



Switzerland - IMF Partnership on Capacity Development

2024 Highlights



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

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

OVERVIEW OF THE PARTNERSHIP BETWEEN THE IMF AND SECO

The Swiss Confederation, represented through its State Secretariat for Economic Affairs (SECO) is the third largest contributor to IMF Capacity Development for the period FY2021-24, supporting a set of 19 priority countries and also contributing to seven Regional Capacity Development Centers and various thematic areas including public financial management, Governance, revenue administration and tax policy, macro fiscal policy, financial market supervision and regulation, as well as financial market development and central banking.

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.



GOVERNANCE AND ANTI-CORRUPTION

Legal and organizational frameworks related to anti-corruption and the rule of law; diagnostic assessment on governance and corruption.



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.



MACROECONOMIC AND FINANCIAL STATISTICS

External sector, government finance, monetary and financial, national accounts and price statistics, and data dissemination standards.



LEGISLATIVE FRAMEWORKS

Laws and regulations on economic and financial policies and institutions, and anti-money laundering/combating the financing of terrorism.



MACROECONOMIC FRAMEWORKS

Macroeconomic diagnostics and analysis, forecasting and modeling, financial programming, and macroeconomic policies.

LAUNCH OF THE GLOBAL PUBLIC FINANCE PARTNERSHIP, WITH SWITZERLAND AS A KEY PARTNER



Tax policy and tax administration reforms have been at the forefront of Switzerland's engagement for capacity building and development since the mid-1990s. The Global Public Finance Partnership will bring together, in a holistic manner, domestic resource mobilization, public spending, as well as public financial management under one roof. As such, it may become a very powerful tool to assist countries to raise revenues. The size of our contribution reflects the importance that we attach to that program.

– **Christoph König**, Deputy State Secretary
for International Finance of Switzerland



This generous and timely contribution of Switzerland to the Global Public Finance Partnership—our new fiscal capacity development initiative—will enable us to help our emerging market and low-income member countries meet their economic and development goals in a difficult fiscal environment.

– **Gita Gopinath**, First Deputy Managing Director,
International Monetary Fund



PARTNERSHIP ON ECONOMIC GOVERNANCE REFORMS

The **bilateral program** is the core of the CD collaboration between SECO and the IMF, supporting priority countries in Europe and Central Asia, Africa, Asia Pacific, and Latin America, and is complemented by contributions to all IMF main **thematic funds for CD** to help build efficient public finances and a well-developed financial sector and contribute to framework conditions for economic growth and sustainable prosperity. SECO is also a major contributor to **Regional CD centers**, to tailor CD to each region priority and extend the local footprint.

MODALITIES	SIGNED AGREEMENTS (millions of USD)	PERIOD COVERED (Calendar year)
Bilateral program	94.4	1996-2030
Multipartner accounts - Thematic funds	89.4	2013-2024
Multipartner accounts - Regional Capacity Development Centers	45.8	2013-2024

THE FINANCIAL SECTOR STABILITY FUND, A THEMATIC FUND SUPPORTED BY SWITZERLAND



The Financial Sector Stability Fund (FSSF) program is designed to strengthen financial sector stability in low and lower-middle income countries (LLMICs) and fragile and conflict-affected states (FCS). Financial Sector Stability Review diagnostics identify gaps in the authorities' capacity to identify, assess, monitor and mitigate risks to financial stability. Follow-up technical assistance (TA) projects are then implemented to support the authorities in addressing these gaps, while in parallel, the FSSF provides capacity building to improve the coverage and quality of financial stability data. Bilateral work under the FSSF is also complemented by multi-country CD activities.

THE IMF'S SECOND REGIONAL TECHNICAL ASSISTANCE CENTER FOR WEST AFRICA (AFRITAC WEST 2) TURNS 10



Switzerland is a development partner of the IMF's regional technical assistance center for Anglophone West Africa and Cabo Verde (AFRITAC West 2), based in Ghana. The Center has built macroeconomic capacity in the region for ten years, from the establishment of the Liberia Revenue Authorities and the launch of the fiscal transparency portal in Cabo Verde to the development of the forecasting and policy analysis systems in Ghana.



Revenue Advisors within the center swiftly reach out or step in with quick missions when there are administrative changes or shocks. Because most of them are experienced previous Commissioner Generals of the African region, they understand the challenges of revenue administrations, thus making their advisory role and interventions most useful.

– **Jeneba J. Bangura**,
Commissioner-General,
National Revenue Authority,
Sierra Leone



SUCCESS STORY FROM THE IMF'S CAUCASUS, CENTRAL ASIA, AND MONGOLIA REGIONAL CAPACITY DEVELOPMENT CENTER (CCAMTAC) IN UZBEKISTAN, SUPPORTED BY SWITZERLAND



CCAMTAC

CAUCASUS,
CENTRAL ASIA
AND MONGOLIA
REGIONAL CAPACITY
DEVELOPMENT CENTER

The IMF successfully assisted the Ministry of Economy and Finance (MOEF) of Uzbekistan in adopting a new macroeconomic programming framework as basis for better policymaking.

ICD and CCAMTAC led a 3-year project to develop the tool and provide a comprehensive training of Macroeconomic Policy Department officials. In line with recommendations, the MOEF established a Macroeconomic Policy Department and Macroeconomic Modelling and Forecasting Division.

MOEF now has a projection tool to support their annual national budget formulation with a comprehensive and coherent outlook for the Uzbek economy, and to assess potential impacts of macro-fiscal risks. The new analytical apparatus will support the formulation of sound and robust fiscal strategy, grounded in quantitative insights.



In a world facing the risk of fragmentation, CCAMTAC's role in promoting international best practices in core macroeconomic areas, regional cooperation and awareness and sharing experiences becomes even more critical.

– **Armen Nurbekyan**,
Deputy Governor,
Central Bank of Armenia

THE ENVIRONMENT AND CLIMATE CHANGE STATISTICS CAPACITY DEVELOPMENT PROGRAM

Countries across the world are developing policies aimed at mitigating and adapting to climate change impacts that need to be based on reliable and replicable data. This project aims at establishing regular statistical production for a wide range of environment and climate change statistics integrated with macroeconomic information. Examples of such data include emissions by production and consumption, expenditures and government subsidies for climate mitigation and adaptation, sustainable finance and forward-looking physical and transition risk indicators.

“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.”

Kristalina Georgieva, Managing Director of the IMF,
2021 IMF Statistical Forum

SUPPORTING THE IMPLEMENTATION OF A TRANSFORMATIVE AGENDA

The transformative areas projects focus on 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. Additionally, the Climate Innovation Challenge, launched in 2021 by the IMF and sponsored by SECO recognizes teams for their actionable solutions-related climate change and disaster resilience.

PORTWATCH—MONITORING TRADE DISRUPTIONS FROM SPACE

Launched in November 2023, PortWatch is an online platform designed to monitor and simulate disruptions to maritime trade using real-time data from the UNGP. The platform offers policymakers and the public insights into the impacts of trade shocks such as climate extremes, supporting informed decision-making.

In its first nine months, PortWatch has been accessed by over 50,000 unique users from more than 180 countries. The platform has demonstrated its effectiveness in analyzing major events, such as the 64% drop in shipping volumes through the Suez Canal following Red Sea disruptions and the impact of Hurricane Beryl on Jamaica's Port of Kingston.

PortWatch offers a range of tools, including the Spillover Simulator and Climate Scenarios tool, which allow users to visualize and understand the effects of port disruptions on maritime transport networks, trading partners, and supply chains. It also provides timely email alerts on both actual and anticipated trade disruptions, supporting more proactive and efficient disaster responses

IMF | PORTWATCH

A PARTNERSHIP WITH
OXFORD UNIVERSITY



GENDER RESPONSIVE BUDGETING IN SOUTH AFRICA

The IMF's Fiscal Affairs Department has worked with a gender-responsive budgeting (GRB) Task Team in the National Treasury to support the authorities in creating a GRB roadmap, GRB Guidelines, guiding the roll-out of new tools such as Gender Impact Assessments, Gender Budget Statements (GBS), and gender expenditure tagging, as well as improving existing tools such as departmental Strategic Plans, and Annual Performance Plans.

FAD's support under this project was critical to roll out of an effective gender expenditure tagging pilot. Now it is concentrated on the national priority of women's economic empowerment and covers 10 departments, with the objective of submitting a Gender Budget Statement to Parliament in February 2025.



SOME LESSONS LEARNED



On transformative areas such as **Digitalization**, levels of progress, knowledge and innovation vary across regions. Cross-regional activities are relevant to harmonize the knowledge and understanding of topic and even allow to increase the possible innovation in countries that have more traditional approach to digitalization.



On **Climate** and **Gender** issues, a key objective is to sustain the engagement of all stakeholders and the appetite for reform. To this end, projects include hands-on training, not only during workshops but also during in-country missions. In addition, the start of regional notes in fiscal year 2025 should further bolster engagement with authorities.



Climate Change Statistics is a new area for official statistics and a mechanism for coordination across the different agencies responsible for data production is key to the success of this initiative. This, in turn, entails establishing institutional cooperation, and data sharing agreements across multiple agencies, requesting long-term engagement with authorities, going beyond the usual duration of a CD project.



On **Governance and Rule of Law** Capacity Development, political dynamics in the recipient countries have impact on the program implementation. Continuous and timely engagement both with authorities and development partners, think-tanks, as well as local and international civil society organizations are key aspects to push for reforms.

LIST OF ACTIVE AND COMPLETED BILATERAL PROJECTS (2017-2026)

COUNTRY	PROJECT DESCRIPTION	START DATE	END DATE
Albania, Azerbaijan, Bosnia-Herzegovina, Egypt, Ethiopia, Georgia, Ghana, Kenya, Kosovo, Kyrgyz Republic, North Macedonia, Morocco, Rwanda, Serbia, South Africa, Tajikistan, Tunisia, Turkmenistan, and Uzbekistan	SECO Transformative PFM Agenda: Gender and Climate Sensitive Budgeting (East and South)	10/1/2022	9/30/2025
Algeria, Bangladesh, Columbia, Egypt, Ghana, Indonesia, Mozambique, Vietnam, Peru, South Africa	SECO Transformative Statistics Agenda - Environment and Climate Change Statistics Capacity Development Program	1/2/2023	12/30/2025
Colombia	Revenue Administration	2/6/2017	12/31/2023
Colombia	Colombia FAD PFM Funding Program - FY22-25 - Strengthening Core and Innovative Areas of the Public Financial Management Framework	12/1/2022	11/30/2025
Egypt	Egypt Fiscal Affairs Department MTRS Funding Program - FY2022-2026	5/1/2022	4/30/2026
Egypt, Arab Republic Of	Budget Reform and Management of Fiscal Risks	03/01/2019	04/30/2025
Egypt, Ethiopia, Ghana, Kenya, Rwanda, South Africa and Tunisia	SECO Fiscal Risks Management Program (East and South)	10/1/2022	9/30/2025
Ghana	Strengthening Capacity on Banking Supervision and Regulation at the Bank of Ghana	1/1/2023	12/31/2025
IMF	OIC Special Program-Climate Innovation Challenge (CIC)	05/03/2021	12/31/2024
Moldova	Making Progress in Addressing Corruption and Strengthening the Rule of Law CD Project (East)	1/1/2023	12/31/2024
Mozambique, Republic Of	Strengthening PFM Capacity in Mozambique	05/01/2020	12/31/2024
Mozambique, Lebanon, Tunisia	Making Progress in Addressing Corruption and Strengthening the Rule of Law CD Project (South)	1/1/2023	12/31/2024
Peru	Peru: Strengthening the Public Financial Management Framework	10/1/2022	9/30/2025
Peru	Peru FAD Revenue Administration Funding Program - FY23-26	10/1/2022	10/31/2025
SECO Priority countries and regional peer-learning	FAD Digitalization of PFM Funding Program (East and South)	9/1/2022	8/31/2026
Tajikistan	FSSR Follow-up: Strengthening the Financial Sector	11/1/2023	4/28/2026
Ukraine	Ukraine: Strengthening Financial System Stability - Phase II	03/01/2020	05/31/2024

Switzerland-IMF Partnership on Capacity Development

INTERNATIONAL MONETARY FUND

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