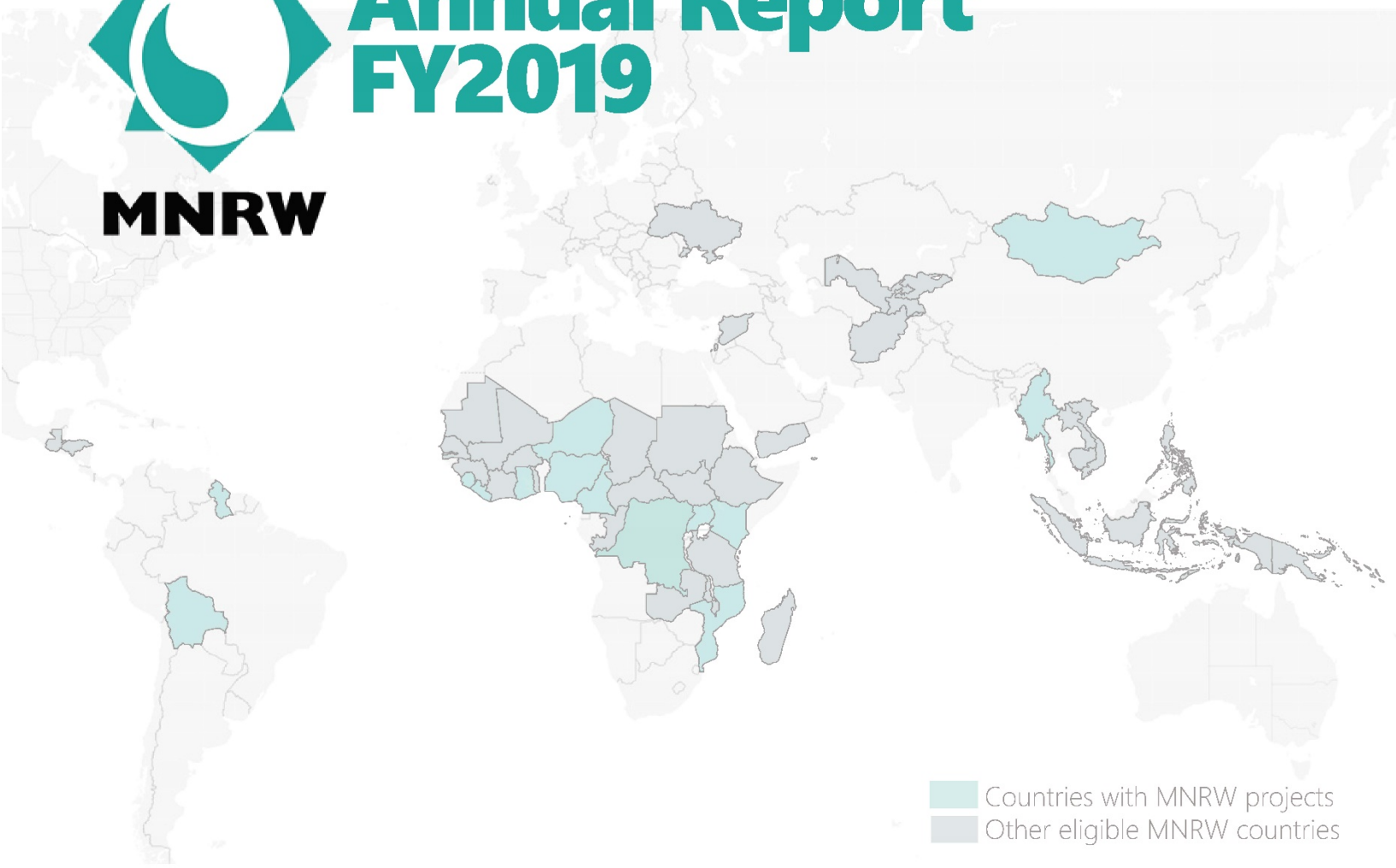




# Annual Report FY2019



## MANAGING NATURAL RESOURCE WEALTH



An IMF Initiative implemented in partnership with:



Australia



EUROPEAN UNION



Netherlands



Norad

Norway



Switzerland



United Kingdom



**MANAGING NATURAL RESOURCE WEALTH  
THEMATIC FUND**

**FY 2019 ANNUAL REPORT**

**JUNE 24, 2019  
Washington, D.C.**



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**ACRONYMS**

ATI	African Training Institute
BOL	Bolivia
CD	Capacity Development
CEMAC	Central African Economic and Monetary Community
CMR	Cameroon
DAC	Development Assistance Committee
EITI	Extractive Industries Transparency Initiative
FAD	Fiscal Affairs Department
FARI	Fiscal Analysis of Resource Industries
FTE	Fiscal Transparency Evaluation
FY	Fiscal Year
GFSM	Government Finance Statistics Manual
GUY	Guyana
HQ	Headquarters
IMF	International Monetary Fund
JVI	Joint Vienna Institute
KEN	Kenya
LBR	Liberia
LTX	Long-Term Expert
MMR	Myanmar
MNG	Mongolia
MNRW	Managing Natural Resource Wealth
MOOC	Massive Open Online Course
MOZ	Mozambique
NER	Niger
OECD	Organisation of Economic Co-Operation
PFM	Public Financial Management
PSA	Production Sharing Agreement
RBM	Results-Based Management
SC	Steering Committee
SDT	Summary Data Template
SLE	Sierra Leone
STX	Short-Term Expert
UGA	Uganda
UNU-WIDER	United Nations University - World Institute for Development Economics Research

## EXECUTIVE SUMMARY

**The Managing Natural Resource Wealth-Thematic Fund (MNRW) supports policy advice, capacity development (CD) and training on natural resource management issues in low and lower middle-income countries.** The MNRW is now in its second phase, Phase II, which started in May 2017 and extends through April 2022. The fund covers core aspects of natural resource management: fiscal regime design and implementation, revenue administration, macro fiscal and public financial management, exchange rate policy frameworks, and statistics. In addition, there is a program allocation for cross-cutting training and research activities.

**Steady overall progress has been made in the second year of Phase II (May 2018-April 2019).** A continued high demand from beneficiary countries is matched by a strong project portfolio, with project execution progressing as planned for most projects. Importantly, there is steady progress toward achieving milestones and objectives across the program portfolio.

**This is also reflected in steady project execution in FY19.** Cumulative spending from May 2017 through April 2019 was \$9.6 million, with remaining budgets for approved projects of \$12.5 million<sup>1</sup>. Total spending in FY19 amounted to \$5.0 million, increasing from \$4.6 million in FY18. This reflected increased spending in projects under Modules 2, 3 and 5, which more than offset the lower spending on cross-country training.

**The MNRW project portfolio remains well balanced.** More than one-half of the project portfolio is in the fiscal area—fiscal regime design and implementation (19 percent), revenue administration (22 percent) and macro-fiscal and public financial management (13 percent)—followed by statistics (14 percent), exchange rate frameworks (7 percent), and cross-country training (13 percent). The remainder of the project portfolio (11 percent) is allocated to analytical support, initial country engagement activities, and other project management costs.

**For now, the MNRW has flexibility to respond to new project requests to meet a continued high demand from beneficiary countries.** As of end-April 2019, total approved projects stood at \$22.3 million against available funds of \$29 million (targeting ultimately \$30 million).

**Accordingly, and in line with available resources, this report presents several proposals for Steering Committee (SC) discussion and endorsement.** New project proposals are made for Senegal, and The Gambia, while the projects for Ghana and Guyana are being proposed to be expanded in scope and length. Two projects, for Kenya and Liberia, are proposed for extension, together with a budget neutral reallocation of funds between Module 4 projects (statistics). It is proposed to close the Module 1 project with Cameroon as there has been little traction during the last two years. The freed-up resources would be available for other projects.

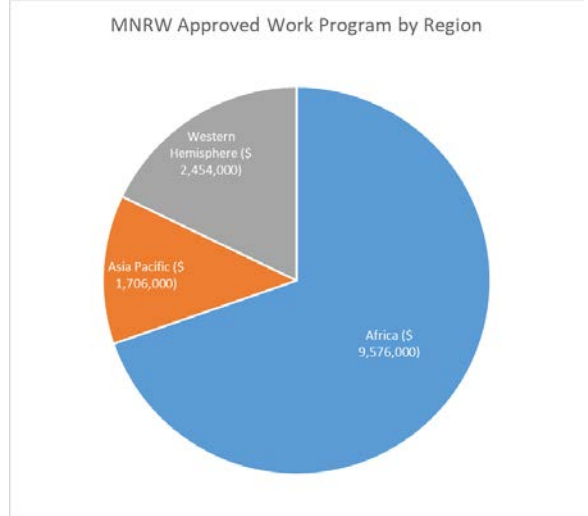
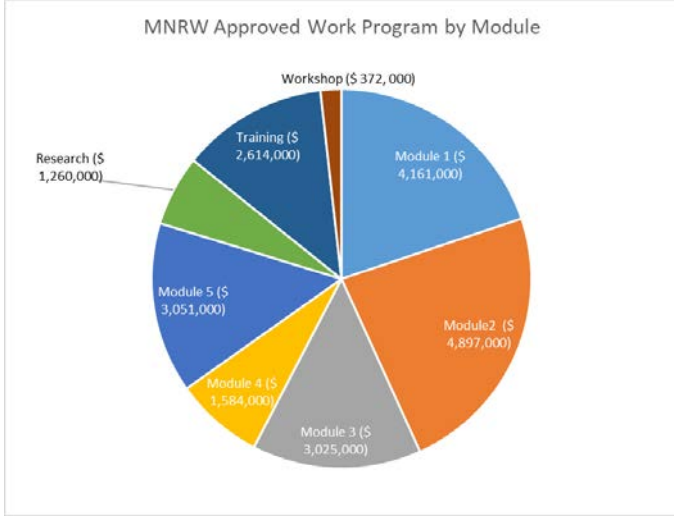
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<sup>1</sup> This excludes remaining balances of closed projects amounting to \$0.2 million which has been transferred to the unallocated pool of funds.

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

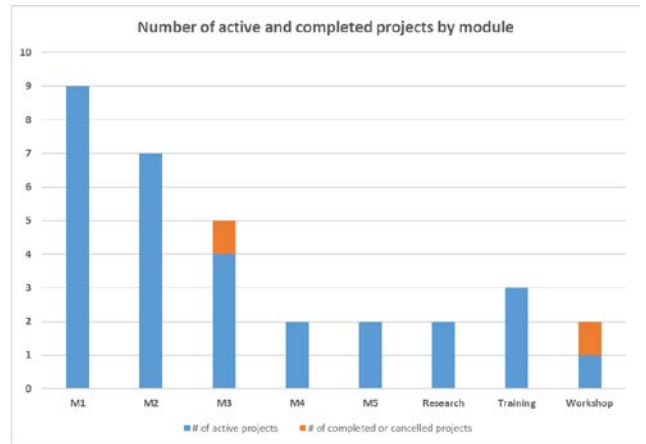
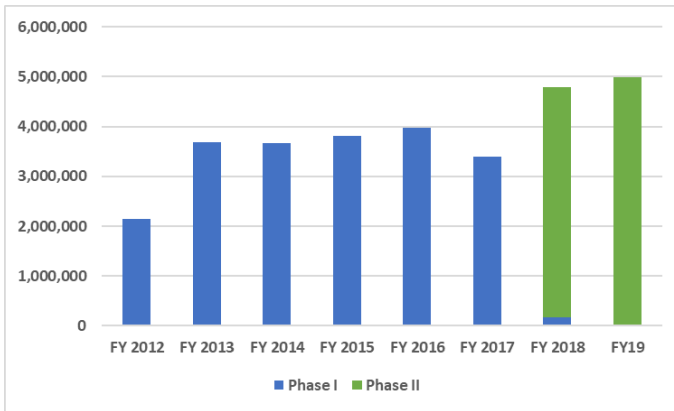
The MNRW program portfolio is allocated across all five modules on resource revenue management...

...with country-level activities concentrated in sub-Saharan Africa followed by activities in Latin America and Asia.



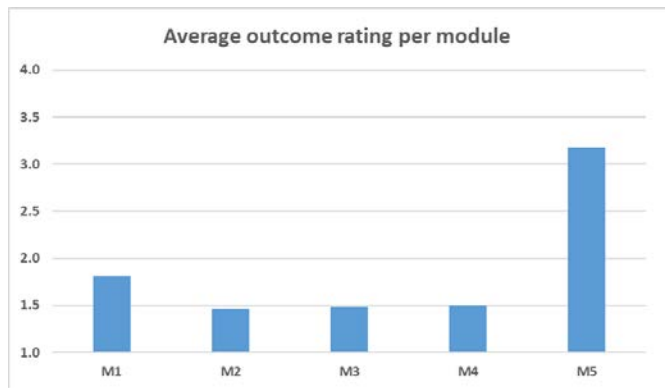
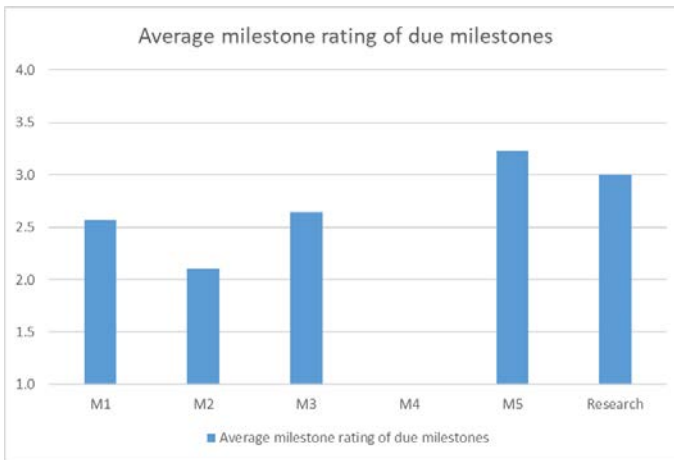
Program delivery has been scaled up in Phase II...

...with an expanding number of projects across modules.



There is progress on the implementation of milestones...

...with low outcome ratings reflecting a relatively short implementation period so far.



## I. INTRODUCTION

**This is the second annual report under the Managing Natural Resource Wealth Thematic Fund (MNRW) Phase II.** The second phase of implementation extends from May 2017–April 2022. This report covers activities in the IMF fiscal year 2019 (FY19) from May 2018 to April 2019.

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

**The delivery of the MNRW output is a Fund-wide undertaking.** It involves close collaboration between the IMF’s functional departments that deliver CD activities—Fiscal Affairs (FAD), Monetary and Capital Markets (MCM), Statistics (STA), and the Institute for Capacity Development (ICD)—and relevant IMF area department country teams from the African (AFR), Asia and Pacific (APD), and Western Hemisphere Departments (WHD).

## II. DEVELOPMENTS AND OUTLOOK

### A. Program Portfolio

**The overall MNRW program portfolio extends across all modules with total approved projects amounting to \$22.3 million.**

- Module 1 (fiscal regime): This module supports the design and implementation of fiscal regimes for mining and petroleum. There are nine country projects with total approved budgets of \$4.2 million (19 percent of the total approved portfolio).
- Module 2 (revenue administration): This module supports mining and petroleum revenue administration reforms. There are seven country projects with total approved budgets of \$4.9 million (22 percent of the total program portfolio).
- Module 3 (macro-fiscal and public financial management (PFM)): The projects in this module provide CD on macro-fiscal and public financial management related to mining and petroleum revenues. There are five country projects with total approved budgets of \$3.0 million (14 percent of total portfolio).
- Module 4 (exchange rate regimes and macroprudential policy frameworks): The module supports the design and implementation of exchange rate policy frameworks for resource-rich countries. The total approved projects allocation amounts to \$1.6 million (7 percent of program portfolio). There is one country project (Uganda) with an umbrella project including analytical work on monetary & exchange rate regimes and macroprudential policy frameworks.

- Module 5 (statistics): This module supports statistics for natural resource rich economies with a government finance and a real sector work stream. The total approved budget allocation amounts to \$3.0 million (14 percent of program portfolio).
- Workshops and training: This module covers multi-country training and workshops, including both face-to-face and online training for participants from MNRW-eligible countries. The total approved budget amounts to \$3.0 million (13 percent of the program portfolio).
- Research and analytical tools: The main project supports the continued development of the FARI framework and models, including the planned provision of multi-country capacity building. The total budget allocation amounts to \$1.2 million (5 percent of program portfolio).

**Total spending under the MNRW in FY19 amounted to \$5.0 million, up from \$4.6 million in FY18.** As country project implementation continues to mature, there has been a significant expansion of expenditures for direct technical support from \$2.7 million in FY18 to \$4 million in FY19 (Table 1).

**Compared to Phase I (FY12-FY17), average spending under Phase II (FY18-FY19) of the MNRW program has been scaled up.** Average annual spending during Phase I was \$3.5 million; under Phase II, spending has gradually increased to \$5 million (Figure 1).

**Table 1. MNRW Phase II: Portfolio Summary**

As of April 30, 2019  
(In Thousands of U.S. Dollars)

	Indicative Expenditure Envelope, per 2016 Program Document	Approved Budgets, as of April 30, 2019	FY18 Actual Expenses	FY19 Actual Expenses	Actual Total Expenses, as of April 30, 2019	Share of Total Indicative Expenditure Envelope	Share of Total Approved Budgets	Share of Total Actual Expenses	Actual Expenses Relative to Approved Budgets
<b>Direct Technical Assistance</b>	<b>17,351</b>	<b>16,717</b>	<b>2,724</b>	<b>3,951</b>	<b>6,675</b>	<b>58%</b>	<b>75%</b>	<b>69%</b>	<b>40%</b>
Of which:									
Module 1: Fiscal Regimes	4,164	4,161	1,049	977	2,026	14%	19%	21%	49%
Module 2: Revenue Administration	5,032	4,897	487	1,092	1,579	17%	22%	16%	32%
Module 3: Macro-Fiscal	3,123	3,025	505	740	1,245	10%	14%	13%	41%
Module 4: Exchange Rate and Macroeconomic	2,082	1,584	103	273	376	7%	7%	4%	24%
Module 5: Statistics	2,950	3,051	581	869	1,449	10%	14%	15%	48%
<b>Scoping Missions</b>	<b>728</b>	<b>593</b>	<b>294</b>	<b>191</b>	<b>485</b>	<b>2%</b>	<b>3%</b>	<b>5%</b>	<b>82%</b>
<b>Research Projects and Analytical Tools</b>	<b>2,177</b>	<b>1,192</b>	<b>44</b>	<b>104</b>	<b>147</b>	<b>7%</b>	<b>5%</b>	<b>2%</b>	<b>12%</b>
<b>Workshops &amp; Training</b>	<b>7,120</b>	<b>2,986</b>	<b>1,350</b>	<b>596</b>	<b>1,946</b>	<b>24%</b>	<b>13%</b>	<b>20%</b>	<b>65%</b>
<b>Small Projects</b>	<b>-</b>	<b>68</b>	<b>14</b>	<b>2</b>	<b>15</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>23%</b>
<b>Project Management</b>	<b>2,627</b>	<b>723</b>	<b>200</b>	<b>139</b>	<b>338</b>	<b>9%</b>	<b>3%</b>	<b>4%</b>	<b>47%</b>
Staff Costs	2,215	629	200	139	338	7%	3%	4%	54%
Steering Committee	214	94	-	-	-	1%	0%	0%	0%
Independent Evaluation	198	-	-	-	-	1%	0%	0%	0%
<b>Total</b>	<b>30,000</b>	<b>22,279</b>	<b>4,625</b>	<b>4,982</b>	<b>9,607</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>43%</b>
<b>of which Trust Fund Management Fee</b>	<b>1,963</b>	<b>1,458</b>	<b>303</b>	<b>326</b>	<b>628</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>43%</b>

## B. Country-level Projects

**Module 1 (fiscal regime):** This continues to be an active module with nine projects predominantly in sub-Saharan Africa (Cameroon, Ghana, Liberia, Mozambique, Nigeria, Sierra Leone, and Uganda) but also with Myanmar and Guyana. Overall expenditure at \$1.0 million was



slightly below levels in FY18. This primarily reflected fewer activities than in the previous year in Ghana, Nigeria, and Uganda. The project with Cameroon is proposed to be closed, as it has not been possible to get traction. A new project is proposed for The Gambia seeking Steering Committee (SC) endorsement.

**Module 2 (revenue administration):** As more country-level projects have come on-stream, there has been a significant ramping-up of activities. The country focus is on sub-Saharan Africa (Ghana, Kenya, Liberia, Mozambique, Sierra Leone, and Uganda) with one large project now getting underway in Guyana (Box 1). Total expenditure of \$1.1 million was more than twice as high as the expenditure of \$0.5 million incurred in FY18. At the country-level there has been an increase in activities in Ghana, Guyana, Liberia, and Uganda. There is close collaboration between Module 1 and 2 projects which benefit from synergies and linkages between tax policy and revenue administration.

**Module 3 (macro-fiscal and PFM):** With two new projects moving to full year project implementation in Niger and Uganda, overall expenditure on the module increased to about \$0.7 million up from \$0.5 million in FY18. The country coverage is broad covering several Francophone sub-Saharan African countries as well as Mongolia and Bolivia. In the delivery of the Uganda project, there is collaboration on revenue forecasting with the Module 1 project. A new project is proposed to the Steering Committee for Senegal.

**Module 4 (exchange rate regimes and macro-prudential frameworks):** Expenditure picked up in the first half of the fiscal year albeit with a slowdown in the second half. The project experienced a temporary interruption and some delays owing to an unanticipated change in the HQ-based Long-Term Expert (LTX) working on this project, which created a 4-month vacancy on the position. The new LTX arrived in April 2019 and in the period ahead the work on the TA handbook and mission activity will resume. The new LTX has also taken over the management of the subproject on Strengthening Monetary Policy Framework in the Bank of Uganda, and it is expected that a follow-up mission on monetary policy communications under the Uganda project will take place in the third quarter of this year.

**Module 5 (statistics):** With total expenditure of \$0.9 million, there has been a steady expansion of multi-country and individual country activities under the two statistics umbrella projects up from \$0.6 million in FY18. In FY19, the government finance part of the module prioritized training officials from 19 African countries to improve the natural resource revenue reporting in the EITI Summary Data Template (SDT) in line with the Government Finance Statistics Manual (GFSM) 2014 revenue classification and conducted one country mission to Uganda. In FY19, the real sector work stream conducted four country missions to Cameroon, Senegal, Timor-Leste, and Zambia that compiled national accounts template tables; and two workshops that trained staff from seven African and six Middle-Eastern eligible countries.

### Box 1. Guyana: Preparing for Oil Revenue

**Guyana has made significant petroleum discoveries since 2015 generating considerable investor interest.** A total of 12 discoveries have been made in the Stabroek block. Development of the Liza field is underway with first oil from Phase 1 expected in 2020. Total production may go as high as 750,000 barrels of oil per day (bopd) by 2025 with several fields potentially being developed.

**Guyana is at the cusp of the start of a significant transformation.** Should this outlook materialize, petroleum production per capita in Guyana could temporarily become one of the highest in the world. This provides a unique opportunity to transform the economy but also a significant challenge in managing the process well. The short period between discovery and the start of production creates particular challenges in order to build the necessary institutions and capacity to manage the natural resource wealth well.

**Guyana has taken important steps to prepare for petroleum revenues.** A commendable step has been the design of a fiscal framework for managing petroleum revenue underpinned by a Natural Resource Fund Act approved in early 2019. The task now is to implement the petroleum revenue management framework. Joining EITI has sent a strong signal about transparency.

**IMF CD has been crucial in supporting Guyana's preparedness.** Following a scoping mission in 2017, FAD has implemented two projects under the MNRW: 1) Module 1 started in mid-2017 to support implementation of the existing fiscal regime for petroleum; establish the necessary framework to manage petroleum revenue; and assist the authorities in reforming the fiscal regimes for future investments in petroleum and mining; 2) Module 2 started in early 2019 to set-up a petroleum revenue unit in the Guyana Revenue Authority (GRA); build capacity among GRA staff on petroleum accounting, cost recovery audits, and other tax-related matters; and develop a risk-based compliance strategy for the petroleum sector. An IMF peripatetic advisor began working the GRA in January 2019.

**The support in Guyana is a good example of how MNRW support can address urgent CD needs across different work streams.** Since the discovery of petroleum in 2015, a challenge was quickly to build relevant capacity of key staff in various government institutions. The Fund, with flexible MNRW funding, has been quick to respond to the call for support by the Ministry of Finance and the GRA. The authorities have highly appreciated the support and continue to demonstrate strong ownership and commitment to the ongoing projects.

**Table 2. MNRW Phase II: Project Overview**

As of April 30, 2019

(In Thousands of U.S. Dollars)

Country	Total Approved Budget	FY18 Total Expenses	FY19 Total Expenses	Total Expenses	Remaining Budget <sup>1/</sup>	Execution (%)
<b>Direct Technical Assistance (A)</b>	<b>16,717</b>	<b>2,724</b>	<b>3,951</b>	<b>6,675</b>	<b>9,958</b>	<b>40%</b>
Bolivia (M3)	666	40	173	213	453	32%
Cameroon (M1)	481	-	-	-	481	-
Congo, Democratic Republic Of (M3)	271	187	0	187	-	69%
Ghana (M1)	470	190	140	330	140	70%
Ghana (M2)	611	-	123	123	487	20%
Guyana (M1)	275	125	111	236	39	86%
Guyana (M2)	1,324	-	82	82	1,242	6%
Kenya (M2)	922	130	221	351	571	38%
Liberia (M1)	507	54	79	133	374	26%
Liberia (M2)	368	1	134	135	233	37%
Myanmar, Union Of (M1)	552	135	228	363	188	66%
Mongolia (M3)	988	278	265	543	445	55%
Mozambique, Republic Of (M1)	473	137	175	312	161	66%
Mozambique, Republic Of (M2)	583	193	187	380	203	65%
Niger (M3)	590	-	143	143	447	24%
Nigeria (M1)	544	152	103	256	288	47%
Sierra Leone (M1)	335	110	136	246	89	73%
Sierra Leone (M2)	567	130	173	304	264	54%
Uganda (M1)	524	146	4	150	374	29%
Uganda (M2)	521	32	171	203	318	39%
Uganda (M3)	510	-	159	159	351	31%
Exchange Rate Regimes and Macroeprudential Policies (M4)	1,195	103	185	288	907	24%
Monetary Policy Framework in the Bank of Uganda (M4)	389	-	88	88	301	23%
Developing Capacity for Compiling Statistics for MNRW - GO (M5)	778	203	399	602	177	77%
Developing Capacity for Compiling Statistics for MNRW - RE (M5)	2,272	377	470	847	1,425	37%
<b>Scoping Missions (B)</b>	<b>593</b>	<b>294</b>	<b>191</b>	<b>485</b>	<b>53</b>	<b>82%</b>
Ghana	23	17	5	22	-	96%
The Gambia	75	-	73	73	-	98%
Guyana	106	89	-	89	-	84%
Guyana	84	-	68	68	16	81%
Mongolia	78	-	42	42	37	53%
Niger	41	33	-	33	-	79%
Papua New Guinea	88	85	-	85	-	96%
Uganda	97	71	3	74	-	76%
<b>Research Project (C)</b>	<b>1,192</b>	<b>44</b>	<b>104</b>	<b>147</b>	<b>1,045</b>	<b>12%</b>
FARI Methodology and Fiscal Regime Library	1,192	44	104	147	1,045	12%
<b>Workshops (D)</b>	<b>372</b>	<b>230</b>	<b>42</b>	<b>272</b>	<b>60</b>	<b>73%</b>
West Africa Conference	277	230	7	237	-	86%
Mozambique: Conference on Managing Natural Resource Wealth	95	-	35	35	60	37%
<b>Other Training (E)</b>	<b>2,614</b>	<b>1,119</b>	<b>554</b>	<b>1,674</b>	<b>940</b>	<b>64%</b>
CEMAC	299	89	36	125	174	42%
Online Course on Energy Subsidy Reform	125	22	24	45	80	36%
Training in Macroeconomic Management in Resource-Rich Countr	2,190	1,009	495	1,504	686	69%
<b>Small Projects (F)</b>	<b>68</b>	<b>14</b>	<b>2</b>	<b>15</b>	<b>53</b>	<b>23%</b>
Development of New Fiscal Transparency Guide	68	14	2	15	53	23%
<b>Administrative/Governance Cost (G)</b>	<b>723</b>	<b>200</b>	<b>139</b>	<b>338</b>	<b>384</b>	<b>47%</b>
General Program Management	723	200	139	338	384	47%
<b>Total (A+B+C+D+E+F+G)</b>	<b>22,279</b>	<b>4,625</b>	<b>4,982</b>	<b>9,607</b>	<b>12,493</b>	<b>43%</b>
<b>of which Trust Fund Management Fee</b>	<b>1,458</b>	<b>303</b>	<b>326</b>	<b>628</b>	<b>817</b>	

<sup>1/</sup> The remaining balance for closed projects is zeroed out upon project completion.

### C. Research Projects and Workshops

**This cross-cutting module supports conferences, research and analytical work within the substantive scope of the MNRW.** There was one country-level conference in FY19. The research budget continues to be mainly for the Fiscal Analysis of Resource Industries (FARI) project where there has been a modest increase in activities.

**The project on further development of the FARI framework and tool is progressing well.**

The FARI is an analytical framework initially developed for fiscal regime evaluation and revenue forecasting for mining and petroleum projects. A pilot model template for fiscal regime evaluation and revenue forecasting has been applied in several countries (Guyana, Ghana, Gambia, Mongolia, and Mozambique) with the template now being close to completion. An overarching strategy for the FARI reform has been completed and is attached to the report. This envisages a three-pronged approach: (i) continue to develop the FARI tool to provide cutting-edge technical assistance in fiscal regime design and implementation, revenue forecasting, and revenue risk assessment; (ii) build capacity for fiscal regime analysis and revenue management, including the use of FARI; and (iii) maintain the role of the IMF as a standard setter and thought leader in the area of extractives fiscal regime analysis and design.

**In March 2019, the Bank of Mozambique and the IMF co-organized a high-level conference to discuss policy options for the management of expected natural gas revenue.** The conference was opened by President Nyusi and brought together a broad range of domestic policymakers and international experts and government officials from other countries (Box 2).

#### Box 2. Mozambique: Facilitating A High-Level Policy Discussion

**Mozambique has experienced rapid development of its petroleum sectors, with vast offshore discoveries of natural gas in recent years.** Several projects are under development with a potential major macro-fiscal impact over the coming years. Mozambique's natural gas reserves are estimated to be over 100 trillion cubic feet, placing the country as the third-largest proved natural gas reserve holder in Africa, after Nigeria and Algeria.

**Policy reforms are needed to realize the full development potential of its natural resources.** During the last decade, Mozambique has modernized its tax policy regime for the upstream extractive sector, strengthened the authorities' capacity for macroeconomic analysis and the tax authorities' ability to implement and administer the new fiscal regime for the extractive sector. However, considerable gaps in the fiscal policy environment remain.

**A national conference brought these policy gaps to the forefront of the debate.** The conference "Preparing Mozambique for the Natural Gas Era" took place on March 27-28, 2019 in Maputo with approximately 180 participants including governors, members of parliament, senior government officials, private sector representatives, and international experts from Norway, Botswana, Chile, East Timor, Trinidad & Tobago, UNU-WIDER, and development partners in attendance. The conference was opened by the President of Mozambique, Mr. Nyusi, who proposed the creation of a savings fund, establishment of an annual proportion of revenues for the state budget, and the use of revenues to diversify the economy. Based on an application of the FARI methodology, FAD discussed the revenue potential of gas development, emphasized the importance of a good design and proper implementation of a fiscal regime and pointed to benefits and risks of various policy options.

**The conference is a good example of innovative country-level support under the MNRW.** The conference contributed greatly to the debate on a pressing economic and fiscal issues facing Mozambique. As a result of the conference, existing MNRW projects supporting tax policy and administration reforms are expected to gain traction.

#### D. Training

**Expenditure on multi-country training amounted to about \$0.6 million.** This is lower than in FY18 although that comparison is skewed by the substantial one-off expenditure on the online course design and development incurred in that year.

**During FY 2019, the course on Macroeconomic Management in Resource-Rich Countries was offered on a face-to face basis at the Africa Training Institute (ATI) and the Joint Vienna Institute (JVI).** The program budget covered the costs associated with hosting participants from MNRW eligible countries. The online English-language course was made available to wider audiences as a massive open online course (MOOC) in September 2018 and again in January 2019—the second time on a self-paced basis with open enrollment. A new online French-language course was launched over seven weeks starting in April 2019 for government officials. During FY20, the face-to-face course will be delivered at ATI, JVI, and IMF HQ, and both the English-language and French-language online courses will be launched on a self-paced basis with open enrollment. The online course on Energy Subsidy Reform was also made available in January 2019 on a self-paced basis with open enrollment and will be made available year-round in FY20.

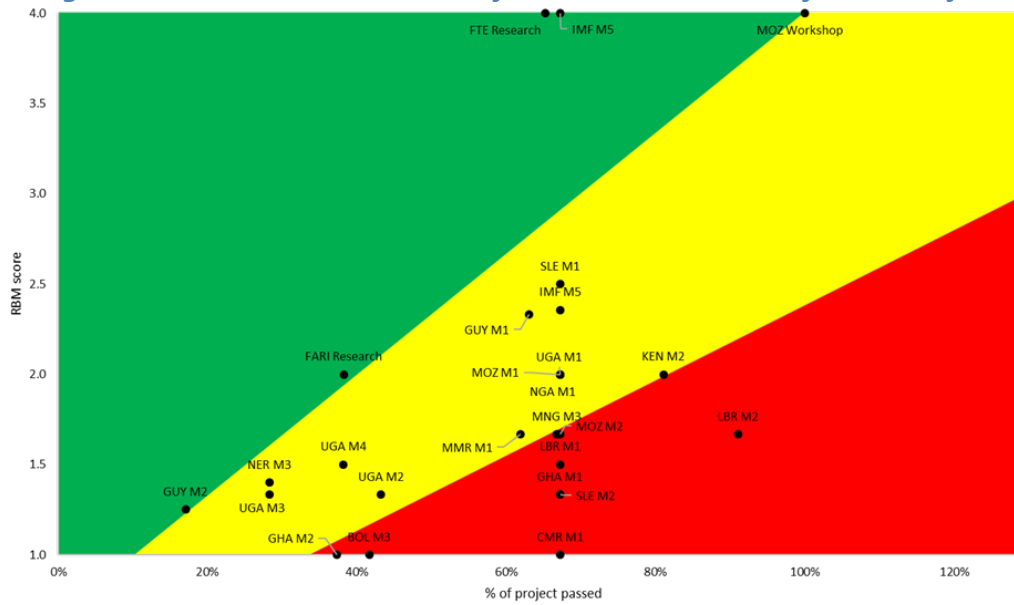
#### E. Results-based Monitoring and Evaluation

**Across the MNRW program portfolio there is steady progress toward planned results, but also some variability on RBM scores, which will require continued monitoring.** Combining both the rating of results and the timeline under the projects provides a measure of progress and is useful to identify projects where implementation is lagging (Figure 2). Table 3 contains a summary of key outputs while selected key results are provided in detail in Table 4.

**Table 3. MNRW Phase II: Summary of FY19 Outputs**

	<b>FY19</b>
Number of CD missions completed (total missions and stand-alone STX visits)	59
Module 1	11
Module 2	30
Module 3	11
Module 4	2
Module 5	5
Number of technical reports produced (total)	23
Number of conferences/training courses/workshops completed	15
Number of people trained (total, excluding workshops integrated into country missions)	528

**Figure 2. MNRW Phase II: Summary RBM Scores in Country-Level Projects**



**Table 4. MNRW Phase II: Selected Key Results**

Project	
Ghana (M1)	Calculation of the petroleum benchmark revenue for the 2019 budget was prepared using the revenue forecasting model supported by FAD. The modeling work has highlighted tax policy and administration issues for further follow-up.
Ghana (M2)	Commenced development of an oil and gas revenue risk matrix. Supports a step toward formal data sharing and cooperation between agencies with revenue collecting role.
Guyana (M1)	Government initiated review of the petroleum and mining fiscal regime for new investment. Parliament has approved a Natural Resource Fund Act setting out a petroleum revenue management framework. Capacity for petroleum fiscal modeling is being developed.
Guyana (M2)	Petroleum Revenue Audit Unit has been established and staffed with 26 staff.
Kenya (M2)	Oil and mining revenue risk matrices are being developed.
Myanmar (M1)	Recommendations on a new model production sharing agreement were provided before the planned licensing round. The interagency modeling team has become well established. A chapter on the extractives is being included in a new draft income tax act.
Mongolia (M3)	The quality of fiscal reports has been improved with broader institution and instrument coverage as well as more effective consolidation. The guidelines of project appraisal and selection has been completed and are under implementation. The coverage and classification of capital expenditures in budget documents have been improved
Mozambique (M1)	Capacity and tools for mining and gas modeling are being developed. A sectoral mining revenue forecasting model has been handed over.
Mozambique (M2)	Large-scale mining revenue risk matrix has been completed. Progress on developing modalities for information sharing and cooperation between the regulatory authorities.
Sierra Leone (M1)	Revenue models have been completed with a government Modeling Team formally established. Following approval of the Extractive Industries Revenue Act, focus is now on implementation including interaction with existing projects.

Sierra Leone (M2)	The finalization of the large-scale mining revenue risk matrix is progressing.
Uganda (M2)	The risk matrix for large scale mining was completed.
Uganda (M3)	The authorities are considering options for implementing a non-oil fiscal balance in the Charter for Fiscal Responsibility for 2021-2024.
Uganda (M4)	The authorities are currently working on the implementation of the advice of the first CD mission, which provided support for development of a monetary policy communication strategy.
Capacity for compiling statistics - GO	Training in FY18 and FY19 covered around 70 percent of the MNRW eligible countries.
Capacity for compiling statistics - RE	FY19 missions enhanced national accounts statistics compiled through four country missions; two workshops delivered, covering 13 eligible countries
CEMAC project	A country-focused mission to Cameroon took place in January 2019 with 20 officials trained.
FARI analytical project	New FARI model templates piloted in several countries as part of MNRW missions. A strategy to guide the further development and application of the methodology and tools has been completed.
Energy subsidy reform MOOC	The online course recorded over 300 active participants and was completed by 124, of which 62 were government officials.
Training in macroeconomic management in resource-rich countries	Two face-to-face courses were delivered with 60 participants. The online English-language course recorded 1,137 active participants and was completed by 518, of which 293 were government officials. The online French-language course, launched in April 2019 for government officials, has 263 registered officials.

## F. Mid-Term Independent Evaluation

**In line with the Phase II Program Document, an independent mid-term evaluation of the MNRW activities will be carried out after no fewer than three years of Phase II operation (May 2020).** It will assess its relevance, effectiveness, impact, efficiency, and sustainability according to the OECD DAC criteria: the evaluation terms of reference will be developed for approval by the June 2020 SC, with the next steps being recruitment of evaluator(s).

## III. FINANCIAL UPDATE

**The MNRW Phase II only has a small remaining funding gap.** Compared to the target program budget of US\$30 million, confirmed Phase II contributions stand at US\$29 million, with a remaining statutory funding gap of just under US\$1 million (Table 5). The IMF is reaching out to new partners seeking to secure financial support, and will approach current partners to assess the possibility of additional contributions to meet the current funding gap.

**Table 5. MNRW Phase II: Status of Partner Contributions**

(As of April 30, 2019, in thousands of U.S. dollars)

Partners	Agreement Information				Contribution Received		Contribution Expected (U.S. Dollars)	
	Signed Date	Currency	Amount	U.S. Dollars	Agreement Currency	U.S. Dollars	Requested	Future Request
Partners								
Australia	June 6, 2018	AUD	3,750	2,823	3,750	2,775	-	-
European Commission	October 14, 2017	EUR	7,000	8,282	5,600	6,522	-	1,760
Netherlands	April 21, 2017	USD	4,400	4,400	3,000	3,000	-	1,400
Norway	October 7, 2016	NOK	40,000	4,974	22,000	2,700	-	2,274
Switzerland	September 13, 2016	CHF	7,000	7,196	7,000	7,177	-	-
United Kingdom	October 25, 2018	GBP	230	296	230	291	-	-
<b>Partners Total</b>				<b>27,971</b>		<b>22,466</b>	<b>-</b>	<b>5,434</b>
Internal Transfers								
Netherlands				308	-	308	-	-
Switzerland				769	-	769	-	-
<b>Internal Transfers Total</b>				<b>1,077</b>		<b>1,077</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>				<b>29,048</b>		<b>23,543</b>	<b>-</b>	<b>5,434</b>
Program Document Budget				<b>30,000</b>				
<b>Funding Gap</b>				<b>-952</b>				

**The projected cashflow position is satisfactory and allows for uninterrupted delivery of CD activities currently in the pipeline.** The total approved projects amount to \$22.3 million against available funds of \$29 million. The remaining funds provide flexibility and allow the IMF to respond to new project requests to meet the continued high demand.

**Table 6. MNRW Phase II: Cash Flow**

(As of April 30, 2019, in thousands of U.S. dollars)

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Totals
	FY1	FY2	FY3	FY4	FY5	FY6	
Contributions <sup>1/</sup>	4,129	11,329	8,085	1,744	3,151	400	28,838
Australia	-	1,748	1,028	-	-	-	2,775
European Commission	-	6,522	-	-	1,656	-	8,179
Netherlands	-	1,500	1,808	500	500	400	4,708
Norway	545	-	2,155	1,244	995	-	4,938
Switzerland	3,585	1,559	2,804	-	-	-	7,947
United Kingdom	-	-	291	-	-	-	291
Interest Earned	12	131	307	-	-	-	451
<b>Total Cash Available</b>	<b>4,142</b>	<b>11,460</b>	<b>8,392</b>	<b>1,744</b>	<b>3,151</b>	<b>400</b>	<b>29,289</b>
Expenses Paid <sup>2/</sup>	-	4,625	4,982	8,556	4,903	2,068	25,133
<b>Cash Balance</b>	<b>4,142</b>	<b>10,977</b>	<b>14,387</b>	<b>7,574</b>	<b>5,823</b>	<b>4,156</b>	<b>4,156</b>

<sup>1/</sup> Contributions are net of transfers and return of funds.<sup>2/</sup> Expenses paid include the 7% Trust Fund Management Fee. FY20 onwards are estimates based on endorsed workplans.