

European Union and IMF Sign Contribution Agreements for Africa Regional Technical Assistance Centers West and West 2

The European Union, represented by the EU Delegations to the Federal Republic of Nigeria and Burkina Faso, and the IMF signed two Contribution Agreements in August and September 2014 to finance the activities of Phase III of AFRITAC West and Phase I of AFRITAC West 2. The EU contributes a total of €20 million (€10 million to each), making it the largest donor in both centers.

The contributions, which were pledged at the European Development Fund (EDF) committee meeting held in December 2012, are financed from the Regional Indicative Program (RIP) funded by the EU under the 10th EDF, whose overall objective is to contribute to reducing poverty through boosting growth and regional economic integration in West Africa.

The secured funds will bring AFRITAC West 2's funding envelope close to the full Phase I program budget and will allow a significant scaling up of AFRITAC West activities, including an extension of Phase III by at least one additional year. Notably, the center will expand its technical assistance (TA) services to the area of macroeconomic analysis and forecasting in addition to its existing core activities in public financial management, revenue administration, banking supervision, monetary operations, and economic statistics.

Background

AFRITAC West and AFRITAC West 2 are part of the AFRITAC Initiative, bringing together five regional technical assistance centers (RTACs) in sub-Saharan Africa. That Initiative came into being in 2002, following a request made by African policymakers meeting within the New Partnership for Africa's Development (NEPAD) to the IMF to help strengthen the institutional and human capacities of their states for the design and implementation of economic policies and to accelerate economic growth and stem poverty.

Launched in 2003, West AFRITAC has been based in Abidjan since 2012. The center covers the eight countries comprising the West African Economic and Monetary Union (WAEMU) as well as Guinea and Mauritania. It acts in areas of IMF competence, namely, customs and tax administration, expenditure management, macroeconomic and financial statistics, public debt management, and banking supervision and control.

AFRITAC West 2 opened its doors in Accra on March 24, 2014 and is the fifth such center in sub-Saharan Africa and the IMF's ninth worldwide. AFRITAC West 2 completes the IMF's network of RTACs in sub-Saharan Africa, covering Cabo Verde, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. TA delivery focuses on public financial management, revenue administration, banking supervision, monetary policy and operations, and payment system and national account statistics.

The activities of AFRITAC West and West 2 are carried out essentially in the form of TA missions, regional seminars, and training courses for the benefit of the member countries and regional organizations, in particular, the WAEMU and the Economic Community of West African States (ECOWAS) Commissions