

SWITZERLAND-IMF PARTNERSHIP ON CAPACITY DEVELOPMENT



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
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Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO

ANNUAL REPORT 2023



SWITZERLAND-IMF PARTNERSHIP ON CAPACITY DEVELOPMENT

Subaccount under the IMF
Framework Administered
Account for Selected
Fund Activities

ANNUAL REPORT 2023



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ACRONYMS AND ABBREVIATIONS

AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism	HQ	Headquarters
CCAMTAC	Caucasus, Central Asia, and Mongolia Technical Assistance Center	ICD	Institute for Capacity Development
CCCDI	COVID-19 Crisis CD Initiative	IMF	International Monetary Fund
CD	Capacity Development	ITD	Information Technology Department, IMF
DMF	Debt Management Facility	LEG	Legal Department, IMF
DIAN	Dirección Nacional de Impuestos y Aduanas Nacionales, Colombia	LOU	Letter of Understanding
DOGC	Large Taxpayers Unit at DIAN, Colombia.	MCM	Monetary and Capital Markets Department, IMF
D4D Fund	data for Decisions Fund	MEF	Ministerio de Economía y Finanzas, Peru
EU	European Union	METAC	Middle East Regional Technical Assistance Center
FAD	Fiscal Affairs Department, IMF	MNRW	Managing Natural Resource Wealth
FIRST Initiative	Financial Sector Reform and Strengthening Initiative	MoU	Memorandum of Understanding
FSSF	Financial Sector Stability Fund	MTRS	Medium-term Revenue Strategy
FTE	Fiscal Transparency Evaluation, Peru	NSDP	Serbian National Summary Data Page
FY	Fiscal Year	OIC	Office of Innovation and Change, IMF
FCS	Fragile and Conflict-affected States	OECD	Organisation for Economic Co-operation and Development
		PFM	Public Financial Management

PSDS Public Sector Debt Statistics
RCDC Regional Capacity Development Center
RMTF Revenue Mobilization Thematic Fund
SDC Swiss Development Cooperation
SDGs Sustainable Development Goals
SECO State Secretariat for Economic Affairs,
Switzerland

SEE Fund Southeastern Europe Fund
SPR Strategy, Policy and Review Department, IMF
STA Statistics Department, IMF
STX Short-term Consultant
TA Technical Assistance
WRI World Resources Institute

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THE PARTNERSHIP AT A GLANCE

THE PARTNERSHIP AT A GLANCE

The Swiss Confederation, represented through its State Secretariat for Economic Affairs SECO, is one of the largest and longest standing partners of IMF capacity development (CD). In fiscal year 2023 (FY2023), Switzerland contributed CHF6 million to the new phase of the Southeastern Europe Fund (SEE Fund) and an additional CHF2 million to AFRITAC South. With these two new contributions, over the last three years, Switzerland remained the second largest contributor to IMF CD for the period of FY2020-23.

SECO-funded CD focuses on 19 priority countries in Eastern and Southeastern Europe, as well as Central Asia, and select focus countries in Africa, Asia, the Pacific, and Latin America. In the context of complementary initiatives, SECO may also provide assistance to other countries that are of particular importance to Switzerland.

SECO's broader support extends to a wider range of countries through its contribution to seven Regional Capacity Development Centers (RCDCs) located in Africa, Central Asia, and the Middle East. The collaborative

efforts within the CD program concentrate on various thematic areas, including public financial management (PFM), revenue administration and tax policy, macro fiscal policy, financial market supervision and regulation, as well as financial market development and central banking.

Going forward, the IMF will continue strengthening the CD partnership with SECO. The various projects under the new Letters of Understandings (LoUs) being now firmly in place and delivering, the IMF will make sure to keep SECO delegations and HQ informed of key developments and results obtained while ensuring sufficient visibility. SECO will remain a partner to advance the CD reform agenda of the IMF. Several initiatives in that regard will be explored toward more innovative and impactful CD for the beneficiary countries.

The CD partnership between Switzerland and the IMF goes beyond financing. At the strategic level, SECO and the IMF share a strong belief in the fundamental power of economic institution building for sustainable

development. This is reflected in a common interest and collaboration on increasing the impact of CD and making it last, as well as learning together from independent evaluations of IMF CD. This also translates in regular exchanges and collective thinking on practical ways to embed innovation and Change Management in all workstreams of our CD, in order to maximize impact.

The exchange of information also happens at country level where IMF CD advisors, either from HQ or RCDCs, provides regular debriefings of mission outcomes to local SECO counterparts.

This 13th Annual Report on IMF CD activities financed by Switzerland covers the period from May 1, 2022, through April 30, 2023. It serves as a detailed report on the financial status and operations of activities financed through the bilateral Switzerland Subaccount in FY2023, gives an overview on the thematic and regional funds to which Switzerland is a contributor, and provides a short overview of the IMF-SECO CD partnership.

IMF CAPACITY DEVELOPMENT: AN OVERVIEW

IMF CAPACITY DEVELOPMENT: AN OVERVIEW

Strong economic institutions foster effective policies that lead to economic stability, inclusive growth, and job creation. That is why, for more than 50 years, the IMF has provided technical assistance and training to finance ministries, tax authorities, central banks, and other economic institutions (IMF.org/CapDev). This assistance helps countries strengthen public finances, modernize monetary and exchange rate policies, buttress financial systems, advance macroeconomic frameworks and policy making, develop legal systems, improve governance, strengthen rule of law, reduce corruption, and enhance the compilation and dissemination of macroeconomic and financial data (for core areas of IMF CD (see Table 1). Such assistance helps countries make progress toward their Sustainable Development Goals (SDGs).

IMF CD accounts for about one-third of the IMF’s spending, and external partners such as SECO play a vital role and finance more than half of IMF CD activities, including much of its support to regional CD centers, thematic funds focused on development priorities, and bilateral projects. The other half is financed through the IMF’s internal resources.

IMF CD is delivered to countries through remote and in-person visits; in-country placements of long-term resident advisors (RA); a network of regional CD centers; virtual and face-to-face training; and free online learning courses.

The surge in demand for CD support will continue, and an integrated approach provides the foundations countries need for a strong and sustainable recovery.

These long-term capacity building efforts proved particularly useful during FY2023 as countries have had to respond to multipronged shocks, from the pandemic crisis to inflationary pressures, financial sector turmoil, supply chain disruptions, and increasing debt levels. Past and ongoing efforts to build macroeconomic capacity, as well as support from experts in the field, helped countries respond quickly and adequately to these challenges.

CD also serves as an antidote against economic fragmentation by fostering regional and global cooperation and supporting the most vulnerable. The increasing number of long-term IMF CD experts based in fragile and conflict-affected states following the adoption of the IMF’s strategy on Fragile and Conflict Affected States

TABLE 1. CORE AREAS OF IMF CAPACITY DEVELOPMENT

Fiscal Policy and Management	Tax policy and revenue administration, expenditure policy, macro-fiscal frameworks, public financial management, fiscal institutional frameworks, and fiscal risk
Monetary Policy and Financial Systems	Monetary and exchange rate policy, financial stability analysis and macroprudential policy, financial sector supervision and regulation, debt management, and crisis management
Legislative Frameworks	Laws and regulations on economic and financial policies and institutions, and anti-money laundering/combating the financing of terrorism
Governance and anti-corruption	Legal and organizational frameworks related to anti-corruption and the rule of law; diagnostic assessment on governance and corruption
Macroeconomic and Financial Statistics	External sector, government finance, monetary and financial, national accounts and price statistics, and data dissemination standards
Macroeconomic Frameworks	Macroeconomic diagnostics and analysis, forecasting and modeling, financial programming, and macroeconomic policies

Source: IMF Institute for Capacity Development, 2023.

in 2022 also plays an important role in mitigating the risk of divergence from other economies resulting from exacerbated shocks and compound threats.

Diagnostics of governance and corruption, as a distinct form of CD, help member countries assess the severity and nature of corruption holistically, identify governance weaknesses and corruption vulnerabilities, and map out a sequenced, prioritized, and time-bound set of recommendations for

reducing corruption and strengthening the rule of law.

Further, in FY2023, the IMF launched a CD Strategy Review, which aims to enhance the strategic and prioritization framework of CD and modernize CD delivery. The review will ensure that the size, composition, and funding of CD is in line with the proposed strategic framework, as well as assess the effectiveness and impact of CD.

In recent years, the IMF has been increasingly helping countries to

meet challenges like income and gender equality, climate change, and digitalization, and strengthen rule of law and reduce corruption. The uptake of climate change related CD, including the programs on green budgeting and climate-related statistics supported by SECO effectively complements the recently-launched IMF Resilience and Sustainability Trust (RST)—also supported by the Swiss Government—by ensuring that countries use RST financing in an effective manner.

THE PARTNERSHIP ON CAPACITY DEVELOPMENT BETWEEN SECO AND THE IMF

THE PARTNERSHIP ON CAPACITY DEVELOPMENT BETWEEN SECO AND THE IMF

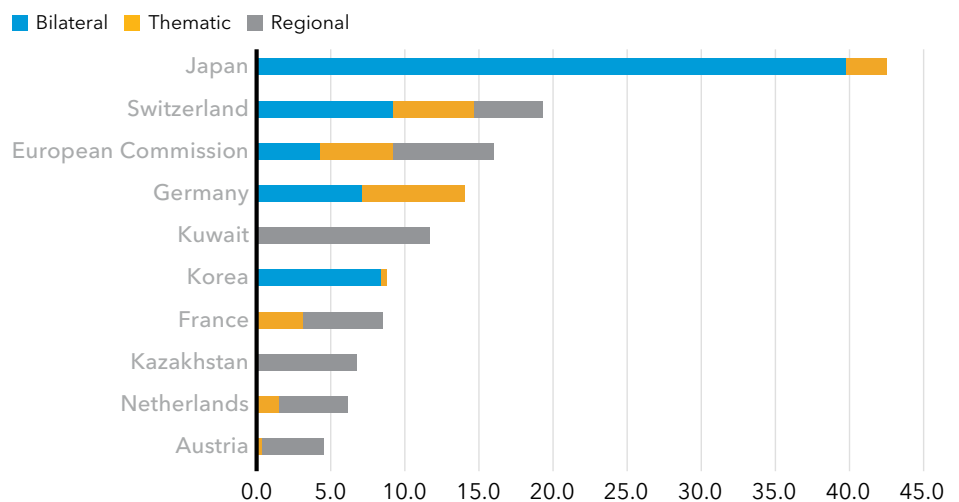
Since 1997, SECO contributed some \$220 million to IMF CD through bilateral programs, thematic funds, and regional capacity development centers (Table 2), making Switzerland one of the first and largest CD partners over time.

In FY2023, SECO contributed an CHF6 million to the new phase of the Southeastern Europe Fund (SEE Fund) and an additional CHF2 million to AFRITAC South. With these two new contributions, over the last three years, Switzerland remained the second largest contributor to IMF CD (Figure 1).

Bilateral Program: The bilateral CD program is at the core of the CD collaboration between SECO and the IMF. It supports SECO priority countries in Europe and Central Asia, Africa, Asia Pacific, and Latin America (Map 1) to help build efficient public finances and a well-developed financial sector and contribute to framework conditions for economic growth and sustainable prosperity. It can also finance a few innovation projects. During FY2023, a strong project portfolio for the new phase of the bilateral collaboration with its programs for Southern and Eastern countries was established and is now under implementation. This portfolio includes projects in core areas of IMF

FIGURE 1. CONTRIBUTIONS: SIGNED AGREEMENTS, FY2020-23

Three-Year Averages—Top 10 Partners (In Millions of US dollars)



Source: IMF Institute for Capacity Development, 2023.

expertise with long-term advisers supporting SECO priority countries but also explore into new cross-cutting areas of climate change, gender, and digitalization. The main body of this report describes progress made under the bilateral program.

Thematic Funds: SECO contributes to all major IMF main thematic funds for CD: AML/CFT, Debt Management Facility (DMF), the Data for Decisions Fund (D4D Fund), the Financial Sector Reform and Strengthening Initiative (FIRST Initiative), the Financial Sector

Stability Fund (FSSF), Managing Natural Resource Wealth (MNRW), the Revenue Mobilization Thematic Fund (RMTF), the Southeast Europe Fund (SEE)—see Box 1—and the Tax Administration Diagnostic Assessment Tool (TADAT). Through an additional contribution to the SEE Fund, SECO supported the COVID-19 Crisis CD Initiative (CCCDI), which helped countries as they steered their economies through the pandemic crisis and prepare for an inclusive recovery. SECO takes a proactive role in shaping the strategies of these funds, contributes knowledge

TABLE 2. THE SECO-IMF PARTNERSHIP

Modalities	Signed Agreements (millions of \$)	Period Covered (calendar year)
Bilateral Accounts	94.4	
• Old Bilateral Program ¹	18.7	1996-2012
• LOU East	12.8	2009-15
• LOU South	12.0	2010-15
• Conference	0.1	2013
• 2016-2020 Program	23.2	2016-23
• Anti-Corruption Challenge	0.3	2020-22
• Program East (New)	7.6	2021-30
• Program South (New)	19.7	2021-30
Multipartner Accounts - Thematic Funds	79.3	
• AML/CFT Phase I	5.0	2009-15
• AML/CFT Phase II	6.5	2014-20
• AML/CFT Phase III	5.2	2020-26
• DMF II	2.5	2014-20
• DMF III	1.8	2019-24
• D4D Phase 1	4.2	2018-23
• FIRST Phase II	2.2	2007-14
• FIRST Phase III	5.1	2013-17
• FIRST Phase IV	3.2	2018-22
• FSSF Phase I	4.0	2017-22
• MNRW Phase I	5.0	2011-17
• MNRW Phase II	7.2	2016-21
• TADAT Phase I	1.3	2014-19
• TADAT Phase II	1.0	2019-24
• Revenue Mobilization Phase I	5.0	2011-17
• Revenue Mobilization Phase II	7.0	2016-21
• SEE Phase 2	6.7	2019-23
• SEE Phase 3	6.4	2023-26
Multipartner Accounts - Regional TA Centers	45.8	
• AFRITACs	4.9	2003-08
• AFRITAC East Phase III	1.0	2009-15
• AFRITAC East Phase IV	1.0	2015-20
• AFRITAC East Phase V	1.0	2020-25
• AFRITAC West	1.0	2009-17
• AFRITAC West Phase IV	0.5	2017-22
• AFRITAC West II Phase I	5.2	2013-19
• AFRITAC West II Phase II	3.1	2019-24
• AFRITAC South Phase I	3.0	2011-17
• AFRITAC South Phase II	5.1	2017-22
• METAC Phase IV	4.5	2016-22
• AFRITAC Central Phase III	1.5	2017-22
• CCAMTAC Phase I	6.4	2021-26
• METAC Phase V	5.4	2023-27
• AFRITAC South Phase III	2.1	2023-27
TOTAL	219.5	

Source: IMF Institute for Capacity Development, 2023.

¹There were seven signed Letters of Understanding (LOUs) and 21 approved projects.

MAP 1. SWISS CONSTITUENCY AND SECO PRIORITY COUNTRIES



Source: IMF Institute for Capacity Development, 2023.



to improving their operations, together with other partners oversees their portfolios and budgets.

Regional CD Centers: SECO is a major contributor to the IMF’s RCDCs, including to all regional CD centers in Africa (AFRITACs), CCAMTAC, and METAC. RCDCs play an important role in the IMF’s CD architecture, extending its local footprint and bringing advisers

more closely to CD recipients. RCDCs deliver much of the IMF’s CD on the ground. Tailored to each region’s priorities, the centers work closely with member countries and development partners and respond quickly to emerging needs. RCDCs’ are a part of a Fund workstream integrated CD plan for that country.

Close cooperation and sustained follow-up support to institutions such as finance ministries, central banks, and statistical agencies help traction and ownership and contribute to their success.

Innovative Initiatives: SECO partners with the IMF on new and innovative initiatives such as the Anti-Corruption

Challenge, launched in 2019 and concluded in 2021 and the Climate Innovation Challenge, launched in 2021 (Box 2), which has led to five winning projects so far, coming together with high visibility for SECO.

In February 2023, an IMF delegation traveled to Bern for strategic and operational consultations. The focus was on the direction and implementation of the bilateral program. Discussions included consolidating the three FAD thematic funds (RMTF, MNRW, TADAT) for a more comprehensive approach, the new phase of the FSSF, and plans to enhance CD for Ukraine. SECO expressed support for the IMF’s efforts to mainstream gender, climate, anti-corruption, and digitalization through SECO-financed projects with FAD. Notable presentations were given on debt sustainability and associated CD by Roger Nord, and on the IMF’s gender strategy by Stefania Fabrizio. The mission team also engaged with the Swiss government’s interagency gender network.



To illustrate the shared thinking on how to improve impact of CD a panel discussion on “Charting the path from Theory of Change” took place in May 2022 between SECO and the IMF (see social media announcement below). The panel was chaired by Roger Nord, Deputy Director ICD

and featured Carol Baker, Assistant Director, MCD, Rosmarie Schlup, Head, Macroeconomic Support, SECO, Lauren Kelly, Lead Evaluator Independent Evaluation Group, World Bank, and Deon Tanzer, Expert Advisor, Center of Excellence. The objective was to discuss how to plan and execute our

CD plans in a way that takes account of countries’ macro context, political economy, linkages among a multitude of other interventions, and interest of various stakeholders while adapting and mitigating risks along the way, with the objective to attain sustainable outcomes that are impactful.

BOX 1. PUBLIC FINANCIAL MANAGEMENT AND REVENUE ADMINISTRATION IN SOUTHEASTERN EUROPE (SEE)

Phase II of the Public Financial Management (PFM) and Revenue Administration (RA) project for Southeast Europe (SEE-II) ended in December 2022. The third phase of this program, now called Fiscal Reforms in Southeast Europe (SEE-III), covers the four-year period between January 2023 and December 2026. In this third phase, the program continues supporting PFM and RA reforms and introduces activities aimed at promoting Tax Policy (TP) reforms in the same six SEE countries: Albania, Bosnia and Herzegovina (BiH), Kosovo, Montenegro, North Macedonia and Serbia. The program prioritizes reforms towards establishing effective and resilient fiscal institutions in both revenue and spending areas. On the latter, with respect to sound public financial management. On the former, with special attention to building equitable, efficient, and transparent tax systems (policy and administration), and mobilizing revenue.

- In RA, CD focused on building capabilities in all core RA processes and providing strategic advice on medium-term reform agendas. In addition to strengthening reform capabilities, adopting more data-driven and risk-based approaches to tax compliance, and better managing large taxpayers. Attention was given to key administrative functions by enhancing audit methodologies, improving the arrears management function, and debt collection procedures; all contributing to sustained revenue mobilization. Key reform achievements include: Albania and Kosovo consolidated their debt collection functions by reducing the number of field offices, segmenting tax debt and ensuring standardized approaches to manage the highest risk debts; BiH, Serbia, and Kosovo have made substantial

progress in their application of Compliance Risk Management (CRM) methodology and approaches, with Albania and Serbia focusing on improving the compliance of large taxpayers and high-wealth individuals (HWI) by developing special Compliance Improvement Plans (CIPs) per taxpayer segment; and Serbia started implementing its comprehensive transformation program with the newly designed business model. The new tax information systems are being procured in Serbia and Montenegro. In Montenegro and North Macedonia, progress has been slower due to local conditions and the lack of a medium-term reform plan to drive reforms, respectively. All RAs benefited from the new approach to CD delivery through thematic communities of practice, two of which were established in FY23 (fiscalization and debt management).

- In PFM, fiscal risk management continued to be the main area of CD support, with a focus on strengthening the monitoring and disclosure of State-Owned Enterprises (SOEs). The governments of Republika Srpska and Federation of Bosnia and Herzegovina are developing the required institutions and processes to monitor SOEs, by establishing a database on SOE financial information using the FAD's SOE Health Check Tool. In 2022, Kosovo updated its annual SOE report. The project also provided support on long-standing reform priorities in budget preparation, cash management, and more efficient public investment management (PIM). Serbia received support to strengthen its medium-term budgeting framework with a focus on introducing green budgeting

parameters that would allow to identify climate-related expenditures. Albania improved the Treasury's cash forecasting models to strengthen budget execution. And in February 2023, North Macedonia was the first beneficiary country to complete the Climate Module of the Public Investment Management Assessment (C-PIMA), which identified key actions to incorporate climate change considerations into the PIM framework. A second C-PIMA is planned for Kosovo in FY24.

- One of the key tax policy activities included under the SEE III is the support for a comprehensive review and quantification of tax expenditures (TEs), with a view to institutionalize their periodic reporting and where feasible and necessary, rationalize their scope. To achieve these goals, CD activities in TP focused on strengthening the human and institutional capacity of the Tax Policy Units (TPUs) in Albania, Republika Srpska, and North Macedonia. By providing analytical tools, training, and international experience, the activities served to empower TPUs in rigorous analysis of preferential tax treatments, as well as increasing transparency in decision-making processes. CD activities in Albania, extended to providing strategic advice on international taxation, by providing guidance on how to address the impact of the global minimum tax introduction under Pillar 2 of the Inclusive Framework and EU Directives, and pointed to the broad international guidance and experience in setting up effective and efficient VAT arrangements for cross-border sales transactions. In Kosovo, CD activities will start in FY24.

BOX 2. IMF CLIMATE INNOVATION CHALLENGE

The [Climate Innovation Challenge](#), launched in 2021 by the IMF and sponsored by SECO, received 45 submissions, with five winning teams selected at the [May 2022 Pitch Event](#). These teams were recognized for their actionable solutions related to climate change and disaster resilience.

Key Highlights:

PortWatch—Monitoring Disaster-Related Trade Disruptions from Space:

Launched in November 2023, this [online platform](#) monitors and simulates trade disruptions from climate extremes using satellite-based vessel data and big data analytics. It has been featured in the [Washington Post](#) and presented at high-profile international forums, including at the [2023 IMF-World Bank Spring Meetings](#), World Trade Organization’s [Public Forum](#), and the [2023 IMF-World Bank Annual Meetings](#) in Morocco.

Machine Learning-Based Toolbox for Climate Policy Analysis:

This tool identifies and analyzes dramatic emission pattern shifts, offering sector-specific mitigation insights and a one-stop shop for past climate policies. Initially demonstrated during the [2023 Spring Meetings](#), it was later launched within the IMF at the [2023 Annual Meetings](#). It’s currently accessible through IMF’s internal channels and will be available externally following the completion of the IMF’s iData project.

Model-Based Macroeconomic Frameworks for Assessing Climate



Impact: Tailored for emerging markets and developing economies, which face significant climate transition risks, these frameworks assess the macroeconomic and distributional effects of climate policies and transition risks. The team is building on the synergies of the Integrated Macroeconomic Forecasting Environment, a new platform that the IMF Area Departments use to manage macro-frameworks, make projections, and perform scenario analysis. The team is rolling out a pilot in Niger and working with Area Departments to develop a user-friendly interface for the model.

DMXi—Scenario Analysis to Integrate Climate Change in Your Country’s Macro Framework:

Designed for macroeconomic forecasting under multiple scenarios, DMXi addresses the impacts of climate change in various countries’ economic frameworks. By leveraging the macro frameworks used by the IMF county teams, DMXi

now runs multiple scenarios in a 180-country model, helping country teams with climate scenario planning. It’s set for a wide rollout to IMF and World Bank economists, as well as other governmental bodies.

Adapting External Sector Assessments to Climate Change:

The team’s data and analytical tools introduce climate considerations into evaluations of trade balances and exchange rate misalignment. The tools map a country’s climate vulnerability, mitigation, and adaptation strategies, spending patterns, and external borrowing capacity to estimate climate financing needs. Next steps include utilizing the IMF-ENV model as a proof of concept in South Africa and later extending the model’s application for broader country analysis and climate policy assessment.

For more details on the challenge and its winners, visit [IMF.org/CIC](#).

BILATERAL PROGRAM: PORTFOLIO OVERVIEW AND RESULTS

BILATERAL PROGRAM: PORTFOLIO OVERVIEW AND RESULTS

The bilateral CD program is at the core of the CD collaboration between SECO and the IMF. CD activities that are financed under these programs are aligned with Swiss development cooperation in these countries and support the dialogue between Switzerland and its partner countries. At the same time, the program follows the IMF's demand-driven and country-owned approach to CD and is managed within the IMF's CD prioritization and planning processes. This model of cooperation supports close trilateral information exchange on the ground among staff from CD recipient authorities, SECO, and the IMF.

Since 1997, SECO has supported 6 main bilateral programs for a total of US\$94.4 million¹. In FY2023, a project portfolio for two new programs one for Eastern and one for Southern countries – Program East and Program South – were established. Two ongoing programs, under a Letter of Understanding (LOU) South and a LOU Global are still under implementation.

Projects under these programs are guided by strategic log-frames (Annexes 4, 5, and 6) that set out outcomes and indicators. Outcomes and indicators for individual projects are customized to the situation on the ground and are reported on in annual progress reports.

The New Programs for Eastern and Southern Countries

In FY2022 SECO and the IMF agreed on an extension of the bilateral collaboration on CD through two new programs, one for countries of the global South (Program South) and one for countries of its IMF constituency and in Eastern Europe and Central Asia (Program East), informed by the findings and recommendations of an independent evaluation of the previous activities.

The Programs East and South are guided by a log frame, which was finalized recently (Annex 5). The log-frame helps staff and CD recipients to plan, monitor, adapt and evaluate CD and describes how and why CD outcomes are expected to happen.

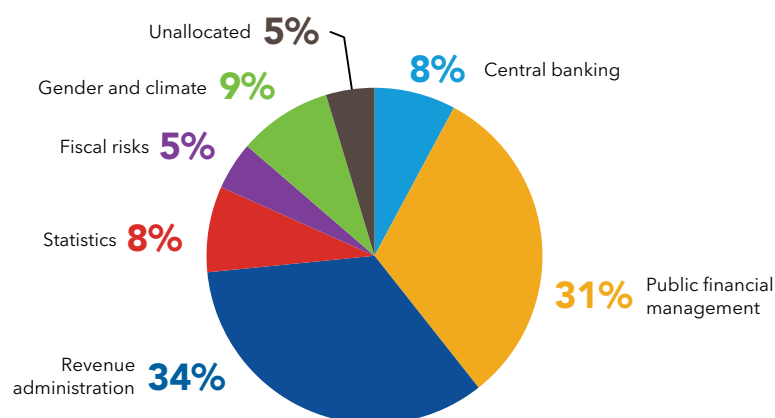
The new programs are now fully up and running with 14 projects totaling US\$ 23.6 million that started in early FY2023, ranging from Governance, mobilizing revenues (see Box 3 on Egypt's Medium-Term Revenue Strategy), PFM, management of fiscal risks, climate-related statistics and banking supervision. Five of those projects are focused on transformative areas such as Environment and Climate Change Statistics, Gender and Climate Sensitive Budgeting and Digitalization, all fully aligned with SECO and the IMF's strategic interests and common agenda (see Figures 2 and 3 for distribution of Funds by topic).



The **FAD digitalization project** supports two main objectives: (i) building institutional capacity to ensure the appropriate adoption of digital innovations in public financial management (PFM) by selected IMF member countries, including digitalization for improving fiscal transparency and integration of digital money in PFM; and (ii) leveraging digital innovations for data-based analysis informing decisions along the PFM cycle in cross-cutting priorities for a Green, Inclusive, and Digital Future.

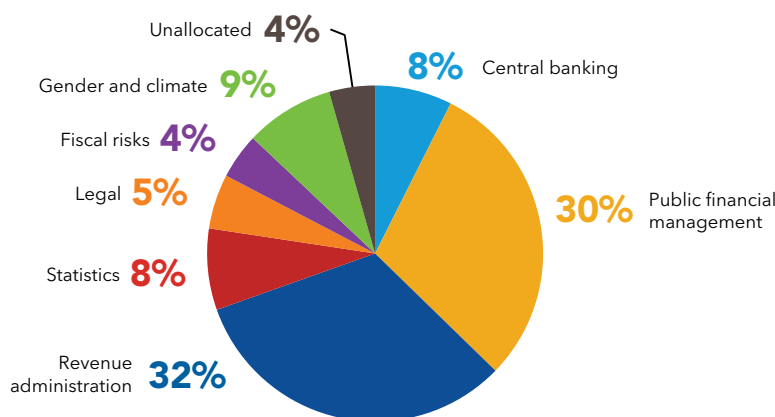
¹ In addition, it has supported the ACC and a Conference in 2013 for an additional US\$0.4 million.

FIGURE 2. LOU EAST NEW: DISTRIBUTION OF FUNDS BY TOPIC



Source: IMF Institute for Capacity Development, 2023.

FIGURE 3. LOU SOUTH NEW: DISTRIBUTION OF FUNDS BY TOPIC



Source: IMF Institute for Capacity Development, 2023.

In FY2023, under the East region, FAD organized two regional peer-learning activities to share experiences in adopting digital innovations in PFM, improving fiscal data quality, and designing and implementing fiscal transparency portals. In the South region, The FAD conducted three interactive workshops in Southeast Asia, Latin America and the Caribbean, and Africa to enhance the functional, technological and governance and management aspects of digital solutions, assisting more than 70 participants of 30 countries in Southeast Asia, Latin America and the Caribbean, and in Africa, in assessing their existing digital solutions and in developing country roadmap. SECO

representatives were present in the inauguration and conclusion of the workshops in Slovenia, Vietnam and Colombia. The head of cooperation for Switzerland in Vietnam, Program Manager of SECO in Slovenia, and Deputy Director of Economic Cooperation and Development, and Program Officer in Colombia participated in the respective countries' workshops.

The three-year CD program on Strengthening Fiscal Risk Analysis, Management and Disclosure started in Oct. 2022 and covers Azerbaijan, Egypt, Ethiopia, Georgia, Ghana, Kenya, Kyrgyz Republic, Rwanda, South Africa, Tajikistan, Tunisia,

Turkmenistan, and Uzbekistan. It aims to help selected countries to (i) identify the scale and nature of their fiscal risks; (ii) assess their possible fiscal implications; (iii) strengthen regulatory and institutional arrangements for fiscal risk management; (iv) enhance fiscal risks disclosure; and (v) incorporate fiscal risks into debt management and medium-term fiscal frameworks. Under the East region, the IMF teams held two workshops in Azerbaijan and Kyrgyz Republic on SOE oversight to develop understanding and necessary capacity to use FAD developed fiscal risks tools in SOE fiscal risks analysis. Under the South region, the program funded a 2-day virtual workshop to support the National Treasury in South

Africa in developing a framework for fiscal funding of SOEs resulted in a rich discussion, particularly through peer-to-peer discussions, and led to a follow up request on training of ministries on FAD's fiscal risk tools. In terms of outreach, mission teams reached out to and engaged with local SECO representatives through SECO's head office in Bern, and with other development partners.

The **Gender and Climate Sensitive Budgeting project** has begun with a measured and deliberate approach, focusing on raising awareness and generating demand. This has included outreach activities that are taking the form of a series of regional, multi-country workshops and webinars, some of them organized with the support of the IMF's RCDCs. The implementation will gradually extend to specific countries that express their intention to pursue climate and gender budgeting reforms, as these topics require tailored approaches. In FY2023, IMF staff and experts worked with Rwanda to assess the fiscal risks related to climate change and to incorporate the findings in Rwanda's Fiscal Risk Statement, helping authorities to achieve a reform measure under Rwanda's Resilience and Sustainability Facility program. In addition, a virtual seminar introducing the topic of Gender and Revenue Administration for representatives of SECO prioritized countries was held in March 2023. Sixty-one participants, including representatives from 9 countries (Albania, Ethiopia, Ghana, Kosovo, North Macedonia, Serbia, South Africa, Tajikistan, and Tunisia) were in attendance. This innovative country-focused seminar was well-received, with excellent participant feedback. On Gender Budgeting, substantive work program to develop CD tools and frameworks was undertaken in FY2023 to underpin the rollout of mission activities to countries during FY2024/25.

Green PFM



MCM Ghana project



The resident advisor, who started his assignment in February 2023 under the **Banking Supervision and Regulation in Ghana** project, prepared an inception report which included a three-year detailed work plan setting out specific activities, deliverables and timelines aimed at achieving the TA objectives. The work plan was developed within the first 60 days of the resident advisor taking up his assignment and has been shared with BOG's top management. The prioritization of the individual TA activities was discussed and agreed with the authorities.

The resident advisor also supported the BOG in various supervisory and communication aspects of Domestic Debt Exchange Program (DDEP).

Support was also provided to BOG in the development of Concept Notes on proposed supervisory approaches to sovereign exposures and climate related risks to inform the development of the relevant Directives.

Since he started his assignment, the resident advisor met SECO officials from the Ghana office twice. The first occasion was his introduction by his MCM TA Country Manager to his BOG counterparts and SECO, while the second was a dissemination event with the BOG Governor and senior management, the IMF Resident Representative and SECO. In addition, SECO local officials had organized a meeting for the resident advisor and another advisor at AFRITAC West 2 with a SECO-funded TA mission on financial programming, which was a great opportunity to coordinate for both sides.

The **Making Progress in Addressing Corruption and Strengthening the Rule of Law Capacity Development Project** (the Progress in AC/RoL CD Project) supports the diagnostic assessment of governance and corruption in Lebanon, which provides a foundation to engage with the authorities on anti-corruption and rule of law. LEG coordinated and collaborated with other international organizations working on governance, rule of law and anti-corruption. The World Bank, European Union delegation, United National Development Program, Expertise France, think-tanks, local and international CSOs were consulted as part of the missions. The Diagnostic Assessment on Governance and Corruption team found the engagement with other international organizations and civil society as essential to refine the scope of the diagnostic and benefited from these stakeholders' experience and expertise. LEG has also been engaged with the authorities in Mozambique to identify the anti-corruption and rule of law priorities



Announcing the assignment of the resident advisor by the BOG and SECO, February 14, 2023.

and potential entry points and the roll-out of the program to support strengthening the anti-corruption framework in Moldova is anticipated in fiscal year 2024. Upon the request of the authorities of Moldova, LEG will provide technical assistance to develop high-level principles for the establishment and operationalization of a specialized anti-corruption judiciary. The adverse political situation and lack of government ownership has delayed LEG's anti-corruption and rule of law work in Tunisia, where the discussions on the IMF-supported program and the Diagnostic on Governance and Corruption were suspended.

During the initial phase of the **Environment and Climate Change Statistics Capacity Development Program**, regional introductory webinars were conducted in countries covered, with the participation of representatives of SECO for African and Western Hemisphere countries. Most countries confirmed readiness to participate and the diagnostic assessment to identify the country priorities, data situation and statistical capacity is under way. The ongoing work by the IMF in close cooperation with the Financial Stability



LEG staff meeting the Minister of Justice and other justice sector officials in Beirut during the main mission on February 27-March 3, 2023.

Board (FSB) Secretariat and the Inter-Agency Group on Economic and Financial Statistics under the G20 Data Gaps Initiative Phase 3 (DGI-3) will also be leveraged for this program. Seven of the fourteen recommendations under the DGI-3 aim to address gaps in macro-relevant climate change statistics. Given that some of these recommendations are also relevant for the SECO program countries, the activities undertaken under the DGI-3 can also be leveraged to close data gaps in the SECO program countries.

An IMF / FAD team traveled to Bogota, Colombia, in March 2023 to



BOX 3. EGYPT'S MEDIUM-TERM REVENUE STRATEGY (MTRS)

IMF staff, working closely with the authorities, developed a structured MTRS implementation plan comprising revenue administration, legal and tax policy initiatives. The plan includes consolidated initiatives from the initial MTRS endorsed in December 2020 with a number of new initiatives and represents the results of a robust dialogue with a broad cross-section

of representatives from the MoF and the two revenue authorities (tax and customs). In these discussions, each MTRS initiative was reviewed for its basic status (e.g., completed or in-progress), and new initiatives were identified together with the authorities. The MTRS implementation plan now comprises 120 specific initiatives grouped under eight pillars with

timeframes extending through until the end of 2026, and beyond (See below). Establishing a clear and comprehensive reform implementation plan is a good international practice and it is a crucial prerequisite for progressing with implementation of complex and multidisciplinary tax system reform program like the Egyptian MTRS.

PILLAR	FOCUS
1. Digital Transformation	The use of IT to accelerate institutional reforms
2. Essential Compliance Improvement	Key initiatives to improve taxpayer behavior
3. Effective Risk Management	Introduction of structures and capabilities for risk
4. Building Strong Organizations	Improvements in organizational performance
5. Human Resources Management	The effective use of human capital
6. Customs Infrastructure	Enhancement to trade facilitation
7. Reform Governance	Oversight and management of MTRS initiatives
8. Redesign of Tax Policies and Legal Reforms	Keep pace with international developments, increase revenues, and expand the tax base

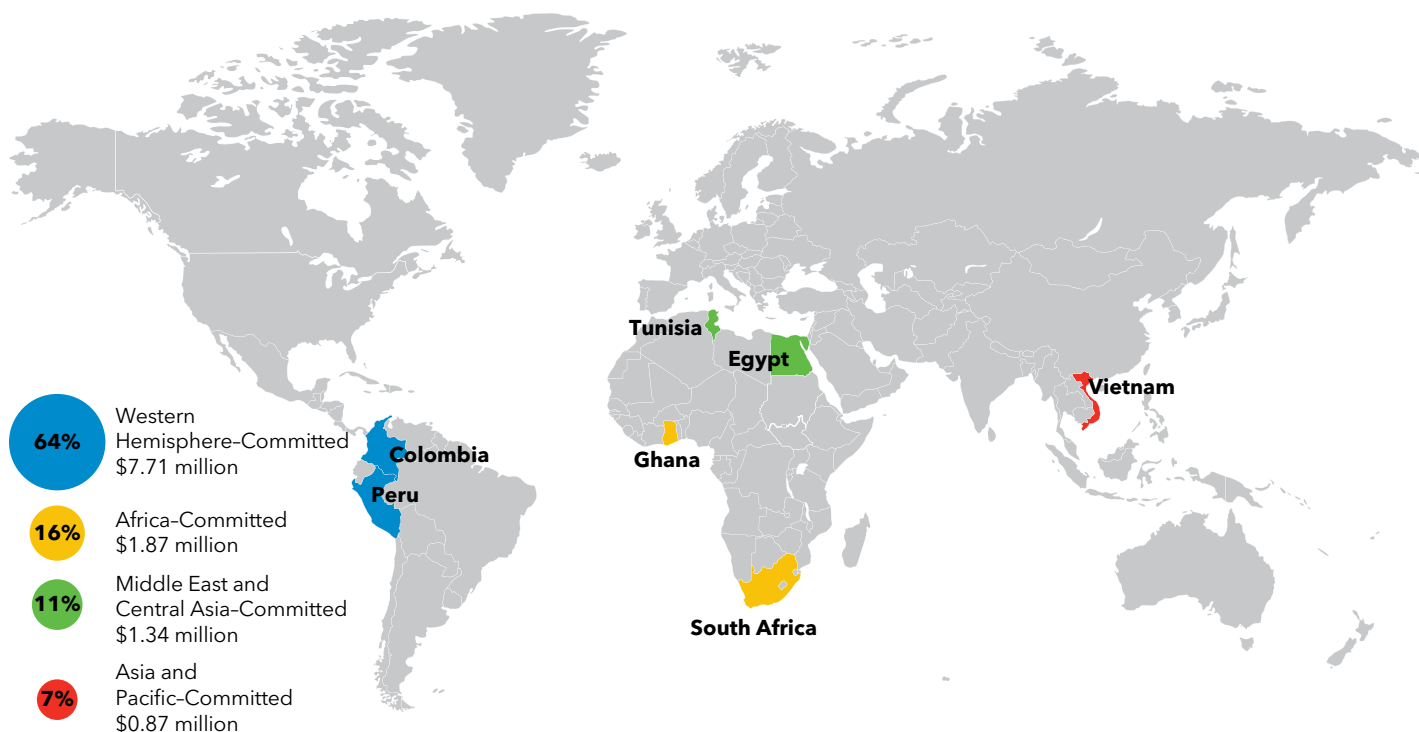
launch the **Strengthening Core and Innovative Areas of the Public Financial Management Framework** project. The authorities validated five focus areas for the project, (i) Strengthen results-oriented budgeting, (ii), More integrated cash and debt management, (iii) Review the organizational framework of the Ministry of Finance and Public Credit to incorporate climate change considerations into fiscal planning, budgeting and fiscal risks management, (iv) Increase the efficiency of public investment management and (v) Strengthen the medium-term fiscal and budgetary framework that are all aligned with the project initial objectives. The inception mission team met with partners from SECO and the ongoing SECO-financed WB PFM project.

In Peru, the **Strengthening the Public Financial Management Framework** helps authorities to promote greater fiscal sustainability. The project covers four areas (i) Strengthening the institutional capacity of the main public finance areas, (ii) Deepening the identification, analysis, management, and disclosure of fiscal risks, (iii) Improving assets and liabilities management at the Treasury and (iv) Promoting regional activities in PFM areas of interest and disseminating good practices across the region. The **Revenue Administration Funding Program** was launched in December 2022 and delivered activities in the areas of (i) tax administration to strengthen authorities' analytical capacities and (ii) custom administration to help authorities develop a compliance improvement plan.

LOU South

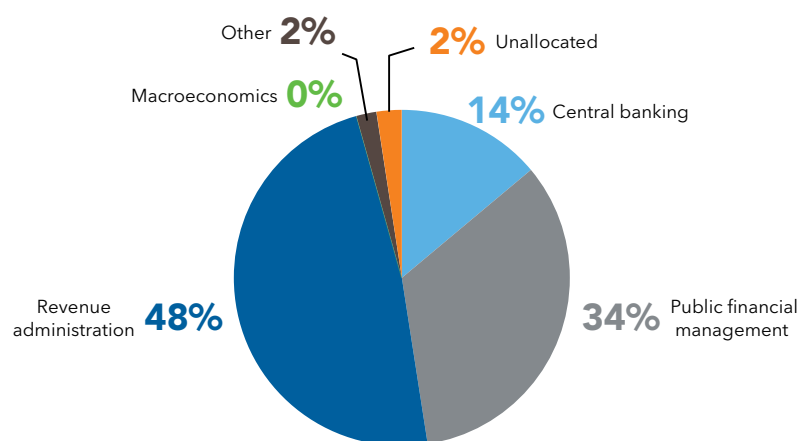
LOU South has supported 21 projects, including an independent evaluation and documentation of success stories in Southern regions since 2015. All projects have closed but one revenue administration in Colombia which will end on 12/31/2023. As of April 2023, US\$15.8 million of the funds has been committed to three priority sectors— Revenue Administration (48 percent), PFM (34 percent), and Central Banking (14 percent) (see Figure 4)—of which US\$11.6 million (95 percent) has been expended. Most of the funding went to countries in the Western Hemisphere (64 percent), followed by Africa (16 percent) and the Middle East and Central Asia (11 percent) (see Map 2). Annex 5 provides an overview on the

MAP 2. PRIORITY COUNTRIES AND COMMITMENTS UNDER THE SOUTH PROGRAM



Source: IMF Institute for Capacity Development, 2023.

FIGURE 4. LOU SOUTH: DISTRIBUTION OF FUNDS BY TOPIC



Source: IMF Institute for Capacity Development, 2023.

financials for LOU South. Unallocated remaining funds are US\$ 0.3 million.

The remaining active project in **Colombia** targets resource mobilization and strengthening of management in tax and customs administration to raise revenue that contributes to long-term and inclusive growth. After a period of stagnation, because (Dirección Nacional de Impuestos y Aduanas

Nacionales - DIAN) was in the midst of a major transformation the project is now working on a pilot Compliance Risk Management (CRM). The creation of a dedicated unit overseeing the CRM function is a welcomed step, but the DIAN now needs to set a clear vision about the inputs and outputs required for a modern CRM function.

LOU Global

Projects under LOU Global have started in June 2016. As of or April 2023, US\$22.75 million have been committed to projects on PFM (25 percent), central banking (17 percent), statistics (18 percent), revenue administration (19 percent), and financial markets (12 percent) (see Figure 5). Of these committed funds,

MAP 3. PRIORITY COUNTRIES AND COMMITMENTS UNDER THE GLOBAL WORK PROGRAM

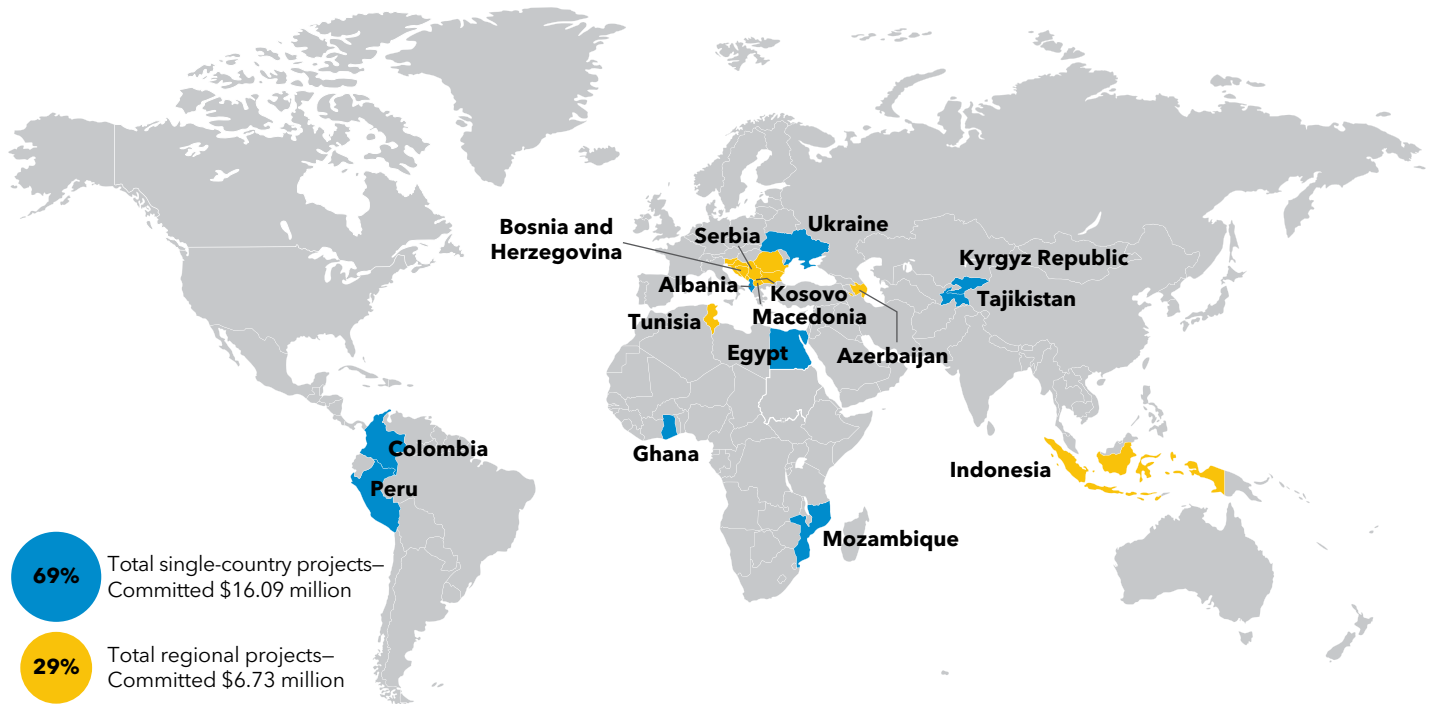
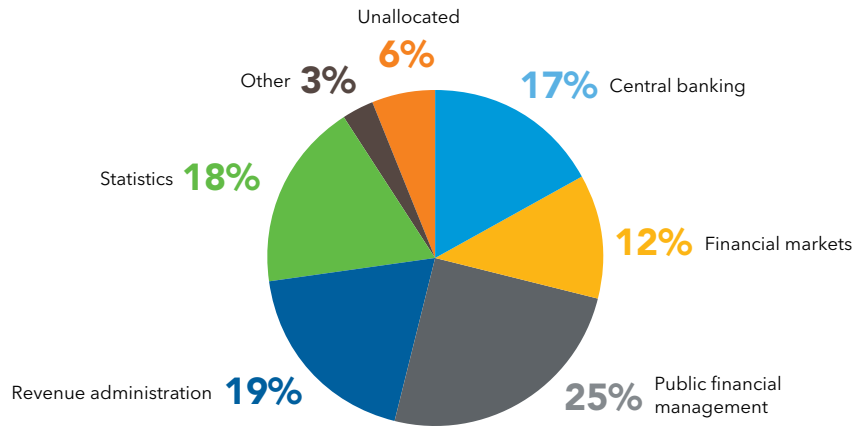


FIGURE 5. GLOBAL PROGRAM: DISTRIBUTION FUNDS BY TOPIC



US\$17.8 million (78 percent) has been expended. Sixty-nine percent of the funding went to country programs, and 29 percent went to regional programs (see Map 3). Of the 18 approved projects (which includes the climate innovation challenge and the independent evaluation), 14 have closed. Annex 1 provides project profiles for the remaining active projects, Annex 6 an overview on the financial of LOU Global, most of which are expected to close in FY2023.

Four projects - in Mozambique, the Ukraine, Egypt and the OIC Climate change- are still ongoing: the largest still active project supports **Mozambique** with PFM reforms. In FY 2023, sound progress has been achieved on budget execution, treasury management, and fiscal risk management. The new model for financial programming—which is aligned with international best practice—has been successfully rolled out, and triggered improvements in budget execution and treasury management, thanks to several

CD activities. Changes in ministry personnel has allowed the resident advisor to improve engagement with authorities across several areas. He is predominantly supporting MEF in fostering a more credible medium-term macro-fiscal framework and a policy-based budget preparation.

The second project that is still active supports the Ministry of Finance and the National Bank of the **Ukraine** with the management and oversight of banks under majority state control. Key areas of support include enhancing banks' governance structure, improving banks oversight, planning, and facilitating the privatization, and dealing with large non-performing loans. The project finances a long-term adviser and HQ backstopping. Due to the COVID-19 pandemic, the project has been extended to May 31, 2023. The project has been delayed due to the war in the Ukraine, but CD delivery is still taking place.

A CD project for Egypt is the last active project and aims to support the

Egyptian authorities in implementing targeted PFM reforms to support Egypt's broader fiscal reform agenda. Key areas of support include the strategic orientation and management of the medium-term budget framework and annual budgets; including gender-relevant information; strengthening fiscal risk management; and developing a more comprehensive legal framework covering all stages of the PFM cycle. Following the authorities' shift of preference away from an LTX and towards other modalities for delivery of the assistance, HQ-led missions and STX visits have been the main delivery modalities since the project inception. During FY22, an assessment of Egypt's infrastructure governance and public investment institutions including climate aspects, based on the PIMA and C-PIMA analytical frameworks was delivered.

Overall, LOU Global is expected to wind down over the next few years when the remaining three ongoing projects will end.

FISCAL YEAR 2024: LOOKING AHEAD

FISCAL YEAR 2024: LOOKING AHEAD

In FY2024, the IMF looks forward to further strengthening the CD partnership with SECO. The upcoming contribution to the Global Public Finance Partnership which integrates revenue and expenditure to improve the impact of our CD for beneficiary countries will also improve visibility and coordination with all our partners. The planned contribution to phase II of the FSSF will help to build on the successes of phase I and further integrate the reform and statistics components. The acceleration and expansion of the SECO-supported governance and anti-corruption CD will help recipient countries strengthen rule of law and reduce corruption vulnerabilities.

The continuous support to RCDCs covering SECO priority countries will complement the CD provided by HQ to help countries implement their reforms. The various projects under the new LoUs being now firmly in place and delivering, the IMF will make sure to keep SECO delegations and HQ informed of key developments and results obtained while ensuring sufficient visibility.

SECO will remain a partner to advance the CD reform agenda of the IMF. Several initiatives in that regard will be explored toward more innovative and impactful CD for the beneficiary countries.

ANNEXES

Annex 1. Project Profiles LOU South (as of April 30, 2023)

COLOMBIA
Western Hemisphere Department
FAD_COL_2017_02

Revenue Administration Project (SECO)
Pecho, Miguel
December 31, 2023

\$0.92 million

KEY OBJECTIVES

The project targets mobilizing resources and strengthening management of tax and customs administration in Colombia to raise revenue that contributes to long-term and inclusive growth. It consolidates results achieved by the tax and customs agency (Dirección de Impuestos y Aduanas Nacionales; DIAN) under previous projects. In addition, the social security agency (Unidad de Gestión Pensional y Parafiscales; UGPP) and the gambling tax agency (Coljuegos) will benefit from advice on how to use risk management to manage corporate priorities and compliance effectively.

The project is structured around the following three strategic objectives: (1) strengthen RA, management, and governance arrangements; (2) strengthen core tax administration functions; and (3) strengthen core customs administration functions. It will consolidate the results achieved by DIAN under previous projects. In addition, UGPP and Coljuegos will benefit from advice with a view to managing corporate priorities and compliance through effective risk management.

Annex 2. Project Profiles LOU Global (as of April 30, 2023)

EGYPT Middle East and Central Asia Department (MCD)

FAD_EGY_2019_01

Budget Reform and Management of Fiscal Risks

Charaoui, Jacques

New end date: April 30, 2024

\$2.38 million

KEY OBJECTIVES

This project aims to support the Egyptian authorities in implementing targeted PFM reforms to support Egypt's broader fiscal reform agenda.

This project will focus on the following:

1. Improving the strategic orientation of the medium-term budget framework and the annual budgets, strengthening integration between the two, and improving capacity and coordination within the MoF and across line ministries
2. Improving the expenditure planning process with enhanced consideration for efficiency in policy and service delivery, including in areas related to public investment management
3. Improving budget documentation, including in relation to information on resources and performance by program and gender-based data
4. Broadening the coverage of both budget documentation and fiscal reporting, including in relation to the public corporation sector, thereby enabling greater transparency and better-informed fiscal risk management across the entire public sector
5. Strengthening the identification, analysis, management, and disclosure of fiscal risks, and incorporating the implications of fiscal risks into the policymaking and budget formulation process
6. Developing a more comprehensive legal framework covering all stages of the PFM cycle, including on oversight of the public corporation sector

UKRAINE (EUR)

MCM_UKR_2020_01

Strengthening Financial System Stability - Phase II

Effio, Jose Roberto

May 31, 2024

\$2.93 million

KEY OBJECTIVES

The purpose of the second phase of this TA program is to further deepen the institutional capacities at Ukraine's MoF and the National Bank of Ukraine (NBU) to strengthen the financial system's stability. Building on the progress made under the previous project, MCM_UKR_2018_02, funded by Government of the Kingdom of the Netherlands, TA was extended to support the financial sector reforms and secure their sustainability to the greatest extent possible.

The specific objectives are to: (1) assist the MoF and the NBU in dealing with the unusually large nonperforming loans in the Ukrainian banking system, especially regarding the four Banking Supervision Committees (BSCs); (2) ensure that the BSCs are run on sound commercial principles by enhancing the governance structure through the well-functioning and independence of the new supervisory boards; and (3) create in-house capacity at the MoF for effective shareholding management while planning for and facilitating the privatization of the BSCs.

MOZAMBIQUE (AFR)

FAD_MOZ_2021_01

Strengthening PFM Capacity in Mozambique

Palmeira Bardella, Felipe

December 31, 2024

\$3.1 million

KEY OBJECTIVES

The purpose of the project is to sustain reforms that are key to enhancing fiscal discipline, strengthening institutional capacity, and fostering governance and transparency. It will help improve strategic resource allocation and spending efficiency in Mozambique through a set of CD activities implemented by the IMF and funded by SECO. The project will also ensure continued coordination of CD across donors in Mozambique through the IMF's resident representative office.

The project includes three pillars:

- 1 Comprehensive, credible, and policy-based budget preparation and strengthened management of fiscal risk
- 2 Improved budget execution and control, and strengthened asset and liability management
- 3 CD coordination

Climate Change

OIC_IMF_2022_01

Office of Innovation and Change (OIC) Climate Challenge

Walker, Tristan

May 3, 2021–July 28, 2023

\$0.48 million

KEY OBJECTIVES

The IMF's Innovation Lab (iLab) proposes a crowdsourcing challenge that will focus on the economic and financial stability aspects of climate change and environmental sustainability. International organizations, country authorities, civil society organizations (CSOs), and academia will be invited to submit ideas that have the potential to enhance IMF CD, policy advice, and operational impact in areas where economic and financial policies intersect with climate change. IMF staff will be invited to join proposals or to submit projects themselves. Sponsoring departments at the IMF and potential external partners will provide subject matter expertise to frame the challenge topic areas and evaluate proposals. The winning proposals will receive seed funding and iLab support for proof-of-concept implementation. The exact timeline of the challenge can be aligned with other events on climate to amplify messaging.

Annex 3. Project Profiles Programs East and South, (as of April 30, 2023)

MOLDOVA, MOZAMBIQUE, LEBANON, TUNISIA AND TWO ADDITIONAL COUNTRIES (LEG)

LEG_MDA_2023_01 & LEG_IMF_2022_07

Making Progress in Addressing Corruption and Strengthening
the Rule of Law CD Project

January 2, 2023–December 31, 2024

\$1.4 million

KEY OBJECTIVES

The Making Progress in Addressing Corruption and Strengthening the Rule of Law Capacity Development Project (the Progress in AC/RoL CD Project) assists countries to identify, prioritize, and take steps to improve legal frameworks and organizational practices for anticorruption and strengthen the rule of law. Capacity development (CD) under the Progress in AC/RoL Project will help to address sub-optimal growth caused by corruption and rule of law weaknesses, contribute to supporting sustained and inclusive economic growth, assist in developing best practices and promote compliance with international anti-corruption instruments.

The Progress in AC/RoL CD Project supports the implementation of the 2018 IMF Governance Policy in sectors under the purview of the Legal Department (LEG), namely anti-corruption and rule of law. It is also designed to assist in operationalizing the 2022 IMF Strategy for Fragile and Conflict-Affected States by supporting the integration of corruption analysis and anticorruption strategies in these jurisdictions. The CD activities will complement and extend on-going programs of engagement on anticorruption and rule of law, including those initiated to support enhanced transparency and accountability for emergency spending relating to the COVID-19 pandemic.

SECO PRIORITY COUNTRIES AND REGIONAL PEER-LEARNING (FAD)

FAD_IMF_2022_10 & FAD_IMF_2022_11

FAD Digitalization of PFM Funding Program

September 1, 2022–August 31, 2026

\$2.2 million

KEY OBJECTIVES

The project would support two main objectives: (i) building institutional capacity to ensure the appropriate adoption of digital innovations in public financial management (PFM) by selected IMF member countries, including digitalization for improving fiscal transparency and integration of digital money in PFM; and (ii) leveraging digital innovations for data-based analysis informing decisions along the PFM cycle in cross-cutting priorities for a Green, Inclusive, and Digital Future.

AZERBAIJAN, EGYPT, ETHIOPIA, GEORGIA, GHANA, KENYA, KYRGYZ REPUBLIC, RWANDA, SOUTH AFRICA, TAJIKISTAN, TUNISIA, TURKMENISTAN, AND UZBEKISTAN (FAD)

FAD_IMF_2022_12 & FAD_IMF_2022_13

Strengthening Fiscal Risk Analysis, Management and Disclosure
October 1, 2022-September 30, 2025

\$2.5 million

KEY OBJECTIVES

This three-year capacity development (CD) program aims to assist selected countries in the Caucasus and Central Asia (CCA) and Africa to strengthen fiscal risk identification, analysis, monitoring, management, and reporting. Better understanding of fiscal risks and sound management of them contributes to macroeconomic stability and fiscal sustainability and credibility.

The CD support under this program will consist of technical advice, capacity building and training, and development of tailored CD tools, to help countries: (i) identify the scale and nature of their fiscal risks; (ii) assess their possible fiscal implications; (iii) strengthen regulatory and institutional arrangements for fiscal risk management (iv) enhance fiscal risks disclosure; and (v) incorporate fiscal risks into debt management and medium-term fiscal frameworks.

ALBANIA, AZERBAIJAN, BOSNIA-HERZEGOVINA, EGYPT, ETHIOPIA, GEORGIA, GHANA, KENYA, KOSOVO, KYRGYZ REPUBLIC, MACEDONIA, RWANDA, SERBIA, SOUTH AFRICA, TAJIKISTAN, TUNISIA, TURKMENISTAN, AND UZBEKISTAN (FAD)

FAD_IMF_2023_02 & FAD_IMF_2023_03

SECO Transformational PFM Agenda–
Gender and Climate Sensitive Budgeting
October 1, 2022-September 30, 2025

\$3.5 million

KEY OBJECTIVES

This three-year funding program will assist countries to incorporate transformative priorities of gender equality and climate change mitigation and adaptation in public financial management and revenue administration processes. Both gender equality and climate change are cross-sectoral concerns that have implications for sustainable development and human wellbeing. Actions to integrate gender and climate change in budgets are similar, and lessons in each approach can have practical application for the other.

The program will seek to provide eligible countries with the tools and frameworks to mainstream climate and gender across their public financial management (PFM) and revenue administration (RA) processes and will assist selected motivated countries to implement them. The program will allow FAD to introduce the wide range of tools, approaches, and decision-making systems to authorities in all eligible countries through workshops and trainings. More targeted, hands-on CD will be delivered through a range of modalities to countries that express interest in implementing these approaches. Lessons drawn from the program will then feed into regional operational guides and manuals.

GHANA—BANKING SUPERVISION AND REGULATION (MCM)

MCM_GHA_2022_01

Strengthening Capacity on Banking Supervision
and Regulation at the Bank of Ghana

January 1, 2023–December 31, 2025

\$1.5 million

KEY OBJECTIVES

The proposed project is submitted to the Swiss State Secretariat for Economic Affairs (SECO), aims at financing the 3-year assignment of a resident advisor (long-term expert–LTX) to provide technical assistance in banking supervision and regulation to the Bank of Ghana (BoG). The TA project aims to support the BoG with (i) developing and implementing Pillar II and III of Basel II/III Capital Framework, and (ii) integrating Pillar II risks and microprudential stress testing into risk-based supervisory (RBS) framework.

The project would build on progress made through previous TA provided through a SECO-financed project, as well as complementary TA provided by AFRITAC West 2 (AFW2) and IMF Headquarters, and coordinate and collaborate with the Banking Supervision and Regulation LTX at AFW2.

ALGERIA, BANGLADESH, COLOMBIA, EGYPT, GHANA, INDONESIA, MOZAMBIQUE, VIETNAM, PERU, SOUTH AFRICA (STA)

STA_IMF_2023_01

SECO Transformative Statistics Agenda–Environment and
Climate Change Statistics Capacity Development Program

January 1, 2023–December 30, 2025

\$1.6 million

KEY OBJECTIVES

This two-year funding program will assist countries to develop timely and internationally comparable statistics to support the development of appropriate policies to address the environmental, financial, economic, and social implications associated with climate change.

The Earth’s changing climate has far-reaching economic and social implications. Many countries are facing increased climate change related physical and transition risks. “To develop the right policy measures to tackle climate change, governments need robust and comparable data” (IMF Managing Director Kristalina Georgieva). This program aims to assist those countries most susceptible to climate change physical and transitions risks develop a broad set of environmental and climate related statistics. These statistics will support the development of policies aimed at minimizing these risks

ARAB REPUBLIC OF EGYPT (FAD)

FAD_EGY_2022_01

Egypt Fiscal Affairs Department MTRS Funding

Program–FY2022-2026

May 1, 2022–April 30, 2026

\$4.0 million

KEY OBJECTIVES

The Egyptian Council of Ministers endorsed the Medium-Term Revenue Strategy (MTRS) on December 31, 2020. The MTRS sets out the Government's roadmap for reforming Egypt's taxation system. It covers the tax policy setting, the tax legal framework, and revenue administration across direct and indirect taxation, customs duties, and real estate taxation. The aim of the MTRS is to strengthen and modernize revenue mobilization, simplify and streamline procedures, and create fiscal space for investments in health and education, infrastructure, and a sustainable social safety net to support inclusive growth.

The four-year SECO-funded project (2022-2025) aims to assist with the successful implementation of the MTRS. Along with close assistance provided to the Egyptian Ministry of Finance (MoF), the revenue agencies to be supported are: Egyptian Tax Authority (ETA); Egyptian Customs Authority (ECA); and Egyptian Real Estate Tax Authority (ERETA). Project duration exceeds the initial MTRS horizon as MTRS implementation was delayed by COVID19 pandemic.

COLOMBIA (FAD)

FAD_COL_2022_01

Strengthening Core and Innovative Areas of the

Public Financial Management Framework

December 1, 2022–November 30, 2025

\$2.3 million

KEY OBJECTIVES

The proposed capacity development (CD) program aims to assist the Colombian authorities in implementing targeted Public Financial Management (PFM) reforms to support Colombia's broader fiscal reform agenda. The program will focus on areas in which the IMF's Fiscal Affairs Department (FAD) can offer a comparative advantage and has been actively providing assistance since 2014 under the two successful SECO-supported predecessor CD programs (FAD_COL_2012_01 and FAD_COL_2017_04). For this project, there will be continued support in the areas addressed under the previous project, but with a broader scope (public investment and budget coordination) and the inclusion of cross-cutting topics such as climate change, digitalization, governance and transparency. Therefore, this program aims to deliver CD targeted at making Colombia's public finances more resilient.

PERU (FAD)

FAD_PER_2022_01

Peru FAD Revenue Administration Funding Program–FY23-26

November 1, 2022–October 31, 2025

\$2.4 million

KEY OBJECTIVES

The program focuses on improving the Peruvian revenue administration's (SUNAT) compliance risk management model (CRM) to address the most serious compliance risks of key economic sectors, taxes, and taxpayer segments of the Peruvian economy. In this regard, strengthening the coordination and effectiveness of customs and tax processes will be a key program component. This will be with a view to mobilize additional revenues, facilitate international trade, and reduce tax evasion and customs fraud in a way that will contribute to long-term and inclusive growth.

PERU (FAD)

FAD_PER_2022_02

Peru Strengthening the Public Financial Management Framework

October 1, 2022–September 30, 2025

\$2.3 million

KEY OBJECTIVES

This capacity development (CD) project will support the Peruvian authorities in implementing public financial management (PFM) reforms to help promote greater fiscal sustainability. This project will build on the work of the previously successful SECO-supported CD projects (FAD_PER_2012_01 and FAD_PER_2017_04), will help consolidate achievements made and will cover new areas of interest to the Peruvian authorities and agreed with SECO and the IMF's Fiscal Affairs Department (FAD) as follows.

The project will assist the authorities in implementing reforms started by the predecessor project: (i) further developing the medium-term budget framework with a special focus on multiannual investments and enhancing the macro-fiscal capacity of the fiscal council; (ii) enhancing treasury management, focusing on increasing efficiency of treasury operations, digital payments and modern cash management practices; (iii) enhancing fiscal risks management, focusing on institutional aspects and implementation of assessment tools in selected risks; and (iv) improving accounting and fiscal reporting and revisions of conceptual frameworks as needed.

The project will also expand its coverage into new areas of public finance, which the authorities have highlighted, and some emerging PFM areas such as green budgeting. Taking advantage of current FAD work in these innovative areas, Peru could be a pilot country for these initiatives and benefit from peer learning in the region together with Colombia SECO-financed PFM project.

Annex 4. Workplan for the New Bilateral Program

ANNEX 4 TABLE 1. FISCAL AFFAIRS DEPARTMENT

Country/Region	Sector	Summary	Beneficiary Institution	Objectives
Colombia	PFM	After the success of previous IMF-led CD projects that benefited from SECO financing (both in treasury management and fiscal transparency), the authorities have expressed interest in further support of the implementation of structural PFM reforms including in areas of public investment and multiannual budget.	Ministries of Finance/Planning Ministry	Build capacity in the areas of macro-fiscal analysis, budget management, fiscal risk management, treasury and cash management, public investment management, and government accounting with regional components.
Peru	PFM	Peru undertook a legal reform to modernize the overall PFM system in 2018 with the support of the previous IMF-led CD project that benefited from SECO financing. A new project has been launched to continue progress achieved so far and broaden the scope, including to public investment.	Ministry of Economy and Finance	Build capacity in the areas of MTBF including investment, treasury management, fiscal risks management, subnational governments public finance, accounting, and fiscal reporting.
Egypt	RA	The Egyptian government has now adopted a MTRS to implement tax system reform. The strategy includes tailored, short-term initiatives to ensure revenue streams are safeguarded to help finance the significant additional spending needs arising from the COVID-19 crisis and aims to build a stronger tax capacity (i.e., a higher and sustainable tax-to-GDP ratio in the longer term.)	Ministry of Finance/ National Tax and Custom Agencies	The project will aim to support the authorities to (1) improve the tax policy setting, (2) strengthen the tax legal framework, (3) strengthen RA management and governance, and (4) improve taxpayer compliance management and core tax and customs functions.
Peru	RA	The Peruvian authorities are eager to continue the modernization of the country's revenue administration, especially on compliance risk management and custom and tax processes. The project ensures the sustainability of the progress achieved over time. Following SECO's request, an exit strategy will be developed.	RA	The project aims at mobilizing additional revenues and reducing tax evasion and will focus on improving the tax authority's (SUNAT's) compliance risk management model to address the most serious compliance risks. Strengthening the coordination and effectiveness of customs and tax processes will be a key project component.
SECO and Swiss priority countries	Gender- and climate-sensitive budgeting	This program will assist countries in incorporating transformative priorities of gender equality and climate change mitigation and adaptation in PFM and RA processes. Both gender equality and climate change are cross-sectoral concerns that have implications for sustainable development and human well-being.	MoFs and line ministries (planning and environment)	The objective of the project is to support countries in designing and implementing gender- and climate-sensitive PFM and RA policies and practices. Depending on the preexisting level of capabilities, the project will provide tailored support based on FAD's analysis of gender budgeting, green PFM framework, and C-PIMA. This tailored support will take the form of targeted technical assistance, workshops, and peer-to-peer exchanges.

ANNEX 4 TABLE 1. (CONTINUED)

Country/Region	Sector	Summary	Beneficiary Institution	Objectives
SECO and Swiss priority countries	Digitalization of PFM	Digital technologies offer scope for transformative changes to enhance and modernize business processes in all areas of PFM. The project will support target countries in two areas: (1) fiscal transparency portals and related data and (2) integration of digital money into PFM.	MoF	<p>The project would support two main objectives: (1) building institutional capacity and tools to ensure the appropriate adoption of digital innovations in PFM and (2) leveraging digital innovations for data-based analysis informing decisions along the PFM cycle on cross-cutting priorities.</p> <p>The project would achieve the above objectives by organizing regional peer-to-peer learning events and providing targeted CD to selected countries.</p>
SECO and Swiss priority countries in the Caucasus and Central Asia region and Africa	Strengthening fiscal risk management	Recent shocks, including the COVID-19 pandemic and the energy and food price shock, have further underscored the importance of understanding and managing fiscal risks, triggering significant fiscal risk realizations. At the same time policymakers lack adequate information on risk exposures of public finances as well as adequate legal mandates to act. This program aims to assist selected countries in the Caucasus and Central Asia region and Africa to strengthen fiscal risk identification, analysis, monitoring, management, and reporting. Better understanding of fiscal risks and sound management of them contribute to macroeconomic stability and fiscal sustainability and credibility.	MoFs, Debt Management Offices	<p>The objective of the program is to help countries strengthen processes for the identification and reporting of fiscal risks; provide them with the tools they need to monitor and assess fiscal risks; and support them in strengthening institutional, legal, and regulatory frameworks to better control and manage risks. The CD support under this program will consist of technical advice, capacity building and training, and development of tailored CD tools to help countries (1) identify the scale and nature of their fiscal risks, (2) assess their possible fiscal implications, (3) strengthen regulatory and institutional arrangements for fiscal risk management, (4) enhance fiscal risks disclosure, and (5) incorporate fiscal risks into debt management and MTFs.</p>

ANNEX 4 TABLE 2. LEGAL DEPARTMENT

Country/Region	Sector	Summary	Beneficiary Institution	Objectives
Bosnia and Herzegovina and Mozambique	Anticorruption and rule of law	Anticorruption programs exist in both countries but have produced limited results to date. Country authorities have indicated an interest and willingness to engage with the IMF on developing results-based anticorruption reforms along the lines defined in the 2018 IMF Policy on Strengthened Engagement on Governance.	Ministries of Justice, Supreme Audit Agency, Anticorruption Agency, Financial Intelligence Unit.	<p>The objective of this CD project is to build capacity in the two countries to:</p> <ul style="list-style-type: none"> • Establish prioritized, outcome-focused anticorruption programs • Adopt improvements in the clarity and effectiveness of the legal and organizational framework for anticorruption • Define and implement enhanced rules and practices in accountability, transparency, and sanctioning corrupt behavior • Improve the clarity, effectiveness, and integrity of property rights and the enforcement of contracts

ANNEX 4 TABLE 3. MONETARY AND CAPITAL MARKETS DEPARTMENT

Country/ Region	Sector	Summary	Beneficiary Institution	Objectives
Vietnam	Financial Sector Stability Review (FSSR) follow-up	Vietnam, a lower-middle income country, requested an FSSR in late 2020. The FSSR diagnostic work has already started with the scoping mission, which took place in May 2021 and identified the key workstreams to be covered in the main diagnostic mission. The authorities agreed that the main mission (expected to take place in November 2021) will look at vulnerabilities and capacity gaps in the following six workstreams: (1) financial stability and macroprudential framework, (2) banking sector stress testing, (3) banking sector regulation and supervision, (4) financial crisis management, (5) capital markets regulation and supervision, and (6) Fintech oversight.	TBD	The FSSR follow-up TA project will address capacity needs that are identified across these six workstreams, after close coordination with other financial sector TA providers with notable presence in Vietnam, especially the World Bank and the Asian Development Bank. The follow-up TA project is expected to have a 2- to 3-year horizon and might combine peripatetic short-term missions with the placement of a resident advisor. The project size may range from \$600K to \$1.3 million, depending on whether the FSSR will recommend (and the authorities request) the placement of a resident advisor. Funding of the FSSR follow-up TA by SECO would be much appreciated, as the FSSF funds for follow-up TA projects are already fully allocated for the current phase.
Tajikistan	FSSR follow-up	Tajikistan, a low-income country, requested an FSSR earlier this year. Given the high number of currently ongoing FSSRs, the start of the diagnostic work is slated for later in FY2022. The diagnostic is likely to cover the typical areas of an FSSR, such as banking supervision and regulation, financial stability and macroprudential framework, macro stress testing, bank resolution and crisis management, the oversight of financial market infrastructure, and financial sector statistics.	TBD	The FSSR follow-up TA project will address capacity needs in these areas that are identified by the diagnostic work and summarized in the medium-term TA roadmap, after close coordination with other financial sector TA providers active in Tajikistan as well as the with the IMF's new regional technical assistance center, CCAMTAC. The FSSR follow-up project will also build on the lessons learned and results from the past TA, for example, the banking supervision TA bilaterally supported by SECO 2017-20. The follow-up TA project is expected to have a 2- to 3-year horizon and might combine peripatetic short-term missions with the placement of a resident advisor. The project size may range from \$1 million to \$1.3 million, as it is highly likely that the FSSR will recommend and the authorities will request the placement of a resident advisor in one of the identified priority areas, such as macroprudential policymaking. Funding of the FSSR follow-up TA by SECO would be much appreciated, as the FSSF funds for follow-up TA projects in the current phase are already fully allocated.

Annex 5: Logframe Programs East and South

A. Program management

Objective	Applicable Country or Region	Outcome(s)	Indicator(s)
Developing countries strengthen their capacity on public financial management (PFM), revenue administration and tax policy, macro fiscal policy, financial market supervision and regulation, financial market development and central banking and/or on the cross-cutting areas of climate, resource efficiency and gender equality and governance.	OECD DAC ODA eligible countries with focus on SECO priority countries.	Eligible countries have received CD in common SECO and IMF focus areas.	Number of countries supported by themes: g. public financial management, h. revenue administration and tax policy, i. macro fiscal policy, j. financial market supervision and regulation, k. financial market development and central banking and by cross-cutting topics: l. climate change, m. gender equality n. governance
SECO and the IMF are well coordinated on capacity development in common priority areas	N/A	Annual strategic and operational consultations between headquarters counterparts. Staff exchanges in the field (i.e., mission debriefings, coordination calls).	Annual strategic and operational consultations held. Number of SECO-financed activities with staff exchanges in the field.
SECO and the IMF together advance the approach to capacity development	N/A	Annual strategic consultations between headquarters counterparts. Joint learning sessions on strategic topics on CD management.	Annual strategic consultations held. Number of exchanges on strategic topics on CD management.

B. Project Implementation

Objective	Applicable Country or Region	Outcome(s)	Indicator(s)
Revenue Administration and Tax Policy			
Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	Peru, Colombia	Corporate priorities are better managed through effective risk management.	Better mitigation of risks through a compliance improvement program (TADAT POA2-4).
	Egypt	Capacity to reform increased due to clear reform strategy and strategic management framework adopted and institutionalized.	Multi-year reform implementation plan, with supporting resource plan, adopted and well communicated.

Objective	Applicable Country or Region	Outcome(s)	Indicator(s)
Customs control during the clearance process more effectively ensures accuracy of declarations	Peru, Egypt	Improved customs administration functions (SDG 17.1).	Risk-based control selectivity applied more consistently. Effective application of procedures based on international standards for valuation, origin and the tariff classification of goods improved.
Public Financial Management			
Comprehensive, credible, and policy-based budget preparation	Peru, Colombia, Egypt, Mozambique	Planning and budgeting for public investments is more credible.	Inclusion of medium-term projections for investments in budget.
Improved public investment management	Peru, Colombia, Egypt Mozambique	The capacity to plan, implement and sustain infrastructure governance reforms is enhanced.	Diagnostic of infrastructure governance framework- PIMA CC. Strategic and/or operational infrastructure governance action plans.
Fiscal Risk			
Strengthened identification, monitoring, and management of fiscal risks - FRK	Azerbaijan, Egypt, Ethiopia, Georgia, Ghana, Kenya, Kyrgyz Republic, Mozambique, Rwanda, South Africa, Tajikistan, Tunisia, Turkmenistan, and Uzbekistan	Analysis, and disclosure, and management of fiscal risks are improved and strengthened.	Disclosure of long-term fiscal sustainability. Disclosure of macro-fiscal sensitivity analysis or alternative scenarios. Analysis, disclosure, and management of specific fiscal risks (SOEs, PPPs, local governments, environmental, natural resources).
Banking Supervision and Regulation			
Develop/strengthen banks' regulation and supervision frameworks	Ghana (potentially also under FSSR follow-up TA in Tajikistan and Vietnam)	Legal/ prudential regulations for risk management, governance framework and prudential ratios on consolidated basis, developed/strengthened.	Issuance of enhanced/new regulations/guidelines on sound risk management and corporate governance in line with international standards and principles, including requirements of Pillar 1 and 2 of Basel II/III risks.
Macroprudential Policy Implementation and Systemic Risk Analysis			
Establish/strengthen an effective macroprudential policy framework	(For FSSR follow-up TA in Tajikistan and potentially in Vietnam)	Macroprudential policy tools used to mitigate specific systemic risks.	Regulations detailing macroprudential measure(s) issued and/or enforced.
Strengthen the toolkit for the identification of threats to financial stability and corrective policies	(For FSSR follow-up TA in Tajikistan and potentially in Vietnam)	Target analytical tools are developed and fully operational.	Models and recommended reporting templates provided by TA adopted and in use; and concrete processes for model validation and updating in place.

Objective	Applicable Country or Region	Outcome(s)	Indicator(s)
Transformation Areas			
Climate change: Improved fiscal policies and institutional frameworks to combat climate change and its impacts (SDG 13)	Peru, Colombia, AFR, EUR and MCD	Budget is an effective tool for the strategic allocation of resources towards policies that promote climate change.	Integration of climate change considerations in the budget documentation and fiscal reports.
Climate change: Improved environmental and climate change statistics to support the development of climate adaptation and climate mitigation measures ¹	Algeria, Bangladesh, Colombia, Egypt, Ghana, Indonesia, Mozambique, Vietnam, Peru, South Africa	<p>Environmental and climate change statistical programs are designed and integrated in the National Statistical System.</p> <p>Staff able to articulate user demand and develop macro-relevant environment and climate change statistics and indicators of transition and physical risks.</p> <p>Governments, the private sector, the public have access to environmental and climate change statistics to support and monitor climate mitigation and adaptation measures and indicators of transition and physical risks.</p>	<p>Environmental and climate change statistics program and implementation plan is documented, and resources are identified.</p> <p>Staff are trained in the production of environment and climate change statistics.</p> <p>Production and publication of macro-relevant environmental and climate change</p>
Gender: Fiscal policies and associated institutional frameworks consistent with progress towards SDGs - SDG	AFR, EUR and MCD Peru	Budget is an effective tool for the strategic allocation of resources towards policies that promote gender equality (SDG5).	Systems, processes, and tools to plan, track and disclose allocations for gender equality and women's empowerment are in place. (SDG 5. c. 1).
Digitalization: Improved PFM institutions	Regional activities: AFR, APD, MCD, WHD	PFM information systems and digital solutions are improved.	<p>Diagnostic of PFM information systems and digital solutions undertaken.</p> <p>Strategic and/or operational action plans for PFM information systems and digital solutions.</p>
Governance and anti-corruption: Prioritized, outcome-focused program for addressing corruption and strengthening Rule of Law established in countries where project activities are undertaken	Moldova, Mozambique, Lebanon, Tunisia, and up to two additional countries	Enhancement in national frameworks for preventing and fighting corruption, by supporting the development and/or revision of national policy or strategic frameworks and action plans for addressing corruption and strengthening the rule of law.	Number of IMF-assisted governance diagnostic assessments initiated or completed as a basis for evidence-based policy formulation.

¹ The program is intended to provide customized assistance, and therefore, the country-wise log frame will look slightly different.

Annex 6. Financials for LOU South

FINANCIALS UP TO APRIL 30, 2023

International Monetary Fund Switzerland Global Capacity Building Activities: 2016-2023 Bilateral - Progress Report - Summary Report As of April 30, 2023 (in millions of \$)									
Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
AFRICA						2.10	1.87	...	
Ghana	MCM_GHA_2014_02	Strengthening Regulatory and Supervisory Capacity	Closed	03/03/2014	11/30/2016	0.42	0.42	...	
Ghana	MCM_GHA_2011_01	Strengthening Regulatory and Supervisory Capacity (Bank of Ghana)	Closed	04/18/2011	01/31/2014	0.73	0.71	...	
Ghana	MCM_GHA_2011_02	Enhance Financial Stability Analysis and Reporting	Closed	04/18/2011	01/31/2014	0.41	0.38	...	
Ghana	LEG_GHA_2011_01	Tax Law Reform	Closed	05/01/2011	04/30/2015	0.29	0.17	...	
South Africa	FAD_ZAF_2010_01	Strengthening Fiscal Policy Analysis at the National Treasury	Closed	08/02/2010	06/30/2011	0.24	0.19	...	
ASIA AND THE PACIFIC						1.39	0.87	...	
Indonesia	MCM_IDN_2010_02	Enhance Bank of Indonesia Supervisory Capacity	Cancelled	06/207/010	12/31/2011	0.25	0.00	...	...
Vietnam	FAD_VNM_2010_01	Strengthening Tax Policy and Administration	Closed	06/29/2011	10/31/2013	1.13	0.87	...	...
MIDDLE EAST AND CENTRAL ASIA						3.55	1.34	...	
Egypt	FAD_EGY_2015_02	Strengthening Budget Formulation	Closed	03/01/2016	06/30/2018	0.52	0.44	...	...
Egypt	FAD_EGY_2015_03	Tax Administration	Closed	03/01/2016	04/30/2017	0.52	0.39	...	...
Tunisia	FAD_TUN_2014_03	Tax Policy and Administration	Closed	02/01/2014	04/30/2016	1.30	0.22	...	...
Egypt	FAD_EGY_2010_02	Strengthening the Tax Administration Reform Agenda	Cancelled	12/14/2010	04/30/2015	0.49	0.14	...	...
Egypt	FAD_EGY_2010_03	Strengthening Fiscal Management Capacity	Cancelled	02/28/2011	04/30/2014	0.73	0.15	...	...

¹ The remaining balance for closed projects is zeroed out upon project completion.

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Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
WESTERN HEMISPHERE						8.42	7.24	0.23	
Colombia	FAD_COL_2017_02	Revenue Administration	Approved	02/06/2017	12/31/2022	0.92	0.68	0.23	74%
Peru	FAD_PER_2017_01	Revenue Administration	Closed	10/01/2016	04/30/2021	1.40	1.39	...	...
Colombia	FAD_COL_2009_01	Modernizing Debt and Treasury Management	Closed	07/10/2010	04/30/2013	0.95	0.80	...	...
Colombia	FAD_COL_2013_01	Public Financial Management	Closed	08/29/2013	04/30/2016	0.50	0.44	...	...
Regional	FAD_PER_2010_02	Support for Treasury and IFMIS Modernization	Closed	11/01/2010	12/31/2014	2.34	2.05	...	...
Regional	FAD_WHD_2015_01	Consolidating Reform of Tax and Customs Administration	Closed	09/01/2014	12/31/2015	0.80	0.69	...	...
Regional	FAD_WHD_2011_01	Reform and Modernization of Tax & Customs Administration	Closed	02/28/2011	04/30/2014	1.51	1.20	...	...
OTHER						0.34	0.23	...	
	ICD_IMF_2015_01	Evaluation Report	Closed	09/03/2014	01/31/2015	0.21	0.15	...	
	ICD_CHE_2013_01	Video Production of SECO Funded Success Stories	Closed	06/18/2012	09/30/2014	0.13	0.08	...	
Subtotal						15.80	11.56	0.23	

Agreement Summary

Contributions to Date	12.00
Net Transfers	–
Interest Earned	0.13
Total Inflows (A)	12.13
Expenses	11.56
Remaining Budget (including projects pending approval)	0.23
Total Outflows (B)	11.79
Future Contributions (based on signed agreements) (C)	–
Total Available and Future Contributions (A-B+C)	0.34

^{1/} The remaining balance for closed projects is zeroed out upon project completion.

Annex 7. Financials for LOU Global

FINANCIALS UP TO APRIL 30, 2022

International Monetary Fund Switzerland Global Capacity Building Activities: 2016–2021 Bilateral - Progress Report- Summary Report As of April 30, 2023 (in millions of \$)									
Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
AFRICA						4.13	2.28	1.77	
Ghana	MCM_GHA_2017_01	Strengthening Regulatory and Supervisory Capacity at the Bank of Ghana	Closed	10/18/2016	12/31/2020	1.03	0.95	...	...
Mozambique	FAD_MOZ_2021_01	Strengthening PFM Capacity in Mozambique	Approved	05/01/2020	04/30/2023	3.10	1.33	1.77	...
SOUTHEASTERN EUROPE						9.48	7.32	1.02	
Albania, FYR Macedonia, and Serbia	FAD_EUR_2017_02	Southeast Europe Revenue Administration	Closed	01/01/2017	12/31/2018	3.20	2.34	...	...
Albania	MCM_ALB_2017_03	Monetary Policy Advisor to the Bank of Albania	Closed	01/16/2017	07/31/2018	0.53	0.57	...	...
Albania	MCM_ALB_2019_01	Albania: Banking Regulation and Supervision	Closed	06/01/2019	09/30/2020	0.69	0.43	...	...
Albania, Bosnia and Herzegovina, Kosovo, Macedonia, and Serbia	STA_EUR_2017_01	STA Improve Capacity for GFS in South Eastern Europe	Approved	06/01/2016	04/29/2022	2.13	2.07	...	...
Ukraine	MCM_UKR_2020_01	Strengthening Financial System Stability - Phase II	Approved	03/01/2020	05/31/2023	2.93	1.91	1.02	65%

^{1/} The remaining balance for closed projects is zeroed out upon project completion.

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Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
MULTI-REGION						1.84	1.39	-	
Colombia, Indonesia, and Peru	STA_IMF_2017_04	Sectoral Accounts and Balance Sheets Compilation	Closed	06/01/2016	12/31/2020	0.89	0.80	...	...
Colombia, Peru, Tunisia, and Ukraine	STA_IMF_2017_05	Improve Capacity for Residential Property Price Indexes	Closed	06/01/2016	12/31/2020	0.96	0.59	...	...
MIDDLE EAST AND CENTRAL ASIA						6.21	3.61	1.75	
Egypt	FAD_EGY_2019_01	Budget Reform and Management of Fiscal Risks	Approved	03/01/2019	02/28/2023	2.38	0.63	1.75	26%
Kyrgyz Republic	MCM_KGZ_2017_01	Banking Supervision and Regulation	Closed	04/09/2017	07/08/2019	1.12	0.99	...	...
Tajikistan	MCM_TJK_2017_02	Strengthening Bank Supervision	Closed	04/29/2017	04/30/2021	0.97	0.88	...	...
Tajikistan	MCM_TJK_2018_02	Strengthening Monetary and Exchange Rate Policy and Operations at the NBT	Closed	07/01/2018	04/30/2021	0.82	0.25	...	...
Azerbaijan, Kyrgyz Republic, and Tajikistan	STA_MCD_2017_01	Central Asia Fiscal Transparency (GO)	Closed	06/01/2016	04/30/2020	0.92	0.86	...	...
WESTERN HEMISPHERE						3.08	2.98	-	
Colombia	FAD_COL_2017_04	Improving Fiscal Transparency Project	Closed	10/01/2016	11/30/2021	1.40	1.34	...	...
Peru	FAD_PER_2017_04	Public Financial Management	Closed	10/01/2016	11/30/2021	1.68	1.64	...	...
OTHER						0.62	0.25	0.38	-
Switzerland	ICD_CHE_2019_01	SECO Governance and Evaluation	Closed	05/01/2018	09/30/2020	0.14	0.14	...	...
OIC Climate Change	OIC_IMF_2022_01	OIC Special Program	Approved	05/03/2021	07/28/2023	0.48	0.11	0.38	22%
Switzerland	ICD_IMF_2022_02	SECO Annual Report	Approved	12/31/2021	12/30/2022	0.00	0.00	0.00	17%
Subtotal						25.36	17.84	4.91	

¹ The remaining balance for closed projects is zeroed out upon project completion.

International Monetary Fund
 Switzerland Global Capacity Building Activities: 2016-2021
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Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
Agreement Summary									
Contributions to Date			24.09						
Net Transfers			(0.86)						
Interest Earned			0.99						
Total Inflows (A)			24.22						
Expenses			17.84						
Remaining Budget (including projects pending approval)			4.91						
Total Outflows (B)			22.75						
Future Contributions (based on signed agreements) (C)			–						
Total Available and Future Contributions (A-B+C)			1.46						

^{1/} The remaining balance for closed projects is zeroed out upon project completion.

Annex 8. Financials for the Program South (new)

FINANCIALS UP TO APRIL 30, 2023

International Monetary Fund Switzerland South Program (New) Bilateral - Progress Report- Summary Report As of April 30, 2023 (in millions of U.S. Dollars)									
Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
AFRICA						1.47	0.11	1.36	7%
Ghana	MCM_GHA_2022_01	Banking Supervision & Regulation	Approved	1/1/23	12/31/25	1.47	0.11	1.36	7%
MULTI-REGION						6.48	0.47	6.01	7%
SECO Priority Countries	FAD_IMF_2022_11	FAD Digitalization of PFM	Approved	9/1/22	8/31/26	1.32	0.11	1.21	9%
Egypt, Ethiopia, Georgia, Ghana, Kenya, Rwanda, South Africa, Tunisia	FAD_IMF_2022_13	Fiscal Risks South	Approved	10/1/22	9/30/25	0.87	0.01	0.86	2%
Egypt, Ethiopia, Georgia, Ghana, Kenya, Rwanda, South Africa, Tunisia	FAD_IMF_2023_03	Gender and Climate SECO South	Approved	10/1/22	9/30/25	1.70	0.14	1.55	8%
Mozambique, Lebanon, Tunisia	LEG_IMF_2022_07	Addressing corruption	Approved	1/2/23	12/31/24	1.05	0.15	0.90	14%
Algeria, Bangladesh, Columbia, Egypt, Ghana, Indonesia, Mozambique, Vietnam, Peru, South Africa.	STA_IMF_2023_01	Program South	Approved	1/2/23	12/30/25	1.55	0.06	1.50	4%

International Monetary Fund
Switzerland South Program (New)
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Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
MIDDLE EAST AND CENTRAL ASIA						4.00	0.51	3.49	13%
Arab Republic Of Egypt	FAD_EGY_2022_01	Egypt FAD MTRS Funding Program	Approved	5/1/22	4/30/26	4.00	0.51	3.49	13%
WESTERN HEMISPHERE						7.00	0.28	6.73	4%
Colombia	FAD_COL_2022_01	Colombia FAD PFM Funding Progr	Approved	12/1/22	11/30/25	2.30	0.04	2.26	2%
Peru	FAD_PER_2022_01	Peru FAD Revenue Administratio	Approved	11/1/22	10/31/25	2.40	0.12	2.28	5%
Peru	FAD_PER_2022_02	Peru FAD PFM Funding Program	Approved	10/1/22	9/30/25	2.30	0.12	2.19	5%
Subtotal						18.96	1.37	17.58	

Agreement Summary

Contributions to Date	13.88
Net Transfers	
Interest Earned	0.36
Total Inflows(A)	14.24
Expenses	
Expenses	1.37
Remaining Budget (including projects pending approval)	17.58
Total Outflows(B)	18.96
Future Contributions (based on signed agreements) (C)	
Future Contributions (based on signed agreements) (C)	5.59
Total Available and Future Contributions(A-B+C)	0.88

¹ The remaining balance for closed projects is zeroed out upon project completion.

Annex 9. Financials for the Program East (new)

FINANCIALS UP TO APRIL 30, 2023

International Monetary Fund Switzerland East Program (New) Bilateral - Progress Report- Summary Report As of April 30, 2023 (in millions of U.S. Dollars)									
Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
SOUTHEASTERN EUROPE						0.35	--	0.35	0%
Moldova	LEG_ MDA_2023_01	Addressing corruption	Approved	1/2/23	12/31/24	0.35	-	0.35	-
MULTI-REGION						4.34	0.25	4.09	6%
Azerbaijan, Bosnia and Herzegovina, Kosovo, Kyrgyz Republic, North Macedonia, Serbia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan	FAD_IMF_2022_10	FAD Digitalization of PFM	Approved	9/1/22	8/31/26	0.88	0.12	0.76	14%
Azerbaijan, Ethiopia, Georgia, Kyrgyz Republic, Tajikistan, Tunisia, Turkmenistan, Uzbekistan	FAD_IMF_2022_12	Fiscal Risks East	Approved	10/1/22	9/30/25	1.65	0.11	1.55	6%
Albania, Azerbaijan, Bosnia- Herzegovina, Georgia, Kosovo, Kyrgyz Republic, Macedonia, Serbia, Tajikistan, Turkmenistan, Uzbekistan	FAD_IMF_2023_02	Gender and Climate SECO East	Approved	10/1/22	9/30/25	1.81	0.02	1.79	1%
Subtotal						4.69	0.25	4.44	

International Monetary Fund
Switzerland East Program (New)
Bilateral - Progress Report- Summary Report
As of April 30, 2023
(in millions of U.S. Dollars)

Region/ Country	Project ID	Project Description	Status	Start Date	End Date	Latest Approved/ Proposed Budget	Expenses	Remaining Balance ¹	Execution (%)
Agreement Summary									
Contributions to Date			5.35						
Net Transfers			–						
Interest Earned			0.15						
Total Inflows(A)			5.50						
Expenses			0.25						
Remaining Budget (including projects pending approval)			4.44						
Total Outflows(B)			4.69						
Future Contributions (based on signed agreements) (C)			2.24						
Total Available and Future Contributions(A-B+C)			3.04						

¹ The remaining balance for closed projects is zeroed out upon project completion.

Switzerland-IMF Partnership
on Capacity Development

INTERNATIONAL MONETARY FUND
Institute for Capacity Development
Global Partnerships Division

700 19th Street, NW
Washington, DC 20431 USA
T. +(1) 202.623.7000
F. +(1) 202.623.7106
GlobalPartnerships@IMF.org

