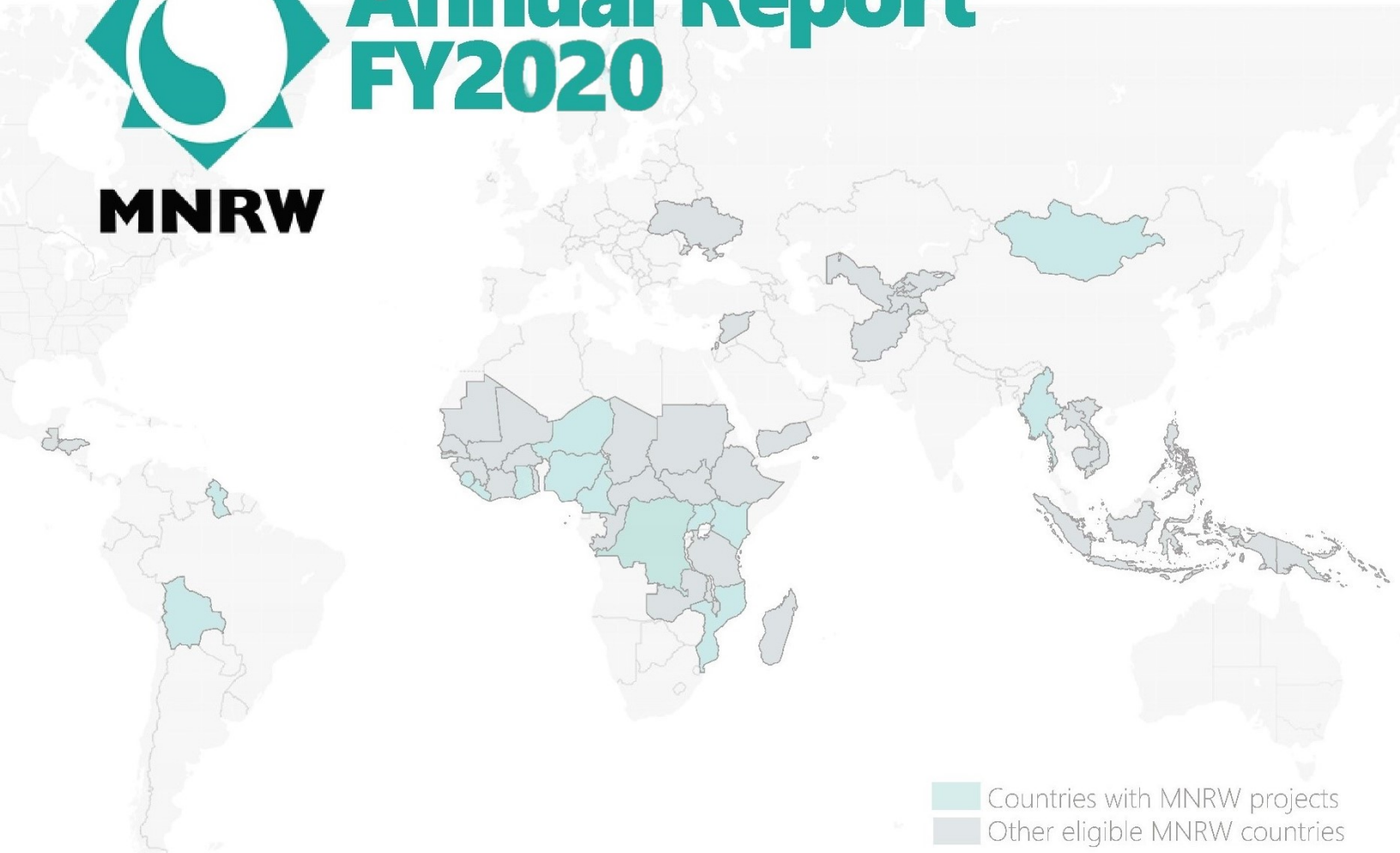




MNRW

Annual Report FY2020



MANAGING NATURAL RESOURCE WEALTH



An IMF Initiative implemented in partnership with:



Australian Government

Department of Foreign Affairs and Trade

Australia



Norad

Norway



EUROPEAN UNION

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United Kingdom



MANAGING NATURAL RESOURCE WEALTH THEMATIC FUND

FY 2020 ANNUAL REPORT

**JUNE 17, 2020
Washington, D.C.**



MNRW

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ACRONYMS

CARTAC	Caribbean Regional Technical Assistance Centre
CD	Capacity Development
CEMAC	Central African Economic and Monetary Community
CRM	Compliance risk management strategy
DPR	Department of Petroleum
EITI	Extractive Industries Transparency Initiative
EIRA	Extractive Industries Revenue Act
EIRU	Extractive Industries Revenue Unit
FAD	Fiscal Affairs Department
FARI	Fiscal Analysis of Resource Industries
FIRS	Nigerian Federal Internal Revenue Service
FPP	Financial Programming and Policies
FNRH	National Fund for Hydrocarbon Reserves
FTC	Fiscal Transparency Code
FY	Fiscal Year
GFSM	Government Finance Statistics Manual
GIZ	German Agency for International Cooperation
HQ	Headquarters
IMF	International Monetary Fund
JVI	Joint Vienna Institute
LNG	Liquefied Natural Gas
LoU	Letter of Understanding
LTX	Long-Term Expert
MMR	Myanmar
MNRW	Managing Natural Resource Wealth
MoF	Ministry of Finance
MOFT	Ministry of Finance and Treasury
MOOC	Massive Open Online Course
MoU	Memoranda of Understanding
MPR	Ministry of Petroleum Resources
MPT	Macroeconomic Model and projection tool
MRC	Management in resource-rich countries
NNPC	National Fund for Hydrocarbon Reserves
NRA	National Revenue Authority
OfD	Oil for Development
PFM	Public Financial Management
PIMA	Public investment management assessment
PPP	Purchasing power parity
PRAU	Petroleum Revenue Audit Unit
PSA	Production Sharing Agreement
PSCs	Production sharing contracts
RBM	Results-Based Management

RRC	Natural-resource-rich countries
SC	Steering Committee
SDT	Summary Data Template
SHT	State-owned oil company
STX	Short-Term Expert
TA	Technical assistance
ToR	Term of Reference
VAT	Value added tax

EXECUTIVE SUMMARY

The Managing Natural Resource Wealth Thematic Fund (MNRW) supports low and lower-middle income countries by strengthening their capacity for natural resource management. The externally-financed fund implements country-level projects on tax policy, revenue administration, public financial management, exchange rate policy, and economic statistics. In addition, the funding supports analytical projects and cross-country training (including online courses). This report reports on MNRW program implementation in the financial year FY20 (May 2019 – April 2020) with a more in-depth focus on operational activities in the second half of the financial year.

The impact of covid-19 poses a significant challenge in many natural resource dependent countries. In addition to the pandemic public health challenge, which in many developing countries may still be unfolding, resource-rich countries also face a decline in revenue, investment and growth arising from the commodity price collapse (the adverse impact is felt most strongly by fossil fuel producers while some countries are benefiting from higher gold prices). This poses significant economic management challenges for countries and may lead to a reorientation of policy advice and capacity development going forward under existing MNRW projects to respond to evolving demands.

The MNRW project portfolio is broad-based across modules, reflecting continuing high country demand for capacity development in this area. Total approved projects by end-April amounted to \$26.4 million, with \$2.8 million proposed for endorsement by the Steering Committee. At the half-way point in the second phase of the MNRW, this would entail that expected program funds of about \$29 million will be fully committed (including the redeployment of remaining funds in projects to be closed). Going forward, the project portfolio will be managed in line with the operational guidance to achieve the full execution of the fund. This may require reallocating funds to projects with more traction, including to meet emerging crisis-related demands for capacity development.

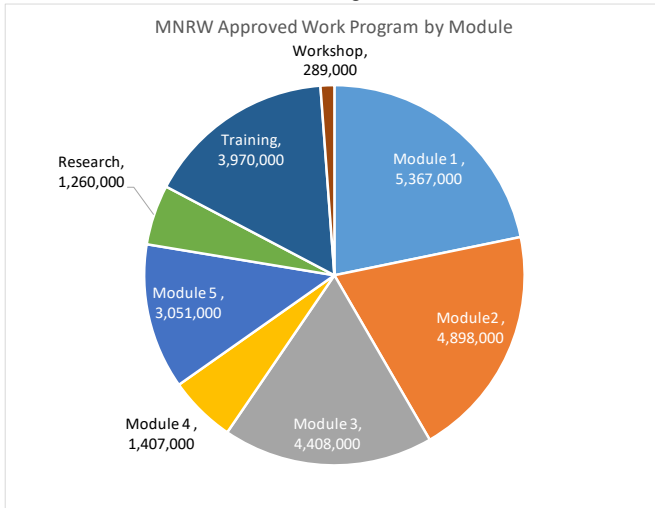
Project implementation held up well in FY20 despite the imposition of covid-19 related travel restrictions impacting delivery in the last quarter of the financial year. Cumulative spending through April 2020 amounted to \$14.6 million of which spending in FY20 reached \$5.0 million. While many activities initially planned for February-April were postponed following the introduction of travel restrictions, some were able to be converted into remote delivery at short notice.

Reflecting good traction across most projects, the achievement of milestones and outcomes under the results-based management framework continues to strengthen.

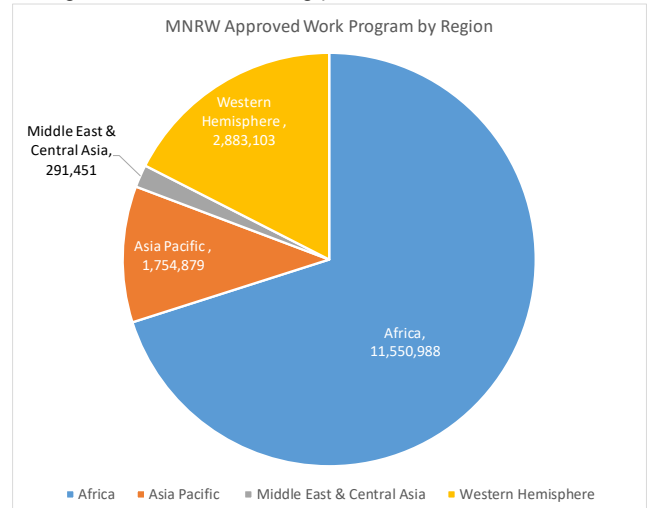
The priority going forward is to ensure continued strong implementation of the MNRW project portfolio. Given the significant challenges posed by the pandemic crisis and the associated uncertainties regarding the resumption of international travel, this necessitates deploying alternative modalities for the remote delivery of capacity development. Project managers are discussing the scope for this at country-level incorporating lessons from the experience so far with remote delivery.

Figure 1. Managing Natural Resource Wealth Thematic Fund – At a Glance

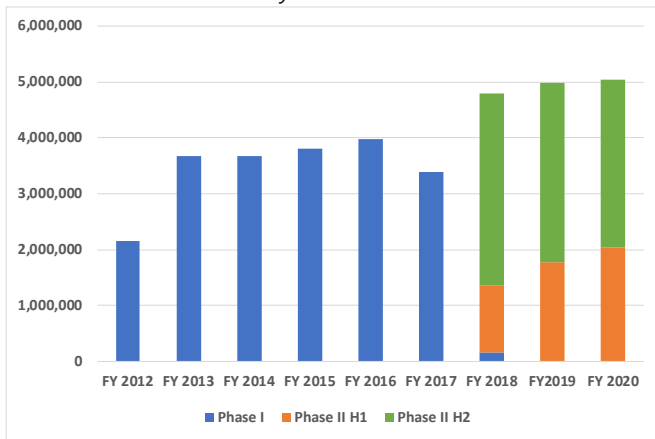
The MNRW program portfolio is broadly allocated across all five modules on resource revenue management...



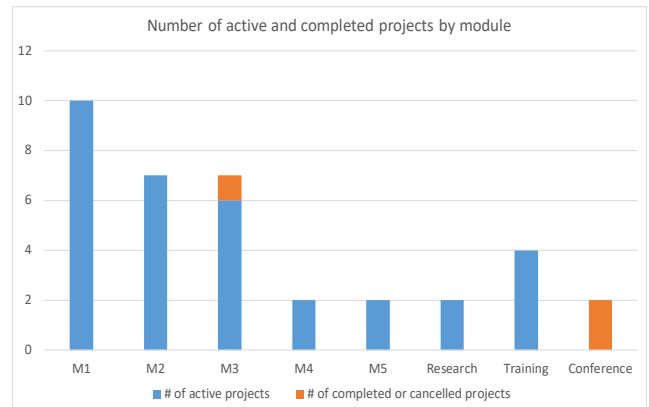
...with a regional focus on sub-Saharan Africa and smaller, but still significant, activities taking place in Latin America and Asia.



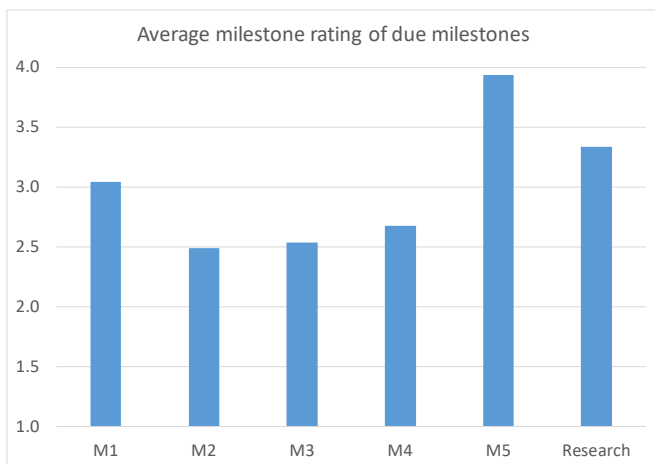
Program delivery has held up well in FY20 despite interruptions in CD delivery due to COVID-19 ...



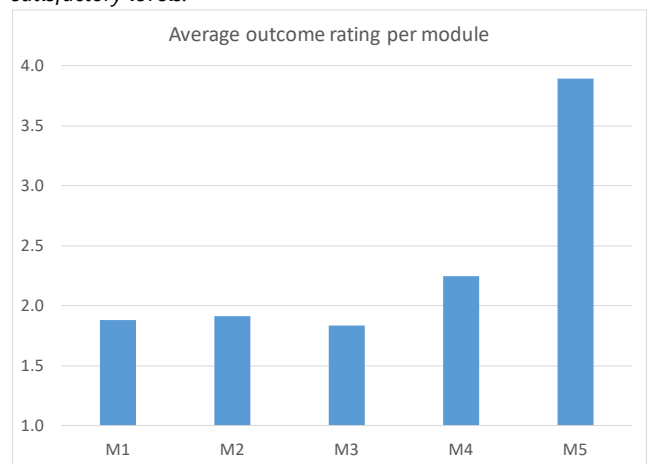
...and the number of active projects remained broadly stable.



Milestone implementation is improving and typically satisfactory ...



... while outcomes require considerably more time to reach satisfactory levels.



I. INTRODUCTION

1. This report provides an overview of Managing Natural Resource Wealth Thematic Fund (MNRW) program implementation in the Fiscal Year 2020 (FY20). It covers the period May 2019 – April 2020 with a more in-depth focus on operational activities in the second half of the financial year (the mid-year report from December 2019 contains operational details pertaining to the first half of the financial year). A key focus in this annual report is on the impact of the covid-19 pandemic outbreak and efforts that are underway to maintain capacity development support for MNRW-eligible countries and meet crisis-related demands for policy advice.

2. The MNRW supports capacity building including policy advice, institutional reform, and training on natural resource management in low and lower middle-income countries. The fund is structured around five modules capturing core aspects of natural resource management: fiscal regime design and implementation, revenue administration, macro-fiscal and public financial management, exchange rate policy frameworks, and statistics. In addition, there is a program allocation for cross-cutting training and research.

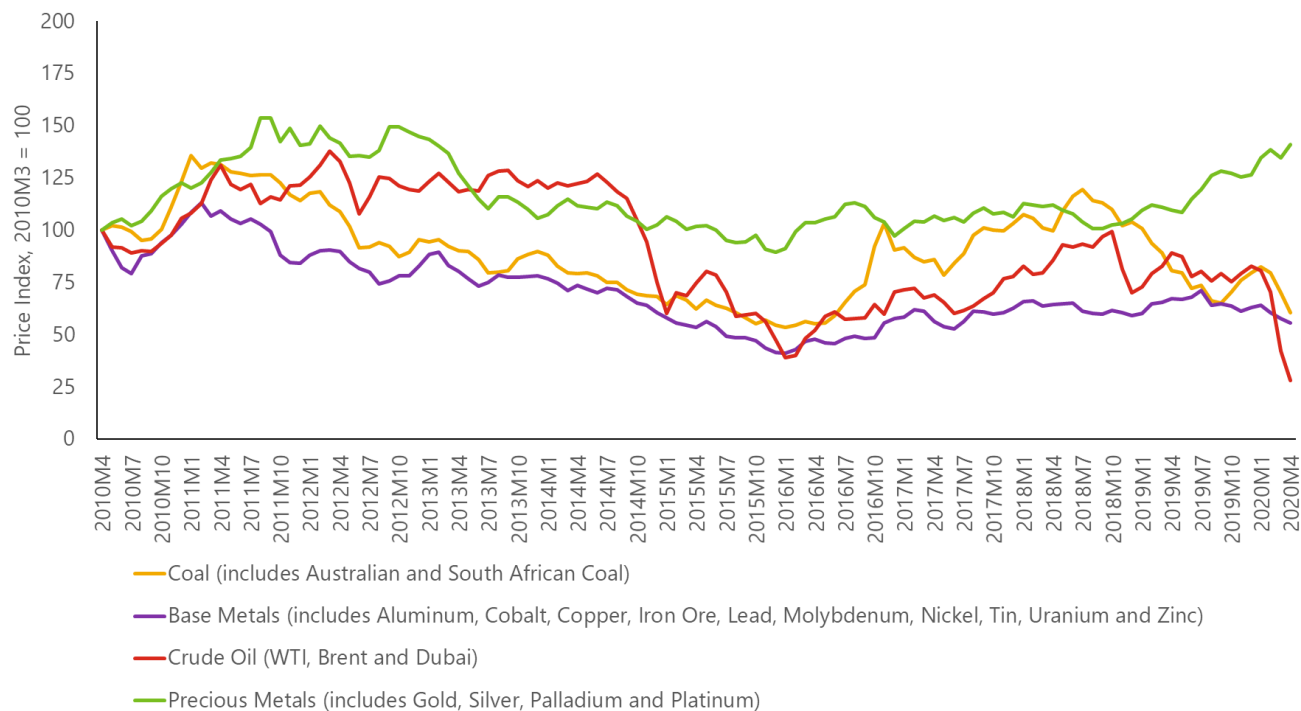
3. The MNRW program is implemented in a collaborative manner across the IMF. The functional departments that deliver CD activities—the Fiscal Affairs, Monetary and Capital Markets, and Statistics Departments, and the Institute for Capacity Development—work in close collaboration with IMF area department teams from the African, Asia and Pacific, and Western Hemisphere Departments in designing and implementing the projects.

II. DEVELOPMENTS AND OUTLOOK

A. Impact of covid-19 pandemic

4. MNRW-eligible countries have been impacted by the covid-19 pandemic and the resulting fall in commodity prices. The public health-related international travel restrictions are expected to have a significant impact on the delivery of capacity development, although concerted efforts are underway to continue engagement with MNRW-beneficiary countries through remote delivery modalities. In addition to the public health crisis, natural resource rich countries have also been affected by the collapse in many commodity prices (Figure 1). The impact of this varies across countries with some countries benefiting from higher gold prices. The price shocks have affected the profitability of extractive industries, leaving relatively high cost or risky projects more exposed, with budgetary revenue and economy-wide implications. In some countries current production may be curtailed and many investment decisions on new projects are being deferred. Public health concerns may also directly impact operations. In response to the crisis the IMF Fiscal Affairs Department and the Monetary and Capital Markets Department have prepared several topical notes providing guidance to policymakers. This includes four notes on the impact of the commodity price volatility focusing particularly on the oil price collapse (Box 1).

Figure 2. Commodity Prices



Box 1. Covid-19 Guidance Notes for Natural Resource Rich Countries

Recent IMF Policy Guidance Notes provide advice on policy options for countries with natural resources to the commodity price volatility focusing on tax policy, revenue administration, macro-fiscal policy.

Natural Resource Fiscal Regimes: Tax Policy Response

Countries with natural resources may come under pressure to provide tax relief in response to lower commodity prices. The first best response is to let the automatic stabilizers operate with revenue from profit-based taxes falling more sharply than from production-based ones. General tax relief provided in response to the crisis should also apply to extractive industries, and VAT refunds should be paid on a timely basis to export-oriented projects. In some exceptional cases, temporary relief, for example from royalties, may be warranted.

Revenue Administration: Safeguarding Revenues for Oil-Producing Countries

Revenue administrations need to manage risks during the oil price collapse and take actions to ensure the sector’s compliance with the fiscal regime while safeguarding revenue. Where administration of the oil and gas sector is fragmented between several regulatory agencies, collaboration is critical for governments to manage compliance and mobilize revenue effectively. In applying this guidance, revenue administrations need to consider their implementation capabilities and local conditions carefully, taking into account the stage that the crisis may have reached in their country and the government’s responses to the crisis.

Fiscal Policy Response to the Sharp Decline in Oil Prices

Oil exporters are facing a revenue loss from the collapse in oil prices, negative economic impact on domestic non-oil economic activity and public health spending pressures. To the extent possible, oil exporters should accommodate temporary increases in spending to mitigate the health and economic effect of the covid-19 shock by drawing on financial buffers. If it is necessary to suspend fiscal rules temporarily, this should be accompanied

by a commitment to preserve fiscal sustainability in the medium term. Once the pandemic has subsided, it would be prudent to prepare for a prolonged period of low oil prices.

Assessing Stress from Oil Price Shocks

Country authorities should assess the impact of the fall in oil prices on bank soundness. The first step is to prepare relevant macroeconomic scenarios including interactions between different shocks. Thereafter the transmission channels from lower oil prices to bank soundness should be explored. The oil price decline may also cause liquidity pressures in banks.

Source: <https://www.imf.org/en/Publications/SPROLLS/covid19-special-notes>

5. The IMF introduced travel restrictions in February 2020 and subsequently transitioned to a work-from-home mode in March. Although many CD activities were affected, several activities planned for the last quarter of FY20 were still able to be successfully carried out including through an agile switch to remote delivery. There has also been an increase in participants accessing available online training material, including the course on macro-economic management for natural resource countries. Examples of continued capacity development delivery in the last quarter of FY20 include:

- Congo, D.R: Cash management and revenue forecasting
- FARI regional training workshops in East Africa and West Africa
- Liberia: guidance on petroleum fiscal terms for planned licensing round
- Participation in workshop on Nigeria petroleum fiscal regime reforms
- Sierra Leone: Legal guidance on implementation of the Extractive Industries Fiscal Regime Law
- Senegal: Advice on the design and implementation of a macro-fiscal framework and a natural gas revenue forecasting model.

6. Looking toward FY21 implementation, project managers are exploring the scope to provide capacity development through remote assistance on a potentially longer-term basis.

The scope for this will be country-specific and will partly be constrained by counterpart connectivity and any public health requirements for government officials to work from home. The time period for the remote assistance modality is of course uncertain and will depend on the evolution of the pandemic. Table 1 summarizes the remote delivery underway or planned for FY21. In some cases, short term priorities related to the crisis will require flexibility by adjusting the focus of current projects. The different modes of remote delivery that are being explored include:

- *Strategy-setting and policy advisory missions:* The experience has been that remote delivery of strategic and policy advice is most efficient if the topic is relatively narrow and well-defined, and in some cases delivered in a sequenced manner over an extended period rather than the traditional two-week mission model.
- *Development of modeling tools:* Preparation of fiscal models or revenue forecasting frameworks, is very amenable to remote delivery including by seasoned short-term experts

(STX). Updated revenue forecasting tools can also provide the basis for remote support on managing the elevated fiscal risks associated with the commodity price developments.

- *Legislative drafting and implementation support:* The preparation of policy papers, draft legislation, and explanatory notes is also suitable for remote delivery. This is best done working with a well-established group of technical counterparts.
- *Remote delivery of training integrating online material:* There may be scope in some cases to continue provide training support combining existing online material with customized remote support.

Table 1. MNRW Remote Delivery

Remote delivery in FY20 QIV	Remote delivery underway or planned for FY21	Remote delivery proposed to the authorities
<p>Bolivia (M3): stock-taking of project implementation</p> <p>Guyana (M1): Production Sharing Agreement implementation</p> <p>Liberia (M1): PSA fiscal terms</p> <p>Mongolia (M3): financial programming training</p> <p>Senegal (M3): Macro-fiscal and petroleum revenue forecasting</p> <p>Uganda (M2): Extractive industries risk matrix</p>	<p>Congo, D.R. (M3): Cash management and public investment management</p> <p>Ghana (M1): Fiscal regime reform and mining revenue model</p> <p>Ghana (M2): Risk matrix and interagency information sharing and cooperation protocols.</p> <p>The Gambia (M1): Customized fiscal training</p> <p>Guyana (M1): Fiscal regime implementation and petroleum revenue forecasting</p> <p>Guyana (M2): Establish an interim customs petroleum unit</p> <p>Kenya (M2): Compliance improvement plan for the mining sector, and interagency information sharing and cooperation protocols</p> <p>Liberia (M2): Compliance improvement plan</p> <p>Mozambique (M2): Oil and gas risk matrix, MOUs for cooperation and information sharing between the EI regulatory agencies</p> <p>Senegal (M3): Macro-fiscal</p> <p>Sierra Leone (M1): Legislative support and modeling</p> <p>Sierra Leone (M2): Implementation of the Extractive Industries Revenue Act (EIRA), Compliance Improvement Plan for the mining sector.</p> <p>Uganda (M2): Compliance improvement plan for the mining sector, oil and gas risk matrix and interagency information sharing and cooperation protocols.</p> <p>Uzbekistan (M1): Mining modeling, increased participation in online courses</p>	<p>Ghana (M2): Revenue administration</p> <p>Guyana (M1): Natural resource fiscal regime reform</p> <p>Guyana (M2): Commence compliance risk management strategy</p> <p>Kenya (M2) International tax risk management and statutory interpretation</p> <p>Mozambique (M1): Revenue forecasting</p> <p>Mozambique (M2): Project extension and oil and gas risk matrix</p> <p>Uganda (M3): Fiscal rules</p> <p>Uganda (M2) International tax risk management and statutory interpretation</p>

B. Program Portfolio

7. Program implementation performed strongly through FY20 despite a slowdown

toward the end of the financial year as covid-19 related travel restrictions kicked in. The total project portfolio at end-April 2020 amounted to \$26.4 million with a broad allocation across all modules in the MNRW (Table 2). Cumulative spending through end-April 2020 reached \$14.6 million (56 percent of the approved budgets, which is broadly in line with expectations at this stage of the phase). Most of the direct capacity development projects – modules delivered in-country – range between 40% and 80% execution rate. Several recently endorsed CD projects have lower rates of budget execution. Although activities slowed down from March – April, total spending for FY20 kept up well with total spending of \$5.0 million.

8. The allocation of activities is guided by the indicative expenditure envelope in the MNRW Program Document albeit with more funding provided for direct technical assistance.

The total approved budgets for direct technical assistance projects, including scoping missions, amounted to \$20.1 million by end-April 2020. This reflects strong demand for country-level capacity development. Scoping missions have been used strategically to provide initial diagnostic policy and institutional advice and to strengthen project design. Cumulative spending through April totaled \$11.0 million. Expenditure in FY20 of \$3.9 million was slightly below the level in FY19, reflecting a moderation of project execution in Module 1. Implementation of the development of analytical tools and workshops/training picked up while spending on project management is below the indicative expenditure envelope, with resources freed up used capacity development.

Table 2. MNRW Phase II: Portfolio Summary

	Indicative Expenditure Envelope, per 2016 Program Document	Latest Approved Budget as of Apr 2020	FY18 Actual Expenses	FY19 Actual Expenses	FY20 Actual Expenses	Actual Total Expenses, as of April 30, 2020	Share of Total Indicative Expenditure Envelope	Share of Total Approved Budgets	Share of Total Actual Expenses	Actual Expenses Relative to Approved Budgets
Direct Technical Assistance	17,351	19,128	2,724	3,951	3,649	10,324	58%	73%	70%	54%
Of which:										
Module 1: Fiscal Regimes	4,164	5,367	1,049	977	767	2,793	14%	20%	19%	52%
Module 2: Revenue Administration	5,032	4,897	487	1,092	1,042	2,621	17%	19%	18%	54%
Module 3: Macro-Fiscal	3,123	4,407	505	740	758	2,003	10%	17%	14%	45%
Module 4: Exchange Rate and Macroeconomic	2,082	1,406	103	273	606	982	7%	5%	7%	70%
Module 5: Statistics	2,950	3,051	581	869	476	1,925	10%	12%	13%	63%
Scoping Missions	728	1,011	294	191	238	723	2%	4%	5%	72%
Research Projects and Analytical Tools	2,177	1,260	57	106	318	481	7%	5%	3%	38%
Workshops & Training	7,120	4,258	1,350	596	655	2,601	24%	16%	18%	61%
Project Management	2,627	723	200	139	179	518	9%	3%	4%	72%
Staff Costs	2,215	629	200	139	179	518	7%	2%	4%	82%
Steering Committee	214	94	-	-	-	-	1%	0%	0%	0%
Independent Evaluation	198	-	-	-	-	-	1%	0%	0%	0%
Total	30,000	26,379	4,625	4,982	5,040	14,647	100%	100%	100%	56%
of which Trust Fund Management Fee	1,963	1,726	303	326	330	958	7%	7%	7%	56%

C. CD Focus and Results

Country-level Projects

9. The country-level projects are undertaken within five thematic modules. Table 1 presents an aggregate overview by module while Table 2 shows expenditure data for individual projects.

10. Module 1 (fiscal regime): The 10 projects support the design and implementation of fiscal regimes (tax policy) as well as fiscal modeling and revenue forecasting. Cumulative spending through April 2020 amounted to \$2.8 million against approved budgets of \$5.4 million. Annual spending in FY20 slowed down to about \$0.8 million partly reflecting that some activities planned toward the end of the fiscal year that were delayed or scaled back following the imposition of the travel restrictions.

- *Ghana (M1):* CD delivery in FY20 proceeded as planned. Two STX visits took place in the second half of the financial year including participation in a Presidential Taskforce workshop on mining fiscal policy. In FY21 the intention is to shift to remote delivery supporting mining fiscal regime reform and petroleum revenue forecasting.
- *Guyana (M1):* First oil production from the Liza field commenced in early 2020 and have so far continued despite the covid-19 outbreak and the collapse in oil prices. An expert on production sharing fiscal regimes has been contracted to provide on-demand remote support on fiscal regime implementation, with some support from HQ to update the revenue forecasting framework. Further policy and legislative work on the natural resource fiscal regime reform await resolution of the disputed electoral result.
- *Liberia (M1):* A workshop was provided in February on sectoral mining modeling and on the model production sharing agreement (PSA), with follow-up STX support on PSA fiscal terms delivered remotely. While it may be challenging to deliver a full mission remotely, the scope to provide targeted capacity development remotely is being explored.
- *Mozambique (M1):* The mission planned for April to take stock of tax policy changes during the last six years was postponed due to travel restrictions. The scope for remote delivery of the mission and the capacity development on modeling and revenue forecasting is under discussion with the authorities.
- *Myanmar (M1):* A planned mission in April 2020 was cancelled due to travel restrictions. It is unclear whether remote delivery in FY21 is feasible.
- *Nigeria (M1):* An STX discussed the timeline and strategy for moving forward with the petroleum fiscal regime reform and updated the FARI evaluation regime options. The STX participated in a related workshop in London organized by UK DFID bringing together industry and government advisors. The impact of significant fiscal pressures from the oil price collapse increase uncertainty about petroleum fiscal reforms. Targeted remote support on petroleum fiscal modeling and revenue forecasting may be possible in FY21.

- *Sierra Leone (M1)*: STX visit supported drafting of legislative amendments to the Extractive Industries Fiscal Law while fiscal modeling STX was converted to remote delivery (the planned training proved hard to deliver). The plan is to move to remote delivery in FY21 focusing on legal support and fiscal modeling.
- *The Gambia (M1)*: The initial mission under the project was cancelled due to covid-19 related travel restrictions. In response, the project will be started in FY21 through remote support and online training focusing initially on FARI modeling training customized to The Gambia.
- *Uganda (M1)*: The transfer of interest in the Uganda Oil project has been completed and the tax treatment clarified (the August 2019 mission advised on tax options). Plans for revenue forecasting workshop in FY21 currently on hold while options for remote support are being explored.
- *Uzbekistan (M1)*: An STX visit in FY20 on mining modeling was postponed due to travel restrictions, and it is now expected that a portion of the work will be delivered remotely in FY21 (H1).

11. Module 2 (revenue administration): The seven projects are aimed at strengthening capacity in revenue administrations of the mining and petroleum sector. Against approved budgets of \$4.9 million, total cumulative spending through April 2020 amounted to \$2.6 million. Project delivery has held up with more than \$1.0 million spending in FY20, albeit delivery of some activities was impacted by the travel restrictions in the last quarter of FY20. On-demand remote technical assistance programs have been underway since early 2019 in all sub-Saharan countries.

- *Ghana (M2)*: Project implementation was delayed until the transition of the Ghana Revenue Authority's senior management was completed in FY20, which also complicated any transition to remote capacity delivery. An ongoing on-demand remote CD facility has been in place since February 2019 and will continue to be an important mode of CD delivery in FY21. Remote CD delivery is planned for FY21, including EI tax reporting forms, oil and gas risk matrix, and information exchange between government agencies.
- *Guyana (M2)*: An HQ Customs diagnostic mission and two follow-up STX visits on customs procedures related to the petroleum sector were completed and an STX visit to address the organizational structure of the petroleum unit was also executed before covid-19 travel restrictions were imposed. Seven in-country visits were delivered by the peripatetic advisor prior to his resignation in January 2020. A search is underway for a new peripatetic tax administration advisor. Plans are being developed to provide remote support in FY21, focusing on the customs petroleum unit, an oil and gas sector risk compliance matrix, and international tax risks.
- *Kenya (M2)*: One diagnostic mission and two STX visits were delivered before the covid-19 pandemic travel restrictions were imposed. An ongoing on-demand remote CD facility has been in place since May 2019 and will continue to be an important mode for delivery of CD in FY21. The focus of remote CD in FY21 will be validation of the oil and gas risk matrix,

information exchange and cooperation between regulators, international tax risks, and operationalization of a compliance management strategy for the EI sector.

- *Liberia (M2)*: Two in-country STX visits were delivered before the covid-19 pandemic travel restrictions were imposed. An ongoing on-demand remote CD facility has been in place since May 2019 and will continue to be an important mode for delivery of CD in FY21. In FY 20 remote CD focused on developing risk filters for the mining risk matrix and a compliance improvement plan. Discussions are ongoing with the LRA to tailor remote CD to support development of a compliance improvement plan and other priorities identified by the LRA.
- *Mozambique (M2)*: Project implementation was delayed by general elections which caused two STX missions to be cancelled. A third STX mission planned to take place in March 2020 was cancelled due to the covid-19 pandemic travel restrictions. An ongoing on-demand remote CD facility has been in place since January 2019 and will continue to be an important mode of delivery of CD in FY21. CD in FY21 will focus on developing a risk matrix for the oil, gas and related services sector and developing MOUs for cooperation and information sharing between the EI regulatory agencies. Discussions are ongoing with the tax authority regarding extending the project for two-years.
- *Sierra Leone (M2)*: STX visits were completed prior to the COVID – 19 travel restrictions, including one visit that considered VAT arrears for the extractive industries, three focusing on developing an EI compliance strategy and implementing the EIRA regime. An ongoing remote on-demand CD facility has been in place since June 2019 and will continue to be an important mode of CD delivery. CD in FY21 will focus on developing and operationalizing a compliance improvement plan.
- *Uganda (M2)*: One HQ mission and one in-country STX visit focusing on statutory interpretation training, developing an oil and gas sector risk matrix, and information exchange and cooperation protocols were delivered in FY20. An ongoing on-demand remote CD facility has been in place since January 2019 and will continue to be an important mode of delivery of CD in FY21.

12. Module 3 (macro-fiscal and public financial management): The six projects help finance ministries strengthen the management of natural resource revenue flows. Cumulative spending through April 2020 reached \$2.0 million with a total of \$4.4 million in approved budgets. Delivery of CD through FY20 has held up well with total spending of \$0.8 million. This included the start of two new projects in DRC and Senegal while the Mongolia project came to an end.

- *Bolivia (M3)*: A remote STX took stock of project implementation in April and plans for further remote delivery in FY21 are being considered. There may be a need to extend the project beyond December 2020.
- *Congo, D.R (M3)*: One in-country STX (cash management) followed by three remote delivery STX (public investment management, cash management and revenue forecasting) in April and May. Expect continued remote delivery in FY21 focusing on the macroeconomic framework and budget process, mining revenue forecasts and cash management.

- *Mongolia (M3)*: The project was completed in FY20 with an STX on financial programming and fiscal reporting. Remote support was provided on draft appraisal templates for public investment management.
- *Niger (M3)*: Mission on fiscal risk management took place in February while a follow-up STX visit was postponed. Remote delivery is challenging given IT technology constraints in Niger.
- *Senegal (M3)*: The inception mission was conducted remotely advising on the legal framework, fiscal rules, and stabilization funds. The work plan for FY21 will be reprogrammed prioritizing activities that can be delivered remotely.
- *Uganda (M3)*: As the authorities focused on the immediate response to the covid-19 crisis, the planned mission of fiscal rules was postponed. Tentatively, the plan is to deliver the mission remotely in July.

13. Module 4 (exchange rate and macro-prudential frameworks): This module is implemented through an umbrella project that finances a long-term expert (LTX) providing technical assistance on monetary policy frameworks for natural resource-rich countries and related analytical work. Cumulative spending through April 2020 reached \$1.0 million against approved budgets of \$1.6 million. The pace of execution accelerated with total spending in FY20 of \$0.6 million.

- *Uganda (M4)*: The third and last mission envisaged under the project took place in February. Technical assistance was provided on the monetary policy operational framework, with a focus on foreign exchange operations. The mission completed the Uganda project under Module 4, which sharpened the central bank's monetary operations and communications frameworks and should help the Ugandan authorities implement more effectively their inflation targeting framework in the context of a flexible exchange rate.
- *Exchange rate regimes and macroprudential frameworks (M4)*: Several missions needed to be postponed, including on account of covid-19 related travel restrictions. This included missions to Kyrgyz Republic (monetary policy, dollarization issues, liquidity forecasting and management, and macroeconomic forecasting); the Philippines (review of BSP's monetary policy communication framework and practices); Uzbekistan (operational building blocks to strengthen monetary and foreign exchange operations in preparation for the IT regime); and a scoping mission to Guyana (monetary policy and exchange rate frameworks following the start of oil production). The baseline plan for FY21 is to field the above missions, although the speed and precise modalities depend on travel restrictions, the authorities' remote conferencing capacity, and their near-term priorities. It is anticipated that the economic fallout from COVID-19 may make authorities reassess their TA needs and refocus their earlier requests. Meanwhile, the analytical work on the TA handbook will continue.

14. Module 5 (statistics): This module has two multi-country projects providing capacity development on real sector statistics and government finance statistics. Cumulative spending through April 2020 amounted to \$1.9 million against total approved budgets of \$3.1 million. The pace of execution slowed in the last quarter of FY20 related to the impact of covid-19 related travel restrictions.

- *Real sector (M5)*: In the last six months, two regional workshops on implementing the IMF's *Guide to Analyze Natural Resources in National Accounts* were conducted for (i) eligible Russian-speaking MCD and EUR countries: Kyrgyz Republic, Tajikistan, Uzbekistan, and Ukraine in November 2019 at the Joint Vienna Institute (JVI) with a self-funded participant from Israel also attending; and (ii) Spanish-speaking WHD countries¹: Bolivia, Chile, Costa Rica, the Dominican Republic, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, and Suriname plus attendees from Mozambique, and Sao Tomé and Príncipe. Discussions begun with Uzbek officials on receiving CD are on hold due to the covid-19 travel restrictions. The CARTAC Real Sector Statistics Advisor confirmed in January that work to rebase Guyana's GDP was on track, paving the way for an MNRW CD mission in early FY21. However, further outreach is on hold. Assistance was provided to the Guyana country team on how to improve forecasts of Oil GDP using the FARI model and additional source data. By the end of April 2020, all but two intended CD missions were implemented. Subject to SC approval of an extension of Module 5 to end-FY21 these two missions to Guyana and Uzbekistan are planned to take place by end-April 2021, in-country or remotely.
- *Government finance statistics (M5)*: One regional workshop for Latin American countries (Guyana, Honduras, and Guatemala) in November 2019 at IMF HQ encouraged representatives of ministries of finance, ministries for extractive industries and the EITI national secretariats to collaborate and align with the GFSM 2014 methodology in preparing the GFS and EITI Summary Data Template. After the workshop, a GFS mission to Guyana in February 2020 advised on upgrading the fiscal statistics for better decision making by moving from the GFSM 86 to the GFSM 2014 framework reflecting the expected increase in fiscal revenues from oil production. Two TA GFS missions to Guyana and Bolivia were scheduled to take place by end-October 2020 for reporting of revenues from natural resources with the implementation of the *GFSM 2014* framework. However, with the outbreak of the coronavirus it is uncertain whether we will be able to conduct the two missions at the planned time. In the meantime, remote support will help the authorities prepare and ensure successful TA missions. The latter will allow assessing possible remote TA if travel difficulties continue.

Research Projects and Workshops

15. There has been an increase in the implementation of the project supporting research projects and analytical tools. Cumulative spending through April 2020 reached \$0.5 million against a total budget envelope of \$1.3 million, with spending during FY20 increasing to \$0.3 million. This mainly reflected the scaling up of activities under the project to further develop and use the FARI fiscal regime modeling and revenue forecasting tool. The modernization of the model tool and methodology was brought close to completion while the integration of the FARI tool into training was further expanded by the roll-out of two regional workshops in East and West Africa immediately

¹ Non-eligible countries in the MNRW program were Fund-financed. The benefit of their participation included the wider representation of Latin-American countries supporting peer-learning and lessons learned sharing during the workshop.

prior to the implementation of travel restrictions. For the workshop, a standard curriculum was developed blending classroom teaching, hands-on fiscal modeling, online learning between workshops making use of selected modules of the massive open online course (MOOC) on *Macroeconomic Management in Resource-Rich Countries* (MRC), and the preparation and presentation of case studies by participants. The travel restrictions might delay the delivery of the next round of regional workshops. Work is ongoing on the Handbook on Fiscal Transparency related to natural resources, with completion expected in FY21.

Training

16. The implementation of the multi-country training activities increased in FY20 compared to the previous year. Cumulative spending through April 2020 amounted to \$2.6 million with total approved budgets of \$4.3 million. In response to the covid-19 pandemic, online training is adapting to ensure uninterrupted access to IMF expertise for both government officials and members of the general public. All IMF online courses, including MRC and *Energy Subsidy Reform* (ESR), have been made available to the global audience with extended registration and completion timelines. We are already seeing an increase in the numbers of participants. In addition, the remote delivery of an abbreviated MRC course will be piloted in June 2020.

- During the past 6 months, the MRC course was offered on a face-to face basis at IMF HQ and in Guyana. The English-language MOOC has been offered on a self-paced basis since January 2019. During FY20, it attracted 3,680 registered participants, including 634 from MNRW eligible countries; 162 participants successfully completed the course. The French-language MOOC was launched in April 2019 and has been open to the general public on a self-paced basis since November 2019. The Russian-language MOOC is expected to be launched in FY21. In FY20, the online course attracted 1,955 participants, including 333 from MNRW eligible countries; 93 participants successfully completed the course.
- The online course on energy subsidy reform has attracted 1,023 participants, including 207 from MNRW eligible countries; 42 participants have successfully completed the course.
- As part of the CEMAC training project, customized training to Chad on macroeconomic policy frameworks was delivered in January 2020; follow-up missions to Chad and Central African Republic are currently on hold due to travel restrictions, while options for remote delivery are being explored.

Table 3. MNRW Phase II: Project Overview

Country	Original Approved Budget	Latest Approved Budget as of Apr 2020	FY18 Total Expenses	FY19 Total Expenses	FY20 Total Expenses	Total Expenses	Remaining Budget ^{1/}	Execution (%) ^{2/}
Direct Technical Assistance (A)	19,379	19,128	2,724	3,951	3,649	10,324	8,804	54%
Bolivia (M3)	666	666	40	173	122	335	331	50%
Cameroon (M1)	796	-	-	-	-	-	-	-
Congo, Democratic Republic Of (M3)	271	187	187	0	-	187	-	-
Congo, Democratic Republic Of (M3)	590	590	-	-	40	40	550	7%
Ghana (M1)	470	1,015	190	140	201	531	484	52%
Ghana (M2)	611	611	-	123	22	145	465	24%
Gambia (M1)	389	389	-	-	8	8	381	2%
Guyana (M1)	275	736	125	111	140	376	361	51%
Guyana (M2)	1,324	1,324	-	82	356	438	887	33%
Kenya (M2)	1,122	922	130	221	147	499	424	54%
Liberia (M1)	507	507	54	79	79	212	295	42%
Liberia (M2)	368	368	1	134	101	236	132	64%
Myanmar, Union Of (M1)	552	552	135	228	61	424	127	77%
Mongolia (M3)	988	988	278	265	244	786	202	80%
Mozambique, Republic Of (M1)	473	473	137	175	86	398	75	84%
Mozambique, Republic Of (M2)	583	583	193	187	82	462	121	79%
Niger (M3)	590	590	-	143	119	262	328	44%
Nigeria (M1)	544	544	152	103	76	331	212	61%
Senegal (M3)	876	876	-	-	66	66	810	8%
Sierra Leone (M1)	335	335	110	136	43	289	46	86%
Sierra Leone (M2)	567	567	130	173	150	454	113	80%
Uganda (M1)	524	524	146	4	72	222	302	42%
Uganda (M2)	521	521	32	171	184	388	134	74%
Uganda (M3)	510	510	-	159	166	326	185	64%
Uzbekistan (M1)	291	291	-	-	2	2	290	1%
Exchange Rate Regimes and Macroprudential Policies (M4)	1,195	1,195	103	185	483	771	424	65%
Monetary Policy Framework in the Bank of Uganda (M4)	389	211	-	88	123	211	-	-
Developing Capacity for Compiling Statistics for MNRW - GO (M5)	778	985	203	399	102	704	281	71%
Developing Capacity for Compiling Statistics for MNRW - RE (M5)	2,272	2,066	377	470	374	1,221	845	59%
Scoping Missions (B)	1,107	1,011	294	191	238	723	288	72%
CEMAC	152	152	-	-	5	5	148	3%
Chad	28	28	-	-	28	28	0	100%
Congo, Democratic Republic Of	50	47	-	-	47	47	-	-
Ghana	23	22	17	5	-	22	-	-
Guyana	106	89	89	-	-	89	-	-
Guyana	84	68	-	68	-	68	-	-
Madagascar	79	79	-	-	7	7	72	9%
Mongolia	78	71	-	42	30	71	-	-
Niger	41	33	33	-	-	33	-	-
Nigeria	70	62	-	-	62	62	-	-
Papua New Guinea	88	85	85	-	-	85	-	-
Solomon Islands	67	59	-	-	59	59	-	-
South Sudan	68	68	-	-	-	0	68	-
The Gambia	75	73	-	73	-	73	-	-
Uganda	97	74	71	3	-	74	-	-
Research Project (C)	1,290	1,260	57	106	318	481	779	38%
Development of New Fiscal Transparency Guide	48	68	14	2	10	25	43	37%
FARI Methodology and Fiscal Regime Library	1,242	1,192	44	104	308	456	736	38%
Workshops (D)	372	288	230	42	16	288	-	100%
Mozambique: Conference on Managing Natural Resource Wealth	95	51	-	35	16	51	-	-
West Africa Conference	277	237	230	7	-	237	-	-
Other Training (E)	3,970	3,970	1,119	554	639	2,313	1,657	58%
CEMAC	299	299	89	36	64	189	110	63%
Online Course on Energy Subsidy Reform	125	125	22	24	27	72	53	58%
Training in Macroeconomic Management in Resource-Rich Countries	2,190	2,190	1,009	495	548	2,052	138	94%
Training in Macroeconomic Management in Resource-Rich Countries II	1,356	1,356	-	-	-	0	1,356	-
Administrative/Governance Cost (F)	360	723	200	139	179	518	205	72%
General Program Management	360	723	200	139	179	518	205	72%
Total (A+B+C+D+E+F)	26,478	26,379	4,625	4,982	5,040	14,647	11,732	56%
of which Trust Fund Management Fee	1,732	1,726	303	326	330	958	768	

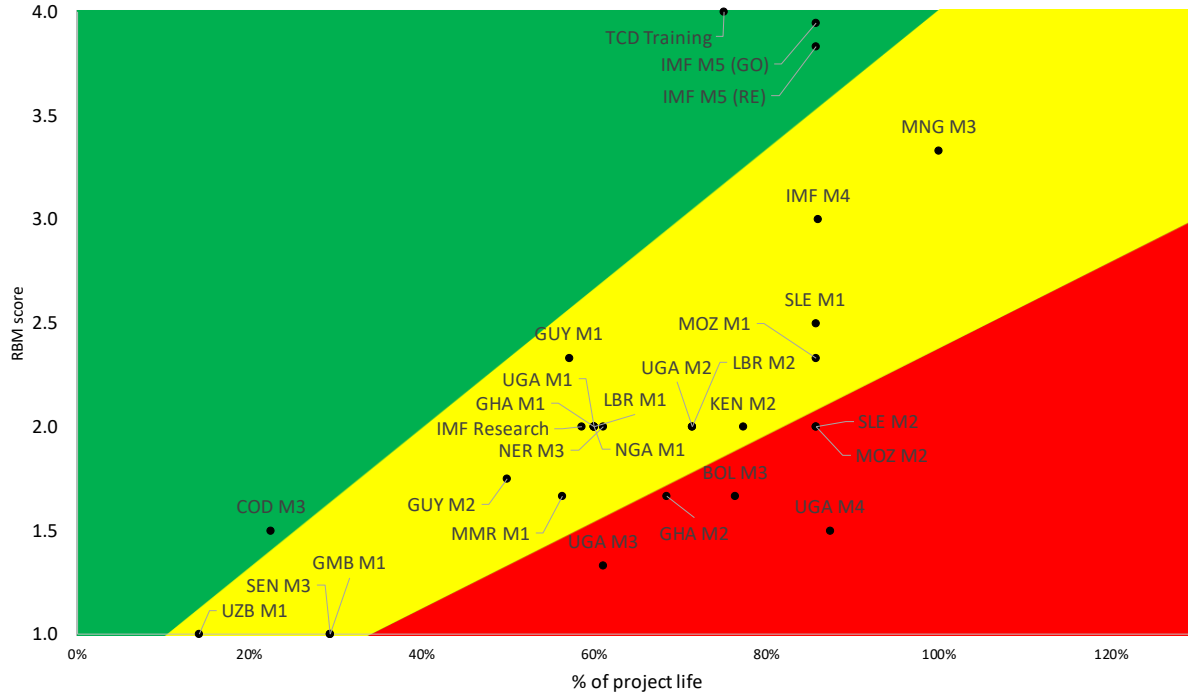
^{1/} The remaining balance for closed projects is zeroed out upon project completion for reallocation of resources or return to donor.

^{2/} For active projects only.

D. Results-based Monitoring and Evaluation

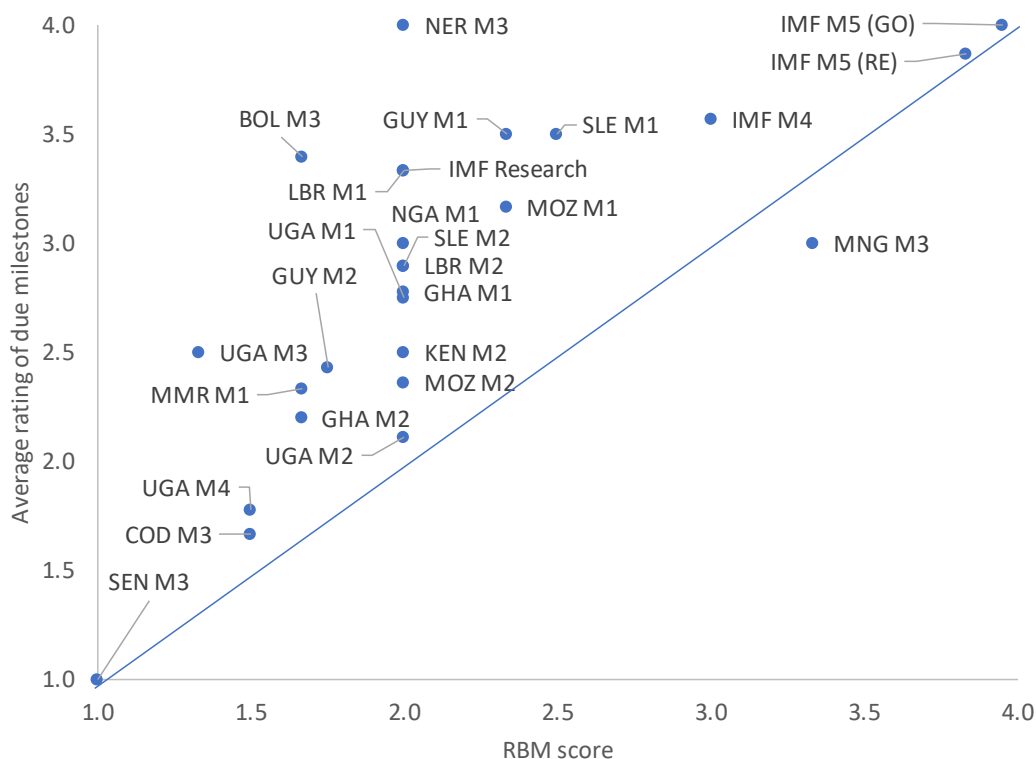
Results against the RBM Framework

Figure 3. MNRW Phase II: Summary RBM Scores in Country-Level Projects



17. Outcome ratings for almost all projects are on the right track. Outcomes are improvements that are expected to occur in beneficiary countries with the assistance of MNRW-funded CD. The Fund's Results-Based Management (RBM) system rates outcomes on a 1-4 scale, where: [4] means fully achieved, [1] means not achieved, and [2] and [3] denote shades in between. Figure 3 displays the outcome RBM scores for projects calculated as the average rating of all outcomes in a project. Currently, most outcomes are clustered in the 'partially achieved' region. Given that intended outcomes are generally only achieved at or after the end of a project, partial achievement is to be expected at the current stage of most projects.

Figure 4. MNRW Phase II: Average Rating of Due Milestones Against the RBM Score



18. Milestones rate much higher than outcomes, which bodes well for eventual outcome performance. Milestones are time-bound steps towards achieving a desired outcome and are the main means of assessing whether a project is on track in real time. Typically, outcome ratings lag behind the milestone ratings as results are only achieved after most milestones have been largely or fully achieved. Figure 4 confirms the higher rating of milestones relative to outcome RBM scores as almost all projects are situated above the 45-degree line. The one exception is the Mongolia (Module 3) project which has reached its end, with milestone and outcome rating having converged to approximately the same level of 'largely achieved'. For other projects it can be similarly expected that their outcome rating will eventually converge to the higher milestone rating. Table 4 summarizes key results achieved in MNRW projects in FY20.

Table 4. MNRW Phase II: Selected Key Results in FY20

Project	
Bolivia (M3)	A STX remote mission took stock of the project’s achievements and pending challenges. This assessment was requested by the new Vice minister of Treasury, who took the office last February 2020.
DRC (M3)	Provision of technical assistance commenced in the areas of cash management, revenue forecasts and public investment management. Partly facilitated by this work, a milestone on adopting regulations to allow direct payment of central government revenues to the TSA was largely achieved. A milestone for revenue agencies to send their forecast on a weekly basis to the cash management committee was partially achieved. Another milestone on consolidating the Mining fund for Future generations (FFG) into the budget in the form of a special account was fully achieved.

Project	
Ghana (M1)	An FAD expert attended a Presidential Taskforce workshop on mining and petroleum fiscal policy; delivered a workshop for the Mining Fiscal Working Group; and agreed data templates and process for the Minerals Commission to collect data necessary to model existing mines.
Ghana (M2)	Following senior management changes at the Ghana Revenue Authority, CD delivery temporarily halted, but engagement with the new management team in February 2020 yielded agreement on recommending CD.
Guyana (M1)	In response to a request from the authorities for more hands-on support for the implementation of the petroleum fiscal regime, an expert on production sharing fiscal regimes has been contracted from the start of 2020 to provide on-demand support remotely.
Guyana (M2)	Following the establishment and staffing of the Petroleum Revenue Audit Unit (PRAU), work to refine the PRAU organizational structure has been completed. Regarding the reduction of the inventory of taxpayer objections, a milestone on implementation of the recommendation of the staffing and capacity assessment has been largely met. Building on a recent HQ mission on the Customs role in the EI sector, two follow up missions provided support to establish a Customs Petroleum Unit, Lifting and Offloading Procedures and protocols.
Kenya (M2)	Following completion of the development of oil and gas sector risk matrices, and having now fully met the corresponding milestone, work turned to strengthening knowledge within the Kenya Revenue authorities of EI industries, tax principles, and risk concepts. Another focus was organizing the inter-agency working group established to develop a Memoranda of Understanding (MOU) for cooperation and information sharing among EI regulators including the State Department of Petroleum and State Department of Mining.
Liberia (M1)	A FARI workshop focused on sectoral mining project and initial advice on the model PSA fiscal terms was provided in February. Support was also provided on the proposed fiscal regime and bid structure for Liberia's 4th offshore oil licensing round, planned for completion in 2020. As a result of this work, a milestone on modeling of fiscal terms of a new model PSA is now fully met and a related milestone on preparing draft revisions to a new model PSA, followed by submission to Cabinet for approval, is largely met.
Liberia (M2)	The mining risk matrix for large and medium scale miners was finalized (associated milestone is now fully met), risk filters were developed, and work commenced on the matrix for the artisanal sector. This facilitated progress with respect to the milestone on risk assessment activities feeding into the development of operational plans. There was also progress with the compliance work program, as a milestone on implementing coordinated operational plans to deal with compliance risks for the EI sector is now largely achieved.
Mongolia (M3)	Support was provided to assist the authorities with improving the financial programming model and strengthening the quarterly fiscal reports. In addition, it introduced the good practices of macro-fiscal function arrangement and recommended the authorities to set up a formal workgroup on the financial program, incorporating representatives of other macro-fiscal divisions in the Ministry of Finance.
Mozambique (M2)	The authorities achieved some progress on formalizing the information exchange and cooperation between regulatory stakeholders (milestone) and commence developing the risk matrix for oil, gas and related services sector.
Niger (M3)	Support focused on fiscal risk with advice to the Ministry of Finance (MOF) on how to identify, quantify, analyze, and disclose fiscal risks, especially those pertaining to the macroeconomic environment and to public-private partnerships (PPPs). Regarding the last, a milestone on creating a Directorate General of Public Enterprises within the

Project	
	Ministry of Finance was fully achieved. With respect to macroeconomic risks, and especially relevant in the current covid-19 environment, a milestone on providing analyses of the sensitivity of public finances to the price of natural resources (uranium, oil) was largely achieved. Moreover, progress has been made on adopting and implementing a detailed calendar defining data exchanges leading up to the finalization of the macro-fiscal forecasts (milestone is largely achieved). The methodologies for the analysis of budget execution and of deviations between forecasts and outturns have also been reinforced (milestone is now also largely achieved).
Nigeria (M1)	An STX visit to Abuja in January 2020 provided an opportunity to discuss the authorities' timeline and strategy for moving forward with the petroleum fiscal regime reform and to update the FARI evaluation analysis of the regime options. Following this, the STX participated in a workshop in London organized by UK-DFID FOSTER bringing together industry and government advisors.
Senegal (M3)	CD provision commenced with (remotely delivered) support for developing (i) a modern legal framework; (ii) scenarios for the choice of fiscal rules; and (iii) options for setting up a stabilization fund and a sovereign wealth fund. In addition, the gas and oil management section of the public financial management strategy was prepared.
Sierra Leone (M1)	Legal support led to a package of draft legislative amendments being delivered to authorities.
Sierra Leone (M2)	Progress in the area of risk management has continued, with the milestone on development of risk factors and evaluation matrix now fully achieved and an associated milestone on risk assessment activities feeding into the development of operational plans largely achieved. A major focus of CD delivery in the past six months was taxpayer compliance: support was provided for (i) developing a Goods and Services Tax (GST) compliance improvement plan for VAT arrears and (ii) development and operationalization of an EI compliance improvement plan. With respect to improving organizational arrangements, a milestone on formalizing information exchange and cooperation between regulatory stakeholders is now fully achieved.
Uganda (M1)	Development of the Uganda Oil Project has proceeded, which sets the stage for further CD support: the transfer of interest between two parties has been completed and the tax treatment of the transaction clarified. The transaction paves the way for the final investment decision for the Uganda Oil Project.
Uganda (M2)	Progress has been made in the development of coordinated plans between various stakeholders to share data, information and expertise and coordinate activities, with the corresponding milestone now largely achieved. Work continued on risk matrices, with the mining risk matrix undergoing validation and development of the oil-and-gas risk matrix continuing. This work facilitated progress with respect to risk assessment activities feeding into the development of operational plans as the corresponding milestone is now partially met.
Uganda (M4)	The third and last mission provided assistance on the monetary policy operational framework, with a particular focus on foreign exchange operations.
Research (FARI)	The mission model redesign is nearing its completion and new versions of the simplified FARI petroleum and mining models have been developed. The first of a series of three workshops to seven countries in West Africa and six countries in East Africa was delivered.
Research (Fiscal Transparency Guide)	FAD has been working towards producing an accompanying Handbook on Fiscal Transparency relating to natural resources (Pillar IV), to be published by the end of FY21.

Project	
Capacity for compiling statistics - GO	One regional workshop for Latin American's countries (Guyana, Honduras, Guatemala) took place in November. After the workshop, a GFS mission to Guyana was conducted in February 2020. Currently, Guyana is upgrading its fiscal statistics for better decision making by moving from the GFSM 86 to the GFSM 2014 framework as the country expects to benefit from a significant increase in fiscal revenues from its oil production.
Capacity for compiling statistics - RE	Two regional workshops for (i) eligible Russian-speaking MCD and EUR countries and (ii) Spanish-speaking WHD countries took place in November. The workshops trained participants in implementing the IMF's Guide to Analyze Natural Resources in National Accounts through lectures, exercises, and peer learning.
CEMAC training	A customized training mission to Chad on Macroeconomic Policy Frameworks for Resource-Rich Countries focused on debt sustainability and fiscal rules for resource-rich countries.
Energy subsidy reform MOOC	In FY2020, the online course attracted 1,955 participants, including 333 from MNRW eligible countries; 93 participants successfully completed the course
Training in macroeconomic management in resource-rich countries (MRC)	During the past 6 months, the MRC course was offered on a face-to face basis at IMF HQ and in Guyana. The English-language massive open online course (MOOC) attracted 634 participants from MNRW eligible countries. The French-language MOOC was launched in April 2019 and has been open to the general public on a self-paced basis since November 2019. It has attracted 207 participants from MNRW eligible countries.

Mid-Term Independent Evaluation

19. The MNRW's mid-term independent evaluation was scheduled to launch in May 2020 with an initiation of the procurement process. Given the ongoing travel restrictions, all IMF external evaluations of externally financed activities have been temporarily suspended. Unequal access to facilities and technology by stakeholders and that of the authorities of beneficiary countries mean that remote evaluations are not ideal. More importantly, beneficiary authorities are engaged in dealing with the crisis and will not be able to devote time and resources to inputting into the evaluations. Therefore, we foresee that the MNRW evaluation will be postponed. The Essential Terms and Conditions of the MNRW Subaccount (Annex II of the LoU) specify that "not later than 40 months after the activities financed under the Subaccount with respect of each funding cycle have begun, an independent evaluation of the activities financed under the Subaccount will be initiated". We are proposing to postpone an initiation of the independent evaluation by tentatively 6 months (to November 2020). This request is being submitted for endorsement by the Steering Committee.

III. FINANCIAL UPDATE

20. The MNRW Phase II is in a sound financial situation. The current level of pledges to the MNRW stands at \$27.97 million against the target budget of \$30 million. Overall payments received as of April 30, 2020 amounted to \$24.1 million and combined with the interest earned and transfers, a total of \$25.9 million has been received into the subaccount (please refer to Table 5 and 6). Future payments under agreements are subject to exchange rate fluctuations, but as the majority of the financing has been received, this is not expected to greatly impact liquidity. The funding gap will be less than \$1 million, and the IMF will continue to reach out to new donors for contributions, and to

current partners to assess the possibility of topping up contributions. The pro-rata share of the unspent balance from Phase I is in the process of being returned to Oman.

Table 5. MNRW Phase II: Status of Partner Contributions

(As of April 30, 2020, in thousands of U.S. dollars)

Partners	Signed Date	Currency	Amount	U.S. Dollars	Agreement Currency	U.S. Dollars	Requested	Future Request ^{1/}
Partners								
Australia	June 6, 2018	AUD	3,750	2,823	3,750	2,775	-	-
European Commission	October 14, 2017	EUR	7,000	8,282	5,600	6,522	-	1,514
Netherlands	April 21, 2017	USD	4,400	4,400	3,500	3,500	-	900
Norway	October 7, 2016	NOK	40,000	4,974	32,000	3,849	-	787
Switzerland	September 13, 2016	CHF	7,000	7,196	7,000	7,177	-	-
United Kingdom	October 25, 2018	GBP	230	296	230	291	-	-
Partners Total				27,971		24,115	-	3,201
Internal Transfers								
Netherlands				308	-	308	-	-
Switzerland				769	-	769	-	-
Internal Transfers Total				1,077		1,077	-	-
Grand Total				29,048		25,192	-	3,201

^{1/} Future contribution request calculated using exchange rates as of May 14, 2020.

21. The projected cashflow position in the MNRW Phase II is satisfactory. While prolonged travel restrictions may interrupt the delivery of CD activities further, we will continue to carefully monitor the progress of the crisis and provide necessary support to meet the continuing high demand from the MNRW eligible countries. Under the disbursement schedule agreed with partners, the cash balance will ensure the implementation of endorsed MNRW activities, and as detailed in para 24, the workplan as proposed for endorsement.

Table 6. MNRW Phase II: Cash Flow Statement
(As of April 30, 2020, in thousands of U.S. dollars)

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Totals
	FY1	FY2	FY3	FY4	FY5	FY6	
Contributions ^{1/}	4,129	11,329	8,085	1,649	2,801	400	28,393
Australia	-	1,748	1,028	-	-	-	2,775
European Commission	-	6,522	-	-	1,514	-	8,037
Netherlands	-	1,500	1,808	500	500	400	4,708
Norway	545	-	2,155	1,149	787	-	4,635
Switzerland	3,585	1,559	2,804	-	-	-	7,947
United Kingdom	-	-	291	-	-	-	291
Interest Earned	12	131	307	252	-	-	702
Total Cash Available	4,142	11,460	8,392	1,900	2,801	400	29,095
Expenses Paid ^{2/}	-	4,625	4,982	5,040	6,352	8,097	29,095
Cash Balance	4,142	10,977	14,387	11,247	7,697	-	-

^{1/} Contributions are net of transfers and return of funds. FY21 onwards are cash projections using exchange rates as of May 14, 2020.

^{2/} Expenses paid include the 7% Trust Fund Management Fee. FY21 onwards are estimates based on proposed workplans.

22. Expenditures for FY21 are projected to be \$6.35 million. Annual implementation is projected at this higher end to meet an expected dramatic increased in CD demands, in line with the increased number of IMF lending programs during the COVID-19 crises. The total workplan endorsed to date is US\$26.4 million. MNRW execution to end April 2020 was US\$14.7 million. Endorsement of the Steering Committee is sought for US\$1.9 million for new projects and US\$0.9 million for budget adjustments to existing projects. Resources “returned” to the subaccount for reallocation to other activity amounts to US\$0.3 million (included in the Table on Proposed Revisions and New Modules). The changes to the workplan sum to US\$2.8 million.

23. These changes, if endorsed, would take the total workplan amount to \$29.14 million (Table 7). The available resources within the subaccount, plus pending installments, and careful management of current projects, will ensure the subaccount has sufficient liquidity to finance this work program. On the latter point, careful management of project expenditures of current project, and the normal budget adjustments that result from delays or changes in scheduling and prioritization, will result in the resources being returned to the subaccount of at least US\$100,000. If exchange rates at the time of receipt of pending installments dramatically affect liquidity, further reductions and budget adjustments would be sought and the work plan would be reduced accordingly.

**Table 7. MNRW Proposed Revisions and New Proposals for Endorsement
As of April 30, 2020
(in thousands of US\$)**

Country (Project)	Description	Endorsed Budget as of Apr 2020	Proposed Change in Budget	Proposed Multi Year Budget
New Programs for Endorsement			1,887	1,887
Chad (Module 1)	New project for SC endorsement	-	306	306
Guyana (Training)	New project for SC endorsement	-	400	400
Mauritania (Module 3)	New project for SC endorsement	-	410	410
Nigeria (Module 2)	New project for SC endorsement	-	446	446
Sierra Leone (Module 1)	New project for SC endorsement	-	324	324
Revisions to Current Endorsed Projects^{2/}			928	
Module 4: Exchange Regimes and Macroprudential Policies	Extension and modification of the existing CD project for endorsement	1,195	468	1,663
Module 1: Mozambique	Extension and modification of the existing CD project for endorsement	473	235	708
Module 2: Sierra Leone	Extension and modification of the existing CD project for endorsement	567	225	792
Module 5: Government Finance Statistics	Budget neutral extension for endorsement	985	-	985
Development of New Guide on Resource Revenue Transparency	Budget neutral extension for endorsement	68	-	68
Module 5: Real Sector Statistics	Budget neutral extension for endorsement	2,066	-	2,066
CEMAC Commission Scoping Mission	Budget neutral extension for information	152	-	152
Madagascar Scoping Mission	Budget neutral extension for information	79	-	79
South Sudan Scoping Mission	Budget neutral extension for information	68	-	68
Congo, DRC Scoping Mission	Project ended. Balance returned to the pool - for information	50	-3	47
Guyana Scoping Mission	Project ended. Balance returned to the pool - for information	84	-16	68
Monetary Policy Framework in the Bank of Uganda (M4)	Project ended. Balance returned to the pool - for information	389	-178	211
Mongolia Scoping Mission	Project ended. Balance returned to the pool - for information	78	-7	71
Mozambique Conference on Managing Natural Gas Revenues	Project ended. Balance returned to the pool - for information	95	-44	51
Nigeria Scoping Mission	Project ended. Balance returned to the pool - for information	62	-8	54
Solomon Islands Scoping Mission	Project ended. Balance returned to the pool - for information	67	-8	59
Total MNRW portfolio budget to date		26,379	2,815	29,194
Total revised workplan including new proposals				29,194
of which Management Fee				1,910

^{1/}Includes Trust Fund Management Fee.

^{2/}Balances returned to the pool are already accounted for in the Detailed Progress Report table, hence they are excluded from calculations in this table.