MONETARY AND
CAPITAL MARKETS

TECHNICAL ASSISTANCE ANNUAL REPORT

2019

The IMF provides technical assistance and training to help countries build effective economic institutions that can implement sound policies.

In the monetary and financial sector, the IMF's capacity development efforts focus on working with (i) central banks to modernize their monetary and exchange rate frameworks and policies, (ii) financial sector regulators and supervisors to strengthen financial systems and supervision and support sustainable financial inclusion, and (iii) finance ministries to enhance public debt management and support sovereign debt market development. These efforts underpin macroeconomic and financial stability in our member countries, fueling domestic growth and international trade.

PREFACE

Carla Grasso

Deputy Managing Director,
International Monetary Fund

IMF Capacity Development (CD) is one of the Fund's core activities, alongside surveillance and lending, that helps member countries build strong economic institutions. IMF CD is aligned with our mandate for global economic stability and prosperity, the Sustainable Development Goals (SDGs) and other global initiatives that aim to strengthen the capacity of government institutions to conduct more effective economic policies. CD is demand-driven and accounts for about a third of the IMF's activities. Half of IMF CD goes to low-income developing countries and a quarter to fragile and conflict-affected states (FCS). More than half of IMF CD is externally funded by our partners through bilateral and multilateral arrangements. The IMF delivers CD through bilateral projects and a range of regional and thematic multi-partner vehicles.

IMF's current strategic objectives for CD include enhancing the impact of CD through increased integration with surveillance and lending mandates in a results-based framework, with a continued prioritization of CD activities on low-income, fragile, conflict-affected, and small states.

This annual report by the IMF's Monetary and Capital Markets Department (MCM) provides an overview of its CD activities during the fiscal year 2019 and illustrates how the IMF helps member countries strengthen monetary and financial policies to promote economic growth and ensure financial stability.[1] I am pleased to see how the MCM's country-tailored CD strengthens financial resilience, promotes debt transparency and sustainability, harnesses the technological advances through the Bali Fintech Agenda, and supports inclusive policies.

[1] This report was prepared by a staff team from MCM's Technical Assistance Strategy Division under the guidance and supervision of Simon Gray. The team comprised Veronica Bacalu, Anastassiya Marina, Sangeeta Nambi, Anna Vlassova, and Jahanara Zaman. Special thanks go to Naihan Yang for his assistance with research and data. Many MCM staff provided input to the report.

PREFACE

Tobias Adrian

Financial Counsellor and Director,
Monetary and Capital Markets Department

Capacity development is one of the core activities of the Fund and a key function of the MCM department, with one third of our overall resources devoted to this important work. By its very foundation, CD must be flexible to meet the demand and needs of its beneficiaries. Guided by the overall IMF CD Strategy, we launched an MCM TA strategy in 2011 to accommodate the ever-evolving nature of CD and revise it every three years, with the latest update done in 2017.

A key pillar of the strategy is improved collaboration with relevant stakeholders and heightened integration with other departments in the Fund. Over time, we have also placed growing emphasis on the programmatic approach to our CD delivery to ensure greater traction of advice among our recipients.

This past year highlighted our momentum for traction and our drive for results over a range of topics, including in new growing areas such as cybersecurity and fintech. We had an engaged and impactful year with a series of Financial Sector Stability Reviews (FSSR) being undertaken, and the demand for this relatively new diagnostic tool, which prioritizes financial sector reforms in low and lower middle-income countries, continues to grow.

Building on these efforts, we continue to strive for: further integration of CD activities with the surveillance work of the IMF's area departments; greater emphasis on country ownership and results; and continuous support from our current and prospective external partners for CD. High-quality CD is central to strengthening the effective implementation of Fund policy advice and bolstering engagement with our membership, and we remain committed to our role in this endeavor.

The 2019 Annual Report presents the highlights of our CD activities, achievements, and progress made throughout the past year in implementing our CD Strategy. It is my hope that the forthcoming year is even more enriching than our last—thanks to the lessons we've learned, the views we exchanged, and the plans we envision together.

SELECTED ACRONYMS

AFRITAC	IMF Regional Technical Assistance Center in Africa
AFC	AFRITAC Central
AFE	AFRITAC East
AFS	AFRITAC South
AFW	AFRITAC West
AFW2	AFRITAC West 2
ATI	IMF Africa Training Institute
BIS	Bank for International Settlements
BoG	Bank of Ghana
BoM	Bank of Mozambique
BPNG	Bank of Papua New Guinea
BRH	Bank of the Republic of Haiti
BSL	Bank of Sierra Leone
CAPTAC-DR	IMF Central America, Panama, and the Dominican Republic Regional Technical Assistance Center
CARTAC	IMF Caribbean Regional Technical Assistance Center
CBL	Central Bank of Liberia
CBSL	Central Bank of Sri Lanka
CD	Capacity Development
CDMAP	CD Management and Administration Program
CDOT	IMF Capacity Development Office in Thailand
CICDC	China-IMF Capacity Development Center
CSRC	China Security Regulatory Commission
DFID	United Kingdom's Department for International Development
DMF	Debt Management Facility
EAC	East African Community
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
FCS	Fragile and Conflict-affected States
Fintech	Financial Technology
FIRST	Financial Sector Reform and Strengthening Initiative
FMI	Financial Market Infrastructures
FPAS	Forecasting and Policy Analysis System
FSAP	Financial Sector Assessment Program
FSSF	Financial Sector Stability Fund

SELECTED ACRONYMS

FSSR Financial Sector Stability Review

FTE Full-time Equivalent

FY Fiscal Year

HQ IMF Headquarters

ICD IMF Institute for Capacity Development

IFRS International Financial Reporting Standards

IMF International Monetary Fund

IPF Integrated Policy Framework

LLMIC Low-and Lower-Middle-Income Country

LTX Long-term Expert

MCM IMF Monetary and Capital Markets Department

METAC IMF Middle East Regional Technical Assistance Center

MNRW Managing Natural Resource Wealth Trust Fund

MTDS Medium-term Debt Management Strategy

NBC National Bank of Cambodia

NBFI Nonbank Financial Institution

NBU National Bank of Ukraine

OECD Organization for Economic Cooperation and Development

PDM Public Debt Management

PFMI Principles for Financial Market Infrastructures

PFTAC IMF Pacific Financial Technical Assistance Center

RBM Result-based Management

RTAC IMF Regional Technical Assistance Center

SARTTAC IMF South Asia Regional Training and Technical Assistance Center

SDG Sustainable Development Goal

SECO Swiss State Secretariat for Economic Affairs

STX Short-term Expert

TA Technical Assistance

TF Trust Fund

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SECTION I

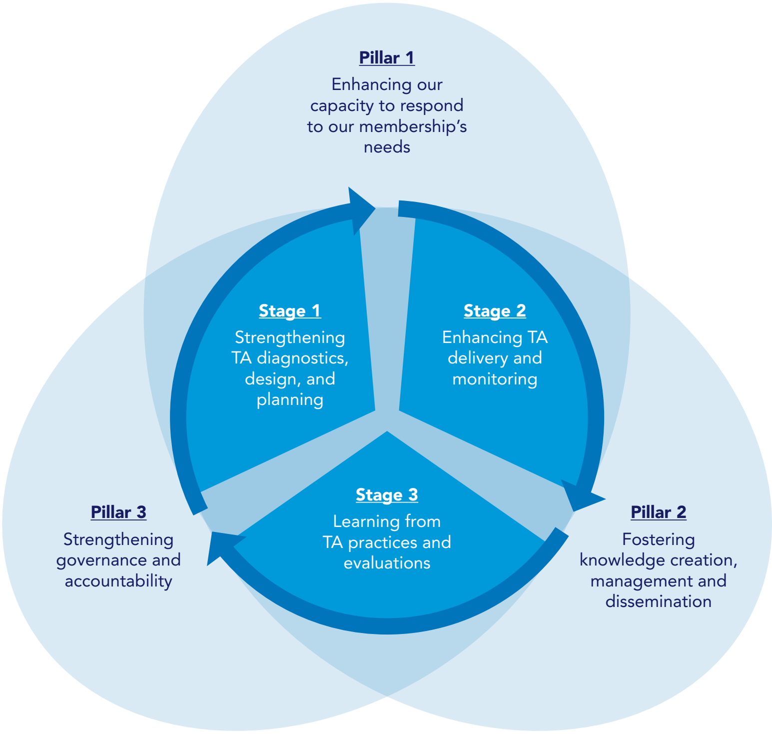
STRATEGIC FOCUS AND IMPLEMENTATION

IMF Capacity Development (CD), covering technical assistance (TA) and training, aims at helping member countries build strong institutions and boost skills to formulate and implement sound macroeconomic and financial policies. Responding to membership demand, MCM is committed to delivering high-quality CD activities to help countries support financial stability and economic growth by promoting sound and efficient financial systems and effective monetary and exchange rate policy frameworks.

MCM's CD activities are guided by the MCM TA Strategy, which was launched in 2011 and is updated every three years, and steered by the Fund's CD Strategy, which is updated every five years. The most recent update to the Fund's CD Strategy was endorsed by the Board in 2018 with two mutually reinforcing objectives of enhancing the impact and efficiency of CD (Box 1). MCM provides TA and training in its six core areas of competence: financial supervision and regulation, systemic risk analysis, financial crisis preparedness, government debt management, monetary and exchange rate policies, and central bank operations.

MCM TA delivery in FY2019 was governed by the Medium-Term TA Strategy Update 2017–20, which is built on three pillars: (i) enhancing capacity to respond to our membership needs; (ii) fostering knowledge creation, management and dissemination; and (iii) strengthening governance and accountability through result-based management (RBM). In CD delivery, MCM continues to focus on strengthening the impact of our TA throughout each stage of the TA life cycle: (i) diagnostics, design, and planning; (ii) delivery and monitoring; and (iii) evaluation (Figure 1).

FIGURE 1. MCM TA LIFE CYCLE–THE NUCLEUS OF THE TA STRATEGY IMPLEMENTATION



BOX 1. IMF'S STRATEGIC FRAMEWORK FOR CAPACITY DEVELOPMENT

IMF's CD strategic priorities are guided by the IMF Managing Director's Global Policy Agenda, the 2030 Agenda for Sustainable Development, and the Financing for Development commitments by the international community. The IMF's Interdepartmental Committee on Capacity Building reviews the Fund's CD in light of members' demand and overall Fund's priorities, monitors the Fund's CD delivery against a range of metrics (e.g., core topics, regions, country-groupings, growth areas), and sets areas targeted for CD growth for the coming three-year period.

The 2018 Review of the Fund's Capacity Development Strategy (November 2018) emphasizes the Fund's country-centered CD model and reinforces the importance of tailoring CD to country specificities and needs. The strategy sets two mutually reinforcing objectives for the next five years: (i) enhancing impact of CD through increased integration with the Fund's surveillance and lending mandates, effective prioritization, and a strengthened focus on implementation and results; and (ii) increasing efficiency of CD processes and systems by improving CD data, analytical and operational tools, and information sharing, including through the recently launched plans for CD Management and Administration Program (CDMAP).

SECTION I

A

ENHANCING CAPACITY TO RESPOND TO THE MEMBERSHIP'S CHANGING NEEDS

MCM has continued to deploy diverse approaches to enhancing its capacity to meet the changing needs of member countries. These include: (i) country-focused programmatic approach to CD; (ii) diverse modalities of building capacity; and (iii) efficient collaboration with authorities, donors, and relevant partners.

COUNTY-FOCUSED PROGRAMMATIC APPROACH TO TA DESIGN AND DELIVERY FOR IMPACTFUL TA

MCM assigns high priority to strengthening the analytical underpinnings of the country-focused policy and technical advice in the areas of its mandate. MCM is part of the ongoing IMF-wide work to develop an Integrated Policy Framework (IPF)—a conceptual approach to jointly consider monetary, exchange rate, macroprudential, and capital flow management policies. In the world of rising cross-border spillovers and deepening macrofinancial linkages, this approach would allow to present a policy mix which considers country-specific circumstances, the nature of shocks, the initial cyclical and structural conditions, and the complementarities and trade-offs among different policy levers (Box 2).

BOX 2. MCM'S CONTRIBUTION TO FUND'S INTEGRATED POLICY FRAMEWORK

The Integrated Policy Framework provides a systematic assessment of an effective policy mix to help countries strengthen their defenses against instability and disruption. The framework is being developed through modeling, empirical work, and a review of country experiences. It considers jointly the role of monetary, exchange rate, macroprudential, and capital flow management policies, and the interactions with each other and other policy levers. IPF's analytical and quantitative models are envisaged to help policy-makers to conduct counterfactual policy analysis and aid in the welfare evaluation of policy regimes.

To support the implementation of the IPF and bolster the analytical rigor of the IMF's monetary and macroprudential policy expertise, MCM set up a new Monetary Policy Modeling Unit in early 2019. The unit aims to contribute to cutting-edge research and analysis of monetary and macroprudential policy issues and deliver technical expertise to Fund membership. Monetary policy will support Fund's surveillance, policy, and TA and translate the IPF insights into capacity development for Fund membership.

The Financial Sector Stability Review (FSSR) is a key tool in ensuring a programmatic approach to TA **in low and lower-middle income countries** (LLMICs), as identified by the IMF Committee on Capacity Building. The Fund has given priority to the FSSR which employs an effective programmatic, medium-term, sequenced approach to country-specific CD. It is designed as a TA facility for (LLMICs, including FCS). Six FSSRs were successfully undertaken in FY2019 (Section III).

In other countries, **Financial Sector Assessment Program (FSAP) and its recommendations are often used as a country-tailored diagnostic tool** that paves the way to adopting a comprehensive implementation plan to address financial stability issues. A good example of a capacity development collaboration that was rolled out after the completion of the FSAP is China, where thematic workshops and training courses were organized together with the authorities at the China-IMF Capacity Development Center (CICDC) (Box 3).

To be effective and impactful in the face of numerous and diverse challenges, **CD in FCS requires an 'all-hands-on-deck' approach** that uses diverse modalities and coordination with all internal and external partners involved. To tailor FCS TA to specific country needs, MCM is managing large country-designed TA projects (e.g., Myanmar, the largest MCM TA recipient in Asia); prioritizes FSSRs (e.g., Kosovo, West Bank and Gaza and Zimbabwe, Section III) and delivers results-focused TA (e.g., Haiti, Malawi, Mali, Sierra Leone and South Sudan, Section V). In addition, MCM collaborates with regional organizations, efficiently uses short- and long-term experts to implement platforms for peer learning and exchange of good practices. The flexible and tailored approach to each country case includes careful

BOX 3. CHINA: ENHANCING FINANCIAL STABILITY BY FOLLOWING THROUGH IMF FSAP RECOMMENDATIONS

MCM significantly stepped up its TA effort in China in FY2019, focusing on enhancing financial stability by following through key recommendations from the IMF's 2017 China FSAP. Specifically, TA aimed to strengthen the macroprudential policy framework, improve local capacity in supervising financial institutions and markets, upgrade analytical skills in systemic risk measurement, and promote bond market development. Several workshops and training courses brought together IMF staff and external experts to share international experiences and best practices in these areas. Below are some recent TA highlights.

STRESS TESTING AND SYSTEMIC RISK MODELLING

An IMF team delivered a two-course training program on stress testing methodologies in October 2018 and March 2019 at the CICDC. The four-week program provided in-depth coverage of core stress tests of solvency and liquidity risks and discussed some advanced topics and tools for systemic risk assessment. The courses were attended by 34 Chinese officials from the People's Bank of China, the State Administration of Foreign Exchange, and the China Banking and Insurance Regulatory Commission.

The authorities have taken action to lever the stress test methods and techniques learned during the FSAP and CICDC training, improving the overall quality of stress tests in China. After the 2017 FSAP, a new round of stress tests was carried out in 2018, enhancing the previous exercises by incorporating many of the advanced techniques and templates used in the FSAP. The 2018 tests also broadened the coverage of banks to include approximately 1,000 institutions (FSAP tests covered the largest 33 banks).

SOVEREIGN BOND FUTURES MARKET

An IMF mission team organized a two-day workshop in Shanghai in April 2019 on sovereign bond futures markets for about 45 officials and middle-level professionals from the China Security Regulatory Commission (CSRC). Thirteen sessions were presented by the regulators from the U.S. Commodity

Sovereign Bond Future Market Workshop in Shanghai.

Futures Trading Commission, BaFin, the Financial Services Agency of Japan, the CSRC, and major bond future broker-dealers including Citi, HSBC, Citic, and China International Capital Corporation. The workshop helped the CSRC to formulate their reform roadmap to boost the participation by international investors and improve bond market liquidity by incorporating international best practices.

SUPERVISION OF FINTECH INNOVATION

An IMF mission delivered a course on Adapting Financial Supervision to New Financial Technologies in January 2019 at the CICDC. Topics included an overview of the source and nature of fintech, peer-to-peer lending and mobile payments, crypto-assets, and the international regulatory response. MCM also used the opportunity to discuss ongoing Fund and international work on Central Bank Digital Currency and cross border payments. The course was attended by 33 officials: 25 from the State Administration of Foreign Exchange, four from the China Banking and Insurance Regulatory Commission, and four from the CSRC. This was the first MCM training course on fintech at the CICDC, and participants were very engaged with questions and comments on the Chinese experiences in fintech. The course included group presentations on China-specific topics, where the two-way dialogue between Chinese regulators and IMF staff brought mutual benefit to all participants.

CAPITAL MARKETS INFRASTRUCTURES

An IMF team organized a workshop in Shenzhen in June 2019, on the Principles for Financial Market Infrastructures (PFMI) following recommendations made to the CSRC during the China FSAP in 2017. In addition to MCM staff, speakers included representatives from the Monetary Authority Singapore and U.K. Financial Conduct Authority. The 2017 FSAP recommended improvements in the risk management of the central securities depository (CSD) and central counterparties (CCPs) under the supervision of the CSRC, and implementation of full delivery versus payment (DVP) in securities settlements. The workshop provided presentations on FMI principles and a tailored case study considering the Chinese circumstances. The regulators used the workshop to present their reforms since the FSAP during a dedicated roundtable. Among others, the CSRC has been actively pushing for DVP reforms. The reforms are not only supporting financial stability, but also the opening up of China's capital markets to foreign investors and a further alignment with international best practices to make China's capital markets more competitive worldwide.

Workshop participants at the Principles for Financial Market Infrastructures seminar.

"We really appreciate IMF for bringing the international experts of bond future markets from US, EU and Japan to share their experience and provide recommendations for CSRC, we find this workshop is extremely valuable. I have conveyed my appreciation to MD Lagarde during my meeting with her."

Vice Chairman of China Security Regulatory Commission prioritization and sequencing as well as the incrementality of reforms while taking into consideration buy-in and absorption.

BUILDING FLEXIBLE AND DIVERSIFIED TA MODALITIES FOR EFFECTIVE AND EFFICIENT CD

MCM has made good use of the available opportunities to **diversify the modalities of its CD activities** aiming at increasing their impact. MCM follows a **three-prong approach** to CD delivery that includes: (i) bilateral TA and training; (ii) regional CD activities; and (iii) global events that aim at exchange of experiences and building capacity. Bilateral TA focuses on country-specific and tailored advice; regional workshops, seminars, and conferences promote exchange of experiences, facilitate peer-to-peer

BOX 4. FSI-IMF SUPERVISORY AND REGULATORY ONLINE COURSE FOR BANK SUPERVISORS

This year MCM and the Financial Stability Institute (FSI) of the Bank for International Settlements (BIS) organized a first-of-its-kind structured online course in banking regulation and supervision for supervisors from the IMF's member countries. The course utilized a blend of videos, webinars and on-line reading building on existing FSI Connect e-learning tutorials—which are well-known and widely used. MCM staff prepared case studies and created video lectures to complement the written text. A series of live webinars delivered jointly by FSI and IMF experts were also included. The course, which included 70 hours of instruction over a period of five months, provided participants with a comprehensive overview of key aspects of banking regulation and supervision in a cost-effective way. Under this pilot study course, 180 participants from 39 countries successfully completed the full program.

Based on survey feedback, participants—mainly entry-level banking supervisors, as well as experienced supervisors who wished to refresh their knowledge—were highly satisfied with the quality and comprehensiveness of the course material and the high level of expertise of the speakers. The live webinars were particularly appreciated especially given the flexibility of the lecturers to accommodate vast time zone differences.

IMF tweet announcing launch of online course.

A second course was offered beginning in September 2019 for about 500 participants. Considering sizeable participation and innovative training modality, this course will be a powerful instrument to further promote IMF's capacity development efforts in financial sector oversight.

"The whole content was excellent, and the case studies were well chosen."
"Thank you for succinctly highlighting the major changes from Basel I to Basel III and the regulatory capital."
"Case studies are useful—going step by step through examples (like failure of a bank or a banking system) helps relate the "theory" to "practice"."
"This is a very good practical approach to complement the theory of the tutorials. What I also liked is having a presenter to guide through the case study."

Course Participants

cooperation, and build on synergies provided by regional cooperation; and global forums, conferences, and roundtables spur exchanges of views, analysis, experiences, especially those related to new cutting edge issues (e.g., fintech, financial inclusion, cybersecurity, etc.) of great importance for Fund membership (Section IV).

MCM has leveraged technological innovation to broaden the reach of its CD. Notably, the FSI-IMF Online Course for Banking Supervisors has been rapidly gaining popularity across the globe (Box 4). The use of webinars and online educational videos has also increased (See Section I, B).

Training, including through regional capacity development centers, has been vital to capacity building. To meet the high demand, MCM delivers training through the existing training centers and in collaboration with authorities (Box 5, Section II).

BOX 5. BANK RESTRUCTURING AND RESOLUTION TRAINING FOR AFRICAN OFFICIALS AT ATI

MCM led a five-day Bank Restructuring and Resolution training course at the African Training Institute in Mauritius, working with senior officials from 22 countries in Africa who had backgrounds in banking supervision, bank resolution, and policymaking. The lectures provided a comprehensive overview of conceptual and operational issues based on best practices and international standards. The training included discussions of bank resolution case studies from the EU region; a short video from CBS News' "60 Minutes" showing the takeover of a failed bank by the Federal Deposit Insurance Corporation; and two presentations by officials from Ghana and Mozambique who shared their countries' experience with recent bank resolutions. The lectures were supplemented by a multi-day case study of a fictional systemic bank in distress. Participants collaborated in small teams to analyze scenarios and financial statements and, on the course's final day, proposed their teams' comprehensive resolution strategies, explaining the rationale for each of their proposed resolution options.

MCM mission team with workshop participants in Mauritius.

COLLABORATING WITH AUTHORITIES AND PARTNERS TO SHARE LEARNINGS FOR SUSTAINABLE TA RESULTS

MCM has built a strong pool of high-quality expertise to deliver CD. In addition to the IMF Headquarters (HQ) staff, CD is delivered by long-term experts (LTX) placed in member country institutions or in the Fund's Regional Technical Assistance Centers (RTACs), and by short-term experts (STX). LTXs are critical to CD processes as they are de facto the MCM's extension in the field (more on MCM LTXs' activities see Section II and Appendix II).

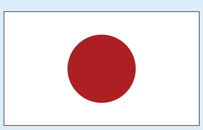
MCM has developed strong relationships with central banks, ministries of finance, and financial sector supervisory and regulatory agencies (Official Sector Agencies) across the globe to tap their qualified and diverse expertise to meet the evolving TA and training needs of IMF member countries. MCM has understandings with over 100 Official Sector Agencies, from which about 400 experts were engaged during the past three years for TA missions, workshops, and other CD activities. MCM experts are hired by both HQ and Regional Capacity Development Centers. They provide specific expertise and practical implementation experience supplementing that available from staff; add a peer element that lends credibility to our work; and allow flexibility in supplementing our own human resources.

Constructive cooperation with donors and other TA partners has been the backbone of MCM's CD activities. Strong partnerships with key donors, multi-donor Trust Funds (TF) (Box 6), and peer CD providers ensures timely leveraging of resources and expertise, consistency of policy advice, mitigates risks of duplicating efforts at both the authorities' and TA providers' ends. MCM has built synergies by regularly exchanging learnings from good practices in TA delivery and effective partner coordination. A recent example of impactful coordination and building synergies between donors, regional players, and CD recipients is the "Conference to Promote Financial Stability in the Asia Pacific Region" organized by the IMF and the National Bank of Cambodia, hosted in Siem Reap, and funded by the Government of Japan (Box 7). In the same vein, a workshop in Tokyo on debt management provided a good opportunity to discuss debt management issues among officials of five African countries (Box 8). A bulk of MCM CD is being supported through multi-donor Trust Funds, with the Debt Management Facility (DMF), the Financial Sector Reform and Strengthening Initiative (FIRST) and the Financial Sector Stability Fund (FSSF) being the largest ones (Box 9, Section III). Japan continues to be the largest bilateral donor for MCM-provided CD. Canada—second in size donor for MCM CD—has been also supporting large priority projects in the Caribbean region (Box 10) and Ukraine (Box 11).

BOX 6. KEY FINANCIAL CONTRIBUTORS TO MCM CAPACITY DEVELOPMENT, FY2019

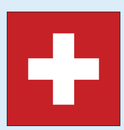
TOP FIVE BILATERAL PARTNERSHIPS

Japan

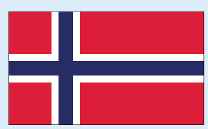


Canada

Switzerland



Norway



The Netherlands

TRUST FUND PARTNERS

DMF II	African Development Bank, Austria, European Commission, Germany, The Netherlands, Norway, Russia, Switzerland
FIRST	Germany, Luxembourg, The Netherlands, Switzerland, United Kingdom
FSSF	China, European Investment Bank, Germany, Italy, Luxembourg, Saudi Arabia, Sweden, Switzerland, United Kingdom
MNRW TF	Australia, European Commission, The Netherlands, Norway, Switzerland, United Kingdom
Somalia TF	Arab Fund for Economic and Social Development, Canada, European Commission, Italy, United Kingdom, United States
South Sudan TF	European Commission, Norway, United Kingdom

BOX 7. MCM TA CONFERENCE IN CAMBODIA: FINANCIAL STABILITY IN THE ASIA-PACIFIC REGION

MCM convened a conference in Cambodia in March 2019 on promoting financial stability in the Asia Pacific region. The conference was funded by the Government of Japan, and was co-hosted by MCM, the Regional Office for Asia and the Pacific region, and The National Bank of Cambodia (NBC). About 65 participants representing 16 national authorities attended the conference, including beneficiaries of TA funded by the Japanese government, as well as MCM long-term experts in the region. As in previous years, this conference promoted information-sharing among existing and potential recipients of TA from MCM. This year, sessions highlighted such topics as proportionality in banking regulation; nonbank financial intermediation; and emerging issues, including fintech and cybersecurity.

Conference participants in Siem Reap, Cambodia.

BOX 8. WORKSHOP IN JAPAN ON DEBT MANAGEMENT

MCM—working jointly with the World Bank Group and the Japanese International Cooperation Agency (JICA)—organized a workshop in Tokyo on the Advanced Medium-Term Debt Management Strategy (MTDS) framework. The workshop trained 15 representatives from the debt-management offices of five African countries: Burkina Faso, Cameroon, Côte d'Ivoire, Madagascar and Senegal. The workshop focused on advanced features from the revised MTDS Analytical Tool, such as cash buffers and contingent liabilities; local-currency debt-market yield curve forecasting; and liabilities management in the context of debt management. Staff members from JICA offered presentations on their Official Development Assistance Loan Program in Africa. The workshop also provided a good opportunity to meet with participants and explore their needs for technical assistance in debt management.

IMF tweet on the debt management workshop in Japan.

BOX 9. THE DEBT MANAGEMENT FACILITY SUPPORTS TECHNICAL ASSISTANCE IN 84 LOW-INCOME COUNTRIES

DEBT MANAGEMENT FACILITY

The Debt Management Facility (DMF) is a multi-donor program focused on strengthening debt management in LLMICs, of which over a third are FCS. The DMF was launched by the World Bank (WB) in 2008 to protect the gains made from debt relief under the Multilateral Debt Relief Initiative. In 2014, the IMF joined the WB for its second phase, and donor contributions reached USD 37 million (at end-2018). Since its inception, the DMF has financed over 280 TA missions to more than 80 countries and 14 subnational entities, with a major focus on capacity building in Sub-Saharan Africa.

The DMF supports capacity development by strengthening debt management institutions and processes, through the use of analytical tools, delivery of technical assistance and tailored advisory support, training, and peer-to-peer learning, with a focus on reducing debt-related vulnerabilities.

The DMF also plays an important role in strengthening coordination and collaboration between the IMF and World Bank, as well as with other TA providers that are Implementing Partners (IPs). TA and training are frequently conducted jointly between the IMF, World Bank and IPs.

Within the IMF, TA on debt management and local currency bond market development is delivered by the Debt Capital Markets (DM) division of MCM department and is coordinated or, in some cases, implemented jointly with resident debt management advisors in RTACs.

The quality and effectiveness of DMF activity implementation is monitored through the DMF's logical framework that includes objectives, impact indicators, means of verification, and associated assumptions and risks. DMF II was subject to a mid-term external evaluation that concluded that: "the DMF continues to be highly valued for the quality of expertise it delivers and remains relevant and worthy of ongoing support given rising debt-related vulnerabilities facing DMF-eligible countries."

The IMF and The World Bank announced a multi-pronged approach for addressing emerging debt vulnerabilities at the 2018 Bank-Fund Annual meetings in Bali. The next phase of the Debt Management Facility has an important role to play in supporting the multipronged approach, including in the areas of debt management and debt transparency and support with the implementation of debt management strategies and local currency debt market reforms. The new phase of the DMF also introduces a programmatic approach to TA delivery and other new workstreams. By building on its existing expertise, coordinating role, solid track record and reputation, its assistance to countries will enhance and safeguard debt sustainability in the pursuit of the Sustainable Development Goals.

MTDS Regional Training in Ghana.

Participants from Debt Market Development Training in Tanzania.

BOX 10. ECCU: PUBLIC DEBT AND MARKET INFORMATION PORTAL—STRENGTHENING DEBT TRANSPARENCY AND INVESTOR RELATIONS IN THE EASTERN CARIBBEAN CURRENCY UNION

Debt management practices in the ECCU are being strengthened through continued support from the Canadian authorities. ECCU economies have high public debt. The debt managers recognize the need to develop broader relationships with the private sector to improve access to funding as concessional financial opportunities have become more limited. Developing the Regional Government Securities Market (RGSM) has created the potential for attracting new financing.

MCM delivered hands-on TA on debt transparency and investor relations in Antigua and Barbuda, Grenada, St. Kitts and Nevis, St. Vincent and Grenadines, and St. Lucia. The aim of the TA was to broaden the investor base for government securities and incorporated the following: designing and publishing marketing materials; planning and delivering investor outreach initiatives; improving the publication of information on a predictable and timely basis; building a regional debt management web portal; and building relationships with peer debt managers, creditors, brokers, and rating agencies.

To enhance investor relations, the work integrates communications, economics, finance and marketing disciplines to foster a two-way dialogue between a country, its creditors, the wider financial market and other interested stakeholders. Important elements of such a program include: dissemination of market relevant data; direct creditor engagement; rating agency relationship management; and media and communications campaigns.

The TA also involved regional investors, brokers and credit rating agencies—all participated in presentations and active discussions with workshop participants. Key outputs were draft investor relations strategy documents for interactions with stakeholders, and an outline of an investor presentation, prepared by each country. The newly-developed Public Debt and Market Information Portal, hosted by the Eastern Caribbean Central Bank (ECCB) is a testament to the work and the dedication of the Eastern Caribbean Debt Managers: https://www.eccb-centralbank.org/debt.

Eastern Caribbean Central Bank Governor, Timothy Antoine, presents the Public Debt and Market Information Portal.

The Public Debt and Market Information Portal Landing Page.

BOX 11. IFRS 9 IN CENTRAL BANKS: ACHIEVING COMPLIANCE THROUGH COLLABORATION

Like all other financial institutions that comply with International Financial Reporting Standards (IFRS), central banks were also faced with the daunting task of adopting the new accounting standard IFRS 9—Financial Instruments which came into effect on January 1, 2018.

Application of the standard differs for central banks as their focus is on monetary policy, not profits. Even the large audit firms were initially perplexed on how to apply the standard in a central bank without impeding the central bank's policy objectives.

With the assistance of the MCM's Central Bank Operations division, two regions saw an opportunity to collaborate amongst neighbors as opposed to going it alone.

In collaboration with MCM and supported by the Government of Canada funding, *the National Bank of Ukraine* hosted its East European neighbors in Kiev for two Roundtable discussions in 2017 and 2018. The two-day sessions provided an opportunity for colleagues to showcase innovative ways in which they were addressing the requirements. With each discussion, participants honed their own approach to applying the standard. Leveraging the relationships created through the meetings, the central bank colleagues could reach out to collaborate on issues, especially when the crunch came and the audit firms where reviewing the accounts.

The *East African Community* took a different approach. Again, working with the MCM's Central Bank Operations division, three hands-on workshops were organized for EAC members in response to their demand. To allow institutions sufficient time to absorb lessons learned and take the necessary steps toward implementation, the workshops were held over the two years leading up to the IFRS 9 compliance deadline (which differs across jurisdictions due to domestic fiscal year cycles). Community members presented approaches they had adopted toward IFRS 9 implementation and shared their experiences in a collaborative way.
MCM representatives provided a global perspective on insights gathered from central banks around the world.

Both approaches worked equally well—participants included the central bank accountants, risk managers, reserve asset managers, and monetary policy professionals.
The collaborative approach promoted by both venues provided all participants with a solid foundation to seamlessly make the transition to the new standard. It provided an opportunity to develop relationships—both within and across central banks. It helped strengthen capacity and build confidence. Through bilateral collaboration with the World Bank, insights gathered through these workshops and the Reserves Advisory and Management Program training programs ensured greater consistency of approach across many central banks.

Roundtable discussion participants at the National Bank of Ukraine.

SECTION I

B FOSTERING KNOWLEDGE CREATION, MANAGEMENT, AND DISSEMINATION

MCM continues to position itself as a thought leader on monetary, financial stability, and regulatory issues, by putting its unique cross-country perspective to good use for country authorities and other stakeholders. MCM keeps expanding the latest thinking on mainstream financial developments and frontier issues as well as systematizing the collection of good practices which are critical to designing and delivering effective and impactful CD.

CAPITALIZING ON THE WEALTH OF KNOWLEDGE TO INFORM TA DESIGN AND DELIVERY

Many MCM **knowledge products are used to facilitate capacity development** through the design-delivery-evaluation TA life cycle. In FY2019, MCM has delivered a **large amount of cutting-edge research to help inform countries' economic analysis and shape policies aimed at ensuring financial stability (Box 12).** In line with Fund-wide initiatives, MCM's knowledge work is now consolidated under a dedicated unit within the department, and a formal MCM Knowledge Management Strategy is being developed.

MCM maintains several **databases to facilitate knowledge exchange,** which enable country authorities and the general public to access cross-country information in specialized areas as follows:

- Central Bank Legislation Database (CBLD) offers user-friendly access to central bank legislation world-wide.

BOX 12. RECENT PUBLISHED KNOWLEDGE PRODUCTS FACILITATING CD DELIVERY

- A Monitoring Framework for Global Financial Stability
- Casting Light on Central Bank Digital Currencies
- Digging Deeper--Evidence on the Effects of Macroprudential Policies from a New Database
- Growth at Risk: Concept and Application in IMF Country Surveillance
- How to Organize Central Securities Depositories in Developing Markets: Key Considerations
- Medium-Term Debt Management Strategy: Analytical Tool Manual
- Medium-Term Debt Management Strategy Analytical Tool: Data Preparation Manual
- Paving the way for Fintech
- Rise in Digital Money (Fintech Note)
- Stablecoins, Central Bank Digital Currencies, and Cross-Border Payments: A New Look at the International Monetary System
- Systemic Banking Crises Revisited
- The Core Principles for Islamic Finance Regulations and Assessment Methodology
- The IMF's Annual Macroprudential Policy Survey– Objectives, Design, and Country Responses
- Unveiling the effects of macroprudential policies: The IMF's new iMaPP database
- Women in Finance: A Case for Closing Gaps

The main purpose of the CBLD is to enhance technical cooperation and knowledge sharing between the IMF and member country authorities.

- Monetary Operations and Instruments Database (MOID) contains data on the use of monetary policy instruments by the central banks of IMF member countries. The database compiles a comprehensive repository of current cross-country and cross-section data on monetary policy instruments and implementation practices of central banks and monetary authorities.
- Annual Report on Exchange Arrangements and Exchange Restrictions (Box 13)
- Macroprudential Policy Survey database (Box 13)
- MCM Integrated Macroprudential Policy Database (Box 14)

APPLYING GOOD PRACTICES OF KNOWLEDGE MANAGEMENT AND DISSEMINATION TO ENHANCE TA ABSORPTION

MCM has **focused on broadening the audience for its products, sharpening the messages, and increasing traction** by using a wider set of tools to disseminate the analysis. Dedicated conferences and workshops on topics of wide interest that brought together CD recipients, donors, and regional players offered great opportunities to

BOX 13. SELECTED MCM DATABASES

The Annual Report on Exchange Arrangements and Exchange Restrictions (AREAER) database provides a yearly description of the foreign exchange arrangements, exchange and trade systems, and capital controls of all IMF member countries and three territories. The AREAER, first published in 1950, is one of the oldest IMF publications and one of two reports required by the Articles of Agreement. This unique database is used both internally by IMF staff, and also externally by a wide variety of users including central bankers, government officials, researchers, educators, commercial banks, international business, nongovernmental organizations, and the media. The AREAER provides a yearly description of the foreign exchange arrangements, exchange and trade systems, and capital controls of IMF member countries. It covers restrictions on current international payments and transfers and multiple currency practices. The report also provides information on the operation of foreign exchange markets, controls on international trade, controls on capital transactions, and measures implemented in the financial sector, including prudential measures.

The annual report that accompanies the yearly data update, summarizes developments in exchange rate arrangements, changes in countries' exchange restrictions, and developments with respect to current and capital transactions and in the financial sector. These changes reflect major trends in the world economy and the international monetary system.

In 2018, the IMF released the Macroprudential Policy Survey database, which is updated annually along with the AREAER database. Regulation to contain systemic risks and maintain global financial stability has never been more important. In the wake of the 2008 financial crisis, this type of regulation—referred to as "macroprudential" regulation—has gained traction and is increasingly applied by countries to reduce threats to financial system stability. The database—which collects and categorizes the full range of macroprudential policy measures that are in place globally—gives the IMF, along with policymakers and researchers, an up-to-date and first-of-its-kind catalogue of such measures.

This database is the first one, worldwide, that not only records policy measures taken, but also has information on how macroprudential policy is organized institutionally.

BOX 14. THE IMF'S NEW IMAPP DATABASE: UNVEILING THE EFFECTS OF MACROPRUDENTIAL POLICIES

The IMF's new iMaPP database integrates five major existing databases to build a comprehensive picture of macroprudential policies in use globally.

As macroprudential instruments gain prominence in the toolkit of policymakers around the world, it is becoming increasingly important to understand more precisely just how various policies work. The release of the iMaPP database provides a rich source of information for economists, policymakers, and academics seeking to fill these gaps. The new iMaPP database will be updated annually with data from the IMF's new Annual Survey on Macroprudential Policies (see Article).

share knowledge and good practices identified during TA delivery, enhance peer-learning, integrate cross-country experiences, and ultimately help strengthen TA absorption.

In line with its communication strategy, **MCM has stepped up its communication and knowledge sharing**. MCM has started publishing its "How-to-Notes" that focus on specific issues and synthesize findings and lessons for countries in similar circumstances, e.g., How to Organize Central Securities Depositories in Developing Markets: Key Considerations or new IMF series on Fintech Notes (The Rise of Digital Money). The recent (joint with the World Bank) technical notes and manuals (Medium-Term Debt Management Strategy: Analytical Tool Manual and Medium-Term Debt Management Strategy Analytical Tool: Data Preparation Manual) are intended for use by country authorities to assess and compare cost and risk characteristics of potential debt management strategies. Quarterly DMF Newsletters (joint with the World Bank) provide regular updates on CD activities in debt management globally. Other manuals and notes (e.g., on different aspects of central bank operations, mobile payments oversight, central bank accounting) are in the pipeline. MCM has also stepped up its TA outreach via the IMF Capacity Development Facebook and Twitter accounts as well as through the new MCM LinkedIn account "IMF Market Insights" (Box 15).

BOX 15. IMF MARKET INSIGHTS: MCM'S INNOVATIVE APPROACH TO KNOWLEDGE DISSEMINATION

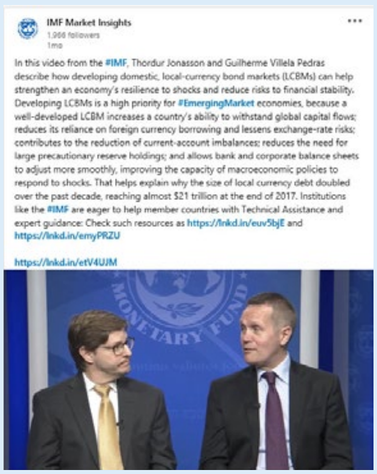
In collaboration with the Communications Department of the IMF, MCM has recently launched a LinkedIn "IMF Market Insights" page dedicated to MCM's analytical work and specialized insights on monetary policy, capital markets, and financial stability. The page provides an outreach channel to a specialist audience. It allows posting of a wide range of MCM analyses, research papers, analytical commentary, and other products and provides greater visibility to diverse MCM outputs. CD work is given a special priority and involves educational videos, podcasts, and other relevant MCM materials.

MCM EDUCATIONAL VIDEOS ARE GETTING POPULAR

Why are payment systems important?

How to strengthen cybersecurity?

Why develop local-currency bond markets?



What is a stress test?

SECTION I

C STRENGTHENING GOVERNANCE AND ACCOUNTABILITY THROUGH RESULT-BASED MANAGEMENT AND EVALUATIONS

Guided by the Fund's RBM and Common Evaluation frameworks, MCM has continuously focused on strengthening governance and accountability at every life-cycle stage of its CD projects. The frameworks involve pursuing realistic planning and project design tailored to the authorities' reform agendas; applying rigorous quality controls to CD delivery; and regularly monitoring CD implementation and evaluating results and drawing lessons for future TA.

Further progress was achieved in the use of Fund's results-based management framework for MCM TA and training in FY2019. MCM continued integrating the Fund's RBM framework in all stages of the TA project work—design, delivery and monitoring, and evaluations.[2] In 2015, MCM introduced its standardized RBM catalogue which is structured under logical frameworks for MCM's six TA topical areas. Since then, MCM has been continuously reviewing and updating its catalogue to take account of the ever-evolving nature of its TA products (Figure 2).

MCM has continued to apply the Fund's **RBM tools and dashboards** and, within this framework, developed its own tools. These quantify TA implementation progress and results to better inform internal TA resource management as well as communication with stakeholders involved in CD delivery. MCM has

[2] As of August 2019, MCM's TA and Training portfolio comprised 186 internally-and externally-funded active CD projects; these included 852 objectives, 1,601 outcomes, and 4,571 milestones.

FIGURE 2. RBM CATALOGUE FOR MCM TECHNICAL ASSISTANCE AND TRAINING (MCM RBM TAXONOMY, AS OF AUGUST 2019)

Financial Supervision and Regulation
- Regulatory and Prudential Framework
- Cybersecurity Regulatory and Prudential Framework
- Risk Based Supervision and Other Supervisory processes
- Basel II / III Implementation
- IFRS / Accounting
- Securities Markets Legal and Regulatory Framework
- Securities Markets Supervision of Intermediaries and CIS Operators
- Securities Markets Supervision of Trading and Trading Operators
- Securities Markets Enforcement and Cooperation
- Insurance Regulation and Supervision
- Islamic Banking Regulation and Supervision

Central Bank Operations
- Monetary Operations (markets, institutions)
- FX Markets and Operations
- Payments/Settlements
- Forex Reserves Management
- IFRS Implementation
- Currency Introduction
- Cash Currency Management
- Central Bank Governance
- Lender of Last Resort

Monetary Policy
- Macroprudential Policy
- Capital Account Liberalization
- Inflation Targeting
- Forecasting and Policy Analysis System (FPAS)
- Central Bank Monetary Policy
- Communications

Debt Management
- Debt Portfolio Risk Management
- Debt Recording, Reporting and Monitoring
- Domestic Market Development and International Market Access
- DSA Training
- Institutional Framework for Debt Management
- Islamic Securities Market Development
- Medium-term Debt Management Strategy Formulation and Implementation
- Reform Plan

Financial Crisis Management
- Financial Safety Net:
  - Special Resolution Regime
  - Deposit Insurance
  - Emergency Liquidity Assistance
  - Operational Preparedness
- Financial Institutions Restructuring and Resolution
- Private Sector Debt Restructuring

Systemic Risk Analysis
- Establishing Financial Stability Units
- Financial Stability Communications
- Stress Testing
- Systemic Risk and Financial Stability
- Systemic Risk Monitoring

also been actively participating in the ongoing CDMAP work that is expected to strengthen the planning, managing, monitoring, and reporting of CD activities across the Fund.[3]

MCM continues to focus on measures to **further strengthen MCM's governance and accountability in each TA life-cycle stage**.

- CD project design based on RBM principles is the critical starting point for an effective TA. A consistent use of the Fund's RBM framework from the onset of a project helps to tailor TA delivery to the authorities' needs and increase their buy-in, which is vital to achieving TA traction in the TA recipients' implementation of the MCM technical advice (Haiti, Section V).
- Continued monitoring of CD delivery is the main prerequisite for achieving targeted results. Regular stock-taking against the RBM-structured targets—TA milestones and outcomes—and evolving challenges helps MCM and authorities remain focused on medium-term objectives for capacity building (Box 16). Such RBM monitoring combined with a quality-control in selecting and deploying experts improved MCM's and authorities' resource prioritization, which is essential for an efficient and effective TA delivery (Box 17).[4]

Evaluating CD is a key pillar of a result-focused management strategy. In addition to conducting self-assessments of donor-funded projects, since 2011, MCM has made ex-post evaluations of its TA a strategic priority.[5] While self-assessments are instrumental in monitoring progress and immediate stocktaking of results, and making any necessary adjustments to a given project, ex-post evaluations offer a key opportunity to assess results independently with a view to extract lessons learned and help improve future provision of TA more generally. Evaluations are conducted by those who are experienced in methodology and independent from delivery to take a bird's eye view on the relevance of TA, efficiency of its delivery, effective achievement of objectives, overall impact, and the likelihood of the sustainability of results.[6] In that regard, self-assessments are important sources of information that feed into evaluations. Each evaluation provides an excellent opportunity to draw valuable lessons and use them to strengthen the impact of future CD (Box 18).

Strengthening Capacity Development is an ever-evolving process reflecting the changing CD demand in the changing world. Next year, an **updated MCM CD strategy** will take stock of the ongoing initiatives and CD lessons learned and will draw priorities for CD management over the medium-term (Box 19).

[3] IMF CD Management and Administration Program (CDMAP) was launched in FY2019 to support the integration of CD and policy advice, strengthen efficiency in CD management, and increase administrative efficiency by harmonizing and addressing gaps in processes for CD operations across the IMF, and modernizing supporting systems.

[4] Internal procedures related to managing the long- and short-term experts have been revamped. Under the reviewed policy, MCM experts are subject to higher quality controls that include a robust hiring process, a thorough backstopping function, and a systematic evaluation process.

[5] TA managers prepare regular reporting on projects' progress and accomplishments during implementation and at completion of projects as part of donor reporting and accountability.

[6] The Fund has adapted the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee's criteria, evaluating CD programs for relevance, development effectiveness, efficiency, impact, and sustainability.

BOX 16. RBM-STRUCTURED TA MONITORING HELP REMAIN FOCUSED ON MEDIUM-TERM OBJECTIVES IN THE KYRGYZ REPUBLIC

Since April 2017, MCM has carried out a TA project, to support the National Bank of the Kyrgyz Republic (NBKR) in implementing an Inflation Targeting (IT) framework.

In 2019, an MCM TA assessment mission was fielded to: (i) take stock of the NBKR's implementation of the previously received advice; and (ii) propose to the NBKR a new TA roadmap—a set of recommendations drawn from earlier advice and updated based on the progress achieved in monetary policy reforms and evolving needs for the next two years.

The mission conducted extensive discussions with the NBKR, selected banks, and other development partners on the progress in monetary policy reforms against the previously set targets for results and ways to tackle remaining challenges. The assessment team acknowledged that the NBKR had built a considerable capacity in the monetary policy field but identified some gaps that needed further work. The medium-term TA priorities were agreed with the NBKR to support further progress toward IT adoption and ensure the effective operation of monetary policy during the transitional period.

BOX 17. MCM EXPERTS FACILITATE EFFICIENT RESOURCE PRIORITIZATION AND EFFECTIVE TA DELIVERY TO NIGERIA

The Central Bank of Nigeria (CBN) has been a major recipient of MCM TA on banking supervision since 2008, supported by the Department for International Development of the United Kingdom (DfID). The TA has covered a range of CD needs including: risk-based supervision (RBS), Basel II and III standards, consolidated and cross-border supervision, early warning systems, International Financial Reporting Standards, and cybersecurity risks. Capacity building missions on the supervision of non-interest (Islamic) banks and Basel Core Principles (BCP) for Effective Banking Supervision are also planned.

Given the wide range of topics, the work of the resident advisor has been supplemented by other experts. For example, the resident advisor has closely collaborated with AFRITAC West 2 Regional Advisor on Financial Supervision and utilized short-term experts, including in quality review of the draft guidelines on Basel III standards that was performed off-site. The use of a mix of relevant expertise has ensured an efficient and cost-effective TA.

MCM's resident advisor (far right) with CBN counterparts.

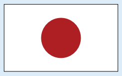
A group photo of the participants in the Regional Workshop on Credit Risk held in Abuja (Nigeria) and facilitated by AFRITAC West 2.

This TA has to date yielded a number of outcomes which include: strengthening of risk-based supervision, enhanced capacity of supervisors to review banks' Internal Capital Adequacy Assessment Process (ICAAP), development of internal subject matter experts on the assessment of specialist risk types and the deployment of an Early Warning System to complement other supervisory tools. The TA has also facilitated the development of supervisory guidelines on: Pillar 2 risks, stress testing, and Basel III standards.

"The support from the LTX on Banking Supervision has in no small measure improved our supervisors' capacity and especially the Basel Implementation Team. His support has not only helped in the development of Subject Matter Experts in some key pillar 2 risks but has also helped in reducing our reliance on the use of external consultants."

Mr. Ahmad Abdullahi
Director, Banking Supervision Department, Central Bank of Nigeria

BOX 18. TA LESSONS FROM IMPACTFUL MCM EVALUATIONS



MCM recently conducted an evaluation of the Japan-funded TA project on strengthening regional public debt management in six African countries: Cote d'Ivoire, Djibouti, Ethiopia, Ghana, Mozambique, and Rwanda (2014–18).

The core objectives of the project were to support: the development and analysis of debt strategies; strengthening management of risks related to government debt portfolios and balance sheets; and improvements in the functioning of domestic debt markets. The project presents an interesting case study due to its complexity and valuable lessons it has generated that will be applicable to future TA design.

The evaluation has underlined the importance of the ongoing RBM implementation. A few select lessons are summarized as follows:

- A **well-specified project design** at the inception of projects should be ensured with focus on a programmatic approach based on effective needs assessments and the country's commitment to the project's objectives and program;
- Closer **coordination with relevant stakeholders** is needed at project inception and thereafter to improve the consistency of project objectives with country needs and improve scope for country buy-in and traction;
- Early action to **reprogram a project** should be taken if priorities shift and/or capacity to implement MCM technical advice falls short of expectations;
- Project "**final assessments**" should be undertaken to contain a view on follow-up TA to use the momentum and ensure continuity;
- **Donor visibility** should be enforced, and outreach conducted as needed;
- **Resources** should be made available for backstopping throughout the duration of the project; members of individual missions, including STX experts, need to be made aware of the project context and potential need for recurring missions; and
- **Potential regional or other synergies** should be taken into consideration in countries within multi-country projects.

BOX 19. LOOKING FORWARD TO MCM TA STRATEGY 2020-22

Next year's Medium-Term MCM TA Strategy Update 2020–22 will be guided by the 2018 Review of the Fund's Capacity Development Strategy. The pillars of the MCM 2017–20 TA Strategy will be revisited and aligned—as needed—with the five specific areas of recommendations that underpin the Fund's CD Strategy:

- Clearer roles and responsibilities for key internal and external stakeholders in the CD process;
- Continued strengthening of prioritization and monitoring;
- Better tailoring and modernization of CD delivery with a focus on implementation of TA recommendations;
- Greater internal consultation and sharing of CD information; and
- Further progress in external coordination, communication, and dissemination of information.

SECTION II

OPERATIONAL OVERVIEW—TAKING STOCK OF FY2019

OPERATIONAL OVERVIEW—TAKING STOCK OF FY2019

MCM completed another impactful year of its capacity development (CD) operations during FY2019.[7] Our CD work, covering TA and training, remained member-focused in line with Fund's Capacity Development and MCM's TA Strategies.[8] Facilitated by continued cooperation from member countries, increased donor support, and external experts' participation, MCM has seen a considerable rise in TA delivery—by a third since FY2011, with 1,092 missions and 75 full-time equivalents (FTEs) of TA field delivery conducted in FY2019 (Figures 3 and 4).[9] Including support from HQ, FY2019 TA delivery reached 128 FTEs. Assistance to FCS remained solid at 16 FTEs

[7] FY2019 covers the time from May 1, 2018 to April 30, 2019.

[8] 2018 Review of the Fund's Capacity Development Strategy and MCM Technical Assistance Strategy update 2017–20.

[9] One FTE (full-time equivalent, also referred to as "person-year") reflects one person working full-time for one year.

FIGURE 3. GLOBAL INTENSITY OF MCM TA FIELD DELIVERY, FY2019

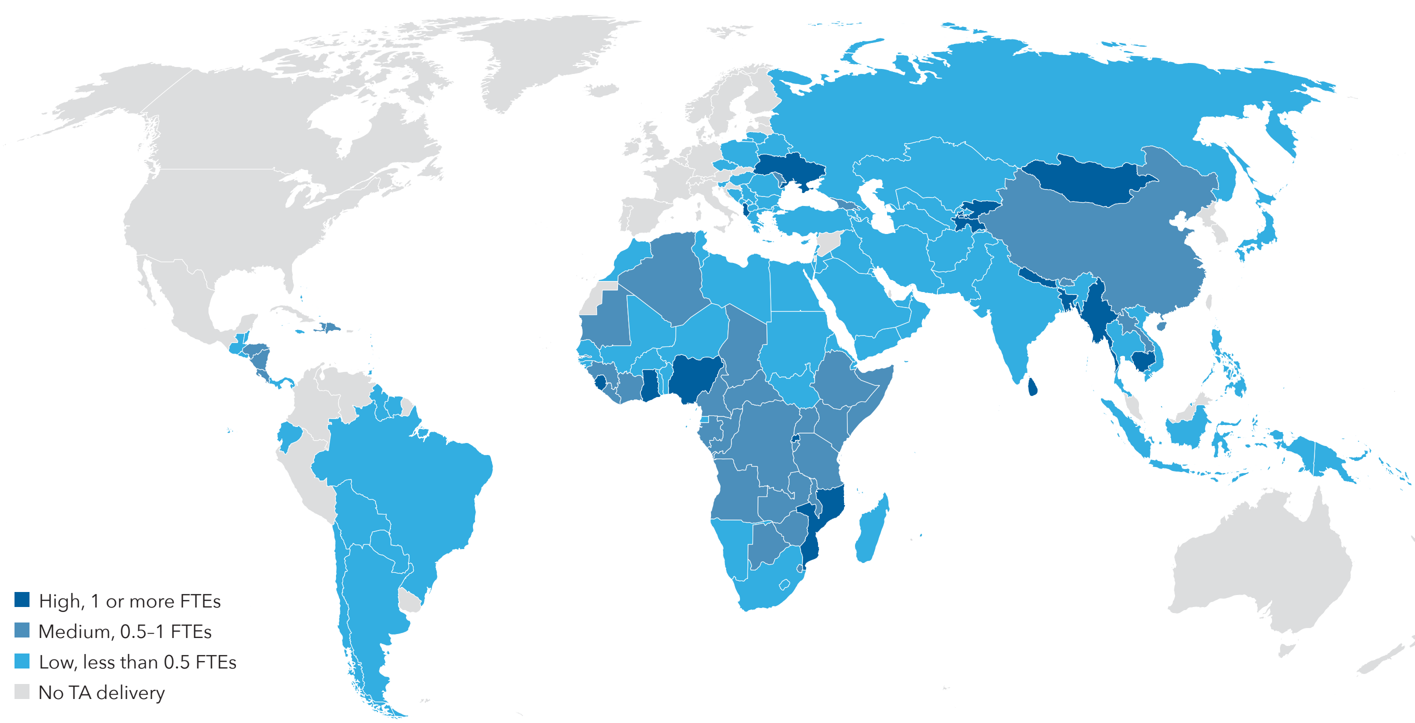
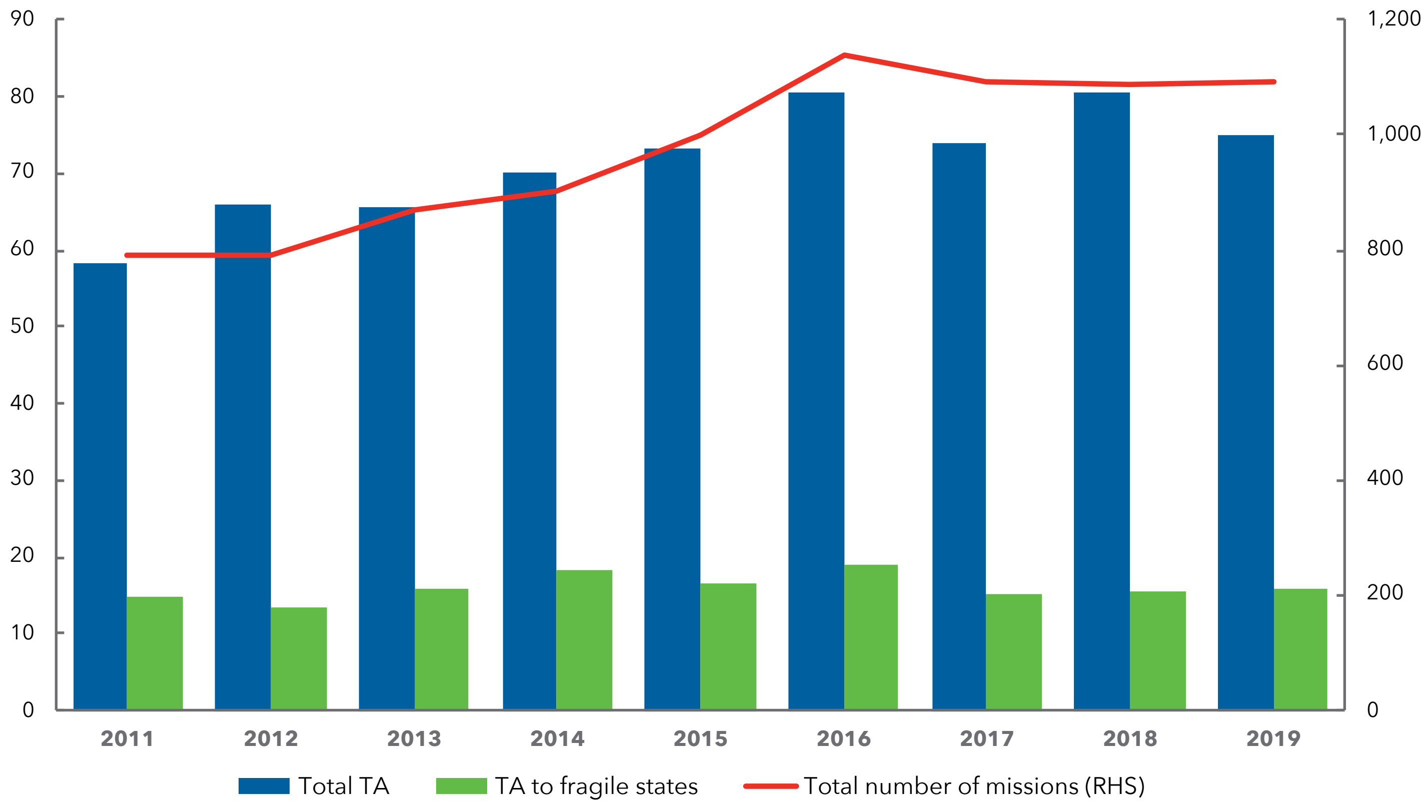


FIGURE 4. TRENDS IN MCM TA DELIVERY, FY2011–19 (IN FTES AND NUMBER OF MISSIONS)



accounting for more than 21 percent of total TA delivery in FY2019.

At the regional level, Africa continued to attract the largest share (39 percent) of MCM's CD delivery during FY2019 followed by Asia and Pacific. Western Hemisphere countries tended to exhibit slower TA demand since FY2017, while Europe and Middle East and Central Asia maintained a stable level of MCM assistance for building capacity in their financial sectors (Figures 5 and 6).

At the country level, Ukraine ranked highest, accounting for around 5 FTEs, among the top 10 recipients of MCM TA in FY2019 (Figure 7). For TA-intensive countries, comprehensive multi-year TA programs are implemented using various modes of CD delivery including long-term resident advisors.

A third of MCM TA was delivered in the area of financial sector supervision and regulation in FY2019, followed by TA in central bank operations and debt management and capital market development (Figure 8). MCM's relatively new assessment tool, the FSSR, is keeping up with increasing interest from low- and middle-income countries (Section III). With evolution of new technologies and global financial infrastructure, MCM is increasingly expanding its CD efforts to new areas such as fintech, cybersecurity, and regulations for digital currency. Also, in line with Fund's agenda to support the SDGs, MCM is preparing to support the work programs related to promoting financial inclusion, gender equality, and managing climate change/global warming risks though TA (Section IV).[10]

External donor funding to support MCM CD delivery grew from 76 percent in FY2014 to 84 percent in FY2019 with generous support from FIRST, Japan, and Canada, the top three donors. Donor funding facilitated multiple TA programs during last fiscal year (Figures 9 and 10). About half of the donor funding is allocated to the activities undertaken by the RTACs.

MCM continues to devote the largest share of its resources to carry out CD activities, one of its core functions. During FY2019, TA accounted for 26 percent of total MCM staff time

[10] 2019 Board Paper "Review of Implementation of IMF Commitments in Support of the 2030 Agenda for Sustainable Development".

FIGURE 5. MCM TA FIELD DELIVERY BY REGION AND BY TOPICS, FY2019 (PERCENT OF TOTAL FTES)

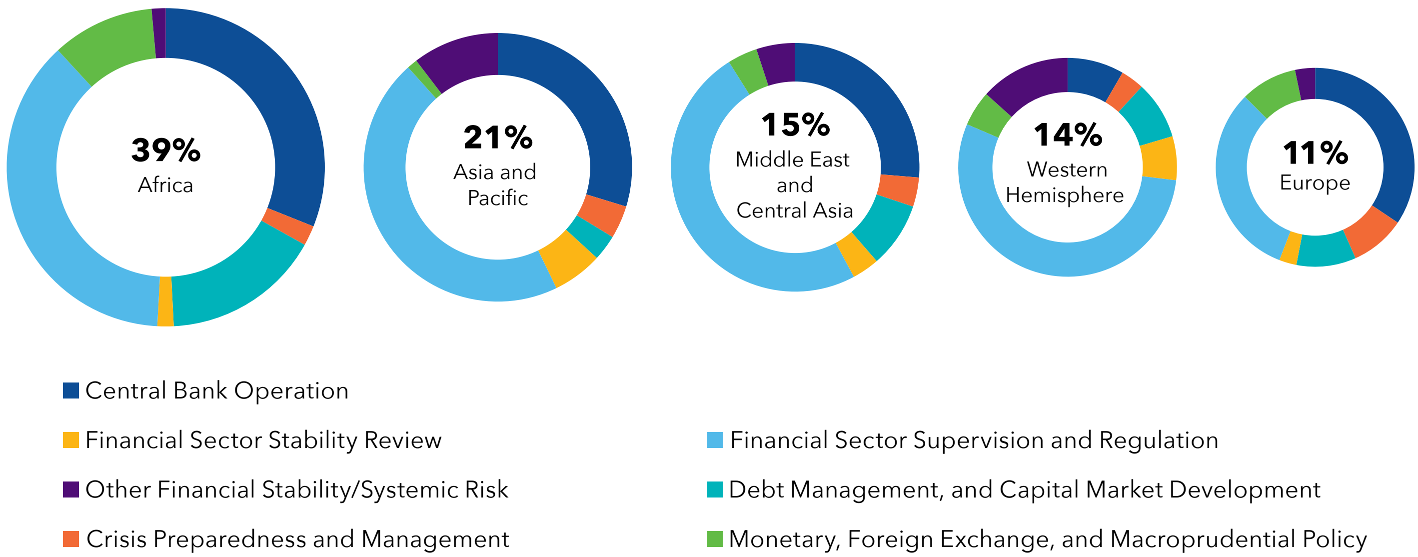


FIGURE 6. TRENDS IN MCM TA FIELD DELIVERY BY REGION, FY2014–19 (FTES)

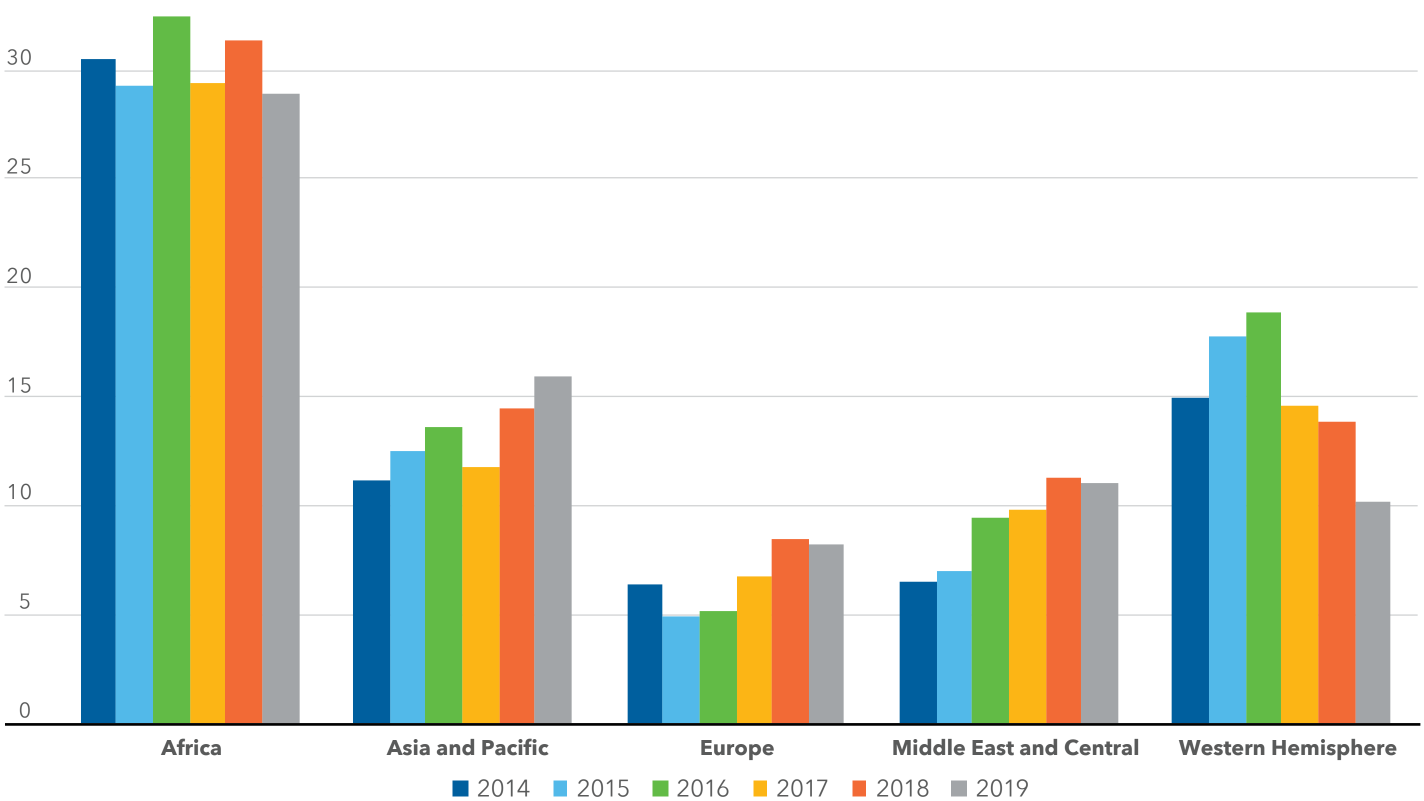


FIGURE 7. MCM TOP TA RECIPIENT COUNTRIES GLOBALLY AND BY REGION, FY2019 (IN FTES)

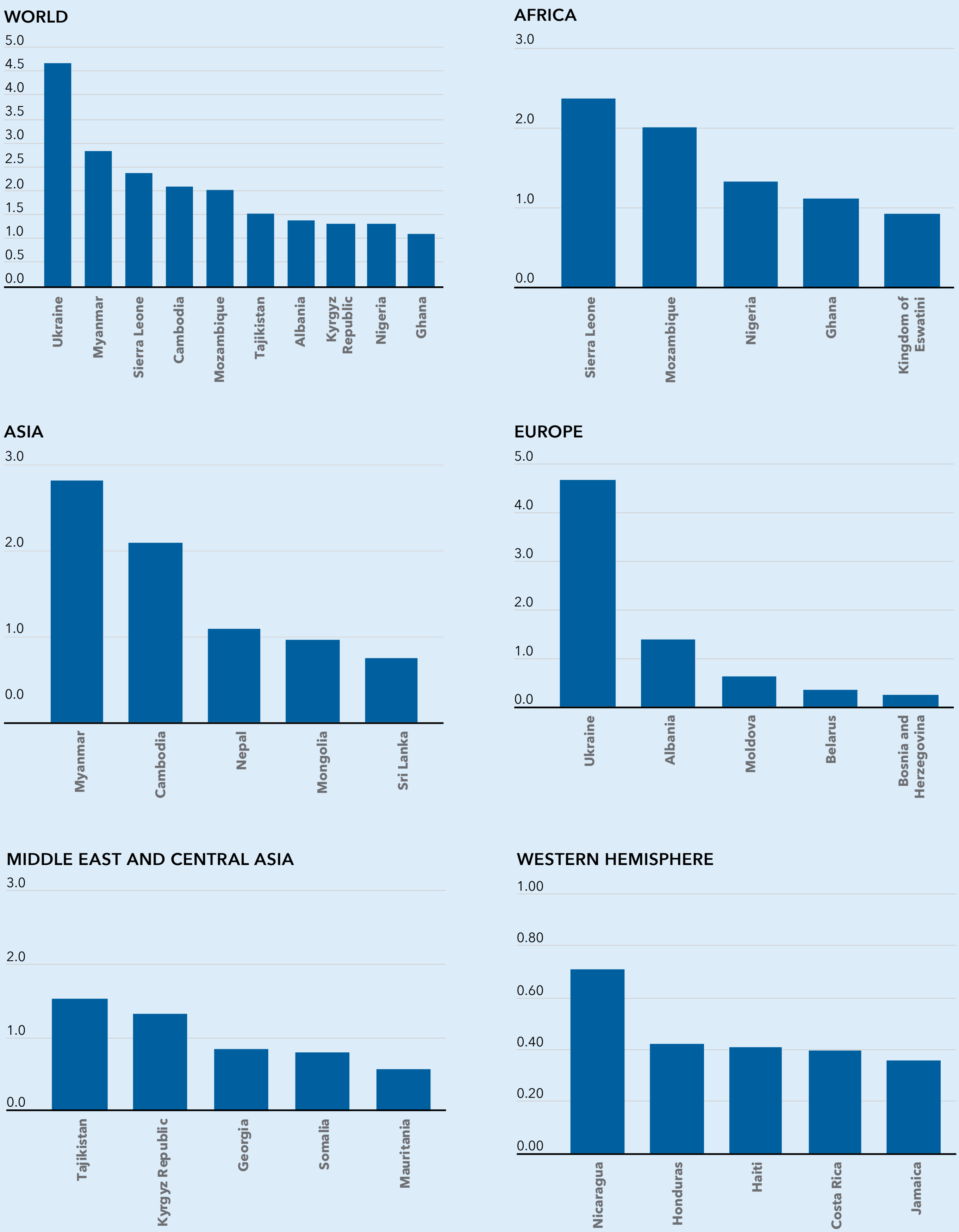


FIGURE 8. MCM TA FIELD DELIVERY BY TOPIC, FY2014 AND FY2019 (IN FTES)

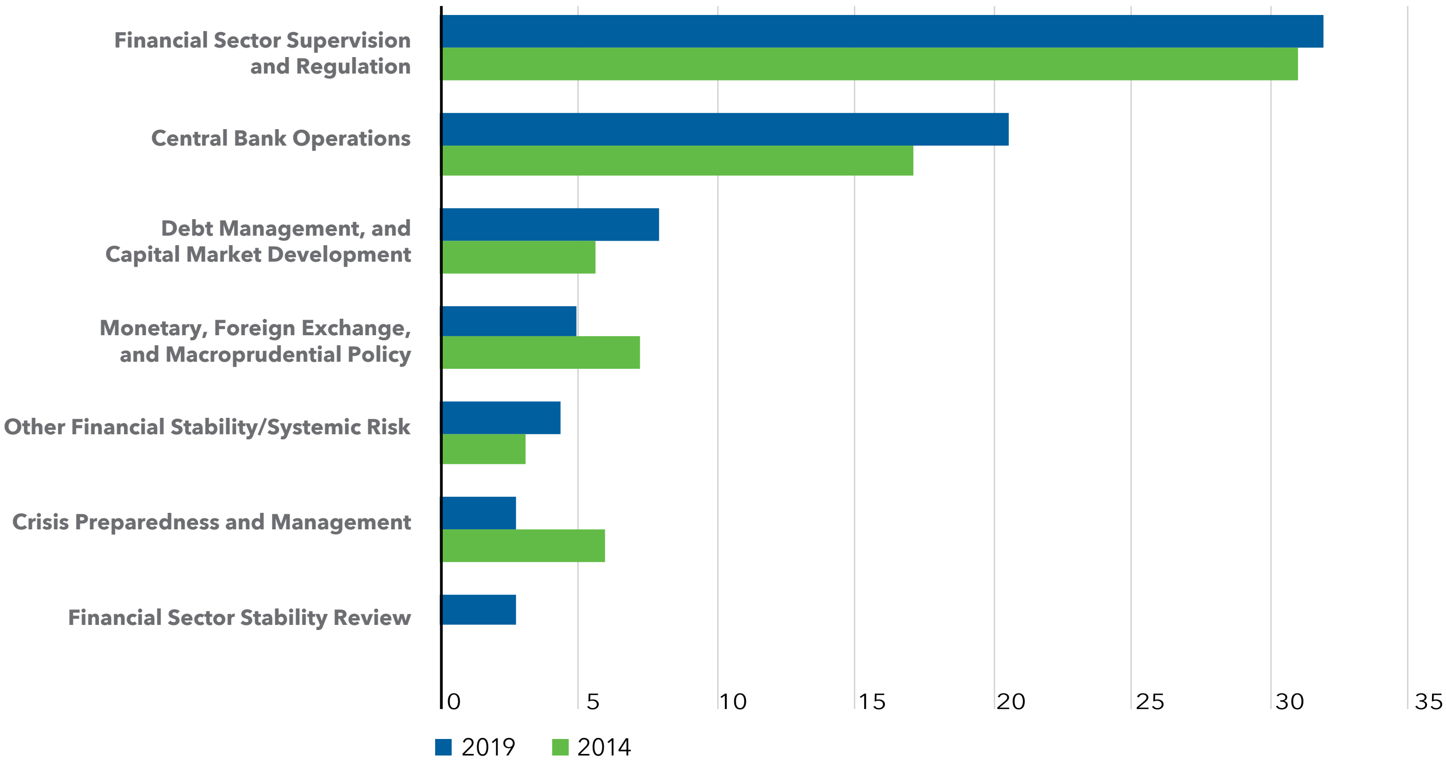
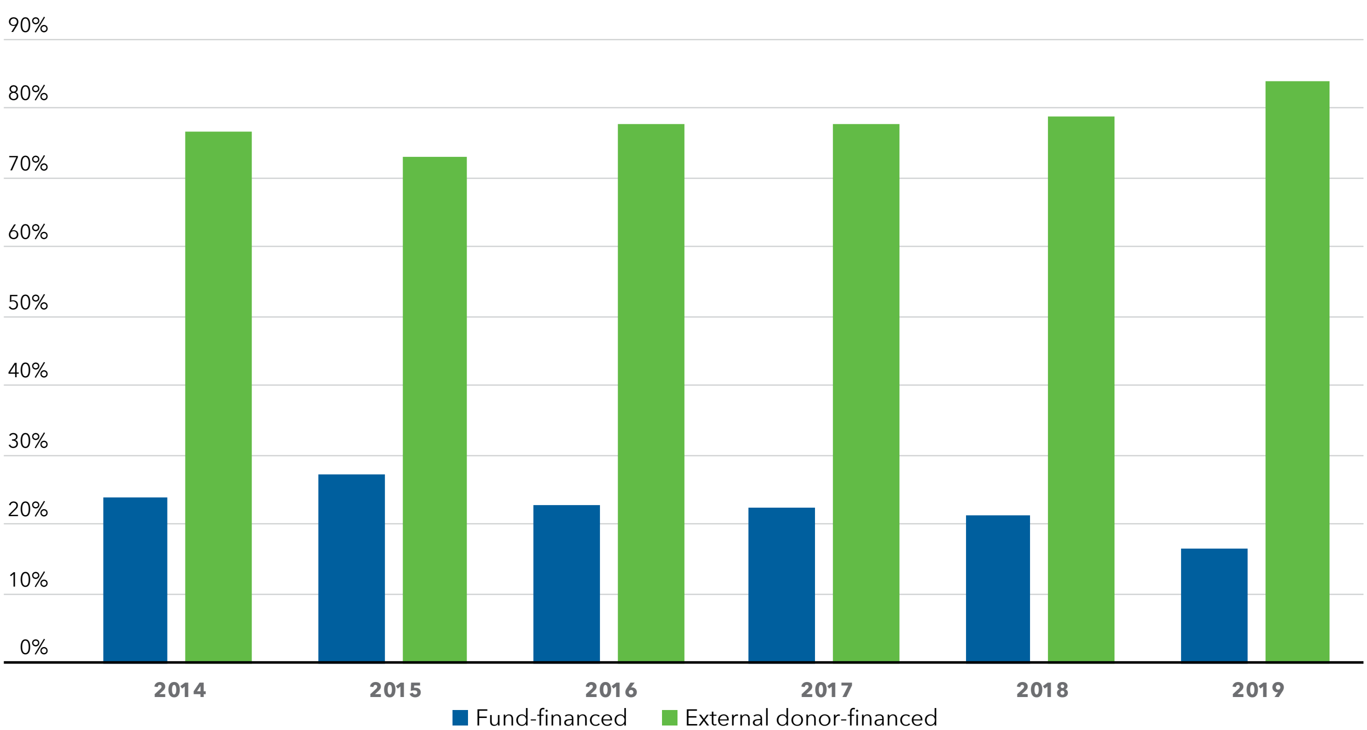


FIGURE 9. MCM TA FIELD DELIVERY BY FUNDING SOURCE, FY2014–19 (IN PERCENT)



allocated by various functions. Our LTXs/advisors, stationed across the globe at different RTACs and national financial institutions, are the front-runners of MCM's CD work, accounting for about half of MCM's TA delivery in the field (Box 20). In parallel, a large pool of STXs backstopped by HQ-staff also make significant contributions to keep MCM's CD operations efficient and smooth (Figures 11 and 12).

Training, in the form of workshops, seminars, hands-on exercises, teaching and coaching, has become an integral component of MCM's CD work. This is in response to greater demand from member countries for hand-holding to help implement their financial sector development goals and reform agenda. In partnership with ICD, RTACs, and donors, MCM's training delivery doubled from 1.4 FTEs in FY2011 to 2.8 in FY2019, with an increase in the number of participants trained by MCM at regional training centers (Figure 13). At the regional level, Asia and Pacific was the largest recipient of MCM training (33 percent) in FY2019 followed by Western Hemisphere (23 percent), and Africa (17 percent). Just as with TA, external funding from donors support a larger share of our training program (Figures 14 and 15).

FIGURE 10. DONOR-FUNDED ACTIVE MCM TA PROJECT SPEND, FY2019 (IN SHARE OF U.S. DOLLARS)

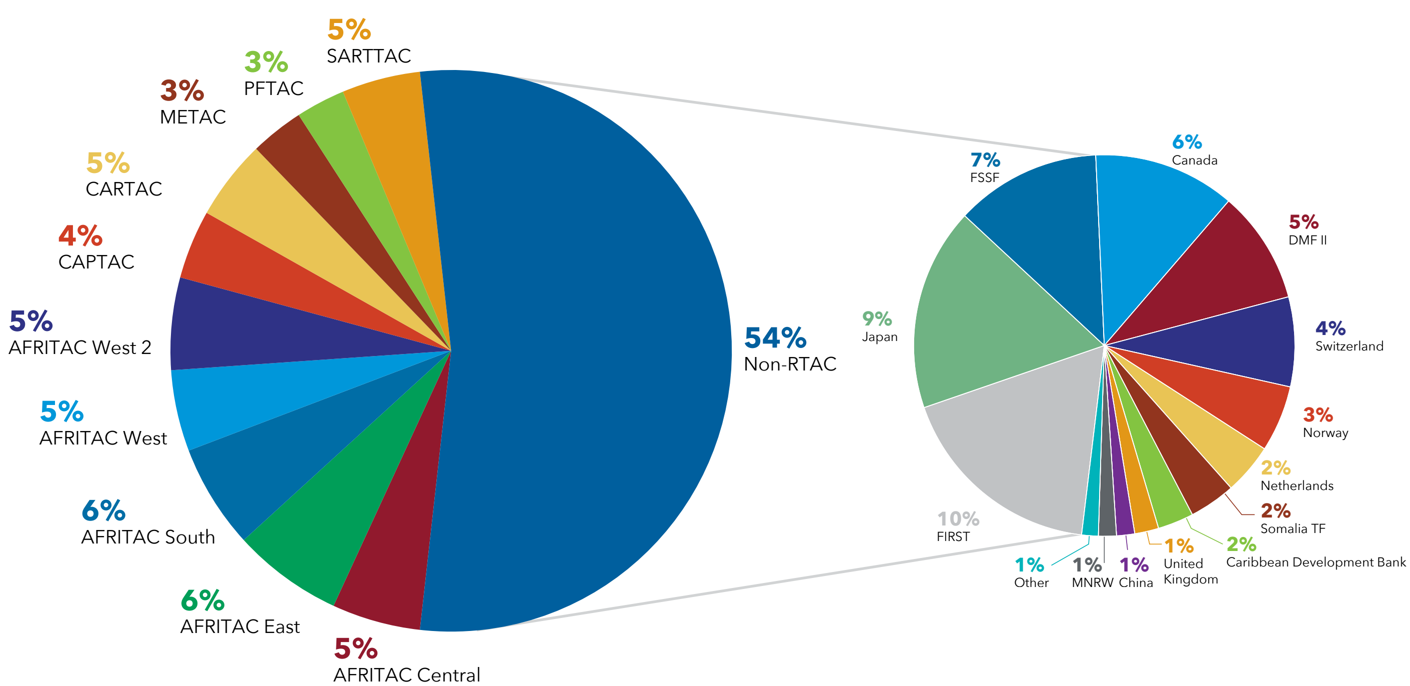


FIGURE 11. MCM STAFF TIME ALLOCATION BY FUNCTIONS, FY2019

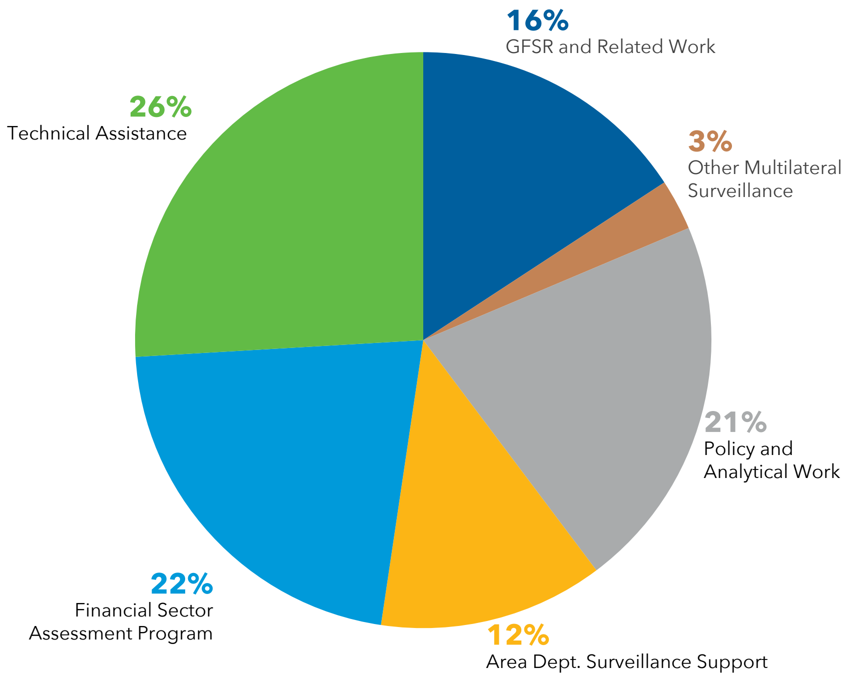


FIGURE 12. MCM TA FIELD DELIVERY BY MODALITY, FY2019 (IN PERCENT OF FTES)

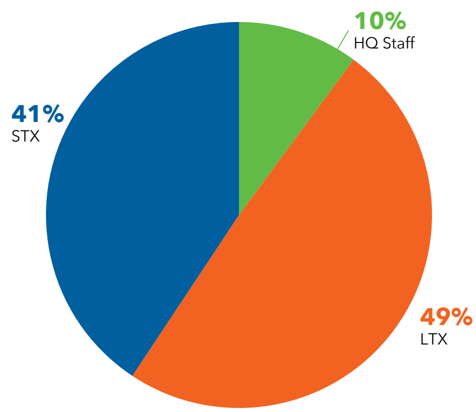


FIGURE 13. MCM TRAINING FIELD DELIVERY, FY2011–19 (IN FTES)

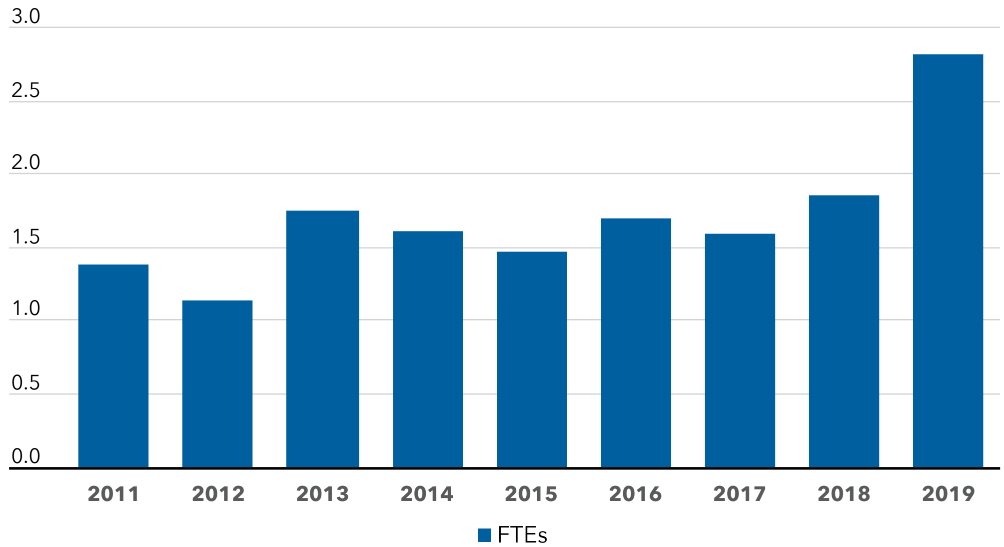


FIGURE 14. MCM TRAINING BY FUNDING SOURCE, FY2016–19 (IN FTES)

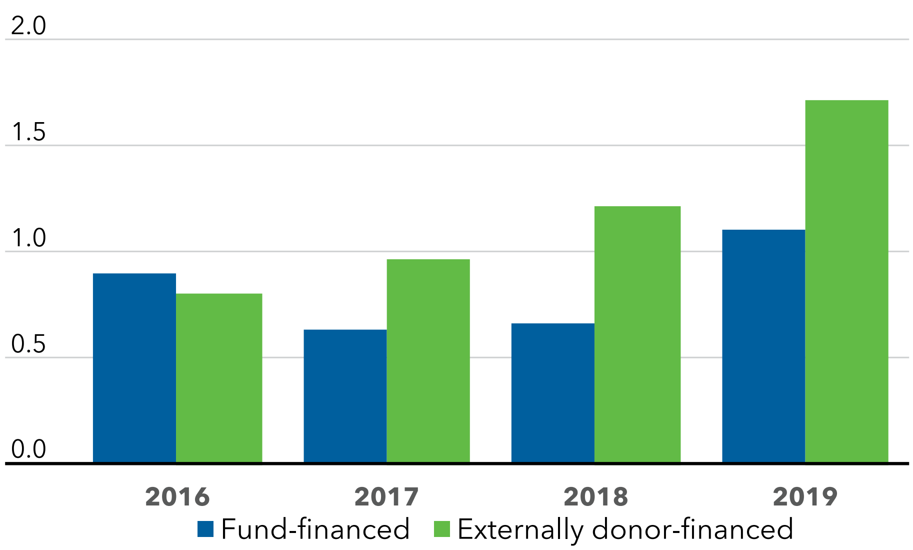
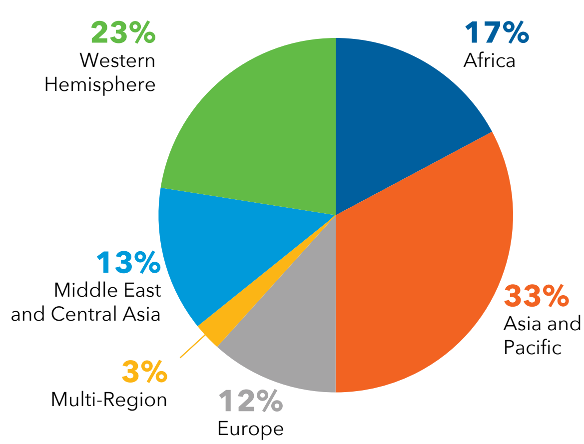


FIGURE 15. MCM TRAINING BY REGION, FY2019 (IN PERCENT OF FTES)



MCM'S RESIDENT LONG-TERM EXPERTS

BOX 20. MCM FIELD EXPERTS FOR CAPACITY DEVELOPMENT DELIVERY

MCM deploys a diverse team of resident technical advisors (also known as long-term experts, "LTXs") to provide targeted, in-field capacity-building support to country authorities in all regions of the world, empowered by their diverse background and expertise in financial sectors issues. At end-April 2019, MCM had 36 LTXs stationed in the field: 20 in RTACs, and 16 bilateral LTXs across all regions (Appendix II). Annually, the IMF brings together these critical team members to HQ for a workshop that focuses on cross-fertilization, innovative approaches, and sharing of practical experiences from the countries they serve. The workshop fosters lively discussions about lessons learned in the field to improve the management and coordination of LTXs' pivotal work.

MCM LTXs and staff at the Annual LTX Workshop in Washington, D.C. (February 2019).

The fifth annual MCM LTX Workshop, held in February 2019, showcased the heightened involvement of our LTXs in the delivery of expertise, engaging with the Area Departments and participating in seminars based on member countries' recent demand. Sessions highlighted LTX's "Views from the Field," a seminar on lessons learned about gaining traction with authorities; an iLab session on Stakeholder Engagement, in which LTXs paired up with HQ country managers and backstoppers to brainstorm on priorities for the future; an RBM panel featuring successes and challenges with knowledge-sharing; and a Fund-wide TA Forum on "Innovations in Capacity Development." The workshop also offered LTXs opportunities for informal meetings and follow-up discussions with HQ staff during social events.

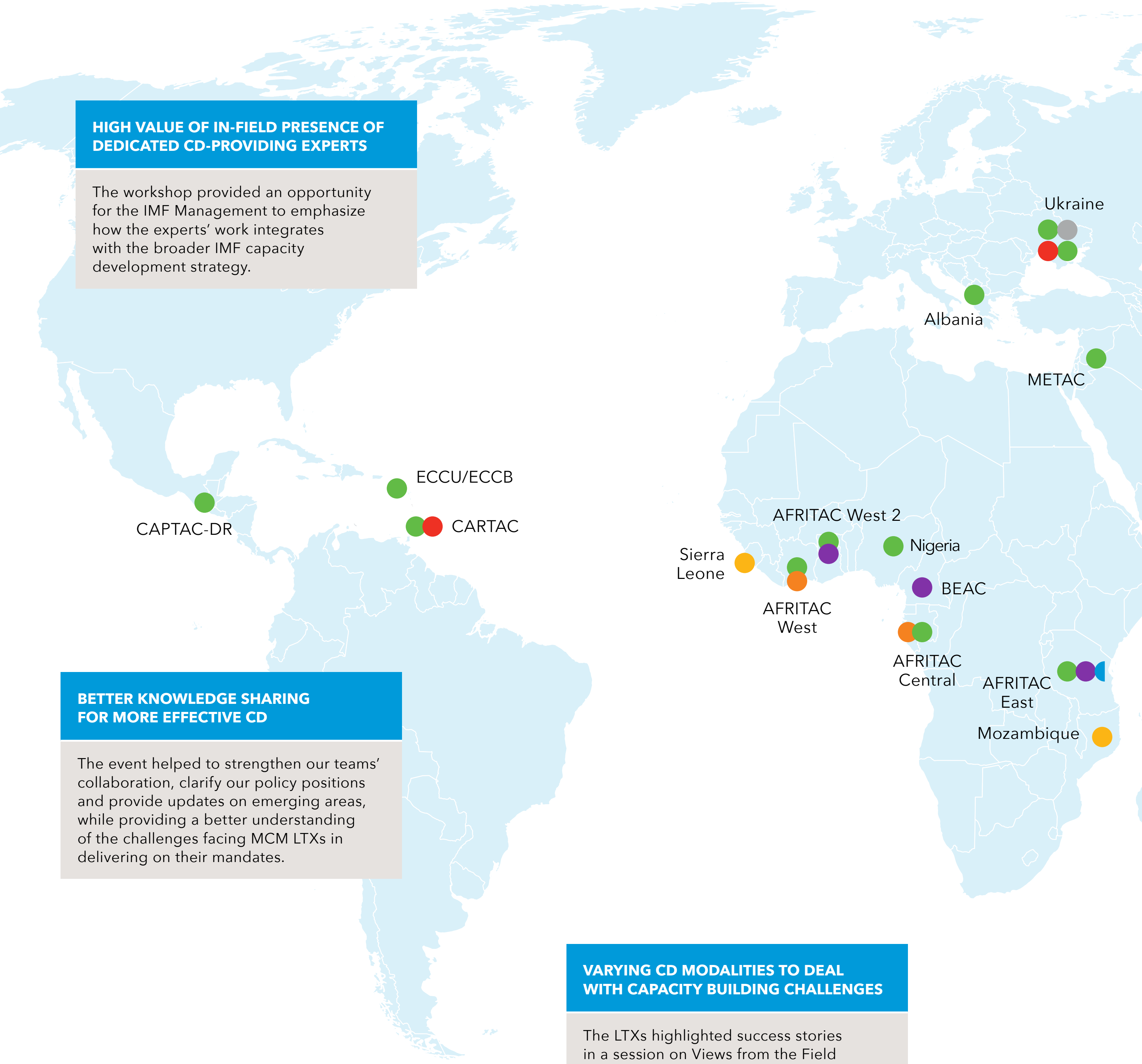
Aiming High and Delivering!

IMF Flag flies atop Mount Everest, thanks to MCM LTX Kat Woolford.

Kat has delivered TA to banking supervisors all around the world, with IMF postings that have included Afghanistan, Myanmar, and now Nepal. Working every day with bank supervisors at the central bank of Nepal, she has helped officials in the Fund's member countries deepen and intensify their oversight of banks—joining them on bank examinations, training staff on all aspects of bank supervision, and helping them build essential regulatory skills.

KEY TAKEAWAYS FROM THE ANNUAL MCM LONG-TERM EXPERT WORKSHOP, FEBRUARY 2019

The week-long 5th Annual MCM Long-Term Expert Workshop held in February 2019 concluded successfully with the following takeaways:



HIGH VALUE OF IN-FIELD PRESENCE OF DEDICATED CD-PROVIDING EXPERTS

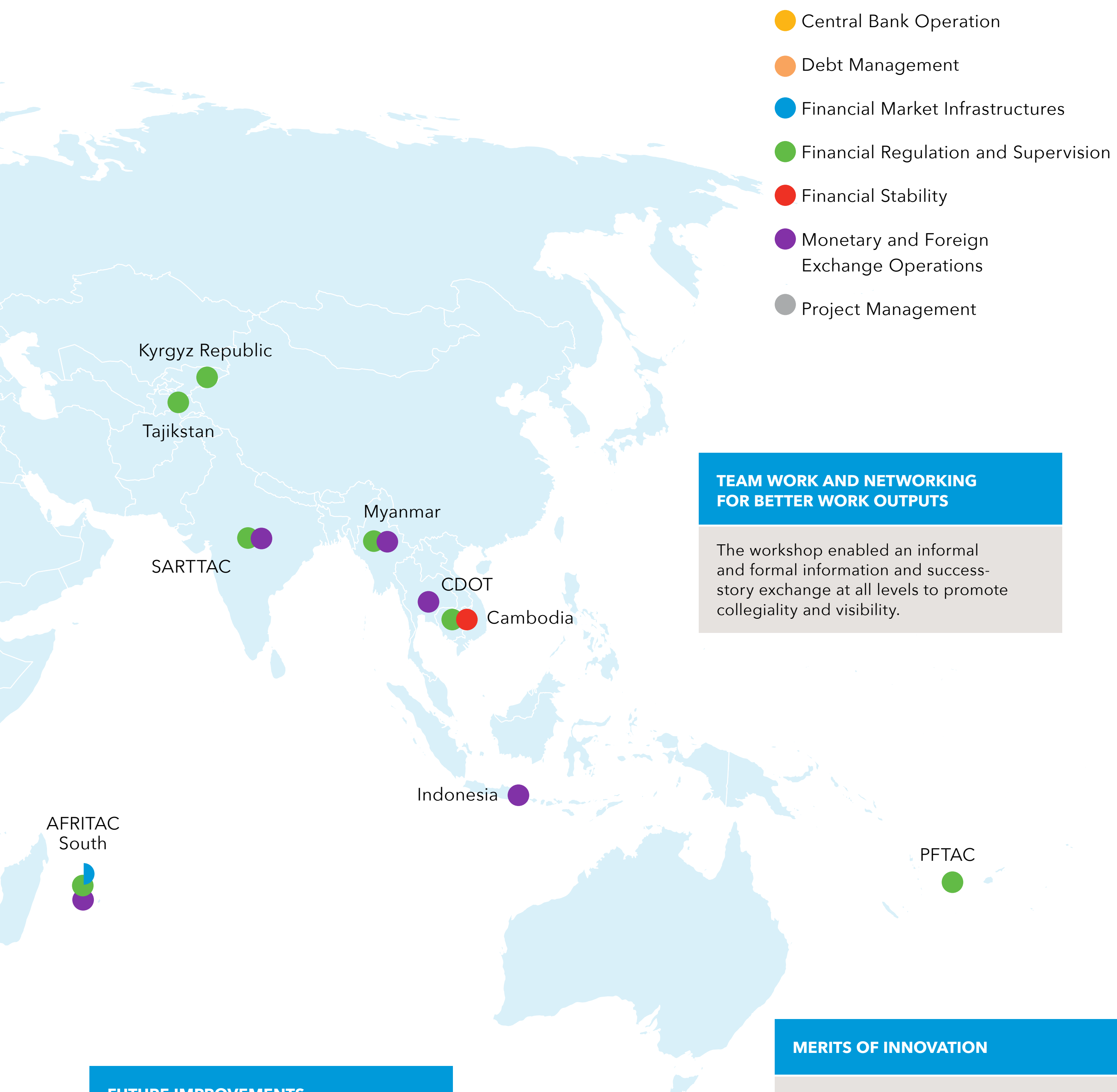
The workshop provided an opportunity for the IMF Management to emphasize how the experts' work integrates with the broader IMF capacity development strategy.

BETTER KNOWLEDGE SHARING FOR MORE EFFECTIVE CD

The event helped to strengthen our teams' collaboration, clarify our policy positions and provide updates on emerging areas, while providing a better understanding of the challenges facing MCM LTXs in delivering on their mandates.

VARYING CD MODALITIES TO DEAL WITH CAPACITY BUILDING CHALLENGES

The LTXs highlighted success stories in a session on Views from the Field where experts discussed in detail challenges faced and ways they sought to overcome through varying capacity development modalities.



TEAM WORK AND NETWORKING FOR BETTER WORK OUTPUTS

The workshop enabled an informal and formal information and success-story exchange at all levels to promote collegiality and visibility.

MERITS OF INNOVATION

Participants showed a keen interest in innovation through an IMF-wide Forum event featuring innovations in capacity development, led by a panel featuring some of our experts. Key conclusions drawn included: identifying an in-country liaison who is technically adept and communicates effectively with senior management is crucial; tight budgets are an opportunity for collaboration with other capacity development providers; and training can dramatically improve handover in the case of high turnover rates.

FUTURE IMPROVEMENTS TO STRENGTHEN CD

Participants featured a forward-looking brainstorming session on what improvements would enhance capacity development delivery. Teams prioritized areas for development with (i) enhanced knowledge management, (ii) cultivating country strategies (across sectors), and (iii) encouraging peer-to-peer learning being at the forefront.

SECTION III

MCM FINANCIAL SECTOR STABILITY REVIEW AT FULL SPEED

SECTION III

A

FINANCIAL SECTOR STABILITY REVIEW: Gaining Rapid Momentum Among Fragile States

Following a solid start two years ago, demand for the FSSRs has picked up significantly in LLMICs, including in countries facing fragile situations. The FSSR is financed through a Financial Sector Stability Fund (FSSF) supported by contributions from China, the European Investment Bank, Germany, Italy, Luxembourg, Saudi Arabia, Sweden, Switzerland, and the United Kingdom.

Financial Sector Stability Review

BOX 21. CORE ELEMENTS OF THE FSSR

Elements of the FSSR: As an integrated product, the FSSR delivers a **Diagnostic Review** of key components of the financial sector, an Assessment of Financial Sector Statistics (i.e., financial soundness indicators and balance sheet matrices), a **TA roadmap**, and **Follow-up TA** to strengthen and reinforce financial stability frameworks.

Diagnostic Review: The diagnostic review, assessing key weaknesses in financial systems and institutional capacities, is designed to help countries detect financial sector needs and gaps. In addition to identifying financial stability vulnerabilities, FSSR diagnostics look at a country's safety nets, which are essential for minimizing the risks that may come with financial inclusion and deepening.

Assessment of Financial Statistics: The Financial Sector Statistics assessment provides policymakers with key financial sector statistics for evaluating financial sector stability risks and vulnerabilities. The focus is on the development of Financial Soundness Indicators (FSIs) to help LLMICs strengthen macroprudential and stress testing analysis as well as on the development of balance sheet matrices to assess cross-sector and cross-border linkages.

TA Roadmap: The TA roadmap links a country's baseline diagnostic and identifies gaps to key strategic reforms and to a sequenced and prioritized set of TA activities. It carefully lays out the prioritized sequence of TA activities that supports the implementation of the financial sector reforms.

Follow-Up TA: MCM works with the country authorities as well as staff in the IMF's area departments, ICD, Statistics Department (STA), MCM's functional divisions, and the World Bank (where possible) to implement the roadmap and to monitor the progress of reforms against planned outcomes using the RBM Framework.

SECTION III

B DIAGNOSTIC REVIEWS AND TA ROADMAPS

In FY2019, solid gains were made with the completion of FSSR diagnostic reviews, financial sector statistics assessments and TA roadmaps in Kosovo, West Bank and Gaza and Zimbabwe (*fragile states*) as well as in Cambodia, Nicaragua and Sri Lanka. These FSSRs covered and made recommendations in a wide range of topical areas including: (i) financial sector supervision and regulation; (ii) systemic risk analysis and macroprudential policy; (iii) the framework for contingency analysis, crisis management and resolution; (iv) payments system oversight including interoperability with mobile/ electronic money; (v) impact of financial inclusion on financial stability; and (vi) organizational arrangements for improving stress testing frameworks.

By the end of FY2020, another six FSSRs are expected to be completed (Bangladesh, Djibouti, The Gambia, Guinea, Rwanda, and Sierra Leone) which will bring the total number of completed FSSR diagnostics and TA Roadmaps, since inception of the program, to 17.

BOX 22. FSSR IN SRI LANKA: ADDRESSING GAPS IN MANAGING SYSTEMIC FINANCIAL STABILITY

In late 2017, the Central Bank of Sri Lanka (CBSL) requested MCM to conduct an FSSR. The request reflected the intention of the authorities to review the status of recommendations provided by the 2012 FSAP and several follow up TA missions, with a special focus on possible gaps and weaknesses in the framework for monitoring and analysis of systemic financial stability issues.

The FSSR mission took place in January 2019. The FSSR report highlighted key areas that required improvements, and a TA roadmap was proposed to support financial sector reforms and included (i) strengthening macroprudential policy framework; (ii) enhancing capacity to run stress tests; (iii) addressing issues in regulation and supervision of deposit-taking financial institutions; (iv) firming up contingency framework and (v) improving payment system.

In developing the TA roadmap, the team took into consideration that several partners are actively providing TA on financial sector issues in Sri Lanka. These include World Bank, Asian Development Bank, and the United States Treasury. Based on the results of the FSSR work, a TA project on strengthening the financial sector policy framework was developed. As agreed with the CBSL, the three-year project will start in September 2019 and will include a dedicated resident advisor on macroprudential and stress testing issues, whose work will be supported by periodic short-term expert visits.

BOX 23. MISSION TEAM PHOTOS FROM FSSRs COMPLETED IN FY2019

Cambodia

Kosovo

Nicaragua

Sri Lanka

West Bank and Gaza

Zimbabwe

SECTION III

C

FSSR FOLLOW-UP TA IMPLEMENTATION PLANS

The TA roadmap is translated into a practical project plan, and MCM works with the authorities and other key stakeholders to implement this plan and to monitor the progress of reforms against planned outcomes, utilizing the RBM framework. FSSR follow up activity is already underway in Costa Rica, Paraguay, and Fiji. In addition, follow-up TA project plans are being rolled out in Uganda, West Bank and Gaza, and Zimbabwe.

- **Uganda**: The follow-up TA targets four topical areas–financial supervision and regulation, systemic risk monitoring and stress testing, contingency planning and crisis management, and financial stability oversight and macroprudential frameworks. Stress-testing TA was delivered in April 2019 and a resident advisor on financial sector supervision and regulation has been deployed to assist the Bank of Uganda in strengthening financial sector supervision.
- **West Bank and Gaza:** Follow-up TA to West Bank and Gaza will focus on financial sector supervision and regulation (with a focus on strengthening on-site examinations and consolidated supervision); improving organizational capability for systemic risk monitoring and stress testing; financial crisis management planning (including the development and adoption of a crisis management plan); and Financial Stability and Macroprudential Policy Oversight.
- **Zimbabwe:** Follow-up TA to Zimbabwe, aims to support key financial sector reforms under the Staff-Monitored Program to sustain re-integration into the global financial system. The TA program will tackle legal reform (revision of the Banking Act); bank supervision (strengthening risk-based supervision and implementing Basel II/III); strengthening contingency planning and the framework for crisis management and consolidating the payment systems infrastructure (including retail payments).

BOX 24. PARAGUAY: IMPLEMENTING THE FSSR FOLLOW-UP TA PLAN

Since the completion, in FY2018, of the FSSR, which conducted a comprehensive diagnostic of the financial stability framework, the authorities in Paraguay have embraced the TA Roadmap and are making steady progress with implementation of priority recommendations based on the agreed timetable. In keeping with the FSSR TA Roadmap, the Superintendency of Banks has consolidated its approach to risk-based supervision by documenting its ‘umbrella’ Supervisory Policy and Process (SPP), substantially revising its supervisory risk matrix and finalizing several internal guides to assist in risk assessments. In stress-testing, the central bank has been revamping its framework for the banking sector and strengthening internal coordination. A stress testing framework was also introduced, for the first time, for financial cooperatives (credit unions) at the Instituto Nacional de Cooperativismo. Recently, Paraguay has achieved a key landmark in the governance of its financial stability framework with the establishment, by decree issued in July 2019 (Decreto 2114) of its national financial stability committee. This committee comprises, inter alia, the central bank, the ministry of finance and several key regulators including the financial cooperatives regulator (INCOOP).

SECTION III

D EMERGING TRENDS AND EARLY LESSONS LEARNED

Successful TA in Fragile States requires strong coordination, buy-in from authorities and flexible delivery modes. Administering FSSRs in fragile circumstances, not unexpectedly, is often a complex undertaking that is fraught with many challenges due to rapidly changing situations and heightened uncertainty. Successful TA delivery and outcomes in these circumstances require strong commitment from the authorities to implement reform proposals; effective management and coordination of the activities of contributing stakeholders; managing the pace of implementation with a strong focus on absorptive capacity; and a high degree of flexibility to address rapidly changing circumstances. In the case of Zimbabwe, for instance, MCM and the World Bank are working closely with the authorities and the IMF's area department to ensure that follow-up TA activities from the FSSR help strengthen staff capacity to implement and sustain critical financial sector reforms.

There is a need to review how regulatory oversight frameworks are adapting to emerging applications of fintech while preserving financial stability and integrity. Whereas fintech offers the promise of greater financial inclusion and better tailored financial services coupled with lower transactions costs, it nevertheless presents several risks (including related to consumer protection, risk management capacity in new entrants, data privacy and security, and operational risk (e.g., cyber)) that can ultimately erode financial stability. Accordingly, FSSRs need to review how emerging oversight frameworks, including for fintech, are meeting the overall objectives of maintaining stability and security of the financial system along its safety nets in line with international guidance (e.g., the 2016 G20 High-Level Principles for Digital Financial Inclusion).

Climate change and financial stability is an emerging issue that warrants greater attention especially in small states. During FSSR diagnostic missions, some authorities have identified climate-related risks as an important source of financial risk. Extreme weather events (hurricanes, floods, wind damage, fires, and drought) can wreak havoc on assets that serve as collateral, ultimately increasing non-performing loans and reducing critical growth-induced lending. A critical question that has surfaced is how best to operationalize climate-related risks in financial and macroprudential policy frameworks. Some key ideas advanced by authorities include: (a) expanding the supervisory risk matrix to include climate-related risks; (b) incorporating climate-related risks into macrofinancial stress tests; and (iii) expanding the analytical toolkit to include an assessment of financial sector exposures to extreme weather events. MCM has recently established a working group to conduct further research on this issue (see Section IV, E).

SECTION IV

MCM TA FRONTIER AND STRATEGIC ISSUES

SECTION IV

A

FINANCIAL TECHNOLOGIES—A NEW FRONTIER FOR CAPACITY DEVELOPMENT

In the past year, MCM has been working with country authorities to help them raise awareness, understand, and address challenges they face in the areas of fintech. Financial technologies are exploding around the world—from payment apps on smart phones to mobile money on flip phones to peer-to-peer lending and digital currencies—and all of IMF member countries are grappling with how to respond in a way that balances the benefits of innovation with effective risk management.

The Bali Fintech Agenda (BFA), adopted by the IMF and World Bank Boards in the fall of 2018, set the stage for the Fund's dialogue with member countries and put MCM into developing an approach to the many issues at stake. MCM held a series of five conferences on the BFA, including this year in Austria, Morocco, Thailand, Costa Rica, and Botswana. The conferences brought together officials from central banks, governments, technology, and financial services providers in the region to discuss the risks and rewards of emerging technologies.

Launch of the Bali Fintech Agenda at the IMF/WB Annual Meetings.

The conference participants focused on the need to strike a balance between regulatory and legal frameworks to provide certainty, flexibility and adaptability to fast-changing technologies and to the evolving financial system. The IMF (former) Managing Director, Christine Lagarde, noted that the Bali fintech principles are based on two priorities: boosting financial inclusion and preserving financial stability. She emphasized the importance of effective regulation and urged international regulatory cooperation, guided by the Bali principles: "What we have is disruption that is caused by a lot of innovators, and it doesn't belong to advanced economies or a category of people," she said. Central bank digital currency (CBDC)—one of the hottest topics for small countries in particular—was discussed at each of the conferences with live pilot projects presented. The conferences debated approaches to opening up the payment system to new providers, adjustments to the existing regulatory and legal framework, impact on incumbent banks, and the role of fintech in financial inclusion.

MCM delivered its first training course on fintech at the CICDC in China (Box 3). MCM and the Legal Department of the IMF also worked with AFRITAC East and AFRITAC South RTACs to organize an inter-regional seminar entitled "Emerging Financial Technologies: Balancing Innovation and Regulation" in Pretoria in March 2019. Guided by the Bali Fintech Agenda, the seminar discussed the regulatory, risk and efficiency implications of fintech developments for the financial sector and examined policy responses of central banks, regulators and supervisors to balance efficiency and stability aims in the face of these rapid changes. Forty-eight mid-to senior-level officials involved in payments system oversight and financial sector regulation and supervision from 16 countries participated in the seminar. Participants deemed the opportunity to discuss with experts and learn from peers of practical strategies to address the challenges and risks posed by fintech developments to be invaluable.

SECTION IV

B PRELIMINARY LESSONS FROM TA ON CYBERSECURITY

MCM has considerably stepped up its assistance to member countries in FY2019 in addressing cybersecurity risk, which poses unique threats to financial stability. The approach to delivery of this CD is threefold and consists of annual workshops, periodic regionally focused RTAC workshops, and bilateral TA missions.

A cybersecurity modeling exercise published by IMF staff in 2018 estimates that annual losses to financial institutions from cyber-attacks could reach several hundred billion dollars a year in an extreme scenario, eroding bank profits and potentially threatening financial stability. MCM is playing a key role in raising awareness and understanding of these threats, focusing on strengthening capacity in lower income jurisdictions where resources and expertise are strained. In addition to the annual workshop for LLMIC supervisors at IMF HQ, five regional workshops were undertaken during the year in conjunction with RTACs in Trinidad and Tobago, Panama, India, Jordan, and Tanzania. The workshops were attended by supervisors from more than 40 countries, who focused on relevant international technical and regulatory standards and good practice, case studies, and tools. Lastly, bilateral missions to countries (e.g., Namibia and Zambia) focused on upskilling officials working in bank supervision, payment systems, and financial intelligence on information technology, cyber security risk, and resilience as well as on techniques in risk-based supervision.

This year MCM is focusing on developing TA based on these established modalities, and at the same time expanding our knowledge base and expertise in cyber risk supervision through, for example, cyber exercise workshops. These can be anything from sophisticated on-line simulations to basic table top exercises where private and public sector officials' role play and walk through an unfolding cyber-attack scenario. Recently, MCM worked with Citibank, the UK Foreign Office, and the World Bank, on a cyber exercise in six African countries. The day-long exercise revealed gaps and issues for public and private sector entities alike and lead to rich discussion between jurisdictions. Lessons learned from the exercise will be discussed with participant central banks and help inform action plans for further capacity development. Partnerships such as with the Carnegie Endowment for International Peace, which has produced a set of accessible guidance pieces (Cyber Resilience Tool Box) for small institutions with input from our staff, are key to tackling this fast growing issue. Capacity development efforts will continue to explore practical solutions to improving cyber-resilience. For example, PFTAC, MCM and the Fund's Singapore Training Institute are working together with Pacific Island countries to develop a model regulatory framework that can be adopted in small states in the Pacific and beyond.

IMF Spring Meetings 2019: Presentation on “Building Cyber-Resilience in the Financial Sector”.

Trinidad and Tobago: CARTAC-IMF Workshop on Cybersecurity Threats.

SECTION IV

C

FINANCIAL INCLUSION

MCM has progressed in its effort to **operationalize the stability aspects of financial inclusion** into its capacity building work in FY2019. First, **research and analytical work** continued to underpin MCM TA recommendations. Analytical work focused on two main directions: financial inclusion aspects of gender inequality (SDN paper Women in Finance: A Case for Closing Gaps) and selected fintech aspects of financial inclusion (work is ongoing on mobile payments and financial inclusion in Africa).

Second, MCM has started operationalizing **financial inclusion in its FSSR program** which actively supports the healthy expansion of financial inclusion going hand-in-hand with financial stability. Recent FSSR diagnostics concentrated on financial inclusion-related risks to financial stability in low and lower middle-income countries. In this vein, there are several potential areas to be covered in FSSRs, including analyzing the nature of credit growth, assessing the strength of regulatory and supervisory environment for NBFIs, reviewing emerging applications of fintech to aid in inclusion, and examining payments dimensions of financial inclusion.

Third, MCM **continued working with relevant partners** (peer institutions, donors, authorities) to enhance the oversight and ensure the safety and sustainability of new financial products (fintech) that promote inclusion.

At a policy forum held during the Annual Meetings, MCM continued its longtime partnership with the Toronto Centre for Excellence in Financial Supervision by conducting a panel on "Improving Digital and Financial Inclusion for Gender Equality." The panel noted that promoting financial inclusion is a key step in helping bring the one billion unbanked women worldwide into the financial system, thus helping achieve stronger economic growth; reduce poverty, and promote gender equality. The panel explored the evidence that closing the gender gap in digital and financial inclusion unlocks significant economic growth potential and improves household well-being. Closing the gender gap in access to financial services can help overcome women's marginalization to the informal sector and their dependence on informal mechanisms for loans and savings. The panel also explored the role that regulators and supervisors can play in promoting inclusive access to financial services. A video of the event is available here.

Toronto Centre panel: Improving Digital and Financial Inclusion for Gender Equality.

"There is also the need to boost female leadership in the corporate world. Adding one more woman in senior management or to a corporate board raises the return on assets by eight to 13 basis points (hundredths of a percentage point), according to one study. The IMF has just released research—"Women in Finance: A Case for Closing Gaps", by Ratna Sahay and Martin Cihak—showing that in the financial sector, a higher share of women on bank boards is associated with greater financial resilience. At the same time, more women on banking supervision boards is associated with greater financial stability."

Christine Lagarde, Open Future, The Economist, September 19, 2018

SECTION IV

D ISLAMIC FINANCE: OVERVIEW OF MCM CD ACTIVITIES

The IMF has been monitoring the implications of the growth of Islamic banking on macroeconomic and financial stability, played a key role in the establishment of the Islamic Financial Services Board (IFSB), and regularly engages its member countries on the implications of Islamic banking in the context of policy advice and capacity development efforts. Most recently, the Executive Board endorsed the use of the Islamic Financial Services Board's Core Principles for Islamic Finance Regulation (CPIFR). The CPIFR provide a set of core principles for the regulation and supervision of Islamic banking industry and are designed to take into consideration the specificities of Islamic banks. MCM's work in Islamic finance is fast expanding as more member countries are interested in improving their surveillance of Islamic banking industry.

MCM continued facilitating the development of monetary, liquidity and regulatory frameworks and providing capacity development efforts in selected member countries. MCM has been providing assistance to: (i) facilitate the incorporation of Islamic banks in monetary policy frameworks; (ii) build a detailed and operational roadmap of Islamic finance regulation and supervision; and (iii) deliver training on regulation and supervision. As an example, during the FY2019, a TA mission in Pakistan assisted the authorities in developing a strategy to deepen the government domestic Sukuk (Islamic bond) market and integrating the Sukuk into the authority's liquidity management framework. In Mauritania, a TA mission assisted the authorities to develop regulatory and supervisory framework for Islamic banking sector.

IMF Islamic finance TA mission team in Karachi, Pakistan.

SECTION IV

E

CLIMATE CHANGE AND ITS IMPACT ON FINANCIAL INSTITUTIONS

MCM has started exploring the cutting-edge themes related to climate change and its likely impacts on financial institutions and potential consequences for financial stability more broadly, beyond the FSSR scope. The work agenda in this area is evolving with the main issues discussed so far as follows:

- Policy response to new and increased risks from climate change that includes adapting and enhancing existing regulation, supervision, and disclosure requirements affecting intermediaries, markets, and products;
- The need to promote the financial market and product innovations related to climate change, such as green bonds and market-based financing of green infrastructure initiatives;
- The experiences of countries on managing climate-related risks in financial institutions, such as through stress-testing.

In FY2019, MCM co-organized a workshop with De Nederlandsche Bank, focusing on stress tests to assess financial stability risks for disruptive energy transition scenarios. In his remarks, MCM's Tobias Adrian has pointed out that "closing data gaps is critical" and called for further work on capturing the second-round effects of climate change shocks.

In an event exploring similar topics, MCM partnered with the Toronto Centre for Global Leadership for Financial Supervision to discuss issues related to "Climate Change: Financial Risks and Opportunities."

Brochure for the Toronto Centre Panel on Climate Change (Spring Meetings, 2019.)

SECTION V

MCM TA'S GLOBAL REACH—CASE STUDIES OF SELECTED TA PROJECTS

SECTION V

A

CHILE: Central Bank Services for Nonbank Financial Institutions

Technical assistance was provided to the Banco Central de Chile on the provision of central bank services to nonbank financial institutions (NBFIs), specifically, access to payment systems, standing facilities, and emergency liquidity assistance (ELA). Given that assistance in this area has not been provided before and there is no accepted framework for assessing who central banks should deal with, the mission first had to establish an analytical approach.

The overall analysis rested on two pillars: first, the team explored MCM's Monetary Operations and Instruments Database to identify current global practices (with emphasis on a range of countries relevant to the Chilean case: Australia, the Euro Area, Mexico, Switzerland, United Kingdom, and United States) regarding the access of NBFIs to services in central banks and provide a benchmark to the Chilean authorities.

Second, the mission team developed an assessment framework based on: a) minimum requirements on regulation and supervision and b) an evaluation on how such access impacts monetary policy implementation, financial stability, economic efficiency and market neutrality, and costs and risks for the central bank. The mission team plans to use this TA as a basis for establishing more broad-based policy positions, culminating in a working paper which can serve as a guide for future TA in this area. The Chilean authorities greatly appreciated the work of the mission, in particular its approach to analyzing the counterparty issues in the Chilean context.

MCM mission team at the Banco Central de Chile.

SECTION V

B

HAITI: Achieving Stability in a Post-Disaster Environment

To modernize its banking supervision framework, the Bank of the Republic of Haiti (BRH) requested a dedicated long-term resident advisor in Haiti to help with challenging reforms.

After an MCM assessment mission to identify the priority areas in the BRH supervision department, a catalytic one-year TA project was prepared and approved for funding by FIRST. The project aims to strengthen and modernize the BRH's capacity in off-site banking supervision and help build the path for a transition to risk-based banking supervision (RBS). Technical assistance under the project's work plan was delivered via a series of missions by a peripatetic advisor (PA), with supplementary TA provided by short-term expert visits and a Caribbean Regional Technical Assistance Centre (CARTAC)-sponsored mission.

To ensure agreement on project deliverables and strengthen cooperation, BRH counterparts were involved in TA program planning and establishing target dates for the completion of the various tasks. Once the project started, inter-departmental working groups were created to carry out the work under the guidance of the PA. Subsequent missions followed up on the 'homework' completed by the BRH, initiated new tasks, and provided training for the supervisors on various RBS subjects. Between missions, the BRH and the PA exchanged ideas, drafts and proposals via email to maintain progress made during field visits.

Port-au-Prince, Haiti.

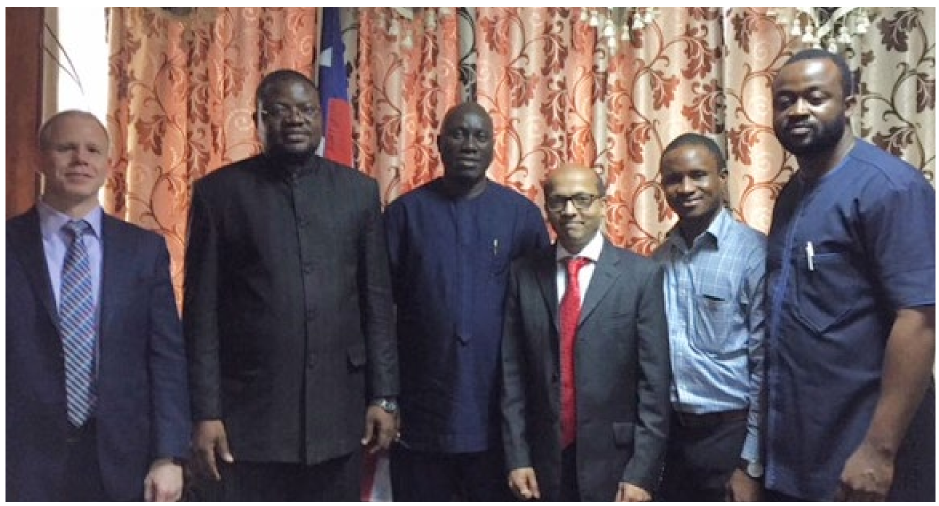
The BRH has had an overwhelmingly positive response to this project and the efforts of the PA. Indeed, an end-of-project assessment witnessed a high level of commitment to the TA program—from the Governor to the line supervisors. Given the BRH's level of commitment to and the absorption of the TA thus far, MCM considers this project to be relevant, effective and having a positive impact. A follow-up IMF TA project, also financed by FIRST, to continue the modernization of the supervisory regime will be implemented in the coming months.

SECTION V

C

LIBERIA: Strengthening Debt Management Capacity

With rising debt levels in recent years, Liberia remains at moderate risk of debt distress. Faced with challenges in resource mobilization and the limited capacity of the domestic debt market, the authorities primarily rely on external loans for financing. Debt stability challenges makes it imperative for the government to control public debt accumulation while avoiding reliance on high cost external borrowing, undertaking future debt obligations within a transparent framework, and eliminating borrowing from the central bank.



Debt management mission members and the authorities.

Against this backdrop, the IMF is providing a programmatic TA for Liberia aimed at strengthening debt management capacity. In 2017, the IMF and World Bank assisted the country to formulate a Medium-term Debt Management Strategy (MTDS). Building upon this assistance, in 2018 the IMF assisted the authorities on strengthening their institutional arrangements for debt management and on debt monitoring and reporting. Implementation of the MTDS has been a major challenge for the authorities given the fragmented nature of debt management functions and the absence of a good quality debt database.

The authorities responded positively to the mission's recommendations. Significant progress has been made to develop a debt management procedures manual that is currently underway, obtaining information on debt related transactions for maintaining an updated debt database and providing training to staff on the use of debt management system. The authorities remain committed to maintain debt on a sustainable level. For this purpose, all financing policies will be anchored in the new debt management strategy to be developed with further TA support from the IMF and World Bank.

SECTION V

D

MALAWI: Programmatic Approach to Strengthening Debt Management Framework

At the request of the Malawian authorities, the IMF and World Bank, with the Macroeconomic and Financial Management Institute of Eastern and Southern Africa's (MEFMI) participation, delivered TA in the areas of debt management, debt market development and Debt Management Performance Assessment in FY2018. The TA was delivered within a programmatic framework that sought to address macro-critical issues in these areas with the aim of strengthening debt management and enhancing the macroeconomic policy setting. The authorities appreciated the missions and cooperated throughout.

Malawi is mostly dependent on external concessional financing, but recent dynamics of Malawi's domestic debt is a source of concern. Its external debt is at moderate risk of debt distress, however vulnerabilities affecting domestic debt and external conditions may interact with risks of weather or export-related shocks, some of which have recently materialized. The country's dependence on a short and predominantly rain-fed agricultural season to meet food security needs and the increased frequency of climate-induced weather shocks are significant points of vulnerability. Other risks come from financing shocks in the form of delayed donor support, given Malawi's high aid dependency and limited revenue capacity.

Accordingly, the two high level objectives of the TA intervention were to: (i) support the implementation of an MTDS that factors in the trade-offs among the cost and risks associated with the country's debt portfolio; and ii) establish a functional government securities market infrastructure that fosters the market-determined pricing of government securities. Based on past TA, the issues identified as requiring TA intervention included: (i) the development and maintenance of the local staff's capacity to develop an MTDS on their own; (ii) analysis and monitoring of risks associated with the debt portfolio; (iii) management of cash balances; (iv) improved coordination among debt management, liquidity, cash management and the associated instruments; (v) building financial market infrastructure to support the development of the government securities market; and (vi) streamlining of debt management operations.

A programmatic framework was used to address macro critical issues in debt management and local currency bond market development. TA delivery built on past TA from both the IMF and the World Bank on these issues. The first mission with this endeavor was a joint IMF, World Bank and MEFMI mission, which delivered an in-country training on MDTS. This mission was followed by further missions by the IMF and World Bank.

After the in-country training, staff of the Debt and Aid Division (DAD) of the Ministry of Finance and Economic Planning and Development and the Reserve Bank of Malawi demonstrated competence in presenting alternative debt strategies and assessing the attendant risk metrics. Senior officials welcomed the outcome of the training, feeling assured that their staff can now prepare MTDS documents independently. DAD has since prepared an MTDS. Malawian officials have mastered the analytical tool and are able to discuss debt portfolios that arise from a range of possible financing strategies, considering factors such as the macroeconomic and financial market environment, the availability of financing from different creditors and markets, and vulnerabilities that may have an impact on future borrowing requirements and debt service costs.

The mission on Local Currency Bond Markets noted that the Malawian authorities are unsure about how to lengthen the maturity of domestic debt while ensuring that the central bank has adequate monetary instruments. The Reserve Bank of Malawi has historically been the largest holder of government debt, which is concentrated in short maturities; this historical legacy and the attendant refinancing and rollover risks may present difficulties. Based on the MTDS analysis of risks, the government plans to switch to longer maturity instruments in the composition of its domestic debt. However, implementing this plan would lead to a (temporary) conflict with correcting the maturity profile of the large Reserve Bank of Malawi holdings of government securities as they are wound down in line with the needs for liquidity management.

TA missions presented recommendations for the authorities' consideration related to: (i) staff resources; (ii) the legal underpinning of the MTDS; (iii) the development of a multi-year strategy to pace the unwinding of the Reserve Bank of Malawi balance sheet while minimizing the potential adverse effects on public debt management and monetary policy; (iv) formulation of an issuance calendar, an issuance plan and an annual borrowing plan; (v) allowing a temporary and limited process of switching maturities of government securities as a transitional measure; and (vi) support for shifting towards longer term domestic borrowing using a benchmark government securities policy, a smooth yield curve, an issuance calendar that is adhered to.

The Malawian authorities expressed need for follow-up assistance to implement some TA recommendations. As such another TA is envisaged within the programmatic framework.

SECTION V

E

MALI: Enhancing Functionality and Practices of Public Debt Management

The IMF is providing a programmatic TA for Mali aimed at strengthening the capacity of the authorities to manage public debt and enhancing the functionalities and practices of the debt recording system developed in-house by the Ministry of Finance. TA program delivery began in February 2018 with a review of the debt recording system; a training on the forward-looking risk analysis and on MTDS. The TA program is being delivered, in collaboration with AFRITAC West, the IMF's regional technical assistance center for francophone West African countries.

The debt management TA in Mali is focused on (i) enhancing the functionalities and the practices of the debt recording system; (ii) supporting the authorities in the development and the implementation of their MTDS, as well as in the integration of cash and debt management, and; (iii) supporting the authorities in establishing an efficient institutional structure for managing the public debt.

Since the project was launched, some progress has been made in enhancing the debt recording system, which is now more stable and user friendly. The TA plans to build on these enhancements in the coming months by supporting authorities with broadening functionalities and improving the reporting capabilities of the system.

The authorities have improved their knowledge on how to use the MTDS analytical toolkit to develop financing strategies to address the significant refinancing risk while considering tightening conditions in the regional securities market. Future assistance will deepen their capacity to operationalize their preferred financing strategy on an annual basis through the preparation and implementation of a credible borrowing plan.

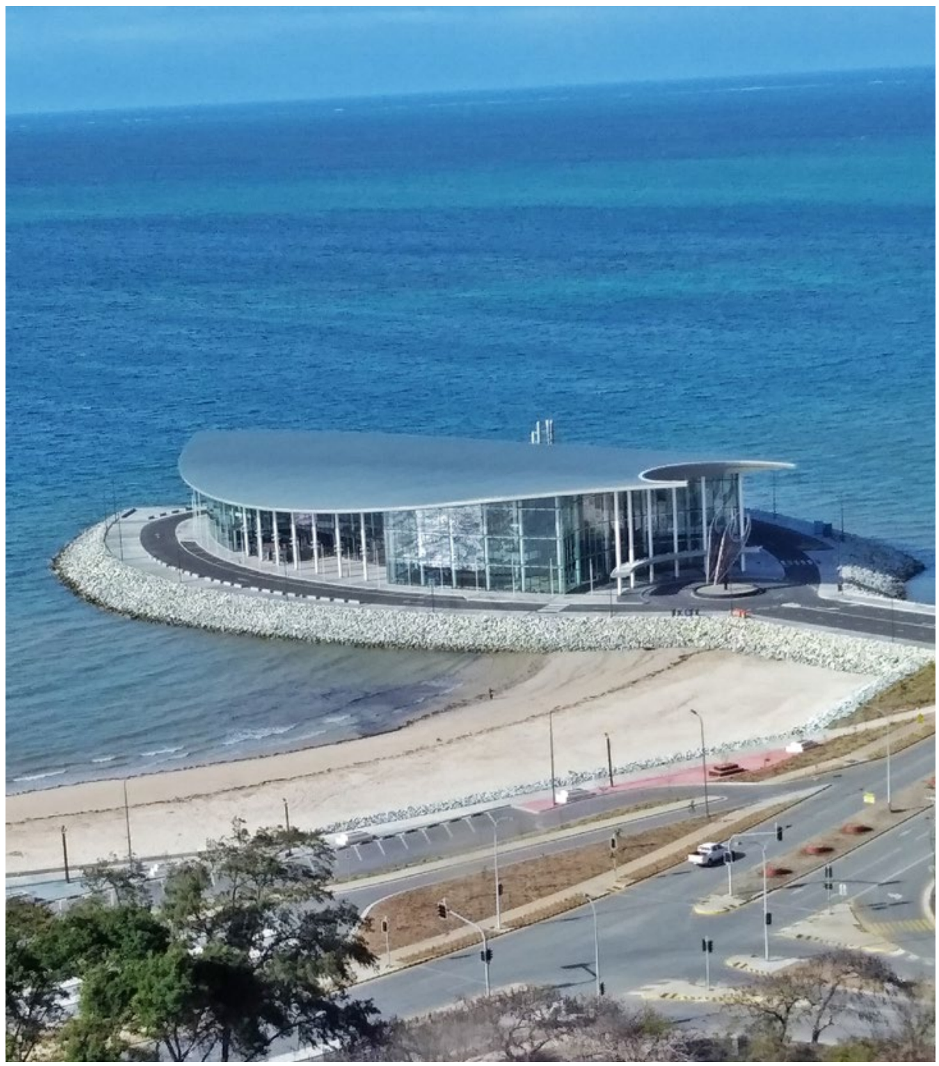
SECTION V

F

PAPUA NEW GUINEA: Strengthening the Effectiveness of Central Bank Operations

In response to a request from the Bank of Papua New Guinea (BPNG), a technical assistance mission visited Port Moresby, Papua New Guinea in August 2018 to assist the authorities with liquidity forecasting and management of foreign exchange operations. The mission reviewed the BPNG's operational framework and the institutional arrangements for the conduct of monetary policy. It analyzed foreign exchange market conditions and proposed measures necessary to increase exchange rate flexibility.

The mission provided recommendations to assist the authorities on the operational actions needed to enhance the foreign exchange market and strengthen the effectiveness of the monetary operational framework. The mission highlighted the importance of ensuring more clarity of policy and operational objectives. Finally, the mission assessed areas where the authorities may require further assistance in support of the move to a more flexible exchange rate and market development.



The Asia-Pacific Economic Cooperation (APEC) building ("APEC Haus") in Port Moresby.

SECTION V

G

SIERRA LEONE: Decoding TA into Tangible Actions

With the help of the IMF and other development partners, Sierra Leone is making progress in recovering the economy and strengthening its institutions hurt by the twin shocks of the downturn in international iron ore prices and the Ebola outbreak (2014–15). Supported by FIRST, the MCM resident advisors continued to assist the Bank of Sierra Leone (BSL) in enhancing its organization and governance, promoting financial stability objective and function, strengthening banking supervision, and upgrading the monetary and financial stability analysis. To complement the work of resident advisors, AFRITAC West II continues providing BSL with trainings and short-term TA missions on banking supervision and monetary policy and payments system.

Fundamental milestones achieved

In May 2019, the Parliament of Sierra Leone has approved amendments to the BSL and Banking Acts, giving the BSL greater autonomy and accountability, including an explicit mandate on financial stability objective and resolution authority. The risk management function has been operationalized and the drafts of the

Open door management room—resident advisor and heads of banking, research, financial markets, and financial stability departments of the BSL.

Cyber security policy and Anti-fraud policy are to be approved soon.

The BSL is taking significant steps toward enhancing their financial stability function. In less than a year of its establishment, the Financial Stability Department has completed and published the first ever financial stability report (FSR) for Sierra Leone (February 2019), while the second edition of the FSR is underway. Since March 2019, the BSL has commenced implementation of risk-based supervision of commercial banks, including reporting of financial statements in compliance with IFRS.

Notable progress has been made regarding quality and timeliness of materials for monetary policy decision making. In less than a year of its operationalization and after testing different models, the Model building and forecasting team of the Research department has presented its first ever near-term inflation forecasting to the monetary policy committee (December 2018). Since then inflation forecast is a key part of the presentations in the monetary policy committee meetings. Also, the BSL's web-based data warehouse went live in March 2019 and it provides macroeconomic time series database as far back as 2001 for the four sectors (real, external, fiscal, and monetary and financial) of the economy.

An empowering environment for technical assistance

Incorporation of TA objectives by the BSL management into their working plans, authorities' openness, and access to information create an empowering environment for technical assistance. This enables MCM advisors to be close to the problems and to work closely with staff at all levels, leading to tangible outcomes and an improved level of staff confidence. BSL is also a good example of effective coordination between our experts on the ground and short-term TA missions (AFRITAC West 2, HQ), as well as with other TA partners of the BSL such as Bank of England.

SECTION V

H

SOUTH SUDAN: Taking Stock of Financial Sector Reform in a Fragile State

When South Sudan became independent in 2011, it needed institutions (such as a central bank) that were created in large part from those institutions of the former Sudan. This process has been challenging, but in November 2012, MCM embarked on a five-year multi-donor trust fund (see Box 6 for donor partners) program geared at supporting financial and macroeconomic stability through the strengthening of the Bank of South Sudan's capacity and frameworks to perform its core functions. MCM has provided TA to South Sudan since 2011. Thirty-nine missions were delivered through October 2015 on payment systems (8), monetary and foreign exchange (FX) operations and reserve management (18), banking supervision (5), accounting (3), and central bank organization and modernization (5).

At the outset, MCM had three resident advisors in Juba in banking supervision, monetary and foreign exchange operations, and reserves management, but due to security concerns, after 2016, they were evacuated. The modality of MCM TA delivery switched to short-term experts using off-site locations in regional countries. This was a good stop-gap approach, but not as desirable as fielding missions in Juba at the hosting institutions.

Late in 2018, security restrictions were lifted on Fund travel to Juba and further missions from MCM will use that location for TA delivery, allowing a change in the modality of field delivery. TA on banking supervision, monetary and foreign exchange operations, and debt management are planned for FY2020 and beyond. The focus will be heavy on institution building and capacity development. At this point, the authorities expressed their preference for a mix of short-term missions programmatically designed with the placement of LTXs when possible. Mutually-agreed detailed, time-bound, prioritized action plans will guide the TA delivery and MCM will oversee its broad country strategy in cooperation with the authorities.

APPENDICES

APPENDIX I.
IMF Regional Technical Assistance Centers

RTAC	Location	Member Countries
AFRICA		
AFRITAC Central	Libreville, Gabon	Burundi, Cameroon, Chad, Central African Republic, Congo, Democratic Republic of the Congo, Gabon, Equatorial Guinea, Sao Tome and Principe
AFRITAC South	Ebene Cybercity, Mauritius	Angola, Botswana, Comoros, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia, Zimbabwe
AFRITAC West	Abidjan, Côte d'Ivoire	Benin, Burkina Faso, Cote d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Togo
AFRITAC West 2	Accra, Ghana	Cabo Verde, The Gambia, Ghana, Liberia, Nigeria, Sierra Leone
East AFRITAC	Dar es Salaam, Tanzania	Eritrea, Ethiopia, Kenya, Malawi, Rwanda, Tanzania, Uganda
ASIA		
PFTAC (Pacific Financial Technical Assistance Center)	Suva, Fiji	The Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of the Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, Vanuatu
SARTTAC (South Asia Regional Training and Technical Assistance Center)	New Delhi, India	Bangladesh, Bhutan, India, Maldives, Nepal, Sri Lanka
MIDDLE EAST		
METAC (Middle East Regional Technical Assistance Center)	Beirut, Lebanon	Afghanistan, Algeria, Djibouti, Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Sudan, Syria, Tunisia, West Bank and Gaza, Yemen
WESTERN HEMISPHERE		
CARTAC (Caribbean Regional Technical Assistance Center)	Bridgetown, Barbados	Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Curacao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos
CAPTAC-DR (Central America, Panama and the Dominican Republic Regional Technical Assistance Center)	Guatemala City, Guatemala	Costa Rica, The Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Panama

APPENDIX II.
MCM Long-Term Resident Expert Placement (as of April 30, 2019)

Affiliation	Country	Topic	Donor-Partner
AFRITAC Central	Gabon	Financial Regulation and Supervision	Multi-donor
AFRITAC Central	Gabon	Debt Management	Multi-donor
AFRITAC East	Tanzania	Financial Regulation and Supervision	Multi-donor
AFRITAC East	Tanzania	Monetary and Foreign Exchange Operations	Multi-donor
AFRITAC East & South	Tanzania	Financial Market Infrastructures	Multi-donor
AFRITAC South	Mauritius	Financial Regulation and Supervision	Multi-donor
AFRITAC South	Mauritius	Monetary and Foreign Exchange Operations	Multi-donor
AFRITAC West	Cote D'Ivoire	Debt Management	Multi-donor
AFRITAC West	Cote D'Ivoire	Financial Regulation and Supervision	Multi-donor
AFRITAC West 2	Ghana	Monetary and Foreign Exchange Operations	Multi-donor
AFRITAC West 2	Ghana	Financial Regulation and Supervision	Multi-donor
Bank Indonesia	Indonesia	Financial Regulation and Supervision	Japan
Bank of Albania	Albania	Financial Regulation and Supervision	FIRST
Bank of Central African States	Cameroon	Monetary and Foreign Exchange Operations	FIRST
Bank of Mozambique	Mozambique	Central Bank Operations	Norway
Bank of Sierra Leone	Sierra Leone	Central Bank Operations	FIRST
CAPTAC-DR	Guatemala	Financial Regulation and Supervision	Multi-donor
CARTAC	Barbados	Financial Stability	Multi-donor
CARTAC	Barbados	Financial Regulation and Supervision	Multi-donor
Central Bank of Myanmar	Myanmar	Monetary and Foreign Exchange Operations	Japan
Central Bank of Myanmar	Myanmar	Financial Regulation and Supervision	Japan
Central Bank of Nigeria	Nigeria	Financial Regulation and Supervision	DFID
ECCU/ECCB	St. Kitts	Financial Regulation and Supervision	CDB
METAC	Lebanon	Financial Regulation and Supervision	Multi-donor
National Bank of Cambodia	Cambodia	Financial Regulation and Supervision	Japan
National Bank of Cambodia	Cambodia	Financial Stability	Japan
National Bank of Tajikistan	Tajikistan	Financial Regulation and Supervision	SECO
National Bank of the Kyrgyz Republic	Kyrgyz Republic	Financial Regulation and Supervision	SECO
National Bank of Ukraine	Ukraine	Financial Regulation and Supervision	Canada
National Bank of Ukraine	Ukraine	State-Owned Banks Governance	The Netherlands
National Bank of Ukraine	Ukraine	NPL Resolution	The Netherlands
National Bank of Ukraine	Ukraine	Project Management	Canada
PFTAC	Fiji	Financial Regulation and Supervision	Multi-donor
SARTTAC	India	Monetary and Foreign Exchange Operations	Multi-donor
SARTTAC	India	Financial Regulation and Supervision	Multi-donor

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