacity to audit the accuracy of the monthly returns.

That will serve to gradually reduce the number of nonpaying VAT returns, which amounted to 60 percent in the case of the DGE and 65 percent for the DME, through: (1) dissemination of risk management principles; (2) methods for detecting returns where there is a risk of tax evasion; (3) upgrading of the management function; and (4) promotion of cooperation among management, audit, and investigation units.

- ❖ Capacity-building for collectors in risk analysis of taxpayers in arrears.
- ❖ The organization of practical exercises in handling complex tax litigation cases.

Public expenditure management

89. **Capacity building and enhancement of the quality of the Multiyear Expenditure Programming Documents (DPPD) and the Annual Performance Projects (PAP).** The TA provided by AFRITAC West was used to build capacity of those involved in drafting the DPPD-PAP at both the central government and line ministry level. It achieved the following results, in particular:

- ❖ Enhanced ability of the managers in charge of preparing the DPPD-PAP to produce high-quality documents;
- ❖ Enhanced quality and consistency of the DPPD-PAP of the principal ministries;
- ❖ Greater credibility of the information contained in budget documents regarding the outcomes expected from public expenditure and regarding indicators for evaluating the performance and effectiveness of budget programs.

90. **Ongoing implementation of the Treasury Single Account (TSA).** Experts from the Center worked with the authorities to determine tasks still needed to get the STA up and running. Those tasks involve restructuring the accounts, reorganizing departments, the procurement of equipment and training of staff.

91. **Establishment of a benchmark for government accounting standards.** A second mission conducted in the fourth quarter at the request of the authorities served to establish draft benchmarks for government accounting to accompany the preparatory work for implementing accrual accounting.

Government finance statistics

92. **Progress with implementing the regional reforms.** The TA work served to fine-tune the bridge table for producing the TOFE for budgetary central government and the public debt statement and to start work on drafting the bridge table for the local government subsector. It also supported the formulation by the TOFE team in the DGE of a draft decree on the establishment of the Government Finance Statistics Committee

Real sector statistics

93. **Work on changing the base year in accordance with SNA 2008.** TA from the Center was used to finalize the strategy for changing the base year in line with SNA 2018 and to examine the transition of source data to the national accounts format. In addition, recommendations were made in preparation for the implementation of quarterly national accounts.

Debt management

94. **Improvement of the institutional framework for public debt management.** The TA provided by the Center in the period under review led to preparation of a project for restructuring and consolidating public debt management functions in the Public Debt Directorate and to the drafting of the procedures manual to guide the performance of tasks under the new organizational framework.

WAMU Securities Agency

95. **Development of a regional government securities market.** The TA provided by the Center served to identify the factors discouraging the participation of non-bank investors in the government securities market of the WAEMU and to propose initiatives that could be taken in the short and medium term to arouse more interest among those investors. In addition, experts from the Center prepared a template and a questionnaire that the Agency [*Agence UMOA-Titres (AUT)*] could use to get a grasp of the absorption capacity of the government securities market with a view to providing better advice to Public Treasuries on issuance amounts and periods.

BCEAO and the General Secretariat of WAMU Banking Commission

96. **Strengthening consolidated supervision.** In keeping with the guidelines adopted for FY 2017/2018, AFRITAC West support mainly involved the General Secretariat of the WAMU Banking Commission (SGCBU) regarding the entry into force of the new prudential regulations framework and of consolidated supervision. In that context, TA activities focused on completion of the bank rating tool and on training in the main facets and techniques of consolidated supervision.

Regional Council for Public Savings and Financial Markets (CREPMF)

97. **The Center's activities with respect to the CREPMF involved identifying priorities in the TA to be provided to the Council in the two following areas:**

- ✓ *As regards debt and the development of financial markets*, the Center helped identify improvements to be made to the current mechanism for government security issuances via syndication in the WAMU. Also identified were structural reforms to facilitate the development of the government securities market, including via auctions.
- ✓ *As regards financial supervision*, the first AFRITAC West TA mission took place in June 2017 and served to establish priorities for future work. In the course of this fiscal year, a start was made on reviewing specific accounting provisions and the prudential obligations

of market operators, along with implementation of a risk-based supervision procedure in the General Secretariat of the CREMPF.

WAEMU Commission

98. **Capacity building for public finance professionals in the WAEMU region.** A joint mission of the budget and public accounting components of the AFRITAC West public expenditure management section helped the Commission and WAEMU member states to update the evaluation template for implementing public finance directives in the member states and to “own” the principles, core features and prerequisites for cost accounting for implementing program budgets.

99. **Training activities.** In the accounting and Treasury area, the Center helped organize three national training workshops designed and implemented as directed by the WAEMU Commission. The topics raised by the Center’s resident advisor involved: (i) the prerequisites for implementing accrual accounting; and (ii) establishment of the opening balance sheet in accrual accounting. The workshops were held in Togo, Mali and Benin.

100. **With the WAEMU Commission, the Center also co-sponsored a national workshop in Côte d’Ivoire.** This workshop dealt with implementation of WAEMU Directive 2009 on the TOFE. The Center’s contribution focused in particular on the shift to accrual accounting, establishment of the balance sheet, development of stock accounting and the use of new data sources.

III. TRAINING

101. In FY 2018, the Center organized 11 seminars and 7 immersion internships (Tables 2 and 3). These training activities enhanced capacity and experience for some 343 managers from AFRITAC West member countries and institutions. They also provided participants with an ideal opportunity to establish peer networks that will prove useful for future consultations and sharing of experiences.

Table 2. Seminars organized in FY 2018

Area	Topic	place	Date	Participants
Macroeconomic analysis and forecasting	Technical assistance issues and challenges in macroeconomic analysis and forecasting in AFRITAC West member states.	Abidjan	July 24-26, 2017	32
Real sector statistics	New measurements of the contribution of financial activities to Gross Domestic Product.	Conakry	September 18-22, 2017	34
Customs administration	Supervision of imported petroleum products through to distribution.	Conakry	November 6-10, 2017	32
Public debt management	Introduction to the new debt sustainability framework.	Abidjan	December 4-5, 2017	25
Bank Supervision and Restructuring	Supervision of credit risk in accordance with international standards and the risk-based approach.	Dakar	January 22-26, 2018	19
Macroeconomic analysis	Diversification and growth policies.	Dakar	January 24-25, 2018	9
Tax administration	Effective management of VAT.	Abidjan	March 26-30, 2018	33
Public expenditure management- Budget	Issues relating to budget execution in program mode	Abidjan	February 26 – March 2, 2018	32
Public expenditure management- Treasury	Preparation of the opening balance sheet and drawing up of the financial statements.	Lomé	April 2-6 2018	32
Government finance statistics	Expansion of the scope of government finance statistics: inclusion of the extrabudgetary units and local or decentralized governments subsector.	Conakry	April 9-13, 2018	40
Real sector statistics	Workshop on improving high-frequency indicators.	Abidjan	April 23-27, 2018	34

New measurements of the contribution of financial activities to GDP, Conakry, September 18-22, 2017.

102. The national accounts seminar organized in Conakry in August 2017 dealt with the new measurements of the contribution of financial activities to Gross Domestic Product. It brought together some 30 participants from the 10 member states and from the BCEAO and the Bank of the Republic of Guinea and the Bank of the Republic of Mauritania. Together, they developed models for applying new international concepts relating to measurement of central bank output, calculation of indirectly measured intermediation services and insurance company output.



Technical assistance issues and challenges in macroeconomic analysis and forecasting in AFRITAC West member states, Abidjan, July 24-26, 2017.

103. This seminar brought together the Directors General of the economy and planning and/or the Directors of economic forecasting of the AFRITAC West member states. Also participating were representatives of AFRISTAT, the WAEMU Commission, the Central Bank of West African States (BCEAO) and the Central Bank of the Republic of Guinea (BCRG). The various presentations delivered triggered useful exchanges of views on the following topics: (i) sound practices relating to the institutional framework, tools and human resources for macroeconomic analysis and forecasting; (ii) technical assistance and capacity-building needs; (iii) modalities and priorities for AFRITAC West interventions in this area; and the possibilities of synergies and coordination with AFRISTAT, the WAEMU Commission and other technical and financial partners.



Supervision of imported petroleum products through to distribution, Conakry, November 6-10, 2017.

104. This seminar enabled participants to share information regarding the challenges they face in their respective countries and to acquire the know-how needed to get a better grip of revenue stemming from the importing and distribution of petroleum products. The work done at this regional seminar gave participants a better understanding of three important aspects of the topic addressed: (i) the role of each party involved in the procedure for determining the exact volume of imported products; (ii) customs management of installations, familiarization with key technical concepts and determination of the volume of products following a survey/inventory; and finally (iii) the need for appropriate administrative and organizational arrangements to ensure monitoring and strict control of exempted and/or barely taxed products.



Introduction to the revised debt sustainability framework, Abidjan, December 4-5, 2017

105. The two-day seminar introduced participants to the core features of the revised debt sustainability framework and prepared them for the one-week training course and the national workshops to be offered on the topic next year. It brought together some 20 participants from the 10 member states of AFRITAC West, the WAMU Securities Agency, the Comoros and Madagascar.

Supervision of credit risk in accordance with international standards and the risk-based approach, Dakar, January 22-26, 2018.

106. The seminar brought together some 50 supervisors from nine jurisdictions (WAMU, Mauritania, Guinea, the Economic Community of Central African States [CEMAC], Congo, Burundi, Sao Tomé, Madagascar and the Comoros). Its purpose was to contribute to capacity-building for bank supervisors to ensure effective implementation of risk-based banking supervision in a critical area for all banking systems in Sub-Saharan Africa. To that end, the seminar revolved around a number of guidelines for: (i) clarifying the latest international rules on banking supervision with respect to the



classification of non-performing loans in the accounts and the new chart of accounts established by the recent International Data Dissemination Standard regarding provisioning against expected losses; (ii) proposing practical methodological tips for rendering off-site and on-site audits of credit risk more effective in reporting institutions; and (iii) identifying the issues facing authorities in both subregions with regard to credit risk supervision. Pedagogically, special heed was paid to information and experience sharing between the organizers of the seminar and participants, as well as among the participants themselves, to contribute also to mutual dialogue among authorities. Thus, at the beginning of the seminar, the presentation by each participating authority of its credit risk regulation and supervision framework triggered numerous and fruitful exchanges among the representatives of the different institutions.

Preparation of the opening balance sheet and drawing up of government financial statements, Lomé, April 9-13, 2018.

107. The seminar brought together 35 participants from the AFRITAC West member states (Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal and Togo). The idea was to provide participants with a grasp of the main issues relating to the new government accounting rules outlined in the directives of the harmonized framework for public financial management in the member states of the West African Economic and Monetary Union (WAEMU), including, in particular, preparation of the opening balance sheet, current and end-of-fiscal-year transactions and the drawing up of financial statements.

Effective management of VAT, Abidjan, March 26-30, 2018.

108. This regional seminar brought together the heads of tax administration and representatives of tax policy units in the finance ministries of the 10 AFRITAC West member states. It served to address the issue of effective management of VAT, from a tax policy and administrative standpoint. Since this is a key ingredient of the taxation changes embraced by almost all the participating countries (Guinea-Bissau has not yet opted for the transition), the participants shared their respective country's experiences with VAT (how to



manage exemptions, the normal rate and reduced rates, budgetary forecasting, calculating and analyzing the gap between revenue collected and the revenue that might rightfully be expected, delays in making VAT refunds and the escrow account, the VAT withholding at source mechanism, the notion of customs duty VAT at the border, cultivating risk management-based audits, and so on). IMF and AFRITAC West experts, based on the examples provided, showed that, under certain conditions, sustainable progress can be made (development of remote procedures, reduction of VAT refund delays to eight days, the establishment of escrow accounts, etc.). They went on to emphasize the obstacles still to be overcome to address those

shortcomings and move ahead to genuinely effective management of VAT in the area covered by AFRITAC West. The work done at the seminar left participants better equipped to strengthen and consolidate their respective legislations, all with a view to increasing revenue in the medium term.

Issues relating to budget execution in program mode, Abidjan, February 26 – March 2, 2018.

109. The seminar was conducted jointly with AFRITAC Central and brought together 67 participants, including 32 from the 10 countries and two organizations (WAEMU and Civil Society), that are part of AFRITAC West. It sought to raise awareness among budget managers and public accountants in the countries regarding the issues and challenges associated with the transition from budget execution in average mode to budget execution in program mode, to share information about the constraints encountered and solutions found, and to “own” the mechanism envisaged for optimal budget execution. Thus, the presentations delivered in the seminar by advisors and experts from both Centers and by each country triggered numerous and fruitful exchanges among participants.



Expansion of the scope of coverage of government finance statistics to the social security subsector, Conakry, April 16-20, 2018.

110. Following up on the seminar offered in April 2017, this seminar was both a response to participants’ (training needs) concerns and a continuation of the transition of government finance statistics to *GFSM 2001/2014* via the gradual incorporation of general government subsectors, including social security. It afforded the countries in general and public finance officials, especially those responsible for managing social risks, an opportunity to boost their ability to process and compile government finance statistics in line with *GFSM 2001/2014*. Indeed, the sectorization of social protection agencies and correct recording of their transactions in GFS will make it possible to identify and separate off a significant segment of general government commitments and to refine analysis of changes in fiscal policy and its sustainability. This regional seminar organized by AFRITAC West was designed primarily to boost participants’ knowledge and technical capacity in government finance statistics and to classify social protection agencies and their various financial operations. The work done at the seminar provided public finance officials with the tools and knowledge needed to produce an experimental version of the social security TOFE.

Dissemination of quarterly national accounts consistent with the annual national accounts in connection with the change of base year, Abidjan, April 23-27, 2018.

111. This seminar brought together some 30 participants: in particular, public accountants from the National Institutes of Statistics (INS) of the eight member states of the WAEMU, Guinea and Mauritania; representatives of AFRISTAT, the African Development Bank, the WAEMU Commission, the BCEAO, the Central Bank of the Islamic Republic of Mauritania and the Central Bank of the Republic of Guinea. It introduced participants to recent developments in the estimation of quarterly GDP incorporated into the *System of National Accounts 2008 (SNA 2008)*, and the



IMF's recent manual on the compilation of quarterly accounts. The training course also enabled participants to exchange information regarding sound practices for the dissemination of real sector statistics and to discuss the availability of the current cycle and national accounts statistics needed to produce quarterly accounts and the problems posed by the dissemination of volume-based accounts at the previous year's prices. The seminar also served to take stock of existing mechanisms in this field in AFRITAC West member countries.

Table 3. Immersion Internships Offered in FY 2018

Area	Internship Topics	Host country	Recipient country	Date
Customs administration	Management of automated risk management (ARM).	Côte d'Ivoire	Mali	September 18-29, 2017
Real sector statistics	Quarterly national accounts.	Cameroon	Côte d'Ivoire	August 14-25, 2017
Real sector statistics	Implementation of the <i>System of National Accounts 2008</i> (SNA 2008).	Cameroon	Togo	November 6-17, 2017
Public expenditure management-Budget	Implementation of the program-budget.	Burkina Faso	Benin, Côte d'Ivoire and Mali	December 18-22, 2017
Customs administration	Implementation of risk-based management.	Côte d'Ivoire	Guinea	March 12-23, 2018
Tax administration	Administration of medium-sized enterprises.	Côte d'Ivoire	Mali	April 16-20, 2018
Tax administration	Management techniques for a modern tax administration.	Kingdom of Morocco	Guinea	February 19-21, 2018

Automated risk management and audit selectivity, Abidjan, September 18-29, 2017

112. This field trip by the heads of the Malian Directorate General of Customs to the Ivorian Directorate General of Customs was designed to familiarize the Malian managers with the issues and challenges associated with implementing automatic risk management to enhance the selectivity of customs controls. The beneficiaries were able to absorb the experience acquired by Côte d'Ivoire, especially with respect to its risk analysis mechanism and its system for automated selection of customs declarations; the arrangements for organizing and conducting first-tier audits based on automated risk management and their impact on the choice of post-clearance audits; and the mechanism for gathering litigation data and making the most of intelligence on fraud cases to strengthen automated risk management.

Experience of the transition to a program-budget, Ouagadougou, December 18-22, 2017.

113. This field trip enabled three managers representing the ministries responsible for the budget in Benin, Côte d'Ivoire, and Mali to learn from the experience gleaned by Burkina Faso with fiscal reforms and the shift to a program-budget. The interns grasped the issues involved in shifting to a program-budget and are now in a position to expedite the changeover to budgeting in program

mode by tapping the solutions found by Burkina Faso to the difficulties encountered in implementing the new system.

Quarterly National Accounts (QNA), Yaoundé, August 14-25, 2017.

114. This field trip enabled three managers in the National Quarterly Accounts Department of the National Institute of Statistics (INS) of Côte d'Ivoire to learn from the experience acquired by the INS of Cameroon with compiling the QNA. It enabled them to monitor the various stages in the compilation of the QNA for Cameroon; to compare the indicators used during the benchmarking and calibration phases; to observe how the work under way in the INS of Cameroon is organized, especially as regards the linkages between the quarterly and the annual national accounts; to analyze the mechanism for validating and disseminating the QNA in Cameroon; and to learn about the mechanism put in place in preparation for the migration of the QNA to the *System of National Accounts 2008 (SNA 2008)*.

Implementation of the System of National Accounts 2008 (SCN2008), Yaoundé, November 6-17, 2017.

115. The National Institute of Statistics and Economic and Demographic Studies of Togo (INSEED) has decided to begin preparing a new base year in line with (*SNA 2008*). The field trip enabled three INSEED managers to share Cameroon's experience with implementing *SNA 2008* and to enhance their knowledge of the main steps outlined in the plan of action for migrating to *SNA 2008*; the procedures for adopting the new nomenclatures; the methodological implications of migrating to *SNA 2008*; and the issues involved in the back casting of the annual national accounts and implementation methods.

Management techniques for a modern tax administration, Rabat, February 19-21, 2018.

116. This field trip enabled the Guinean delegation to delve into the wealth of experience acquired by the DGI of Morocco with: (1) developing an organizational structure; (2) planning; (3) decentralizing responsibilities and internal controls; (4) managing a large enterprises directorate; and (5) taxpayer services. By the end of their stay, the managers of the National Directorate of Taxes (DNI) learned a number of lessons that will undoubtedly enhance management of their tax administration. Those lessons have to do with the need to strengthen the organization and resources of central departments; to replace the current revenue rationale with a rigorous planning approach; to have senior management focus on policy-steering by delegating more responsibilities to operational staff; to forge a transparent policy of assisting taxpayers; and to envisage establishing an audit charter, risk mapping and digitization of tax procedures for large enterprises.

Automated risk management and audit selectivity, Abidjan, March 12-23, 2018.

117. This field trip to the Ivorian Directorate General of Customs by the heads of the Guinean Directorate General of Customs was designed to familiarize the Guinean managers with the issues and challenges involved in implementing automated risk management to enhance the selectivity of customs controls. It enabled them to absorb the experience acquired by Côte d'Ivoire, especially as regards the risk analysis mechanism and the system for automated selection of customs declarations; the arrangements for organizing and conducting first-tier audits based on automated risk management and their impact on the choice of post-clearance audits; and the mechanism for

gathering litigation data and making the most of intelligence on fraud cases to strengthen automated risk management.

Administration of medium-sized enterprises, Abidjan, April 16-20, 2018

118. The DGI in Mali has decided to embark on a major revamping of its medium-sized enterprise administration model to enhance performance. It intends to boost organizational leverage by establishing several medium-sized enterprise tax centers, attached to local directorate and no longer bunched together under one and the same entity covering the entire country. This field trip enable three managers from Mali's tax administration to immerse themselves in the day-to-day work of four Medium-sized Enterprise Tax Centers in Abidjan and thereby grasp the issues and challenges associated with that type of tax administration of medium-sized enterprises, especially their internal organizational structure, the work schedule, the way they are managed, and the synergies to be developed between the tax base, monitoring, and collection.

Collaboration and Coordination

119. **The Center continued its efforts to coordinate missions with the other technical partners** During her visits to the member countries, the Director of the Center took part in meetings with other partners that served to exchange views and talk about mission and seminar programs for the whole of the fiscal year. In addition, visits to the Center by other providers of TA also served as opportunities for coordination and exchanges of views in specific areas. Thus, the Center took part in a working session with France's Directorate General of Government Finance during its latest mission to Côte d'Ivoire. During that meeting, the talks focused on countries' request for TA and coordination of those requests in the areas of tax administration and government expenditure. As part of that collaboration/coordination effort, AFRITAC West and the UNDP Pole in Dakar conducted a joint TA mission on implementation of CA and PA in Senegal in July 2017.

WAEMU Commission

120. In the area of government finance statistics, the Center took part in a regional workshop organized by the WAEMU Commission on best forecasting practices for the TOFE.

African Union/Expertise France

121. In response to an initiative by AFRITAC West, which had prepared a work program to assist Guinea with improving its GDP calculations, through Expertise France the African Union organized a real sector statistics training mission on the *System of National Accounts 2008* (SNA 2008) and on the ERETES I.T. tool for compiling the national accounts.

IV. WORK PROGRAM FOR FY 2019

A. OVERVIEW

122. **This report describes the priorities and planned activities for AFRITAC West in FY 2019.** They are based on the Center’s medium-term strategic logical frameworks (Table 4) and will shape the objectives to be attained in the period from May 2018 to April 2019 with respect to capacity building in the area covered by AFRITAC West.

123. **The program for FY 2019 envisages 672 person-weeks of technical assistance activities** (Table 5). This represents an increase in all areas of activity, especially in revenue administration, where the Center plans to step up its activities in countries in a fragile situation selected since FY 2018 as “pilot” cases, with a view to contributing to those countries’ efforts to achieve the Sustainable Development Goals (Charts 3 and 4).

124. **In the work program, there are 12 scheduled regional seminars and 10 immersion internships as part of the peer learning program (Tables 6 and 7).** As pointed out later in this report, these training activities will provide an opportunity for AFRITAC West to combine its capacity-building efforts with those of other partners working in the same fields and to look for synergies with the activities conducted by other regional Centers and by the TA departments at the IMF (Table 6). Planned activities in this context include:

- ❖ Participation in the regional seminars organized jointly with AFRISTAT, the WAEMU Commission and the Economic Commission for Africa on the current economic situation and forecasts for the countries in West Africa and on the coaching of trainers in macroeconomic modeling.
- ❖ Participation in statutory meetings of public finance professionals, such as the WAEMU network of practitioners and public finance observatory.
- ❖ Participation in seminars organized by the IMF Fiscal Affairs Department (FAD) and the IMF Strategy, Policy, and Review Department (SPR).
- ❖ Participation in seminars organized by AFRITAC West (AWF2) and AFRITAC Central (AFC) on Customs administration.
- ❖ Organization of a course on Programming and Financial Policies in collaboration with the ICD and the West African Training Center for Banking Studies (COFEB).

125. **Communication activities** will take the form of TA missions, seminars, and visits by the Director to the authorities of the member countries and development partners, as well as communications via the media. In implementing its work program, the Center will continue to ensure transparency in all matters relating to financing and other forms of support by development partners.

Table 4. Summary of the Strategic Logical Framework for 2017-2022

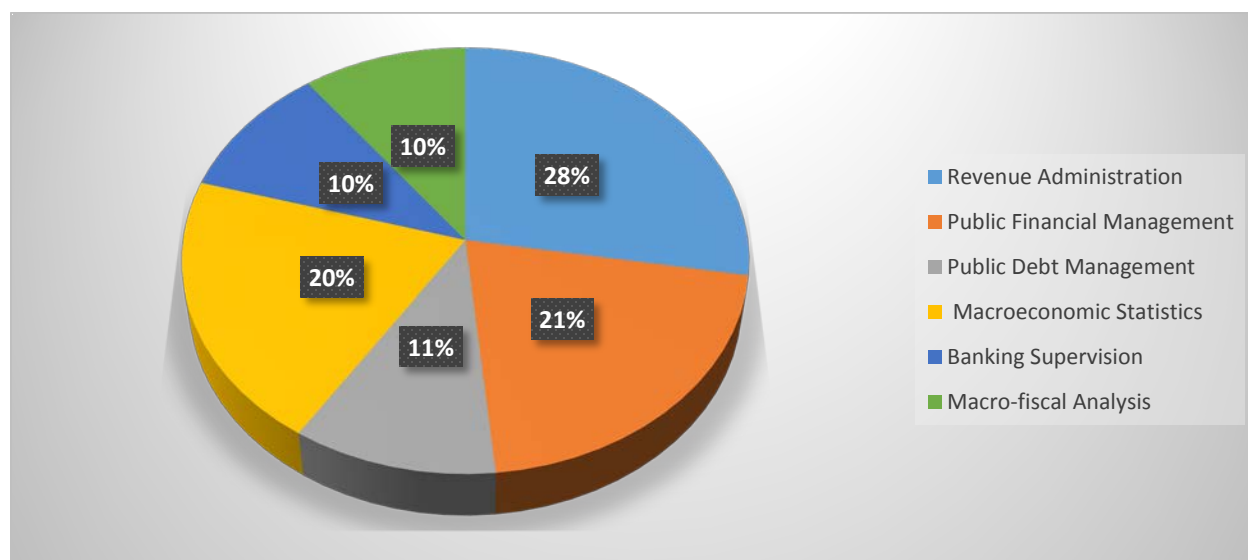
AFRITAC West-Strategic Framework for June 2017-April 2022													
Core objective: Capacity building in macroeconomic and financial management by the states and regional integration to accelerate economic growth and reduce poverty.													
Areas	Objectives	Recipients											
		BEN	BFA	CI	GIN	GNB	MLI	MRT	NER	SEN	TGO	WAEMU ²	BCEAO
Customs administration	Improve the operation of customs administrations												
Tax administration	Reinforce the core functions of tax administrations												
Public expenditure management	Improve the preparation of the budget so that its coverage is exhaustive, it is credible, and it reflects economic policies												
	Improve budget execution and supervision												
	Improve the coverage and quality of fiscal reporting												
	Further integrate the framework for managing assets and liabilities												
Government finance statistics	Improve the compilation of macroeconomic and financial data for decision making, based on the appropriate internationally accepted statistical standards, including through the development and enhancement of the statistical infrastructure and source data												
Real sector statistics	Improve the compilation of macroeconomic and financial data for decision making, based on the appropriate internationally accepted statistical standards, including through the development and enhancement of the statistical infrastructure and source data												
Public debt management and financial market development	Establish an effective infrastructure for the government securities market, based on the degree of development of the market												
	Develop a sustained risk analysis of debt balances and implement it regularly, and establish a framework for effective risk management												
	Formulate and implement on an ongoing basis a medium-term strategy for debt management that is compatible with debt sustainability												
Banking supervision and restructuring	Develop and strengthen prudential standards and bank regulations												
	Implement a risk-based management system and modernize the other supervisory processes												
	Implement the provisions of Basel II and Basel III.												
	Improve provisioning rules in relation to international standards and best practices to better capture and reflect credit-related risk.												
Macroeconomic analysis and forecasting	Improve the quality of the economic policy advice given to the government												
	Establish institutions to address economic policy issues that function effectively												

² This covers all WAEMU institutions receiving technical assistance from AFRITAC West, except the BCEAO.

**Table 5. Distribution of the Volume of TA by Area, FY 2018
(in person-weeks)**

Areas	Resident Advisor		Short-term Expert	Total FY 2019
	Abidjan	Site		
Customs administration	27	14	30	71
Tax administration	31	52	32	115
Public expenditure management (Budget)	16	24	27	67
Public expenditure management (Accounting and Treasury)	19	26	28	73
Government finance statistics	19	23	26	68
Real sector statistics	21.5	19.5	28	69
Public debt management and financial market development	19	22	31	72
Banking supervision and restructuring	15	28	26	69
Macroeconomic analysis and forecasting	16	28	24	68
TOTAL	183.5	236.5	252	672

**Chart 3. Distribution of TA Volume by Area
(in percent)**



**Chart 4. Distribution of the volume of TA by country
(in person-weeks)**

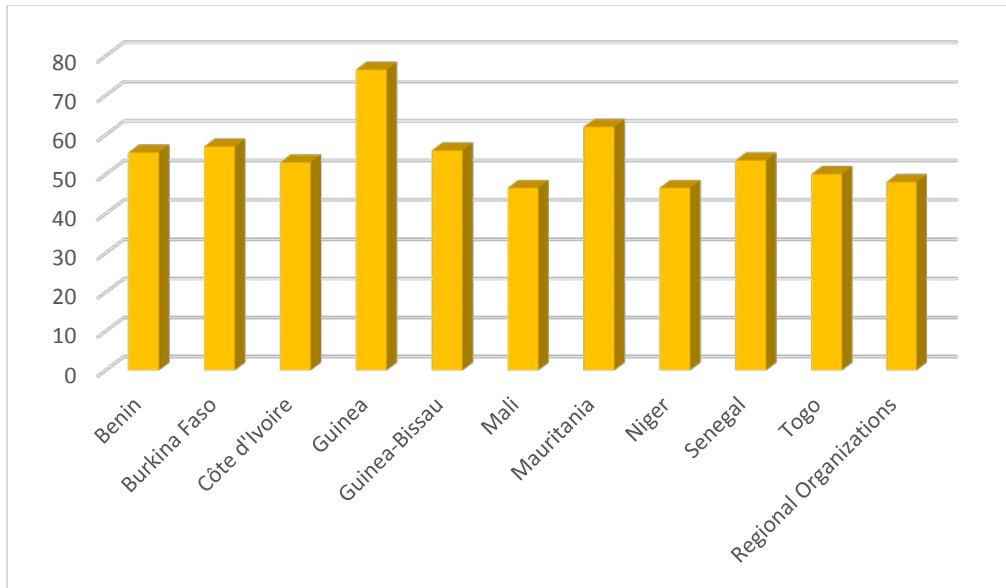


Table 6. Regional seminars scheduled for FY 2019

Area	Topic	Place	Date	Partners	Number of Participants
Customs administration	Application and monitoring of transaction value.	Lomé	November 2018	UNCTAD ECOWAS WCO	30
Tax administration	Tax audits of telecommunication enterprises, specific approaches in fragile situations.	Conakry	November 2018		30
Tax administration	Internal audits and management audits.	Lomé	February 2019		30
Real sector statistics	Implementation of SNA 2008 –Mechanism for measuring the output of nonfinancial corporations and households pursuant to SNA 2008.	Cotonou	March 2019		30
Public expenditure management-Budget	Programming, budgeting and monitoring of public investment.	Libreville	December 2018	Africa Finance Corporation (AFC), WAEMU Commission	32
Public expenditure management-Treasury	Internal audit of accounts for effective accrual accounting.	Nouakchott	November 2018	WAEMU Commission	32
Public debt management and financial market development	Use of the new debt sustainability framework for low-income countries.	Cotonou	May 2018	IMF SPR department	30
Public debt management and financial market development	The role of debt managers for managing contingent liabilities.	Nouakchott	September 2018		30
Government finance statistics	Expansion of the scope of coverage of government finance statistics to the local government and extrabudgetary unit subsectors.	Abidjan	March 2019	WAEMU Commission	35
Banking supervision and restructuring	Carrying out prudential reforms following finalization of Basel III.	Conakry	December 2018		30
Macroeconomic and budgetary analysis	Interrelations among macroeconomic accounts and robustness of the framework models of West African countries	Cotonou	Aug.-Oct. 2018		30
Macroeconomic and budgetary analysis	ICD course on programming and financial policies	Dakar	May 2018	IMF Institute for Capacity Development (ICD)	30

Table 7. Peer-learning program – Field trips planned

Area	Internship Topics	Potential Host Country	Comments
Customs administration	Re-appropriation of customs valuation (Beneficiary: Niger).	Mauritania	The Nigerien Customs Authority has terminated the import inspection program and has established a Value Unit to improve customs valuation.
Customs administration	Re-appropriation of customs valuation, (Beneficiary: Burkina Faso).	Mauritania	The Burkinabe Customs Authority wants to end the imports inspection program and replace it with a specialized unit to make better use of customs valuation.
Tax administration	Litigation management (Beneficiary: Togo).	Cameroon	The recently created litigation department needs to be strengthened.
Tax administration	Internal audits and controls (Beneficiary: Niger).	Togo	In Niger, internal audits are used as a governance tool to support tax operations.
Public expenditure management-Budget	Implementation of the program-budget. (Beneficiaries to be determined)	Niger	This country shifted to a program-budget in January 2018. Its experience could prove useful for countries preparing to undertake this reform.
Public expenditure management-Accounting - Treasury	Compiling the opening balance sheet. (Beneficiaries to be determined)	To be determined	
Real sector statistics	Implementation of SNA 2008, (Beneficiary: Mauritania).	Cameroon	
Real sector statistics	Quarterly national accounts, (Beneficiary: Benin).	Senegal	
Government finance statistics	Management of the portfolio of government-owned enterprises and national public institutions. (Beneficiaries to be determined)	Senegal; Benin, Côte d'Ivoire	To raise awareness in States of the need for a document containing guidelines and strategies for decentralized portfolio management and economic policy.
Banking supervision and restructuring	Implementation by the supervisor of the bank rating tool as part of risk-based supervision (Beneficiary: Mauritania).	Morocco	

B. ACTIVITIES ENVISAGED, BY AREA

Customs administration

126. **The activities of the FY 2019 work program seek to follow the guidelines of the Center’s Medium-term Strategic Framework.** The four main pillars are: (1) support for mastering the techniques needed to determine the taxable base of imported goods; (2) the transition to paperless customs procedures; (3) improvement of risk management and of selectivity with respect to customs declarations; and (4) strengthening supervision and monitoring of exemption regimes and conditional relief arrangements. Thus, bearing in mind the progress made by each Customs Administration involved, the work program for FY 2019 aims to achieve the following objectives:

- ❖ Customs control during the clearance process are more effective and performance in terms of revenue is positive with: (i) strengthening of the customs valuation function in **Guinea-Bissau, Mali, Niger and Mauritania**; (ii) automation of national transit in **Guinea**; (iii) management and better targeted audits of petroleum products in **Benin**; and (iv) monitoring of customs procedures in **Burkina Faso and Mali**.
- ❖ Once it is functional, the mechanism for keeping track of conditional relief arrangements and exemptions makes transparent and efficient management possible, as well as efficient and pertinent programming of post-clearance audits in **Burkina Faso, Côte d’Ivoire, Guinea and Senegal**.
- ❖ Management of priorities and compliance with rules improves thanks to successful risk management in **Benin, Senegal and Togo**.
- ❖ Customs border controls are better targeted and effective both fiscally and in terms of protecting the territory thanks to supervisors’ enhanced skills with risk analysis and targeting in **Côte d’Ivoire**.

127. **The objectives envisaged will be pursued through the following activities:**

- ❖ *Technical assistance missions.* The Center will conduct TA missions and will participate in diagnostic assessment missions in the member countries organized by the Fiscal Affairs Department (FAD) of the IMF. Table 8 shows the topics and typical outcomes expected in 2019. In addition, a number of missions are being kept “on hold.” They have to do with bolstering post-clearance audit capacity in **Guinea-Bissau**; support for automated risk management in Mali; and the drafting and implementation of a framework instruction on clearance procedures in **Niger**.
- ❖ *A regional seminar.* The Center will organize a regional seminar on the subject of “Application and Monitoring of Transaction Value.” The purpose of this seminar will be to build and reinforce management and oversight capacity among Customs officers.
- ❖ *Immersion internships.* The Center will organize a peer learning program. Several Customs administrations have committed to mastering customs valuation following the end

of (*avec la fin de*) import inspection programs. The National Valuation Office set up by the Mauritanian Customs administration in partnership with AFRITAC West has had some success in terms of customs revenue. From a know-how sharing and regional integration standpoint, it would be interesting for customs managers in **Burkina Faso** and **Niger** to be able to benefit from the expertise acquired by their Mauritanian counterparts.

Table 8. Scheduled customs administration missions by country

Country	Number of Missions	Activities	Milestones for 2019
Benin	3	<ul style="list-style-type: none"> ❖ Continuing and completing implementation of automated risk management for Customs control selectivity. ❖ Improving management and supervision of petroleum products. 	<ul style="list-style-type: none"> ❖ Selectivity rules are updated every month, with systematic assessment of the efficacy of each rule in February 2019. ❖ The percentage of physical controls has declined from 30 to 20 percent and that of documentary checks from 70 to 30 percent by February 2019. ❖ The skill acquired with stocks management and petroleum product audits make it possible to increase revenue by between 5 and 10 percent by June 2019.
Burkina Faso	2	<ul style="list-style-type: none"> ❖ Continuing the implementation of a system for monitoring conditional relief arrangements and exemptions. ❖ Preparing and implementing a customs clearance toolkit. 	<ul style="list-style-type: none"> ❖ (1) The exemptions management module in ASYCUDA World is operating successfully by May 2019. (2) Post-clearance audits are more robust by May 2019. ❖ The automated customs clearance toolkit is up and running by July 2019.
Côte d'Ivoire	2	<ul style="list-style-type: none"> ❖ Continuing the implementation of a system for monitoring conditional relief arrangements and exemptions. ❖ Continue capacity building for supervisors in risk analysis and targeting 	<ul style="list-style-type: none"> ❖ (1) Management and monitoring of requests for exemptions and conditional relief arrangements are in place and effective. (2) Management of requests for exemptions and conditional relief arrangements, by project, is likewise effective. ❖ The capacity-building strategy has been developed and implemented.
Guinea	3	<ul style="list-style-type: none"> ❖ Continuing the implementation of a system for monitoring conditional relief arrangements and exemptions. ❖ Implementing automated transit management. 	<ul style="list-style-type: none"> ❖ (1) The exemptions management module in ASYCUDA World is operating successfully by December 2019. (2) Post-clearance audits are more robust by December 2019. ❖ (1) The strategy for implementing an automated framework has been worked out and approved by October 2018. (2) The feasibility of

			software to be generated in ASYCUDA World for the T1 transit application has been worked out and approved by October 2018.
Guinea-Bissau	1	❖ Strengthening customs valuation.	❖ The "Value" module in ASYCUDA++ is up and running and the benchmark values database supported by that module is activated and in full swing by November 2018.
Mali	2	❖ Strengthening customs valuation. ❖ Preparing and implementing a customs clearance toolkit.	❖ The "Value" module in ASYCUDA World is up and running and the benchmark values database supported by that module is activated and in full swing by October 2018. ❖ The automated customs clearance toolkit is operating by July 2019.
Mauritania	2	❖ Strengthening customs valuation. ❖ Strengthening customs procedures in the Nouadhibou free trade zone.	❖ 10 to 20 percent of the information in the "Value" module in ASYCUDA World stems from data collected in the mirror database by December 2019. ❖ Measures aimed at improving management and customs controls in the free trade zone have been implemented by July 2019.
Niger	1	❖ Strengthening customs valuation.	❖ The "Value" module in ASYCUDA World is up and running and the benchmark values database supported by that module is activated and in full swing by October 2018.
Senegal	3	❖ Completing the MTAP on automated risk management. ❖ Continuing the implementation of a system for monitoring conditional relief arrangements and exemptions. ❖ Strengthening customs valuation.	❖ The percentage of on-site and desk audits has dropped consistently by April 2019. ❖ (1) Management of exemptions via the module for managing economic regimes in Customs is effective by November 2019. (2) Post-clearance audits are more robust by November 2019. ❖ The benchmark values database has been automated and the National Office in charge of the file is up and running.
Togo	1	❖ Continuing and completing implementation of automated risk management for Customs control selectivity.	❖ The principal prerequisites for launching the risks management system are in place by November 2019.

Tax administration


128. **The work program for FY 2019 focuses on three priorities for strengthening tax administration**, namely: locating taxpayers, monthly tracking of their tax return and payment obligations, and fighting the informal economy. Thus, the Center's activities in this area will


aim to: (i) consolidate the taxpayer file; (ii) continue modernizing tax administration of medium-sized enterprises; (iii) boost investigation activities; (iv) promote automation of cross-checks and remote procedures; (v) continue automation of statistical feedback; and (vi) strengthen audit activities.

129. **Particularly in the countries selected for stepped-up TA, activities will focus on bolstering effective governance and enhancing core tax administration functions.** Thus, the following priorities have been singled out for Guinea, Niger, and Togo: (i) increasing the reliability of the rosters of large and medium-sized enterprises; (ii) mastering the techniques needed to monitor tax return obligations; (iii) making research/investigative departments more effective; (iv) improving tax audit management; (v) effective management of arrears; and (vi) strengthening policy-making (*pilotage*) and governance. With respect to this last-mentioned objective, the idea is to achieve a better grasp of priorities by making the most of planning tools, monitoring tax operations, and evaluating individual and collective performance.

130. **The objectives envisaged will be pursued through the following activities:**

❖ **Regional seminars:**

 *Internal and external audits.* This seminar will afford participants an opportunity to share their experiences and become familiar with certain aspects of internal and external audits in tax administration. It addresses the fact that internal controls are still relatively undeveloped and still too geared to verifying service in the traditional sense, whereas it should be more geared towards auditing, seeing that procedures established by senior management are followed and making the most of IT tools. As for management audits, they should look at more than just reporting activities and should not restrict themselves to revenue monitoring indicators. Bringing in other management indicators should ensure a broader vision and provide new levers for enhancing the performance of tax administrations.

 *Tax audits of telecommunication enterprises in the context of a country in a fragile situation.* This seminar will enable tax administration managers in these countries to share their experiences and discuss the constraints they face in auditing such complex, yet rapidly expanding, activities. The goal is to identify simple tools that can quite quickly boost the effectiveness of tax audits of this sector and to outline a medium-term strategy for gradually consolidating them. Apart from methodological aspects, the seminar will provide an opportunity to focus on current governance of tax audits in fragile States and its impact on improving tax returns in the telecommunications sector, and then to identify measures to optimize the handling of tax audits in those countries.

❖ **Peer learning internship.** The Center will organize two internships: one on management of tax litigation, in which the beneficiary will be Niger, and the other on internal controls in tax departments, in which the beneficiary will be Togo.

❖ **TA missions.** The scheduled missions (Table 9) show stepped-up activities on behalf of Guinea, Mali, Niger and Togo, in connection with the IMF engagement with capacity-building in countries in a fragile situation. For these countries, the volume of activities will

increase considerably, in terms of duration and/or number of missions, compared to those undertaken in Cycle III.

Table 9. Scheduled Tax Administration Missions by Country

Country	Number of Missions	Activities	Milestones for 2019
Benin	2	Enhancing the reliability of the roster of medium-sized enterprises. Continuing to bolster investigation activities for combating the informal economy.	The DGI possesses a reliable taxpayer file (December 31, 2019). 20 percent of tax audits are of informal sector enterprises (April 30, 2019).
Burkina Faso	3	Enhancing the reliability of the taxpayer file. Continuing to modernize the directorate for medium-sized enterprises	A program to promote taxpayer compliance has been implemented and tax return procedures simplified. (April 30, 2019). 80 percent of medium-sized enterprises filed their VAT returns on time and the list of recoverable balances has been reliably updated. (December 31, 2018). 40 percent of nil returns and applications for VAT refunds and 25 percent of the main risks are subjected to spot audits. (December 31, 2018).
Côte d'Ivoire	2	Continuing to modernize the directorate for medium-sized enterprises. Continuing to bolster investigation activities for combating the informal economy	30 percent of nil returns and applications for VAT refunds are subjected to spot audits. (December 31, 2018). Major risks are detected thanks to the DGI's use of internal and external cross-checks. (December 31, 2018)
Guinea-Bissau	2	Enhancing the reliability of the taxpayer file. Continuing to strengthen the registration of enterprises.	50 percent of small enterprises are registered. (December 31, 2018).
Mali	3	Enhancing the reliability of the taxpayer file. Continuing to modernize the directorate for medium-sized enterprises.	10 percent of medium-sized enterprises are identified and registered and transfers are made between large and medium-sized enterprises. (December 31, 2018). 30 percent of nil returns and applications for VAT refunds and 25 percent of large enterprises are audited (April 30, 2018) There is a 5 per cent per year improvement in the rate of VAT returns filed on time and 30 percent of taxpayers in arrears are taxed ex officio. (December 31, 2018). Proper management of the stock of tax

			arrears is in place. (December 31, 2018).
Mauritania	2	<p>Continuing to modernize the directorate for medium-sized enterprises.</p> <p>Continuing to reinforce investigation and tax audit activities.</p>	<p>80 percent of large enterprises file their VAT returns on time (December 31, 2018).</p> <p>20 percent of nil returns and applications for VAT refunds by medium-sized enterprises are subjected to spot audits. (December 31, 2018).</p>
Senegal	2	<p>Continuing to modernize the directorate for medium-sized enterprises.</p> <p>Continuing to bolster investigation activities for combating the informal economy.</p>	<p>15 percent of recoverable tax arrears balances are recovered. (April 30, 2018).</p> <p>VAT refund procedures are based on risk analysis (April 30, 2019)</p> <p>15 percent of identified taxpayers are audited (April 30, 2018), and 20 percent the following year (April 30, 2019); and 20 percent (then 25 percent) of nil returns and applications for VAT refunds are audited (by April 30, 2018 and April 30, 2019).</p>
Niger	3	<p>Continuing work designed to make taxpayer files more reliable and the monitoring of the tax returns of large and medium-sized taxpayers.</p> <p>Reinforcing investigation activities.</p> <p>Improving tax audit governance.</p> <p>Modernizing management of tax arrears.</p> <p>Reforming policy-making (<i>pilotage</i>) and governance.</p>	<p>Up-to-date data are available for 80 percent of active large enterprise taxpayers and 60 percent of medium-sized enterprise taxpayers and transfers are made from one file to the other.</p> <p>80 percent of large taxpayers and 75 percent of medium-sized enterprise taxpayers honor their VAT declaration obligations.</p> <p>40 percent of recoverable tax arrears balances are recovered.</p> <p>10 percent of tax credit and nil returns are audited.</p> <p>Investigation accounts for 15 percent of the audit program.</p>

Togo	2	<p>Continuing work designed to make taxpayer files more reliable and the monitoring of the tax returns of large and medium-sized taxpayers.</p> <p>Reinforcing investigation activities.</p> <p>Improving tax audit governance</p> <p>Modernizing management of tax arrears.</p>	<p>Up-to-date data are available for 70 percent of active large enterprise taxpayers and 50 percent of medium-sized enterprise taxpayers and transfers are made from one file to the other.</p> <p>80 percent of large taxpayers and 75 percent of medium-sized enterprise taxpayers file their VAT returns on time.</p> <p>5 percent of recoverable tax arrears balances are recovered and 10 percent of those that are irrecoverable are cleared from the books.</p> <p>10 percent of tax credit and nil returns by medium-sized enterprises are audited.</p> <p>Investigation accounts for 15 percent of the audit program.</p>
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Public expenditure management – Budget

131. **TA activities for FY 2019 are intended to contribute to the attainment of the strategic objectives set for the fourth cycle.** It aims in particular to improve budget preparation in terms of reliability, transparency and relevance, as well as to enhance budget execution and oversight. Specifically, the activities envisaged in the work program will seek to:

- ❖ Improve programming, budgeting and monitoring, including optimization of public investment management through support for implementation of the recommendations made in PIMA assessments in **Benin, Burkina Faso, Côte d’Ivoire** and **Mali**, which include support for implementing commitment authorizations (CA) and payment appropriations (PA) as a way to improve budget preparation and public investment management in **Guinea, Mauritania** and **Senegal**;
- ❖ Strengthen budget documents to ensure accurate and useful information for Parliament and the general public, and to enhance budget transparency in **Côte d’Ivoire** and **Senegal**;
- ❖ Improve the quality of the multiyear programming documents for the budget and the program-budgets being developed in **Togo**;
- ❖ Improve budget execution and oversight of budget execution to bolster budget credibility and transparency in **Guinea-Bissau**, and to sustain the results-based program-budget in **Niger**.

132. **This work program will be implemented by:**

❖ **Organizing a regional seminar.** The work program envisages a regional seminar (or possibly an interregional seminar organized jointly with AFRITAC Central) on programming, budgeting and the monitoring of public investments. The participants in this seminar will be familiarized with the principles and best international practices for managing public investments.

❖ **Participating in the activities of regional institutions.** This will involve the Center taking part in capacity-building activities for public finance professionals to be organized by the WAEMU in connection with implementation of the directives of the Union's Harmonized Public Financial Management (PFM) Framework.

❖ **TA missions.** Sixteen missions are scheduled (Table 10), including two missions in **Mauritania, Senegal, Togo** and the WAEMU Commission, one mission in **Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali** and **Niger**. Three activities are on hold, as they may be conducted in the second half of the FY.

❖ **Immersion internships.** A field trip will be organized as part of the peer learning program to study the topic of the shift to budget management in program mode. It will involve traveling to one of the States that have made the transition as a way to benefit countries that are preparing to implement this major reform.

Table 10. Scheduled public expenditure management missions by country (Budget)

Countries	Number of missions	Activities	Milestones for 2019
Benin	1	Implementing the Public Investment Management Assessment (PIMA) recommendations.	Programming, assessment, selection and execution of public investments are improving thanks to implementation of at least one-third of the recommendations.
Burkina Faso	1	Implementing the PIMA recommendations.	Programming, assessment, selection and execution of public investments are improving thanks to implementation of at least half of the recommendations.
Côte d'Ivoire	1	Implementing the PIMA recommendations.	Programming, assessment, selection and execution of public investments are improving thanks to implementation of at least one-third of the recommendations
Guinea	1	Implementing Commitment Authorizations (CA) and Payment Appropriations (PA).	Public investment spending is being processed through CA/PA in at least six ministries.

Guinea-Bissau	1	Continuing support for strengthening budget execution with a view to implementing the new legal framework for government finance.	A Plan of Action has been adopted for implementing the new legal framework for a priori audits of expenditure and for improving budget execution.
Mali	1	Implementing the PIMA recommendations.	Programming, assessment, selection and execution of public investments are improving thanks to implementation of at least one-third of the recommendations.
Mauritania	2	Supporting implementation of CA and PA to improve budget preparation and public investment management.	Public investment spending is being processed through CA/PA in at least six ministries. Public investment spending is being processed through CA/PA in at least 12 ministries.
Niger	1	Supporting stronger budget execution in program mode.	The tools for budget execution in program-budget mode have been adopted and implemented by those most involved in public expenditure.
Senegal	2	Continuing to support implementation of CA and PA.	Public investment spending is being processed through CA/PA in at least 12 ministries.
		Supporting the strengthening of budget documents.	At least three-quarters of the documents required by the organic law on transparency in public financial management and the organic law relating to budget laws have been produced and attached to the budget proposal.
Togo	2	Supporting capacity-building for analysis of the ministries' Multiyear Expenditure Programming Documents (DPPD) and Annual Performance Projects (PAP).	The quality, relevance and realism of Multiyear Expenditure Programming Documents (DPPD) and Annual Performance Projects (PAP) have improved in all ministries.
		Supporting adaptation to the new budget management methods.	The public financial management information system has improved and has been adapted to meet program budgeting needs.

Public expenditure management – Accounting and Treasury

133. **TA activities for FY 2019 are intended to improve accounting and cash flow management.** They will focus on:

- ❖ The preparation, for each AFRITAC West member state, of at least one technical benchmark in connection with the work being done in preparation for implementation of accrual accounting.
- ❖ Support for the deployment of an accounting network aligned with accrual accounting objectives and for upgrading budgetary and accounting information systems in **Benin** and **Côte d’Ivoire**, based on revised accounting procedure manuals.
- ❖ Ongoing support for improving and reinforcing cash-basis accounting skills and regular compilation of the government account balance sheet in **Guinea, Guinea-Bissau and Mauritania**.
- ❖ Support for the preparation of an accounting risks map, following on the development of an accounting processes map in **Senegal**.
- ❖ Continuing to strengthen cash flow management, in particular by establishing the Treasury Single Account (TSA) in **Benin** and **Burkina Faso**.

134. **The activities envisaged in the work program will use the following tools:**

- ❖ **Regional seminar.** A regional workshop is planned on the subject of “Internal accounting controls for successful accrual-based accounting.” It will provide an opportunity for participants to “own” internal audit mechanism tools and their importance for accounting quality.
- ❖ **Technical assistance missions.** Fourteen missions are scheduled: two in **Benin, Burkina Faso, Senegal** and **Togo**; and one for each of the following: **Côte d’Ivoire, Guinea, Guinea-Bissau, Mali** and **Niger** (Table 11). In addition, three missions are on hold and will be conducted if needed. They have to do with requests made by **Benin** and **Mali**.
- ❖ **Immersion internships.** A field trip is planned on compilation of the opening balance sheet. This activity will be implemented and hosted by the first Francophone African country to introduce accrual accounting in FY 2019.

**Table 11. Scheduled public expenditure management missions by country
- Accounting and Treasury**

Countries	Number of missions	Activities	Milestones for 2019
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Benin	2	Supporting the drafting of two instructions: one on provisions against depreciation and the other on provisions for bad tax debts.	Instructions on provisions against depreciation and for bad tax debts have been issued.
		Supporting implementation of the Treasury Single Account (TSA).	The structure of the TSA has been improved and an inventory has been drawn up of organizations potentially eligible for depositing funds in the Treasury based on specific criteria.
Burkina Faso	2	Supporting the drafting of an instruction on the methodology for compiling the opening balance sheet.	The instruction on the methodology for compiling the opening balance sheet has been drawn up.
		Supporting implementation of the TSA.	The structure of the TSA has been improved and an inventory has been drawn up of organizations potentially eligible for depositing funds in the Treasury based on specific criteria.
Côte d'Ivoire	1	Supporting the drafting of an instruction on the methodology for compiling the opening balance sheet.	The instruction on the methodology for compiling the opening balance sheet has been drawn up.
Guinea	1	Supporting a review by senior public accountants of the quality of the accounting procedures introduced and their impact on the quality of government accounts.	Manuals of accounting procedures by the Government's top accounts are available.
Guinea-Bissau	1	Supporting the drafting of a manual of accounting procedures for the General Treasury (TG).	The manual of accounting procedures of the General Treasury (TG) is available.
Mali	1	Supporting the drafting of two accounting instructions: one on operating expenses and fixed assets, and the other on the closing of the fiscal year accounts (schedule and inventory operations).	Accounting instructions on operating expenses and fixed assets and the closing of the fiscal year accounts have been issued.
Mauritania	1	Supporting a review of the quality of the government general balance sheet by preparing a detailed government chart of accounts.	The detailed government chart of accounts has been implemented.
Niger	1	Supporting the drafting of an instruction on the methodology for compiling the opening balance sheet.	The instruction on the methodology for compiling the opening balance sheet has been drafted.
Senegal	2	Supporting the drafting of a model manual of accounting procedures for a ministry accountant.	The manual of accounting procedures for a ministry accountant and the instruction on the methodology for compiling the opening balance sheet have been drafted and are available.

		Supporting the drafting of an accounting risks map.	The accounting risks map is available and is used to ensure accounting quality.
Togo	2	Supporting further implementation of the TSA	The structure of the TSA has been improved and an inventory has been drawn up of organizations potentially eligible for depositing funds in the Treasury based on specific criteria.
		Supporting the drafting of a didactic guide to the government chart of accounts (PCE).	The didactic guide to the government chart of accounts is available and used to ensure accounting quality.

Government finance statistics

135. **The work program for FY 2019 envisages continuing previous activities given the real progress made by the countries in FY 2018**, especially as regards migration to the standards set out in the Government Finance Statistics Manual (*GFSM 2001/2014*).

136. **The main thrust of the TA is to support implementation of the *GFSM 2001/2014* methodology and the production and dissemination of the Government Finance Statistics (GFS) tables.** This involves the budgetary central government statistics, i.e.: (i) the Government Financial Operations Table (TOFE), the principal document summarizing the GFS; (ii) the cash flow statement; (iii) the financial balance sheet; and (iv) the debt statement. In addition, the new international standards for GFS prescribe expanding the scope of coverage to all subsectors of general government (extrabudgetary units, social security funds, and local governments) to enhance the quality, exhaustiveness and relevance of GFS as the main tool for analyzing the sustainability of fiscal policy.

137. **The work program will also cover related aspects to do with the production and dissemination of GFS.** This entails, in particular, raising authorities' awareness, promoting collaboration among the various users and producers (compilers) of GFS in connection with the harmonization of different macroeconomic statistics systems, strengthening the national statistic system and the dissemination and publication of data and validation/reconciliation of GFS.

138. **Capacity-building will be accomplished through:**

❖ **Regional seminar.** The program envisages a seminar on support for expanding the scope of the TOFE in relation to the *GFSM 2001/2014*. It will focus on the sources, processing, integration and analysis of data on the local governments and extrabudgetary unit subsectors.

❖ **Technical assistance missions.** The missions scheduled (Table 12) will make it possible to compile – based on *GFSM 2001/2014* – the consolidated statement of budgetary central government statistics of the countries covered by the Center. Those missions will

attach special importance to bolstering monitoring of the implementation of the recommendations made by technical assistance missions.

❖ **Immersion internships.** The plan is to organize an immersion internship on “Capacity-building for management of the portfolio of government-owned enterprises and national public entities”. The chief objective of this internship will be to boost the capacity of the managers taking part in it to prepare guideline documents and government portfolio management strategies, with special emphasis on the quality and availability of statistics related to their performance.

Table 12. Scheduled Government Finance Statistics Missions by Country

Countries	Number of Missions	Activities	Milestones for 2019
Benin	1	(i) Switch to the TOFE on the basis of GFSM 2001/2014; (ii) Completion of the other tables in the minimum analytical framework; (iii) compilation of a model financial statement; (iv) Progressive expansion of the scope of government finance statistics; (v) Establishment of a committee with responsibility for government finance statistics (GFS).	The statistics of the various subsectors of general government are compiled on an experimental basis in line with GFSM 2001/2014 (December 2018).
Burkina Faso	1	(i) Completing production of the TOFE based on GFSM 2001/2014; (ii) Improving debt and cash flow statements; (iii) compilation of a model financial statement; (iv) refining the bridge tables for the local governments and extrabudgetary unit subsectors; (v) drafting the social security bridge table; (vi) Establishment of a committee with responsibility for GFS.	The statistics of the various subsectors of general government are compiled on an experimental basis in line with GFSM 2001/2014 (December 2018).
Côte d'Ivoire	1	(i) Switch to the TOFE on the basis of GFSM 2001/2014; (ii) Completion of the other tables in the minimum analytical framework; (iii) refining the bridge tables for the extrabudgetary units and social security subsectors; (iv) drafting the local governments bridge table; (v) Establishment of a committee with responsibility for GFS.	The statistics of the various subsectors of general government are compiled on an experimental basis in line with GFSM 2001/2014 (March 2019).
Guinea	2	(i) Completing production of the TOFE based on GFSM 2001/2014; (ii) Improving debt and cash flow statements; (iii) Improving the bridge table of the social security subsector; (iv) Establishment of a committee with responsibility for GFS.	The experimental versions of budgetary central government and social security statistics have been produced pursuant to GFSM 2001/2014. (December 2018).
Guinea-Bissau	2	(i) Completing production of the TOFE based on GFSM 2001/2014; (ii) Drafting debt and cash flow statements; (iii) Completing the local governments bridge table; (iv) Improving the social security bridge table; (v)	The bridge tables of the various general government subsectors (central government, local governments and social security) have been finalized. (September 2018).

		Establishment of a committee with responsibility for GFS.	The experimental versions of budgetary central government, local government and social security statistics have been produced. (September 2018)
Mali	1	(i) Completing production of the TOFE based on GFSM 2001/2014; (ii) Improving debt and cash flow statements; (iii) Progressive expansion of the scope of government finance statistics; (iv) Establishment of a committee with responsibility for GFS.	The statistics of the various subsectors of general government have been produced on an experimental basis pursuant to GFSM 2001/2014. (December 2018).
Mauritania	1	(i) Switch to the TOFE on the basis of GFSM 2001/2014; (ii) Drafting of the other tables in the minimum analytical framework; (iii) Study of the data for progressive expansion of the scope of GFS; (iv) Establishment of a committee with responsibility for GFS.	The budgetary central government bridge table has been finalized and the experimental versions of the statistics of the local government and social security subsectors have been compiled pursuant to GFSM 2001/2014. (March 2019).
Niger	2	(i) Completing production of the TOFE based on GFSM 2001/2014; (ii) Improving debt and cash flow statements (iii) Study of the data of the extrabudgetary unit subsector; (iv) Improvement of the social security bridge table' (v) Establishment of a committee with responsibility for GFS.	The experimental versions of budgetary central government and social security statistics have been compiled pursuant to GFSM 2001/2014. (March 2019). The experimental versions of budgetary central government and social security statistics have been compiled pursuant to GFSM 2001/2014. (March 2019).
Senegal	1	(i) Improving the statistics of the different subsectors of general government; (ii) compilation of the consolidated general government statement in line with rules and timeframes of the Special Data Dissemination Standard (SDDS); (iii) Completion of the tables in the minimum analytical framework; (iv) Establishment of a committee with responsibility for GFS.	The consolidated statement of general government statistics has been produced within the timeframes of the SDDS. (December 2018).
Togo	1	(i) Completing production of the TOFE based on GFSM 2001/2014; (ii) Drafting of the debt and cash flow statements; (iii) Finalization of the local governments bridge table; (iv) compilation of a model social security bridge table.	The improved bridge tables of the various general government subsectors (central government, local governments) and a draft of bridge table for the statistics of the social security subsector have been produced. (April 2019).

Real sector statistics

139. **The activities planned regarding real sector statistics will focus on national accounting.** The objectives are to:

- ❖ Implement the *System of National Accounts (SNA) 2008* and to change the base year in **all** member countries of AFRITAC West.
- ❖ To continue implementing quarterly national accounts (QNA) in **Benin, Côte d’Ivoire, Mali and Niger**.

140. **These objectives will be reached in and through the following activities:**

❖ **Regional seminar.** The Center will organize a regional workshop on the topic: “Mechanism for measuring the output of non-financial corporations and households regarding implementation of *SNA 2008*.” This training seeks to build capacity among managers of National Statistics Institutes to ensure homogeneous application of the changes in certain concepts introduced in *SNA 2008*. It comes after the regional workshop in Conakry in 2017 on financial corporations and will thus make it possible to cover three of the five institutional sectors of the economy.

❖ **Technical assistance missions.** The scheduled activities are summarized in Table 13. Together, they seek to ensure that the countries commit to implementing *SNA 2008* while establishing a new base year combined with backward projection to provide users with long GDP series and to expand compilation of quarterly national accounts. In addition, the work program contemplates activities “on hold” for **Burkina Faso, Côte d’Ivoire, Guinea-Bissau, Mali, Mauritania, Senegal and Togo**.

❖ **Immersion internships.** The work program envisages organizing two immersion internships: on improving the mechanism for compiling quarterly national accounts and on implementation of *SNA 2008*.

Table 13. Scheduled real sector statistics missions by country

Countries	Number of missions	Milestones for 2019

Benin	2	<ul style="list-style-type: none"> ❖ The financial accounts for 2015/2016 are available and techniques compatible with <i>SNA 2008</i> are used to compile the accounts in September 2018; a (projected backwards) 1996-2016 series consistent with <i>SNA 2008</i> is available in December 2018. ❖ Templates for calculating quarterly GDP (on a volume and current prices basis) are available in December 2018. The quarterly GDP (on a volume and current prices basis) is published in April 2019.
Burkina Faso	2	<ul style="list-style-type: none"> ❖ The backward projection methodology is adopted. ❖ Data sources are reviewed. ❖ The first templates are put in place. ❖ A 1999-2016 backward projected series consistent with <i>SNA 2008</i> is available in December 2018.
Côte d'Ivoire	3	<ul style="list-style-type: none"> ❖ The branches showing significant discrepancies between quarterly and annual GDP are known. ❖ Appropriate technologies are used to resolve inconsistencies between ANA and QNA. ❖ Tables cross-referencing data sources and the financial accounts are available.
Guinea	2	<ul style="list-style-type: none"> ❖ Definitive 2016 GDP and provisional 2017 GDP based on <i>SNA 1993</i> are compiled. ❖ The new GDP for base year 2016 according to <i>SNA 2008</i> is available.
Guinea-Bissau	2	<ul style="list-style-type: none"> ❖ The informal sector survey is incorporated in the 2015-2016 ANA (March 2018). ❖ The data sources have been collected and processed (July 2018).
Mali	1	<ul style="list-style-type: none"> ❖ The estimation template is updated.
Mauritania	2	<ul style="list-style-type: none"> ❖ Finalization of data collection in the fisheries sector; accounts summary. ❖ The backward projection methodology is adopted. ❖ Data sources are reviewed. ❖ The first templates have been put in place.
Niger	2	<ul style="list-style-type: none"> ❖ Processing of the data sources collected to prepare the base year. (May 2018). ❖ Volume indicators for quarterly GDP are approved.
Senegal	1	<ul style="list-style-type: none"> ❖ AGDP with the new base year is projected backwards for at least 10 years.
Togo	1	<ul style="list-style-type: none"> ❖ Processing of the data sources collected to prepare the base year. (May 2018).

Debt and the development of financial markets

141. **The principal objectives for the activities scheduled in this field are:**

- ❖ To support the formulation and implementation of public debt management and cash flow planning strategies in **Benin, Mali** and **Togo**.
- ❖ To support efforts by the authorities to strengthen the organizational framework for public debt management in **Burkina Faso, Guinea-Bissau** and **Niger**.
- ❖ To help enhance information on the public debt in **Guinea** and **Mali**.
- ❖ To bolster capacity to analyze and manage public debt in **Burkina Faso, Côte d'Ivoire, Mauritania** and **Senegal**.
- ❖ To support the **WAMU Securities Agency** and the Regional Council for Public Saving and Financial Markets (**CREPMF**) in their efforts to develop the regional market for WAMU government securities.

142. [The work program aims to achieve those objectives through the following activities:](#)

- ❖ **At the regional level.** The Center plans to organize two seminars. The first will be organized in collaboration with the IMF Strategy, Policy, and Review Department (SPR). It will address use of the new debt sustainability framework (DSF) for low-income countries. This training course will seek to increase the familiarity of some 30 managers from AFRITAC West member countries with the new DSF and of its analytical tool to afford them greater insight into vulnerabilities, the dynamics of public debt and the risks of over-indebtedness. The second seminar will discuss the role of debt managers in handling possible financial commitments.
- ❖ **WAMU Securities Agency (AUT).** The activities scheduled on behalf of the AUT seek to assist it with: (i) improving its procedures manual; (ii) achieving a better understanding of the possible implications of implementing the Basel III rules in WAEMU for National Treasury issuance practices; and (iii) preparing a document illustrating the conventions and formulas that will be used to calculate prices, interest and returns in the WAEMU government securities market.
- ❖ **For CREPMF.** The activities will have to do with strengthening mechanisms for conducting government securities transactions using syndication and private placement.

Table 15. Scheduled debt management missions by country/institution

Country/Institution	Number of missions	Activities	Milestones for 2019
Benin	1	<ul style="list-style-type: none"> ❖ Preparation and implementation of the Government cash flow plan ❖ 	<ul style="list-style-type: none"> ❖ Managers are trained in preparing and updating the Government cash flow plan. ❖ Reforms to facilitate the preparation and updating of the cash flow plan have been identified.
Burkina Faso	2	<ul style="list-style-type: none"> ❖ Drafting of the procedures manual for the Public Debt Directorate ❖ Training in financial analysis of commercial loans and risk analysis of government guarantees. 	<ul style="list-style-type: none"> ❖ The draft procedures manual has been written. ❖ Managers are taught techniques for evaluating commercial offers of financing and for risk assessment before government guarantees are granted.
Côte d'Ivoire	1	<ul style="list-style-type: none"> ❖ Training in risk management. 	<ul style="list-style-type: none"> ❖ Managers are taught debt portfolio risk hedging techniques.
Guinea	1	<ul style="list-style-type: none"> ❖ Improving reporting and the availability of information on the debt. 	<ul style="list-style-type: none"> ❖ Improvements to the content of the debt management report have been identified. ❖ Steps for improving the availability of information on the debt have been identified.
Guinea-Bissau	1	<ul style="list-style-type: none"> ❖ Strengthening of the organizational framework for debt management. 	<ul style="list-style-type: none"> ❖ The draft organizational chart of the Public Debt Directorate has been prepared. ❖ Relations between the Directorate General of the Public Debt and other Directorate Generals involved in debt management have been clarified. ❖ The draft procedures manual of the Directorate General of the Public Debt has been written.
Mali	2	<ul style="list-style-type: none"> ❖ Support with formulating and implementing the medium-term debt strategy 	<ul style="list-style-type: none"> ❖ The MTDS document contains: a) the history and principal vulnerabilities of the public debt portfolio; b) a

		❖ Support for enhancing the functions of the new debt management app.	<p>description of the debt management scenario for the next few years; c) a description of the analysis conducted to substantiate the strategy recommended; and d) a description of the strategy recommended and the grounds for it.</p> <p>❖ The improvements that need to be made to future debt management have been identified.</p>
Mauritania	1	❖ Training in financial analysis of offers of financing.	❖ Managers have been taught techniques for evaluating offers of financing.
Niger	1	❖ Strengthening of the organizational framework for public debt management.	<p>❖ The draft regulation establishing the responsibilities and the content of the tasks to be performed by each department involved in public debt management has been written.</p> <p>❖ The schedule for implementing the new organizational framework has been worked out.</p> <p>❖ The draft manual of procedures for the new public debt management structure de has been drawn up.</p>
Senegal	2	<p>❖ Preparation and implementation of the new government securities issuance plan.</p> <p>❖ Training in risk management.</p>	<p>❖ Managers are being trained in the procedures needed to prepare and implement the government securities issuance plan.</p> <p>❖ Managers are being trained in debt portfolio risk hedging techniques.</p>
Togo	1	❖ Formulation and implementation of the medium-term debt strategy.	❖ The MTDS document contains: a) the history and principal vulnerabilities of the public debt portfolio; b) a description of the debt management scenario for the next few years; c) a description of the analysis conducted to substantiate the strategy recommended; and d) a description of the strategy recommended and the grounds for it.
WAMU Securities Agency	3	<p>❖ Updating of the procedures manual.</p> <p>❖ Assessment of the impact of</p>	❖ The procedures manual has been updated.

		implementing Basel III rules on Treasury bond issuance practices ❖ Preparation of market conventions.	❖ The possible implications of implementing Basel III rules on National Treasury issuance practices have been identified. ❖ The document containing the conventions and formulas for calculating prices, interest, and returns on the WAEMU government securities market has been prepared.
CREPMF (Regional Council for Public Saving and Financial Markets)	2	❖ Strengthening of the mechanism for conducting government security issuance operations via syndication. ❖ Strengthening of the mechanism for conducting government security issuance operations via private placement	❖ A well-established government securities issuance process has been implemented.

Banking supervision and restructuring

143. **The scope of intervention in this area revolves around missions to boost all aspects of banking supervision**, including alignment with the principles of the Basel Committee for effective banking supervision and transposition of the international agreements known as Basel III. Thus, the activities scheduled for FY 2019 will essentially focus on conducting multiyear TA projects for the General Secretariat of the WAMU Banking Commission, the Central Bank of Guinea and the Central Bank of Mauritania. The Center will likewise act to assist CREPMF with its work on adapting regulations and boosting supervision of market institutions.

144. **Support for the General Secretariat of the WAMU Banking Commission (SGCBU)**. The scheduled TA activities will aim to assist supervisory authorities with carrying out their supervisory activities, especially in respect of the entry into force, as of 2018, of the new prudential regulations and the introduction of consolidated-basis supervision, pursuant to Decisions No. 13 and 14 of the WAMU Council of Ministers of June 24, 2016. The Center will likewise intervene to complete the adaptation of the prudential regulations on liquidity risk monitoring and to establish the mechanism for the additional prudential measures applicable to institutions considered to be of systemic importance.

145. **Support for CREPMF**. The TA will discuss the determination of the prudential and accounting norms for institutions subject to CREPMF supervision. The Center will likewise bring its expertise to bear on the subject of implementing risk-based supervision.

146. **The following activities will be conducted to attain the objectives described in the work program:**

❖ **Regional seminar.** The Center will organize a seminar on carrying out prudential reforms following the completion in December 2017 of the adaptations to banking regulations carried out by the Basel Committee (finalization of the so-called Basel III agreements).

❖ **Technical assistance missions to the countries.** The multiyear programs for strengthening banking supervision in **Guinea** and **Mauritania** will be resumed (Table 15) and will seek to continue the adjustment of the regulatory framework, including at the accounting level, and enhancement of the quality of supervision.

❖ **Immersion internships.** The program envisages the organization, in an appropriate authority, of an internship focusing on implementation by supervisors of the bank rating tool within a context in which risk-based supervision is being introduced.

Table 15. Planned bank supervision and restructuring missions by country/institution

Countries	Number of missions	Activities	Milestones for 2019
BCEAO/ General Secretariat of the WAMU Banking Commission (SGCBU)	4	Strengthening of banking regulations and supervision	<ul style="list-style-type: none"> ❖ Assistance with the organization and workings of colleges of supervisors. Review by supervisors of the liquidity ratio. ❖ Training in on-site audit methodology with respect to combating money laundering and the financing of terrorism. ❖ Determination of audits to be conducted of consolidated prudential statements. ❖ Training in the definitive provisions of the Basel III framework.
CREPMF	2	Strengthening of market entity regulations and supervision	<ul style="list-style-type: none"> ❖ Definition of accounting provisions applicable to market entities. Review of prudential provisions and preparation of draft regulations. Development of a market entity rating tool. ❖ Definition of accounting provisions applicable to market entities. Review of prudential provisions and preparation of draft regulations.

Guinea	4	Strengthening of banking regulations and supervision	<ul style="list-style-type: none"> ❖ Preliminary work on defining the components of Basel capital and capital adequacy requirements. The BCRG bank rating tool has been revised. ❖ The revised bank rating system of the BCRG is implemented. ❖ Preparation of a draft regulation defining Basel capital components and capital adequacy requirements. The annual map of the banking system is compiled. ❖ Banks are consulted on the draft regulation. Preliminary work on defining the components of Basel capital and capital adequacy requirements.
Mauritania	3	Strengthening of banking regulations and supervision	<ul style="list-style-type: none"> ❖ Completion of the impact assessment of the change to the rules for calculating weighted net assets. Completion of the impact assessment relating to adoption of the liquidity coverage ratio (LCR). Preparation of a draft instruction on calculating weighted net assets. Support for assessing banks' risks (annual study). ❖ Preparation of a draft instruction on the liquidity ratio. Review of the regulations on concentration and transactions with related parties. ❖ Preliminary work on the adoption of a transformation ratio. Training in risk-based supervision.

Macroeconomic and budgetary analysis

147. **The work program for FY 2019 is based on medium-term priorities described in the program document for the Center's fourth funding cycle.** Thus, as a matter of priority, it will cover:

- ❖ Integration of the macroeconomic and budgetary frameworks and more in-depth development of macroeconomic forecasting instruments in **Benin, Côte d'Ivoire, Guinea-Bissau, Mauritania, Mali and Senegal;**
- ❖ Strengthening tax revenue forecasting mechanisms in **Côte d'Ivoire and Niger;**
- ❖ Strengthening the processes for general budget allocation in the medium term and preparation of the Multiyear Budgeting and Economic Programming Document (DPBEP) in **Burkina Faso, Guinea-Bissau, Niger and Togo;**
- ❖ Revitalization of the institutional mechanisms for validating macroeconomic and budgetary frameworks in **Benin and Guinea.**

148. **The work program envisages the following activities to achieve the desired objectives:**

- ❖ **At the regional level.** The Center will organize a regional seminar on the topic of "Interrelations between and among macroeconomic accounts and the robustness of framework models in West African countries." This workshop will target those in charge of departments responsible for macroeconomic forecasts and budget frameworks. In addition, together with the IMF Institute for Capacity Development (ICD), the Center will help organize a course on "programming and financial policies."
- ❖ **At the country level.** The activities envisaged are summarized in Table 16. They aim principally to help countries embrace, further develop and analyze macroeconomic and budgetary frameworks. In addition, the program includes missions "on hold" for **Niger and Mali.**
- ❖ **Cooperation with other regional institutions.** The Center will take part in activities organized by AFRISTAT, the WAEMU Commission, and the Economic Commission for Africa. They will include regional seminars on the current economic situation and macroeconomic forecasts in the countries of West Africa and coach trainers in macroeconomic modeling.

Table 16. Planned missions on macroeconomic analysis and forecasting by country

Countries	Number of missions	Activities	Milestones for 2019
Benin	1	Revitalization of the institutional mechanism and more in-depth development of the procedures used to prepare macroeconomic	The MOSARE model is revised and adopted by managers.

		frameworks.	The GDP-TOFE Committee is assigned a program of activities and a capacity-building program.
Burkina Faso	1	Fiscal discipline and strategic allocation of resources for the medium term	Managers are trained in the tools and techniques needed for fiscal discipline and strategic allocation of resources for the medium-term.
Côte d'Ivoire	2	Completion of the DGI mechanism for forecasting revenue. Improvement of macroeconomic framework mechanisms.	The revenue forecasting model is operational. The BUDGEECO model is revised and adopted by managers. The macroeconomic forecasts of the accounts are consistent.
Guinea	1	Strengthening of the institutional mechanism for validating macroeconomic frameworks.	The Committee for validating macroeconomic frameworks is assigned a program of activities and a capacity-building program.
Guinea-Bissau	2	Adoption and "ownership" of the macroeconomic model. Preparation of the overall Medium-Term Expenditure Framework (MTEF) and of the Multiyear Budgeting and Economic Programming Document (DPBEP).	Managers in the Directorate General of Forecasting and Economic Studies are trained in the use of the TCHINTCHOR macroeconomic forecasting model. Managers in the Directorate General of Budget are trained in the use of the mechanism and tools for preparing the Multiyear Budgeting and Economic Programming Document (DPBEP) based on the overall Medium-Term Expenditure Framework (MTEF).
Mali	1	More in-depth development of procedures for preparing macroeconomic frameworks.	The Mali Macroeconomic Model of the National Directorate for Development Planning (MME_DNPD) is revised and adopted by managers.
Mauritania	1	Strengthening of the technical macroeconomic framework mechanism.	The process for constructing macroeconomic frameworks is revised and recommendations are made for improving and integrating the tools used.
Niger	1	Introduction of a fiscal revenue forecasting mechanism.	The specifications for a fiscal revenue forecasting mechanism are established.
Senegal	1	Strengthening of the technical macroeconomic framework mechanism.	The process for preparing macroeconomic frameworks is revised and recommendations are made for improving and integrating the tools used.
Togo	1	More in-depth development of procedures for preparing macroeconomic and fiscal frameworks.	Annual and multiyear fiscal frameworks are prepared based on macroeconomic projects/

V. THE CENTER'S BUDGET-EXECUTION IN 2018 AND FORECASTS FOR 2019

149. **AFRITAC West operations are funded by the 10 states receiving the technical assistance it provides and by bilateral and multilateral partners.** Thus, within the framework of the US\$52.64 million budget of the fourth funding cycle for AFRITAC West, which covers the period from June 2017 to April 2022, commitment letters were sent to all those contributing to the financing of the Center's activities, to collect their commitments to disburse the amounts envisaged.

150. **The execution rate for the FY 2018 budget amounting to US\$9.99 million was 71 percent (Table 17).** This relatively low execution rate compared to previous years is explained mainly by the approximately two-month delay in replacing the four resident advisors (in public expenditure management, tax administration, real sector statistics and macroeconomic analysis and forecasting) who left the Center, which translated into a reprogramming of certain activities for FY 2019; and the shortage and unavailability of experts in certain fields, especially in government finance statistics, which led to a lower than expected level of expenditure. In that field, execution of expenditure was 43 percent (see Table 17), even though the execution rate of the program of activities was 74 percent (see Table 1).

151. **The budget forecast for FY totals US\$10.1 million.** This projection is based on the hypothesis of a normal activity level over 12 months (May 2018 to April 2019) in all areas. Moreover, capacity-building activities are projected to increase by approximately 10 percent compared to the initially programmed amount for FY 2018.

Tableau 17. AFRITAC West – Budget Execution 2017-18 and Projections for 2018-19
(In US\$ at April 30, 2018)

Project/ Activity	Summary of the Cycle			FY 2018		FY 2019	
	Program budget	Operating budget	Expenditure	Operating budget	Expenditure	Execution (%)	Operating budget
Public expenditure management	8,580,253	11,362,194	1,543,052	2,120,513	1,543,052	73%	2,237,490
Customs administration	4,890,041	4,890,041	879,171	936,861	879,171	94%	955,082
Tax administration	6,257,224	6,256,851	764,967	1,200,710	764,967	64%	1,224,116
Banking supervision	3,905,531	3,842,935	630,967	686,237	630,967	92%	762,714
Public debt management	3,956,536	3,957,656	724,200	764,420	724,200	95%	771,540
Real sector statistics	4,820,268	4,812,771	668,529	891,127	668,529	75%	943,823
Government finance statistics	4,455,771	4,455,771	340,661	799,157	340,661	43%	883,892
Project administration	1,725,174	1,721,870	271,475	377,318	271,475	72%	324,465
Macroeconomic analysis	3,941,239	203,265	209,946	203,265	209,946	103%	-
Training project	1,075,000	1,075,000	3,985	206,570	3,985	2%	210,702
Governance and Evaluation (including RBM /backstopping)	639,321	627,169	1,380	198,648	1,380	1%	191,598
Other/Sundry	1,000,000	1,000,000	-	200,000	-	0%	200,000
Subtotal	45,246,358	44,205,523	6,038,333	8,584,826	6,038,333	70%	8,705,422
Management of the trust fund	3,167,245	3,094,387	422,683	600,938	422,683	70%	609,380
Total	48,413,603	47,299,910	6,461,016	9,185,764	6,461,016	70%	9,314,802
IMF Contribution	3,698,006	3,698,006	591,584	710,603	591,584	83%	724,815
Host country contribution (in kind)	527,706	527,706	84,503	101,403	84,503	83%	103,431
Grand Total	52,639,315	51,525,622	7,137,103	9,997,770	7,137,103	71%	10,143,048

Source: IMF Institute for Capital Development

AFRITAC WEST MEMBER COUNTRIES



BENIN



BURKINA FASO



COTE D'IVOIRE



GUINEA



GUINEA BISSAU



MALI



MAURITANIA



NIGER



SENEGAL



TOGO



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