



**INTERNATIONAL
MONETARY FUND**

**REGIONAL TECHNICAL ASSISTANCE CENTER FOR
WEST AFRICA**

BUILDING MACROECONOMIC AND FINANCIAL CAPACITY IN WEST AFRICA

**ANNUAL REPORT FOR FISCAL
YEAR 2023**

JULY 2023



MEMBERS

Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Togo

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A WORD FROM MR. ILIDIO VIEIRA TÉ PRESIDENT OF THE STEERING COMMITTEE OF AFRITAC OF THE WEST

Throughout its twenty years of existence, AFRITAC West's constant policy has been to intervene in the International Monetary Fund's (IMF) areas of competence at the request of member countries. Its interventions complemented missions of the IMF's technical assistance departments and those of other development partners. AFRITAC West, which opened in Bamako, Mali, in 2003 and moved to Abidjan, Côte d'Ivoire, in 2012, has always provided high-quality capacity development. Member countries appreciate the range of interventions (technical assistance missions, training workshops and seminars, or peer to peer learning) that aim to strengthen their institutions and enrich human capital.



AFRITAC West's technical assistance priorities and strategies for the new five-year cycle are justifiably ambitious. They will undoubtedly contribute to our member countries' efforts to achieve their Sustainable Development Goals, in a current regional economic situation marked by a shortage of financing due to persistent global inflation and the tightening of monetary policies, which have driven up borrowing costs for sub-Saharan African countries and exerted increased pressure on exchange rates. To rebalance public accounts and strengthen public finance management in this context of tightening financial conditions, our countries will need to mobilize domestic revenues, improve budget risk management, and be more proactive in debt management.

I would like to take this opportunity to extend my greetings and thanks to all our development partners, namely the European Union, France, Luxembourg, Germany, Norway, China, Netherlands, Switzerland, the European Investment Bank and Belgium.

On behalf of the Republic of Guinea-Bissau, which chaired the Committee for two years, and on behalf of all the beneficiaries of AFRITAC West's technical assistance, I would like to encourage our member countries to sustain their financial support. We, the member states, reaffirm our commitment to the Center by contributing to its funding in order to safeguard the smooth implementation of its work program..

A WORD FROM THE DIRECTOR



This report provides a summary of the implementation of the FY 2023 work program and directions for the FY 2024 AFRITAC West (AFW) work program. Fiscal year 2023 was marked by persistent global inflation, tighter monetary policies, rising interest costs on public debt and declining development assistance. The financing shortfall facing our countries is affecting a region already struggling with profound macroeconomic imbalances. Public debt and inflation are at their highest levels for decades; half the countries in the sub-Saharan region are experiencing inflation in excess of 10%, which is reducing households' purchasing power, hitting the most vulnerable segments of the population hardest while fuelling social tensions.

The financing shortfall will also have consequences for the region's longer-term prospects. It is likely to force authorities to devote fewer resources to key development areas such as health, education and infrastructure, to the detriment of the region's growth potential.

The short-term outlook is extremely uncertain, as it is linked to developments in the global economy, while some countries are facing difficult socio-political and security challenges (including half of the countries covered by the center).

To support its member countries in overcoming these challenges, the AF 2024 work program (May 2023-April 2024) comprises 173 technical assistance missions, 18 seminars/webinars, of which 8 could be organized face-to-face with AFW funding, three online, seven face-to-face with external funding, and ten peer to peer learning events. National workshops are also planned to disseminate the training provided during the seminars to a larger number of managers, and to cover specific themes in certain countries.

The Center has continued to strengthen its collaboration with other institutions. AFW strengthened its ties with other technical and financial partners by organizing several meetings, both at its premises in Abidjan and on site in the countries, with the European Union Delegations (DUE) in the sub-region, the Office of Technical Assistance (OTA) of the US Department of the Treasury and the coordinators of the FORCE, PARFID and DATFID projects run by Expertise France (EF) in West Africa on behalf of the French Development Agency (AFD). In the spirit of collaboration, the center welcomed visits by the Belgian Development Cooperation and Expertise France and AFD.

Abbreviations and acronyms

AFRITAC	IMF Regional Technical Assistance Center for Africa
AFW	AFRITAC West
ASYCUDA	Automated System for Customs Data
BCEAO	Central Bank of West African States
BCRG	Central Bank of the Republic of Guinea
CD-PORT	Capacity Development-Projects, Outputs, and Results Tracking
COVID-19	Coronavirus 2019
DGD	General Directorate of Customs
DGDP	General Directorate of Public Debt
DGI	General Tax Directorate
DGT/DGTCP	General Directorate of the Treasury and Public Accounting
DNTCP	National Directorate of the Treasury and Public Accounting
DPBEP	Multi-Year Budget and Economic Programming Directorate
EU	European Union
FAD	IMF Fiscal Affairs Department
FRAT	Fiscal Risk Assessment Tool
FY	Fiscal Year
GDP	Gross domestic product
GFS	Government finance statistics
<i>GFSM</i>	<i>Government Finance Statistics Manual</i>
GIZ	German Agency for International Cooperation
ICAAP	Internal Capital Adequacy Assessment Process
ICD	IMF Institute for Capacity Development
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
INS/INSTAT	National Statistics Institute
MCM	IMF Monetary and Capital Markets Department
MTEF	Medium-Term Expenditure Framework
MTDS	Medium-term debt strategy
OHADA	Organization for the Harmonization of Business Law in Africa
QNA	Quarterly national accounts
SGCBU	General Secretariat of the WAMU Banking Commission
SNA	System of National Accounts
SUT	Supply and use table
TADAT	Tax Administration Diagnostic Assessment Tool
TIN	Tax identification number
TOFE	Government Financial Operations Table
TSA	Treasury Single Account
VAT	Value-added tax
WAEMU	West African Economic and Monetary Union
WAMU	West African Monetary Union

THE MAIN DECISIONS OF THE 33RD MEETING OF THE STEERING COMMITTEE (SC)

The Chairman of the SC of AFRITAC West, submitted the following decisions to the members of the SC which were approved by its members. The SC :

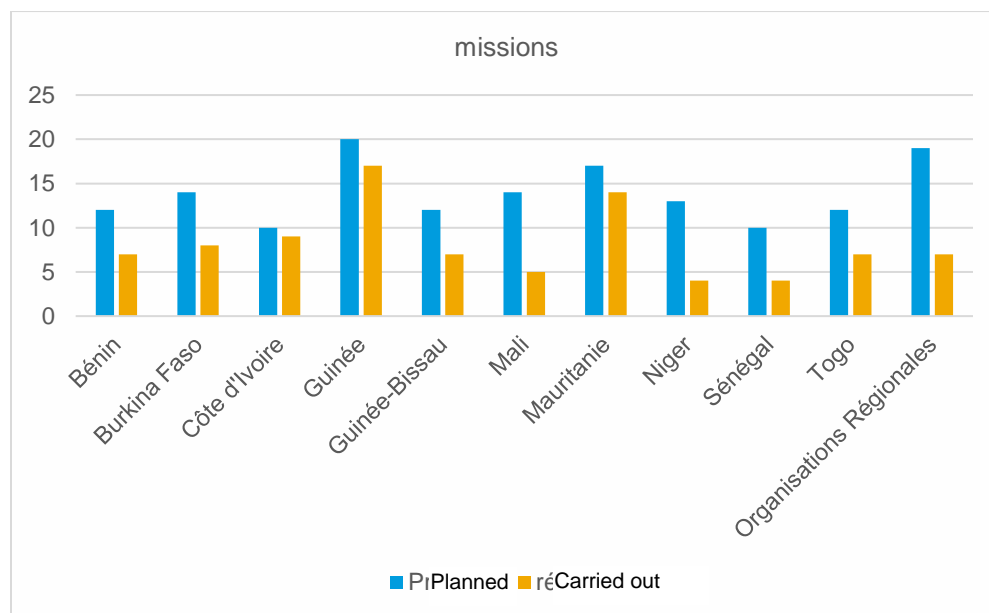
1. Endorsed the reports on the execution of the work program and budget for fiscal year 2023 to April 30, 2023, and the budget and work program for fiscal year 2024 ;
2. Encouraged member states to contribute, despite their difficult financial situation, to the financing of the Centre's activities by renewing their Phase IV contribution, which will be added to that of Phase V ;
3. Encouraged the various donors and encouraged the observers of AFRITAC West to continue their support and to commit to the new funding cycle (Phase V), so as to enable the Center to continue to provide capacity building in the sub-region;
4. Decided that the next meeting would be held in Nouakchott or Abidjan in June 2024, under the chairmanship of Mauritania.



SUMMARY OF FY 2023 ACTIVITIES AND SOME RESULTS

1. **The Center conducted 89 missions, 9 webinars/seminars and 5 professional attachments between May 2022 and April 2023.** This rate can be explained by the political instability in two countries, the security challenge in the Sahel, and vacancies in certain areas.
2. **Guinea, Mauritania, Côte d'Ivoire, and Burkina Faso are among the recipients that benefited most from capacity development in terms of the number of missions carried out (Figure 4).**
3. **Regarding its communication policy, AFRITAC West is continuing to develop its outreach through several channels.** This includes updating its website and its Facebook page announcing upcoming activities, sharing the quarterly newsletter, as well as various IMF events. The Center also makes mission reports available online to members of its Steering Committee, with approximately 20 reports posted on the IMF Partners Connect platform during the first half of FY 2023.

Figure 1. Execution of the FY 2023 work program
(as at April 30, 2023)



4. **Technical assistance results for FY23 include:**
 - The drafting of an action plan for development of the domestic Treasury securities market in Guinea.

- Improved procedures for monitoring disbursements on external loans in Togo and debt reporting in Mali and Guinea-Bissau.
- Improved capacity of the authorities to manage the international bond issuance process and increased internal awareness of the complexity of the process in Benin.
- Finalization and publication in the Republic of Guinea of instructions redefining the rules applicable to banks in terms of capital and solvency in order to comply with the most recent Basel Committee standards.
- Identification of progress and areas for improvement in Guinea's tax administration system through the Tax Administration Diagnostic Assessment Tool (TADAT).
- The achievement of several milestones in the project to automate management of the taxpayer registry in Niger.
- The production of a fiscal risk statement, annexed to the 2023 budget bill in Burkina Faso.

OVERVIEW OF THE FY 2024 WORK PROGRAM

5. **The capacity development program for FY 2024 is fully integrated with surveillance and economic programs supported by the IMF.**

The medium-term capacity development strategy of the IMF's African Department responds to the macroeconomic challenges arising from a strained recovery due to a variety of factors, including inflationary pressures, rising country debt levels, geopolitical tensions, and the limited economic policy space confronting countries. Capacity development remains essential to support policies that broaden countries' fiscal space.

6. **The capacity development strategy of the IMF's African Department seeks to address the challenges of expanding fiscal space to support recovery while strengthening the institutional foundations for structural transformation.** While demand across the core areas of capacity development will continue in the coming fiscal years, there is also increased demand in areas such as digitalization, climate change, and gender.

7. **AFRITAC West (AFW) continues to provide practical solutions to the region's macroeconomic challenges** through its capacity-building tools such as regional seminars and webinars, internships, technical assistance (TA) missions, and training workshops. The FY 2024 program of activities is in line with the pursuit of the Center's strategic objectives for the fourth funding cycle, while focusing particular attention on emerging issues and fragile and conflict-affected countries.

8. **AFRITAC adapts its interventions to the specific conditions in each country.** The four fragile and conflict-affected member will receive 33 percent of the technical assistance missions. In the area of mobilizing domestic revenues, certain countries, such as Burkina Faso, Mali, Guinea, Niger, and Togo, will receive more missions of longer duration. Regional organizations will be the beneficiaries of 12 percent of the TA missions. Almost all of the banking supervision missions will be

focused on central banks, namely the Central Bank of West African States (BCEAO), the Central Bank of the Republic of Guinea (BCRG) and the Central Bank of Mauritania (BCM).

9. **The Center's program continues to be aligned with the strategic interests of the AFRITAC West member countries.** The work program was developed in collaboration with the member countries, IMF country teams, and the AFW partners. The Center will participate in activities organized by the European Union, Germany, the Economic and Statistical Observatory for Sub-Saharan Africa (AFRISTAT), the WAEMU Commission, and the United Nations Economic Commission for Africa. AFRITAC West will also take part in meetings of the WAEMU oversight committee for public finance and the network of practitioners, it will participate in the support to be provided by the IMF Fiscal Affairs Department (FAD) for the implementation of fiscal rules within the WAEMU space, and it will continue to ensure collaboration with the long-term experts of technical partners present in several countries.

10. **The key aspects of the program are as follows:**

- It considers the progress made by the beneficiary governments, the outcomes achieved, and the member countries' additional requests for capacity development. It also draws on the 2017-2024 Strategic Logical Framework of the AFRITAC West Fourth Funding Cycle (Phase IV) covering the period from May 2017 through April 2024 and the strategic objectives of the different programs supported by the IMF.
- The FY 2024 work program consists of 173 technical assistance missions; 18 seminars/webinars, 8 of which could be conducted in person with AFW funding, 3 could be online, and 7 in person with outside funding; and 10 intensive practical training events. National workshops are also planned to disseminate the content of seminars to a larger number of officials or to cover specific topics in certain countries.
- In terms of the distribution of activities by area of intervention, revenue administration continues to be the sector with the most missions planned (47), followed by public expenditure management (45), and banking supervision (24) (Figure 1). In terms of beneficiaries, the program provides for at least 12 TA missions for each member country (Figure 3).
- As for cooperation with other regional institutions and partners, the Center will participate in activities organized by the European Union, the German Agency for International Cooperation (GIZ), AFRISTAT, the WAEMU Commission, and the Economic Commission for Africa. These will include regional and international seminars on best practices in public financial management, implementation of the WAEMU Guidelines, macroeconomic conditions and forecasts in West African countries, and workshops on best practices in budget framing.
- Likewise, the Center will explore synergies to conduct training with the IMF's Africa Training Institute (ATI), and the IMF's Capacity Development Institute (CDI) in general macroeconomic and fiscal areas that could be useful to AFRITAC West member countries, as well as the possibility of hosting webinars on topics ranging from debt dynamics to nowcasting.

- Details of the program of activities, including the objectives pursued, the expected outcomes, performance indicators, milestones or key steps, and the resources allocated to the activities, are available on the IMF's online portal (Capacity Development Management and Administration Program, or CDMAP).

Figure 2. Distribution of FY 2024 TA missions by functional area

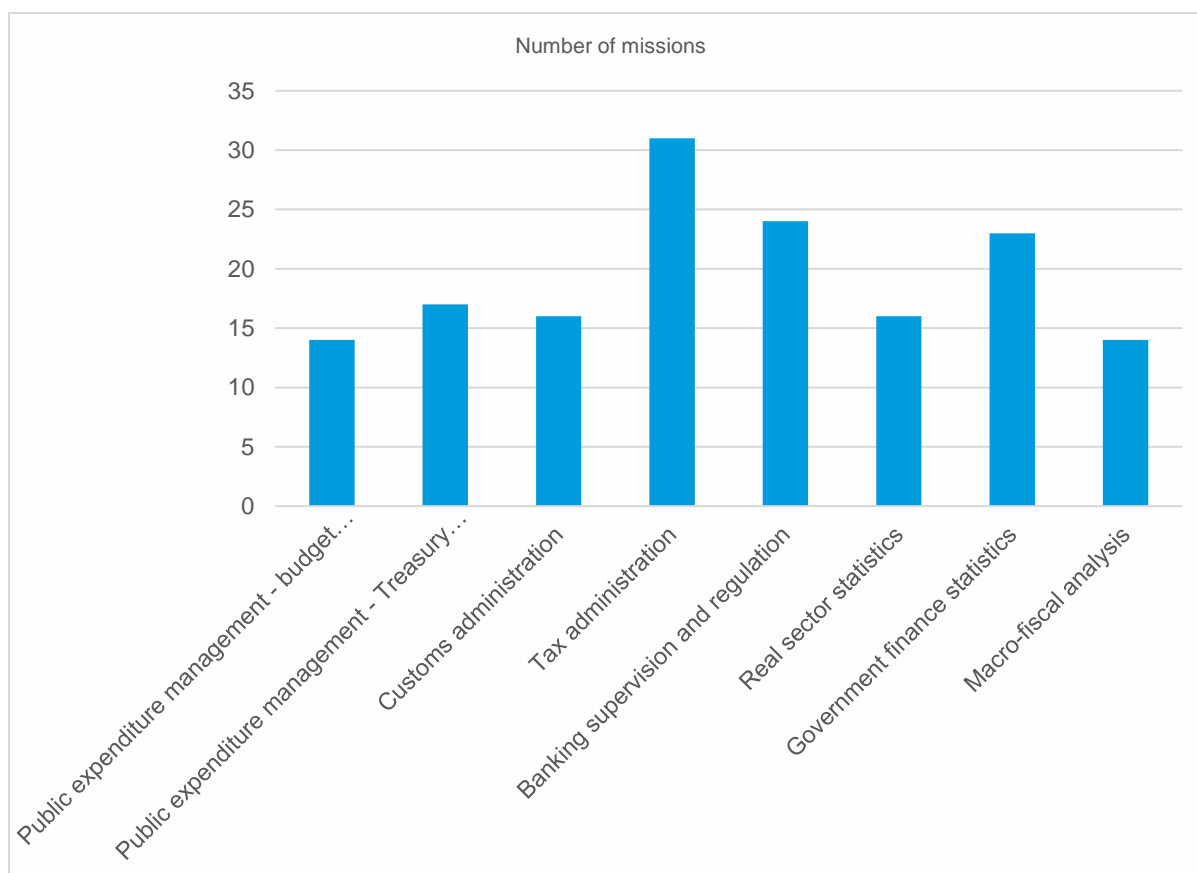
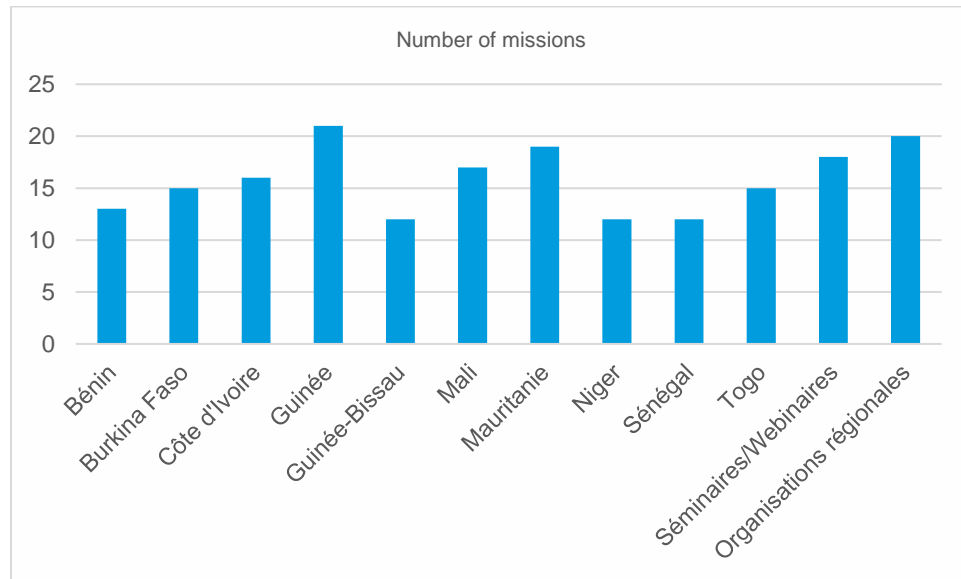


Figure 3. Distribution of FY 2024 TA missions by beneficiary



I. OUTCOMES OF CAPACITY DEVELOPMENT ACTIVITIES

11. **This section presents the objectives and outcomes of capacity development activities undertaken in member states in FY 2023.** The program of activities for FY 2023 was defined in the context of pursuing the Center's strategic objectives for the fourth funding cycle.

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and Bank Restructuring	norms.											
	Implement a risk-based supervision system and upgrade other supervisory processes.											
	Implement Basel II and III standards.											
	Improve regulatory provisioning guidelines against international standards and best practices to better capture and reflect credit risk.											
Macroeconomic Analysis and Forecasting	Improve macroeconomic policy advice to government.											
	Establish well-functioning institutions in charge of macroeconomic policy issues.											

A. Benin

Tax administration

12. **Monitoring reforms and measures to support revenue mobilization (Cotonou, from April 17 to April 28, 2023). Objectives:** (1) Assess the performance and revenue mobilization capacity of the tax administration; (2) consolidate the framework for monitoring reforms; and (3) strengthen tax audit performance.

13. **Key outcomes identified:** the mission: (1) proposed a set of 10 key performance monitoring indicators, based on the tax administration's main activity benchmarks, to support and sustain the results-based management system in place; (2) developed a draft reform monitoring framework to take into account all aspects of the issue (governance framework, resources and expertise to be mobilized, prioritization and sequencing of reforms, improvement of monitoring tools, establishment of performance and/or impact indicators, and support for change); and (3) worked to strengthen the tax audit strategy by making the annual guidance note more effective, by securing and expanding the tax audit chain to all parties, and by proposing a methodology for identifying major selection criteria. A plan for improving tax auditing, a model strategic guidance notes, and several lists of potentially non-compliant files have been drawn up to illustrate in a very practical and concrete way the proposed file selection methodology, pending the deployment of a large-scale and fully automated risk analysis system.

Public expenditure management-Treasury

19. **Support for the implementation of accrual accounting through accounting internal control (Cotonou, April 17-28, 2023).** The mission supported the implementation of accrual accounting through accounting internal control (CIC). To this end, the mission led a workshop on CIC for some forty executives from the Ministry of Economy and Finance and drew up a draft action plan for the implementation of CIC.

20. **The mission discussed ways and means of implementing the specific accounting internal control system by capitalizing on and complementing the existing framework of the internal audit and control system in general,** already put in place by the authorities (cf. decree 2018-396 of August 29, 2018, reorganizing the administrative order control bodies). In particular, based on the mission's proposals, the specific accounting internal control system should be strategically supported by the Minister of the Economy and Finance or, failing that and under his responsibility, by the Director General of the Treasury and Public Accounting. Within each sector ministry, the implementation of the CIC could thus usefully rely on the ministerial risk management committee set up by the decree.

Public expenditure management-Budget

19. **Strengthening payroll management.** From December 1 to 14, 2022, AFRITAC West took part in the FAD mission to support the authorities in strengthening their control overcompensation expenditure, as well as budgeting and forward-looking management of the wage bill. The mission's main recommendations were to increase staffing levels in priority sectors, simplify the range of bonuses and allowances, regularize career advancement for employees, integrate the valuation of benefits in kind into the wage bill, continue to improve compliance with the WAEMU standard, homogenize program architecture, integrate the payment

of reminders into budgetary measures and define a clearance plan, and develop data analysis skills.

20. **Update PIMA assessment and carry out C-PIMA assessment.** From March 1 to 15, 2023, AFRITAC West took part in the FAD mission to update the PIMA assessment and evaluate how climate change is considered in the management of public investments. The mission made recommendations on public investment management to further improve investment efficiency and ensure that climate-related elements are properly considered in the public investment cycle.

Real sector statistics

14. **National accounts, from October 3 to October 14, 2022.** Objective: Support the National Institute of Statistics and Demography (INStAD) in the development of the annual national accounts (ANA), the preparation of ANA for the year 2018 with a special focus on the capacity development and training of INStAD staff.

15. **Findings and results:** The latest supply-use balances (SUBs) were completed at the beginning of the mission, followed by work on balancing product taxation (value-added taxes, import taxes, etc.). For each of these operations, balancing consisted of adjusting the total entered into the SUBs as supply to the amount collected by the governments. The other work concerned the sectoral accounts, which were completed for the various modes of production. Training on the projection of intermediate consumption was provided. The balancing of the intermediate inputs table was presented.

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

Public debt management

17. **Training in the use of international capital markets:** The case of Eurobonds, from October 24 to October 28, 2022. Objectives: Provide technical assistance/training on the legal and financial aspects of international bond issues (Eurobonds), offering technical advice on the various stages of the issuance and pricing process, as well as the roles and responsibilities of the various parties involved in these issues.

18. **Findings and results:** The workshop addressed the issuance process in six practical steps, considering the overall debt management strategy. The steps consisted of an internal preparation phase; selection of lead managers and advisors; documentation; investor and market relations; execution and pricing; and closing and settlement of the issue.

19. **The seminar was very well received by the participants.** They demonstrated a good understanding of the basics of international bond issuance and recognized the benefits of playing a role in the international bond issuance process.

20. This training improved the authorities' ability to manage the process of issuing international bonds and increased internal awareness of the complexity of the process.

Government finance statistics

21. **Continued work on migration to the standards and principles of the *Government Finance Statistics Manual 2014 (GFSM 2014)*.** Objective: Complete the process of converting government finance statistics based on *GFSM 1986* to those based on *GFSM 2014*.

22. **Findings and results:** A high degree of involvement by the authorities has made it possible to accelerate the process of migrating government finance statistics, particularly those of the budgetary central government. To this end, the work initially focused on examining the data sources and their quality, before moving on to refine the correspondence table and develop the Government Financial Operations Table (TOFE) based on *GFSM 2014* on an experimental basis. Additional information is needed, however, to refine the TOFE operations and the changeover to the program budget does not provide all the information on expenditures by economic nature.

Macroeconomic and fiscal analysis

23. **Improvement of fiscal risk analysis.** Objective: Strengthen the analysis and management of fiscal risks in Benin, by: (i) improving the analysis and quantification of fiscal risks and their presentation in the fiscal risk statement; (ii) seeking proposals to improve key risk management processes; and (iii) developing an action plan for fiscal risk management on this basis.

24. **Findings and results:** the mission led a workshop to assess the fiscal risk analysis document annexed to the 2023 budget bill. It conducted bilateral discussions to further explore ways to improve risk quantification. The mission found that the quality of the fiscal risk analysis document suffers from a still incomplete framework for identifying and analyzing fiscal risks. In addition, current fiscal risk processes are primarily focused on the development of the fiscal risk analysis document and are not integrated into the budget cycle. Progress includes improving the content of the fiscal risk analysis document annexed to the 2024 budget bill and documenting risks in a fiscal risk register. The mission proposed a framework for analyzing fiscal risks and ways to improve the integration of fiscal risk management into the budget cycle, and it identified ways to improve the content of the fiscal risk analysis document annexed to the 2024 budget bill.

B. Burkina Faso

Customs administration

25. **Strengthening of the customs valuation function, from September 19 to September 30, 2022.** Objectives: (1) Evaluate the implementation of measures recommended by the April 2021 mission and (2) update the action plan for introducing procedures that comply with international standards.

26. **Findings and results:** The results of the implementation of measures recommended during the April 2021 mission are positive on balance. Ten of the 16 recommendations have been or are being implemented. The Value, Risk Analysis, and Intelligence Directorate has been expanded to better support the strategy of reclaiming the valuation function.

27. **A new format for the inspection certificate is currently being developed.** The ASYCUDA World and Virtual Importing and Exporting Operations Liaison System (SYVLIE) platforms have been interconnected since October 2021. To effectively support the recommended measures, a specific action plan to be implemented has been drawn up, taking into account the measures that have not been carried out.

Tax administration

28. **New methods to support and develop risk analysis capacities in the planning of tax audits (Ouagadougou, from May 16 to June 3, 2022). Key findings.** After a period during which the missions were suspended at the request of the authorities, on-site visits were able to resume. Over the course of three weeks, the advisor was able to: (1) discuss with the authorities the new arrangements for supporting the General Tax Directorate (DGI) under the project financed by the Covid-19 Crisis Capacity Development Initiative (CCCDI) fund; and (2) help the tax administration to develop its risk analysis capacity in the planning of tax audits. On this occasion, he was able to meet with the General Directorate of Customs (DGD), the West African Economic and Monetary Union (WAEMU) Director of Public Finance and Internal Taxation, and the Delegation of the European Union in Ouagadougou. Key outcomes identified: on the basis of the existing situation – in particular an initial experiment conducted by the DGI in 2021 with professional occupations – the objectives and practical methods of implementing a risk analysis adapted to the available data and the local context were recalled and concrete proposals, easy to implement in the very short term, were made to revitalize the current organization and management of the economic intelligence project (INFOCENTRE), which has been operational at the DGI since February 2021, particularly with regard to the monitoring of data exchange protocols with other government entities (the DGD and National Directorate of the Treasury and Public Accounting (DNTCP), mainly) and third-party partners (in particular, the National Social Security Fund (CNSS), the National Electricity Company of Burkina Faso (SONABEL), the National Office for Water and Sanitation (ONEA) and banking institutions).

29. **Assistance with the project to develop a decision support system at the DGI (Ouagadougou, from August 15 to September 2, 2022).** Key findings. Included in the DGI's IT master plan, the INFOCENTRE project has been structured and expanded with new data sources since the May-June mission. While these advances are very positive and should be applauded, there is still a great deal of work to be done to create a true datamining-type risk analysis tool. Funding is being sought from technical and financial partners. The advisor met with the Delegation of the European Union and the Economic Section of the French Embassy. Key outcomes identified: (1) a matrix to define a tax intelligence strategy - oriented towards data and organized around

the INFOCENTRE project - was produced; (2) an action plan to improve the reliability of the data used was proposed; and (3) a first draft of specifications was drawn up with the business teams to specify the functional requirements for a tax audit program based on risk analysis in order to fight tax fraud more effectively and generate additional revenue.

30. **Continued work on risk analysis (Ouagadougou, from January 16 to January 27, 2023).** Objectives: (1) Continue the work carried out on risk analysis in tax audit planning; and (2) assist in defining a tax audit plan for fiscal year 2023 based on the principal risks. Key outcomes identified:

The mission's work made it possible to: (1) improve the management of the decision support information system; (2) enhance the coordination of the tax audit chain; and (3) propose a tax audit program based on the major risks identified in the management of tax registers and returns.

Public expenditure management – budget

31. **Support for the introduction of a fiscal risk statement, from July 11 to July 22, 2022.**

The mission, conducted jointly with the resident advisor on macroeconomic analysis, was intended to support the introduction of a fiscal risk statement in Burkina Faso. (See below)

Macro-fiscal analysis

32. **Support for the introduction of a fiscal risk statement, from July 11 to July 22, 2022.** Objective: The mission, conducted jointly with the resident advisor on public expenditure management - budget component, was intended to support the introduction of a fiscal risk statement in Burkina Faso.

33. **Findings and results:** During the mission, a quality review of the fiscal risk statement issued in April 2022, as well as the process for its introduction, was conducted. The mission then evaluated the analyses of the three risks studied during the previous mission (macroeconomic risks, climate risks, and public-private partnership risks). It provided training to three other groups (decentralized local governments, state-owned enterprises, and the financial sector) in the use of the fiscal risk assessment tool (FRAT) and supported the structuring of analyses of these three risks in the fiscal risk statement. As a result of this support, Burkina Faso produced a fiscal risk statement that it annexed to the 2023 budget bill.

Real sector statistics

34. **Quarterly national accounts (QNA), from July 18 to July 29, 2022.** Objective: Support the National Institute of Statistics and Demography (INSD) in the development of QNA, in particular the introduction of a quarterly supply and use table (SUT).

35. **Findings and results:** The first step was to prepare quarterly estimates for all individual series contained in the SUTs as required using working assumptions. These estimates need to be improved by progressively lifting some of the working assumptions and incorporating more

source data. The next step will be to balance the QNA at current prices and in chained volumes. Recommendations were made to improve quarterly estimates and compile the SUTs. These include high frequency indicators (HFIs) and certain assumptions for estimating final consumption expenditure and gross capital formation. Detailed monthly import and export data were used to calibrate the national accounts series of imports and exports by product in advance of the quarterly balance of payments series. The mission shared a reconciliation tool that will be used to estimate a preliminary version of the quarterly SUT at current prices and in chained volumes.

36. **In addition to the funding issues that need to be resolved, particularly for the capture of financial statements in the 2021 provisional and 2020 final ANA,** national accountants face several competing priorities, including rebasing and conducting surveys of household living conditions, employment, and the informal sector.

37. **The statistical sources for the compilation of the 2019 financial accounts were collected and processed during the mission from February 13 to February 24, 2023.** In particular, with the new format for statistical reporting and tax returns since fiscal year 2018, a new treatment has been implemented for those primarily covering non-financial corporations and financial auxiliaries.

Government finance statistics

38. **Migration of statistics to the standards and principles of GFSM 2014. Objective:** Expansion of the coverage of government finance statistics to the public sector according to *GFSM 2014*.

39. **Findings and results:** The assistance supported the country's progress in the process of migrating government finance statistics to *GFSM 2014* standards and principles. Burkina Faso, through the Directorate for Monitoring Government Financial Operations (DSOFE), regularly produces TOFEs for various government subsectors.

40. **In light of the progress and knowledge gained with regard to GFSM 2014,** the mission noted that Burkina Faso is in a position to migrate to the *GFSM 2014*-based TOFE and use it to monitor the next economic and financial program. Indeed, the quality of the budgetary central government TOFE, the degree of technical expertise of the compilers, and the growing involvement of the authorities are guarantees that this changeover will take place.

41. **Burkina Faso has taken a further step in the process of migrating its government finance statistics (GFS) to the GFSM 2014 standards** with the production of a consolidated statement of general government transactions on an experimental basis. Looking ahead, there are plans in the short term to produce statistics for Burkina Faso according to the complete *GFSM 2014* analytical framework with the inclusion of non-monetary transactions.

C. Côte d'Ivoire

Customs administration

42. **Development of supervisory services and degree of customs intelligence operationalization, from September 26 to October 7, 2022.** Objectives: Assess (1) the level of commitment of Ivoirian Customs in managing its surveillance system with a view to developing efforts to combat fraud; and (2) the degree of operationalization of the intelligence function in the Ivoirian Customs services, in terms of the coverage of declared and fraudulent flows.

43. **Findings and results:** In order to improve its effectiveness in combating fraud and major trafficking, the General Directorate of Customs has continued to strengthen its surveillance services

and develop its intelligence activities. An action plan has been proposed to support the measures recommended in the area of intelligence. The progress in implementing this action plan can be assessed during a future mission to be scheduled as part of the AFRITAC West program of activities.

In addition, technical support may be provided in the meantime to the General Directorate of Customs for the drafting of a framework instruction on customs surveillance.

Tax administration

44. **Participation in the Fiscal Affairs Department mission (Abidjan, from January 23 to February 3, 2023).** Objectives: (1) Provide an update on implementation of the tax administration's strategic reform plan; (2) assess the performance and governance framework of the General Tax Directorate; (3) measure the effectiveness of its VAT compliance improvement plan; (4) help design

a tax base expansion strategy; and (5) assess its medium-term capacity development needs.

Key outcomes identified: the mission's recommendations were to: (1) identify and tax medium-sized businesses in the interior of the country; (2) improve the monitoring of VAT returns and payments; (3) increase the number of tax audits focused on VAT returns with zero or credit balances, which account for more than half of the VAT returns of large and medium-sized companies; (4) design

a strategy for collecting tax arrears; (5) apply taxpayer classification rules; (6) retain large companies and extend electronic filing procedures to medium-sized companies; (7) adopt a data monitoring and processing strategy; and (8) modernize intelligence services.

Public expenditure management – budget

45. **Implementation of internal budget control, from November 9 to December 2, 2022.**

Objectives: The mission supported the Ivoirian authorities in the implementation of internal budget control (IBC) within the ministries of Côte d'Ivoire, by applying the WAEMU regional guide on IBC.

This support will be the first application of IBC in the WAEMU countries. The lessons learned can serve as guidance for supporting similar reforms in neighboring countries and other Francophone countries in Africa.

46. **Findings and results:** A number of concerns were raised during the mission. First of all, a gradual pragmatic approach to the implementation of IBC should be encouraged. One of the key factors in the success of the approach is the establishment of coordinated management of the implementation of IBC. Another important aspect of the deployment of IBC is the need to ensure good cooperation and coordination with the Financial Control Directorate.

47. **The mission worked with the authorities to develop the broad outlines of a phased action plan for 2022/2024 to roll out IBC.** A follow-up mission will organize a general seminar for all ministries, with the participation of the Financial Control Directorate (DCF) and the National Audit Office, to present the general approach and the main issues related to IBC, and it will test the IBC approach at four or five pilot ministries.

Public expenditure management - Treasury

48. **Implementation of accrual accounting, from June 20 to July 1, 2022.** The mission noted little progress in the accounting reform work since the previous mission in January 2022; it made seven priority recommendations, stressing the need to set a precise timetable, which was already at the heart of the recommendations of the January 2022 mission, and which seems essential to mobilize all the parties. These recommendations include:

- Adoption of the accrual and asset-based accounting and materials accounting regulatory framework by the end of 2022.
- The drafting of a bill setting the deadline for the certification of accounts by December 2022:
the mission proposes following the practices of Morocco and Senegal, which provide for a trial period with the production of a “blank” opening balance sheet by the Ministry of the Economy and Finance and certification of the “blank” accounts by the National Audit Office for one or two years before switching definitively to a real balance sheet the following year, with certification of the accounts by the National Audit Office;
- Initiating a dialogue with the National Audit Office on the accounting reform strategy and preparing the first opening balance sheet - starting in September 2022.
- Development of real estate and road assets, prioritizing assets with high financial stakes
- June 2023: Road Management Agency, or AGEROUTE (development of road assets controlled by the state), National Company for the Management of the State’s Real Estate Assets, or SONAPIE (continued development of buildings with financial implications), under the supervision of the Directorate of Government Assets (DPE).
- The major risk concerns the timetable for implementation of the accounting reform, in particular the date of introduction of the certification of accounts, which requires the adoption of a law, from which the timing of the first opening balance sheet activities can be effectively decided.

Debt management

49. **Training in Debt Auditing, from May 16 to May 20, 2022.** Objectives: This remote workshop was part of the analytical capacity development program for public debt managers in Côte d’Ivoire. It aimed to strengthen the institutional framework for debt management and in particular the debt auditing function within the Public Debt and Grants Directorate (DDPD), the main structure responsible for managing Côte d’Ivoire’s public debt.

50. **Findings and results:** The DDPD has an internal audit and control unit that needs to develop

a clear vision of the internal debt audits to be carried out, the main operations to be audited, and the internal audit procedures to improve debt management within the DDPD and to comply with the internal procedures put in place by the authorities.

51. **There were 19 participants in the training workshop.** The profiles represented in the workshop's target population were varied since, in addition to internal auditors within the DDPD, representatives of debt management structures took part in the workshop. The diversity of the participants' profiles and the association between control structures and debt management structures fostered an exchange of ideas among managers and auditors on important issues related to the management and auditing of debt operations.

Real sector statistics

52. **National accounts from April 23 to May 13, 2022. Objective:** Review the work of aligning the quarterly national accounts (QNA) with the new national accounts series consistent with the System of National Accounts 2008 (2008 SNA).

53. **Findings and results:** Delays in compiling the annual national accounts (ANA) have contributed to a delay in the QNA. In addition, the available high frequency indicators do not yet reflect ANA movements. For example, the revised Harmonized Index of Industrial Production (HIIP) did not provide all the improvements hoped for in benchmarking the output of sectors or products. In addition to the weakening coverage of the HIIP sample of firms in several subsectors, differences in product classification with respect to the Business Financial Database could also explain the divergent developments in the output growth rate series and the HIIP for several sectors. The mission recommends that the National Statistics Institute (INS) organize a team to review and, if necessary, harmonize unit classifications. Regarding the ANA backlog: the INS has committed to making the final 2019 ANA available in October 2022 and the 2020 ANA in December 2022.

Government finance statistics

54. **Migration of statistics to the standards and principles of GFSM 2014.** Objective: Expansion of the coverage of government finance statistics to the public sector according to *GFSM 2014*.

55. **Findings and results:** The migration process for government finance statistics, particularly central government transactions, in its technical phase was successful. Indeed, the country has made considerable progress, which is reflected in the regular production of TOFEs for the various government subsectors, including one for the budgetary central government, which is produced quarterly. Similarly, the consolidated statement of general government sector transactions has been produced annually since fiscal year 2020. The GFS migration process in its current phase will only be complete, however, with the approval of the authorities. Despite technical advances, the hybrid TOFE based on *GFSM 1986* is used to monitor and analyze government financial management.

56. **Furthermore, the GFS migration to GFSM 2014 standards** requires capacity development of the authorities in charge of conducting public economic policy and monitoring the performance criteria of economic and financial programs.

57. **The mission conducted from October 31 to November 11, 2022, continued the work begun during the previous mission on the compilation of statistics on state-owned enterprises** (April 2022) by expanding the data coverage to four state-owned enterprises (namely: Ivoirien Refining Company (SIR), PETROCI, AIR CÔTE D'IVOIRE et CI-ENERGIES). The mission made a presentation to the authorities on the functional classification of expenditures (Classification of the Functions of Government, or COFOG) and encouraged them to produce COFOG data regularly. It provided an update on the ongoing implementation of West African Economic and Monetary Union (WAEMU) Directive No. 10/2009/CM/UEMOA of 2009 (TOFE Directive) and assisted the authorities in improving the quality and coverage of GFS data in accordance with *GFSM 2014*. The mission also reviewed and refined the TOFE data for extrabudgetary units and the draft GFS data for state-owned enterprises for FY 2021.

Macroeconomic and fiscal analysis

58. **Improve the debt risk analysis for state-owned enterprises. Objective:** Provide staff in the General Directorate of the Government Portfolio (DGPE) involved in the process of monitoring the debt of state-owned enterprises and related risks with the tools and knowledge necessary to improve the existing procedures.

59. **Findings and results:** The mission conducted from November 7 to November 18, 2022, noted numerous advances in the management of the government's portfolio and in the monitoring of fiscal risks, with the effective implementation of 19 recommendations made by previous IMF missions and 8 other recommendations in the process of being finalized, including those on the understanding of financial flows between state-owned enterprises and the budget, the monitoring of financial commitments and contingent liabilities, and improved coordination. It held a workshop on three tools developed by FAD for some 20 officials from the Ministry of the Budget and the Government Portfolio:

- (i) a tool for monitoring the financial health of state-owned enterprises; (ii) a tool for stress-testing enterprises; and (iii) a tool for analyzing the guarantees of state-owned enterprises. The mission also focused on capacity development, particularly in the area of government finance statistics. This has resulted in a positive uptake of these tools, particularly the tool for monitoring the financial health of state-owned enterprises, which is being rolled out.

D. GUINEA

Customs administration

60. **Strengthening of the customs valuation function, from August 8 to August 19, 2022.** Objectives: (i) Assess the progress made since the last mission and (ii) examine the various technological alternatives that could provide qualitative support to the process of valuing goods.

61. **Findings and results:** The majority of the recommendations made have been only partially implemented. The mission also noted that the inspectors interviewed demonstrated good skills in the day-to-day application of transactional value. Thirty-six inspectors have received training in customs valuation, financed by the European Union. Despite the progress

reported, Customs still needs to make progress in some areas to ensure that the application of transaction value is in line with international best practices. Some priority adjustment measures have been proposed. They are necessary to ensure that: (i) all parties involved in the customs valuation function (customs offices, supply chain partners) take ownership of the strategy adopted for comprehensive management of said function; (ii) revenues are better mobilized and secured; and (iii) the business climate is improved and attractive.

Tax administration

62. **First assessment of the tax administration system using the TADAT diagnostic tool¹ from September 19 to October 3, 2022.** Objectives: Provide clear information on the strengths of the tax administration and the progress that remains to be made to enable the authorities to achieve their goal of doubling the level of revenue mobilization to 13.88 percent of GDP in the medium term.

63. **Findings and results:** Encouraging progress has been made recently. A new unique and centralized identification number has been introduced. An upgraded computer system has made remote declaration and remote payment effective for large and medium-sized companies. Withholding methods are provided for in the new tax code, as well as advance payment arrangements. The tax administration proactively informs taxpayers of their tax obligations and the resolution of tax disputes is organized according to a process that is consistent with best practices.

64. **The objective of the mission conducted from November 28 to December 9 was to provide the authorities with a “post-TADAT” operational plan detailing the concrete actions to be implemented in light of the results of the October 2022 assessment, particularly with regard to the tax administration’s core functions.**

Banking supervision and bank restructuring

65. **Central Bank of the Republic of Guinea (BCRG) - Banking Regulation and Supervision - Capital adequacy requirements for banks, from May 30 to June 3, 2022.** Objective: Follow up on the work already undertaken for implementation of the Basel II/III framework in the area of solvency (definition of equity capital and calculation of requirements). The work associated with the mission included preparing and making presentations to local commercial banks on the reform objectives and procedures, finalizing the reform impact study, and making final adjustments to the draft instructions.

66. **Findings and results:** The informational work with the banking sector took place in the form of a two-day workshop attended by representatives of all local banks and the management and staff of the Directorate of Banking Supervision (DSB). The presentations focused on the objectives of the reform, the new definition of equity capital, the general conditions for calculating capital requirements, and then specific points were made on the requirements relating to credit risk, operational risk, and market risk. Finally, a practical session was devoted to the reporting model, in order to draw the banks’ attention to errors noted during the impact study. The

¹ Tax Administration Diagnostic Assessment Tool

workshop was very lively and the banks' comments led to modifications of the draft instructions concerning certain points.

67. **The results of the reform impact study were also discussed.** The new definition of equity capital does not have a significant impact, as almost all of the banks' capital is made up of common stock or retained earnings.

68. **Central Bank of the Republic of Guinea (BCRG) - Stress tests, from July 21 to December 16, 2022.** The objective of this mission is to provide support to the BCRG for the development of a tool allowing the supervisor to perform stress tests or sensitivity analyses on individual credit institutions. This mission, which spans two six-month periods, involved training the DSB teams and collecting the data necessary to carry out these tests and analyses during the first six months. It should be emphasized that the BCRG's Research Directorate was involved in the effort.

69. **Central Bank of the Republic of Guinea (BCRG) - Regulation of liquidity, from January 23 to January 27, 2023.** The objective of this mission was to assist the BCRG Directorate of Banking Supervision, which is responsible for all banking regulatory and supervisory matters in Guinea, in the development of liquidity requirements in line with the Basel III framework.

70. **It consisted of (i) training DSB staff on the definitions and calculation methods of the two Basel ratios** addressing liquidity issues (LCR - Liquidity Coverage Ratio) and funding issues (NSFR - Net Stable Funding Ratio); (ii) a review of the existing regulations; and (iii) a workshop on the application of the short-term liquidity ratio (LCR) in the Guinean context, including some key concepts and the formalization of a roadmap to be implemented over the next two years.

Real sector statistics

71. **National accounts, from May 1 to June 10, 2022.** Objectives: Contribute to the preparation of the source data available for evaluation of the national accounts for the new base year 2018 in accordance with the System of National Accounts 2008. This mission took place in the form of bi-weekly meetings for close monitoring of the work.

72. **Findings and results:** The work performed made it possible to convert half of the available sources into a format useful for the preparation of national accounts (change of nomenclatures, estimates by operation and sector, analysis of sources, etc.). This phase covered, as a priority, available basic survey data as well as specific surveys conducted for national accounting purposes. In particular, data from the 2019 Survey of Nonprofit Institutions Serving Households, the 2018/2019 Harmonized Survey on Household Living Conditions, and the 2018 National Survey on Employment and the Informal Sector in Guinea (ENESIG) were reviewed and processed. The INS will, however, have to make additional adjustments to the informal sector part of the ENESIG database. Several administrative data sources were also used. These include the financial statements of the Central Bank of the Republic of Guinea, those of commercial banks, and the management accounts of insurance companies. The new treatments proposed in the updated models also take into account the methodological changes brought about by the 2008

SNA. The INS should continue to collect and process sources for the rebasing, including statistical and tax statements from businesses and governments.

Government finance statistics

73. **Completion of the process of migrating the budgetary central government financial operations table (TOFE)** to comply with the *GFSM 2014* analytical framework. Objectives: Completion of the migration of budgetary central government statistics to *GFSM 2014* standards and principles.

74. **Findings and results:** The Center's assistance is in response to a request from the Guinean authorities with the support of the IMF's African Department. In light of the reforms undertaken over the past few years, the authorities have expressed their desire to switch to the TOFE based on *GFSM 2014* for monitoring and analyzing the impacts of public economic policies. In addition, the Center's support during the mission made it possible to provide the authorities and GFS compilers with a tool to help them prepare the budgetary central government TOFE. The authorities wanted AFRITAC West to provide support during an adoption phase, however.

75. **The migration of government finance statistics to *GFSM 2014* standards involves changes** in both the production of statistics and the determination of aggregates and balances. To this end, the mission organized a national workshop to develop the capacity of compilers and authorities to understand, use, and analyze the TOFE based on *GFSM 2014*.

Public expenditure management – budget

76. **Implementation of commitment authorizations and payment appropriations, from June 20 to July 1, 2022.** This mission focused on strengthening inter-ministerial coordination, raising awareness among high-level officials of the problems in fiscal reform of public investment management related to commitment authorizations/payment appropriations, and developing the capacities of central and ministerial budget officials (five targeted ministries), during a technical workshop and sessions to develop the Annex to the 2023 budget bill concerning commitment authorizations/payment appropriations of these ministries, based on the treatment of at least five (5) concrete cases involving public investment budgeting in commitment authorizations/payment appropriations. The five-line ministries participating in this exercise were the Ministry of Health and Public Hygiene; the Ministry of Infrastructure and Transport; the Ministry of Agriculture and Livestock; the Ministry of Energy, Hydrocarbons, and Water Resources; and the Ministry for the Advancement of Women, Children, and Vulnerable Persons. The mission underscored the need to finalize and implement the draft inter-ministerial decree on the "Institutional Framework for the Implementation of Commitment Authorizations/Payment Appropriations in Guinea".

86. **PIMA follow-up and C-PIMA evaluation.** From January 30 to February 17, 2023, AFRITAC West took part in the FAD mission to monitor the implementation of the PIMA evaluation and the assessment of the consideration of climate change in the management of public investments. The mission took stock of progress made in public investment management and made improvements to the draft texts on public investment management. The assessment of the extent to which climate change has been taken into account in public investment management highlighted the reforms that need to be implemented.

Public expenditure management-Treasury

87. AFW's participation in the headquarters mission for the final evaluation of Guinea's PFM project (Conakry, December 1-9, 2022). AFW's contribution to this mission was mainly to support efforts to improve the quality of accounting data. To this end, a model form for the recovery of the 2023 entry balance has been drawn up for the authorities. A list of 10 accounts with significant stakes was the subject of entry balance recovery sheets drafted during the meeting and by the technical teams. This contribution made it possible to formulate recommendations aimed at meeting the conditions for the successful implementation of the new accounting information system from 2023.

Public debt management

77. **Development of the government securities market, from October 17 to October 26, 2022.** Objectives: The objective of the mission was to support the authorities in the development of the domestic market for government securities and to follow up on the recommendations made by recent missions on the development of a strategy for issuing government securities.

78. **Findings and results:** The Ministry of Finance successfully completed its first-ever 5-year Treasury bond auctions in April 2022 and 3-year Treasury bond auctions in August 2022. Both auctions were successful. The most recent auction was slightly better than that in April (better yield for similar maturities, increased demand, improved coverage, and take-up rates).

79. **An action plan was prepared by the mission for development of the market.** It is divided into short-, medium-, and long-term actions with regard to the issuance strategy, communications with the market, and coordination among the main stakeholders.

80. **Development and implementation of the schedule for the issuance of government securities, from December 16 to December 22, 2022.**

81. **Objective:** The objective of this remote mission was to support the authorities in developing, for the first time, a schedule for the issuance of Treasury bills and Treasury bonds for 2023.

82. **Findings and results:** At the end of the mission, an annual schedule for the issuance of Treasury bills and Treasury bonds for 2023 and a quarterly issuance schedule for the first quarter of 2023 were prepared. These two schedules were approved by the authorities, presented to the banks, and published in January 2023.

83. **Medium-term debt management strategy (MTDS), from April 26 to May 5, 2023.** Objectives: (i) Support the authorities in the process of updating the MTDS for the period 2024-2027 and provide advice and support for completion of the final report to be annexed to the 2024 budget law.

84. **Findings and results:** The MTDS discussed during the workshop covers the period 2024-2027 with a projection of the debt portfolio at end-2023 (base year). In particular, it took into account the repayment schedule, external financing projections prepared on the basis of

loans available or to be mobilized, and projections in terms of financing in the domestic market in the form of Treasury bills and bonds.

85. **The strategy document that was prepared will be discussed and finalized by the Public Debt Committee** on the basis of the latest macro-fiscal framework before being submitted to the authorities for approval and publication.

Real sector statistics

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

Macroeconomic and fiscal analysis

87. **Introduction of revenue forecasting tools.** Objective: Improve practices and tools for forecasting budget revenues and simulating the impact of new tax measures.

88. **Findings and results:** The mission found limited implementation of the 2019 mission's recommendations. The mission was carried out in three stages: (i) a training workshop on the revenue projection methodology and discussions on the expected features of the tools to be developed; (ii) development of the tools; and (iii) presentation of the tools, testing, and training of users during a second workshop. These workshops brought together the stakeholders (General Directorate of the Budget, public authorities, Directorate of Development Planning, National Directorate of Economic Studies and Forecasting, and the Program Monitoring Technical Unit.

89. **Overall, the mission achieved the following results:** (i) a budget revenue forecasting model (eight taxes covering 57 percent of total revenue excluding grants were addressed) and its user manual were delivered; (ii) a tool for simulating the impact of new measures (six taxes modeled) and its user manual were also delivered; and (iii) the revenue forecasting capacities of the key players were strengthened.

90. **PIMA follow-up and C-PIMA evaluation.** From January 30 to February 17, 2023, the resident advisor in macroeconomic and budgetary analysis took part in the IMF's FAD mission to monitor the implementation of the PIMA evaluation and the assessment of the consideration of climate change in the management of public investments. The consultant's contribution focused on analyzing the practice of public investment programming and the budgetary risks associated with public investments. Tools for better programming of public investments were proposed.

E. Guinea-Bissau

Customs administration

91. **Tariff classification of goods from July 4 to July 15, 2022.** The mission was conducted in two phases. The first week was devoted to intensive basic training on tariff classification for 30 customs officials from different offices. The second week was devoted to technical meetings with central office teams on tariff classification issues such as: customs clearance procedures (in particular the importance of correct identification of goods in import declarations); risk management and post-clearance inspection procedures related to the most important goods imported by Guinea-Bissau; updating the National Customs Tariff; and implementation of the legal provisions on advance rulings.

92. **Actions that were identified as critical are:**

- The urgent need to conclude the updating of the National Customs Tariff in order to provide it as soon as possible in printed form to customs officials in the field (as the lack of equipment and reliable internet connections does not support the use of digital or online documents only).
- Successfully develop the Customs Tariff team within the Rules of Origin and Tariff Management Section, in accordance with the new status of the General Directorate, in order to keep the Customs Tariff continuously updated, work on advance rulings, and provide advice on classification issues to other teams in the General Directorate.
- Make it mandatory to provide the description of the goods (field 31 in ASYCUDA++) in the import declarations. This is a feasible and very simple measure to take in order to obtain better information on imported goods and, consequently, goods that are more easily classified.

Macroeconomic and fiscal analysis

93. **Support the development of the 2023-2025 Multi-Year Budget and Economic Programming Document (DPBEP), October 24 to November 4, 2022.** Objective: Support the preparation of a consistent, high-quality DPBEP for 2023-2025 covering the most important public entities and a fiscal risk analysis.

94. **Findings and results:** the draft 2023-2025 DPBEP has changed only slightly since the last AFRITAC West mission conducted in May 2022. The mission discussed the difficulties encountered with the different work teams, provided technical support to resolve them, and made recommendations for finalizing the various chapters of the document. The teams have been trained in payroll projection techniques and fiscal risk analysis. In summary, all of the chapters in the document have been organized and supplemented with available data, including information on fiscal risks to the Guinea-Bissau economy. The next step in the technical assistance in late November/early December 2022 will be to support the final drafting of the document's chapters and work to ensure consistency among them.



95. **The work of the mission from November 28 to December 9, 2022, resulted in a document** which, after some formatting and additions, could constitute a “Test 2023-2025 Multi-Year Budgetary and Economic Programming Document.” The meetings with the technical team in place focused on ways to improve the document in the very short term.

Public expenditure management-Treasury

106. **Monitoring the implementation of the Treasury Single Account (Bissau: February 20 to March 4, 2023).** The mission accompanied Guinea-Bissau in the development of the Treasury Single Account (TSA) and the improvement of cash management processes. The mission noted the efforts underway to implement the recommendations of previous missions, and formulated recommendations concerning the strengthening of the functioning of the TSA Implementation Committee (CICUT) and the rationalization of public bank accounts.

Debt management

96. **Training in the medium-term debt management strategy (MTDS), from May 23 to June 2, 2022. Objectives:** The objectives of the workshop were to train senior staff and public debt managers in Guinea-Bissau in the various debt portfolio analysis indicators commonly used in the development of the medium-term debt management strategy and to enable participants to take ownership of the process and the various stages of development of the MTDS, as well as practical training in the quantitative MTDS tool.

97. **Findings and results:** The work of the mission took place in the form of a training workshop and discussions and dialogue at the Ministry of Finance with the participation of 18 senior officials of the General Directorate of Public Debt (DGDP). Two representatives from the General Directorate of the Treasury and Public Accounting (DGTCP) also participated in the workshop.

98. **During the workshop, the focus was on the practical side** of (i) the process and various steps involved in the formulation and implementation of the debt strategy; (ii) the diagnostic assessment and analysis of the debt portfolio and the concepts used to evaluate the costs and risks associated with financing instruments; and (iii) the use of the MTDS analysis tool developed by the IMF and the World Bank.

99. **The mission also provided an opportunity to discuss with the authorities and formulate technical and institutional observations and suggestions** necessary for the proper development and monitoring of the medium-term debt management strategy.

Government finance statistics

100. **The purpose of the mission conducted from December 5 to December 16, 2023 [sic], was to continue the process of migrating statistics** in accordance with the standards and principles of the *Government Finance Statistics Manual 2014*. The training sessions made it possible to upgrade the technical capacities of the various participants, increase the involvement of primary data producers in the process of compiling government finance statistics, and highlight the needs of compilers for high-quality production of government finance statistics, including the TOFE. The work on producing the TOFE made it possible to review the correspondence table and produce the financial operations table (TOF) at end-December 2020

for the social security subsector. With regard to the central budgetary administration subsector, which includes ministries and institutions: The work involved reviewing the current TOFE based on *GFSM 1986*, examining the correspondence table, and producing the TOF at end-December 2021 based on *GFSM 2014*.

Real sector statistics

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

F. Mali

Public debt management

102. **Improvement of the debt data management system**, from August 2 to August 11, 2022. Objectives: The objectives of the technical assistance were to: (1) review the implementation of improvements and recommendations proposed during previous missions on the integrated debt management system (SIGED) developed in-house; (2) generally assess the performance of the system; and (3) assist the developers and end-users of the system in further clarifying several issues related to the functional specifications of the system.

103. **Findings and results:** The mission noted a clear improvement since 2019, mainly due to the development of a specific module for recording domestic debt and reports and output statements for statistical and debt portfolio analysis purposes.

104. **Considered to be broadly in line with the functional architecture of a debt management database**, the main issue to be addressed is the improvement of data quality, reliability, and integrity. This can be accomplished by incorporating general input, processing, and output controls into the system, and by developing periodic data verification tables.

105. **The mission produced a tool to monitor the implementation of recommendations.** It is an Excel template with four sheets relating to the technical monitoring of actions, monitoring of the action plan, monitoring of compliance with information systems governance requirements, and monitoring of compliance with security requirements, respectively.

Tax administration

106. **Capacity development for risk analysis in tax audit planning (remote mission, from July 18 to August 5, 2022).** Key findings. Favoring an approach based on highlighting the experiences of countries in the subregion, a technical assistance mission was organized to evaluate the risk analysis tools used by the Malian tax administration in light of Burkina Faso's experience (see above). Given the mission's schedule, current issues related to the lifting of sanctions imposed by the Economic Community of West African States (ECOWAS) were also

discussed with the authorities (in particular, the resumption of the possibility of paying taxes by internet).

107. **Key outcomes identified.** In addition to concrete proposals to improve the current query functionalities of the DGI's information system (SIGTAS), practical recommendations were made to revitalize the current organization and management of the economic intelligence project, which is still too focused on the "technical" aspect (project management) to the detriment of the "business" aspect (project development), particularly with regard to the monitoring of data-sharing protocols with other governments and third-party partners.

Macroeconomic and fiscal analysis

108. **Support the operationalization of the updated Macroeconomic Model for Mali of the National Directorate of Development Planning (MME_DNPD) Objective:** This mission, which took place in two stages - remotely with two short-term experts in November 2022, and then on-site with one long-term expert only in January/February 2023 - was aimed at updating the macroeconomic model that was developed (MME_DNPD).

109. **Findings and results:** The work consisted of calibration sessions, updating historical data, and testing the model. Training was also provided to the members of the Forecasting and Modeling Committee on the methodological foundations of the model, its use, and analysis of the quality of the projections. The training and practical exercises covered calibration of the model, analysis of the quality of the projection through an analysis of the supply and use table (SUT), tables summarizing the results, the typical balances of the TOFE and the balance of payments, and analysis of macroeconomic indicators.

110. **The model was adopted by the Forecasting and Modeling Committee, which decided to use it to conduct the 2023-2026 framing in parallel with the old model.** The establishment of and adherence to a work schedule for the Forecasting and Modeling Committee and expansion of the mandate of its members to include fiscal risk management issues were also discussed.

Support for the revision and updating of the General Tax Code and Tax Procedure Manual in Mali

Following the TADAT assessment conducted in 2019, the Malian authorities, aware of the complexity and cost of tax procedures, the imbalance between the powers of the administration and the rights of users, the numerous and contradictory texts, and the lack of transparency and instability of the legislation, embarked in 2020 on an extensive process of revision and updating of their General Tax Code and Tax Procedure Manual. IMF staff provided comments on the first draft to the Minister of the Economy and Finance. A follow up mission was conducted in June 2021 to identify tax procedures not aligned with best practices and to propose a modern structure and content, in line with international standards:

As to the form, the structure of the tax procedure manuals followed in the Francophone countries is still very much focused on the concerns of the tax administration and its regulatory functions (establishing, calculating, collecting, and auditing taxes), to the detriment of a “user-focused” vision, and several changes have been proposed on the basis of the inter-American and East African models.

In terms of substance, the key recommendations are summarized below:

- *Align the threshold for VAT liability with the jurisdictional threshold of the Medium-Sized Business Tax Centers (CIMEs);*
- *Update the provisions concerning the reimbursement of VAT credits;*
- *Update the provisions concerning the deferred payment of VAT on imports of goods;*
- *Regulate the automated exchange of data among administrations;*
- *Regulate the sending of text messages and payment by cell phone;*
- *Combine the notice of payment and the order to pay into a single document;*
- *Introduce the principle of tacit acceptance in disputes if the administration does not respond within the allotted time;*
- *Combine tax assessment and collection disputes;*
- *Reduce the time it takes to file a claim and process a dispute;*
- *Improve the clarity of jurisdictional thresholds, in both non-contentious matters and in disputes, and broaden the delegation of signature to make processing more efficient and reduce processing times;*
- *Eliminate prosecution fees, even if it means increasing the rate of interest on late payment, which is currently 2%, accordingly;*
- *Complete the provisions relating to the procedure for writing off debts.*

This process of revising and updating the General Tax Code and the Tax Procedure Manual, which was suspended for a time due to the situation in the country, was recently resumed and led to the drafting of an amended text, after consultation with the various public stakeholders and the major professional organizations and taking into account certain IMF recommendations.

Real sector statistics

111. **Backcasting of national accounts from November 14 to November 25, 2022.**

Objectives: Initiate work on backcasting the ANA for the new base year 2015, in accordance with the System of National Accounts 2008. Train the staff of the National Institute of Statistics (INSTAT) in backcasting techniques.

112. **Findings and results:** Making the long ANA series available is an important step in the rebasing work. It is intended to provide users with homogeneous long series after the adoption of new data sources, concepts, and methods during rebasing. The mission assisted INSTAT in compiling the first estimates of backcast ANA over the period 2004 to 2014 (base year 2015), using the 2008 SNA. The mission helped put the backcasting tools in place. Preliminary results include estimates of GDP from the perspective of output and expenditure at current and previous year prices. Final work will include further review of certain working assumptions as well as the collection of additional data. The mission recommended finalizing the results of the backcast ANA series and preparing explanatory notes on the changes for publication. The mission also recommended that INSTAT draft and publish a document on the backcasting methodology by March 2023.

G. Mauritania

Tax administration

113. **Participation in the Fiscal Affairs Department mission (Nouakchott, from February 17 to March 3, 2023).** **Objectives:** identify the reasons for the slow progress to date in achieving the objectives of the capacity development project. **Key outcomes identified:** The mission developed a master plan based on 10 core principles: (1) an appropriate legal framework; (2) an effective management framework in terms of organization and personnel; (3) a reporting system that encourages voluntary compliance; (4) simplified payment procedures; (5) taxpayer-focused operations; (6) risk-based tax auditing; (7) extensive use of information technology; (8) modern human resource management practices; (9) effective models for institutional change; and (10) an environment of integrity and good governance. This framework will require a complete redesign of core function processes, accompanied by: (1) the establishment of a sound reform management process; (2) a strong commitment from the authorities; (3) an effective governance framework; (4) stakeholder engagement combined with a change management strategy; (5) implementation of a human resources policy; and (6) capacity development in information technology.

Customs administration

114. **Establishment of an automated risk management system.** The objectives of the mission, which took place from January 9 to January 18, 2023, were to analyze the current selectivity and to provide recommendations to achieve the prerequisites for implementation of an automated risk management system. The definition of risk profiles was proposed and approved

in order to introduce risk-based selectivity. The mission provided recommendations through workshops and an action plan to capitalize on IT improvements and operational buy-in to define risk profiles by continuing the ongoing actions of the Technical Committee and the Selectivity Committee.

115. **Monitoring customs commitments and processing customs debt.** The main objectives of this mission, which took place from February 6 to 17, 2023, were to strengthen the strategy, procedures and methods aimed at limiting the abuses and malfunctions noted in terms of operators' compliance with commitments entered, by optimizing their control and monitoring. The mission also aimed to provide technical support to the DGD in the legal, procedural, and methodological consolidation of its customs debt management and recovery processes. The work carried out has enabled us to propose an action plan for exemptions and suspensive arrangements, which can be implemented without delay. Similarly, technical, and regulatory documentation relating to the management, payment and recovery of customs debt has been made available to the DGD.

Public expenditure management - budget

116. **Preparation of the Medium-Term Budget Programming Document, from July 4 to July 15, 2022.** The main objective of the mission was to support the staff of the General Budget Directorate in the preparation of medium-term budget programming documents in accordance with international standards and current regulations, taking into account specific national characteristics.

117. **The mission conducted a quality review of the medium-term budget programming document (DPBMT) and the two departmental medium-term expenditure frameworks (MTEFs) presented to the mission.** It found that these documents were not prepared through a collaborative inter-departmental process or on the basis of some key documents on macroeconomic options and updated government strategies. The mission made practical recommendations for strengthening this inter-departmental cooperation, as well as specific guidance on improving these documents.

Public expenditure management - Treasury

118. **The purpose of the work conducted from November 14 to November 25, 2022, was to update the strategy for preparation of the opening balance sheet** and to document the opening balance sheet inventory records for a few selected accounts, in collaboration with the General Directorate of the Treasury and Public Accounting. The mission reviewed the progress of the work and, together with the DGTCP team, prepared the standard inventory records necessary to ensure the reliability of the first opening balance sheet.

119. **It prepared a model form for the restatement of the 2023 starting balance for consideration by the authorities.** A list of 10 accounts with significant issues was the subject of recovery forms prepared in session and by the technical teams.

120. **The mission made recommendations aimed in particular at creating the conditions for successful implementation of the new accounting information system in 2023.**

Real sector statistics

121. **Quarterly national accounts, from July 18 to July 29, 2022. Objectives:** Review the statistical framework developed by the National Agency for Statistics and Demographic and Economic Analysis (ANSADE) for the compilation of quarterly national accounts from a production perspective.

122. **Findings and results:** The mission reviewed the choice of high-frequency indicators and made improvements to the QNA models, as well as the seasonal adjustment of the raw series. It also assisted ANSADE in preparing publication notes and methodological notes. ANSADE plans to release the QNA results to the general public in March 2023. A specialized QNA working group (SWG-QNA) was created by ministerial order. This group brings together ANSADE's main statistical partners. The role of the SWG-QNA is to facilitate ANSADE's access to the HFIs and to comment on the methodological choices and results during the pilot phase, which runs until the end of 2022. With the support of AFRITAC West, ANSADE produced and presented to the SWG-QNA a preliminary version of the QNA in volumes and values. ANSADE plans to release to the general public the quarterly GDP series and its breakdown by sector covering the period 2014-2022.

Government finance statistics

123. **Work on expanding the coverage of government finance statistics in accordance with GFSM 2014.** This mission was part of the resumption of work to migrate statistics to current international standards, including those of the *Government Finance Statistics Manual 2014*. In recent years, the country has lagged behind in the development of government finance statistics based on *GFSM 2014*. Reforms within the General Directorate of the Treasury and Public Accounting have reassigned the production of the TOFE to another directorate. In this connection, the mission provided an opportunity for training and refinement of statistics based on both *GFSM 1986* and *GFSM 2014*. This work made it possible to refine the treatment of the current TOFE through a revision of all the headings of the General Balance resulting from the General Account of the Finance Administration (CGAF).

124. **Furthermore, the work consisted of producing a correspondence table for the conversion of accounting operations to the GFSM 2014 format.**

125. **At the end of the work, the Center was able to provide two tools for the production of the TOFE** of the budgetary central government on the basis of both *GFSM 1986* and *GFSM 2014*. It is up to the Directorate of Accounting Centralization and Cash Management to put into place a dual control system in the process of adopting the new format.

Banking supervision

126. **"Having brought Mauritanian regulations in line with the new Basel rules on solvency and short-term liquidity, technical assistance is now aimed at improving on-site and off-site supervision practices, through (i) the definition and implementation of early warning indicators, (ii) a review of the credit institution rating and risk assessment process, and (iii) targeted training on certain issues.** Work on updating regulations is continuing in parallel with

the study already underway on the introduction of the structural long-term liquidity ratio, and the revision, also underway, of texts relating to internal control and risk management".

127. **Central Bank of Mauritania (BCM) - Banking regulation and supervision, from June 20 to July 1, 2022.** The objective of this mission was to continue to assist the Central Bank of Mauritania in the implementation of a comprehensive and effective risk-based supervision framework, through the definition of early warning indicators at the individual bank level and the incorporation of these indicators in a dashboard. The mission made it possible to: (i) develop a set of early warning indicators; (ii) test their implementation at four local banks (two of which are considered systemically important); (iii) make them consistent with the current bank rating system; and (iv) determine warning thresholds.

It also provided support to the BCM in its communication with the banks for the implementation of the Net Stable Funding Ratio (NSFR) and responded to two requests from the on-site supervision department (revision of a draft charter for the conduct of on-site supervision missions and initial development of a liquidity risk supervision methodology).

128. **The list of early warning indicators selected during the March 2022 mission was reviewed:** some were deleted to avoid redundancy or because of calculation difficulties; two others were added. The alert thresholds (orange and red) have been determined.

129. **In addition, all indicators used for the annual rating were reviewed and aligned with those used for the alert.** Nevertheless, it appears necessary, in accordance with the roadmap discussed in January 2022, to go further and overhaul the rating system in order to monitor more risks, better integrate the evaluation of risk management or governance frameworks and allow for the introduction of expert judgments. These issues were addressed in the second half of the year.

130. **Central Bank of Mauritania (BCM) - Banking regulation and supervision, from September 26 to October 8, 2022.** The main objective of this mission was to identify the need for changes in the regulatory and supervisory framework applicable to financial institutions and to assess the progress of risk-based supervision.

131. **This mission shared the tools required to identify types of institutions likely to fall under the definition of financial institutions,** distinguishing in particular among leasing, factoring, or guarantee institutions and institutions with special legal status placed under the supervision of the BCM. Consideration was also given to the need for regulatory changes and a roadmap was drawn up for this purpose. The mission also noted the use of some of the tools defined during previous missions (early warning indicators) and proposed modifications to the current instruction on internal control, dating from 2012. Finally, some time was devoted to an in-depth study of the regulations governing payment and electronic money institutions and to an analysis of the digital activities of Mauritanian banks.

Debt management

132. **Medium-term debt management strategy (MTDS), from September 12 to September 16, 2022.** Objectives: (i) Review the draft MTDS prepared by the authorities and assess whether the MTDS process was properly followed; (ii) provide advice and support for the completion of the MTDS, the final report on which could be annexed to the 2023 budget law.

133. **Findings and results:** The MTDS discussed during the workshop covers the period 2023-2025 with a projection of the debt portfolio to end-2022 (base year). In particular, it took into account the repayment schedule, external financing projections prepared on the basis of loans available or to be mobilized, and projections in terms of existing cash reserves at end-2022.

134. **The strategy document that was prepared will be discussed and finalized by the Public Debt Committee on the basis of the latest macro-fiscal framework before being submitted to the authorities for approval and publication.**

135. **Technical assistance in the development of the domestic public securities market, from November 13 to November 23, 2022.** The main objective of this mission was to support the authorities in the preparation of a roadmap indicating the short-, medium-, and long-term actions needed to develop the domestic government securities market.

136. **Findings and results:** The mission was able to discuss with the various market participants the measures and actions likely to allow for the development of activity in the primary and secondary markets. At the end of the mission, an action plan for the development of the market was recommended. This plan is structured around short-, medium-, and long-term actions. The short-term actions are aimed at improving the issuance strategy, communication with the market, and coordination among the key market participants.

137. **Technical assistance in the development and implementation of the 2023 schedule for the issuance of government securities, from January 15 to January 20, 2023.** Objective: The mission was designed to support the authorities in developing a government securities issuance schedule for 2023, consistent with Mauritania's current debt strategy.

138. **Findings and results:** The mission worked with the authorities to prepare an annual issuance schedule for 2023 and a quarterly issuance schedule for the first quarter of 2023, based on the 2023 budgetary financing needs, the 2023 annual cash flow plan, and domestic debt market constraints.

Macroeconomic and fiscal analysis

139. **Improve adoption of the macroeconomic framing tool. Objective:** The mission was conducted in three phases. The first phase from November 14 to November 25, 2022, took place in the form of a videoconference with the participants.

140. **Findings and results:** The first step was to assess the lack of use of the tool provided during the 2019 and 2020 technical assistance missions, to identify the challenges of updating the tool, and to update the model with recent available data. The mission consisted of discussions aimed at updating and simplifying the macroeconomic model. During the second phase, which was conducted in person from January 10 to January 19, 2023, work continued on simplifying and learning how to use the module. During a working meeting, the macroeconomic model was technically reviewed by the members of the Macroeconomic Framework Committee. During the third phase, training on the use of the model continued, a macroeconomic framework note was developed, and the drafting of this framework note was started on the basis of a test macroeconomic framework.

H. Niger

Customs administration

141. **Post-clearance inspection.** The support provided from October 25 to November 5, 2022, was aimed at evaluating the development of the post-clearance inspection and intelligence function. The mission conducted a review of the post-clearance inspection system. The mission then focused on capacity building for staff of the Directorate of Investigation, Intelligence, Risk Analysis, and Disputes, particularly in the preparation of a communication plan for the post-clearance inspection function and provided guidance to the Customs Investigation Division on the development of a post-clearance inspection plan, using risk analysis based on the available data.

Tax administration

142. **Support for the automation of tax registration and taxpayer registry management procedures, from July 26 to August 5, 2022.** This mission had three objectives, namely: (i) evaluate the current registration and taxpayer registry management system; (ii) re-engineer the procedures by capitalizing on the opportunities offered by digitalization; and (iii) propose a plan for the IT work that needs to be done.

143. **In terms of findings, the mission noted that the scope of tax registration has expanded but** does not encompass the country's economic potential. The tax registration system, although highly decentralized, is still insufficient and the management framework of the registry could be improved.

144. **Results.** The mission shared the legislative experiences of some countries in the subregion and a draft decree specifying the procedures for managing the tax identification number was outlined. Next, a draft set of specifications was prepared to describe the management rules to be automated. Measures to strengthen the certified invoices project were identified and options for carrying out the IT work were discussed with the stakeholders. A governance framework for the project and a work plan were developed. Finally, the risks associated with the project were discussed with the authorities, as well as the assistance that AFRITAC West can provide to help mitigate them.

145. **The support provided from November 14 to December 2, 2022, was aimed at improving the integration of the tax and customs platforms.** The team helped the Tax Directorate and the Customs Directorate improve the implementation of their joint project to automate the management of the taxpayer registry, which is shared by the two administrations. A draft document clarifying responsibilities has been prepared. An automated approach to checking information reported by taxpayers was shared with the participants. Specifications to improve the automation of the taxpayer registry have been developed. The functionalities of ASYCUDA to be improved for efficient management of the tax identification number (TIN) have been identified. Solutions to improve the handling of goods imported in parcels have been identified. The experts discussed with customs and tax authorities the actions to be taken after the mission to achieve all the project's objectives, and then updated the work plan.

Government finance statistics

146. **The mission from November 14 to November 25, 2022, was aimed at expanding the scope of coverage of government finance statistics to the general government subsectors.** The work allowed for a review of the correspondence table for the TOFE based on *GFSM 2014* and the identification of additional data sources for the production of the TOFE of the central budgetary administration from a GFS migration perspective. Work has also been undertaken to produce the TOFE for the extrabudgetary units subsector in the course of 2023.

I. Senegal

Customs administration

147. **Strengthening the customs valuation and value verification function for imports from September 19 to September 30, 2022. Objectives:** (1) Assess the implementation of the recommendations from February 2022 and make any additional practical recommendations necessary to complete the reform; and (2) assess the impact of transaction value verification on revenues and on disputes resolved.

148. **Findings and results:** The assessment of the implementation of the recommendations of the February 2022 mission is mixed. Despite the limited progress in terms of structural measures to be implemented, however, this is a rather encouraging assessment given that: (1) controls are in place and producing results; (2) the development of IT decision support tools is ongoing; and (3) the measures planned for the fourth quarter of 2022 are scheduled or underway. The increasingly positive outcomes of inspections resulting from customs investigations illustrate the Directorate's efforts and determination in the area of customs value verification.

Real sector statistics

149. **National accounts, from September 12 to September 30, 2022. Objectives:** Review the methodological work carried out by the National Agency for Statistics and Demography (ANSD) with regard to rebasing.

150. **Findings and results:** The work was hampered by the mobility of staff. The ANSD will use 2021 as the new base year instead of 2019 as previously planned. In-depth training on rebasing techniques was provided by the mission to the new national accounts personnel. Regarding the roadmap, the ANSD plans to mobilize budget resources for this project in early 2023 and expects to publish the rebasing results for the first quarter of 2025. The mission also noted that the ANSD is conducting three important statistical operations that will support rebasing. These are the livestock census, the data for which will be available at the end of 2023; the 2023 population census; and the Harmonized Survey on Household Living Conditions, which covers the years 2022 and 2023.

151. **National accounts, from October 24 to October 28, 2022. Objective:** Help train ANSD personnel responsible for producing short-term statistics in seasonal adjustment techniques.

152. **Findings and results:** A first set of experimental series of seasonally adjusted short-term monthly statistics (industrial production index, turnover index) starting with 2015 has been compiled and is available for evaluation. A draft production process has been proposed. It includes a direct adjustment and still needs to be improved and tested in real time. The mission

helped the ANSD begin identifying seasonal adjustment methods suitable for short-term monthly statistics in Senegal. Preliminary examination of the data revealed that not all series could be seasonally adjusted and that there were breakpoints. Further investigations are needed to understand and document underlying socio-economic behaviors or methodological changes. The mission helped the ANSD define a production process. It is intended to produce short-term seasonally adjusted monthly series and an automated quality report.

Public expenditure management-Budget

153. **Updating the PIMA assessment and carrying out the C-PIMA assessment.** From February 1 to 15, 2023, AFRITAC West took part in the FAD mission to update the PIMA assessment and evaluate the consideration of climate change in the management of public investments. The mission made recommendations on public investment management to further improve investment efficiency and ensure that climate-related elements are properly taken into account in the public investment cycle.

Public debt management

154. **Development and implementation of the annual borrowing plan and domestic issuance schedule, from July 20 to July 29, 2022.** Objectives: The objective of the mission was to provide in-depth training to Treasury officials in the use of the Annual Borrowing Plan (ABP) tool and the domestic issuance calendar recently developed by the IMF and the World Bank.

155. **Findings and results:** It also assisted the authorities in drawing up a draft securities issuance schedule for the remainder of 2022 using this ABP tool, which would allow for better integration of debt and cash management, taking into account market constraints and best practices in terms of issuing public securities (calibration of the amounts to be issued according to the constraints of the WAEMU regional market, regularity of issuance, predictability and good distribution of issuance over the year, optimization of outstanding amounts to promote the liquidity of the securities, etc.).

156. **The Treasury was encouraged to continue to increase the average maturity of the debt portfolio**, in particular by continuing to issue securities with a 10-year maturity and possibly by testing even longer maturities (12, 15, and 20 years).

157. **The mission stressed the need for good communication with the market in general** and in particular the need to ensure good coordination with the WAMU Securities Agency in order to finalize and implement the annual issuance schedule. It also emphasized the need for good, reliable cash flow forecasts to develop the cash flow plan, as this is the basis for preparing the issuance schedule.

J. Togo

Customs administration

158. **Supervision and monitoring of operators' customs obligations relating to special customs procedures, from October 24 to November 4, 2022. Objectives:** (1) Take stock of the implementation of proposals from the 2021 seminar on the effective supervision and monitoring of operators' customs obligations relating to special customs procedures; (2) support customs officials in drafting the framework instruction on the management and recovery process for customs debt; (3) provide guidance in the implementation of recovery actions to pursue the payment of customs debt; and (4) support the implementation of steps in the project's logical framework.

159. **Findings and results:** Progress, due mainly to increasingly computerized procedures, but also to good staff awareness, has been noted in the management and monitoring of customs obligations. The mission proposed a detailed action plan to improve the management and monitoring of exemptions and duty deferral programs at each level of customs control. In particular, it stressed the need to apply the regulatory provisions and procedures presented at the seminar to clear operators' outstanding obligations.

160. **The support, provided from April 13 to April 20, 2023, was aimed at strengthening the customs valuation and control function at the import stage.** It was noted that: (i) the value committee was created in March 2023 to guide and monitor the reform, which also covers the clearance of vehicles; (ii) the value section is now carrying out its responsibilities; (iii) the revenue generated for the 20 products with a tariff specification code has increased; and (iv) the goods valuation function has been taken over by the post-clearance inspection unit.

161. **There is still room for improvement, however, and concrete actions are needed to make a leap forward in the implementation of transaction value:**

162. - Improve the quality of audits to optimize compliance with declared values.

163. - Improve existing IT tools to make further progress and extend tariff specification code reform to all import offices.

Public expenditure management - Treasury

164. **Implementation of accrual accounting**, from October 24 to November 4, 2022. Objective: Support the implementation of accrual and asset-based accounting, including the introduction of an internal accounting control system.

165. **Findings and results:** The mission developed for the authorities a reference framework for the implementation of internal accounting control and an action plan.

166. **The reference framework is a document intended for all those involved in the reform of government finance**, to help them understand: (i) the change in the size of the government's general accounting system; (ii) the implementation of internal accounting control to ensure the quality of the accounts and compliance with the accounting principles set out in the decree on the government's chart of accounts; and (iii) the content of internal accounting control.

It is structured in such a way as to provide a clear understanding of the connections among the precepts laid down by the new accounting standards and the issues involved, as well as the implications in terms of the implementation of risk management systems.

167. **The roadmap calls for a gradual approach to the deployment of internal accounting control** with a target of three ministries to be covered in 2023, 50 percent of ministries to be covered in 2024, and 100 percent of ministries in 2025. It is organized around five key elements:

- the establishment of strategic and operational management.
- documentation.
- training and capacity development activities.
- operational implementation of the new system; and
- evaluation of internal accounting control.

The mission conducted a capacity development workshop on internal accounting control for approximately 50 participants.

Government finance statistics

168. **Work on expanding the coverage of government finance statistics to the general government sector and public sector debt according to GFSM 2014. Objectives:** Expanded coverage of government finance statistics in accordance with *GFSM 2014* and refined public debt statistics according to the guidelines of the 2011 *Public Sector Debt Statistics: Guide for Compilers and Users (PSDS)*. In line with the mission objectives, which were to (i) review the TOFE based on *GFSM 1986* and *GFSM 2014* from the perspective of migration; (ii) produce the TOFE of the budgetary central government at end-June 2022 and for fiscal years 2020 and 2021 according to *GFSM 2014* and that of local governments for fiscal years 2020 and 2021; (iii) begin extending GFS coverage to extrabudgetary units and social security funds with a view to producing TOFEs for these two subsectors; (iv) produce the other tables within the TOFE minimum analytical framework; (v) assess the availability of source data to extend the compilation of PSDS to the general government; (vi) review the quarterly PSDS data to start the dissemination process; and (vii) update the action matrix from the perspective of migrating GFS to *GFSM 2001/2014* and PSDS to the *Public Sector Debt Statistics Guide*, the Center reviewed certain transactions related to the budgetary central government TOFE based on *GFSM 1986* for FY 2021 to better reconcile the top and bottom lines in the TOFE, particularly those related to domestic financing. Similarly, the mission reviewed the correspondence table for the TOFE based on *GFSM 2014*, refined the FY 2021 budgetary central government TOFE produced by the TOFE team, and provided explanations to better classify certain transactions in accordance with *GFSM 2014*. Furthermore, in relation to the coverage expansion project, the mission reviewed the availability and format of data sources for the local government and national public institutions subsectors, as well as their production frequency and availability to the TOFE team. As a result, the mission reviewed and refined the local government correspondence table and developed a draft correspondence table for national public institutions. A timetable for the

production of TOFEs for local governments and extrabudgetary units was agreed upon with the authorities.

Public debt management

169. **Support for the improvement of procedures for forecasting, monitoring, and collecting external financing disbursements**, from June 20 to June 29, 2022. **Objectives:** The objective of this in-person technical assistance mission was to develop the capacity of the staff of the Public Debt and Financing Directorate (DDPF) and to make recommendations on improving the procedures for forecasting, monitoring, and collecting external financing disbursements.

170. **Findings and results:** The mission assessed the DDPF's current practices in terms of monitoring the disbursement of external financing and coordination with the various structures involved in the mobilization of this financing. The mission made recommendations to improve internal procedures for monitoring disbursements at the DDPF and coordination with other participants in the disbursement chain.

171. **The mission also provided DDPF staff with capacity development in forecasting disbursements** and equipped the DDPF with methods for forecasting, monitoring, and collecting disbursements in Word and Excel format, which the DDPF could incorporate into its internal work processes to improve its disbursement monitoring practices.

Real sector statistics

172. **National accounts, from November 14 to November 25, 2022. Objectives:** Support Togo's National Institute of Statistics and Economic and Demographic Research (INSEED) in the preparation of ANA with the introduction of financial accounts in accordance with the System of National Accounts 2008.

173. **Findings and results:** The sources necessary for the preparation of the 2019 financial statements have been collected and processed. One example is the statistical and tax statements.

In 2019 their number reached almost 13,000. In addition, the model for statistics and tax statements has been revised with the entry into force on January 1, 2018, of the revision of the accounting system of the Organization for the Harmonization of Business Law in Africa (OHADA). Balancing net asset flows and net liability flows by financial transaction across institutional sectors, including the rest of the world, revealed inconsistencies among several sources. The reconciliation by sector between financial and capital account balances is not complete and will require work sessions with the participation of INSEED, the central bank, and the Treasury, as well as a review of the balancing of certain financial transactions before this work can be published.

174. **Quarterly national accounts (QNA), from December 5 to December 15, 2022. Objectives:** Contribute to the development of a model for calculating QNA and a preliminary value-added series at current prices and in chained volumes with reference to 2016 prices. Develop the capacity of the staff of the Togolese National Institute of Statistics and Economic and Demographic Research.

175. **Findings and results:** INSEED's national accounts team has put significant effort into building a base of indicators and preparing a test model. The mission reviewed with the team the indicators by sector and improvements were made to the INSEED work. A list of indicators was selected to start the QNA estimates. An initial estimate of the production, intermediate consumption, and value-added series at current prices, in volumes at the previous year's prices, and in chained volumes was calculated. These series are not yet seasonally adjusted. The schedule in place calls for continuing this work over at least four quarters before considering publication starting in December 2023 or the first quarter of 2024. This time frame should allow INSEED to bring together producers and users of national accounts to present the proposed QNA to them and seek their cooperation in resolving the problems noted with the short-term indicators.

K. WAEMU Commission

176. **Participation in the meeting of the Public Finance Observatory of the eight WAEMU member states from July 25 to 27, 2022.** The mission contributed to building the capacity of experts from the Public Finance Observatory of the eight WAEMU member states in budgetary internal control (BIC), through the appropriation of the regional guide to budgetary and accounting internal control, in its budgetary section.

L. General Secretariat of the WAMU Banking Commission

177. **Banking regulation and supervision, from July 4 to July 8, 2022.** AFRITAC West conducted a mission in July 2022 to update the rating system used by the General Secretariat of the WAMU Banking Commission (SGCBU) to assess the risks borne by institutions. The previous version of the rating system was developed with support from AFRITAC West during 2015-2017.

178. **This mission was conducted in the form of a workshop and highlighted the need to revise the rating system to take into account changes in regulations,** the emergence of risk areas, and the implementation of supervision on a consolidated basis, which now requires banking groups to be rated. It led to proposals for changes in rating criteria and indicators, a review of the questionnaires used to assess the quality of risk management systems, and a review of the relationship between a group's rating and that of its member institutions.

179. **General Secretariat of the WAMU Banking Commission - Review of the rating system for credit institutions, from August 29 to September 2, 2022. Objectives:** Complete the review of the rating system used by the SGCBU to assess the risks borne by the institutions it supervises and adjust its supervisory actions.

180. **Findings and results:** This mission was a follow-up to a previous visit in July 2022 and was intended to definitively identify the need to modify the current rating system, which had been established with the support of AFRITAC West over the period 2015-2017. The mission, which was also carried out in the form of a collaborative in-person workshop, made it possible to update the relevant rating criteria, the associated weights, as well as the useful indicators and their calibration. The questionnaires used to assess risk management and internal control

systems were also updated. Finally, the extension of the rating system to financial companies and parent credit institutions was studied and comprehensive proposals were made to this end.

181. **General Secretariat of the WAMU Banking Commission - Training on preventive adjustment plans, from October 18 to October 20, 2022.** Objectives: Present to WAEMU banking supervisors the main control points to be checked when reviewing recovery plans.

182. **Findings and results:** This training was organized at the request of the General Secretariat of the Banking Commission and 19 of its employees, mainly people responsible for this review, participated in the different sessions. The sessions started with a presentation of the objectives pursued by supervisors when they require recovery plans and the relevant challenges; participants were then reminded of the international standards and specific provisions of the WAEMU regulatory framework. The bulk of the training was then devoted to a detailed analysis of the control points related to governance of the recovery plan process, identification of critical functions, determination of scenarios and indicators, definition of recovery options and preliminary measures, and then communication issues. A number of practical cases were used to illustrate the issues covered in the training.

183. **Central Bank of West African States (BCEAO) - IFRS 9 impact assessment, from November 7 to November 11, 2022,** as part of a larger project to apply the IFRS body of standards to credit institutions in the WAMU, the mission's objective was to formalize an impact assessment plan specifically for IFRS 9, which has a particularly significant impact on banks. A workshop involving various central bank directorates allowed for the development of a model questionnaire to be used by the institutions, as well as a draft methodological guide containing all the necessary information to ensure that the results can be used.

184. **Central Bank of West African States - Reporting by credit institutions on the assessment of their capital requirements, from December 12 to December 16, 2022.** This mission was devoted to a review of the draft regulatory document aimed at defining the content of a report to be transmitted periodically to the SGCBU on the internal process set up by banks for the assessment of their capital requirements (Internal Capital Adequacy Assessment Process, or ICAAP). The draft document has been reviewed and the conditions for applying the principle of proportionality have been defined.

II. SEMINARS AND TRAINING ACTIVITIES

185. **The Center organized nine seminars/webinars during FY 2023.** These activities, which helped develop the capacities and skills of 307 officials from the countries and institutions covered by AFRITAC West, are summarized in Table 1.

Table 1. Seminars/webinars held in FY 2023 (status as of April 30, 2023)

Functional area	Topic	Dates
Banking supervision	Financial analysis of climate risks	October 11, 2022

Macroeconomic and fiscal analyses	Improvement of budget projections	May 11-May 26, 2022
Macroeconomic and fiscal analyses	Economic climate in the first half of 2022 and macroeconomic forecasts	May 30-June 3, 2022
Tax administration	Best management and governance practices of tax administrations in the countries covered by AFRITAC West	December 5-9, 2022
Macroeconomic and fiscal analyses	Tax analysis and resource forecasts for the extractive industries sector	March 13-17, 2023
Public expenditure management	Joint FAD/MCM regional workshop on integrating debt and cash management	March 13-17, 2023
Government finance statistics	Inclusion of non-monetary operations in government finance statistics	January 30-February 3, 2023
Public expenditure management	High-level conference on promoting good governance and combating corruption	June 13-14, 2022
Banking supervision	The supervisory review process, the early warning system, and their integration into risk-based supervision	March 6-10, 2023

Regional Seminar Phase 2 - Strengthening Budget Forecasting, from May 11 to May 26, 2022

186. **The seminar was attended by about 40 participants who took part in the expenditure forecasting section**, 46 participants who took part in the revenue forecasting phase, and 21 participants who took part in both phases. Several topics were developed further following the presentations on concepts and methodologies that were the subject of the first phase of the seminar, which took place in March 2021.

187. **The group work provided an opportunity for valuable sharing of experiences.**

188. **Overall, the discussions and the analysis of the responses to the questionnaire submitted to the administrations show** that despite the progress made with regard to macroeconomic and budget frameworks (in terms of projection models and institutional frameworks), budget forecasting methodologies based on the distinction between trend (or benchmark) forecasts and the evaluation of new measures have yet to be implemented.

189. **In particular, there is a need to develop capacity to assess fiscal potential and fiscal space.** In addition to the strictly methodological issues, several challenges were highlighted during the work: (i) harmonization of the scope of coverage (payroll, capital expenditure, etc.) among states and alignment with the relevant concepts in this area; (ii) development of a revenue projection schedule that includes identification and measurement of the impact of new measures, consistent with the budget preparation schedule; and (iii) implementation of a baseline expenditure forecasting approach.

Seminar on the economic climate and medium-term forecasts (WAEMU Commission, AFRISTAT, and AFRITAC West) from May 30 to June 3, 2022.

190. **All of the invited countries, except Mali, Mauritania, and Cape Verde, were represented by participants responsible for economic analysis and macroeconomic forecasting, respectively.** The representatives of Guinea followed the work by videoconference. Experts from the Central Bank of the Republic of Guinea, the West African Monetary Agency (WAMA), the United Nations Economic Commission for Africa (UNECA) Subregional Office for West Africa, and the Central Bank of West African States (BCEAO) also attended in person.

191. **The proceedings focused on four main areas:** (i) discussion of the economic climate and medium-term forecasts of the states; (ii) discussions of the economic climate and medium-term forecasts as seen by the subregional organizations; (iii) effects of current inflation on countries and response measures (central topic of the seminar); and (iv) follow-up on the implementation of recommendations from past seminars and new recommendations from this seminar.

192. **As in the past, the seminar provided an opportunity to exchange views on the economic situation and the credibility of macroeconomic frameworks.** It also involved the exchange of information among countries and subregional institutions. Presentations of a technical nature were made as well. AFRITAC West was responsible for introducing the central topic with a presentation entitled: “Inflation as a Risk to be Managed.” The update on the implementation of inflation forecasting models showed little progress in this area and provided an opportunity to discuss simple techniques based on the lessons learned method.

193. **The seminar helped to raise participants’ awareness of the need to take into account the current international environment** in the projection assumptions and offered an opportunity to discuss measures to mitigate inflationary risks. The participants recommended that technical and financial partners organize a seminar on macroeconomic risk analysis and mitigation measures and an experience-sharing seminar on time series seasonal adjustment methodologies in the states, given the abundance and length of the series of short-term indicators currently available.

194. **The main risk in implementing the seminar’s recommendations is related to the budgetary calendar**, which requires that debates on budgetary guidelines be held by the end of June at the latest. The activities already carried out to prepare for the debates on budgetary guidelines scheduled for the end of June could indeed limit the consideration of lessons learned. Organizing the seminar a little earlier in the budgetary process would allow for discussions of the updated frameworks, but also for the lessons learned to be taken into account for their finalization.

Inter-regional seminar on the financial analysis of climate risks, October 11, 2022.

195. **Objectives:** Introduce climate risk analysis among the authorities responsible for financial stability and prudential supervision.

196. **Findings and results:** This webinar, which was attended by 92 participants from AFRITAC West, AFRITAC Central, the Union of Comoros, and Madagascar, followed up on a previous presentation made in October 2021, and updated the analytical concepts and methods. The nature and characteristics of climate risk and the channels through which it affects financial stability were presented. The question of diagnostic assessments and scenarios was then discussed in order to specify the elements to be taken into account for the design of scenarios, as well as the major sources of uncertainty. Climate risk modeling approaches and methodologies and their impact on the financial system were described. Case studies were presented, including examples of climate risk analysis conducted as part of recent financial stability assessment programs. Finally, the webinar concluded with a description of the regulatory challenges that authorities will face.

High-level regional workshop on best management and governance practices of tax administrations covered by AFRITAC West (Abidjan, from December 5 to December 9, 2022)

197. **This regional workshop, organized jointly with the IMF's Fiscal Affairs Department, brought together the top tax administration officials of the countries** covered by AFRITAC West, who were joined by the directors in charge of taxation for the WAEMU and ECOWAS Commissions. Persistent weaknesses in management and governance account for much of the limited impact of recent revenue mobilization reforms in the region. This workshop made it possible to: (1) prepare a concept note on the development of a tax administration guide, including best practices in management and governance; and (2) adopt a proposal for the development of guidelines, called the "Tax Administration Transparency Code," which will promote transparency and integrity in tax administrations in the region.

Inclusion of non-monetary transactions in government finance statistics (Grand-Bassam, from January 30 to February 3, 2023)

198. **For several years now, the countries in the region have been actively engaged in a series of far-reaching reforms** aimed at improving and modernizing public financial management and the production of macroeconomic statistics, including those of the general government. Against this backdrop, considerable efforts have been made by states in the migration to *GFSM 2014* standards and principles. In this connection, the situation at the end of December 2022 is as follows:

Actions	Results
Transition to the TOFE based on <i>GFSM 2014</i>	Availability of the transit table in all the countries

Production of the TOFE for the public sector	Only 1 country
Possibility of migration to the TOFE based on <i>GFSM 2014</i>	1 country is in the process of migration and 4 have the required capacity to migrate
Cash flow statement	7 countries produce this statement
Statement of financial position	5 countries produce this statement
Public debt statement	All the countries produce this statement; however, they need additional information for the refinement of the various operations
Gradual expansion of the scope of coverage: social security	All the countries have a correspondence table; seven countries produce experimental versions and three of these countries distribute them
Gradual expansion of the scope of coverage: Local governments	Seven countries produce statistics; three other countries have a correspondence table without production
Gradual expansion of the scope of coverage: Extrabudgetary units	Five countries produce them, three of these distribute them; four countries have a correspondence table

199. **These advances have enabled the Center to address another aspect of the production of statistics**, namely the inclusion of non-monetary transactions, most of which are not included in macroeconomic statistics. The recent COVID-19 pandemic provided evidence of this. Indeed, significant exchanges in-kind among various economic agents, including the general government, are not reflected in government finance statistics.

200. **The work of the seminar, which followed on from that of April 2022, made it possible to adopt a method for calculating the benefits in-kind** generated by company cars and to record those resulting from company housing. Similarly, the need to capture all gift-in-kind transactions in government finance statistics was reiterated. The success of this inclusion of in-kind transactions in GFS revolves around the following three (3) methodologies to be defined: (i) identification and collection of in-kind benefits; (ii) valuation; and (iii) implementation schedule.

Workshops on the analysis and forecasting of revenues from extractive industries for Central and West African countries (with FAD)

201. **Objective:** Improve the design and implementation of the extractive industries tax regime and enhance revenue forecasting capabilities using the Fiscal Analysis of Resource Industries (FARI) model developed by IMF staff.
202. **Findings and results:** The second regional workshop for West African countries helped develop the capacity of national officials to analyze and design tax regimes for the extractive sector and forecast their revenues.
203. **The workshop offered a blended learning approach based on three components:** 1) lectures; 2) practical modeling exercises using the FARI model; 3) national case studies. The lectures focused on the mining sector and included the following topics: Feasibility studies and technical reports; mineral and petroleum resource evaluation; royalties; corporate income tax; debt financing; and leasing taxes. The participants worked on seven case studies that focused on either tax system analysis or revenue forecasting.
204. **The case studies were used to introduce a new simplified FARI revenue forecasting model** that aggregates multiple projects into a sectoral forecasting model.
205. **Feedback from participants about the model has been positive and will be incorporated into its further development.** The models will be refined and completed before the third workshop and should be ready for release in FY24. Participants expressed a high level of interest and engagement. The 34 participants from 10 countries found the topics relevant and the connection to tax modeling useful in illustrating key concepts.

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

206. **This joint MCM/FAD regional workshop is intended to strengthen participants' knowledge of the importance of integrating debt management with cash management and the actions that can be taken to improve this integration.**
207. **Key lessons learned:**
- Make legal use of the Multi-Year Budget and Economic Programming Document data in the process of preparing the draft budget in order to make it more realistic;
 - Throughout the budget preparation process, ensure the proper relationship between the budget forecast and the cash flow forecast;
 - Ensure the production of all required annexes to the budget bill, particularly those related to debt management and cash management;
 - Rigorously develop planning and forecasting tools for public procurement, expenditure commitments, and cash flow in order to improve their quality, ensure their consistency and periodic updating, and see to it that they are observed and made mandatory;

- Ensure proper coordination among the various stages of the issuance schedule through rigorous preparation, consistency, and judicious use of the MTDS, the Annual Financing Plan, and the Annual Cash Flow Plan;
- Make the budget more realistic and respect budget execution procedures by avoiding as much as possible the use of exceptional procedures in order to meet the requirements of quality cash flow management;
- Make judicious use of expenditure control at the commitment stage in order to avoid resorting to cash rationing, which has shown its limitations in terms of generating budgetary arrears;
- Take up the challenge of integrating debt and cash management by strengthening interactions among the various participants in order to take better advantage of the necessary synergy by giving the Ministry of the Economy and Finance, in particular, a vision of the entire market that will allow it to make the best decisions regarding the choice of instruments, as well as the proportions of long- and short-term financing;
- Move decisively towards the implementation of the TSA and the gradual coverage of its target range;
- Consider diversifying cash management instruments by exploring the possibility of using commercial paper, the repo market, and direct Treasury participation in the interbank market.

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

217. **Objectives:** the aim of this seminar was to share experiences and best practices in the development of an integrated risk-based supervision system, focusing on three main themes that are simultaneously and jointly involved in this approach: (i) the prudential review process, (ii) the rating system used to identify and quantify the risks borne by credit institutions and (iii) early warning indicators.

218. **Findings and results:** some thirty participants from ten banking supervisory and regulatory authorities took part in the seminar, which was both face-to-face and virtual, enabling a broad sharing of experience as each authority had the opportunity to present its regulatory and supervisory framework, the challenges it faces in implementing the supervisory process, the bank rating system, the integration of bank rating into the supervisory process and early warning indicators. At the same time, the experts presented the expectations of international bodies with regard to these issues, and described certain examples in detail. All in all, the seminar enabled the various authorities to identify areas for improvement, particularly in terms of early detection of difficulties, and to learn from the experiences of their counterparts.

Peer learning program

Côte d'Ivoire and Senegal

208. **The Moroccan High Commission for Planning hosted three senior staff from Senegal's ANSD and six senior staff from Côte d'Ivoire's INS from February 6 to February 10, 2023.** Discussions focused on the data sources and methodology used to prepare the

regional accounts.

In particular, the regionalization of the production of companies located in the capital and other regions and the regionalization of data from the central government and the central bank. They also covered the treatment of taxes and subsidies, and the issue of volume-price distribution of aggregates.

Guinea-Bissau

209. **Professional intensive training visit by three (3) senior staff from Guinea-Bissau** - training of three senior staff at the Directorate of Public Debt and Grants in Abidjan (DDPD) in the Debt Management and Financial Analysis System (DMFAS), from October 3 to October 7, 2022.

210. **Objectives:** Enable a core group within the General Directorate of Public Debt (DGDP) to have additional, hands-on training (peer-to-peer training) in the use of the DMFAS to become more familiar with its functions.

211. **Findings and results:** The officials from the Guinea-Bissau DGDP were able to work with their counterparts at the Côte d'Ivoire DDPD to learn how to use the DMFAS to enter debt data and generate output statements according to different parameters and keys, and in particular for the purposes of debt statistics, debt reporting, MTDS, debt sustainability analysis, or any other customized request.

212. **The training also covered concrete examples of output statements** used by the DGDP for the regular publication of debt data or to respond to requests from technical and financial partners frequently received by the DGDP.

213. **Experience-sharing trip to Benin from April 17 to 28, 2023.** Two executives from the Direction générale de la prévision et des études économiques and one from the Direction générale du budget took part in an experience-sharing trip to Benin's Direction générale de l'économie. The trip enabled the Guinea-Bissau executives to learn about the organization of the departments in charge of economic and budgetary programming, and the challenges involved in introducing medium-term budgetary programming in line with EU directives.

Mauritania

214. **From April 24 to 28, 2023, AFRITAC West, with the support of FAD, organized an immersion and study mission to the General Treasury of the Kingdom of Morocco,** focusing on the inventory and valuation of the State's tangible fixed assets.

215. **230 Five executives from the Ministry of Economy and Finance of the Islamic Republic of Mauritania,** from the State Assets Department and the General Inspectorate of Finance, took part in this immersion mission, which is part of AFRITAC West's support for the implementation of asset-based accrual accounting. The mission was enriched by the experience of the Kingdom of Morocco in the high-level governance of the asset-based accounting project. It noted with great interest the five main pillars on which the success of the Moroccan experience was built: 1-accounting framework; 2-accounting information system; 3-accounting quality; 4-change management; 5- opening balance sheet.

III. FY 2024 WORK PROGRAM – ACTIVITIES PLANNED BY FUNCTIONAL AREA

A. CUSTOMS ADMINISTRATION

Context and priorities

216. The work program covers five main areas: (1) support for control of the taxable base of imported goods (customs value, tariff classification, and origin); (2) the automation of customs procedures (simple and secure clearance procedure); (3) improved risk management and selectivity of declarations; and (4) reinforcement of the main functions of the customs administration; (5) reinforcement of the automated monitoring of customs obligations and the handling of customs debt. Accordingly, and in light of the progress of each customs administration concerned, the FY 2024 work program aims to achieve the following objectives:

- Customs controls performed during the clearance process are more efficient, and performance in terms of receipts is positive, with (i) strengthening of the customs valuation function in Burkina Faso, Mali, Guinea, and Guinea-Bissau.
- Controls of international trade operators are better targeted and optimized following the strengthening of capacities in post-clearance inspections in Benin, Niger, Senegal and Togo.
- Management of priorities and legal and regulatory compliance is improved through effective risk management in Mauritania.
- Customs border controls are more targeted and effective in terms of import tax collection and protection of the territory following capacity-building in risk analysis and intelligence-gathering for surveillance agents in Côte d'Ivoire.
- The monitoring of customs obligations and the handling of customs debt is improved in Burkina Faso, Mauritania, and Mali.

Planned activities and expected outcomes

217. **Regional seminar.** The Center will take part in an FAD regional workshop on the African continental zone in Abidjan and in other FAD activities.

218. **Intensive practical training.** Three intensive practical training events will be organized for the benefit of three countries.

219. **Technical assistance missions.** The Center will conduct TA missions (Table 2) and participate in diagnostic assessment missions organized by FAD in the member countries.

Table 2. Customs administration missions planned by country

Country	Number of missions	Activities	FY 2024 milestones
Benin	1	Reinforcing the a posteriori control function	(improved procedure, strategy, organization and conclusion)
Burkina Faso	2	Develop capacities in the customs valuation function	Controls at the point of first entry and post-clearance inspections as to customs value are better aligned with the principles of the WTO Customs Valuation Agreement
		Strengthening the monitoring of customs obligations and the handling of customs debt	The monitoring of customs obligations and the handling of customs debt is improved
Côte d'Ivoire	1	Continue developing the capacities of surveillance agents in terms of risk analysis and intelligence.	Over 15 percent of controls carried out by surveillance agents are based on risk analyses conducted in advance
Guinea	1	Develop capacities in the customs valuation function	Controls at the point of first entry and post-clearance inspections as to customs value are better aligned with the principles of the WTO Customs Valuation Agreement
Guinea-Bissau	1	Develop capacities in the customs valuation function	Controls at the point of first entry and post-clearance inspections as to customs value are better aligned with the principles of the WTO Customs Valuation Agreement
Mali	3	Strengthening the monitoring of customs obligations and the handling of customs debt	The monitoring of customs obligations and the handling of customs debt is improved
		Strengthening of the customs valuation function and the center for technical expertise in customs values	Controls at the point of first entry and post-clearance inspections as to customs value are better aligned with the principles of the WTO Customs Valuation Agreement
		Customs digitalization procedures	Digitalization procedures are implemented on the basis of the new customs code
Mauritania	2	Improved automated risk management	The automated risk management system is in place
		Strengthening the monitoring of customs obligations and the handling of customs debt	The monitoring of customs obligations and the handling of customs debt is improved
Niger	2	Strengthening capacities in post-clearance audit	More than 10 percent of the principal economic operators are supervised in the context of a post-clearance inspection program
		Strengthening core customs administration functions	The customs component of the detailed implementation plan for integrating the digital platforms of the tax and customs administrations is available
Senegal	1	Strengthening capacities in post-clearance audit	More than 10 percent of the principal economic operators are supervised in the context of a post-clearance inspection program
Togo	2	Reinforcing the a posteriori control function	(Improved procedure, strategy, organization and conclusion)
		Develop capacities in the customs valuation function	Controls at the point of first entry and post-clearance inspections as to customs value are better aligned with the principles of the WTO Customs Valuation Agreement

B. TAX ADMINISTRATION

Context and priorities

220. **Build on recent progress and continue to modernize the core functions of tax administrations.** The actions undertaken to strengthen the core functions of tax administrations (registration, monitoring of returns, tax collection and control), in close collaboration with regional partners and the IMF's FAD, will be continued by developing innovative approaches, made possible by advances in digitalization (regional performance monitoring indicators, automation of procedures, development of e-services, interconnection of databases, expansion of risk analysis, etc.).

221. **Develop more ambitious reform projects when conditions allow.** In cases where the capacity of the tax administrations is deemed adequate, the resident advisors will offer to support, in a practical manner and in coordination with headquarters, the member states in the implementation of specific organizational and operational plans, such as the development of artificial intelligence projects to support tax compliance or the implementation of medium-term revenue strategies (MTRS).

222. **Intensify specific support to fragile and conflict-affected states (FCS)** through the recruitment of a third resident advisor in tax administration given the global economic environment and the unstable and conflict-ridden situations that some member states are experiencing, the support mechanisms deployed by AFRITAC West for the benefit of the tax administrations of Guinea, Niger, and Togo since 2017 and Burkina Faso and Mali since 2022 will be continued. The resident advisors assigned to these countries will continue to develop a differentiated approach, providing a framework and a set of measures tailored to the urgent needs of tax administrations and the political, social, and economic realities of these five countries, in order to support domestic revenue mobilization levels.

223. **In this regard, the main areas of focus will be as follows:**

- Improved risk assessment, in particular by management departments, and enhanced management capacity to optimize resources and improve the performance of administrations;
- Reinforcing the integrity of the taxpayer register and contributing to its expansion;
- Consolidation of tax compliance management, including compliance in the informal sector; and implementation of business continuity plans;
- Improving the effectiveness of tax auditing activities and collection of the resulting arrears;
- Improving the quality of services provided to taxpayers; and
- Promotion of digitalization to make revenue collection more secure.

Planned activities and expected outcomes

224. **Regional seminar. ISORA** (*International Survey on Revenue Administration*). A regional informational and training workshop will be organized in association with the IMF's FAD to help

member countries properly prepare for the rollout of the new "periodic" survey, which is being added this year to the "annual" survey that has been conducted for several years now. The purpose of these surveys is to collect information and factual data to support tax administrations in analyzing their performance by providing them with benchmarks for comparison against comparable administrations.

225. Intensive practical training. Côte d'Ivoire and Niger. Depending on the level of implementation of the recommended reforms in terms of risk analysis in the planning of audits and the availability of the host country, a study tour could be organized in Morocco to help: (i) the Ivoirian tax administration to identify the prerequisites and innovative solutions regarding big data and artificial intelligence projects in support of tax compliance; and (ii) the Nigerian tax administration to understand the principles governing the management of the tax audit function. **Guinea-Bissau.** Depending on the prioritization of needs in light of the capacity to carry out the recommended reforms and the availability of the host country, a study tour could be organized in Senegal to help the Guinea-Bissau tax administration better evaluate and monitor tax expenditures. **Mali and Burkina Faso.** Two study tours are planned depending on the availability of the host countries. These countries have identified Cameroon, Côte d'Ivoire, and Benin as host countries. Upon receipt of the formal needs formulated by the requesting countries, these training activities will be organized to help those countries set up an information center (i) and identify sub-regional best practices in the area of effective management of medium-sized enterprises (ii).

226. Technical assistance missions. The proposed TA missions are presented in Table 3. In parallel with the expert visits, resident advisors' participation in FAD missions will be strengthened in order to consolidate synergies among the IMF's various technical assistance programs.

Table 3. Tax administration missions planned by country

Country	Number of missions	Activities	FY 2024 milestones
Benin	3	Participation in the TADAT assessment	The TADAT assessment is performed
		Support for the for the development and implementation of a post-TADAT action plan	A post-TADAT action plan is developed and implemented
		Support for the development of a concept note or a training tool based on a need expressed by the country	A concept note or a training tool is developed
Burkina Faso	3	Support for the the introduction of a risk analysis system for tax audit planning	A risk-based audit program is implemented
		Support for automation of the risk analysis system for tax audit planning	40 percent of the 2024 tax audit program is automated
		Training support for the rewriting of tax audit management tools	A new audit guidance note issued
Côte d'Ivoire	3	Support for the strengthening of risk analysis in audit planning	The system in place is consolidated, the data sources used are expanded, and the proportion of audits resulting from risk analysis is quantifiable
		Support for the development and implementation of a collection modernization plan	A collection modernization plan is developed and implemented

Country	Number of missions	Activities	FY 2024 milestones
		Support for the development of a concept note or a training tool based on a need expressed by the country	A concept note or a training tool is developed
Guinea	3	Monitoring the implementation of the post-TADAT action plan and updating the Revenue Mobilization Plan (RMP) for FY 2023	Key management, audit, and collection indicators are being consolidated at the Large Enterprises Directorate (DGE) and the Medium-Sized Enterprises Directorate (DME)
		Management of basic tax functions in a digital environment	The procedures for taxpayer registration and management of the taxpayer register are fully automated
		Support for computerization of the cross-checking function for tax purposes	The conceptual work of the automated cross-checking system is completed
Guinea-Bissau	3	Support for development of a plan to transfer the taxpayer register from the old platform to the new one	The transfer of the taxpayer register from the old platform to the new one is completed
		Support for implementation of the plan to expand the taxpayer register and make it more reliable	Increase in the number of actual taxpayers and improvement in the quality of information in the taxpayer register
		Support for the development of a concept note or a training tool based on a need expressed by the country	A concept note or a training tool is developed
Mali	4	Participation in a post-TADAT assessment mission	The TADAT assessment is performed
		Support for modernization of the organizational management framework for medium-sized enterprises	The organization of management structures of medium-sized enterprises is in line with the standards
		Support for strengthening the tax operations of medium-sized enterprises	Management indicators are in line with the standards
		Support for capacity-building in the medium-sized enterprises management sector	Two training events are organized for managers and auditors of medium-sized enterprises
Mauritania	3	Support for implementation of the tax audit reorganization plan	The organization of tax audits is aligned more closely with international standards
		Support for the strengthening of risk analysis in audit planning	A risk analysis development plan is prepared and implemented
		Support for the development of a concept note or a training tool based on a need expressed by the country	A concept note or a training tool is developed
Niger	3	Management of basic tax functions in a digital environment	The rate of automation of taxpayer register management using the SISIC software is improving
		Support for tax and customs collaboration	The automated exchange of information between the General Tax Directorate (DGI) and the General Directorate of Customs (DGD) on the status of the unique identification number (TIN) of each taxpayer is in place
		Launch of the conceptual phase of the automated system for the cross-checking of tax information	The preliminary draft of the functional specifications for the automated cross-checking tool is available
Senegal	3	Support for improved monitoring and management of the MTRS	The monitoring and management of the MTRS is improved, a set of performance

Country	Number of missions	Activities	FY 2024 milestones
			measurement and risk reduction indicators is used and published regularly
		Support for the strengthening of risk analysis in audit planning	The system in place is consolidated, the data sources used are expanded, and the proportion of audits resulting from risk analysis is quantifiable
		Support for the development of a concept note or a training tool based on a need expressed by the country	A concept note or a training tool is developed
Togo	3	Completion of the implementation of the automated performance monitoring (APM) dashboard	The APM is functional and used by management and supervision personnel
		Launch of the conceptual phase of the automated cross-checking system	A preliminary draft of the functional specifications is prepared
		Participation in the TADAT assessment	An accurate picture of the progress made and areas for improvement in the Togolese Revenue Office is available

C. PUBLIC EXPENDITURE MANAGEMENT - BUDGET WORKSTREAM

Context and priorities

227. **The program of activities for FY 2024 is in line with the pursuit of the Center's strategic objectives for the fourth funding cycle.** It aims to strengthen the preparation of the budget in terms of accuracy, transparency, and relevance, and also to improve the performance and oversight of budget execution. More specifically, the activities outlined in the work program are aimed at:

- Improvement of planning, budgeting, and monitoring of public investment management through support for implementation of the recommendations of the Public Investment Management Assessments (PIMA) in Benin and in **Senegal**, updating of the PIMA and evaluation of the C-PIMA module that is responsive to climate change in Côte d'Ivoire, the development of fiscal and medium-term expenditure frameworks in **Guinea-Bissau**, the implementation of commitment authorizations and payment appropriations in **Guinea**, and better consideration of climate change elements in **Mauritania** and **Niger**.
- Improvement of internal budget control in Côte d'Ivoire and **Mali**.
- Improvement of budget documents to ensure that the Parliament and the public are properly and meaningfully informed, particularly on the identification and management of fiscal risks, and to improve budgetary transparency in **Burkina Faso**.
- Improvement of the planning and budgeting of personnel costs in **Togo**.

Planned activities and expected outcomes

228. **Regional seminar.** The work program provides for two regional seminars. One seminar will focus on public investment management. The other one will be devoted to climate-responsive public financial management.

229. **Participation in the activities of regional institutions.** The work program also provides for participation in capacity development activities organized by the WAEMU for public finance professionals in connection with the implementation of guidelines set out in the WAEMU harmonized public financial management framework.

230. **Technical assistance missions.** Fourteen missions are planned, including two each to Côte d'Ivoire, Mali, and the WAEMU Commission; and one each to Benin, Burkina Faso, Guinea, Guinea-Bissau, Mauritania, Niger, Togo, and Senegal.

Table 4. Public expenditure management (budget) missions planned

Country	Number of missions	Activities	FY 2024 milestones
Benin	1	Support for implementation of the PIMA and C-PIMA recommendations	The capacities for planning, budgeting, and execution of public investments, including elements related to climate change, are developed
Burkina Faso	1	Continued support for strengthening fiscal risk analysis, particularly with regard to state-owned enterprises, public investments, and public-private partnerships (PPPs)	The capacity for fiscal risk analysis is strengthened, particularly with respect to state-owned enterprises and public investments, including PPPs
Côte d'Ivoire	2	Continued support for the introduction of internal budget control	The capacity for internal budget control management is strengthened for the first pilot ministries and the capacity of the trainers of trainers is strengthened.
		Support for green budget management/and for climate-responsive public investment management (with FAD)	An action plan is available to integrate climate change into public investment management and public financial management
Guinea	1	Continued support for the implementation of commitment authorizations and payment appropriations	The institutional framework for the implementation of commitment authorizations and payment appropriations is defined and the relevant matrix is filled out correctly by the pilot line ministries
Guinea-Bissau	1	Continued support for the development of multi-year economic and budgetary programming frameworks	The capacities of line ministries and institutions are developed in preparation for the introduction of the multi-year expenditure programming document (DPPD)
Mali	2	Support for the implementation of internal budget control	The institutional framework for internal budget control is strengthened
		Continued support for the introduction of internal budget control	The capacity for internal budget control management is strengthened for the first pilot ministries and the capacity of the trainers of trainers is strengthened
Mauritania	1	Support for strengthening public investment management, including elements related to climate change	An action plan is available to strengthen public investment management, including the integration of elements related to climate change
Niger	1	Support for strengthening public investment management, including elements related to climate change	An action plan is available to strengthen public investment management, including the

Country	Number of missions	Activities	FY 2024 milestones
			integration of elements related to climate change
Senegal	1	Support for implementation of the PIMA and C-PIMA recommendations through the drafting of a decree on the public investment management framework	The institutional framework for public investment management is strengthened
Togo	1	Continued support for programming and budgeting of personnel costs	The capacities for programming and budgeting of personnel costs in program mode are developed
Regional	2	Organization of an inter-regional seminar with AFRITAC Central on strengthening public investment management	Best regional and international practices for public investment management are shared and the participants' capacities are developed
		Organization of an inter-regional seminar on climate-responsive public financial management (with FAD and AFRITAC Central)	Best regional and international practices for integration of the climate change perspective into public investment management are shared and the participants' capacities are developed
WAEMU	2	Seminar on validation of the internal budget control guide with the member states and the WAEMU Commission	A single guide on internal budget and accounting control is validated
		Preparation of a single guide on internal budget and accounting control, in collaboration with the accounting and treasury advisor, incorporating the guide on internal accounting control	A guide on internal budget and accounting control is available for the WAEMU member states

D. PUBLIC EXPENDITURE MANAGEMENT – ACCOUNTING AND TREASURY WORKSTREAM

Context and priorities

231. **Support for the transition to accrual and asset-based accounting in order to improve transparency and the quality of the government's accounts, along with the consolidation of the Treasury Single Account (TSA) and modernization of cash flow management remain the two priority objectives for countries in the region.** AFRITAC West is continuing to support all its member countries that are engaged in the implementation of accrual and asset-based accounting, and it is also providing support in the consolidation of the Treasury Single Account and the modernization of government cash flow management, coupled with targeted support in the integration of cash flow and debt management. This support is being implemented through technical assistance missions, regional seminars, and practical and intensive training missions in those areas.

232. **The program's two priority objectives are centered around the following two key areas:**

- **Continued support for the transition to accrual and asset-based accounting**, with the technical documentation of certain accounting standards, the development of practical guides for inventory and closing operations, the production and quality review of annual financial statements, the implementation of internal accounting controls, and support for the preparation of the opening balance sheet and for the computerization of general accounting, in **Burkina Faso, Côte d'Ivoire, Guinea, Mali, Mauritania, Niger, Senegal, and Togo**. Support for the WAEMU Commission continues with the participation by AFRITAC West in the Commission's activities in this area. Intensive practical training is also planned in these areas.
- **Continued support for consolidation of the Treasury Single Account, cash flow management, and integration of cash flow and debt management in Benin, Burkina Faso, Côte d'Ivoire, Senegal, and Togo.**

Planned activities and expected outcomes

233. **Regional seminars** A regional seminar will focus on the treatment of outstanding payables and outstanding receivables, in order to share experiences and identify best practices of the participating countries and to build capacity in this area.

234. **Technical assistance missions.** Fourteen missions are planned, including two each to Benin, Burkina Faso, Côte d'Ivoire, and Togo. The missions to Guinea, Burkina Faso, and Mali will be carried out as usual in coordination with the activities of the IMF resident advisors in these countries. All technical assistance missions are followed up by reports to the IMF Resident Representative, along with the country's technical and financial partners.

235. **At the regional level, two activities in support of the WAEMU Commission are planned** within the framework of capacity development for WAEMU public finance experts and practitioners, with the participation of the advisor in meetings scheduled by the Commission, and the validation of the single guide on internal budgetary and accounting control.

236. **Intensive practical training.** A study trip is planned to facilitate peer learning on a topic to be determined. It will be carried out in a country with extensive experience in the given field, for the benefit of a country that has recently become involved in the chosen topic.

Table 5. Public expenditure management missions planned by country
- Accounting and Treasury

Country	Number of missions	Activities	FY 2024 milestones
Benin	2	Support for the transition to accrual accounting	Information sheets on the methodology for the quality review of financial statements are available and capacities are developed
		Support for further consolidation and expansion of the TSA to cover its target scope	The TSA Agreement is adopted

Country	Number of missions	Activities	FY 2024 milestones
Burkina Faso	2	Support for accrual accounting: Continue implementation of the internal accounting control system	The action plan for the deployment of internal accounting control is being followed and accounting quality is improving.
		Support for further consolidation and expansion of the TSA to cover its target scope	The TSA Agreement is adopted
Côte d'Ivoire	2	Continued support for the implementation of accrual accounting: documentation of year-end operations.	A practical guide is prepared on the execution of fiscal year-end operations such as expenses payable, income receivable, and the determination of different results
		Support for further consolidation and expansion of the TSA to cover its target scope	The TSA Agreement is adopted
Guinea	1	Support for computerizing the government's general accounting system: Preparation of the closing statements for the first fiscal year using the accounting information system	The closing balances for first quarter of 2023 in the new computerized accounting system are more reliable
Guinea-Bissau	1	Support for strengthening the organization of accounting and improving the quality of accounting	Accounting is improved
Mali	1	Support for the implementation of accrual accounting: support for making financial statements more reliable	The action plan to improve the reliability of financial statements using accrual and asset-based accounting is available and the capacity to review the quality of financial statements has been strengthened
Mauritania	1	Support for the implementation of accrual accounting: preparation of the first opening balance sheet	The accounts to be included in the opening balance sheet are defined and their transactions are made more reliable
Niger	1	Support for the implementation of accrual accounting: preparation of the first opening balance sheet	The accounts to be included in the opening balance sheet are defined and their transactions are made more reliable
Senegal	2	Support for the implementation of accrual accounting: preparation of the first opening balance sheet	The priority action plan for preparing the first opening balance sheet and making it more reliable is updated
		Support for further consolidation and expansion of the TSA to cover its target scope	The TSA Agreement is adopted
Togo	2	Support for the implementation of accrual accounting: internal accounting control	The action plan for the deployment of internal accounting control is being followed and accounting quality is improving.
		Support for further consolidation and expansion of the TSA to cover its target scope	The TSA Agreement is adopted
Regional	1	Regional seminar on the handling of outstanding payables and outstanding receivables	The participants' capacities are developed and experiences are shared

Country	Number of missions	Activities	FY 2024 milestones
Regional WAEMU	2	Participation in meetings of the WAEMU oversight committee for public finance and the network of practitioners	The capacities of officials responsible for public financial management in the WAEMU countries are developed to support the implementation of public finance directives
		Validation of the single guide on internal budget and accounting control with the member states and the WAEMU Commission	The guide is available and is being used
Intensive training mission	1	Mission of 3 senior staff from one country to a more developed country on a topic to be determined	Capacities are developed and experiences are shared
Fiscal Affairs Department mission	1	Participation by the advisor in a Fiscal Affairs Department mission conducted in a country covered by AFRITAC West	

E. GOVERNMENT FINANCE STATISTICS

Context and priorities

237. The program of activities continues the process of migrating government finance statistics to current international standards, including the **Government Finance Statistics Manual 2014 (GFSM 2014)** and the **2011 Public Sector Debt Statistics Guide**. It focuses on the following points:

- Scope of coverage:
 - Public Sector:
 - Public corporations;
 - General government:
 - Budgetary central government;
 - Extrabudgetary units
 - Social security:
 - Local or territorial governments.
- Sector classification of units within the public sector;

- Accounting rules;
- Analytical framework for government finance statistics:
 - Outstanding amounts (opening and closing balance sheet at the start and end of each accounting period);
 - Flows:
 - Transactions
 - Other economic flows (gains and losses on assets held; Other changes in volumes of assets and liabilities)
- Inclusion of non-monetary operations in government finance statistics
- Preparation of the opening and closing balance sheet for each fiscal year.

238. **The various technical assistance missions have made it possible to observe technical progress in almost all of the countries covered by AFRITAC West**, particularly in the compilation of the Government Financial Operations Table (TOFE) of the budgetary central government according to GFSM 2014 and the process of broadening its coverage of government finance statistics to the entire government sector.

239. **This progress has enabled some countries to express their willingness to migrate the financial operations of the budgetary central government** to the GFSM 2014 standards on the one hand, and to use this new version of the TOFE to monitor the criteria under the economic and financial program on the other.

240. The extension of the GFS coverage to other subsectors of the government and public corporations shows that:

- a. One country produces complete public sector statistics, and two others are developing consolidated government statistics and have begun to develop public corporation statistics in accordance with the GFSM 2014 principles.
- b. On an experimental basis, almost all of the countries produce the social security financial transactions table and more than half produce the position of local governments and extrabudgetary units.

241. **In addition, the progress allows us to consider continuation of the process of migrating to the GFSM 2014 principles.** In fact, the new standards require the inclusion of non-monetary transactions in the GFS, the preparation of opening and closing balance sheets, and other economic flows.

Planned activities and expected outcomes

242. **The FY 2024 work program will consist of consolidating gains, encouraging countries that are making progress to maintain that trend,** and defining a methodology for taking into account the new requirements included

in GFSM 2014. In addition, the presence of a second GFS advisor will allow the Center to increase its assistance and target support to specific countries, including so-called fragile states in particular.

243. **Regional seminar.** The plans for FY 2024 call for the organization of a regional seminar expanded to include the French-speaking countries covered by AFRITAC South. This workshop will continue the work of the FY 2022 and FY 2023 workshops on the inclusion of in-kind operations in government finance statistics. The previous seminars have made it possible to propose methodologies for the inclusion of these transactions. In addition, the workshop will also focus on improving the compilation of the functional classification (COFOG).

244. **Technical assistance missions.** The technical assistance missions, summarized in Table 5, aim to maintain the momentum built in the previous fiscal year. The technical assistance will, however, be characterized by the organization of at least two missions in certain countries. It is also with mentioning, that in some countries, the missions will be delivered jointly with HQ missions that are financed by the D4D project to provide additional support and better assist countries.

245. **Fiscal year 2024** will make it possible to take a new step forward in the production of government finance statistics with the preparation of opening and closing balance sheets on an experimental basis in certain countries as well as the inclusion of certain in-kind operations in the statistics.

Table 6. Government finance statistics missions planned by country

Country	Number of missions	Activities	FY 2024 milestones
Benin	2	<p>Transition to the TOFE based on GFSM 2001/2014</p> <p>Extension of other tables under the minimum analytical framework to subsectors of the general government</p> <p>Production of a preliminary balance sheet</p> <p>Expansion of the coverage of government finance statistics to the general government sector</p> <p>Inclusion of benefits in kind in the TOFE</p>	<p>Statistics for the different general government subsectors are produced on an experimental basis in accordance with GFSM 2014</p> <p>Inclusion of non-monetary operations in GFS in the case of official vehicles and gifts in kind</p> <p>Production of the consolidated position of the general government</p> <p>Production of the cash flow position, the balance sheet, and the debt position for the local government, social security, and extrabudgetary subsectors</p>
Burkina Faso	3	<p>Refinement of TOFEs for the general government subsectors based on GFSM 2001/2014</p> <p>Preparation of the consolidated general government TOFE based on GFSM 2014</p> <p>Preparation of the TOFE for public corporations on an experimental basis</p> <p>Preparation of the consolidated TOFE for the public sector on an experimental basis</p> <p>Transition to the TOFE based on GFSM 2014</p> <p>Inclusion of non-monetary operations in the TOFE</p> <p>Refinement of the debt position, the balance sheet, and the cash flow position for the budgetary central government</p> <p>Production of the public sector debt position</p> <p>Preparation of the complete balance sheet</p> <p>Training and education of stakeholders in the GFSM 2014 methodology</p>	<p>Statistics for the different general government subsectors are produced on a regular basis in accordance with GFSM 2014</p> <p>The consolidated general government TOFE is produced</p> <p>The TOFE for public corporations is produced on an experimental basis</p> <p>The consolidated TOFE for the public sector is produced on an experimental basis</p> <p>Burkina Faso has migrated to the GFSM 2014 methodology</p> <p>Non-monetary operations are included in the TOFE</p> <p>The debt position, the balance sheet, and the cash flow position for the budgetary central government are refined</p> <p>The public sector debt position is produced</p> <p>The complete balance sheet is prepared</p> <p>Stakeholders are trained in and aware of the GFSM 2014 methodology</p>
Côte d'Ivoire	2	<p>Refinement of TOFEs for the general government subsectors based on GFSM 2014</p> <p>Refinement of the debt position, the balance sheet, and the cash flow position</p>	<p>Statistics for the different general government subsectors are produced on a regular basis in accordance with GFSM 2014</p> <p>Production of the consolidated position of the general government</p>

Country	Number of missions	Activities	FY 2024 milestones
		<p>Preparation of the consolidated general government TOFE based on GFSM 2014</p> <p>Inclusion of benefits in kind in the TOFE</p>	<p>Preparation of the TOFE of the public corporations subsector on an experimental basis</p> <p>Inclusion of non-monetary operations in GFS in the case of official vehicles and gifts in kind</p>
Guinea	3	<p>Refinement and production of the TOFE for the budgetary central government based on GFSM 2014</p> <p>Production of the TOFEs of extrabudgetary units, local governments, and social security agencies on an experimental basis</p> <p>Transition to the TOFE based on GFSM 2014</p> <p>Production of the debt position, the balance sheet, and the cash flow position for the budgetary central government</p> <p>Inclusion of non-monetary operations in the TOFE</p> <p>Training and education of stakeholders in the GFSM 2014 methodology</p>	<p>The TOFE of the budgetary central government is produced in accordance with GFSM 2014 in line with that based on GFSM 1986 (dual control)</p> <p>The TOFEs of extrabudgetary units, local governments, and social security agencies are produced on an experimental basis</p> <p>Guinea has migrated to the GFSM 2014 methodology</p> <p>The debt position, the balance sheet, and the cash flow position for the budgetary central government are produced</p> <p>Non-monetary operations are included in the TOFE</p> <p>Stakeholders are trained in and aware of the GFSM 2014 methodology</p>
Guinea-Bissau	2	<p>Finalization of the production of the TOFE based on GFSM 2014</p> <p>Initial outline of debt and cash flow positions</p> <p>Refinement of correspondence tables for social security and local governments</p> <p>Expansion of GFS coverage to the extrabudgetary subsector</p> <p>Supervision of the work of the committee in charge of government finance statistics</p>	<p>Production of the TOFE for subsectors of the general government (central government, local governments, and social security) in accordance with GFSM 2014</p> <p>Production of the TOFE for the extrabudgetary subsector</p> <p>Training of government finance personnel</p> <p>Production of other tables under the minimum analytical framework in accordance with GFSM 2014</p>
Mali	2	<p>Finalization of the production of the TOFE based on GFSM 2014 for the general government subsectors</p> <p>Refinement of the debt position, the balance sheet, and the cash flow position</p> <p>Gradual expansion of the scope of coverage of</p>	<p>Statistics for the different general government subsectors are produced on an experimental basis in accordance with GFSM 2001/2014</p> <p>Production of the other tables of the minimum analysis framework for the budgetary central government</p>

Country	Number of missions	Activities	FY 2024 milestones
		government finance statistics	
Mauritania	2	<p>Resumption of work on production of the TOFE in accordance with GFSM 2001/2014</p> <p>Preparation of initial versions of other tables under the minimum analytical framework</p> <p>Review of data for the gradual expansion of the scope of government finance statistics</p> <p>Creation of a committee in charge of government finance statistics</p>	<p>A correspondence table for the budgetary central government is finalized and experimental versions of statistics for the local government and social security subsectors are produced in accordance with GFSM 2014 (December 2022)</p> <p>Inclusion of non-monetary operations in GFS in the case of official vehicles and gifts in kind</p> <p>Creation of an expanded GFS committee</p>
Niger	2	<p>Finalization of the production of the TOFE based on GFSM 2014</p> <p>Refinement of the debt position and the cash flow position</p> <p>Expansion of the scope of coverage of GFS</p> <p>Inclusion of benefits in kind in the TOFE</p>	<p>The experimental versions of statistics for the budgetary central government, local governments, and social security are produced in accordance with GFSM 2014</p> <p>Production of other tables under the minimum analytical framework in accordance with GFSM 2014</p> <p>Preparation of an initial correspondence table for extrabudgetary units</p> <p>Inclusion of non-monetary operations in GFS in the case of official vehicles and gifts in kind</p>
Senegal	2	<p>Refinement of statistics for the different general government subsectors</p> <p>Production of the consolidated fiscal position of the general government in accordance with Special Data Dissemination Standard (SDDS) requirements and time limits</p> <p>Expansion of statistics to the public sector</p> <p>Expansion of the coverage of tables under the minimum analytical framework</p> <p>Production of the balance sheet</p> <p>Inclusion of benefits in kind in the TOFE</p>	<p>The consolidated statement of general government statistics is produced within the time limits prescribed by the SDDS</p> <p>Inclusion of non-monetary operations in GFS in the case of official vehicles and gifts in kind</p> <p>Production of the balance sheet</p> <p>Expansion of the coverage of debt to the public sector</p> <p>And consolidated positions of: <i>The general government</i> <i>The public sector</i></p>

Country	Number of missions	Activities	FY 2024 milestones
		Creation of a committee in charge of government finance statistics	
Togo	3	<p>Production of the TOFE for the budgetary central government based on GFSM 2014</p> <p>Production of the TOFEs of extrabudgetary units, local governments, and social security agencies on an experimental basis</p> <p>Production of the debt position, the balance sheet, and the cash flow position for the budgetary central government</p> <p>Inclusion of non-monetary operations in the TOFE</p> <p>Training and education of stakeholders in the GFSM 2014 methodology</p>	<p>The TOFE for the budgetary central government is produced in accordance with GFSM 2014</p> <p>The TOFEs of extrabudgetary units, local governments, and social security agencies are produced on an experimental basis</p> <p>The debt position, the balance sheet, and the cash flow position for the budgetary central government are produced</p> <p>Non-monetary operations are included in the TOFE</p> <p>Stakeholders are trained in and aware of the GFSM 2014 methodology</p>

F. REAL SECTOR STATISTICS

Context and priorities

246. **The activities planned in the area of real sector statistics are focused on the national accounting system, high-frequency indicators, and prices.** They have three main objectives:

- Continue the implementation of the *System of National Accounts (SNA) 2008* and the change of base year in Guinea and improve the timeliness of the national accounts in **all** of the AFRITAC West member countries.
- Support projects to update the base year for national accounts in Burkina Faso, Mali, Niger, and Senegal.
- Continue the implementation or development of quarterly national accounts (QNAs) in **Benin**, Burkina Faso, Côte d'Ivoire, Mali, Mauritania, Niger, Senegal, and Togo.
- Support the development of high-frequency indicators in Côte d'Ivoire, Mauritania, and Senegal.

Planned activities and expected outcomes

247. **Regional seminar.** The Center will organize two regional workshops, including one in coordination with AFRITAC Central. These training activities are intended to develop the

capacities of the staff of national statistics institutes with regard to the preparation of estimates of annual and quarterly national accounts. They will help statisticians make better use of administrative data sources.

248. **Technical assistance missions.** The planned activities are summarized in Table 7.

249. **Following the rebasing activities completed by nine of the ten AFRITAC countries,** support will be given to Guinea in implementing the 2008 SNA with a new base year, combined with backcasting to provide users with longer GDP series.

In Guinea, an increase in support with the contribution of other technical partners has enabled the National Statistics Institute (INS) to obtain initial estimates for the 2018 base year accounts. These estimates should be subject to close scrutiny and technical recommendations for their improvement should be made.

250. **In fiscal year 2024, Guinea will receive support from AFRITAC West to ensure the production of the 2019 accounts according to the 2008 SNA,** but also to continue to provide users with the 2022 accounts according to the old 2006 base and the 1993 SNA. It should be noted that for most countries, the 2014, 2015, and 2016 base years are already beginning to disappear. Furthermore, a number of countries, particularly within the WAEMU, have announced their intention to rebase their national accounts.

251. **In addition, the development of the sequence of sector accounts is also a way to improve the national accounts.** Support will be provided to Cote d'Ivoire, Mauritania, and Togo in the development of the integrated economic accounts table, including financial accounts.

252. **Improvements in the timeliness and drafting of methodology notes will account for some of the Center's activities.** This support will concern Benin in particular, where the final national accounts series is significantly behind schedule.

253. **AFRITAC will continue to work on the introduction and development of quarterly national accounts,** particularly in Togo and Niger. In Togo, the initial estimates of the quarterly national accounts from the production perspective have been put in place with a first attempt at seasonal adjustment of GDP. This effort will continue with an official publication expected in the first half of 2024.

Table 7. Real sector statistics missions planned by country and institution

Country	Number of missions	Activities	FY 2024 milestones
Benin	2	Improvement of the QNA mechanism	The holiday calendar is available; seasonal adjustment models are identified for each activity; a seasonally adjusted 2015-2022 quarterly GDP series is available
		Improvement in the timeliness of the 2017-2021 national accounts	Sources are processed; decentralized work is completed; 2017-2021 national accounts are prepared

Burkina Faso	1	Establishment of 2019 as the base year and preparation of the financial accounts	Data collection including administrative sources is conducted; financial transactions are processed
Côte d'Ivoire	2	Establishment of 2015 as the base year in accordance with SNA 2008: alignment of QNAs	The VAT base is recalculated; the high-frequency indicators and national accounts are brought into alignment
		Establishment of 2015 as the base year in accordance with SNA 2008: sequence of accounts through the financial accounts	Sources are collected and processed by the INS
Guinea	2	Compilation of the 2021 and 2022 national accounts in accordance with SNA 1993 and rebasing of the accounts in accordance with SNA 2008	The 2021 and 2022 national accounts sources are collected and processed
		Establishment of 2015 as the base year in accordance with the 2008 SNA: 2018 and 2019 national accounts	Sources are collected and processed by the INS
Guinea-Bissau	1	Compilation of the 2021 and 2022 national accounts in accordance with SNA 2008 and rebasing of the accounts	The sources are collected and processed by the INS; a diagnostic assessment of the 2015 base year is available
Mali	2	Establishment of 2015 as the base year in accordance with the 2008 SNA: backcasting	Sources are collected and processed
		Establishment of 2015 as the base year in accordance with SNA 2008: alignment of QNAs (seasonal adjustment)	Sources are collected and processed by the INS
Mauritania	1	The QNAs and financial accounts are produced	Sources are collected and processed by the INS
Niger	1	Establishment of a new base year in accordance with SNA 2008	A diagnostic assessment of the 2015 base year is performed; methodology notes for the studies are available
Senegal	2	Establishment of a new base year in accordance with SNA 2008	A diagnostic assessment of the 2014 base year is performed
		Preparation of the QNAs and financial accounts	Sources are collected and processed by the INS
Togo	2	Preparation of the financial accounts	Data collection is conducted; financial transactions are processed
		Preparation of seasonally adjusted QNAs	The holiday calendar is available; seasonal adjustment models are identified for each activity; a seasonally adjusted 2015-2022 quarterly GDP series is available

G. Management of debt and the development of financial markets

Context and priorities

254. **The planned debt management activities are taking place in a difficult international environment**, which has had significant implications for government finances and public debt in the region.

255. **Expanding financing needs and liquidity pressures in some countries**, successive interest rate hikes by domestic and foreign central banks and increase in the parity of the U.S. dollar against the euro and national currencies over 2021 and 2022 have led to an increase in debt, pushing some countries toward a high risk of debt distress.

256. **These implications require the implementation of prudent**, progressive, and transparent debt management, as well as the use of advanced debt management tools, the implementation of good debt management practices, and better coordination between debt policy and fiscal and monetary policies. The activities planned in this area are aimed in particular at:

- ❖ Building capacity in the preparation and implementation of the medium-term debt strategy (MTDS) and annual financing plan and supporting the authorities in **Guinea-Bissau and Mauritania** in the formulation and publication of a medium-term debt management strategy;
- ❖ Assisting in the consolidation of progress in the development and implementation of the medium-term debt strategy in **Benin, Côte d'Ivoire, Mali, Niger, and Guinea**;
- ❖ Assisting in the improvement of the institutional and organizational framework for public debt in **Burkina Faso, Guinea, and Mali**;
- ❖ Improving debt reporting in **Mali, Guinea, and Guinea-Bissau**;
- ❖ Supporting **Guinea and Mauritania** in the development of the domestic government securities market;
- ❖ Developing capacities in debt sustainability analysis in **Côte d'Ivoire, Guinea, and Togo, and at the regional level with the WAEMU Commission**.

Planned activities and expected outcomes

257. **At the regional level**. A regional seminar will be organized on the inclusion of contingent liability risks in debt management. The seminar is intended to raise awareness among debt managers regarding their role in the management of fiscal risks related to contingent liabilities, in particular explicit contingent liabilities and implicit debt of state-owned enterprises, and to strengthen their knowledge of techniques for identifying, quantifying, projecting, and managing these fiscal risks in the context of public debt management work.

258. **The WAMU Commission**. The Center will conduct practical training on Debt Sustainability Analysis in low-income countries for members of the National Economic Policy Committees (NEPC) of the WAMU Commission.

259. **The program of activities emphasizes joint activities with the IMF Monetary and Capital Markets Department (MCM) and the World Bank.** These activities include TA in the design and implementation of the MTDS and the Annual Borrowing Plan (ABP) and development of the domestic government securities market.

Table 8. Debt management missions planned by country and institution

Country/Institution	Number of missions	Activities	FY 2024 milestones
Benin	1	Support for the formulation and implementation of the medium-term debt strategy and the ABP	(i) The MTDS document contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan
Burkina Faso	1	Support for improving the institutional framework for debt management	a) The procedural manual for debt management is updated; b) the departments involved in debt management activities are effectively reorganized into front, middle, and back offices; c) the roles and responsibilities of all those involved in the debt management process are specified; and d) the steps involved in managing debt operations are formally documented
Côte d'Ivoire	2	Support for the formulation and implementation of the medium-term debt strategy and the ABP Training on the use of the revised LIC-DSF	(i) The MTDS document contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan Improved knowledge of the new debt sustainability framework, as well as the analytical tool that allows staff to better assess vulnerabilities, debt dynamics, and the risk of debt distress
Guinea	4 (one of which is virtual)	Support for the formulation and implementation of the medium-term debt strategy and the ABP	The MTDS document contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan Improved knowledge of the new debt sustainability framework, as well as the analytical tool that allows staff to better assess vulnerabilities, debt dynamics,

Country/Institution	Number of missions	Activities	FY 2024 milestones
		<p>Training on the use of the revised LIC-DSF</p> <p>Strengthening of the institutional and organizational framework for debt management</p> <p>Support for improved debt reporting</p>	<p>and the risk of debt distress</p> <p>The debt units are organized according to the front/middle and back office model and their responsibilities are defined according to best practices</p> <p>Periodic debt reporting is provided</p>
Guinea-Bissau	2	<p>Technical assistance for the formulation and implementation of the medium-term debt strategy and the ABP</p> <p>Support for improved debt reporting</p>	<p>The MTDS document contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan</p> <p>Periodic reporting of the debt (quarterly bulletin and annual report) is provided</p>
Mali	3 (one of which is peer-to-peer)	<p>Strengthening of the institutional and organizational framework for debt management</p> <p>Technical assistance for the formulation and implementation of the medium-term debt strategy and the ABP</p> <p>Support for improved debt reporting</p>	<p>The debt units are organized according to the front/middle and back office model and their responsibilities are defined according to best practices. A procedural manual for debt management operations is prepared</p> <p>The MTDS document contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan</p> <p>The system for recording and managing the debt database is improved</p>
Mauritania	2	<p>Support for the formulation and implementation of the medium-term debt strategy</p>	<p>The MTDS document contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the</p>

Country/Institution	Number of missions	Activities	FY 2024 milestones
		Support for development of the domestic market for government securities	recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan Implementation of short-term actions for development of the domestic government securities market
Niger	1	Support for the implementation of the medium-term debt strategy - follow-up mission	The MTDS document that is developed contains: a) the history and key vulnerabilities of the public debt portfolio; b) a description of the analysis undertaken to justify the recommended strategy; c) a description of the recommended strategy and its rationale; and d) the ABP based on the MTDS and the government's cash flow plan.
Togo	1	Training on the use of the revised LIC-DSF	Improved knowledge of the new debt sustainability framework, as well as the analytical tool that allows staff to better assess vulnerabilities, debt dynamics, and the risk of debt distress
WAMU Commission	1	Training on the use of the revised LIC-DSF	Improved knowledge of the new debt sustainability framework, as well as the analytical tool that allows staff to better assess vulnerabilities, debt dynamics, and the risk of debt distress
Regional seminar	1	Regional seminar on debt management and management of contingent liabilities	The management of risks related to the debt portfolio includes vulnerabilities related to contingent liabilities

H. BANK SUPERVISION

Context and priorities

260. **The scope of AFRITAC West's involvement in the area of financial supervision and regulation is intended to strengthen the soundness of the financial system.** This approach aims to bring regulations and practices into line with the principles defined by the Basel Committee, such as the so-called Basel II/Basel III prudential framework, and to consolidate the

achievements of risk-based supervision. The activities planned in this area will therefore focus on the revision or adaptation of certain regulatory documents at the Central Bank of West African States (BCEAO), the Central Bank of the Republic of Guinea (BCRG) and the Central Bank of Mauritania (BCM), as well as on the development of supervisory tools or methodologies and the development of supervisory capacities. The Center will also assist the Monetary and Financial Agency (AMF) in the development of risk-based supervision applied to the supervision of markets and market intermediaries. Finally, it should be stressed that AFRITAC West is also working in two jurisdictions (West African Monetary Union (WAMU) and the Republic of Guinea) to promote the adaptation of accounting frameworks to the International Financial Reporting Standards (IFRS) and that climate risks will be the subject of the first bilateral activities with the BCEAO.

Planned activities and expected outcomes

261. **Country technical assistance missions.** The actions undertaken to strengthen banking supervision in Guinea and Mauritania will be continued and deepened (see Table 9).

262. **In the case of the Republic of Guinea,** these missions are part of a broader technical assistance program discussed by the IMF's Monetary and Capital Markets Department and the Guinean authorities. In this context, it is proposed that five missions be included in AFRITAC West's 2024 program, most of which concern regulatory issues. This involves, first of all, continuing the work begun for the implementation in the Republic of Guinea of the short-term liquidity ratio (Liquidity Coverage Ratio, or LCR) with the actual deployment of the formalized roadmap in January 2023; this is an essential element of the convergence of Guinean banking regulations with international best practices, in this case the liquidity component of the so-called Basel III framework. These missions will contribute to the completion of an impact study and the finalization of a draft instruction. Two missions on regulatory issues are also planned: (i) the first will concern issues already identified in relation to old regulatory documents (related parties, large risks), while (ii) the second will identify the new needs for updating the regulations resulting from the future banking law. Finally, a mission will be devoted to the development of a system of early warning indicators aimed at identifying banks' difficulties in good time, even before prudential thresholds are breached. It should be stressed that the effectiveness of this technical assistance program requires that the staff of the BCRG's Banking Supervision Department be brought up to standard.

263. **In the case of the Islamic Republic of Mauritania,** the planned work will focus on operational procedures in order to move them towards the implementation of risk-based supervision. This concerns on-site inspection and off-site inspection, each of which will be supported by a technical assistance mission. Another mission will be dedicated, in a cross-cutting manner, to governance issues in order to assist the BCM in setting up tools to that will enable it to ensure the quality of the governance of Mauritanian banks. The value of such a mission was highlighted by a recent IMF mission and is in line with the updated governance framework put in place by the BCM through an instruction issued in 2022, which was drawn up with the support of AFRITAC West. Finally, given the development of IT risks and the increasing digitalization of Mauritanian banking activities, it is suggested that, subject to the availability of adequate resources within the BCM, the implementation of the roadmap drawn up in 2020 should begin.

264. **Technical assistance for the General Secretariat of the WAMU Banking Commission (SGCBU) and the BCEAO Directorate of Financial Stability (DSF).** The technical assistance activities planned for the year 2023/2024 will be aimed at supporting the evolution of the regulatory framework concerning the consideration of climate-related risks, based on two missions; contributing to the adaptation of the prudential framework to the specific features of microfinance institutions; and implementing a regulation on participatory financing (crowdfunding). Another purpose of the planned missions will be to participate in developing the capacity of the SGCBU in a number of areas that can be either general or applied to concrete issues on the basis of a mutually agreed upon program.

265. **Technical assistance to the Financial Markets Authority During Phase IV,** AFRITAC West supported the AMF in updating various regulatory documents. The AMF would now like to identify ways to improve identification and readability for the various market stakeholders and participants, for example through a collection of documents; AFRITAC West could provide support in this regard. Finally, there are plans to provide training for supervisors.

266. **Regional seminar.** There are plans to organize a regional seminar on issues related to the digitalization of banking activities in terms of regulation and supervision. Finally, two webinars are planned: the first one will be focused on raising awareness of gender issues in the financial sector and the second one will deal with updating the actions already taken in the area of climate risk.

Table 9. Financial supervision and regulation missions planned by country

Institutions/ Country	Number of missions	Activities	2024 milestones
BCEAO/SGCBU	12	Strengthening of banking regulation and risk-based supervision	<ul style="list-style-type: none"> ❖ Preparation of a climate risk data collection framework (taxonomy and accounting framework) ❖ Review of a draft regulatory document on climate risk management ❖ Review of a guidance note on the prudential framework applicable to microfinance institutions ❖ Review of the draft prudential framework applicable to microfinance institutions ❖ Support for the publication of a regulatory document applicable to participatory financing. ❖ Training for SGCBU staff in the monitoring of fraud risks ❖ Training for SGCBU staff in the monitoring of financial companies ❖ Training of SGCBU staff in the performance of an asset quality review ❖ Training of SGCBU staff in off-site and on-site auditing of liquidity risk ❖ Training of SGCBU staff in the the prudential consideration of climate risk. ❖ Training in market risk and its monitoring ❖ Training of SGCBU staff in the examination of accreditation files
	1	Strengthening of regulatory requirements in the areas of accounting and prudential provisioning	<ul style="list-style-type: none"> ❖ Review of progress in adopting the IFRS standards
AMF	2	Implementation of risk-based supervision	<ul style="list-style-type: none"> ❖ Support for the formalization of specifications for the compilation of a collection of applicable regulatory documents ❖ Training of AMF senior officials and staff in risk-based supervision
Guinea	5	Strengthening of banking regulation and supervision	<ul style="list-style-type: none"> ❖ Performance of an impact study on the short-term liquidity ratio ❖ Finalization of a draft instruction on the short-term liquidity ratio ❖ Review of regulatory documents concerning related party relationships and risk sharing ❖ Establishment of a roadmap of regulatory adaptation needs ❖ Introduction of a system of early warning indicators
Mauritania	4	Strengthening of banking regulation and supervision	<ul style="list-style-type: none"> ❖ Review of on-site audit procedures ❖ Review off-site audit procedures ❖ Adaptation of prudential supervision tools ❖ Preparation of a draft document reinforcing regulatory obligations with respect to cybersecurity

I. MACROECONOMIC AND FISCAL ANALYSIS

Context and priorities

267. The activities in this area focus primarily on the development of institutional capacities for the preparation and monitoring of macroeconomic policies. The program of activities for fiscal year 2024 will also focus on the importance of strengthening synergies among the various

administrations responsible for performing the macro-fiscal function. It will cover:

- The strengthening of medium-term macroeconomic frameworks. This includes:
 - The further development of macroeconomic and fiscal forecasting tools and their use in **Burkina Faso** and **Senegal**;
 - The integration of macroeconomic and fiscal framing processes in **Mali** and **Mauritania**;
 - The analysis of macroeconomic risks and the evaluation of their impacts in the budget documents in Guinea-Bissau;
- Improved integration of debt sustainability analysis in the process of developing medium-term frameworks in Côte d'Ivoire;
- Strengthening fiscal risk analysis in Benin, Burkina Faso, Côte d'Ivoire, Guinea, and Niger.

Planned activities and expected outcomes

268. **At the regional level.** A training workshop on debt sustainability analysis will be organized. The third workshop on the analysis and forecasting of revenues from extractive industries for West African countries will also be organized with the support of IMF departments.

269. **At the country level.** The activities planned for FY 2024 are summarized in the following table. They are aimed primarily at helping countries strengthen the analysis of macroeconomic and fiscal frameworks and the credibility of budgets. Support will be provided for revenue forecasting, payroll, and fiscal risk monitoring and analysis.

270. **Cooperation with other regional institutions.** The Center will participate in activities organized by AFRISTAT, the WAEMU Commission, and the Economic Commission for Africa. The activities will cover regional seminars on economic developments, macroeconomic forecasts in the West African countries, and workshops on best framing practices.

271. Likewise, the Center will explore synergies to conduct training with the IMF Africa Training Institute, where existing courses and a new nowcasting course are good complements to the Center's capacity development objectives in the region. In the same vein as the capacity development activities, the IMF's Institute for Capacity Development offers a number of training courses in general macroeconomic and fiscal areas and climate change that could be useful to AFRITAC West member countries, as well as the possibility of hosting webinars on topics ranging from debt dynamics to nowcasting.

272. **Intensive practical training.** The program also provides for the effective organization, within a macro-fiscal unit, of intensive training courses whose topics could include medium-term macroeconomic and fiscal framing and preparation of the annual budget.

Table 10. Macroeconomic and fiscal analysis missions planned by country

Country	Number of missions	Activities	2024 milestones
Benin	1	Improve fiscal risk analysis (project with FAD)	The quantification of two specific budgetary risks is improved
Burkina Faso	2	Improve fiscal risk analysis (state-owned enterprises, public investments, and PPPs) Improve practices and tools used in revenue forecasting	The quantification and analysis of risks associated with state-owned enterprises, public investments, and PPPs are improved in the fiscal risk statement The process of preparing revenue forecasts is improved; tools for forecasting key tax revenues are improved
Côte d'Ivoire	2	Improve fiscal risk management	Practices in the area of macroeconomic risk analysis are improved
		Training workshop, debt sustainability analysis	The debt sustainability analysis is better integrated into the process of preparing medium-term frameworks
Guinea	1	Improve fiscal risk analysis	Macroeconomic risks are analyzed and quantified A fiscal risk statement is annexed to the 2024 budget bill
Guinea-Bissau	1	Framing of medium-term expenditures and improvement of the Multi-Year Economic and Budget Programming Paper (DBPEP)	Macroeconomic risks are analyzed and their impacts are evaluated in the budget documents A medium-term expenditure framing tool is operational
Mali	1	Improve practices in the area of macroeconomic framing and quantification of macroeconomic risks	Macroeconomic risks are analyzed and their impacts are evaluated in the budget documents The macroeconomic framing practices are improved with the use of the updated MME_DNPD
Mauritania	3	Put the macroeconomic and fiscal framing mechanism into operation	The macroeconomic and fiscal framing mechanism produces macroeconomic framing that is integrated into the DPMT Macroeconomic risks are analyzed and their impacts evaluated in the budget documents
Niger	1	Fiscal risk analysis (with FAD)	A fiscal risk statement is annexed to the 2024 budget bill
Senegal	1	Improve the forecast of the general government financial operations table	The macroeconomic framing model includes a TOF for the general government
Togo	1	Improve macroeconomic risk analysis	Macroeconomic risks are analyzed and their impacts evaluated in the budget documents Annual and multi-year budgetary frameworks are prepared on the basis of macroeconomic projections

Table 11. Regional seminars/webinars planned for fiscal year 2024

Area	Topic	Date and place	PARTNERS	Participants
Customs administration	Customs processes for the implementation of the African Continental Free Trade Area (AfCFTA)	June 6-7, 2023 Abidjan	FAD	30 FAD funding
Tax administration	International Survey on Revenue Administration (ISORA) regional informational and training workshop	August 14-18, 2023 Ebène	FAD, ATI	10 AFRITAC West covers 50 percent of the costs
Tax administration	Seminar on reform conditions in the FCS	January or February 2024 Lome/Conakry		15
Expenditure management - budget aspect	Public investment management	May 30-June 1, 2023 Abidjan	GIZ, FAD, AFRITAC Central	30 GIZ funding
Expenditure management - budget aspect	Climate-responsive public financial management	February-April 2024	FAD, AFRITAC Central	30
Expenditure management - Treasury aspect	Regional seminar on the handling of outstanding payables and outstanding receivables	February-April 2024		30
Debt and development of financial markets	The inclusion of contingent liability risks in debt management	FY 2024		30
Real sector statistics	Use of administrative data	August-October 2023	Statistics Department (STA)	30
Real sector statistics	Joint AFRITAC West/AFRITAC Central workshop	February-April 2024	AFRITAC Central	30
Government finance statistics	Inclusion of in-kind operations in government finance statistics	December 2023 Dakar		30
Macroeconomic and fiscal analysis	Economic conditions in the first half of 2023 and forecasts for WAEMU member states, Guinea, and Mauritania	May 22-26, 2023 Ouagadougou	WAEMU/AFRISTAT	AFRITAC West covers Mauritania and Guinea
Macroeconomic and fiscal analysis	Economic conditions in the first half of 2023 and forecasts for WAEMU member states, Guinea, and Mauritania	November 20-24, 2023 Ouagadougou	WAEMU/AFRISTAT	AFRITAC West covers Mauritania and Guinea
Macroeconomic and fiscal analysis	Evaluation of the implementation of the macro-fiscal function in member countries	November 2021-January 2022 Online		30

Macroeconomic and fiscal analysis	Third workshop on the analysis and forecasting of revenues from extractive industries for West African countries	June 26-30, 2023	FAD	FAD funding
Macroeconomic and fiscal analysis	Macroeconomic framing and climate change	September 2023	ATI, AFRITAC Central	30
Banking supervision	Challenges related to the digitalization of banking activities in terms of regulation and supervision	February-April 2024 Kinshasa		30
Banking supervision	Raising awareness of gender issues in the financial sector	Online		30
Banking supervision	Climate risk	Online		30

Table 12. Peer Learning Program - Planned Study Trips

Area	Training topics	Potential host country	Comments
Tax administration	The handling of information in the risk management process	Morocco	Depending on the progress of the reforms (Côte d'Ivoire)
Tax administration	Tools and methodology for the evaluation and monitoring of tax expenditures	Senegal	Depending on the absorption capacity of the beneficiary country (Guinea-Bissau)
Tax administration	Automation of risk analysis for the planning of tax audits	To be determined	For the benefit of Mali
Tax administration	Information center	To be determined	For the benefit of Burkina Faso
Customs administration	Three practical training courses will be organized for the benefit of three countries		
Public expenditure management - Treasury	Topic to be defined	Advanced country	Three staff members
Public expenditure management - Budget	Topic to be defined	Advanced country	Three staff members
Real sector statistics	Quarterly accounts	To be determined	
Macroeconomic and fiscal analysis	Practice of macroeconomic and budget framing and organization and tools of the macro-fiscal function	To be determined	

IV. 2022-2023 BUDGET EXECUTION (IN U.S. DOLLARS AS OF APRIL 30, 2023)

Project	Phase Summary			FY23			FY2024
	Program Budget	Working Budget	Expenses	Working Budget	Expenses	Execution (%)	Working Budget
Public Financial Management	8,580,253	13,719,001	10,764,520	2,438,548	2,044,542	84%	2,560,475
Customs Administration	4,890,041	4,944,059	3,818,311	838,634	593,451	71%	880,566
Tax Administration	6,257,224	7,856,493	5,345,207	1,244,605	893,672	72%	2,160,353
Banking Supervision and Regulation	3,905,531	4,351,792	3,494,270	764,492	709,687	93%	802,717
Debt Management	3,956,536	2,019,986	2,019,986	-	-	-	-
Real Sector Statistics	4,820,268	4,677,164	3,653,257	730,299	573,206	78%	866,814
Government Finance Statistics	4,455,771	3,325,866	2,358,382	698,657	464,763	67%	733,590
Admin Project	1,725,174	2,707,769	1,964,808	451,902	293,687	65%	584,747
Macroeconomic Advisor	3,941,239	244,150	244,150	-	-	-	-
Training project	1,075,000	300,143	300,143	-	-	-	-
Governance and Evaluation (including RBM advisor/backstopping)	639,321	247,051	180,943	37,019	9,781	26%	38,870
Strategic Budget Reserve	1,000,000	336,012	-	160,000	-	-	176,012
Sub total	45,246,358	44,729,486	34,143,977	7,364,156	5,582,791	76%	8,804,144
Trust Fund Management	3,167,245	3,131,064	2,390,078	515,491	390,795		616,290
Total	48,413,603	47,860,550	36,534,055	7,879,647	5,973,586	76%	9,420,434
IMF Expenses	3,668,723	3,668,723	4,103,740	-	647,137	-	-
Host Country In-kind	523,527	523,527	84,503	-	-	-	-
Total	52,605,853	52,052,800	40,722,298	7,879,647	6,620,723	84%	9,420,434

V. STATUS OF FINANCIAL CONTRIBUTIONS FOR THE FOURTH FUNDING CYCLE AS OF APRIL 30, 2023

Agreement/Amendment Information		Currency	Amount	Amount USD	Contribution Received	Contribution Expected	Future Contributions
Partners				(A)	(B)	(C)	D = (A-B-C)
Partners				43,352,777	42,104,215	1,232,906	-
China	7/13/2018	USD	4,000,000	4,000,000	4,000,000	-	-
European Commission	8/24/2017	EUR	10,000,000	11,816,141	11,863,611	-	-
European Investment Bank	4/19/2018	EUR	200,000	247,555	237,180	-	-
France	7/6/2022	EUR	8,000,000	9,056,599	8,695,384	-	-
Germany	9/29/2017	EUR	2,500,000	2,945,335	2,791,100	-	-
Germany	11/26/2018	EUR	2,500,000	2,842,524	2,839,800	-	-
Luxembourg	12/21/2016	EUR	5,000,000	5,194,266	5,721,100	-	-
Netherlands	11/25/2020	EUR	2,000,000	2,378,121	1,207,730	1,102,901	-
Norway	12/3/2019	NOK	40,000,000	4,363,382	4,233,377	130,005	-
Switzerland	12/18/2019	CHF	500,000	508,854	514,933	-	-
Members				5,289,001	896,424	1,975,803	2,416,774
Benin	2/7/2019	USD	609,357	609,357	496,392	100,000	12,965
Burkina Faso	4/24/2018	USD	500,000	500,000	100,000	100,000	300,000
Guinea	10/30/2019	USD	500,000	500,000	100,000	100,000	300,000
Guinea-Bissau	9/20/2021	USD	500,000	500,000	-	-	500,000
Mali	4/24/2018	USD	503,841	503,841	200,032	100,000	203,809
Mauritania	4/24/2018	USD	678,666	678,666	-	378,666	300,000
Niger	3/12/2019	USD	775,000	775,000	-	475,000	300,000
Senegal	2/1/2019	USD	612,087	612,087	-	312,087	300,000
Togo	2/25/2019	USD	610,050	610,050	-	410,050	200,000
Partners and Members Total				48,532,138	43,000,639	3,208,709	2,416,774
Internal Transfers							
European Investment Bank				6,418	6,418		
France				18,182	18,182		

Germany			10,822	10,822		
Luxembourg			6,238	6,238		
Internal Transfers Total			41,660	41,660		
Host Country & IMF						
Host Country (Cote d'Ivoire)						
Cash	USD	1,500,000	1,500,000	603,724	296,276	600,000
In-kind			523,527			
IMF			3,668,723			
Host Country and IMF Total			5,692,250			
Grand Total			54,375,688	43,646,023	3,504,985	3,016,774

- Source: Institute for Capacity Development

