

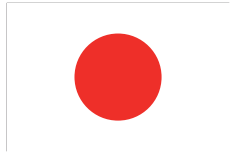
JAPAN-IMF PARTNERSHIP ON CAPACITY DEVELOPMENT



JAPAN GOV
THE GOVERNMENT OF JAPAN

ANNUAL REPORT 2025





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JAPAN-IMF PARTNERSHIP ON CAPACITY DEVELOPMENT

Japan Administered Account
for Selected IMF Activities

ANNUAL REPORT
FINANCIAL YEAR 2025

Ancillary materials for the Annual Report can be accessed at the JSA Annual Report web page at <https://www.imf.org/external/pubs/ft/ta/index.asp>. Print copies of the full report with annexes are available from the IMF Institute for Capacity Development, 700 19th Street, NW, Washington, DC 20431.

ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank	CCAMTAC	Caucuses Central Asia and Mongolia Technical Assistance Center
AfDB	African Development Bank	CCCDI	COVID-19 Crisis Capacity Development Initiative
AFR	IMF African Department	CD	Capacity Development
AFRITAC	Africa Regional Technical Assistance Center	CDIMS	Capacity Development Information Management System
AI	Artificial Intelligence	CDMAP	Capacity Development Management and Administration Program
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism	CDOT	IMF Capacity Development Office in Thailand
AMRO	ASEAN+3 Macroeconomic Research Office	CDSR	Capacity Development Strategy Review
APD	IMF Asia and Pacific Department	CFG	Core Forecasting Group in Vietnam
ASEAN	Association of Southeast Asian Nations	CIABOC	Commission to Investigate Allegations of Bribery and Corruption in Sri Lanka
ASEM	Asia-Europe Meeting	CMF	Climate in Macroframeworks
BCC	Central Bank of the Democratic Republic of Congo	CoA	Chart of Accounts
BEAC	Bank of Central African States	COFOG	Classification of Functions of Government
BOL	Bank of Lao P.D.R.	COM	IMF Communication Department
BOM	Bank of Mongolia	C-PIMA	Climate Public Investment Management Assessment
BOP	Balance of Payments	CSF	IMF Corporate Services and Facilities Department
BPNG	Bank of Papua New Guinea	CWG	Core Working Group
BSP	Bangko Sentral ng Pilipinas	D4D	Data for Decisions
CAEM	Comprehensive Adaptive Expectations Model	DDT	Debt Dynamics Tool
CB	Central Bank	DDTx	Debt Dynamics Tool Course
CBDC	Central Bank Digital Currency	DQAP	Data Quality Assessment Framework
CBM	Central Bank of Myanmar		
CBS	Central Bank of Samoa		
CBSI	Central Bank of Solomon Islands		

ACRONYMS AND ABBREVIATIONS

DRM	Domestic Resource Mobilization	GDNT	General Department of National Treasury
ECF	Extended Credit Facility	GFS	Government Finance Statistics
EDS	External Debt Statistics	GFSM	Government Finance Statistics Manual
EFA	Externally Financed Appointee	GPPF	Global Public Finance Partnership
EFF	Extended Fund Facility	GST	Goods and Services Tax
e-GDDS	Enhanced General Data Dissemination System	HMRC	His Majesty's Revenue and Customs in U.K.
EMEAP	Executives Meeting of East Asia Pacific	HQ	IMF Headquarters
EP	IMF Economist Program	ICD	IMF Institute for Capacity Development
ESS	External Sector Statistics	ICT	Information and Communication Technology
FAA	Framework Administered Account for Selected IMF Activities	IGF	Infrastructure Governance Facility
FAD	IMF Fiscal Affairs Department	IIE	Institute of International Education
FCS	Fragile and Conflict-Affected States	IIP	International Investment Position
FIN	IMF Finance Department	IMF	International Monetary Fund
FMIS	Financial Management Information System	IRC	Internal Revenue Commission
FPAS	Forecasting and Policy Analysis System	IRD	Inland Revenue Department of Sri Lanka
FPP	Financial Programming and Policies	ITA	Income Tax Act
FSI	Financial Soundness Indicator	ITD	IMF Information Technology Department
FSS	Fiscal Strategy Statement	JAA	Japan Administered Account for Selected Fund Activities
FX	Foreign Exchange	JDRMI	Joint Domestic Resource Mobilization Initiative
FY	Fiscal Year (FY2025: May 1, 2024 to April 30, 2025)	JICA	Japan International Cooperation Agency
GD	Governance and Diagnostic	JIMS	Japan-IMF Macroeconomic Seminar for Asia
GDP	Gross Domestic Product	JISP	Japan-IMF Scholarship Program for Advanced Studies
GDT	General Department of Taxation	JISPA	Japan-IMF Scholarship Program for Asia

ACRONYMS AND ABBREVIATIONS

JISPA-CE	Japan-IMF Scholarship Program for Asia Continuing Education	MPI	Ministry of Planning and Investment in Vietnam
JSA	Japan Subaccount	MPR	Monetary Policy Rate
JVI	Joint Vienna Institute	MPT	Macroeconomic Projection Tool
LEG	IMF Legal Department	MTBF	Medium-Term Budget Framework
LICs	Low-Income Countries	MTDS	Medium-Term Debt Management Strategy
LIC-DSF	Debt Sustainability Framework for Low-Income Countries	MTFF	Medium-Term Fiscal Framework
LIDCs	Low-Income Developing Countries	MTRS	Medium-Term Revenue Strategy
LPCO	Liquidity Providing Collateralized Operation	MWG	Macroeconomic Working Group in Zimbabwe
LTX	Long-Term Expert/Advisor	NBC	National Bank of Cambodia
MCM	IMF Monetary and Capital Markets Department	NCPD	National Committee on Public Debt
MDSx	Macroeconomic Diagnostics Course	NRB	Nepal Rastra Bank
MEF	Ministry of Economy and Finance	NRBT	National Revenue Bank of Tonga
METAC	Middle East Regional Technical Assistance Center	NSDP	National Summary Data Page
MFDP	Ministry of Finance and Development Planning	NTFT	Near-Term Forecasting Tool
MFT	Macroeconomic Framework Tool	OAP	IMF Regional Office for Asia and the Pacific
MLF	Marginal Lending Facility	OBP	IMF Office of Budget and Planning
MMA	Maldives Monetary Authority	OCO	Oceania Customs Organization
MoF	Ministry of Finance	OECD	Organization for Economic Co-operation and Development
MoFEDIP	Ministry of Finance, Economic Development, and Investment Promotion in Zimbabwe	PAMPPh	Policy Analysis Model for the Philippines
MPAF	Monetary Policy Analysis and Forecasting	PDML	Public Debt Management Law
MPC	Monetary Policy Communication	PDMO	Public Debt Management Office
		PFM	Public Financial Management

ACRONYMS AND ABBREVIATIONS

PFTAC	Pacific Financial Technical Assistance Center	SEACEN	South-East Asian Central Banks Research and Training Centre
PICs	Pacific Island Countries	SFA	Framework Administered Account for Selected Fund Activities
PIM	Public Investment Management	SMP	Staff-Monitored Program
PIMA	Public Investment Management Assessment	SOE	State-Owned Enterprise
PNG	Papua New Guinea	SPR	IMF Strategy, Policy, & Review Department
PPIx	Producer, Export, and Import Price Index Statistics	SRF	Strategic Results Framework
PPP	Public-Private Partnership	SSA	Sub-Saharan Africa
PSDS	Public Sector Debt Statistics	STA	IMF Statistics Department
QPM	Quarterly Projection Model	STI	IMF Singapore Regional Training Institute
RA	Resident Advisor	STX	Short-Term Expert/Advisor
RBM	Results-Based Management	TA	Technical Assistance
RBS	Risk-Based Supervision	TADAT	Tax Administration Diagnostic Assessment Tool
RBZ	Reserved Bank of Zimbabwe	TE	Tax Expenditure
RCDCs	Regional Capacity Development Centers	TOFE	Government Financial Operations Table
RMS III	Cambodia's Third Revenue Mobilization Strategy	TPU	Tax Policy Unit
RR	Reserve Requirement	TSA	Treasury Single Account
RSF	Resilience and Sustainability Facility	UCDF	Ukraine Capacity Development Fund
SARTTAC	South Asia Regional Training and Technical Assistance Center	UNDP	United Nations Development Programme
SB	Structural Benchmark	VAT	Value-Added Tax
SBV	State Bank of Vietnam	VITARA	Virtual Training to Advance Revenue Administration Module
SDDS	Special Data Dissemination Standard	VSS	Vietnam Social Security
SDGs	Sustainable Development Goals	VST	Vietnam State Treasury
SDR	Special Drawing Rights	WB	World Bank

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MESSAGE FROM THE JAPANESE GOVERNMENT

Japan has been a longstanding leading partner of capacity development (CD) activities of the International Monetary Fund (IMF) through Japan Special Account (JSA). As one of the core functions along with surveillance and lending, the IMF's CD has played a vital role in fostering macroeconomic and financial stability amid the evolving global economy. Under the current uncertain and challenging global environment, the IMF is expected to further enhance its CD function, while focusing on macro-critical issues that affect countries' balance of payments in line with its core mandate, to help members, especially low-income and vulnerable countries, address structural challenges to achieve sustainable and resilient growth.

Japan continues to collaborate with the IMF to support low-income and vulnerable countries in strengthening their institutional capacity to implement effective economic, fiscal, and monetary policies. Under the current circumstances, where countries across the global, including low-income and vulnerable states, are deeply connected with networks of trade and finance, achieving stability of international monetary and financial system through continued supports from JSA is imperative not only for the recipient countries, but also for Japan to ensure stability and growth of its economy and society. Let me highlight Japan's major focuses this year - we have further expanded supports in domestic resource mobilization (DRM), particularly in the Asia-Pacific countries, in tandem with activities under the Joint Domestic Resource Mobilization Initiative (JDRMI) by the IMF and the World Bank. Addressing debt vulnerabilities, with the stronger focus on African region is another priority area. Japan is now supporting three long-term experts on debt management in Africa Regional Technical Assistance Centers (AFRITACs). Japan also remains the prominent supporter of the D4D (Data for Decisions) Fund, which entered a new phase in May 2025, based on the idea that accurate, timely, and transparent statistics, including debt-related data, are essential foundation for appropriate policy management and sound governance. We believe that those cooperations with the IMF will effectively support members in their longer-term economic development.

Japan also supports the IMF work on emerging issues. One prominent example is digital money including central bank digital currencies (CBDCs), which is becoming one of the key transformational issues for many countries, and entire international monetary and financial systems. Japan continues to support the IMF in developing the CBDC Handbook as a reference guide for policy makers and central bankers to assist their appropriate consideration and decision making regarding the design and introduction of CBDCs. Furthermore, considering the growing interest in the international community, Japan has started to collaborate with the IMF on enhancing efficiency, inclusiveness, and integrity of the cross-border payment systems, primarily focusing on the Asia Pacific and African regions.

Lastly, we welcome the ongoing efforts by the IMF to further enhance the outcomes of its CD activities. During the annual strategic dialogue held last November, it was reaffirmed that further strengthening integration of CD with lending and surveillance, as well as promoting a more integrated approach between technical assistance and training, remains key to ensure the effectiveness, efficiency, and sustainability of CD activities. Greater focus is also needed on increasing the visibility of CD supported by JSA within the international community by disseminating its best practices, unique focus, and innovative approaches. With these joint efforts, Japan expects the IMF to remain a partner of choice for its member countries based on its technical expertise, political neutrality, and global reach.

We look forward to continued collaboration with the IMF.

Yoichiro Ikeda

*Director of the International Organization Division,
International Bureau,
Ministry of Finance, Japan*

JAPAN-IMF PARTNERSHIP AT A GLANCE

The Government of Japan is the longest standing partner in the CD efforts of the IMF, with \$871 million in funding to date. In fiscal year 2025 (FY2025), the Government of Japan contributed \$43 million to support a large portfolio of 40 bilateral programs and multi-partner initiatives. Over the past three years (FY2023-25), Japan remained one of the top contributors to IMF CD.

Japan-funded IMF bilateral programs address countries' CD needs and are consistent with Japan's international cooperation priorities and the IMF's commitment to the Sustainable Development Goals (SDGs). Programs typically address fiscal issues, monetary and capital market reforms, macroeconomic statistics, and macroeconomic management. Japan also supports the IMF's online learning program, as well as CD in CBDCs.

Japan has committed resources to selected multi-partner initiatives, such as the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Thematic Fund;

the D4D Fund; the Global Public Finance Partnership (GPFP); the Ukraine Capacity Development Fund (UCDF); and the COVID-19 Crisis CD Initiative (CCCDI). In FY2025, Japan has partnered with the Pacific Financial Technical Assistance Centre (PFTAC), as well as announced its continued support for the second phase of the D4D Fund. CD programs are also implemented through the IMF Capacity Development Office in Thailand (CDOT) and the IMF Singapore Regional Training Institute (STI).

In addition, Japan supports two scholarship programs: the Japan-IMF Scholarship Program for Asia (JISPA), and the Japan-IMF Scholarship Program for Advanced Studies (JISP), as well as the IMF Regional Office for Asia and the Pacific (OAP). The IMF and all member countries benefitting from the IMF-Japan partnership extend their appreciation to the authorities and citizens of Japan for their long-standing, highly valued support and look forward to continuing the strong and effective partnership.

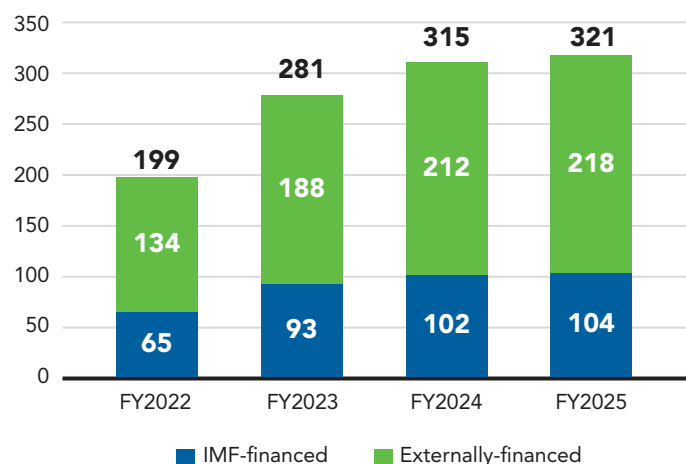
IMF CAPACITY DEVELOPMENT: AN OVERVIEW

Strong economic institutions foster effective policies that lead to economic stability, inclusive growth, and job creation. That is why, for more than 50 years, the IMF has provided CD—comprising hands-on technical assistance (TA) and training—to central banks (CBs), Ministries of Finance (MoFs), tax authorities, and other economic institutions. IMF CD helps countries raise public revenues, spend more efficiently, modernize banking systems, enhance central banking capacity, develop strong legal frameworks, improve governance, and transform their economies in key areas such as gender, digitalization, and climate change. These CD efforts help countries achieve their growth and development objectives, including the SDGs.

As a core mandate of the IMF, CD has been fully integrated with lending and surveillance activities and represented 37 percent of the Fund’s spending on country operations in FY2025 (Figure 1A). Although internal resources finance

FIGURE 1B. SPENDING ON CD, FY2025

(In millions of U.S. dollars)

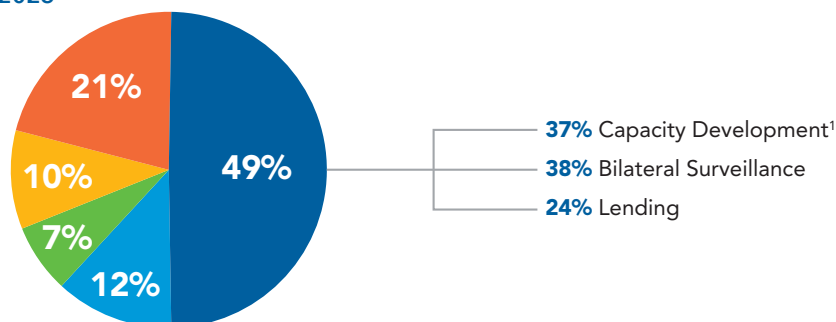


Source: IMF staff estimates.

FIGURE 1A. IMF SPENDING BY MAIN OUTPUT, FY2025

(In share of total)

- Direct Country Operations
- Multilateral Surveillance and Global Standards
- Policy and Analytics
- Fund Governance and Fund Finances
- Corporate Functions



Source: IMF staff estimates.

Note: Excludes miscellaneous and central reserves. Direct country operations include only direct engagement with membership.

¹ Delivery only. Excludes CD activities related to policy, analytics, and other output areas.

a considerable share of CD delivery, financial support from partners such as Japan is crucial in helping the IMF deliver high-quality CD that responds to member country needs and aligns with IMF and global development priorities.

These partner contributions have grown steadily in recent years, and, in FY2025, the externally funded component amounted to \$218 million, constituting 68 percent of total CD spending (Figure 1B).

IMF CD is delivered to countries through a range of modalities such as in-person visits and remote engagements from both the HQ and a network of regional CD centers (RCDs); in-country placements of long-term resident advisors (RA); virtual and face-to-face training; and free online learning courses.

The surge in demand for CD support is expected to continue, and an integrated approach provides the foundations that countries need for a strong and sustainable recovery. Past and ongoing CD also serves as an antidote against economic fragmentation by fostering regional and global cooperation and supporting the most vulnerable countries. The increasing number of long-term IMF CD experts supporting Fragile and Conflict-Affected States (FCS) in the field following the adoption of the IMF's FCS strategy in 2022 also plays

an important role in mitigating the risk of these countries' growth-track divergence from other economies in the wake of a surge in conflicts around the world.

The approved reforms under 2024 Capacity Development Strategy Review (CDSR)—which calls for flexible, integrated, and tailored CD to have deeper and sustained impact—are under implementation. Notably, work is ongoing to further enhance the integration of CD with surveillance and lending through refining institutional processes. The Fund is also developing a Strategic Results Framework (SRF) which will introduce a set of strategic indicators to articulate higher-level results (beyond the existing project level Results-Based Management (RBM)) and enable better monitoring and assessment of impact with variables aligned with surveillance and lending objectives.

With generous support of the Government of Japan, the IMF online learning program continued to grow at rapid pace during the pandemic, with now about 118 online courses and more than 233,000 active learners. The expansion of blended CD makes in-person TA and training more effective as country officials can acquire the necessary knowledge prior to in-person missions kicking off by participating to online courses.

JAPAN-IMF PARTNERSHIP ON CAPACITY DEVELOPMENT

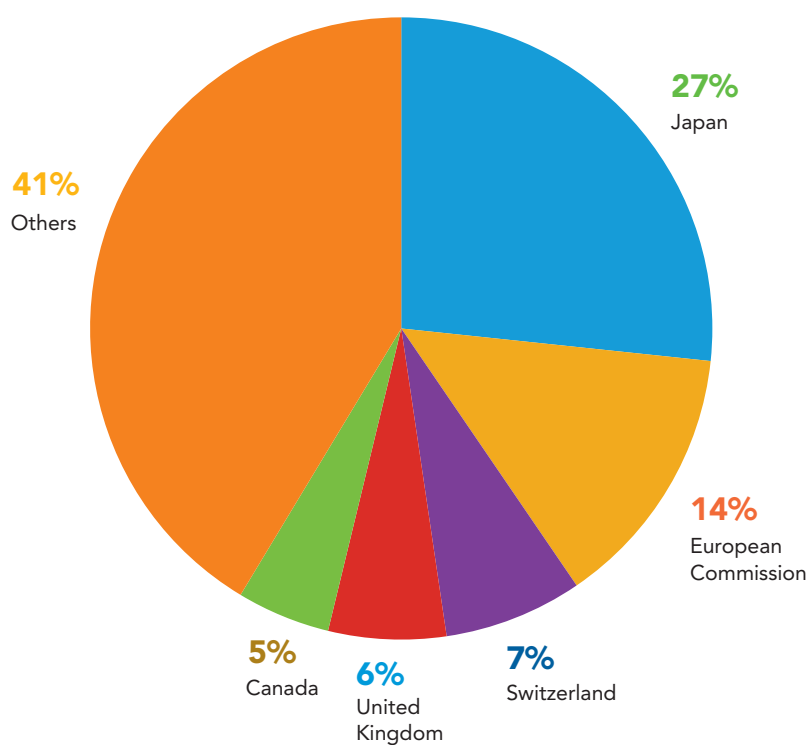
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JAPAN'S CONTRIBUTIONS

The vehicle for the Government of Japan's support to the IMF CD operations is the Japan Subaccount (JSA) of the Framework Administered Account for Selected Fund Activities (SFA). Its contributions to the IMF since FY1990 total \$871 million, of which about \$716 million has provided support for IMF CD projects, \$48 million for activities of the OAP, and \$107 million for the JISPA and JISP (Table 1 and Figure 3). In the period FY2017-25, Japan alone was responsible for almost 27 percent of external financing for IMF CD (Figure 2).

In FY2025, Japan contributed \$43 million to support a portfolio of 40 bilateral programs.¹ Japan also contributed to AML/CFT, GPFP, PFTAC, and Externally Financed Appointee (EFA).² Contributions also support the OAP and two scholarships programs.

FIGURE 2. EXTERNAL PARTNER CONTRIBUTIONS FOR CAPACITY DEVELOPMENT, FY2017-2025¹



Source: Capacity Development Information Management System (CDIMS).

¹ Excludes in-kind contributions. Funds received during FY2017-25, not adjusted for Regional Training Centers cost recovered directly.

¹ Appendix 1 presents a summary of all JSA programs.

² Details on Japan's participation in multi-partner initiatives in Table 2.

TABLE 1. CONTRIBUTIONS BY JAPAN, FY1990-2025

(In millions of U.S. dollars)

	FY1990-2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Total FY1990-2025
Japan's Contributions¹	587.3	33.7	30.4	33.7	44.3	59.4	17.5	21.5	43.0	870.8
<i>of which</i>										
Capacity Development²	473.8	27.9	25.5	28.6	38.3	53.8	12.8	16.5	38.8	716.0
<i>of which, COVID-19 Initiative Window</i>	0.0	0.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	10.0
<i>Digital Money Window</i>	0.0	0.0	0.0	0.0	0.0	15.0	0.0	0.3	2.0	17.3
Regional Office for Asia and the Pacific	32.5	2.1	2.0	2.1	2.2	2.1	1.8	1.7	1.3	47.9
Scholarships	81.0	3.7	2.9	3.0	3.8	3.5	2.9	3.2	2.9	106.9
The Japan-IMF Scholarship Program for Asia	53.7	2.8	2.4	2.4	3.0	2.8	2.2	2.6	2.4	74.3
Japan-IMF Scholarship Program for Advanced Studies	27.3	0.8	0.5	0.6	0.8	0.7	0.7	0.7	0.5	32.6

Source: Institute for Capacity Development, IMF.

¹ Until FY10, contributions to the JSA and the Japan-IMF Scholarship Program for Advanced Studies were administered under the Japan Administered Account for Selected IMF Activities (JAA) and the Framework Administered Account for Selected IMF Activities (FAA), respectively. New contributions are now administered under the JSA under SFA. The JAA and the FAA accounts are closed, with the remaining funds transferred under the JSA under SFA.

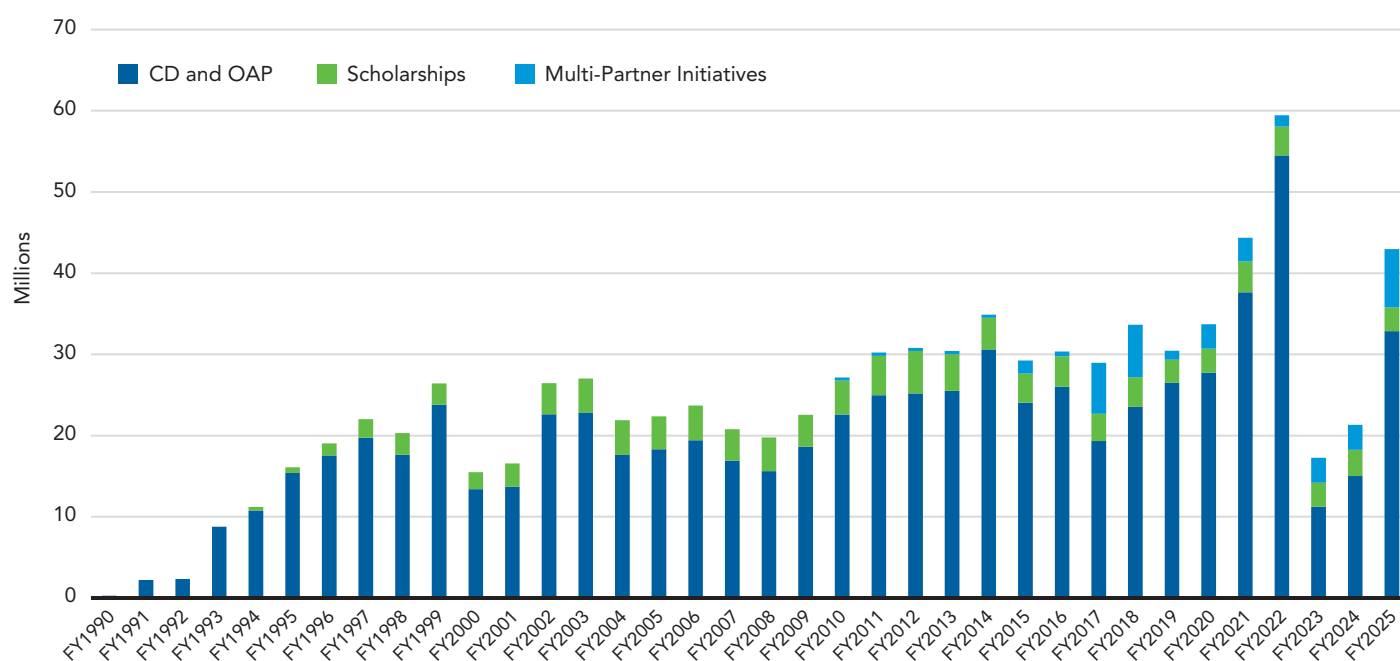
² Includes \$154,603 transferred to finance the operations of the Office of the Executive Director for Japan in FY11, \$324,344 transferred to SPR and OBP to cover expenses in support to Japan's G20 Presidency in FY19-20, \$187,179 transferred to SPR and OBP to cover for expenses in support to Japan's G7 Presidency in FY23 and \$125,441 transferred to SPR and OBP to cover for expenses in support to Japan's G7 Presidency in FY24.

TABLE 2. JAPAN'S PARTICIPATION IN IMF CD MULTI-PARTNER VEHICLES

(In millions of U.S. dollars)

FY2025 Contributions to Multi-Partner Vehicles	6.7
Anti-Money Laundering and Combating the Financing of Terrorism Subaccount (AML/CFT) - Phase III	0.6
Pacific Financial Technical Assistance Center (PFTAC)	3.6
Externally Financed Appointee Subaccount (EFA)	1.0
Global Public Finance Partnership (GPFP)	1.5

FIGURE 3. JAPAN ANNUAL CONTRIBUTIONS TO CAPACITY DEVELOPMENT BY ACTIVITY, FY1990-2025¹



Source: Institute for Capacity Development, IMF.

¹ Includes \$154,603 transferred to finance the operations of the Office of the Executive Director for Japan in FY11, \$324,344 transferred to SPR and OBP to cover expenses in support to Japan's G20 Presidency in FY19-20, \$187,179 transferred to SPR and OBP to cover for expenses in support to Japan's G7 Presidency in FY23 and \$125,441 transferred to SPR and OBP to cover for expenses in support to Japan's G7 Presidency in FY24

Box 1. Implementing Sri Lanka's Economic Reform Agendas (FAD_LKA_2023_01, FAD_APD_2022_02, LEG_IMF_2024_07, ICD_IMF_2022_03)

Over the past few years, Japan provided support for CD in Sri Lanka covering such priority areas as public financial management (PFM), revenue administration, debt management, macroeconomic frameworks, tax policy, and governance. In FY2025 alone, Japan contributed over \$2m (78% of external financing) for CD delivery in Sri Lanka.

Sri Lanka's PFM Reforms: A Path to Fiscal Resilience

Sri Lanka has faced with acute fiscal stress in recent years, driven in part by weak public financial management. Budgets routinely overestimated revenue, expenditure controls proved ineffective, and the Fiscal Management Responsibility Act's rules were repeatedly breached. The resulting overruns and arrears culminated in the 2022 fiscal crisis. Recognizing that a durable recovery required a wholesale transformation of its PFM system, the authorities prioritized modernizing the legal framework, embedding a medium-term approach to fiscal sustainability, and upgrading IT systems and data management which has been supported by Fiscal Affairs Department (FAD) through this CD program.

Enacted in August 2024, the new PFM Act—developed with extensive CD missions, reviews and consultations—replaced outdated fiscal-responsibility statutes with a comprehensive, rules-based framework. It mandates a rolling five-year medium-term fiscal framework (MTFF) and an annual Fiscal Strategy Statement (FSS). A binding primary-expenditure ceiling of 13 percent of GDP now governs the budget cycle, with any breach requiring parliamentary approval and a published recovery plan. Debt sustainability analysis underpins borrowing decisions, while government guarantees are capped at 7.5 percent of average GDP and subject to strict reporting. The law also enforces internationally aligned accounting standards, a unified chart of accounts, quarterly and mid-year fiscal reports, and clear disclosure timelines, while assigning explicit responsibilities to the finance minister, treasury secretary, and cabinet and empowering the Parliamentary Budget Office.

Another milestone was cabinet approval of the country's first FSS also supported by FAD CD under this funding program. The statement sets out concrete debt-reduction objectives, primary-surplus targets and the new expenditure ceiling,



Pictured: Mr. Franck Bousquet, Deputy Director, ICD; Ms. Ozlem Aydin, Economist, FAD; Mr. K.M. Siriwardana, Secretary to the Treasury, Sri Lanka; Ms. Cindy Negus, Sr Economist, FAD; Mr. Peter Breuer, Former APD Mission Chief for Sri Lanka. “Partnership in Action: Active Collaborations Yield Successful Fiscal Reforms in Sri Lanka”, April 22, 2025, IMF Spring Meetings 2025.

all underpinned by detailed revenue and spending measures. It incorporated the 2025-29 MTFF, which provides key parameters for the 2025 budget and updated macro-fiscal projections through 2029. By articulating challenges and policy responses in a single, time-bound document, the FSS strengthened policy credibility, gave Parliament and the public a clear yardstick to assess performance, and laid the groundwork for systematic monitoring.

Following these successes, FAD, in collaboration with the World Bank (WB), conducted a CD mission in January 2025 to help the authorities identify, assess, and disclose major fiscal risks. The team worked closely with the MoF and other key institutions to develop a roadmap for the Fiscal Risks Statement, deliver targeted training on fiscal risk analysis, and introduce tools such as the Fiscal Risk Assessment Tool and the State-Owned Enterprise (SOE) Health Check Tool. Following the mission, FAD has continued to provide support, including short-term expert (STX) assistance, to guide the authorities through the FRS drafting process. This ongoing engagement has helped strengthen institutional arrangements, improve data quality, and deepen risk analysis across key areas.

These CDs have been closely aligned with the IMF's Extended Fund Facility (EFF) arrangement for Sri Lanka. The enactment of PFM Law was a structural benchmark (SB), and the FSS and FRS are reform commitments under the EFF program, reinforcing the broader macroeconomic stabilization and reform agenda. CD missions frequently engaged with development partners, including representatives from the Japan International Cooperation Agency (JICA), who often participated in the debriefing meetings to explore areas for further collaboration.

Enhancing Revenue Administration in Sri Lanka: Fostering Economic Growth, Institutional Capacity, and Long-term Sustainability

Sri Lanka has embarked on a transformative journey to enhance its fiscal reform agenda, driven by urgent reform needs that outpaced those of other beneficiary countries. This resulted in an intensive year of CD efforts strategically aligned with the IMF's EFF program, that led to an impressive increase of five percent growth in FY2025. The important integration of CD (between revenue administration, tax policy, and PFM), lending, and surveillance was showcased during the April 2025 CD Talk at the 2025 Spring Meetings.

Key Reform Initiatives at Inland Revenue Department (IRD)

- *High-Wealth Individual Compliance Program*: This program was established to enhance compliance among high-wealth individuals, ensuring a fairer tax system and ultimately increasing revenue collection.
- *Tax Crimes Program*: The implementation of this program aims to combat tax evasion and fraud, strengthening the integrity of the tax system. Now that this program has been established, HMRC has expressed an interest in taking it forward.
- *Repeal of Simplified Value Added Tax (VAT)*: Significant planning was undertaken to transition to a traditional VAT refund model, streamlining processes and improving efficiency, with implementation expected on October 1, 2025.

The substantial efforts required meticulous planning and execution, supported by coordinated CD activities funded through the South Asia Regional Training and Technical Assistance Center (SARTTAC) and the JSA Customs program.¹ This collaboration and strong country ownership enhanced the capacity of IRD, enabled effective reform implementation, and fostered an integrated approach. The initiatives gained momentum with ongoing support from a long-term, in-country advisor and targeted assistance from STX, addressing absorptive capacity challenges and ensuring sustainability. Additionally, a development partner network led by the IMF promotes efficient resource utilization to advance Sri Lanka's reform agenda. The extensive CD efforts in Sri Lanka exemplify a comprehensive approach to fiscal reform that addresses immediate needs while laying the groundwork for long-term economic stability. Through strategic initiatives, coordinated support, and collaborative partnerships, Sri Lanka continues to make significant, sustainable strides in enhancing its fiscal framework and governance, setting a benchmark for other beneficiaries.

Establishing and Operationalizing Public Debt Management Office in Sri Lanka

In Sri Lanka, the economic program supported by the EFF aimed at restoring long-term macroeconomic stability and debt sustainability. It included two SB relating to public debt management i.e., the establishment of the Public Debt Management Office (PDMO) by the end of 2024 and its full operationalization by the end of 2025. To support the achievement of these benchmarks, the IMF through funding support from the Government of Japan and in collaboration with the WB delivered several TA initiatives. The work supported the authorities in drafting of the Public Debt Management Act and Regulations, as well as in development of the institutional structure and key functions of the new PDMO.

The RA has assisted the authorities in the review and finalization of the draft Public Debt Management Act, accompanying Regulations, and a Guideline on Public Debt Management. The authorities also participated in the regional training workshop on the formulation of a Medium-Term Debt Management Strategy (MTDS) in New Delhi in September 2024. Further support was provided to develop job descriptions for key leadership positions within the new PDMO to facilitate the recruitment of qualified personnel. Additional TA was delivered in 2025, including a mission on Domestic Debt Management in January to support the transfer of functions from the CB, and another in March focused on developing an Investor Relations Strategy and Communication Policy. In February 2025, virtual support was provided to assist in drafting Sri Lanka's first MTDS.

As a result of these efforts, the Public Debt Management Act was enacted on June 18, 2024. A new Director General of the PDMO was appointed in November 2024, and the PDMO was officially established in December 2024, meeting the first EFF SB. The first [MTDS](#) by the PDMO was published, and a dedicated [website](#) has been launched to improve transparency and support investor outreach. The Public Debt Regulations



Participants in a Tax Crime Workshop at IRD, January 2025.

¹ JSA Customs Reform and Modernization Program for Selected Countries in APD, FAD_APD_2024_02

Box 1. Implementing Sri Lanka's Economic Reform Agendas (FAD_LKA_2023_01, FAD_APD_2022_02, LEG_IMF_2024_07, ICD_IMF_2022_03) (continued)

and Guidelines on Public Debt Management are now in the final stages of approval for adoption. Implementation of key recommendations from the January 2025 mission is currently underway to strengthen the operational capacity of the office. The ongoing TA focuses on supporting the operationalization of the PDMO, including the gradual transfer of debt management functions to meet the second EFF SB.

Implementing Governance Diagnostic Recommendations for Sri Lanka

Following the publication of the Sri Lanka Governance Diagnostic (GD) Report in September 2023, the Sri Lankan authorities requested targeted TA from the IMF to help implement the GD's key recommendations. In response, the Legal Department (LEG) provided comprehensive support, ensuring that the GD's governance and anti-corruption priorities were effectively translated into action. The recommendations were fully integrated into the IMF-supported program and now make up the core of the governance- and corruption-related IMF conditionality for Sri Lanka.

Specifically, the authorities sought help with launching the Commission to Investigate Allegations of Bribery and Corruption (CIABOC)—Sri Lanka's principal anti-corruption body—and to implement a robust asset declaration system for senior public officials. To support this effort, LEG coordinated a two-week mission to Colombo in October 2024.



First Row (L-R): Phonetheva Sengmany, Viengdala Phetthavongsy, Mohamed Amdhan, Amit Shakya, Bhim Pokharel, Dilaram Giri, Juan Pradelli, Patricio Merlani, Sanjay Kumar, Emre Balibek, Fathmath Suha, Aishath Jumana Mohamed, Maryam Nuha, Anushka Wijesundara, Adikari M. N. Madhumali.

Second Row (L-R): Jayanie Wickrama Arachchi, Rashdha Yoonus, Deepak Kumar Meena, Ram Pravesh Kumar, Phongkhamhack Khunbolin, Anand Prakash Ekka, Mukunda Pokharel, Samaychith Boupha, H. P. K. Perera, Sabiha Yeasmin, Chamara Prashan Dikwella, Pranati Biswas, Debraj Chaudhuri.

Box 1. Implementing Sri Lanka's Economic Reform Agendas (FAD_LKA_2023_01, FAD_APD_2022_02, LEG_IMF_2024_07, ICD_IMF_2022_03) (continued)

LEG staff worked with CIABOC to help finalize and publicly launch its strategic plan, which was established as a SB under the IMF-supported program. The TA engagement led to a second in-country mission in January 2025. During this mission, the STX provided hands-on support in implementing the asset declaration system, including a detailed review and refinement of the asset declaration form in line with regional and international good practices. Staff also consulted with development partners and worked closely with the Asian Development Bank (ADB), WB, JICA, United Nations Development Programme (UNDP), to provide sustained assistance in the implementation of the strategic plan and the asset declaration system.

LEG staff worked with counterparts across institutions, helping to bridge capacity gaps and address human resource constraints that could have impeded reform progress. This sustained, hands-on approach contributed to tangible advancements in Sri Lanka's anti-corruption architecture and represents a strong example of how IMF TA can reinforce national efforts to strengthen governance and accountability frameworks.

Macroeconomic Frameworks Technical Assistance - Ministry of Finance

The Ministry of Finance of Sri Lanka requested TA to strengthen its macroeconomic forecasting and policy analysis capacity, in line with the 2023 EFF program objectives. Following initial joint missions with the Central Bank of Sri Lanka, the TA was restructured in 2024 to focus exclusively on the MoF's needs. The project centers on customizing the Macroeconomic Framework Tool (MFT) and building institutional capacity for medium-term forecasting and scenario analysis.

The TA began with a hands-on training mission in October 2024, which introduced Financial Programming and Policies (FPP) concepts and the MFT. Subsequent virtual missions in November 2024, February, and May 2025 focused on customizing the MFT using national data, refining behavioral equations, and clarifying roles within the forecasting team. By May 2025, the core team had produced a full-scale baseline projection and developed alternative policy and risk scenarios. The MFT was calibrated to reflect Sri Lanka's economic structure, including fiscal-monetary interactions and external vulnerabilities. A user manual and training materials are under development to support institutionalization.

The MFT will enable the MoF to produce consistent macro-fiscal forecasts, simulate policy scenarios, and support fiscal planning and program monitoring. This will enhance the realism and transparency of projections and improve coordination across departments. The TA supports IMF surveillance and program engagement by improving the quality of macroeconomic projections used in Article IV consultations and EFF reviews. It also strengthens the MoF's capacity to engage in evidence-based policy dialogue with IMF staff. Sustainability is supported through structured training, the development of a user manual, and the establishment of a forecasting calendar and core team. The project emphasizes documentation, scenario analysis, and integration into institutional workflows.



May 2025, Sri Lanka, Core team from the MoF with Mission team members.

Box 1. Implementing Sri Lanka's Economic Reform Agendas (FAD_LKA_2023_01, FAD_APD_2022_02, LEG_IMF_2024_07, ICD_IMF_2022_03) (continued)

The project is funded by the JSA, whose support has been acknowledged by the mission team and authorities. The TA has been well received by senior officials, including Director General Kapila Senanayake, and is seen as a key step toward integrating the macroeconomic forecasting tool at the MoF. At a final high-level meeting with Mr. K.M. Mahinda Siriwardana, Secretary to the Treasury and the Res. Rep, in Colombo, Ms. Martha Woldemichael, the MoF team presented their baseline projections, including a discussion of possible alternative scenarios. The presentation aimed at showcasing the workings of the model and presenting preliminary forecasts for 2025. In addition, the mission invited Mr. Takafumi Nakanishi, representative of the Japanese Embassy and responsible for the work on the JSA. His presence was an occasion to reaffirm a shared commitment to the project and to thank the Japanese authorities for their generous contribution to the project and continued collaboration on capacity building.



May 2025, Sri Lanka. From left to right, Simone Cuiabano (ICDMF), Diego Zamora (STX), Takafumi Nakanishi, First Secretary (Financial Attaché) Embassy of Japan in Sri Lanka, and Raju Sharan (LTX).



May 2025, Sri Lanka. From left to right, Secretary of the Treasury, Mr. Siriwardana, Ms. Woldemichael (Res. Rep), and Rodolfo Maino (Team Leader).

Box 2. Country Specific Pension Model for Vietnam and Training (FAD_VNM_2023_01, FAD_APD_2023_02)

Develop a country specific pension micro-simulation model for Vietnam to support policy making

Pension spending is a major fiscal item which influences welfare in old age. It impacts labor markets, tax compliance, and plays a critical role in shaping the macroeconomy and fiscal landscapes. As Vietnam is rapidly ageing, the social security faces increasing pressure. It is essential for stakeholders to understand the long-term implications and the functioning of public pension systems. That require rigorous quantitative analysis.

FAD conducted a program that developed a country specific pension model for Vietnam and provided training to the experts at Vietnam Social Security on its use. Following this training, the Vietnam Social Security (VSS) team is able to assist in policy making through micro simulation-based projections, sensitivity and scenario analysis. This engagement is characterized by a mix of remote activities (bi-weekly meetings) and in-person visits (picture).

As a result of this collaboration, the staff at VSS are now equipped to support pension-related, decision-making processes with data-driven insights, significantly enhancing the effectiveness of Vietnam's pension policies. This CD has been highly valued by the authorities, reflecting a strong commitment to improving the social security system.

The implementation of the pension modeling tool is expected to facilitate more informed policy decisions that address the pressing challenges posed by an aging population in Vietnam. Integrating this tool into the regular decision-making process will promote prudent decision making and ensure the long-term viability of the social security system.

This initiative aligns with the IMF's broader surveillance and lending frameworks, emphasizing the importance of sound fiscal policies in maintaining economic stability and promoting growth.

With the recent reshuffling of the public administration in Vietnam, it is important to ensure that the training continues for the newly appointed staff, and that the pension modeling tool is updated to capture the most significant implications of the reform.



Picture from the technical team during the in person visit in October 2024: VSS Team, from left to right Nguyễn Hương Giang, Gyula Horváth, Nguyễn Viet Cuong, Nguyễn Vinh Quang, Nguyễn Văn Bình., and FAD Team Gyula Horvath, FAD expert, Céline Thévenot, program coordinator (Senior economist, FAD), October 2024, VSS in Hanoi.

Training for Vietnam Social Security experts in its use

The General Department of Taxation (GDT) collects extensive electronic tax data and wishes to improve its capacity to use those data to improve not only revenue administration but also tax policy evaluation. While extensive data are collected, they are not integrated into databases and models that allow their ready interpretation. The GDT noted its desire to respond to MoF requests for tax policy analysis, including revenue estimates for new legislative proposals. Also, current governance practices restrict the flow of information both among the GDT's various departments and between government organizations, such as the Department of Customs and the MoF Tax Policy Department.

In February 2025, FAD Tax Policy conducted a mission including a four-day workshop advising the Tax Declaration and Accounting Department and several other GDT departments on how to establish a tax statistics analysis unit. The workshop presented numerous tools and techniques to enhance the GDT's analytical capacity, including revenue forecasting

Box 2. Country Specific Pension Model for Vietnam and Training (FAD_VNM_2023_01, FAD_APD_2023_02) (continued)

models, corporate and personal income tax microsimulation models, a VAT GAP model based on supply-and-use tables, and indirect tax distribution models based on household consumption data. Microsimulation and VAT GAP models can generate information useful for improving tax audit targeting as well as tax policy reforms. The mission also advised the GDT on organizational reforms, such as improved internal and interagency information sharing, to support its analytical work. Specifically, GDT staff should have access to broad tax datasets, not just specific tax returns, when needed for their analytical work.

Since the workshop, the GDT has consolidated the analytical functions of several former departments into its new Tax Budget, Accounting and Statistics Department, as part of a broader government reorganization. This consolidation should improve internal information flow and cross-cutting analysis of tax administration and policy issues. Deepening of that process – particularly regarding internal and interorganizational data access – will be important to securing results. Improved tax statistics should also facilitate IMF surveillance and more tailored CD advice. To continue building its analytical capacity, the GDT has expressed interest in further FAD Tax Policy CD on microsimulation modeling and distributional analysis in particular.



IMF-GDT Workshop on Tax Statistics Analysis, February 2025, Hanoi.

Box 3. Liberia: Macroeconomic Frameworks Technical Assistance (ICD_IMF_2022_03)

The Ministry of Finance and Development Planning (MFDP) of Liberia requested IMF TA to strengthen its macroeconomic forecasting and policy analysis capacity. The MFT was identified as the most suitable platform to support this effort, given Liberia's data limitations and institutional needs. The TA project was launched in late 2024 with strong support from MFDP leadership, including Deputy Minister Tanneh Brunson and Assistant Minister Henry Yanquoi.

The project has progressed through a series of in-person and virtual missions. Key achievements include customizing the MFT to Liberia's economic context, resolving data gaps, tailoring behavioral equations (e.g., for inflation in a partially dollarized economy), and producing baseline and alternative projections. The core team, composed of staff from MFDP's Economic Management and Budget divisions, has been actively engaged in training and scenario development. The TA has also emphasized institutionalization, with clear task assignments, the drafting of a user manual, and integration of ICD training (e.g., MDSx, FPP). Coordination with FAD and African Department (AFR) teams has ensured alignment with broader fiscal and statistical reforms. The MFT will enable MFDP to produce consistent macro-fiscal forecasts and simulate policy scenarios, supporting budget planning and fiscal risk analysis. The integration of the Debt Dynamics Tool (DDT) will enhance debt sustainability assessments.

The TA supports IMF surveillance by improving the quality of macroeconomic projections used in Article IV consultations and program discussions. It also strengthens Liberia's capacity to engage in evidence-based policy dialogue with IMF staff. Sustainability is supported through hands-on training, the development of a user manual, and the establishment of a core team with defined responsibilities. Continued virtual engagement and documentation will help mitigate risks related to staff turnover and data quality.

The project is funded by the JSA, whose support has been acknowledged by MFDP leadership and the mission team. The closing session featured strong expressions of appreciation from Deputy Minister Zuo and other senior officials.



November 2024, Liberia, Core MoF team with mission members.

Box 4. Zimbabwe: Macroeconomic Frameworks Technical Assistance (ICD_IMF_2022_03)

In response to a request from the Ministry of Finance, Economic Development, and Investment Promotion (MoFEDIP), the ICD launched a TA project to strengthen Zimbabwe's macroeconomic forecasting and policy analysis capacity. The counterpart is the Macroeconomic Working Group (MWG), which comprises staff from MoFEDIP, the Reserve Bank of Zimbabwe (RBZ), and the National Statistics Agency and is responsible for producing macro-fiscal projections to inform the national budget and monetary policy reports. The TA aims to support the MWG in developing a revamped macroeconomic projections tool (MPT) based on a semi-structural, general equilibrium framework.

The first in-person mission in December 2024 assessed the MWG's current forecasting tools and institutional setup. It concluded with an agreement to adopt the Comprehensive Adaptive Expectations Model (CAEM) as the foundation for the new MPT, tailored to Zimbabwe's economic context. The project includes seven missions through July 2026 and emphasizes training, documentation, and scenario analysis. A core team of 20 staff from MoFEDIP and RBZ, coordinated by Mr. Mamvuto Mndola (MoFEDIP) and Mr. Kennedy Kupeta (RBZ), was established to lead implementation under the oversight of MWG Director Mr. Elson Chuzu. The team has already consolidated an initial database and begun reviewing key macroeconomic concepts and behavioral equations. The next mission, scheduled for July 2025, will focus on calibration, baseline forecasting, and scenario development.

The MPT will enable the MWG to produce internally consistent medium-term forecasts and simulate alternative fiscal and monetary policy scenarios. The integration of the DDT will enhance debt sustainability analysis and risk assessment. These improvements are expected to strengthen the realism and credibility of macro-fiscal projections used in policymaking. The TA supports IMF surveillance by improving the quality of macroeconomic projections used in Article IV consultations and program discussions. It also enhances the authorities' ability to engage in evidence-based policy dialogue with IMF staff. To ensure sustainability, the project emphasizes hands-on training, the development of a user manual, and the institutionalization of forecasting processes. The MWG's strong inter-agency coordination and commitment to the project are key enablers of long-term success.

The project is funded by the JSA, whose support has been instrumental in enabling timely and impactful capacity development. The mission team and authorities have acknowledged JSA's contribution throughout the project's design and implementation.

Strengthening Fiscal and Debt Sustainability, and Sustainable Growth, through Macroeconomic Frameworks and Debt Dynamic Analysis for Forecasting in Selected Asian, African and Middle Eastern Countries: Acknowledging the Vital Support of the JSA

The generous support provided by the JSA has been instrumental in the successful delivery of TA by the IMF's ICD. JSA funding has enabled ICD to respond swiftly and effectively to member countries' evolving capacity development needs, particularly in the area of macroeconomic forecasting.



February 2025, Zimbabwe, MWG technical staff with the TA team.

Box 4. Zimbabwe: Macroeconomic Frameworks Technical Assistance (ICD_IMF_2022_03) (continued)

JSA-supported initiatives have targeted both fragile states and developing economies, including Liberia and Sri Lanka. In Liberia, the mission has made significant progress in customizing the MFT to align it with national needs. Key achievements include resolving data gaps, tailoring behavioral equations, validating policy assumptions, and producing baseline and alternative projections. The mission also introduced a strategy to help the core team leverage ICD training to enhance their use of the MFT. Looking ahead, efforts are focusing on refining the tool, drafting a user manual, and preparing presentations for senior officials.

In Sri Lanka, the mission built on earlier virtual and in-person engagements to adapt the MFT to the country's economic context. The team worked closely with local counterparts to refine the tool, validate assumptions, and generate economic scenarios. A comprehensive user manual was also developed to support long-term sustainability. To mitigate the risk of high staff turnover, a core team was designated to ensure continuity through the finalization of the TA. The mission concluded with a high-level meeting with Mr. K.M. Mahinda Siriwardana, Secretary to the Treasury, and Mr. Takafumi Nakanishi, representative of the Japanese Embassy and responsible for the work on JSA, reaffirming a shared commitment to continued collaboration and capacity building.

In Zimbabwe, the TA project for the MWG involves staff from the MoFEDIP, RBZ, and National Statistics Agency. The first in-person mission took place on February 2025 and worked on reviewing key concepts of FPP, potential output, simultaneous equations, and Error Correction Models, and discussing the initial set of behavioral equations for the MPT. The mission also reviewed the particularities of inflation, exchange rate and monetary policy in Zimbabwe to explore modelling approaches. The MWG has consolidated an initial own database to work with the MPT and the next mission to Harare, scheduled for July 2025, will build upon this progress to continue improving capacity on macroeconomic forecasting and policy analysis in the country.

JSA's sustained support has not only enhanced the quality and reach of ICD's TA but also ensured it is tailored to the specific challenges of recipient countries. This partnership continues to be a cornerstone of impactful and responsive CD.

Box 5. Advancing Data Transparency Through NSDP Launch and SDDS Workshops (STA_IMF_2023_02)

National Summary Data Page Launched in Guinea-Bissau

Supported by JSA funding, Guinea-Bissau launched its National Summary Data Page (NSDP) in June 2024. This progress placed Guinea-Bissau among 76 countries globally and 34 in Africa that now disseminate macroeconomic and financial statistics through NSDPs, significantly improving data transparency. The launch was the result of strong collaboration with the African Development Bank (AfDB), whose staff participated in these missions. The Bank manages the Open Data Platform, which countries use to display data on their NSDPs.

Progress was also achieved through close coordination with IMF country teams conducting Article IV consultations and programs. This integration helped raise the prominence of data transparency on countries' policy agendas, improving high-level buy-in and coordination among government agencies and ministries, which have been obstacles to project implementation. The authorities of Guinea-Bissau committed to implementing the Enhanced General Data Dissemination System (e-GDDS) to strengthen data transparency, as outlined in the Memorandum of Economic and Financial Policies contained in the December 2023 IMF Staff Report for the Extended Credit Facility (ECF) arrangement.

The launch received visibility through an IMF [press release](#) and a [LinkedIn post](#) that acknowledged donor support.

Workshop in Ghana, March 24-25, 2025

The workshop provided a peer-learning environment for Angola, Ghana, and Uganda, where participants developed country-specific action plans for advancement to the Special Data Dissemination Standard (SDDS) subscription. The event featured a mix of presentations by IMF staff and the AfDB, hands-on training on the data dissemination platforms, and breakout sessions focused on identifying data gaps and peer-learning opportunities. The Namibian SDDS coordinator also shared their experience with advancing to the SDDS.

The workshop benefitted from the financial support of the Government of Japan through the JSA. The Japanese Ambassador to Ghana, H.E. Hiroshi Yoshimoto, gave opening remarks. Twenty-four officials from the CB, MoF, and statistical agencies of Angola, Ghana, and Uganda attended. The three countries collaborated in designing country-specific action plans for meeting SDDS requirements. The event was covered in a [post](#) on LinkedIn that also acknowledged donor support.

Advancing to the SDDS will enable the release of more timely and comprehensive macroeconomic data, which supports evidence-based macroeconomic policymaking and can boost countries' sovereign financing conditions.



E-GDDS mission in Guinea-Bissau, June 10-14, 2024. Picture taken with the President of National Statistics Institute.
The IMF's Mission Team: Dilson Tiny and Olga Laveda.



SDDS workshop in Ghana, March 28-29, 2025. Picture taken with the Ambassador of Japan to Ghana, H.E. Hiroshi Yoshimoto. Instructors: Nombulelo Braiton, Esha Chhabra, Dilson Tiny, and Zheng Hong. Participants from the CBs, MoFs, and National Statistical Agencies of Angola, Ghana, and Uganda.



SDDS workshop in Ghana, March 28-29, 2025. The Ambassador of Japan to Ghana, H.E. Hiroshi Yoshimoto, gives opening remarks.

Workshop in Kosovo, June 2024

Kosovo hosted a successful workshop in June 2024, which raised high-level political buy-in and accelerated progress towards SDDS subscription. The event was attended by 21 participants from Albania, Kosovo, and Montenegro. The goal of the workshop was to help these countries develop plans to graduate from e-GDDS to SDDS, building on their satisfactory performance in the e-GDDS.

Box 5. Advancing Data Transparency Through NSDP Launch and SDDS Workshops (STA_IMF_2023_02) (continued)

The workshop improved the participants' understanding of the SDDS requirements and provided a peer-learning opportunity through the participation of the SDDS Plus country coordinator from Slovenia. During practical exercises, country groups prepared: i) the assessment of existing statistical and institutional gaps to reach SDDS, and ii) the work plan to address those gaps and graduate to SDDS in the future. Bilateral meetings were also held with authorities from Albania, Kosovo, and Montenegro to strengthen buy-in for SDDS subscription from senior government officials.

The authorities issued a [press release](#) expressing appreciation for the support from the Government of Japan. The Governor of the CB of the Republic of Kosovo, Mr. Ahmet Ismaili, delivered the opening speech. Mr. Keisuke Yamanaka, *Chargé d'Affaires* of the Embassy of Japan, also attended the event and gave a speech.



SDDS workshop in Kosovo, June 10-14, 2024. Picture taken with the *Chargé d'Affaires* of the Embassy of Japan, Mr. Keisuke Yamanaka, and the Governor of the CB of the Republic of Kosovo, Mr. Ahmet Ismaili. Instructors: Jesus Gonzalez-Garcia, Minsuk Kim, and Edgardo Ruggiero. Participants from the CBs, MoFs, and National Statistical Agencies of Albania, Kosovo, and Montenegro.



SDDS workshop in Kosovo, June 10-14, 2024. Instructors: Jesus Gonzalez-Garcia, Minsuk Kim, and Edgardo Ruggiero. Participants from the CBs, MoFs, and National Statistical Agencies of Albania, Kosovo, and Montenegro.

Box 6. Liberia PFM Capacity Development and JSA Infrastructure Governance Facilities (FAD_AFR_2022_13, FAD_IMF_2022_06)

The IMF's CD program in Liberia funded by JSA has supported the authorities to successfully prioritize PFM reforms, identify new reforms required to improve budget credibility, and identify carefully tailored recommendations to increase the efficiency of public investment (including the integration of climate change).

Following previous activities (September 2022 and April 2024) that supported Liberia to prioritize its reforms in the PFM Reforms Strategy on critical areas given limited capacity, the IMF undertook a mission to Liberia in July 2024 to assess key challenges to budget credibility and help Ministry of Finance and Development Planning staff to outline options for strengthening the PFM framework to achieve better budget outcomes. Liberia has struggled with budget credibility due to unrealistic budgets approved by the Legislature and additional government spending that have resulted in unplanned domestic borrowing and rising public debt. The mission made recommendations to improve budget credibility through strengthening the PFM legal framework, budget preparation process, budget execution and transparency. Several of these recommendations were subsequently adopted as SB in Liberia's ECF Program to increase the transparency of the amendments to appropriations made in supplementary budgets and discretionary changes during budget execution.

In February 2025, the IMF also undertook a Public Investment Management Assessment (PIMA) update and Climate-PIMA (C-PIMA) to review the progress made since the first PIMA in 2016 and assess the extent to which climate change considerations are integrated into Liberia's public investment management (PIM) institutions. The assessment found that the measured strength of PFM in Liberia is in line with peers and shows modest improvement since 2016, helped by a strengthened legal framework (which was supported by the IMF) and the implementation of recommendations from the 2016 assessment. In particular, Liberia produced a draft PIM policy, is making greater use of a MTFF to inform budget ceilings, the budget framework paper now includes a list of all public investment projects, and the authorities have developed a publicly accessible dashboard of donor projects with capacity to add government funded projects in the near future. The TA report includes recommendations and a targeted action plan to further improve PIM (including the integration of climate change) ahead of a potential scaling up of investment in Liberia. Some of the mission recommendations are expected to inform conditions for future program support to Liberia.

JSA funding was acknowledged during the above activities when the recommendations were presented to senior management in the MoF as well as in the TA report. Recommendations made during the missions recognize Liberia's resource constraints, are carefully prioritized to enable the authorities to target the most impactful changes given limited capacity, and are aligned with the PFM Reform Strategy. Follow-up support is also planned through IMF's African Regional Technical Assistance Center (AFRITAC) West 2 to help the authorities with implementing key recommendations. There are also plans to hire an Long-Term Expert (LTX) funded by JSA to spend part of their time in Liberia to help the authorities implement key PFM-related recommendations.



1st Photo: July 2024, Ministry of Finance and Development, Monrovia, Liberia. Mission team meeting with the Deputy Minister for Budget and Development Planning (Tanneh Brunson), far right, Assistant Minister for Budget (far left) and Director of Budget Policy (2nd left). Mission team comprised Sybi Hida (Mission Chief, FAD), Graham Prentice (FAD), Phyllis Makau (AFW2), Martin Johnson (FAD Expert).



2nd Photo: Mission team (Speaker: Graham Smith, FAD STX) presenting PIMA and C-PIMA assessment findings to Liberian Authorities. March 2025, Ministry of Finance and Development, Monrovia, Liberia.

Online Learning Success Story 1: Strengthening Global Understanding of IMF Financial Operations

The IMF Financial Operations Online Course, launched in July 2024, marked a milestone as the first collaboration between the Finance Department (FIN) and ICD in online course design. The course was developed in response to growing interest in the Fund's financial architecture, particularly following the 2021 Special Drawing Rights (SDR) allocation. Designed for policymakers, government officials, and the general public, the course helps demystify the IMF's financial operations and reflects a broader institutional push to enhance transparency and accessibility in understanding the international monetary system.

A key feature of the course is its use of real-world case studies, spotlighting how different countries utilized their 2021 SDR allocations. Interviews with three IMF Executive Directors bring these examples to life, bridging theory with practical experience and offering learners a deeper appreciation of the diverse strategies adopted across economies. The development of the course brought together multiple FIN divisions with strong support from the front office and was further enriched by contributions from the IMF Young Professionals Group. This cross-departmental effort resulted in high-quality, relevant content that resonated with learners worldwide.

Course deliveries in FY2025 saw nearly 1,000 participants from over 140 countries, with almost 800 completing the course. Learner feedback was overwhelmingly positive, with a rating of 4.6 out of 5, and government officials demonstrated an average learning gain of 22 percentage points. Moreover, 84% of participants scored above 60% on the post-course test, and the overall course pass rate stood at 80%, reflecting the effectiveness of its design and relevance to participants' needs.

The course was also prominently featured in the Peek-into-Training session during the 2024 Annual Meetings of the IMF and WB, a popular event organized by ICD and FIN. The session included expert remarks by Mr. Kentaro Ogata, Deputy Vice Minister of Finance for International Affairs at Japan's Ministry of Finance, who shared Japan's experience with SDR channeling. With 1,271 online views and 186 in-person attendees, it became the second most-viewed capacity development event of the 2024 Annual Meetings.

Given its relevance and success, the course has now been incorporated into the Internal Economics Training curriculum for IMF staff, making it a valuable resource for onboarding and internal learning. The modular format of the course facilitated easy adaptation for internal use, ensuring broader reach and continued knowledge dissemination both externally and within the Fund.



Online Learning Success Story 2: Macroeconomic Policy Communication: IMF's First Custom-Built Blended Course

In January 2025, the STI successfully delivered a blended course on Macroeconomic Policy Communication (MPC), marking a significant milestone in IMF CD and training curriculum. For the first time, communication – a crucial aspect of macroeconomic policy – was offered as a self-contained and comprehensive course. This also marks the first time a new training course was intentionally designed in a blended format.

While face-to-face remains the cornerstone of CD training, rapid advances in learning science, instructional design, and education technology offer a remarkable opportunity to blend teaching modalities and improve outcomes. Since 2021,

Box 7. ICD Online Learning (continued)

over 20 blended courses delivered by the IMF have resulted in improved learning outcomes and enhanced learner satisfaction. Notably, these blended courses were all adaptations of existing in-person training.

The MPC course sets a new standard by being the first one fully crafted from the ground up in the blended learning format from its inception. The blended MPC course was developed to meet the demands of country authorities, particularly from low-income and FCS, for tailored communication training that equips participants with skills to convey complex macroeconomic concepts clearly and effectively.

The course spanned ten days of online self-paced learning, followed by one week of interactive in-person sessions. A total of 30 participants from 14 countries, including CBs and MoFs, were engaged in topics related to the principles of communication, strategies for public engagement, and impact assessment.

In-person sessions enhanced engagement, allowing participants to tackle real-world challenges through practical simulation exercises and case studies. The integration of Generative AI tools further facilitated interactive learning, promoting active application of learned strategies.

The blended MPC course not only equipped participants with essential skills but also fostered a network of professionals dedicated to improving communication strategies within their institutions. This initiative exemplifies the IMF's commitment to excellence in training, ultimately contributing to more informed and effective macroeconomic policymaking worldwide.



Online Learning Success Story 3:

Leveraging Online Learning Team Initiatives to Create a Blended Climate in Macroframeworks Course

The blended course on Climate in Macroframeworks (CMF), piloted in January and February 2025, brought together many different recent ICD initiatives to create a successful, well received, learning experience. Delving deeper into the subject matter than the Macroeconomics of Climate course alone, CMF trains participants to incorporate climate effects and policies into their macroeconomic frameworks. It provides participants with macroeconomic Excel-based frameworks, tools, and models for integrating climate considerations in policy formulation. It also prepares them to consider climate-related economic risks and vulnerabilities.

Box 7. ICD Online Learning (continued)

For participants to be able to successfully engage with this more advanced material, a baseline level of comprehension needed to be ensured. To meet this requirement, the course was split into an asynchronous online component and a synchronous in person component. In the asynchronous component, participants spent the two weeks completing material made for the blended FPP course and the online DDT course, the latter of which having recently been converted into the SCORM e-learning format and therefore was able to be seamlessly integrated into the course site. This course site, in Moodle, was created by ICD and followed the standard for blended learning that it developed in recent years. As participants worked through the DDT material, they were supported by the pilot version of the AI tutor, KIRON, a recent creation of ICD.

Learner feedback was overwhelmingly positive, with an average rating of 4.7 out of 5, and participants demonstrated an average learning gain of 21 percentage points. Moreover, 73% of participants scored above 60% on the post-course test, reflecting the effectiveness of its design and relevance to participants' needs. Participants felt that the course was extremely useful in enhancing their understanding of the incorporation of climate-related issues, particularly accounting for the macroeconomic effects of natural disaster, into the macroeconomic framework. They found it relevant for both their immediate and future work.

The course deftly brought together many of the different ICD initiatives: the updated material from the online and face-to-face Macroeconomics of Climate course and the blended FPP course, the conversion of materials to SCORM packages, AI initiatives including the KIRON tutor, and the instructional design of blended courses and the redesign of associated Moodle course pages. By leveraging these innovations, participants arrived at the face-to-face course prepared to learn more advanced material.



Box 8. Central African Republic PFM Capacity Development (FAD_AFR_2022_13)

Assessment by the IMF Staff under the ECF pointed to addressing PFM weaknesses as key for fiscal sustainability and program performance. Conditionality under the ECF and notably pertaining to the excessive use of extraordinary procedures for expenditure payments, and the accumulation of external arrears, were not met in consecutive reviews of the program.

A joint FAD, MCM, and STA TA mission was delivered to the Central African authorities, aimed at enhancing the cash and debt management tools and functions, and strengthening the link between the two functions.

The TA mission found that while the institutional framework for cash management is in place, essential tools like cashflow and procurement plans are underutilized or not used at all. This has led to poor anticipation and prioritization of expenditures, resulting in persistent arrears. Additionally, the debt management framework, although organized with a front, middle, and back office, lacks a functional annual borrowing plan and reliable debt recording, accounting, and reporting, compounded by poor information flow between departments. The TA mission also highlighted the importance of institutional reforms to prevent the accumulation of new arrears. The mission then proceeded to make recommendations to improve cash and debt management, institutional arrangements, and preventing arrears accumulation.

Implementation of the joint TA mission recommendations will contribute to making data related to debt, cashflow plans, and arrears more reliable, enhancing linkage between cash and debt management, and supporting the development of a cashflow plan for FY2025 that is consistent with the budget and linked to the annual borrowing plan.

The ongoing ECF arrangement puts an emphasis on improving fiscal governance and transparency. The targeted joint TA mission has contributed to supporting improvements meant to improve cash and debt management and meet specific program conditionality on curbing disorderly expenditure payment procedures and the non-accumulation of external payment arrears.

The TA mission wrap-up meeting was featured on the MoF social media platform ([Facebook](#)).



Pictured: Christophe Maurin (FAD LTX), Matthieu Sarda (FAD/AFC LTX), Aziz Halidou (MCM/AFC LTX), Serge Ouarassio Mokomse (Director General, Treasury and Public Accounting, MoF), Senior Ministry of Finance and Budget Officials on November 4, 2024, in Bangui, Central African Republic at the Ministry of Finance and Budget.

Box 9. Burundi PFM Capacity Development (FAD_AFR_2022_13)

Over the past five years, Burundi experienced a significant political crisis that led to the suspension of cooperation with the IMF and other donors, including activities aimed at CD. In 2021, the President of Burundi took a pivotal step by initiating a letter to relevant counterparties to relaunch the budget-based program reform, with a focus on modernizing PFM.

This initiative marked the beginning of a renewed effort to engage with international partners. By 2022, IMF CD activities resumed, starting with a diagnostic assessment of PFM. The primary challenge was to assist Burundian authorities in implementing PFM reforms effectively and to address the foundational aspects necessary for these reforms. This involved not only catching up on the basics but also ensuring that the reforms were aligned with modern standards and practices in PFM.

A collaborative mission, involving the AFRITAC for Central Africa and the RA, organized a seminar targeting members of the government and parliament. The primary objective of this seminar was to familiarize these key stakeholders with the fundamental concepts of the reform. By doing so, the mission aimed to enhance their understanding of the various legal texts and documents they would encounter during the implementation phase of the reform. This initiative was crucial for ensuring that all parties involved were well-informed and equipped to effectively contribute to and support the reform process.

The initiative achieved its objective successfully. Following the seminars, the government took significant steps by voting and approving several key decrees. These included the Treasury Single Account (TSA), the decentralization of the budget, and the budget and accounting classification decrees.

The modernization of Burundi's PFM system is crucial for several key reasons. Firstly, it is essential for the effective and efficient management of resources, ensuring that public funds are utilized optimally to meet the needs of citizens. Secondly, it plays a vital role in enhancing government accountability, as a modernized system enables better tracking and reporting of financial activities. Lastly, it significantly improves transparency, allowing stakeholders and the public to have clearer insights into how resources are allocated and spent. This transparency fosters trust and confidence in government operations, ultimately contributing to better governance and public service delivery.

The ECF arrangement put an emphasis on improving fiscal governance and transparency. The mission has contributed to supporting those objectives.

The seminar was opened by the Republic of Burundi President and animated by the prime minister. The seminars received prominent coverage across Burundi's most influential media outlets, including the *Radio Télévision Nationale Burundaise*, the *Agence Burundaise de Presse*, and *Le Renouveau du Burundi*. Additionally, the government provided substantial media support, further amplifying the reach and impact of the seminars.



Description: Budget program seminar to the Member of government Burundi. In picture: Line ministers, WB representative, IMF representative, AFC, and RA. Date and location: January 22-23, 2024 in Bujumbura, Burundi at the Presidential Palace (Ntare House).

Box 10. Enhancing Papua New Guinea’s External Sector Statistics Through the Initiation of International Investment Position Compilation (STA_APD_2024_01)

Papua New Guinea (PNG) has historically faced significant challenges in compiling comprehensive and timely External Sector Statistics (ESS), particularly due to the absence of International Investment Position (IIP) data. Although some ESS components had been collected, the country lacked a structured and systematic approach to estimating PNG direct investment inflows. Access to information from key sectors, especially the extractive industries, was limited. These shortcomings not only impeded the compilation of the IIP but also affected the quality of several Balance of Payment (BOP) components. As a result, PNG’s ability to effectively monitor cross-border financial linkages was limited, constraining evidence-based policymaking and undermining the quality of IMF surveillance and program monitoring.

Demonstrating strong institutional commitment, the Bank of Papua New Guinea (BPNG), with support from the program, launched the initiative to compile IIP data. A FALs was designed and implemented, targeting the largest companies operating in PNG. The survey was adapted to local business conditions and executed by a knowledgeable and motivated BPNG team. The authorities achieved a positive survey response rate, reflecting engagement from the private sector. Based on the survey results, the BPNG produced preliminary IIP estimates for 2022 and 2023. While the draft IIP still contains gaps—particularly due to incomplete information from firms in the extractive sector—it marks a critical milestone. The CDOT Regional Advisor is currently reviewing the draft to provide technical feedback and support further improvements.

The successful completion of the FALs survey has enabled the development of PNG’s first-ever IIP estimates, covering two consecutive years. The high response rate significantly enhanced the quality and reliability of the data. In parallel, the BPNG will expand the coverage of external debt statistics, along with the BOP components related to direct investment. These achievements represent a substantial step forward in strengthening PNG’s ESS. Continued collaboration with the program will support further validation work and help close remaining data gaps, especially those related to the extractive sector. Collectively, these efforts are paving the way for the production of statistics aligned with the *Balance of Payments and International Investment Position Manual*, sixth edition (*BPM6*), thereby supporting more informed macroeconomic analysis and policy decisions. In the coming months, the program will engage with the BPNG to discuss a potential timeline for adopting the updated methodology under the forthcoming *BPM7* framework.

While significant progress has been made in the preliminary compilation of IIP data and initial steps have been taken to strengthen the direct investment statistics, important challenges remain for improving PNG’s ESS. Key priorities include enhancing the accuracy of trade in goods data, developing a robust international transactions reporting system tailored to PNG’s economic structure, strengthening data sources for direct investment, and ensuring the timelier production and dissemination of ESS. The CDOT remains fully committed to supporting the BPNG in advancing the ESS program and achieving these critical milestones.



BPNG staff and CDOT RA, Port Moresby, PNG, December 2024.

Box 11. Samoa: Developing Macroeconomic Forecasting and Nowcasting (ICD_APD_2022_03)

Following a request by the Central Bank of Samoa (CBS) in 2022, the IMF's ICD initiated a targeted Macroeconomic Framework TA program. The objective of this program is to strengthen the CBS' capabilities in analysis and policy formulation, utilizing the Forecasting and Policy Analysis System (FPAS) macroeconomic framework. In undertaking this work, ICD collaborated with the CBS to develop a nowcasting tool aimed at estimating Samoa's real GDP. This important analytical tool has been seamlessly incorporated into the CBS' standard policy analysis routine, thus enabling it to estimate real GDP growth up to three months before the official statistics are released. This methodology assists policymakers to form an up-to-date economic narrative, ensuring they have a comprehensive understanding of the prevailing economic conditions. A joint IMF Working Paper titled "Nowcasting Real GDP in Samoa" has been published.^[1] In addition, the ICD-led TA team also developed a tool for the estimation of core inflation in Samoa. The CBS and ICD have collaborated in the estimation of a core CPI inflation measure that could provide a useful indication of the path of underlying inflation in Samoa.^[2]

The CBS TA-recipient team was given sufficient time to jointly build the nowcasting and near-term forecasting tools (NNFT) with the IMF, ensuring full expertise transfer and ownership. Effective management engagement, transparent communication, collaboration and feedback, and visibility are key lessons behind the success of the project. Management closely monitored progress through transparent communication. These TA results will be presented at technical workshops in the region to ensure its visibility.^[3] TA activities were closely coordinated with APD, as well as MCM for a related TA on monetary operations. These efforts should maintain staff capacity and enhance CBS' NNFT. The IMF extends its gratitude to the JSA for their funding, which has been instrumental in achieving these advancements.

^[1] See ["Nowcasting Real GDP in Samoa."](#)

^[2] See Annex II. Core Inflation Estimation in Samoa: Output of IMF TA (page 37) of [Samoa 2024 Article IV Consultation and Staff Report](#).

^[3] A Peer Learning Workshop on Selected Topics in Monetary Policy Analysis and Forecasting (MPAF) and IMF Macroeconomic-Frameworks TA for Pacific Island Central Banks is scheduled to take place in Apia, Samoa on July 3-9, 2025.

Box 12. New Macroeconomic Policy Communications Course Launched at STI

A first of its kind blended (in person and online) course on policy communications, designed to help member country officials handle real life communication challenges, was successfully launched at STI in January 2025. The development of the macroeconomic policy communications course was made possible through the financial support of the Government of Japan, a principal funding partner of both *the STI* and the *IMF Online Learning Program*.

This course, tailored to policy makers from low-income countries and fragile states, had been requested by country authorities at the 2023 AM and at the 2023 Meeting of Asia-Pacific Directors of Training at STI. To address this request, STI, with support from COM and ICD's content designers and training divisions, developed and delivered the first such course in Asia. Thirty participants from 14 countries in the APD region attended the course, the majority from CBs, with several participants from finance ministries.

The course was delivered in a blended format with a mandatory virtual prerequisite, combining the strengths of traditional face-to-face instruction and self-paced online modules, to create an engaging learning environment. Its interactive nature allowed participants to be involved from start to finish. During the in-person week in Singapore (January 20–24, 2025), lecture time was limited to allocate more space for practical simulation exercises. For instance, participants prepared talking points to communicate a country official's reaction to a sudden drop in the exchange rate or explained why a policymaker could not reach a decision on time.

In addition to the pioneering content the *Macroeconomic Policy Communications* course also utilized such innovative tools as generative artificial intelligence (GenAI). An AI-supported question-generator pilot tool assisted in creating test questions aligned with the course content and objectives. During the interactive workshops, participants learned to leverage AI tools to summarize lengthy texts and refine their own drafts, while the instructors used them to calculate readability scores and test content consistency. The implementation of daily pulse surveys during course delivery allowed instructors to gain immediate insights and swiftly address participants' learning needs.

The course was very well received: *"The course content was exceptionally well-designed and delivered, making it highly relevant and practical for my work. The material was presented clearly and effectively, ensuring concepts were easy to understand and apply. The level of difficulty was perfectly balanced, challenging enough to stimulate learning without feeling overwhelming. Additionally, the course covered topics directly related to my professional responsibilities, providing valuable insights and tools that I can immediately implement in my role"*—comment by a CB official participating in the course.



From left to right: Paul Cashin, Victoria Petrenko, Michaela Erbenova, Aleš Bulir, Marek Petrus, and Wei Soon.

Box 12. New Macroeconomic Policy Communications Course Launched at STI (continued)



MACROECONOMIC POLICY COMMUNICATIONS

Participants said:

The main strength of the course are the resource persons and their **active engagement**.

Highly interactive and practical course with fantastic workshop exercises that give participants hands on experience to real life situations faced in our workplace, **engaging and fun**.

Participants said:

The course was well-structured, **highly relevant**, and effectively balanced theory with practical application. The focus on communication strategies and the interactive elements, such as case studies, were particularly engaging. The instructors were knowledgeable and provided clear, actionable insights.

Participants said:

The strengths is that the course is very engaging and we also got to learn about the experience and best practices of different countries. We also got a **hands-on experience** in drafting press releases, press conference presentation, social media post, etc.

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Participants said:

The course was well-structured and provided **valuable insights**, with clear explanations of key concepts. The interactive sessions helped engage participants, and the content except policy making, was relevant to my work

Box 12. New Macroeconomic Policy Communications Course Launched at STI (continued)



Box 13. Strengthening the Quality of Public Debt Statistics in Tanzania (STA_AFR_2024_01)

In September 2024, a diagnostic assessment of the public sector debt statistics (PSDS) of Tanzania was conducted using the IMF's well-established Data Quality Assessment Framework (DQAF). The assessment looked at all aspects of quality, including not just the debt reports themselves, but also the wider legal and institutional arrangements around public debt reporting. In addition to staff from the Debt Management Office, the mission met with senior officials including the Governor of the Bank of Tanzania, the Statistician-General (National Bureau of Statistics of Tanzania) and the Auditor General, as well as key users of the Tanzania PSDS. The importance of the assessment was underlined by the attendance of Mr. Bert Kroese, STA Director, on the first day of the mission.

Although STA had provided CD on PSDS for many years prior to the mission, traction at senior levels was limited. Further, the debt office was initially wary of the assessment exercise. However, the focus of the mission on identifying strengths as well as practical recommendations for improvements was very much appreciated by the authorities with the Permanent Secretary of the MoF warmly welcoming the assessment findings and recommendations and committing to address the issues identified.

The diagnostic assessment has provided valuable benchmarks for the IMF's Tanzania country team, particularly with the anticipated rise of new debt instruments linked to public-private partnerships in Tanzania's public debt. STA will support the Tanzania authorities in implementing the recommendations of the diagnostic assessment through regular TA activities, so as to further debt transparency in Tanzania.



September 27, 2024. Dodoma, Tanzania. Mr. Andrew Kitili (IMF mission chief) with Dr. Natu El-mamry Mwamba (Permanent Secretary - Treasury, MoF for the United Republic of Tanzania)

Box 14. Papua New Guinea: Modernization and Simplification of the Income Tax Act (FAD_IMF_2022_05)

A perennial challenge in PNG has been the antiquated and overly complicated Income Tax Act (ITA). The legislation was initially adopted in 1959 during colonial times based on the then Australian tax legislation. Over the years, the legislation has been amended numerous times in many cases, adding inconsistencies between tax provisions and complexities in the design of the tax. Despite this, the legislation has not kept pace with modern tax challenges especially related to international tax provisions.

This situation was recognized by the home-grown PNG Tax Review Commission and subsequently incorporated as a reform recommendation in the first Medium Term Revenue Strategy (MTRS) developed by the PNG government in late-2017. The government established an ITA reform committee consisting of the Treasury Department and the Internal Revenue Commission (IRC) to take the lead in reforming the ITA. The work was supported at the technical level by an IMF tax law expert and by policy advice provided by several tax policy TA missions. These activities were supported by the JSA funding.

Early in the process, it was determined that the best approach was to prepare a new ITA from scratch rather than amend the existing legislation given the inherent complexities of the latter. The drafting of the new legislation was done in a very thorough manner with a total of 17 versions of the draft legislation ultimately being prepared supported by a comprehensive explanatory memorandum and various technical notes. The work also included preparing regulations and complementary amendments to the Tax Administration Act.

Commendably, the Treasury engaged constructively with taxpayer representative groups from the private sector and the tax accountancy profession. There were three formal consultation periods where draft legislation was shared for comments and feedback. Overall, the consultation process demonstrated a strong desire to see simpler and more modern tax legislation, and the various submissions and comments received during the consultation proved essential for the final quality of the legislation.

The tax law drafting process took longer to complete than initially anticipated. This was partly due to the impact of the COVID-19 pandemic, which limited in-country technical engagement. Moreover, the process for sustaining political level support for the reforms within government proved more challenging than technical counterparts had initially anticipated. Despite this, the tax law reform process continued through a change in government helped by demonstrating sufficient flexibility in adapting the policy content of the draft legislation to changing government objectives. The income tax reform rewrite was also integrated into the structural reform process under the IMF-supported financial program (Staff-Monitored Program (SMP) and ECF).

Despite challenges encountered along the way, the sustained TA and the commitment of government counterparts paid off, and the PNG Parliament approved the new Income Tax Law on March 20, 2025. The new legislation will take effect from the start of 2026 and will simplify and modernize the income tax in PNG. For example, the length of the income tax law has been more than halved. The legislation has also rationalized certain tax incentives, simplified capital depreciation allowances, and closed several revenue loopholes, particularly those related to cross-border transactions. This will provide a solid legal basis for continued efforts by PNG to strengthen the government revenue performance over the medium term.

Box 15. Multi-stage CBDC Exploration in Nepal (MCM_APD_2023_01)

CBs need to approach CBDC exploration carefully and methodically. Smaller countries in particular face a trade-off on where to place attention and resources in exploring CBDC. Having identified a possible case for CBDC in 2022, the Nepal Rastra Bank (NRB) sought TA from the IMF to support its efforts in testing and potentially issuing CBDC in Nepal.

Nepal has experienced rapid digitalization, while facing challenges. Banks and non-bank payment service providers offer a range of digital services including mobile wallets and QR-based payments, and public-private offering such as instant payments. The number of mobile banking customers has grown by 118 percent between 2020 and 2024, and the QR-based payments volume in particular has grown by 117 percent from the FY2022/23 to FY2023/24 ([NRB 2025](#)). Despite this, a strong preference for cash is prevalent, and some concerns remain around the security of digital payments. The NRB has been supportive of private innovation but still see a potential space for CBDC to improve resilience of the payments system and financial access in Nepal. Therefore, the NRB has been undertaking exploration and preliminary experimentation around both retail and wholesale CBDC, as well as joining international groups to observe cross-border use of CBDC.



IMF and NRB CBDC teams, Kathmandu, Nepal, May 2025.

The IMF conducted three missions to Nepal between July 2024 and May 2025, one virtual, and two field missions, tackling different aspects of CBDC such as: concepts and objectives of CBDC; legal considerations; stakeholder engagement; potential use cases for wholesale CBDC; CBDC project management frameworks; and macro-financial implications. Identifying the channels for macro-financial implications and practical impacts on monetary operations is critical to understanding the success, stability and sustainability of a CBDC in Nepal.

The IMF has provided TA in three stages so far to: (1) ensure CD and knowledge sharing, (2) allow a focus for each mission with clear outcomes; and (3) ensure sustainable participation from both the NRB and IMF in the TA with the right experts. TA discussions were supported by the IMF CBDC virtual Handbook which was also funded by the Government of Japan. For instance, in its third stage, the mission team introduced three analytical tools that could be used to understand and estimate potential impacts of CBDC to a country's CB, commercial bank, and non-bank balance sheets based on a scenario analysis. These analytical tools were complemented by discussions on CBDC implications for monetary operations, including if CBDC could be used to improve monetary policy implementation. Authorities are very appreciative of the IMF's engagement for sharing analytical tools that could be applied and sustained to refine their own analysis, identify macro-financial implications, and test CBDC.

Box 16. Enhancing Customs Administration Capacity in Pacific Island Countries (FAD_APD_2024_02)

The IMF, with support from the JSA, participated in the 26th Annual Conference of the Oceania Customs Organization (OCO), establishing a new CD partnership with Pacific Island Countries (PICs) in customs administration—complementing its ongoing CD efforts in tax administration delivered through the PFTAC. The conference, held in the Cook Islands from July 29-31, 2024, brought together Heads of Customs and Senior Customs Representatives from American Samoa, Australia, the Commonwealth of the Northern Mariana Islands, Cook Islands, Federated States of Micronesia, Fiji, Guam, Kiribati, Nauru, New Caledonia, New Zealand, Niue, Palau, PNG, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. The meeting focused on enhancing regional cooperation in customs reform, trade facilitation, border security to address evolving challenges, and enhanced international cooperation. Staff from the FAD Headquarters and PFTAC participated alongside other development partners, presenting FAD’s customs administration CD models and agreed a partnership arrangement with the OCO to support customs modernization across the region.

Customs administration across PICs face several persistent challenges, including limited Information and Communication Technology infrastructure, constrained human resource capacity, and geographic isolation. These factors complicate effective revenue collection, border control, trade facilitation, and regional cooperation. In many PICs, the size of customs administrations is small, with unified revenue administrations often combining customs and domestic tax functions.

To address these challenges, enhancing regional cooperation and improving the efficiency and effectiveness of customs operations are essential. While the role of customs tariffs may decline with deeper regional trade integration, the importance of VAT on imports and accurate customs valuation is increasing; so is the need for proper monitoring imports and exports mitigating issues of taxbase erosion and profit shifting. FAD brings strong expertise in customs revenue collection, controlling revenue leakage, and strengthening compliance management through both domestic tax and customs administrations and cooperation between the two administrations. Recognizing the limited absorption capacity in PICs, it has been agreed that FAD’s support will be delivered in collaboration with other development partners.

The engagement successfully opened the gate for collaborative CD support in this area. In May 2025, FAD, in partnership with the OCO Secretariat and the Australian Border Force, delivered training on trade-based money laundering investigation techniques at an OCO regional workshop in Fiji. These collaborative efforts are set to continue, reinforcing the foundation for sustained customs modernization across the region.



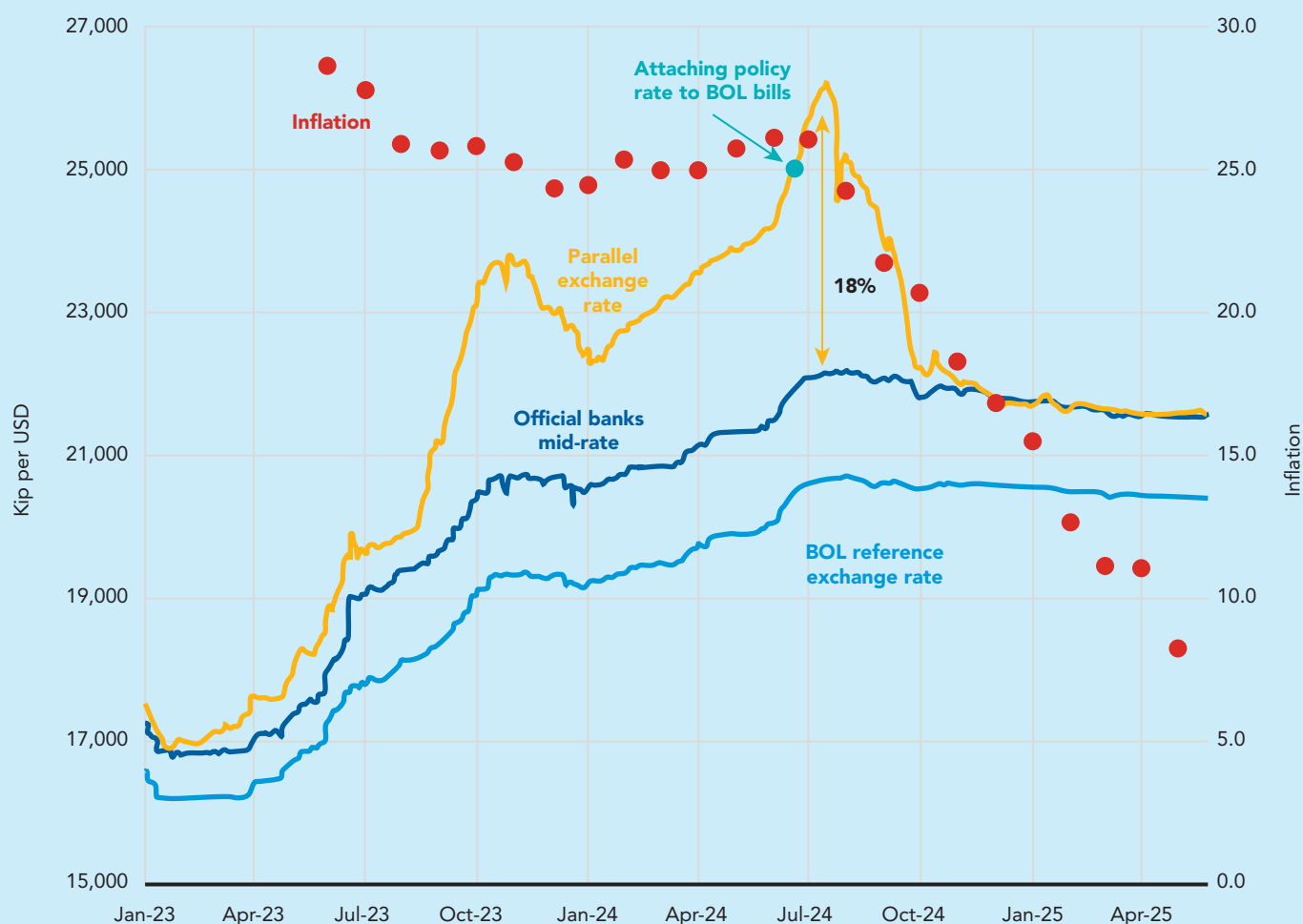
Picture from the OCO Secretariat: delegates of OCO members and development partners, and staff of OCO Secretariat. Mr. Tadatsugu Matsudaira, Sr Economist, RA (third line in the center) and Ms. William Katrina, PFTAC RA (third line in the right). Rarotonga, Cook Islands, July 2024.

Challenging macroeconomic environment preceeded the CDOT engagement with the Bank of Lao PDR (BOL). Before CDOT resident advisors expanded their engagement with the BOL in 2023, inflation was high, and foreign exchange (FX) reserves were low exerting pressure on the exchange rate. Most of BOL operations were primarily aimed at achieving socio-economic development objectives. From 2020 to 2022, the BOL provided liquidity to finance government projects. While the BOL employed FX interventions to absorb this liquidity, these measures became ineffective in controlling the market due to the reduced level of FX reserves. Finally, the transmission of the BOL policy rate to market rates was muted.

Since engaging with CDOT in TA on monetary operations, the BOL has made significant progress in modernizing its monetary operations framework and tools. The development of monetary policy implementation tools—including the introduction of a seven-day absorption instrument at the policy rate, the establishment of a liquidity monitoring framework, and other important measures—has started to help the transmission of the monetary policy rate to the market rate.

The modernized monetary operations framework and tools, combined with other measures, has contributed to tangible macroeconomic achievements (Figure 4). The modernized monetary operations framework and tools contributed to the appreciation of the exchange rate and a reduction in inflation from 26 percent in June 2024 to 8 percent in May 2025. These have helped narrow the gap between the parallel market exchange rate and the official exchange rate as well as allowed the BOL to opportunistically accumulate FX reserves.

FIGURE 4. INFLATION, AND OFFICIAL AND PARALLEL MARKET EXCHANGE RATES IN LAO PDR



Source: IMF TA Report on Monetary.

Box 18. Strengthening Fiscal Transparency in Cambodia: Advancing GFS and Balance Sheet Reporting (STA_APD_2022_01)

The program has supported the General Department of Policy in Cambodia's Ministry of Economics and Finance (MEF) to upgrade fiscal data through alignment with the *Government Finance Statistics Manual 2014 (GFSM 2014)* framework. This support has led to the successful compilation of monthly budget execution data in line with *GFSM 2014* framework, along with a reconciliation table linking it to the official budget execution report. The monthly *GFSM 2014* data are used by the IMF's APD country team, including for the annual Article IV consultation.

During February 2025, Cambodia expanded its GFS coverage to the general government sector, now including budgetary central and local governments, extrabudgetary units (referred to as publicly administered entities in Cambodia), and social security funds. This expansion adheres to the IMF SDDS guidelines on the "Statement of Government Operations" component. Once the quarterly estimation methods for extrabudgetary units and social security funds are finalized and implemented, Cambodia will be well-positioned to further advance and adhere to this component under the SDDS Plus guidelines. The MEF is also collecting the requisite financial statement data of SOEs to classify and compile them in line with the *GFSM 2014* framework.

During the same period, Cambodia also expanded its reporting by including balance sheet data for the first time in its submission to the IMF GFS Yearbook database. This addition enhanced the existing public debt data, especially considering the Cambodian authorities are reentering the market to issue debt securities. Balance sheet data allow analysts to look beyond conventional fiscal aggregates, such as gross and net debt, with aggregates like net (financial) worth. For Cambodia, gross debt has remained relatively stable, even beyond the COVID-19 pandemic, at around 35 percent of GDP from 2014 to 2022, while ongoing investment especially in nonfinancial assets has seen net worth increase from approximately 15 percent to 40 percent of GDP.



June 14, 2024, Cambodia's GFS compiling team during the COFOG implementation workshop.

Box 19. Strengthening PFM in Selected Southeast Asian Countries (FAD_APD_2023_03)

Cambodia

In recent years, Cambodia has made significant strides in enhancing its PFM, supported by the CD of the IMF.

CDOT has supported the MEF as it developed its first MTFF in 2019. Since then, HQ and CDOT have provided TA under the JSA program to improve forecasting and develop a medium-term fiscal strategy. To promote a more strategic approach to fiscal policy, efforts have focused on fully integrating the MTFF into the budget process, better managing fiscal risks, and improving budget documents and reporting. In FY2025, Cambodia published its first MTFF (2025–2027), with notable improvements compared to previous iterations, with a new section on Cambodia’s fiscal rules, and a discussion on the fiscal risks to government’s medium-term outlook.

Building on this momentum, another critical area of support has been fiscal reporting to improve transparency and support decision making. One TA mission was conducted in February 2025, along with constant remote support, to assist the General Department of National Treasury (GDNT) of the MEF in transitioning to accrual accounting by 2030. During the mission, the GDNT made a pivotal decision to pilot the accrual of selected revenue and expenditure items in the preparation of the 2024 financial statements. This marks a significant advancement towards developing comprehensive and relevant fiscal reporting practices.



Officials from the Cambodia General Department of Policy, Ministry of Finance and IMF officials at the opening of a workshop on establishing a fiscal rule framework in Phnom Penh, July 2024.

Lao P.D.R

CDOT has supported the MoF on its modernization of the Chart of Accounts (CoA) since 2019. Two TA missions were conducted in July 2024 and January 2025, along with constant remote support, to develop and implement a modern and integrated economic segment of the CoA. The MoF approved the new CoA in December 2024 and mandated its implementation in the 2026 budget preparation cycle. This progress marks a major step towards enhancing fiscal transparency and improving resource allocation. Furthermore, the CoA serves as a lynchpin for defining, classifying, recording, and organizing government financial data, thereby creating opportunities for the MoF to modernize and digitalize its fiscal reporting and treasury functions. This progress will also support the MoF’s ongoing reforms in TSA and system upgrades.

Vietnam

Vietnam has made significant progress in enhancing its treasury management capabilities, bolstered by continued TA from the IMF since 2019, which has also provided valuable support on other PFM topics, including fiscal risk management. An important TA mission was conducted in July 2024 to assist the Vietnam State Treasury (VST) to assess its progress toward achieving its goal of being fully digital by 2030 and to recalibrate reform priorities. VST has achieved significant progress in consolidating cash resources in the government’s account, which provides an excellent base for building more active cash management practices. Cashflow forecasting capability has progressively improved and the introduction of (reserve) repo has further strengthened the VST’s capacity to invest short-term cash surpluses.

Box 20. Building Macroeconomic Capacity for Cambodia, Lao P.D.R., and Vietnam Country Officials
(APD_TTA_2024_02, ICD_APD_2024_01)

Vietnam

In early 2023 the former Ministry of Planning and Investment (MPI), which was recently merged with the MOF, requested TA from ICD/CDOT to build capacity in macroeconomic analysis to facilitate policy discussion and coordination in the government. In response, the ICD/CDOT has provided a multi-year TA to build a Core Working Group (CWG) comprising staff from MPI, MOF, and State Bank of Vietnam (SBV) and help develop macroeconomic projection tools for policy analysis. During the scoping mission in June 2023, the authorities and TA team agreed that the main objective of the TA project is to assist the CWG to develop the Macroframework Foundations Tool and Public DDT and customize these tools to the Vietnam context for forecasting and policy analysis.

The TA implementation has been strong, supported by the authorities' ownership and commitment to the TA project. By end-2024 the CWG was able to produce macroeconomic and debt projections using the MFT and DDT and present the results in the inter-ministerial meeting led by MPI Vice Minister. As a result, the TA has also facilitated coordination among various Ministries. The TA has supported the IMF surveillance by improving the quality of the authorities' policy formulation as well as their policy dialog with IMF staff. The authorities appreciated the TA provided by ICD/CDOT and the good progress made over the past two years. The TA Report of the scoping mission was published on the IMF website.

The TA project is now facing a new challenge related to government restructuring, including the merger between MPI and MOF, that has been implemented starting in March 2025. There have been extensive staff turnovers, but the authorities continue to maintain their strong commitment to the TA project by assigning new staff and confirming that the TA project should continue as planned. In view of the recent developments, the current priority of the TA project is to preserve the gains from CD over the past two years by making sure that the CWG, including the new members, can operate the projection tools and present the results to policymakers. The TA project is expected to be completed by April 2026.



Vietnam, March 2024. High-level meeting to discuss the CWG's presentation and TA progress between Vice Minister Tran Quoc Phuong and Mr. Andrew Berg (ICD Deputy Director), together with the CWG and TA team.

Box 20. Building Macroeconomic Capacity for Cambodia, Lao P.D.R., and Vietnam Country Officials
(APD_TTA_2024_02, ICD_APD_2024_01) (continued)



Vietnam. June 2024. CWG on macroeconomic analysis and the ICD TA Team.



Vietnam, June 2024, CWG is working in a small group.

Over the past two decades, Vietnam has witnessed a remarkable economic transformation, with robust real GDP growth and active participation in global value chains and financial markets. These developments bring indisputable benefits; however, they also pose risks, especially in times of heightened global economic and financial volatility and call for a modernization of the policy framework under which the SBV operates and conducts monetary policy. Therefore, the SBV requested TA from the IMF ICD to help with the development and implementation of a FPAS—a set of tools and related processes designed to support forward-looking monetary policy formulation and decisions based on macroeconomic data and analysis.

Box 20. Building Macroeconomic Capacity for Cambodia, Lao P.D.R., and Vietnam Country Officials
(APD_TTA_2024_02, ICD_APD_2024_01) (continued)

The TA project was launched in 2019 and continued virtually during the COVID-19 pandemic. In-person consultations resumed in 2022, and the final mission took place in September 2024, when the SBV Management and mission team agreed to conclude the TA project. Since the inception of the FPAS in 2019, the SBV has made impressive progress in supporting monetary policy deliberations with a sound analytical framework that provides quantitative economic forecasts as inputs for the management of medium-term monetary policy trade-offs. SBV's Core Forecasting Group (CFG) comprises highly skilled staff and produces baseline forecasts using the Quarterly Projection Model (QPM) with impressive efficiency.^[4] Moreover, alternative scenarios that the CFG generates with the QPM present a useful guide to short- and medium-run policy trade-offs between output, inflation, and exchange rate stability objectives that the SBV often highlights in monetary policy deliberations with the government.

As stressed by the ICD TA team, frequent engagement between SBV Management, the CFG and other relevant SBV Departments remains critical to sustain an effective FPAS at the SBV. This includes the adoption and implementation of well-structured and comprehensive quarterly forecasting rounds. To further widen staff skill sets and expand the modeling apparatus, CFG staff were encouraged to participate in relevant online and regional training courses at CDOT and STI. Moreover, the IMF Resident Macroeconomic-Frameworks Advisor in CDOT continues to engage in periodic consultations with the SBV to support their ongoing implementation of the FPAS.

The TA outcomes and SBV's progress with FPAS implementation have been shared in regional forums and highlighted through ongoing engagement with IMF departments and training centers. The IMF extends its appreciation to JSA for its generous support, which was instrumental in enabling this work.

^[4] The SBV's QPM is documented in detail by the TA team in an IMF Working Paper: Epstein, N., Gornicka, L., Ha, N., Musil, K. & Nalban V. (2022). Quarterly Projection Model for Vietnam: A Hybrid Approach for Monetary Policy Implementation. IMF Working Papers 22/125.

B

A PROGRAMMATIC APPROACH TO CAPACITY DEVELOPMENT

Engaging in close dialogue and strategic consultations fosters a Japan-IMF partnership grounded in mutual understanding and shared priorities. This enhanced coordination not only facilitates more effective implementation but also amplifies the positive impact on beneficiary countries through the efficient utilization of resources.

This year's dialogue especially focused on "Integration" and "Sustainability", as well as "Visibility" of JSA-supported programs. "CD integration" was discussed in the context of i) surveillance and lending programs, ii) TA and training, and iii) HQ and Regional Capacity Development Centers (RCDCs). CD integration was highlighted as a key factor to enhance

outcomes of CD programs including ensuring sustainability. CD integration with lending and surveillance activities, as well as countries' ownership, are associated with better CD outcomes. Tailored to each country's situation, hands-on advice to develop capacity, peer learning, and training are combined through seminars, workshops, and the expertise of LTXs



2025 JSA Annual Strategic Dialogue, November 7, 2024, Tokyo.

and STXs to maximize effectiveness. Japanese experts are regularly considered for such assignments.

REGIONAL COVERAGE

IMF member countries worldwide have benefited from Japan's longstanding and generous support. Table 3 presents JSA regional commitments and their distribution, highlighting how low- and lower-middle income countries in the Asia and Pacific region as well as the Africa region, represent a priority target. STI and CDOT complement support with customized training courses for government officials. During the period FY1993-2025, CD programs totaling \$320.7 million focused on countries in the Asia and Pacific region, equivalent to 48 percent of approved JSA TA and related activities. During that same period, CD programs to Africa totaled \$127.7 million. The share of multiple regions has been growing over the past few years. A broader country coverage across regions in CD programs such as CBDC and the

Infrastructure Governance Facility gives greater flexibility to reflect changing CD needs of countries/regions, as well as to ensure efficient use of resources to meet shifts in regional and country demand for CD.

SECTORAL PRIORITIES

Fiscal topics represented the largest share, with 41 percent of yearly commitments in FY2025. Training represented about a quarter of the yearly commitment in FY2025, which reflects Japan's strong support for the IMF online learning program and STI, followed by Monetary and Capital Markets topics, which represented 20 percent. Table 4 shows annual commitments by sector of the period of FY1993-2025.

JAPAN'S VISIBILITY

IMF staff understand the value of the contributions provided by Japan and strive to provide visibility to Japan and all donor partners. In 2025 Annual Strategic Dialogue, Ministry of Finance, Japan, highly appreciated the ongoing

efforts to increase the visibility of the JSA especially in recipient countries. IMF staff will continue to strengthen donor visibility for JSA CD internally and externally, using traditional communications tools as well as exploring new ones.

MONITORING AND EVALUATION OF THE JSA

Monitoring and evaluation of IMF CD activities is currently conducted through regular self-assessments and evaluations by independent consultants, field visits by the Ministry of Finance officials, as well as IMF-wide periodic reviews. In FY2024, the JSA external evaluation and the IMF's quinquennial CDSR have been completed. Japanese authorities provided substantial input into the processes. The JSA external evaluation covered CD activities during the period from May 2017 to April 2022, using OECD/DAC criteria. The overall assessment was rated with 2.6 out of 4.0 (1 = poor and 4 = excellent).

TABLE 3. JSA ANNUAL COMMITMENTS FOR CAPACITY DEVELOPMENT BY REGION, FY1993-2025^{1, 2, 3, 4}

(In millions of U.S. dollars)

Region	FY 1993-2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025		FY1993-2025	
										Total	%	Total	%
Africa	93.9	5.4	3.2	4.0	2.4	3.1	1.8	4.3	4.0	5.7	17%	127.7	19%
Asia and Pacific	200.0	13.5	15.8	17.6	17.3	15.2	9.5	10.0	11.9	9.9	30%	320.7	48%
Eastern Europe ⁴	38.9	-	-	-	-	-	-	-	-	-	0%	38.9	6%
Europe	30.4	-	-	-	-	-	-	-	-	-	0%	30.4	5%
Latin America and Caribbean	15.5	-	-	-	-	-	-	-	-	-	0%	15.5	2%
Middle East and Central Asia ⁴	27.8	0.7	1.8	1.7	-	-	-	-	-	-	0%	32.0	5%
Multiple Regions	22.9	0.5	1.5	1.5	3.8	7.3	12.5	20.9	16.2	17.3	53%	104.5	16%
Total	429.5	20.0	22.4	24.9	23.4	25.5	23.8	35.2	32.1	32.9	100%	669.9	100%

Source: Institute for Capacity Development, IMF.

¹ Original budgets approved by Japan. Not adjusted for revisions or projects completed below approved budgets.

² Does not include commitments from Japan to multi-partner vehicles.

³ Commitments for programs from FY11 onwards include the trust fund management fee.

⁴ Starting in FY08, data for countries in Central Asia are classified under Middle East, and prior to that were classified under Eastern Europe.

TABLE 4. JSA ANNUAL COMMITMENTS FOR CAPACITY DEVELOPMENT BY TOPIC, FY1993-2025^{1, 2, 3, 4}

(In millions of U.S. dollars)

Topic ⁴	FY1993-2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025		FY1993-2025	
									Total	%	Total	%
Public Finances	151.8	9.6	10.9	11.1	12.1	12.1	18.0	14.2	13.5	41%	253.3	38%
Monetary and Financial Systems	143.6	4.1	7.0	4.6	5.3	3.5	5.8	6.7	6.6	20%	187.3	28%
Statistics	78.8	3.5	2.4	2.4	2.3	1.5	2.0	2.0	2.6	8%	97.5	15%
Macroeconomic Frameworks/ Training	49.0	3.8	4.1	4.3	4.6	5.6	8.6	8.8	8.6	26%	97.3	15%
Legal Frameworks	11.3	0.2	-	-	-	0.6	0.6	0.4	1.6	5%	14.6	2%
Others	15.1	1.1	0.5	1.1	1.2	0.5	0.2	-	-	0%	19.7	3%
Total	449.6	22.4	24.9	23.4	25.5	23.8	35.2	32.1	32.9	100%	669.9	100%

Source: Institute for Capacity Development, IMF.

¹ Original budgets approved by Japan. Not adjusted for revisions or projects completed below approved budgets.

² Does not include commitments from Japan to the multi-partner vehicles.

³ Commitments for programs from FY11 onwards include the trust fund management fee.

⁴ Topic names have been recategorized from FY24 Annual Report.

The [final report](#) is now publicly available. Recommendations, ranging from the modality of CD delivery (TA and training) and resource allocation across regions or individual country projects to visibility will help continuously improve the design and implementation of programs and be incorporated into new JSA CD.

RBM at the IMF is used for designing interventions and assessing their impacts and supporting the goals of focusing CD planning and delivery on country results. RBM provides the foundation for the Capacity Development Management and Administration Program (CDMAP) planning and prioritization process and enables effective evaluations which

underpin the strategic development of the Fund's CD work.

IMF staff share an interim self-assessment with Japan of each JSA program towards the end of the fiscal year. Self-assessments help evaluate projects' implementation progress and results, as well as highlight challenges encountered and coordination with other CD providers.

Box 21. Visibility Highlights in FY2025

The IMF regularly communicates on the financial support of Japan, as part of the strategic CD partnership between the IMF and Japan. Featuring funding from Japan is in place through various channels throughout this fiscal year. As an example, Japan's contribution to the IMF's CBDC work is prominently reflected on the IMF website: [Central Bank Digital Currency \(CBDC\) - Virtual Handbook](#), including in the banner, highlighting Japan's pivotal role in advancing the Fund's work on CBDCs. The Handbook has considerably raised the interest of the public and country authorities, with the number of pageviews reaching over 60,000 from November 2023 to late 2024. The IMF also recognizes generous support through public events. The IMF shares Handbook chapters through international events and meetings with country authorities, highlighting the vital role of the Japanese authorities as a major partner and donor. The IMF team presented the second wave of Handbook chapters at the G7 Digital Payment Expert Group meeting in September 2024, the high-level roundtable during the Arab Monetary Fund Governors meetings in September 2024, as well as Asia-Pacific Regional Seminar on New Challenges in and Payments in November 2024 held in Japan. In these events, the IMF emphasized the Handbook as a vital resource for knowledge-sharing on CBDCs and acknowledged the support of the Government of Japan.



Global Public Finance Partnership: New Partners and State of Play—event providing update on the GFPF implementation and bringing together beneficiaries during the 2024 Annual Meetings.



CD experience showcasing key partners during the 2025 Spring Meetings.

Box 21. Visibility Highlights in FY2025 (continued)



Meeting of the Steering Committee of CDOT, Bangkok, 2025.



Recognition of Japan as the key partner of the IMF's online learning course on IMF's website and social media platforms.

PROJECTING PUBLIC GROSS FINANCING NEEDS: THE DDT_GFN (DDT_GFNx)

ONLINE COURSE | IMF.org/Learning

In this course you will learn how to:

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- ▶ Compute fiscal paths consistent with a user-defined GFN target.
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Acknowledgement

We are grateful to Japan, the longest-standing partner for IMF capacity development and the sponsor of the program.

JAPANGOV
The Government of Japan Online Learning Program.

The support received from the Government of Japan makes possible the development and delivery of a wide range of online learning products, including courses in English and other languages, microlearning videos, blended learning, and more. Other partners provide financial support to develop specialized online courses. We are appreciative of all partnerships in support of this innovative capacity building modality, through which we can share IMF's knowledge and expertise globally.

IMF's Roger Nord and Kentaro Ogata, Deputy Director-General of the International Bureau of the Ministry of Finance of Japan discuss the importance of Japan's support for the Institute for Capacity Development's Online Learning Program in this video.

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Kentaro Ogata speaking at the event marking the launch of a new phase of the D4D Fund during the 2025 Spring Meetings.

Box 21. Visibility Highlights in FY2025 (continued)


IMF Capacity Development
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Capacity development plays a crucial role in supporting reform efforts in Cambodia, Lao PDR, and Vietnam—that's the conclusion of the Advisory Committee of the [International Monetary Fund's](#) Capacity Development Office in Thailand (CDOT) that took place in Bangkok on May 30, 2025.

Discussions highlighted the importance of integrating capacity development with IMF's surveillance and efficiency gains of combining training with technical assistance.


As one of its focus areas, CDOT works across departments and disciplines to support its member countries in reducing inflation by enhancing their monetary policy decision-making capabilities. Our multi-layered, multi-year capacity development workstreams are designed to support countries own efforts in building strong institutions for their long-term success. In particular, CDOT supports its members to:


- ➡ Develop tools for macroeconomic diagnostics and forecasting to inform monetary policy decisions.
- ➡ Advance monetary and foreign exchange operations tools, and the implementation of liquidity forecasting and management frameworks.
- ➡ Upgrade external sector statistics to better inform monetary policy formulation and execution.
- ➡ Build foundational knowledge in macroeconomics, monetary policy, and forecasting.
- ➡ Strengthen public financial management, treasury operations, fiscal and debt statistics.

See the full summary of the recent CDOT's advisory committee meeting here: <https://lnkd.in/efVCH7hh>

CDOT's activities are made possible with the support from [Japan - The Government of Japan](#) and the [Bank of Thailand](#).




IMF Capacity Development
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At our event on the new IMF Special Drawing Right (SDR) online course, Ms. [Jane Mburu](#), Division Chief of the IMF Finance Department, delved into the significance of SDRs in the international monetary system, examining allocations, common uses, and other key topics covered in the course. Then, Ms. Mburu and Mr. Kentaro Ogata, Deputy Vice Minister for International Affairs of the [Ministry of Finance - Japan](#) JP, had an interesting discussion regarding Japan's experience with SDR channeling.

Mr. Ogata also highlighted the important role of IMF Capacity Development today: "This is not just an additional service to the membership, but it is an integrated core pillar of the Fund. (...) We might not have one-size-fits-all solutions to all the challenges that the membership faces. So, we have to explore new approaches or modalities for Capacity Development. And that's exactly where the donors like Japan can play significant and unique roles."

Ms. [Michaela Erbenova](#), Deputy Director of the IMF Institute for Capacity Development, thanked the Government of Japan for their generous and continuous support: "We now offer 100 online courses in six different languages, and 62,000 government officials around the world have successfully completed them. We are deeply grateful to the Government of Japan for their unwavering commitment to the Program."

Did you miss the event? Watch the recording here: <https://lnkd.in/eaS8D2yi>

Interested in the Special Drawing Right (SDR) online course? Learn more here: <https://lnkd.in/es56K8Gv>

Learn more about the IMF Online Learning Program here: <https://lnkd.in/ePVZKMMJ>

#IMF #IMFCapDev #IMFPartners #SDR #Finance #CapacityDevelopment #InternationalMonetarySystem





REGIONAL OFFICE FOR ASIA AND THE PACIFIC

The IMF's Regional Office for Asia and the Pacific (OAP) was established in Tokyo in 1997 in recognition of the growing importance of Asia in the global economy and the desire to deepen the IMF's engagement with the region. Since its inception, OAP has sought to enhance the understanding of the Fund's policies and activities in the region as well as keeping the Fund informed about both developments and regional perspectives on key issues. It offered useful platforms for dialogue among policy makers and academics in the region, and also engaged in activities on the ground such as administration of a scholarship program for public officials to study in Japan and holding seminars/conferences on relevant topics for the region. OAP also conducts a range of activities related to regional surveillance, engagement with regional officials and non-officials for capacity building, and outreach.

In FY2025, OAP further aligned its priorities to further leverage its role and function as the main hub for the Fund's presence in the region, including by fortifying the role of OAP as a center for peer-to-peer learning, complementing the roles played by regional training centers such as STI and TA offices like CDOT and SARTTAC. OAP continued to facilitate policy dialogue and CD in Asia, contribute to regional cooperation and surveillance work, and communicate

the Fund's messages to the Japanese and regional audience and promote recruitment from the region and Japan. In facilitating policy dialogue and CD, OAP acts as a center for peer-to-peer learning by taking advantage of its location and convening power, complementing the Fund's work in TA and training.

PUBLIC RELATIONS AND OUTREACH

In FY2025, OAP took advantage of the corporate momentum to focus on Asia in the lead-up to the 2026 AM in Bangkok. It also reached out to the wider public in Japan and beyond through promotional activities related to JISPA, new media engagement and HR promotions on various means and platforms.

In March, OAP organized a high-level conference in Tokyo titled "Asia and the IMF: Resilience through Cooperation" where Managing Director Kristalina Georgieva delivered opening remarks along with Japanese Finance Minister Katsunobu Kato and Bank of Japan Governor Kazuo Ueda, drawing more than 600 participants, including online viewers. The flagship event invited notable speakers from Asia and featured a panel discussion attended by Deputy Managing Director Nigel Clarke and moderated by a TV presenter.

Among other major press engagement and outreach activities, COM organized

press briefings for the World Economic Outlook and the Regional Outlook for Asia and the Pacific as well as for the AIV consultation mission in Japan, each of which resulted in strong media coverage and separate interviews with First Deputy Managing Director, APD Director, etc.

As part of an effort to strengthen media engagement, OAP organized its first Open Media House in September, where dozens of journalists were invited for training to better use and analyze macroeconomic data released by the IMF and build networks with the OAP Director, economists and OAP staff.

OAP also organized and participated in a wide range of seminars and workshops, including the Asia Pacific Regional Seminars and the Macroeconomist Training Program to enhance public understanding and support for the IMF's operations and policy recommendations. Some events organized by OAP were carried out in partnership with universities, think tanks, ministries, government, international and private sector organizations.

On JISPA, the program and its achievements have been actively promoted and shared through various platforms, including its website, Facebook and X, tapping into various multi-media content, including videos, stories, social media posts, etc.

to highlight the impact it is bringing about to the individual scholars and their countries.

During the fiscal year, OAP stepped up its effort to promote the recruitment of Japanese staff by launching a social media campaign featuring interview articles of Japanese nationals working in various departments of the IMF. The in-depth stories, created in collaboration with Japan's Executive Director's Office, were placed on the OAP website and promoted on X, where they drew particularly high impressions and engagements compared to other regular content. The OAP Director among other Japanese staff also visited universities and high schools to enhance its public outreach.

To help disseminate its messaging and raise awareness of the IMF activities and contributions, OAP maintained and constantly posted on its Facebook, X and website in both Japanese and English and revamped the web pages to make them more user-friendly and attractive.

MANAGING RELATIONS IN THE REGION

OAP coordinates IMF relations with regional forums, including the Association of Southeast Asian Nations (ASEAN and ASEAN+3/AMRO), the Executives' Meeting of East Asia-Pacific (EMEAP) Central Banks, the South-East Asian Central Banks (SEACEN), the Asia-Europe Meeting (ASEM), and the Pacific Island Countries Central Bank Governors' Meeting. OAP participates on invitation in these meetings, offers presentations on global and regional economic developments and other topical issues, and keeps HQ informed as regional views and initiatives unfold. Furthermore, OAP maintains close contacts with other international organizations and with diplomatic missions in Tokyo and throughout the region.



ASEAN+3 Deputies Meeting Pyeongchang, December 2024.

SURVEILLANCE AND RESEARCH WORK

OAP staff contribute to regional surveillance for the Asia-Pacific region, including by contributing to APD's Regional Economic Outlook and promoting and presenting those findings throughout the region. OAP staff monitor and report regularly to HQ on developments in the region,

contributing to missions and related work. OAP economists regularly carry out research on various economic policy issues of regional interest and support IMF engagement with member countries. OAP economists also contribute to review of IMF research and policy papers.



Asia and the IMF Resilience Through Cooperation Conference, March 2025.

DELIVERING CAPACITY DEVELOPMENT

OAP organizes seminars and conferences in selected CD areas to meet the needs of policymakers in the region and to keep them abreast of current macroeconomic issues and challenges. These events are financed with the generous support of the Government of Japan.

OAP administers the JISPA, in which about 65 junior officials from Asia pursue each year in Japan graduate studies in macroeconomics and related fields. There are 915 alumni of the scholarship program since it started in 1993, and many of these graduates now hold senior positions in their own countries. Through the JISPA Continuing Education Program

(JISPA- CE) these alumni have an opportunity to learn about more topical and specialized issues from experienced instructors from the ICD and the STI. This helps the alumni to refresh their networks throughout the region, while reconfirming their ties with the IMF and Japan.

The regional office also offers highly valued programs for senior officials in the region. These include the JIMS, a week-long executive training course on macroeconomics at the graduate level. JIMS, along with JISPA-CE, provides senior officials with opportunities to discuss current macroeconomic issues and exchange views with, and learn from, regional peers.

OAP organizes and sponsors peer-to-peer CD seminars and conferences

to enhance the policymaking skills of officials in the region. In FY2025, OAP hosted a high-level workshop on Modern Central Banking jointly with BOJ and MCM, peer-to-peer learning events on CBDC with LEG and MCM and digital money in fiscal operations with FAD. In addition, OAP assists FAD with the organization of the Tokyo Fiscal Forum and the Tokyo Tax Conference, both of which support peer learning and capacity development of officials from the Asia and Pacific region. OAP also organized a seminar on “Role of Peer-to-Peer Learning in Capacity Development” bring together IMF’s CD delivery departments, recipient country representatives and the Japanese MoF representatives to highlight importance of peer-to-peer learning in CD.



Governor Kuroda's Lecture at the Japan-IMF Macroeconomic Seminar for Asia (JIMS) March 2025.



Role of Peer-to-Peer Learning in CD Seminar, November 2024.



Digital Money in Fiscal Operations Peer-to-Peer Learning Event, June 2024.



OAP Staff with Managing Director Kristalina Georgieva.

Box 22. Peer-to-Peer Learning Events on CBDC and Digital Money (FAD_IMF_2023_05, MCM_APD_2023_01)

Mainstreaming digital money in fiscal operations in Asia

A high-level peer-to-peer learning workshop in Tokyo brought together over 40 senior officials from 17 Asia-Pacific countries to strengthen the discussion and experience in using digital money for revenue collection, issuing tokenized government bonds, integrating the Treasury with Fast Payment Systems and digital public infrastructure, and piloting programmable payments using CBDCs.

The workshop offered a deep dive into diverse regional approaches, from the Philippines tokenized treasury bonds and Kazakhstan's programmable "Digital Tenge," to Thailand's pandemic-era digital incentive schemes. Kentaro Ogata, Deputy Director-General of the International Bureau, and Chair of G7 Digital Payment Expert Group, as well as representatives from the MoF and CB of Japan participated and delivered presentations during the workshop, which contributed to the regional engagement. The sessions explored how countries are integrating digital money into financial management information systems (FMIS), adopting programmable payments, and using digital tools to strengthen social spending. Country experiences highlighted both innovation drivers and institutional challenges, ranging from policy alignment to infrastructure readiness.

Interactive simulations and scenario-based discussions on digital risks, exclusion, and privacy gave participants hands-on experience to reflect on real-world challenges. Case studies from Cambodia, Bhutan, and India showcased emerging strategies for leveraging digital public infrastructure and data platforms to enhance interoperability and service delivery. The final sessions reinforced a shared recognition of digital money's transformative potential, while emphasizing the importance of cybersecurity, inclusive design, and regional cooperation. Rated 4.9/5 by participants, the workshop significantly influenced participants' views and fostered interest in further adoption of digital money in fiscal processes.

Advancing Legal Readiness for CBDC in Asia-Pacific

As central banks across Asia and the Pacific explore CBDCs, legal uncertainty remains a key barrier to progress. Jurisdictions face legal challenges including defining legal tender for digital currencies, ensuring property rights, and adapting existing payment laws to accommodate CBDC.



In photos: Workshop participants with Vitor Gaspar, FAD Director; Akihiko Yoshida, OAP Director; and Kentaro Ogata, Deputy Director-General of the International Bureau, Ministry of Finance of Japan.

To address these challenges, LEG, in collaboration with the regional office for OAP, convened a high-level, closed-door roundtable in Tokyo on March 18–19, 2025. Hosted by LEG’s Director and supported by the JSA CBDC CD work, this inaugural event brought together 26 senior CBDC experts from 14 CBs across the region.

The roundtable was highly engaging, earning a participant rating of 4.8/5. Key legal insights included a consensus on moving beyond the account/token-based dichotomy, the need to adapt legal tender definitions for digital use, and the importance of clear property rights and legal frameworks for CBDC circulation. Participants also discussed CBDC rulebooks, settlement finality, and early-stage thinking on cross-border legal interoperability.

The roundtable is expected to spark improvements in legal frameworks underpinning the issuance of CBDC. By equipping senior counsels with deeper expertise, the initiative supports the development of legal foundations for future CBDC deployment.

A sound and robust legal framework for CBDC will enhance monetary stability, financial stability, and payment system resilience, which are core to IMF surveillance. It will prepare countries for digital transformation backed by CBDC, which will also be relevant in program design and conditionality under IMF lending in the near future.

In preparation for next steps, LEG set up a peer-learning platform via an email group for ongoing collaboration. Materials will be circulated regularly to reinforce knowledge sharing and regional dialogue.

LEG’s Director frequently mentioned JSA’s support to this roundtable throughout the event and it was greatly acknowledged by all participants, reinforcing donor visibility and commitment to CD.



Date: 19 March 2025

Location: New Otani Hotel, Tokyo, Japan

Description: A group photo with participants in the Tokyo CBDC Roundtable

Who is in the photo: LEG’s Director (General Counsel), OAP’s Director, LEG’s Assistant General Counsel, other IMF counsels, and CBDC experts in the Asia and Pacific region.

D

JAPAN-IMF SCHOLARSHIP PROGRAM FOR ASIA

JISPA was established in 1993 and supports graduate studies in macroeconomics or related fields in leading universities in Japan. It provides educational opportunities to promising junior officials from economic agencies in countries in the Asia and Pacific region, and in Central Asia.¹

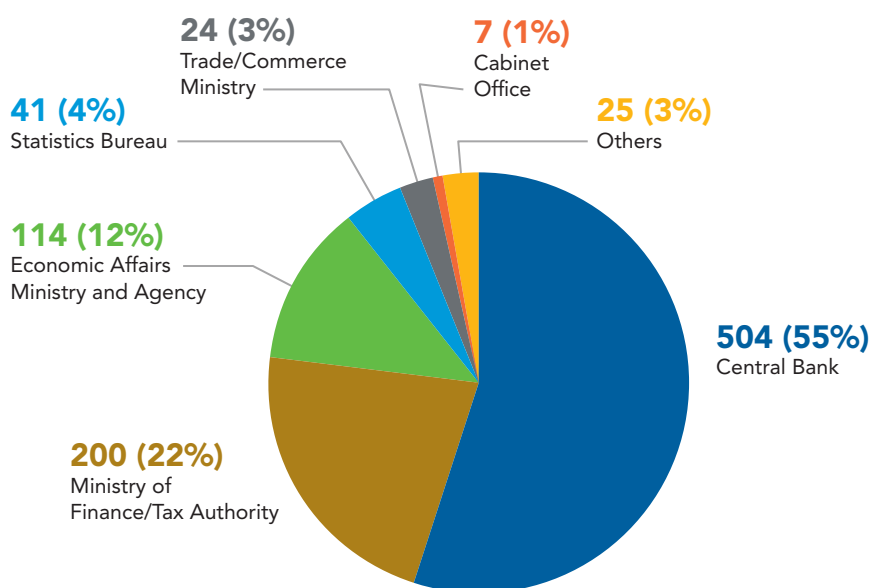
JISPA offers a partnership track with tailored master's programs in four partner universities and an open track with graduate programs (including PhD degrees) in any university in Japan.² JISPA also offers a two-and-a-half-month orientation program which helps incoming scholars prepare for their studies and life in Japan.

Throughout the duration of their scholarships, JISPA scholars are invited to seminars and events organized by OAP, providing further opportunities

¹ The scholarship program is open to candidates from Bangladesh, Bhutan, Cambodia, India, Indonesia, Kazakhstan, the Kyrgyz Republic, the Lao People's Democratic Republic, Malaysia, Maldives, Mongolia, Nepal, Pacific Island countries, Papua New Guinea, the Philippines, Sri Lanka, Tajikistan, Thailand, Timor-Leste, Turkmenistan, Uzbekistan, and Vietnam.

² The four partnership universities are the National Graduate Institute for Policy Studies, Hitotsubashi University, International University of Japan, and The University of Tokyo.

FIGURE 5. JISPA ALUMNI BY AFFILIATION, FY1993-2025



DMD Clarke in JISPA Townhall, March 2025.



JISPA Family Photo with DMD Nigel Clarke.



JISPA 2024 Summer Workshop.

to learn about current economic and policy issues and to build a network among themselves and with others. For the 2025 academic year, JISPA awarded 38 new scholarships and supported 66 scholars in total, including one PhD candidates.¹

OAP's special attention to JISPA scholars helps foster their identity as "Japan-IMF" scholars and strengthen their ties with the program even after their graduation. OAP organizes events for JISPA scholars with visiting IMF staff members. The JISPA townhall meeting with the Deputy Managing Director Nigel Clarke aspired the scholars to become future policymakers who make meaningful contributions to their society. OAP organized the annual summer workshop with Hitotsubashi

University in September 2024 for those finishing the first-year studies. The workshop fostered the community spirit among JISPA scholars and helped them better understand IMF programs and policies as well as the Fund's CD work in the region.

In addition to those special events, OAP continued to organize various activities for JISPA scholars, such as a series of policy dialogue meetings to introduce them to the Japanese policymakers and an exclusive thesis presentation program for graduating scholars. The scholars were also invited to the Asia-Pacific Regional Seminar Series organized by OAP, at which economic policy issues and thematic topics are discussed with audiences from across Asia and around the world.

OAP also organized one JISPA-CE program in FY2025. JISPA-CE brings mid-career JISPA alumni back to Japan to refresh their knowledge and reconnect, and helps strengthen and cement relations among JISPA alumni throughout Asia and the Pacific as they advance in their careers.

The community of "Japan-IMF" scholars has been growing. Since 1993, the program has awarded 1005 scholarships and 915 scholars have graduated (see Table 5 and Figure 5). Graduates have successfully advanced in their policymaking careers, with some attaining roles such as Governor and Vice Minister.

¹ The 2025 academic year of JISPA runs from October 1, 2024 to September 30, 2025.

TABLE 5. JAPAN-IMF SCHOLARSHIP PROGRAM FOR ASIA DISTRIBUTION OF SCHOLARS BY COUNTRY, 1993-2025

Country	Number	Percent	of which graduates
Uzbekistan	108	10.7%	99
Vietnam	105	10.4%	100
China	102	10.1%	102
Myanmar	85	8.5%	82
Cambodia	83	8.3%	75
Mongolia	72	7.2%	58
Indonesia	63	6.3%	53
Thailand	58	5.8%	51
Kyrgyz Republic	55	5.5%	53
Bangladesh	53	5.3%	47
Kazakhstan	47	4.7%	44
Philippines	43	4.3%	39
Lao PDR	35	3.5%	31
India	26	2.6%	22
Nepal	20	2.0%	18
Tajikistan	10	1.0%	9
Sri Lanka	9	0.9%	6
Bhutan	8	0.8%	8
Maldives	8	0.8%	6
Malaysia	4	0.4%	4
Turkmenistan	4	0.4%	3
Fiji	3	0.3%	3
Timor-Leste	2	0.2%	1
Tonga	2	0.2%	1
TOTAL	1005	100.0%	915

Note: The number of scholars includes the partnership-track recipients who continued onto the PhD program under the open-track.



JAPAN-IMF SCHOLARSHIP PROGRAM FOR ADVANCED STUDIES

Japan provides scholarships to Japanese nationals to study macroeconomics at the doctoral level to prepare them for a successful career at the IMF. The JISP began operating in 1996. Since 2009 only Japanese nationals have been eligible.

JISP scholars pursue their doctoral studies at prestigious universities abroad, most commonly in the United States, with others attending institutions in Canada, Europe, Australia, and even Singapore, focusing on macroeconomics or fields closely aligned with the IMF's mission. Upon arrival, all incoming scholars participate in a brief orientation in Washington, D.C., where they learn more about IMF work and meet Fund staff. The program funds two years of tuition and reasonable living expenses and includes participation in the Fund Internship Program, where they gain a deeper understanding of the Fund's operations. Throughout their tenure, they are invited to events like the IMF Jacques Polak Annual Research

Conference and both the IMF/World Bank Spring and Annual Meetings, and they may choose to attend additional academic gatherings outside the IMF.

After they graduate, scholars are required to apply to the IMF Economist Program (EP), the entry-level employment program for economists, and accept an EP position if offered.

Since the program's inception, 37 JISP alumni, 17 of whom were Japanese, have joined the IMF. Twenty-six are still working at the IMF as of May 2025. The most recent scholar joined the Fund in September 2022. Of the 26 former JISP alumni currently on staff, 21 were hired as staff members through the EP and the remainder joined at the mid-career level. JISP is administered by the IMF in collaboration with the Institute of International Education (IIE).

Table 6 shows the number of Japanese scholars who applied to the program and those who accepted the award since 2009.



JISP Scholars with Ms. Michaela Erbenova, Deputy Director, ICD, IMF and staff.

TABLE 6. JAPAN-IMF SCHOLARSHIP PROGRAM FOR ADVANCED STUDIES¹

(Number of Applicants and Scholars who Accepted Award, 2009-2025)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	TOTAL
Applicants	12	11	18	12	9	6	16	13	14	12	17	14	15	9	5	15	17	215
Scholars Who Accepted Award	7	7	7	5	5	3	4	3	3	4	4	4	6	3	3	3	5	76

Source: ICD.

¹ For SP20.05 (Program years 2020-22), five scholars accepted the JISP scholarship. However, due to the global health pandemic, one of the scholars deferred his PhD offer and the JISP until 2021. This scholar is now part of cohort 2021-23.

APPENDICES

APPENDIX I.

JSA Technical Assistance and Training— FY2025 Portfolio Summary*

Region	Topic	Program Description	Overall Program Budget
Fiscal Year 2025 Program			
APD	FAD	FAD JSA Domestic Revenue Mobilization (Tax Policy) in PIC	2.0
APD	FAD	FAD JSA Customs Reform and Modernization Program for Selected Countries in APD	2.8
APD	FAD	14th IMF-Japan High-Level Tax Conference for Asian Countries	0.3
AFR	ICD	Supporting the Development of Macroeconomic Frameworks through Enhanced Field Presence in Central Africa	1.5
APD	ICD	Building macroeconomic capacity for Cambodia, Lao P.D.R and Vietnam Country Officials (joint APD-ICD program)	2.7
APD	APD	Building Macroeconomic Capacity for Cambodia, Lao P.D.R and Vietnam Country Officials (joint APD-ICD program)	2.2
Global	LEG	Improving Legal Frameworks in Public Debt Management	2.0
APD/AFR	LEG	Strengthening Rule of Law and Reducing Corruption	3.2
Global	MCM	Debt management CD to FCS and LICs (Somalia and Domestic Securities Database for FCS and LICs)	0.6
APD	STA	Improving External Sector Statistics in the Asia-Pacific Region	3.4
AFR	STA	Strengthening the Quality of Public Debt Statistics in Africa	1.4
Fiscal Year 2024 Program			
APD	FAD	FAD JSA Tax Policy Reform in Selected Asian Countries FY24-25	2.0
APD	FAD	FAD JSA Strengthening PFM in Selected Southeast Asian Countries FY24-26	4.9
APD	FAD	FAD JSA PFM Support for Sri Lanka FY24-25	1.9
APD	FAD	FAD JSA Strengthening Government Capacity in Expenditure Policy Analysis FY24-26	1.9
AFR	ICD	Supporting the Development of Macroeconomic Frameworks	3.0
Global	ICD	The Japan-IMF Flagship Partnership on Online Learning	7.7
APD	MCM	Strengthening Macprudential Policy Implementation in Mongolia	2.1
APD	MCM	Strengthening Debt Management in Sri Lanka, Maldives and Lao PDR- LTX Based in SARTTAC	2.0
Global	MCM	Funding Program for Japan Appointee	0.3
Global	STA	Improving Data Dissemination for Globally Selected Countries - Phase II	1.5

*List includes programs under the regular JSA, COVID-19 and Digital Money windows

Region	Topic	Program Description	Overall Program Budget
Fiscal Year 2023 Program			
AFR/APD	FAD	JSA Digital Money/CBDC and Fiscal Policy, Operations and Management	2.8
AFR	FAD	AFR Strengthening Fiscal Sustainability in Fragile States	8.0
APD	FAD	Revenue Mobilization Support (Tax Administration) for Selected Asian Countries	5.7
Global	FAD	Domestic Revenue Mobilization (Tax Policy) in Selected Low-income Countries	4.5
Global	FAD	Infrastructure Governance Facility II	9.9
Global	ICD	Developing Macroeconomic Forecasting and Nowcasting Techniques	3.1
Global	ICD	Strengthening Fiscal and Debt Sustainability, and Sustainable Growth, through Macroeconomic Frameworks and Debt Dynamic Analysis for Forecasting in Selected Asian, African and Middle Eastern Countries	5.8
Global	MCM	JSA CBDC CD Work	5.0
Global	MCM	JSA CBDC Analytics and Development	5.4
APD	MCM	Strengthening Bank Supervision	1.8
APD	STA	Strengthen Macroeconomic and Financial Statistics Compilation and Dissemination in the Asia-Pacific region: Government Finance Statistics (GFS) and PSDS Project (JSA4)	2.6
Fiscal Year 2022 Program			
Global	FAD	PFM COVID-19	4.1
APD	ICD	STI - Continuing Training and Technical Assistance on Economic and Financial Policy Analysis in Asia	12.3
APD	MCM	Monetary Policy in Cambodia	1.4
APD	STA	Improving External Sector Statistics in the Asia-Pacific Region	2.2
Fiscal Year 2021 Program			
APD/AFR	FAD	Strengthening and Modernizing Customs Administration in Asia and West Africa	8.5
APD	MCM	Strengthening Debt Management Operational Frameworks in Asia-Pacific	4.4
AFR	MCM	Strengthening Debt Management Operational Frameworks in Africa	5.0
Fiscal Year 2018 Program			
APD	MCM	Supporting Monetary and Foreign Exchange Operations in Cambodia, Myanmar and Vietnam	4.1

APPENDIX II.

Joint Japan-IMF Field Visits, FY1996–2025¹

- (1) PFTAC in Fiji and Western Samoa, March 1996
- (2) Kazakhstan and the Kyrgyz Republic, June 1996
- (3) Zambia and Zimbabwe, December 1996
- (4) Russian Federation, July 1997
- (5) Bulgaria and Lithuania, June 1998
- (6) Indonesia, STI, and Thailand, June/July 1999
- (7) Belarus and Slovenia, June 2000
- (8) Azerbaijan and the JVI, June 2001
- (9) Cambodia and STI, June 2002
- (10) Mongolia and Timor-Leste, September 2002
- (11) Indonesia and Fiji, December 2003
- (12) Botswana and AFRITAC East in Tanzania, December 2005
- (13) Cambodia, STI and the Philippines, March 2007
- (14) Middle East Regional Technical Assistance Center (METAC) in Lebanon, May 2008
- (15) Cambodia, and STI, January 2009
- (16) Philippines and Fiji (PFTAC), May 2010
- (17) Vietnam and Nepal, May 2011
- (18) Cambodia, June 2012
- (19) Lao P.D.R., Indonesia, and Thailand, March 2014
- (20) Cambodia, Lao P.D.R., STI, and CDOT, May 2016
- (21) SARTTAC in India, and Nepal, February 2017
- (22) Cambodia and Sri Lanka, February 2018
- (23) Cambodia and Myanmar, March 2019
- (24) Cambodia, June 2024
- (25) Nepal, September 2024
- (26) Singapore, January 2025
- (27) Thailand, May 2025
- (28) Vietnam, June 2025

¹ Because of scheduling difficulties, joint field visits were not carried out in FY2005 and FY2015. Field visits were cancelled in 2020 through 2023 due to the COVID-19 pandemic.

Externally Financed Appointee Program

The Externally Financed Appointee (EFA) program was established to accommodate growing interest from member countries in having their officials employed temporarily by the IMF to gain experience and build their skills. The cost of placing and hosting appointees is financed by the home country. IMF management approved the EFA program in July 2013 with an initial maximum of 15 appointments at a time. The Board approved the

establishment of the EFA Subaccount in August 2013.

EFA appointees are assigned to IMF core surveillance and program activities and also provide CD in order to broaden their exposure to IMF operational work. EFA appointees are supervised by IMF senior staff. To date, 12 countries, including Japan, participate in the EFA and have made corresponding financial contributions to the program. A total of sixteen

Japanese officials have been hired under the program. Four officials currently participate in the program; three economists, one financial expert . One official will conclude his assignment and will return to Japan in summer 2024. The experience and knowledge gained at IMF will enable the returned officials to contribute more effectively to the Japanese government's economic policy agenda.

APPENDIX IV.

JSA Financial Statement

Administered Accounts – Japan Financial Statement FY2025
(In thousands of U.S. dollars)

	2025	2024	2023
Balance Sheet as of April 30, 2025, 2024 and 2023			
Assets			
Cash and cash equivalents ¹	74,047	75,810	96,961
Total assets	74,047	75,810	96,961
Resources			
Total resources	74,047	75,810	96,961
Income Statements and Changes in Resources for the Years Ended April 30, 2025, 2024 and 2023			
Balance, beginning of the year	75,810	96,961	116,525
Income earned on investments	3,498	4,859	3,485
Contributions received	42,974	21,334	17,315
Contributions transferred (net)	(6,700)	(3,600)	(3,100)
Operating expenses	(41,535)	(43,745)	(37,264)
Net changes in resources	(1,763)	(21,151)	(19,564)
Balance, end of the year	74,047	75,810	96,961

Note: The IMF arranges for an annual audit of the JSA to be undertaken by its external auditors, in connection with their annual audit of the IMF's own accounts, and for a separate certificate of completion to be provided to the Japanese authorities.

¹ Net of accruals. The financial statement of the Administered Accounts in the IMF annual report, which includes this Subaccount, reports year end accruals separately.

ANNEX

JSA Technical Assistance and Training - FY2025 Portfolio Detailed*

(in millions of U.S. dollars)

Program ID	Japan ID	Program	Region	Topic	Program Description	Status	Overall Program Budget	Approved Budget through FY2025 1/	Expenses through FY2025
							(in millions of U.S. dollars)		
FAD_APD_2024_01	JPN143	FY25	APD	FAD	FAD JSA Domestic Revenue Mobilization (Tax Policy) in Pacific Island Countries	Approved	2.0	0.7	0.5
FAD_APD_2024_02	JPN144	FY25	APD	FAD	FAD JSA Customs Reform and Modernization Program for Selected Countries in APD	Approved	2.8	0.8	0.3
FAD_APD_2024_03	JPN142	FY25	APD	FAD	14th IMF-Japan High-Level Tax Conference for Asian Countries	Approved	0.3	0.3	0.0
ICD_AFR_2025_01	JPN213	FY25	AFR	ICD	Supporting the Development of Macroeconomic Frameworks through Enhanced Field Presence in Central Africa	Approved	1.5	0.5	0.1
ICD_APD_2024_01	JPN212	FY25	APD	ICD	Building macroeconomic capacity for Cambodia, Lao P.D.R and Vietnam Country Officials (joint APD-ICD program)	Approved	2.7	1.1	1.0
APD_TTA_2024_02	JPN605	FY25	APD	APD	Building Macroeconomic Capacity for Cambodia, Lao P.D.R and Vietnam Country Officials (joint APD-ICD program)	Approved	2.2	0.7	0.5
LEG_AFR_2024_03	JPN305	FY25	Global	LEG	Improving Legal Frameworks in Public Debt Management	Approved	2.0	0.5	0.2
LEG_IMF_2024_07	JPN304	FY25	APD/AFR	LEG	Strengthening Rule of Law and Reducing Corruption	Approved	3.2	1.3	1.6
MCM_IMF_2024_05	JPN427	FY25	Global	MCM	Debt management CD to FCS and LICs (Somalia and Domestic Securities Database for FCS and LICs)	Approved	0.6	0.3	0.3
STA_APD_2024_01	JPN518	FY25	APD	STA	Improving External Sector Statistics in the Asia-Pacific Region	Approved	3.4	1.1	0.9
STA_AFR_2024_01	JPN517	FY25	AFR	STA	Strengthening the Quality of Public Debt Statistics in Africa	Approved	1.4	0.6	0.3
FAD_APD_2023_02	JPN141	FY24	APD	FAD	FAD JSA Tax Policy Reform in Selected Asian Countries FY24-25	Approved	2.0	2.0	1.3

Program ID	Japan ID	Program	Region	Topic	Program Description	Status	Overall Program Budget	Approved Budget through FY2025 1/	Expenses through FY2025
							(in millions of U.S. dollars)		
FAD_APD_2023_03	JPN139	FY24	APD	FAD	FAD JSA Strengthening Public Financial Management in Selected Southeast Asian Countries FY24-26	Approved	4.9	3.5	3.3
FAD_LKA_2023_01**	JPN140	FY24	APD	FAD	FAD JSA Public Financial Management Support for Sri Lanka FY24-25	Approved	1.9	1.9	1.4
FAD_VNM_2023_01	JPN138	FY24	APD	FAD	FAD JSA Strengthening Government Capacity in Expenditure Policy Analysis FY24-26	Approved	1.9	1.3	1.3
ICD_AFR_2023_01**	JPN211	FY24	AFR	ICD	Supporting the Development of Macroeconomic Frameworks	Approved	3.0	2.1	0.4
ICD_IMF_2023_02	JPN210	FY24	Global	ICD	The Japan-IMF Flagship Partnership on Online Learning	Approved	7.7	4.9	2.0
MCM_MNG_2023_01	JPN424	FY24	APD	MCM	Strengthening Macroeprudential Policy Implementation in Mongolia	Approved	2.1	1.4	0.3
MCM_APD_2023_03**	JPN425	FY24	APD	MCM	Strengthening Debt Management in Sri Lanka, Maldives and Lao PDR- LTX Based in SARTTAC	Approved	2.0	1.3	0.7
MCM_IMF_2024_03	S_JPNDM	FY24	Global	MCM	Funding Program for Japan Appointee	Approved	0.3	0.3	0.2
STA_IMF_2023_02**	JPN516	FY24	Global	STA	Improving Data Dissemination for Globally Selected Countries - Phase II	Approved	1.5	1.4	0.6
FAD_IMF_2023_05	S_JPNDM	FY23	AFR/ APD	FAD	JSA Digital Money/CBDC and Fiscal Policy, Operations and Management	Approved	2.8	2.2	1.0
FAD_AFR_2022_13**	JPN135	FY23	AFR	FAD	AFR Strengthening Fiscal Sustainability in Fragile States	Approved	8.0	8.0	4.4
FAD_APD_2022_02**	JPN134	FY23	APD	FAD	Revenue Mobilization Support (Tax Administration) for Selected Asian Countries	Approved	5.7	5.7	3.6
FAD_IMF_2022_05	JPN133	FY23	Global	FAD	Domestic Revenue Mobilization (Tax Policy) in Selected Low-income Countries	Approved	4.5	4.5	2.8
FAD_IMF_2022_06	JPN136	FY23	Global	FAD	Infrastructure Governance Facility II	Approved	9.9	9.9	6.6
ICD_APD_2022_03	JPN209	FY23	Global	ICD	Developing Macroeconomic Forecasting and Nowcasting Techniques	Approved	3.1	3.1	2.2
ICD_IMF_2022_03	JPN208	FY23	Global	ICD	Strengthening Fiscal and Debt Sustainability, and Sustainable Growth, through Macroeconomic Frameworks and Debt Dynamic Analysis for Forecasting in Selected Asian, African and Middle Eastern Countries	Approved	5.8	5.8	3.7

Program ID	Japan ID	Program	Region	Topic	Program Description	Status	Overall Program Budget	Approved Budget through FY2025 1/	Expenses through FY2025
							(in millions of U.S. dollars)		
MCM_APD_2023_01	S_JPNDM	FY23	Global	MCM	JSA Central Bank Digital Currency (CBDC) CD Work	Approved	5.0	5.0	1.8
MCM_APD_2023_02**	S_JPNDM	FY23	Global	MCM	JSA Central Bank Digital Currency (CBDC) Analytics and Development	Approved	5.4	5.4	3.6
MCM_KHM_2022_01**	JPN423	FY23	APD	MCM	Strengthening Bank Supervision	Approved	1.8	1.8	1.2
STA_APD_2022_01**	JPN515	FY23	APD	STA	Strengthen Macroeconomic and Financial Statistics Compilation and Dissemination in the Asia-Pacific region: Government Finance Statistics (GFS) and Public Sector Debt Statistics (PSDS) Project (JSA4)	Approved	2.6	2.4	2.0
FAD_IMF_2021_10	S_JPNCOV	FY22	Global	FAD	Public Financial Management COVID-19	Approved	4.1	4.1	4.0
ICD_APD_2022_01	JPN207	FY22	APD	ICD	Singapore Regional Training Institute (STI) - Continuing Training and Technical Assistance on Economic and Financial Policy Analysis in Asia	Approved	12.3	12.3	12.2
MCM_KHM_2021_01	JPN422	FY22	APD	MCM	Monetary Policy in Cambodia	Approved	1.4	1.4	1.0
STA_APD_2021_01	JPN514	FY22	APD	STA	Improving External Sector Statistics in the Asia-Pacific Region	Approved	2.2	2.2	2.2
FAD_IMF_2021_03	JPN130	FY21	APD/AFR	FAD	Strengthening and Modernizing Customs Administration in Asia and West Africa	Approved	8.5	8.5	7.5
MCM_APD_2021_01	JPN420	FY21	APD	MCM	Strengthening Debt Management Operational Frameworks in Asia-Pacific	Approved	4.4	4.4	3.3
MCM_AFR_2021_02	JPN421	FY21	AFR	MCM	Strengthening Debt Management Operational Frameworks in Africa	Approved	5.0	5.0	4.5
MCM_APD_2018_01	JPN414	FY18	APD	MCM	Supporting Monetary and Foreign Exchange Operations in Cambodia, Myanmar and Vietnam	Approved	4.1	4.1	4.0

1/ Approved budgets are based on the figures approved until FY25 cycle.

*List includes programs under the regular JSA, COVID-19 and Digital Money windows

**List includes extensions approved during FY25 interim assessment period

PROGRAM NAME: FAD JSA Domestic Revenue Mobilization (Tax Policy) in Pacific Island Countries	JSA#: JPN143 IMF ID: FAD_APD_2024_01
TARGET COUNTRIES: Cook Islands; Fiji; Kiribati; Marshall Islands; Micronesia; Nauru; Niue; Palau; Samoa; Timor-Leste; Tokelau; Tonga; Tuvalu; and Vanuatu	IMPLEMENTATION PERIOD: May 1, 2024, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>The main purpose of the program is to strengthen tax revenue performance while promoting equity and growth in PIC. It will aim to improve tax policy design and strengthen policy monitoring, evaluation, and institution building through tax policy advice combined with capacity building activities and peer-to-peer learning.</p> <p>Fiji – Fiji is one of the first countries in the region to initiate tax expenditure (TE) reporting, with the support of FAD Tax Policy. A November 2023 mission conducted a general tax policy review and laid the foundations for TE reporting by defining the benchmark tax system and compiling the TE inventory. An April 2025 mission followed up on that process by performing in-depth costing and evaluation of Fijian TEs, as well as assessing the TE governance framework. The mission team introduced the tools and methods used in this analysis in a day-long workshop for Ministry of Finance (MOF) and Fiji Revenue Service experts. The MOF leadership has set an ambitious goal of introducing the concept of TE reporting in the FY2026 Budget Supplement, with the first full report slated for FY2027.</p> <p>Kiribati – The authorities initiated drafting an amendment to the VAT legislation, following the April 2024 mission recommendations, for which FAD provided assistance (STX mission) in May 2024. Following that, FAD continued to support the authorities remotely, providing guidance on various queries about VAT solutions adopted in the proposed amendments, including those related to the valuation basis for imported goods, the design of VAT for cross-border services, and digital currency. The VAT Amendment Bill 2025 appears to have incorporated recommendations contained in said guidance, adding further to strengthening Kiribati’s VAT design.</p> <p>Marshall Islands – A December 2024 mission (joint with revenue administration experts) assessed the country’s current tax policies and advised on the authorities’ ambitious tax reform agenda, focusing on modernizing the country’s tax system (essentially unchanged since independence), consisting of simple and inefficient taxes, including turnover and import taxes. Following a failed reform drive in the early 2010s, there is now renewed political momentum to undertake wide-ranging tax reform to modernize the system, increase efficiency and progressivity, and build fiscal resilience. The CD mission analyzed the revenue, efficiency, and distributional impacts of transitioning from import, turnover, and local sales taxes towards VAT, excise duties, and profit taxation, alongside refinements to personal income taxation. The mission made specific recommendations on tax policy parameters, including tax bases, rates, and thresholds, to support the fiscal sustainability of reforms. The authorities are incorporating these recommendations into their policy development, and further CD will be delivered in FY26 to support the refinement and legal drafting of the reforms, with legislation to be passed by October 2026. Work in this area is coordinated with the PFTAC, including continued revenue administration support.</p> <p>Palau – A holistic assessment of the Palauan tax system and advise on tax policy reform options to modernize it, broadening the base and facilitating future revenue resilience was provided by a tax policy diagnostic mission completed in November 2024. The 2023 milestone introduction of the Palau Goods and Services Tax and Business Profit Tax against a challenging macroeconomic background has supported a more diversified and resilient fiscal resource base, which is critical for Palauan authorities to buffer against economic and climate shocks. While Palau has a tax revenue to GDP ratio similar to the peer average, the country’s overall public finance envelope is still highly reliant on development grant assistance. The FAD assessment identified areas of policy refinement in the near term and considered further reforms in the medium and long term to modernize the tax system, which may be pursued once the recent reform is cemented. Near-term additional CD may benefit from a regional focus to mobilize domestic political consensus for further reforms, beyond continued revenue administration support in coordination with PFTAC and the ADB.</p>	

PROGRAM NAME: FAD JSA Domestic Revenue Mobilization (Tax Policy) in Pacific Island Countries

JSA#: JPN143

IMF ID: FAD_APD_2024_01

Regional engagement:

PITAA Meeting – FAD participated in the 2024 PITAA Annual Heads Meeting in Vanuatu, a forum gathering PIC representatives and various development partners, to engage with PICs on tax policy issues and their reform priorities. FAD delivered a session on the principles of and capacity needs for effective tax policy formulation. It also held bilateral meetings with PIC delegations to discuss their challenges in domestic revenue mobilization, priorities, and related CD needs. All the discussions highlighted the importance of tax design issues and resulted in an increased interest in tax policy CD engagement. FAD is expected to join the next PITAA Meeting, to be held in Tonga, contributing to the discussion on tax expenditures policy frameworks and strategic planning for PITAA.

PACER Plus Workshop – FAD participated in a 2025 workshop, which hosted representatives from eight PICs that are part of the PACER-Plus Agreement, along with Australia and New Zealand, to discuss economic impacts on each country and reform options to improve revenue mobilization in PICs. As part of the engagement, FAD delivered three sessions: (1) economic and revenue analysis of PACER-Plus for Tonga and reform options to recoup revenue losses and enhance the efficiency and fairness of the overall tax system; (2) principles of designing a VAT; and (3) core principles of tax expenditure policy. All the discussions highlighted the importance of formulating coherent tax design strategies, which are also essential for informing and guiding relevant administration reforms. This emphasis has also sparked a heightened interest in a follow-up workshop focused on tax expenditure policy, which is scheduled to take place in October 2025 in Nadi, Fiji.

PROGRAM NAME: FAD JSA Customs Reform and Modernization Program for Selected Countries in APD	JSA#: JPN144 IMF ID: FAD_APD_2024_02
TARGET COUNTRIES: Cambodia; Nepal; Sri Lanka; Fiji; Kiribati; Lao P.D.R.; Maldives; Marshall Islands; Micronesia; Mongolia; Nauru; Nepal; Palau; Papua New Guinea; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu; and Vietnam	IMPLEMENTATION PERIOD: May 1, 2024, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>The main purpose of the program is to enhance customs administration’s capacity to collect revenue and control revenue leakage in selected Asian and Pacific countries. This will be achieved through reforming and modernizing the organizational structure, improving management and procedures of customs administrations, and enhancing the application of the rule of law without impeding trade. In FY2025, CD had been provided through regional engagements and virtual and in-person bilateral engagements.</p> <p>Regional engagements: In FY2025, (i) In Cambodia, FAD organized a regional workshop on use of information and communication technology systems in customs administrations. This interactive learning event provided a platform for mutual learning from experiences in developing and using fuller functions of customs IT systems to process clearance and manage customs data. Dedicated bilateral CD aligned with the local context will be provided under this program. (ii) FAD participated in the 2024 OCO Annual Meeting in the Cook Islands, engaging with PIC and development partners on customs reform. FAD introduced IMF customs CD initiatives and, in bilateral talks, agreed with the OCO Secretariat and partners on the theme and format of an FY26 regional customs workshop compatible and consistent with FAD-PFTAC programs.</p> <p>Bilateral engagements: In FY2025, Maldives and Vietnam benefited from both in-person and remote CD. Cambodia also gained from an expert visit, which provided advice to strengthen its digital infrastructure and operational practices. Maldives made notable progress in enhancing its capacity to utilize customs ICT systems, particularly in extending digital application to cargo management. This advancement supports more effective risk-based targeting and helps prevent revenue leakage prior to goods declaration. Additionally, Maldives received targeted support from FAD to strengthen its fiscal fraud investigation program, aiming to improve compliance and enforcement. Vietnam received CD aimed at improving the operational effectiveness of its National Targeting Center. The support focused on refining risk-based targeting methodologies and enhancing the center’s ability to identify and manage high-risk consignments. These efforts contribute to more efficient border management and revenue protection.</p>	

PROGRAM NAME: Supporting the Development of Macroeconomic Frameworks through Enhanced Field Presence in Central Africa	JSA#: JPN213 IMF ID: ICD_AFR_2025_01
TARGET COUNTRIES: Africa Regional Technical Assistance Center for Central Africa (AFC) catchment area, covering Cameroon; Congo, Republic of; Central African Republic; Chad; Equatorial Guinea; Gabon; Burundi; Sao Tome and Principe; Congo, Democratic Republic of the; Gambia, The; Ghana; Liberia; Nigeria; Sierra Leone.	IMPLEMENTATION PERIOD: May 1, 2024, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>This program is designed to supplement an internally funded resident macroeconomic frameworks advisor hosted by AFRITAC Central, although with a wider remit of countries. With the support of this JSA funding program, the advisor has undertaken needs assessment missions in Equatorial Guinea, the Republic of Congo, Gabon, and Cameroon. As a result, projects supporting the enhancement of macroframeworks in each of these countries, along with two projects in Burundi, will be launched during FY26.</p> <p>The funding program also allowed for the continuation of an ongoing TA project with Chad's MoF, following the closure of the Managing Natural Resource Wealth fund. The project is focused on developing a macroeconomic projection tool and enhancing analytical skills in macroeconomic forecasting and scenario analysis. Virtual and in-person engagements were conducted in FY2025, in which the resident advisor also participated, assisting the authorities in understanding and calibrating the tool.</p> <p>The program enabled the resident advisor to deliver a well-received regional FPP course in Ghana, in collaboration with the West African Institute for Financial and Economic Management for member countries, which showed a positive impact on participants' skills.</p>	

PROGRAM NAME: Building Macroeconomic Capacity for Cambodia, Lao P.D.R and Vietnam Country Officials (joint APD-ICD program)	JSA#: JPN605/JPN212 IMF ID: APD_TTA_2024_02/ ICD_APD_2024_01
TARGET COUNTRIES: Cambodia; Lao P.D.R.; Vietnam	IMPLEMENTATION PERIOD: May 1, 2024, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>This joint APD-ICD funding program supports CD in macroeconomic forecasting in Cambodia, Lao P.D.R., and Vietnam. The program delivery benefits from the presence of a regional macroeconomics frameworks advisor as well as the delivery of tailored training courses in macroeconomic topics.</p> <p>Cambodia - Macroeconomic Framework Project: In FY2025, the macroeconomic framework project in Cambodia made good progress, with the core macro group successfully updating and independently managing the macroeconomic framework established during previous TA missions. This project was pivotal in enabling the production of Cambodia's first MTFF, providing inputs for the National Bank of Cambodia's Monetary Policy Committee meetings. An in-person mission in June 2024 focused on generating baseline forecasts and conducting scenario analyses.</p> <p>Cambodia - FPAS for the National Bank of Cambodia: The second phase of this project, initiated in late 2023, aims to develop a QPM to produce medium-term forecasts. In-person missions in FY2025 involved training on monetary policy analysis and frameworks.</p> <p>Lao P.D.R. - Macroeconomic Framework Project: The macroeconomic framework project in Lao P.D.R. significantly strengthened the multi-agency core group's institutional capacity for macroeconomic analysis and forecasting. The group successfully produced an initial baseline scenario and improved collaboration among various economic agencies. A September 2024 mission emphasized training on the DDT, targeting public debt forecasting to address unsustainable debt levels. Outputs from the core group increasingly informed macroeconomic policy decisions, with plans for further development of tools and integration into the government's decision-making processes through 2026.</p> <p>Lao P.D.R. - FPAS for the Bank of Lao P.D.R.: Missions during FY2025 aimed at developing near-term forecasting tools for inflation and exchange rate analysis, which are crucial given the high inflation rates.</p> <p>Vietnam - Macroeconomic Framework Project: The project has focused on enhancing the capacity of a newly formalized multi-agency core group, led by the former Ministry of Planning and Investment that was recently merged with the MoF as part of a broader cabinet restructuring. In FY2025, the team successfully conducted foundational training, including a one-week Fiscal Policy and Public Debt Analysis course, which enhanced their analytical skills and assisted in the development of a customized macroeconomic framework tool. The core group actively collaborated with the 1317 Policy Group, successfully presenting their findings during key policy meetings and demonstrating strong ownership and commitment to the TA initiatives. Given the potential staff turnover due to the restructuring, the TA team focused on preserving the gains from CD that have been achieved so far by: 1) ensuring that the core group could operate the projection tool and present the results to policy makers, and 2) strengthening the core group's institutional base by clarifying its status, roles, and responsibilities.</p> <p>Vietnam - FPAS for the SBV: The multiyear FPAS project for the SBV concluded in September 2024, transitioning from building forecasting capacity to real-time policy analysis integration. Through several in-person missions, the core Forecasting Group developed a functioning FPAS that now informs SBV's monetary policy conduct. Although the FPAS is effective, engagement between SBV management and relevant departments could be improved to enhance coordination and unify economic forecasts across the institution. Continuous support will be provided to maintain the FPAS and potentially modernize the monetary policy framework in the future.</p> <p>During FY2025, several training courses were delivered under the project to enhance the capacity of participants in macroeconomic analysis and policy formulation across the beneficiary countries.</p> <p>A Monetary Policy course in July 2024 provided a comprehensive overview of monetary policy frameworks and transmission mechanisms. This course achieved a learning gain of 34 percentage points, equipping participants from CBs and inter-agency groups with essential skills for designing monetary policy frameworks and analyzing economic conditions.</p> <p>Additionally, a Macroeconomic Diagnostics course in September 2024 enhanced participants' ability to assess macroeconomic situations, focusing on fiscal and monetary policy stances, financial stability, and vulnerabilities. The course concluded with a learning gain of 28.2 percentage points, emphasizing practical tools for day-to-day macroeconomic analysis.</p> <p>A course on Exchange Rate Policy in April 2025 provided highly relevant training for the macroeconomic core groups. It was tailored for the CLV authorities, covering monetary frameworks and exchange rate regimes in ASEAN countries.</p> <p>These training sessions were designed to complement ongoing TA projects, fostering a collaborative learning environment that strengthened the participants' capacity to apply macroeconomic tools and frameworks effectively in their respective countries.</p>	

PROGRAM NAME: Improving Legal Frameworks in Public Debt Management	JSA#: JPN305 IMF ID: LEG_AFR_2024_03
TARGET COUNTRIES: Angola; Benin; Botswana; Burkina Faso; Burundi; Cameroon; Central African Republic; Chad; Comoros; Congo, Democratic Republic of the; Congo, Republic of; Côte d'Ivoire; Eritrea; Ethiopia; Ghana; Guinea-Bissau; Kenya; Lesotho; Madagascar; Malawi; Maldives; Mali; Mauritius; Mozambique; Niger; Nigeria; Rwanda; São Tomé and Príncipe; Senegal; South Africa; South Sudan; Tanzania; Uganda; Zambia; Zimbabwe; Bangladesh; Cambodia; Fiji; Kiribati; Lao P.D.R; Marshall Islands; Micronesia; Mongolia; Myanmar; Nauru; Papua New Guinea; Seychelles; Solomon Islands; Sri Lanka; Timor-Leste; Tonga; Tuvalu; Vanuatu; Vietnam; Kosovo; Ukraine; Afghanistan; Egypt; Iraq; Lebanon; Libya; Mauritania; Morocco; Pakistan; Somalia; Sudan; Syrian; Tunisia; West Bank and Gaza; Yemen; Haiti; and Venezuela	IMPLEMENTATION PERIOD: May 1, 2024, to December 31, 2027
<p>FY2025 Key Highlights</p> <p>Ms. Ana Obiang Ndong, Legal Advisor on public debt management, commenced her work in November 2024. In the five months of FY2025 she completed the following key projects:</p> <ul style="list-style-type: none"> • Virtual participation in the TA mission on Local Currency Bond Market Development in Papua New Guinea (January 2025), led by MCM • Advice in the form of comments on Mozambique's draft amendments to Decree 5/2013, the legal framework for Treasury Bonds (February 2025) • Review of and advice on the Cabinet Paper for authorization of the reform of the Seychelles Public Debt Management (PDM) Act (March-April 2025). The comments laid the groundwork for the ongoing TA on revising the PDM Act, a major piece of legislation. <p>Delivering sessions on legal perspectives for public debt management legal frameworks at the (i) ICD Course on "Fiscal Sustainability" at ATI (March 2025); (ii) Training on "Debt Reporting and Investor Relations" in Arusha, Tanzania (April 2025); and (iii) LCBM Workshop in Arusha, Tanzania (April-May 2025).</p>	

PROGRAM NAME: Strengthening Rule of Law and Reducing Corruption	JSA#: JPN304 IMF ID: LEG_IMF_2024_07
TARGET COUNTRIES: Angola; Benin; Burkina Faso; Burundi; Congo, Republic of; Ghana; Malawi; Pakistan; Papua New Guinea; Sierra Leone; Solomon Islands; Sri Lanka, Tanzania; Zambia; and other priority countries for JSA	IMPLEMENTATION PERIOD: May 1, 2024, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>The Strengthening the Rule of Law and Reducing Corruption Capacity Development Project (RoL/AC CD Project) is designed to support IMF's lending and surveillance by strengthening anti-corruption and rule of law in the project countries. The Project builds on the first JSA supported Anti-Corruption and Rule of Law Capacity Building Project which concluded in April 2024. This successor project continues to support governance and anti-corruption work in Burkina Faso, Burundi, Republic of Congo, Sri Lanka, Zambia, Benin, Pakistan and Sierra Leone. The RoL/AC CD Project also supports regional activities and the placement of a governance and anti-corruption long term RA at AFRITAC South. In the implementation period, IMF staff assisted Burundi, Burkina Faso, Pakistan, Sierra Leone, Zambia, Sri Lanka and Benin in strengthening legal and institutional frameworks to reduce corruption risks and rule of law weaknesses.</p> <p>Technical Assistance for Sri Lanka: In the context of the Fund-supported program for Sri Lanka, the Diagnostic Report on Governance and Diagnostic (GD) was prepared in collaboration with the authorities and was published. Several GD recommendations formed the spine of corruption and governance related conditionality in the IMF supported program. The authorities requested IMF TA to fully operationalize the Commission to Investigate Allegations of Bribery and Corruption (CIABOC) - the principal anti - corruption authority in Sri Lanka, and to implement the asset declaration system for senior officials. As part of the TA, LEG recruited a short-term expert who, along with LEG's HQ - based staff organized a two-week mission to Colombo on October 2024. A second mission took place in January 2025. The team worked intensively with CIABOC in finalizing and publishing its strategic plan (SB for the IMF supported Program), and assisting CIABOC in the operationalization of the asset declaration system by reviewing the existing asset declaration form and providing feedback based on good practices from the region and internationally (SB in the IMF supported program). The work continues, with a focus on aligning managerial practices with the implementation of the Strategic Plan.</p> <p>GD for Burundi: Following the missions supported by the JSA-funded project that ended in April 2024. First AC/RoL CD, LEG has produced sections on (i) the analysis of severity of corruption informed by political economy and its impact on the performance of core state functions, (ii) analysis of governance weaknesses and corruption vulnerabilities in the rule of law, and (iii) analysis of the effectiveness of anti-corruption legal and institutional frameworks. Specific time-bound recommendations were also proposed. A short-term political economy expert was hired and backstopped by LEG to advise the team about the most important political economy considerations that influence the reform process in Burundi. A comprehensive GD report is being finalized and is expected to be published in 2025. Selected GD recommendations are expected to be reflected in future reforms of the Government of Burundi, the IMF-supported program and CD for Burundi.</p> <p>GD for Burkina Faso: Following a request by the authorities in November 2023, a GD for Burkina Faso was launched with a virtual scoping mission conducted on June 17-21, 2024. Preparation and publication of the GD Report is a conditionality in the Fund-supported Extended Credit Facility program. As part of the scoping mission, staff engaged with key government and non-governmental stakeholders to introduce the objectives and process of the GD, agree on the modalities of collaboration, and began collecting information about macro-critical priority areas for the main mission. Subsequent to the June 2024 scoping mission, a hybrid main mission was organized on September 9-20, 2024. Guided by the IMF's 2018 Framework, the mission sought to systematically identify governance weaknesses and corruption vulnerabilities in the critical macroeconomic areas. The mission also analyzed the severity of corruption in Burkina Faso, its impact on the performance of the core state functions, and evaluated the effectiveness of existing anti-corruption legal and institutional frameworks. The GD team was supported by a short-term political economy expert with knowledge and prior experience in Burkina Faso. Informed by the missions and the desk review, a comprehensive GD report with a prioritized reform plan is being drafted. The GD report is being finalized.</p>	

PROGRAM NAME: Strengthening Rule of Law and Reducing Corruption

JSA#: JPN304

IMF ID: LEG_IMF_2024_07

GD for Pakistan: On June 24, 2024, the authorities of Pakistan requested IMF's collaboration in conducting a comprehensive governance diagnostic, which is expected to inform the authorities' reform plan. Preparation and publication of the GD report is a structural benchmark in the IMF's program for Pakistan. The GD was launched with a scoping mission, in February 2025, followed by a main mission in April 2025. LEG recruited a political economy expert to prepare a baseline political economy analysis identifying underlying issues and binding constraints to effective governance and anti-corruption reforms in Pakistan and to advise the GD team throughout the exercise. The scope of the GD encompasses fiscal governance, market regulation, rule of law, and AML/CFT. The GD also assesses the severity of corruption and its impact on the performance of the key state functions, along with an analysis of the anti-corruption legal and institutional frameworks necessary to effectively address corruption risks. A comprehensive GD report is being finalized and is expected to be published in 2025. Selected GD recommendations are expected to be reflected in future reforms of the Government of Pakistan, the IMF-supported program and CD for Pakistan.

GD for Sierra Leone: On January 12, 2024, the Sierra Leone authorities requested the IMF to collaborate in conducting a GD to identify the main governance weaknesses and corruption vulnerabilities in Sierra Leone as well as measures to enhance transparency and accountability and prevent and combat corruption. The authorities' interest in engaging with the IMF on governance and anti-corruption issues is in line with their commitment to strengthen governance and reduce corruption and deepen economic reforms to restore macroeconomic stability in the current IMF program. The GD was launched with the hybrid scoping mission conducted on November 4-8, 2024. The scoping mission familiarized the key stakeholders with the GD process, goals and outcomes, started conversations about the nature of corruption and the macro-critical priority areas. A main mission was conducted in the field during February 2025. A political economy expert was hired by LEG to advise the team throughout the process. A comprehensive GD report is being finalized, with the draft report currently with the authorities for their review and comments. It is expected to be published in 2025. Selected GD recommendations are expected to be reflected in future reforms of the Government of Sierra Leone, conditionalities in the IMF-supported program, and CD for Sierra Leone.

Technical Assistance for Zambia: In the reporting period, LEG continued advising the Zambian authorities on strengthening anti-corruption legal and institutional frameworks. A TA report was transmitted to the authorities in October 2024. The report covers (i) proposed changes to the Anti-Corruption Act; (ii) principles for effective asset declaration system for senior officials; (ii) proposed changes to the Public Interest Disclosure (Protection of Whistleblower) Act, (iii) high-level recommendations on addressing corruption vulnerabilities in the criminal case management to improve the integrity of the process, and (iv) advice on the draft rules of procedure for EFCC. The analysis and recommendations are based on international standards and good practices, taking into consideration the local context, capacity and resource limitation.

Technical Assistance for Benin: At the request of the Minister of Economy and Finance of the Republic of Benin, LEG provided TA to support authorities in their efforts to operationalize and strengthen the High Commission for the Prevention of Corruption. The operationalization of the HCPC is a key recommendation in the GD for Benin and a Structural Benchmark in IMF-supported program. The TA mission reviewed the relevant legal framework, including draft implementing regulations and has assessed the three key elements of the structural benchmark: (a) independence, (b) powers, and (c) operationalization of the HCPC. LEG's assessment is informed by comparative examples and good practices from the United Nations Convention Against Corruption, the Jakarta Statement on Principles for Anti-Corruption Agencies (Jakarta Principles) to promote and strengthen the independence and effective of anti-corruption agencies, the ECOWAS protocol on the fight against corruption, and the Organization for Economic Co-operation and Development. The analysis also draws heavily on findings from the 2022 Benin GD. The comprehensive TA report was submitted to the authorities in September 2024. The authorities committed in the Memorandum of Economic and Financial Policies to amend the existing law to strengthen procedures for the appointment and dismissal of the High Commissioner and enhance the agency's operational independence.

Placement of RA in Regional Capacity Development Center (AFRITAC South): LEG continues to house its governance and anti-corruption LTX in AFRITAC South to provide tailored, integrated policy advice and capacity development support to the member countries in the region covered by the project. The LTX has been instrumental in GCDs for Burundi and Burkina Faso, post GCD TA in Zambia and Benin. The LTX also contributed to the development of materials for "Confronting Macro-Critical Corruption" - a core anti-corruption course is offered in IMF's RCDCs. The course was tailored for high-level regional seminars on anti-corruption and was offered at the IMF's Africa Training Institute and AFRITAC South in March 2025, and at AFRITAC West 2 in April 2025. These workshops focused on discussions and experience sharing to support the implementation of ongoing anti-corruption reforms. The conclusions and outputs from the workshops are expected to inform future country-level work.

PROGRAM NAME: Debt management CD to FCS and LICs
(Somalia and Domestic Securities Database for FCS and LICs)

JSA#: JPN427
IMF ID: MCM_IMF_2024_05

TARGET COUNTRIES: Bangladesh; Benin; Bhutan; Burkina Faso; Burundi; Cambodia; Cameroon; Cape Verde; Central African Republic; Chad; Comoros; Congo, Republic of; Congo, Democratic Republic of the; Côte d'Ivoire; Djibouti; Dominica; Eritrea; Ethiopia; the Gambia; Ghana; Grenada; Guinea; Guinea-Bissau; Haiti; Honduras; Iraq; Kenya; Kiribati; Kosovo; Kyrgyz Republic; Lao P.D.R.; Lebanon; Lesotho; Liberia; Libya; Madagascar; Malawi; Maldives; Mali; Marshall Islands; Mauritania; Micronesia; Moldova; Mozambique; Myanmar; Nepal; Nicaragua; Niger; Nigeria; Papua New Guinea; Rwanda; Samoa; São Tomé and Príncipe; Senegal; Sierra Leone; Solomon Islands; Somalia; South Sudan; St. Lucia; St. Vincent and Grenadines; Sudan; Syrian; Tajikistan; Tanzania; Timor-Leste; Togo; Tonga; Tuvalu; Uganda; Ukraine; Uzbekistan; Vanuatu; West Bank and Gaza; Yemen; Zambia; and Zimbabwe

IMPLEMENTATION PERIOD:
May 1, 2024, to April 30, 2026

FY2025 Key Highlights

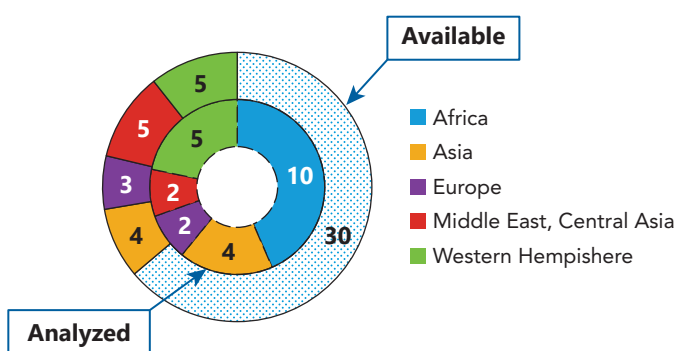
The two mutually complementing objectives are to (i) build a domestic securities database for low-income countries (LICs) and FCS; and (ii) provide CD on debt management to the MoF of Somalia, including institutional building and strengthening the analytical capacity and revise the regulations underpinning public debt management operations in line with international practice.

In FY2025 (the first year of the program), the work on **the domestic debt securities database** has made significant progress. A master analytical template was developed to assess all 76 eligible countries. Initial findings showed that 47 had some data, however, 3 had limited entry and were therefore excluded from further analysis. Among the remaining 44, nearly half—21 countries—require additional due diligence, as their data does not align with authorities' own publications or the World Economic Outlook. The findings on the remaining 23 countries are actively contributing to the Fund's analytical work e.g., Global Financial Stability Report, as well as to debt management CD efforts. The regional distribution of these 44 and 23 countries is illustrated in the chart, providing insights into the potential impact of the findings on the Fund's debt management CD work, which can help ensure CD effectiveness and sustainability. In FY26, the team will conduct due diligence of the remaining 21 countries and organize findings into a publishable format.

In **Somalia**, following the first mission under the funding program, authorities successfully prepared and published the 2024 annual debt management report. Building on this momentum, they drafted a MTDS after the second mission, sharing it with IMF staff for feedback before its planned publication in the last quarter of 2025, alongside the budget. Similarly, despite limited financing sources, they plan to publish an annual borrowing plan after the third mission. These efforts highlight Somalia's commitment to debt transparency and capacity building in debt management.

To ensure sustainability of CD benefits for Somalia, CD is designed and implemented programmatically, with policymakers engaged in the program design from the onset. The initial reform plan highlighted areas for strengthening, with CD being delivered to assist in the implementation. The programmatic approach ensures that each CD delivery builds on the previous, and clear outputs are defined for the authorities to achieve. The authorities have demonstrated commitment to the reforms, delivering the defined output for each CD activity. A standard operational procedures manual also ensures continuity of operations and sustainable capacity building.

Number of FCS and LICs in the domestic debt securities database



PROGRAM NAME: Improving External Sector Statistics in the Asia-Pacific Region	JSA#: JPN518 IMF ID: STA_APD_2024_01
TARGET COUNTRIES: Cambodia; Kiribati; Lao P.D.R.; Marshall Islands; Nauru; Papua New Guinea; Samoa; Timor-Leste; Tonga; and Vietnam	IMPLEMENTATION PERIOD: July 1, 2024, to June 30, 2027
<p>FY2025 Key Highlights</p> <p>The ESS Program implemented at CDOT aims to strengthen the collection, compilation, and dissemination of BOP and IIP data. Due to strong demand from beneficiary countries for additional CD to enhance their ESS production efforts, the program has been extended until June 2027 and serves as a successor to the JPN514 Program. Reliable ESS is crucial for informed economic policymaking, and enhancing the quality and timeliness of ESS in CDOT beneficiary countries is of paramount importance for the IMF's Asia and Pacific Department. Given the urgent need for ESS improvements to facilitate IMF surveillance, the program prioritizes efforts in Cambodia, Lao PDR, Vietnam, and Papua New Guinea.</p> <p>Over the past year, many countries have improved the accuracy and reliability of their ESS through enhanced methodologies and data consistency. This progress has been supported by expanded compilation programs, new estimation techniques, and the introduction of additional data sources. TA efforts in Cambodia, Lao PDR, and Papua New Guinea have focused on improving direct investment estimations and the recording of trade and tourism data. The program has been customized to address the unique needs of each beneficiary country and IMF surveillance needs, considering factors such as statistical development and resource availability, while maintaining flexibility in mission durations to provide hands-on assistance as needed.</p> <p>Cambodia has made considerable progress in compiling direct investment data for banks using audited financial statements and is working to improve the measurement of travel services. Lao PDR conducted a Financial Assets and Liabilities Survey (FALs) for major resident companies, and IIP and external debt statistics have been compiled. Vietnam has initiated updates to the ESS legal framework since the second quarter of 2025 to align with the latest international macroeconomic standards. Kiribati has compiled and disseminated quarterly BOP and IIP data for 2023, along with Coordinated Direct Investment Survey data for the first time. Nauru has made progress in addressing some shortcomings in its ESS. In Marshall Islands, the first TA mission under the program is scheduled for the third quarter of 2025. Papua New Guinea has made noteworthy progress in conducting FALs for major companies and has produced a preliminary draft IIP for 2022-2023, marking a significant success for the program. Samoa has enhanced various segments of its ESS, including Coordinated Direct Investment Survey data reported to the IMF. Timor-Leste is improving the estimation of various BOP components, including trade in goods, manufacturing services for inputs owned by others, direct investment, and secondary income. Tonga has improved the compilation of direct investment data through enhanced data-sharing collaboration by processing financial statements.</p> <p>While beneficiary countries face similar challenges in compiling and disseminating ESS, the differences in size of their economies and the complexity of ESS issues called for a customized approach. To address these issues, two blended specialized courses were conducted during FY2025, receiving positive evaluations from participants.¹ One workshop on compilation of direct investment statistics focused on economies with greater complexities, such as Cambodia, Lao PDR, and Papua New Guinea, while the other addressed critical challenges faced by Pacific Island Countries such as the compilation of remittances. Both workshops facilitated active engagement among representatives from core compiling institutions and enhanced peer-to-peer knowledge exchange, fostering cooperation within the regional statistical community. These courses were designed to provide officials with practical guidance and a comprehensive understanding of essential concepts and challenges in data compilation.</p>	

¹ A blended course mixes traditional classroom instruction with online learning activities, combining the benefits of the direct interaction during in-person classes with the flexibility and convenience of the self-paced learning for online components. The online components are sourced from the BOP-IIPx online course, developed under the D4D Fund.

PROGRAM NAME: Strengthening the Quality of Public Debt Statistics in Africa	JSA#: JPN518 IMF ID: STA_AFR_2024_01
TARGET COUNTRIES: Angola; Botswana; Burkina Faso; Cameroon, Côte d'Ivoire; Egypt; Ethiopia; Ghana; Kenya; Madagascar, Malawi, Mauritius, Morocco, Mozambique, Nigeria, Rwanda, Senegal, Tanzania; Tunisia; Uganda; Zambia; and Zimbabwe	IMPLEMENTATION PERIOD: May 1, 2024, to April 30, 2026
<p>The objective of this program is for STA to conduct qualitative assessments of PSDS in select African countries, to support country authorities in prioritizing actions to improve public debt transparency. Data quality assessments are aligned to the overall objectives of GFS and PSDS work under the Data for Decisions (D4D) Fund, and the findings not only guide country authorities but also inform future CD activities, such as those under the D4D Fund work program. Such assessments support the availability of reliable data for sound fiscal policymaking, assessment and monitoring of fiscal risks, debt sustainability analysis, and public debt transparency and accountability. Improving debt transparency is a critical part of the IMF-World Bank (WB) Multipronged Approach to Mitigating Debt Vulnerabilities. The data quality assessments are undertaken based on the IMF's DQAF. The DQAF is well established and comprehensively covers the various quality aspects of data collection, processing, and dissemination.</p> <p>During FY2025, four PSDS quality assessments were successfully conducted to Malawi, Tanzania, Zambia and Zimbabwe with all milestones and objectives of the project fully met. For each country, the diagnostic assessment report and high-level summary have been published and senior decision makers in the authorities expressed their commitment in writing to addressing the findings and recommendations of the assessments. Under the program further PSDS diagnostic assessments will be conducted in FY2026.</p> <p>Country authorities highly appreciated that the diagnostic assessments were completed with the participation of partner organizations: the World Bank, Commonwealth Secretariat and the United Nations Trade and Development. The authorities recognized that the collaboration across partner organizations brought significant benefits as a result of each partner having different knowledge and skill sets and so different comparative advantages. It also has facilitated a common understanding of the key priorities with respect to improving the compilation and dissemination of PSDS in each country.</p> <p>Key points from each of the country assessments are summarized below.</p> <p>Malawi: The quality review identified some good country practices, particularly with regard to the close alignment to the concepts and definitions of the international statistical standards and robust validations of external borrowing data. Recommendations included strengthening the legal framework to clearly establish in law the responsibilities of the debt management division, expanding the coverage to include the significant volume of expenditure arrears, improving the timeliness and regularity of debt publications, and interfacing the debt management and reporting system with the central securities depository.</p> <p>Republic of Zambia: The mission revealed significant efforts to strengthen public debt management and transparency over the last two years, driven by the debt crisis and need to restructure public debts. Recommendations included the regular publication of stock - flow reconciliations, the provision of more granular data on arrears, expanding the institutional coverage, and the use of the country's National Summary Data Page to make the debt data available in machine readable formats.</p> <p>United Republic of Tanzania: The diagnostic assessment found that significant progress had been made in recent years to strengthen the PSDS compilation and dissemination and noted particular strengths in the legal framework and institutional arrangements underpinning the compiled and reported PSDS. Recommendations included expanding the sector coverage, improving the available metadata, and utilizing the joint IMF-World Bank Quarterly PSDS</p> <p>AF database to make the PSDS more widely available.</p> <p>Zimbabwe: The assessment identified a strong legal and institutional framework for the reporting of public debt and many areas of good practice such as with regard to the auditing of source data and the reconciliation processes in place to promote consistency across macroeconomic statistics. Recommendations included expanding the sector coverage, strictly applying the residency principle to distinguish between domestically held and externally held debt securities, expanding the comprehensiveness of the published metadata, and interfacing the debt management and reporting system with the government's integrated financial management information system.</p>	

PROGRAM NAME: FAD JSA Tax Policy Reform in Selected Asian Countries FY2024-25	JSA#: JPN141 IMF ID: FAD_APD_2023_02
TARGET COUNTRIES: Cambodia, Sri Lanka, and Vietnam	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>The purpose of this program is strengthening revenue performance and equity in taxation systems to foster growth in Cambodia, Sri Lanka, and Vietnam. It is tailored to meet specific country needs through a comprehensive CD initiative that combines tax policy advice, institutional capacity building, and legal support to enhance tax policy design through support for tax policy analysis, tax expenditure reporting, revenue forecasting, and adaption possibilities to a changing international taxation landscape.</p> <p>Cambodia -In January 2025, the authorities developed a strategy for 2024-28 and adopted a new Revenue Mobilization Strategy for the period 2025-2028 following FY24 FAD’s strategic advice on domestic revenue mobilization. FAD is expected to work with the authorities to develop specific tax policy measures and guide them in the implementation step. Discussions on tax expenditure assessment support in FY26 are ongoing. The authorities also focus on improving their institutional capacity. In FY2025, FAD supported MoF staff in further strengthening their capacity in revenue forecasting, resulting in full integration of new GDP series in forecasting models and improving the quality and precision of Cambodia’s revenue forecasts.</p> <p>Sri Lanka - Following years of declining revenues, Sri Lanka faced a pressing challenge to broaden its tax base and rationalize inefficient tax incentives. By 2022, the country’s tax-to-GDP ratio had dropped to just 7 percent, threatening fiscal sustainability and limiting the government’s ability to respond to economic shocks. Tax policy reforms introduced since 2022, based on FAD’s recommendations, are producing tangible improvements. The tax-to-GDP ratio has increased to 14 percent in 2025, supporting Sri Lanka’s return to fiscal sustainability. Looking ahead, the focus is shifting from policy reforms to building lasting institutional capacity. The CD engagement is now emphasizing interactive workshops and peer learning to entrench new practices and ensure that improvements in transparency and tax policy governance are sustained over time.</p> <p>To address the excessive scope of tax expenditures and the lack of transparency in the fiscal incentive regime, FAD delivered two missions in FY2025 to support the authorities in improving the fiscal framework for tax incentives and quantifying their fiscal cost. These missions provided hands-on training, focusing on the preparation of Sri Lanka’s annual tax expenditure report and the design of a more rules-based incentive regime. A key outcome was the revision of the Strategic Development Projects Act, which had been identified as a structural benchmark under the IMF-supported Extended Fund Facility. The updated Act establishes clear eligibility rules, mandates periodic evaluations of tax incentives, and limits them to corporate income tax relief—replacing the previous system of broad exemptions across various tax types.</p> <p>Vietnam -FAD Tax Policy provided CD on several tax policy issues to both the Ministry of Finance Tax Policy Department (MOF TPD) and the GDT RA. These activities have helped to advance Vietnam’s decennial tax reform agenda and general government reorganization. In February 2025, Tax Policy conducted a four-day workshop and mission advising several GDT departments on how to establish a tax statistics analysis unit to support both tax policy and revenue administration. The workshop presented numerous tools and techniques to enhance analytical capacity, including income tax microsimulation models and VAT GAP and distributional models, as well as various revenue forecasting techniques. The mission also recommended organizational reforms, such as improved internal and interagency information sharing, to support analytical work. Since the workshop, the GDT has consolidated the analytical functions of several former departments into its new Tax Budget, Accounting and Statistics Department. In April 2025, Tax Policy also presented a half-day virtual workshop on international best practices in petroleum and mineral taxation to inform Vietnam’s planned reform of its Natural Resource Tax Law.</p>	

PROGRAM NAME: FAD JSA Strengthening Public Financial Management in Selected Southeast Asian Countries FY2024-26	JSA#: JPN139 IMF ID: FAD_APD_2023_03
TARGET COUNTRIES: Cambodia; Indonesia; Lao; People's Democratic Republic; Malaysia; Mongolia; Philippines; Singapore; Thailand; Timor-Leste; and Vietnam	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>This three-year CD program aims at developing institutional capacity in selected Southeast Asian countries to deal with challenges arising from the buildup of debt stock, fiscal risks including from contingent liabilities, and cash management. It provides wide-ranging support in PFM areas such as macro-fiscal forecasting, budget planning and execution, cash and debt management, fiscal reporting, and fiscal risk management.</p> <p>During FY2025, significant progress was made in spearheading fiscal reforms. In Cambodia, the program focused on strengthening the fiscal framework. A HQ mission, supported by Resident and CDOT PFM Advisors, advised on recalibrating Cambodia's fiscal rules and enhancing the MTFF. The mission recommended strengthening fiscal institutional arrangements and provided training for effective fiscal rule management. Additionally, the PFM RA worked on strengthening the Medium-Term Budget Framework (MTBF) by developing discussion notes and workshops, focusing on methodologies for (no-policy change) baseline estimates and strategic decision-making in the budget process. Notable initiatives included piloting a new baseline methodology, introducing a spending review process, and conducting a gender budgeting workshop with over 200 participants to improve understanding.</p> <p>In Vietnam, CD support was provided to strengthen treasury management, alongside budget reforms and capacity building to manage fiscal risks. A HQ mission reviewed the VST modernization strategy and recommended to prioritize digitalization of treasury processes, enhanced and timely information for budget decision-making, more reliable financial reporting, and continued enhancement in debt and cash management policies and practices. An intensive workshop on fiscal risks supported the authorities in building capacity to identify and manage key fiscal risks.</p> <p>In the Lao People's Democratic Republic, significant progress was made with the approval of the economic segment of the new unified chart of accounts, enabling further dissemination and training for the 2026 Budget. Malaysia benefited from a workshop on SOEs that informed participants about corporate governance and fiscal risk oversight.</p> <p>Regional activities also played a crucial role in enhancing fiscal management practices across Southeast Asia. A three-day workshop in Thailand on assessing and managing fiscal risks brought together participants from various countries to exchange knowledge and best practices. Additionally, workshop focused on promoting digital solutions and GovTech were delivered in Singapore jointly with FAD HQ team and STI; and a presentation on strengthening governance in public finance was delivered in Laos.</p>	

PROGRAM NAME: FAD JSA Public Financial Management Support for Sri Lanka FY2024-25	JSA#: JPN140 IMF ID: FAD_LKA_2023_01
TARGET COUNTRIES: Sri Lanka	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>This CD program supports the government of Sri Lanka in strengthening its PFM institutions by modernizing the PFM legal framework, embedding a medium-term approach to fiscal planning and improving the quality and integrity of fiscal reporting to support decision-making and enhance transparency.</p> <p>During FY2025, a series of activities facilitated significant advancements. integration of a medium-term budgeting approach and the preparation of fiscal risk statement was supported by two HQ technical TA missions. Workshops were conducted in both missions to build capacity among officials. In-country PFM advisor provided hands on assistance and training in collaboration with stakeholders.</p> <p>Reviews were conducted to ensure consistency of draft laws, such as those for procurement and public-private partnerships (PPPs), with the new PFM Law. Short term experts assisted the authorities in preparing the first FSS and drafting regulations to operationalize the newly enacted PFM Law and Public Debt Management Law.</p> <p>The new PFM Law enacted in August 2024, which had been supported by significant CD activities, including missions, reviews, and consultations, under this funding program, marked a cornerstone achievement. It established a modern legal framework central to fiscal policymaking, replacing outdated fiscal responsibility laws with a new fiscal rule framework. Concurrently, the approval of the first FSS in June 2024 was a major milestone. This statement committed debt reduction objective, set specific primary surplus targets and primary expenditure ceilings supported by revenue and expenditure measures, and included the 2025-2029 MTFF which prescribed key parameters for the upcoming 2025 Budget and presented the latest macro fiscal projections for the period through to 2029. It enhanced policy commitment to fiscal management, communicated fiscal challenges effectively, and established a basis for evaluating fiscal performance. Additionally, a multi-department task force was established to develop the Unified Chart of Accounts, while a Steering Committee was formed to oversee the implementation of the IT Management Information System.</p> <p>This CD program has been extended until the end of April 2026 to continue FAD support to the government of Sri Lanka in operatizing the new PFM Law and strengthening the building blocks for a sound PFM system.</p>	

PROGRAM NAME: FAD JSA Strengthening Government Capacity in Expenditure Policy Analysis FY2024-26	JSA#: JPN138 IMF ID: FAD_VNM_2023_01
TARGET COUNTRIES: Vietnam, Kiribati, the Maldives, and Palau	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>The objective of this program is to assist Vietnam, Kiribati, Nauru and Palau in increasing the effectiveness of their spending programs by adopting reforms that improve fiscal sustainability, adequacy, and efficiency of public spending. This objective is achieved through TA missions, training, desk reviews, and on-demand consultations.</p> <p>Vietnam - The engagement with Vietnam is ongoing since 2023. The recently implemented public sector reform has major implications for the pension projection model, particularly due to the large departures from public employment, that might require adjustments to the model on top of the regular update. The program comprises a pension micro-simulation model capable of detailed projections, sensitivity analyses and fiscal and welfare impact analyses of regulatory changes. It alternates remote, regular activities, and in-person visits. During FY2025, one onsite one-week training session took place, augmented by weekly on-line consultations to allow capacity transfer to the local team. The program also allowed to conduct an in-person visit to touch base with authorities. During late 2025, Vietnam undertook a major reorganization of its administration leading to a temporary halt of all project activities until new staff were appointed. The current focus of FAD is to identify the new stakeholders, engage with them to agree the objectives of the project and evaluate their needs. The transition team has expressed enthusiastic support for the project.</p> <p>Kiribati - A field-based TA mission on reforming copra subsidies took place in May 2024. The mission examined the scale and distributional incidence of copra subsidies (a major activity in the national economy) and assessed short-term measures to enhance the efficiency of the subsidy delivery system. It also explored medium-term reform options, including the introduction of compensatory cash transfers to support vulnerable farmers. A follow-up field-based TA mission in April 2025 focused on implementation strategies for copra subsidy reforms, with particular focus on reducing the fiscal burden of the subsidy scheme and addressing food and nutrition security concerns. The mission proposed several policy options to redirect potential fiscal savings toward promoting non-copra agricultural production through targeted public investments and efforts to strengthen markets for domestically cultivated fresh produce. The authorities welcomed the mission's concrete policy recommendations and indicated their intention to take its findings into account during the ongoing discussions in their interministerial steering committee on food and nutrition security, which is tasked with formulating a national food and nutrition security strategy.</p> <p>Nauru - The management of government spending on the compensation of employees is a particular concern for small and microstates like Nauru. In Nauru, the Government employs 85 percent of the labor force (including SOEs), which is way above the average in other microstates (although the mission will examine whether the figures can be compared). In addition, employment size has doubled since 2019. The authorities were concerned about inflation and the unmet need for skills. The mission provided compelling recommendations that led the authorities to promptly revise their policy. The authorities welcomed the report. Since the delivery of the CD report, the government has taken action to target support on the establishment of small and medium enterprises, to create opportunities for young individuals and the labor force at large outside of public sector employment.</p> <p>Palau - The authorities efforts to develop a consensus with stakeholders around reforms to improve employment and compensation policies were supported by FAD mission. The projection model provided to forecast the wage bill is now being used by the authorities. The authorities requested further support to draft terms of reference to implement the recommendations on the pay scale, adjust public service system policy and provide assistance in its implementation which took place at the end of FY2025.</p>	

PROGRAM NAME: Supporting the Development of Macroeconomic Frameworks	JSA#: JPN211 IMF ID: ICD_AFR_2023_01
TARGET COUNTRIES: Angola, Botswana, Comoros, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, South Africa, South Sudan, Tanzania, Uganda, Zambia, and Zimbabwe. Other Sub-Saharan African countries might be included after consultation.	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>This program aims to enhance macroeconomic analysis and forecasting capabilities of government ministries and CBs. A resident advisor was appointed in August 2024. He is hosted in AFRITAC East to leverage synergies with other field-based advisors and provide reactive support to the authorities. During FY2025, the program focused on needs-assessment missions and workshops, with the advisor establishing strong relationships with local authorities and working on identifying CD needs in eligible countries.</p> <p>Notable achievements include conducting successful needs assessment missions with the Ethiopian, Ugandan and Rwandan authorities, and conducting a scoping mission for the CB of Kenya for macroeconomic framework TA. In addition, the resident advisor delivered a training course (Macroeconomic Diagnostics) at AFRITAC East and jointly facilitated (with other ICD and MCM colleagues) a workshop for the East African Community focused on climate risks in monetary policy.</p> <p>To ensure that the impact of projects is durable and sustainable, efforts are being directed toward establishing strong inter-institutional cooperation and building human resource capacity across the participating countries. Training courses are tailored to support ongoing TA projects, incorporating practical applications of macroeconomic tools using participants' own data. The presence of the RA will facilitate continuous engagement to maintain momentum.</p>	

PROGRAM NAME: The Japan-IMF Flagship Partnership on Online Learning	JSA#: JPN210 IMF ID: ICD_IMF_2023_02
TARGET COUNTRIES: Global program	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>The continued success of the Japan-IMF Flagship Partnership on Online Learning is reflected in its steady growth in courses, global reach, and ongoing innovation. The program continues to broaden the reach of IMF training and facilitates ongoing collaboration with seven CD departments. Since its inception in 2013, close to 120 new courses have been developed, substantially expanding the reach of IMF training. This initiative has attracted over 230,000 active learners, including approximately 70,000 government officials who have successfully completed an online course. In FY2025 alone, the program engaged over 27,000 active learners, with government officials accounting for about 9,000 of the total 15,000 course completions. In addition to expanding the OL curriculum, the team has integrated artificial intelligence (AI) into the design of learning activities, the analysis of qualitative feedback, and the development of an AI tutor.</p> <p>In FY2025, the program's curriculum was broadened through 17 new online courses, 9 in languages other than English (LoE): AML/CFT Risk-based Supervision of Financial Institutions (AML/CTFx), IMF Financial Operations (FIN-OPSx), Introduction to Financial Programming and Policies (FPP.0x), Institutional Sector Accounts (ISAx), Monetary and Financial Statistics (MFSx), Residential Property Price Index (RPPIx), new modules on the VITARA series on Information Technology and Data Management (VITARA-ITD), and Taxpayer Registration (VITARA-TPR); Projecting Public Debt (DDTx) in Arabic, as well as Financial Soundness Indicators (FSIx), Monetary and Financial Statistics (MFSx), Producer, Export, and Import Price Index Statistics (PPIx) and VITARA - Compliance Risk Management (VITARA-CRM) in Spanish and French. This expansion, alongside 140 course reruns, continues to make IMF knowledge accessible for a global audience. Moreover, the IMF Institute Learning Channel, offering over 400 microlearning videos on various topics of IMF expertise, has attracted over 19,300 permanent subscribers and generated 1.4 million views. Additionally, 14 courses designed specifically for blended CD delivery, covering macroeconomic analysis, statistics, and other areas, were offered in FY2025, receiving highly positive feedback from Fund CD departments.</p> <p>The effectiveness of the program in delivering impactful CD in FY2025 is evidenced by high completion rates (68 percent) and significant learning gains (19 percent) for government officials, as well as in high ratings received for end-of-course surveys—98 percent of respondents reported that their learning objectives were met, and 93 percent recognized the courses relevance to their jobs and career development.</p> <p>Online learning is an increasingly integral part of blended training, TA, and cohort training, enhancing the effectiveness of IMF CD. CD departments have further expanded their use of online courses for foundational training, enabling more focused in-person sessions and allowing for more tailored training delivery. In FY2025, over 160 government officials completed self-paced courses, such as MDSx, FPP.1x, MPAFx, and DDTx (in English and French), as preparation for advanced IMF CD. Additionally, IMF online courses are a central component of the newly developed blended cohort training programs. As part of a collaboration between the Joint Vienna Institute (JVI) and the Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC), 30 young officials from CCAMTAC countries and Moldova participated in a blended macroeconomic cohort training, leveraging two online courses prior to the final face-to-face session.</p>	

PROGRAM NAME: Mongolia - Strengthening Bank of Mongolia Capacity in Macroprudential Analysis	JSA#: JPN424 IMF ID: MCM_MNG_2023_01
TARGET COUNTRIES: Mongolia	IMPLEMENTATION PERIOD: May 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>The program's objective is to support the Bank of Mongolia (BOM) in enhancing its framework for macroprudential policy. It aims at: (i) strengthening the governance framework, including through a review of the organizational structure of the BOM; alignment of policymaking among all financial sector regulators; and recommendations on legal changes to strengthen the independence of macroprudential policy decisions from other objectives (such as economic development and political objectives); (ii) developing macroprudential policy analysis (including systemic risk identification and assessment, ex-ante and ex-post evaluation of macroprudential policy measures); and (iii) improving the calibration and use of macroprudential policy instruments to mitigate potential threats and vulnerabilities.</p> <p>With the CD support, the BOM attained few tangible results during FY2025 (the first year of the program). These can be summarized as follows: (i) a comprehensive review of the existing operational framework was completed and a set of specific recommendations made to address institutional and operational arrangements and macroprudential policy tools; (ii) efforts were made to improve the institutional arrangements by preparing amendments to the Central Bank Law (which clarified the BOM's financial stability mandate, separated macroprudential responsibilities from the Monetary Policy Committee, and strengthened institutional autonomy) and advancing the preparations for establishment of a dedicated Financial Stability Department within BOM; (iii) the BOM's analytical capacity in macroprudential policy-making was enhanced by developing a methodology for countercyclical capital buffer taking into account the specific economic characteristics of Mongolia, establishment of a comprehensive data registry to support systemic risk assessment, and developing a macroprudential policy cycle for the BOM, outlining a structured approach, quarterly tasks, and communication protocols; and (iv) multiple training sessions were delivered to senior management and technical staff to bolster the BOM's expertise in macroprudential policy.</p> <p>Overall, the CD program had a good start by laying out solid foundation for a robust macroprudential policy framework in Mongolia, establishing essential strategies, tools, operational guidance, and institutional improvements. The incoming resident advisor is expected to build on these achievements, starting with updating the workplan under the overarching goal of ensuring the delivered CD's effectiveness, impact, and sustainability.</p>	

PROGRAM NAME: Strengthening Debt Management in Sri Lanka, Maldives, and Lao PDR- LTX Based in SARTTAC	JSA#: JPN425 IMF ID: MCM_APD_2023_03
TARGET COUNTRIES: Sri Lanka, Maldives, and Lao P.D.R.	IMPLEMENTATION PERIOD: September 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>The program aims to strengthen debt management capacity in the MoFs of Sri Lanka, the Maldives, and Lao PDR with support from the resident advisor based at SARTTAC, New Delhi, India.</p> <p>In Sri Lanka, CD has been supporting the establishment of the institutional and legal framework for a new PDMO and ensuring its full operational functionality by December 2025, in line with the structural benchmarks under the Extended Fund Facility (EFF). Closely integrated into the broader IMF-supported initiative, CD also aims to promote debt transparency and support the development of the local government bond market.</p> <p>In FY2025 (the first year of the CD program), the authorities significantly advanced their institutional and legal reforms. The draft Public Debt Management Act, developed with TA support, was enacted by the Parliament in June 2024. New PDMO was established in November 2024, in line with the Debt Management Reform Plan. In December 2024, the Public Debt Regulations and Guidelines for Public Debt Management were finalized and are now in the final approval process for adoption. In January 2025, a TA mission on Domestic Debt Management was delivered, and its recommendations are currently being implemented. Following the regional MTDS training—and with additional virtual TA support in February 2025—the newly established PDMO successfully developed and published its first MTDS. In March 2025, further TA was provided on developing an Investor Relations Strategy and Communication Policy, which led to the launch of a dedicated PDMO website to enhance transparency and stakeholder engagement.</p> <p>In the Maldives, CD focuses on implementing the recommendations from recent TA missions and the Financial Stability Assessment Program, with emphasis on addressing fiscal, debt, and financial challenges arising from the current sovereign-bank nexus. CD aims to strengthen the legal and institutional framework, enhance debt transparency, build capacity to manage sovereign debt, and develop the domestic bond market. In FY2025, with the CD support, the quality and content of the public debt bulletin was significantly improved, which can help promote greater debt transparency in the long run.</p> <p>In Lao PDR, CD aims at enhancing the operational capacity of the Public Debt Management Department to effectively manage debt and mitigate risks associated with the country’s public debt. It supports the authorities in (i) formulating a MTDS and Annual Borrowing Plan; (ii) promoting debt transparency and reporting; (iii) establishing investors relation program; and (iv) developing local currency bond market. The work program was agreed following the resident advisor’s visit to initiate its implementation in FY26.</p> <p>Regional peer-learning. In September 2024, a regional training workshop on MTDS Formulation was accordingly conducted in New Delhi, India, in partnership with the World Bank. 23 officials—14 from Sri Lanka, the Maldives, and Lao PDR, and 9 from the other SARTTAC member countries—were trained in MTDS frameworks and use of the Analytical Tool.</p> <p>To ensure the sustainability of these reforms, institutional capacity building, training, and the establishment of robust systems and processes are prioritized. Structured training, mentoring, and comprehensive Procedures Manuals to codify standardized workflows can enable each PDMO to operate independently, efficiently, and effectively over the long term. An engagement with the National Audit Office is also envisaged to improve the auditing framework for public debt management, which can create incentives for more consistent and sustainable implementation of the debt management reforms.</p>	

PROGRAM NAME: Improving Data Dissemination for Globally Selected Countries - Phase II	JSA#: JPN516 IMF ID: STA_IMF_2023_02
TARGET COUNTRIES: Angola; Botswana; Burundi; Cambodia; Cameroon; Central African Republic; Comoros; Congo, Democratic Republic of the; Côte d'Ivoire; Djibouti; Ghana; Guinea-Bissau; Haiti; Kenya; Kiribati; Kosovo; Lao P.D.R.; Mali; Marshall Islands; Nauru; Niger; Papua New Guinea; Rwanda; Solomon Islands; Sudan; Tanzania; Tuvalu; Uganda; Vietnam; Zambia; and Zimbabwe	IMPLEMENTATION PERIOD: May 1, 2023, to June 30, 2026
<p>FY2025 Key Highlights</p> <p>The program aims at promoting data transparency and accountability of public policy by facilitating public access to key macroeconomic and financial statistics. It supports developing economies in improving data governance and dissemination. The program focuses on the implementation of the first two tiers of the data dissemination framework, which are the e-GDDS and the SDDS, by: (i) helping countries publish data on a NSDP; (ii) undertaking peer-learning workshops to help countries improve data dissemination and develop action plans for advancing to the SDDS; and by (iii) providing technical support to e-GDDS countries that have already established an NSDP to advance to the SDDS. STA staff collaborate with the AfDB in implementing the data standards in Africa, including through joint missions and regional workshops.</p> <p>Program implementation tends to take time given that many beneficiary countries are fragile and conflict-affected states and often face challenges such as resource constraints, political instability and/or civil unrest, and weak interagency coordination.</p> <p>Notwithstanding this, significant progress was made in FY2025, including:</p> <p>The successful launch of the NSDP for Guinea-Bissau in June 2024, which provides one-stop access to essential macroeconomic and financial data.</p> <p>Advancements in closing data gaps towards SDDS subscription, supported by regional workshops. In a workshop held in Ghana in March 2025, Angola, Ghana and Uganda developed action plans for advancement to the SDDS. Kosovo hosted a workshop in June 2024, which raised high-level political buy-on and accelerated work towards SDDS subscription.</p> <p>Advancements with closer engagement and STA TA. Closer engagement with Côte d'Ivoire since January 2024 culminated in the country's firm commitment to subscribing to the SDDS in October 2024. Rwanda is making progress in closing data gaps, particularly on government finance statistics, with the help of STA TA; however, significant staff turnover has slowed progress. Botswana, with the help of STA TA, is compiling general government operations, external debt, and the international investment position, which are important prerequisites for SDDS subscription; and the authorities reiterated their interest in the SDDS during the 2024 IMF Annual Meetings.</p> <p>Close engagement continues with several countries, though challenges persist. The Comoros prepared a draft NSDP but staff turnover, resource constraints, and capacity issues delayed its launch. Kiribati has nominated contact persons for individual e-GDDS data categories and shared that they are reviewing their data dissemination practices. A mission to Niger in July 2023 trained staff on NSDP preparation, successfully achieving all objectives. However, a military coup occurred just before the launch, halting progress, but STA staff have continued to seek re-engagement.</p> <p>Going forward, STA will complement workshops and select in-country missions with a new online learning tool to mitigate challenges associated with high staff turnover among country authorities. In-country missions to support NSDP launch or facilitate subscription to the SDDS will continue.</p>	

PROGRAM NAME: JSA Digital Money/CBDC and Fiscal Policy, Operations, and Management	JSA#: S_JPNDM IMF ID: FAD_IMF_2023_05
TARGET COUNTRIES: APD – selected countries (Bangladesh, Cambodia, India, Indonesia, Malaysia, Philippines, Thailand, Vietnam); AFR – selected Fragile and Conflict-Affected States (FCS) (Côte d’Ivoire, Madagascar, Sao Tomé and Príncipe, Sierra Leone, Togo, Guinea-Bissau, Zimbabwe); APD – FCS (Timor-Leste)	IMPLEMENTATION PERIOD: February 1, 2023, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>In its second year, the project on digital money and fiscal operations transitioned from foundational efforts to active implementation, with 2024 marking significant advances in analytical development, cross-country engagement, and global outreach.</p> <p>1. Flagship Book Development - “Reaping Benefits and Mitigating Risks of Digital Money in Fiscal Operations”</p> <p>As the cornerstone of the analytical workstream, the book explores how various forms of digital money—e-money, mobile money, CBDCs, and stablecoins—can enhance fiscal operations, including revenue mobilization, treasury management, and expenditure policies. It integrates perspectives on the opportunities and risks posed by both public and private digital money instruments. To support the book’s development, FAD hosted a high-level three-day forum at the IMF Headquarters (December 2024) titled “Transforming Public Finance: Leveraging Digital Money.” The event was convened by over 50 contributors from governments, academia, development partners (e.g., BIS, World Bank, OECD), and the private sector. It facilitated idea exchange and fostered a multi-stakeholder approach to digital finance reforms in the public sector. The finalization of the book is expected by the first semester of 2026.</p> <p>2. Cross-Country Survey Launched - Now Reaching 68 Countries</p> <p>A cross-country survey targeting ministries of finance, revenue administrations, and financial institutions was launched. The survey assesses the current use of digital money in fiscal operations, as well as institutional preparedness. With participation now reaching 68 countries, the survey is generating evidence base to inform TA and upcoming publications.</p> <p>3. Asia-Pacific Peer-Learning Workshop - Tokyo, June 2024</p> <p>FAD, in collaboration with regional partners, organized a peer-learning workshop in Tokyo that brought together senior officials from 17 Asia-Pacific countries. This high-level peer-to-peer learning workshop provided insights and concrete examples of the use of e-wallets for social spending, digital money in revenue collection, issuance of tokenized government bonds, integration of the Treasury with Fast Payment Systems and digital public infrastructure, and pilots with programmable payments using CBDCs. Rated 4.9/5 by participants, the workshop significantly influenced participants’ views and fostered interest in further adoption of digital money in fiscal processes.</p> <p>4. Mobile Money Taxation Forum - Analytical Work Underway</p> <p>Recognizing the growing fiscal relevance of mobile money taxation, FAD is advancing analytical work to assess the impacts of taxing mobile money transactions. This forms part of a broader effort to address the underexplored fiscal implications of digital money. FAD, in collaboration with Goethe University Frankfurt and the Leibniz Institute SAFE, organized a “Digital Money and Tax Policy Forum” on March 7th, 2025, at the Goethe University Frankfurt campus. The forum brought together academics working at the forefront of digital money and taxation to discuss interactions between taxation and digital money, access current research, and identify key areas of further analysis to discuss the scope of taxation in digital money with emerging technologies. The insights from this event will help shape FAD’s analytical agenda and support evidence-based capacity development in tax policy and digital money by addressing challenges and opportunities in the tax policy design</p>	

PROGRAM NAME: Strengthen Macroeconomic and Financial Statistics Compilation and Dissemination in the Asia-Pacific region: Government Finance Statistics (GFS) and Public Sector Debt Statistics (PSDS) Project (JSA4)	JSA#: JPN515 IMF ID: STA_APD_2022_01
TARGET COUNTRIES: Cambodia, Indonesia, Lao P.D.R., Malaysia, Philippines, Thailand, and Vietnam	IMPLEMENTATION PERIOD: August 1, 2022, to July 30, 2025
<p>FY2025 Key Highlights</p> <p>The objective of the program is to provide CD in compiling and disseminating timely and comprehensive GFS and PSDS for evidence-based fiscal policymaking and surveillance. To maximize synergies, CD activities were delivered in coordination with other programs supported by JSA through the CDOT in particular, public financial management and external sector statistics. CD delivery modalities included in-person missions, supplemented by regular online meetings, training, and email correspondence between the countries and the GFS Regional Advisor. The program also contributed to a joint External Debt Statistics (EDS) and Public Sector Debt Statistics workshop in Hanoi in September 2024.</p> <p>Progress so far is as follows.</p> <p>Fast-paced performers:</p> <p>Indonesia continued to meet the commitments under the G-20 Data Gaps Initiative II, especially in producing timely GFS with high frequency data and working on broader coverage. Missions in July 2024 and January 2025 worked on improving Regionally Owned Enterprises reporting, classifying the <i>Badan Penyelenggara Jaminan Sosial</i> (social security agency) employment and health social security sub-funds, statutory bodies and SOEs as nonmarket (government) or market (public corporations), and strengthening the use of GFS for decision making by addressing transparency and expanding insights into fiscal analysis. The next mission to Indonesia is scheduled for July 2025 and will further work on high-frequency local government data, upgrading accrual recording procedures, and expanding GFS and PSDS coverage to include nonmarket units.</p> <p>Thailand is compiling high-frequency GFS and has started publishing aggregated macro-critical data on SOEs. Thailand continued to improve the quality of data submitted to the IMF GFS database during 2024. The Regional Advisor also worked with the Fiscal Policy Office on refining GFS compilation and started developing a reconciliation table between the Budget Execution Report and the <i>Government Finance Statistics Manual 2014 (GFSM 2014)</i> that is essential for fiscal surveillance to understand the relation between these two reporting frameworks.</p> <p>Medium-paced performers:</p> <p>Malaysia prepares accrual-based GFS for the central government (although it is not yet published) and has continued work on expanding GFS coverage through survey data from all other levels of government and nonfinancial SOEs. CD missions during May and December 2024 worked on improving the classification of functions of government (COFOG), classifying and compiling statutory bodies and SOEs, developing procedures to present budget plan and execution data in the <i>GFSM 2014</i> framework, and reviewed the recording of debt. The next mission scheduled for November 2025 aims to finalize the classification of statutory bodies and SOEs, compile budget plan data in line with <i>GFSM 2014</i>, and finalize the second level COFOG classifications.</p> <p>Philippines compiles quarterly and annual general government data, the external component of quarterly PSDS, and quarterly whole economy (including government sector) financial balance sheet data. In February 2025, the Philippines disseminated the expanded coverage up to general government 2012-2023 data in the <i>GFSM 2014</i> format to STA. The Bangko Sentral ng Pilipinas (BSP) disseminates balance sheet data for the whole economy from whom-to-whom. In March 2025, the BSP disseminated upgraded government sector data to further align with <i>GFSM 2014</i> guidelines. The authorities revised the classification of macro-critical SOEs and are expected to include eight additional SOEs in general government data after August 2025 once the Philippines Statistics Board affirms the reclassification. The Department of Finance and the Bureau of the Treasury are developing full accrual annual and quarterly budgetary and local government compilation procedures. The next mission in July 2025 aims to develop a reconciliation table covering various official Philippines debt measures, further develop (annual and quarterly) accrual compilation procedures, and finalize implementation to include domestic held debt in the quarterly PSDS submission to the WB.</p>	

PROGRAM NAME: Strengthen Macroeconomic and Financial Statistics Compilation and Dissemination in the Asia-Pacific region: Government Finance Statistics (GFS) and Public Sector Debt Statistics (PSDS) Project (JSA4)	JSA#: JPN515 IMF ID: STA_APD_2022_01
TARGET COUNTRIES: Cambodia, Indonesia, Lao P.D.R., Malaysia, Philippines, Thailand, and Vietnam	IMPLEMENTATION PERIOD: August 1, 2022, to July 30, 2025
<p>During 2024, Cambodia was promoted from a slow to a medium-paced performer through expanded GFS reporting in line with the program objectives. Cambodia compiles high-frequency GFS, which are published together with metadata that explain how the data are derived from the national fiscal presentation. Fiscal surveillance uses monthly data in the <i>GFSM 2014</i> presentation compiled by the Ministry of Economy and Finance. In February 2025, Cambodia expanded annual coverage up to general government and disseminated 2019–2023 data in the <i>GFSM</i> format as well as balance sheet data to STA for the first time. The missions conducted in June 2024, December 2024 and April 2025 covered a wide range of issues, including COFOG, assessing the classification of SOEs, compiling experimental consumption of fixed capital data (that can also be used in the National Accounts), and started developing quarterly estimates for nonbudgetary government data. The program also contributed to the Ministry of Economy and Finance-organized workshops on COFOG and the reconciliation of currency and deposits data between the Monetary and Financial Statistics and GFS. The next mission, planned for December 2025, will aim to finalize the COFOG data, further classify SOEs, and implement consumption of fixed capital data.</p> <p>Slow-paced performers:</p> <p>Vietnam compiles annual high-level budgetary government GFS with long time lags. The program has been supporting the State Budget Department to improve detail, frequency and timeliness to better serve surveillance needs. A recent development is that the program started engaging intensively with the National Statistics Office, considering the Vietnamese authorities aim to adhere to the IMF's Special Data Dissemination Standards by 2030. The NSO will develop the full sequence of sector accounts according to the <i>System of National Accounts 2008 (SNA 2008)</i> – which will also allow general government sector data to be translated into the <i>GFSM 2014</i> framework or compiled in parallel. This data will service surveillance needs by producing detailed, quarterly, and timely fiscal data in line with international guidelines. The missions conducted in March and June 2025 supported this work by helping to finalize the questionnaires that will be used during the 2026 economic census and started work on developing appropriate procedures for compiling general government data. In September 2024, the program contributed to a joint EDS and PSDS workshop that highlighted the need to coordinate and collaborate, as well as to update the broader legal framework to ensure timely, comprehensive, and consistent EDS and PSDS.</p> <p>The program fielded missions to Lao PDR during August 2024 and March 2025 where progress has stalled owing to inadequate senior management commitment, staff turnover, bureaucratic impediments, competing tasks of GFS compilers, and lack of capacity. Lao PDR is publishing quarterly and annual GFS, but with significant delays, that has been supported by assistance from the long-standing expert. However, Lao PDR has not yet agreed to begin disseminating PSDS to the WB public sector debt database, an important objective for the program and progress continues to be slow in respect of some other recommendations. With the ongoing challenges to improve and expand GFS and PSDS likely to persist for the foreseeable future, STA is leveraging both the IMF Area Department's support and bilateral meetings of the CDOT Director with the authorities to overcome or address these barriers. Pending new impetus from the authorities, the program has scaled down missions, with the next mission scheduled for September 2025.</p>	

PROGRAM NAME: AFR Strengthening Fiscal Sustainability in Fragile States	JSA#: JPN135 IMF ID: FAD_AFR_2022_13
Target countries: Burkina Faso; Burundi; Cameroon; Central African Republic; Chad; Congo, Democratic Republic of the; Congo, Republic of; Eritrea; Ethiopia; Gabon; Gambia, The; Guinea-Bissau; Liberia; Malawi; Mali; Nigeria; Sierra Leone; South Sudan; and Zimbabwe	Implementation Period: May 1, 2022, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>The program's main objectives are to strengthen budget management, improve fiscal transparency and reporting, and build frameworks to ensure sustainable fiscal institutions and frameworks in FCS. Specific activities have focused on treasury reform, improving budget preparation, strengthening fiscal reporting, execution and accounting practices, and supporting the operationalization of TSA. More recently and in line with evolving CD needs in FCS, support has been expanded to include strengthening PIM frameworks, integrating climate change and gender equality considerations in PIM and PFM practices, and enhancing fiscal frameworks and fiscal communication.</p> <p>This program provides capacity development support through IMF TA missions and direct in-country support through RAs to help restore and strengthen PFM systems in FCS in selected Sub-Saharan African (SSA) countries. The initial three-year program which was scheduled to end on 30th April 2025 was extended by a year to April 2026 mainly to allow for continued support to target countries where reforms have gained momentum or largely depend on the agility and responsiveness of the program. The sustainability of the assistance has been strengthened by the presence of on-the-ground residents and regional advisers and the extension allows for the continuation of LTX support in selected FCS. By focusing interventions on strengthening institutional and legal frameworks, tailoring CD recommendations to local contexts, and providing continued support through on-the-ground presence, this approach establishes the conditions necessary for countries to sustain reforms after the program ends. A summary of some of the country-specific activities and key achievements is provided below.</p> <p>Burundi. During 2024, significant support was provided by the resident advisor to the authorities on the accounting reforms and major achievements were observed with, notably, the new organizational chart for the ministry of finance, the adoption of the budget classification and the chart of accounts, the drafting of operational guidelines for accounting procedures or the establishment of a PFM steering committee. Targeted training and seminars on accrual accounting and budget execution were delivered to the authorities, including at the highest level, to promote and advocate for the reforms. The resident advisor coordinated multiple missions from AFRITAC Center and the HQ to support other priority PFM reforms. Since July 2024, the resident advisor has moved under the financing of a bilateral partner and no activities are planned for Burundi during the remainder of the project.</p> <p>Central African Republic (CAR): The resident advisor provided support to the Ministry of Finance and Budget in designing and adopting its 2023-2026 PFM reform action plan. During the reporting period, the authorities received support in terms of: (i) cash management, specifically on how to strengthen coordination between debt management and cash management; (ii) public accounting by managing the closing of the 2021 government accounts; and (iii) budget management by initiating the implementation of program-based budgeting.</p> <p>Starting next fiscal year, the resident advisor, shared between the Republic of the Congo and the CAR, has been relocated to the CAR, and will henceforth split his time equally between the two countries (as against 70-30 initially for the benefit of the Republic of Congo). His main actions will focus on three main areas: (i) the closing of the 2022 and 2023 government accounts; (ii) the establishment of a secure process for centralizing government accounts; and (iii) the implementation of the Treasury Single Account (TSA).</p> <p>Chad, Republic of: The support provided by the RA aimed to continue the implementation of the 2022-2027 PFM Reform Strategy (PFMRS) and is coordinated with the identification of prior actions and structural benchmarks of the new program supported by the ECF. In particular, they focused on (i) implementing the TSA system in close coordination with the Bank of Central African States (BEAC) through the steering and technical committees of the TSA project within the CEMAC; (ii) modernization of cash management and its coordination with debt management; (iii) support for the modernization of the information system (IS) and the digitization of PFM through support to the rollout of the accounting module of the integrated PFMIS (called <i>SIGFIP</i>) from the 2024 fiscal year, and its appropriation by the departments in charge of public accounts; (iv) continued support for the transposition of the CEMAC directive on inventory accounting; and (v) support for the implementation of a risk management mechanism in Chad. This support was provided in close coordination with AFRITAC Central experts and the AfDB support projects. The RA also contributed to the work conducted by FAD to strengthen the governance of SOEs, public institutions/entities, and independent administrative authorities with a view to implementing the legislative framework adopted in Q4 2024.</p>	

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Target countries: Burkina Faso; Burundi; Cameroon; Central African Republic; Chad; Congo, Democratic Republic of the; Congo, Republic of; Eritrea; Ethiopia; Gabon; Gambia, The; Guinea-Bissau; Liberia; Malawi; Mali; Nigeria; Sierra Leone; South Sudan; and Zimbabwe	Implementation Period: May 1, 2022, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>Congo, Republic of: During the reporting period, a targeted support on the Integrated Public Financial Management System was provided to the authorities. Other activities included assisting the MoF in (i) the production of a cash management module, (ii) the drafting of a budget execution guideline in the context of a program budget, and (iii) the design of a tax and customs revenue accounting guide. In addition, work has been initiated with the General Directorate of the Treasury to define the architecture of the TSA and the related operating mode of the future TSA. During the next fiscal year, the resident advisor will continue to work on the implementation of the TSA and support the reform of the Treasury Department (in particular with the establishment of the Banking Treasury). Further support will continue increasing the quality of accounting and implementing internal accounting controls.</p> <p>Democratic Republic of Congo (DRC). After designing an action plan to support the accounting reforms with the authorities, the advisor helped the country to define the architecture, scope and organization of the TSA with the adoption of a decree surrounding the implementation of the TSA. The resident advisor has also helped draft the memorandum of understanding between the MoF and the CB adopted in December 2024, the guidelines for the accounting of expenditures, and a treasury accounting procedure manual. Main achievements in the country relates to the formal adoption of accounting standards, supported by multiple trainings on accrual accounting and accounting standards. With the LTX transferred to another country on a different bilateral project, there is currently no resident advisor in DRC. As provided in the approved extension request, an advisor will be hired to work in a peripatetic fashion to support the ongoing reforms, especially in the context of the new ECF program, which includes multiple PFM benchmarks.</p> <p>Ethiopia: A PIMA and C-PIMA mission undertook a comprehensive review of Ethiopia's infrastructure governance. The mission team worked closely with the MoF and the Ministry of Planning and Development to analyze challenges in managing a large portfolio of ongoing projects and to assess how climate considerations fit into existing processes. By presenting a structured assessment of current practices, the mission helped authorities identify overlaps and gaps in project selection, budgeting, and monitoring. The recommendations, including a full review of the public investment program and stronger coordination of large-scale capital projects, aim to help Ethiopia align scarce resources with priority needs. This work supports Ethiopia's long-term reform agenda, reflected in the Home-Grown Economic Reform (HGER) 2.0 and an updated PFM strategy.</p> <p>The Gambia: The IMF undertook a PIMA update to review progress since the initial PIMA in 2019, alongside a C-PIMA to assess the integration of climate change considerations in public investment management. The PIMA update highlighted some better outcomes in institutional arrangements, especially a 2020 Cabinet Memorandum that strengthens project appraisal requirements and the 2023 SOE Act. The introduction of a Strategic Review Board has partially addressed earlier gaps in selecting and approving projects. However, parallel processes for externally and internally funded projects persist, leading to inconsistencies and a fragmented approach to data management. The external donor project tracking tool is no longer functional, and no central unit oversees public investment projects. The C-PIMA found limited integration of climate considerations in project design and asset management and the team recommended establishing a dedicated Public Investment Management Information System, defining a single coordination function, and applying climate-related criteria to project planning. The report was published on the IMF website.</p> <p>Mali: The project support continued in 2024 as part of the adoption in September / October 2024 of laws and regulations creating the DGTCP and the reorganization of central and decentralized accounting units, under preparation since 2022 with strong input from the RA. The modernization of the accounting organization thus makes it possible to bring the DGTCP's organization in line with the objectives of PFM reform, particularly the decentralization of the government accounting function, the strengthening of the cash management function, and the continuation of digitalization of the payment procedures. The support provided by the project was coordinated with the IMF surveillance approach and assisted in the identification of conditionalities in the context of the SMP and the various facilities made available by the IMF. It should be noted that the RA has been conducting its support remotely from September 2023 (due to visa constraints for French nationals) to December 2024. Since January 2025, this support can no longer be implemented due to the current institutional context. However, the confirmation of the Director General, the Deputy Director General, and key directors in their positions (first quarter 2025) underscores the authorities' desire to ensure continuity in the reform process initiated over the past few years with the support of the JSA project.</p>	

PROGRAM NAME: AFR Strengthening Fiscal Sustainability in Fragile States	JSA#: JPN135 IMF ID: FAD_AFR_2022_13
Target countries: Burkina Faso; Burundi; Cameroon; Central African Republic; Chad; Congo, Democratic Republic of the; Congo, Republic of; Eritrea; Ethiopia; Gabon; Gambia, The; Guinea-Bissau; Liberia; Malawi; Mali; Nigeria; Sierra Leone; South Sudan; and Zimbabwe	Implementation Period: May 1, 2022, to April 30, 2026
FY2025 Key Highlights <p>Nigeria: An HQ-led mission in January 2025 assisted the Federal Ministry of Finance to develop a coherent PFM communication function grounded in accurate and timely information on public finances. The authorities have requested further support to strengthen coordination among key institutions and improving staff capacity for budgeting and fiscal policy communication, helping to ensure the benefits of fiscal reforms are more effectively conveyed to the public. This support complemented earlier JSA-supported TA on fiscal responsibility and reinforces transparency in budget policy execution.</p> <p>Sierra Leone: The resident PFM adviser supported the MoF to establish a monthly-rolling cash forecasting system. This system, which includes standard data collection templates, new guidelines, and a reactivated Cash Management Technical Committee, builds on earlier JSA-supported assistance in 2022 that focused on strengthening budgeting practices. The adviser also supported the authorities to pilot baseline costing for 10 key MDAs in the 2025 budget, drawing on previous missions' guidance to refine the tools and processes. A new capital project template was introduced to improve the roads budget and improve the quality of the public investment program. A HQ-led mission in September 2024 subsequently reviewed the PFM Act, 2016, recommending targeted amendments to enhance budget discipline, expenditure controls, and reporting. These findings align with recent progress in cash and budget management and seek to harmonize the legal framework with current PFM practices.</p>	

PROGRAM NAME: Revenue Mobilization Support (tax administration) for Selected Asian Countries	JSA#: JPN134 IMF ID: FAD_APD_2022_02
TARGET COUNTRIES: Bhutan, Lao P.D.R., Sri Lanka, and Vietnam	IMPLEMENTATION PERIOD: May 1, 2022, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>This program is designed to help rebuild sustainable revenue streams for the medium term. The main objectives are: (i) revenue mobilization; (ii) better revenue administration, management, and governance arrangements; and (iii) strengthened core tax administration functions.</p> <p>Bhutan Implementation of the Goods and Services Tax (GST) is advancing with support from the FAD. In FY2025, the government issued new tender documents, selected a preferred vendor, and completed new platform construction. However, the initial implementation date of July 1, 2025, has been postponed to January 2026 to allow additional time for the passage of necessary legislation. Ongoing supplementary activities, including GST audits and change management, are in place, although low staff resources remain a significant risk. Progress is also being made in debt management and the management of large taxpayers, bolstered by a MTRS mission in 2024. The Department of Revenue and Customs (DRC) is enhancing staff capacity and improving operations, which includes the establishment of a dedicated large taxpayer office. Future efforts will concentrate on effective change management, the integration of advanced audit techniques, and the development of a comprehensive audit manual to ensure a smooth transition to GST and enhance the efficiency of Bhutan's tax administration system with managing excise tax compliance. The Government of Bhutan remains committed to continued reform and good engagement with development partners (UNDP Tax for SDGs, WB, ADB) continues.</p> <p>Lao PDR In FY2025, Lao PDR faced capacity challenges that limited its engagement in capacity development activities, except for the development of a VAT audit manual, and a two-day webinar on crypto assets and taxation. In alignment with other development partners, the importance of conducting a TADAT assessment was emphasized to establish baselines and identify key reform priorities, ensuring the Tax Department is positioned for effective and sustainable tax administration. Given Lao PDR's capacity challenges in accepting bilateral CD, opportunities for peer learning through regional activities are planned to provide effective support in priority thematic areas. Recent broad leadership and structural changes within government may signal a new commitment to CD.</p> <p>Sri Lanka. Sri Lanka's reform needs have significantly outpaced those of other beneficiary countries, resulting in an intensive year of CD efforts that are strategically aligned with the IMF's EFF program. Key initiatives included the establishment of a High-Wealth Individual Compliance Program, implementation of a Tax Crimes Program, and significant planning and guidance for the repeal of the Simplified Value Added Tax in favor of a traditional VAT Refund model. These substantial efforts, undertaken with solid country ownership, required meticulous planning and execution, supported by coordinated CD activities funded through SARTTAC and the JSA Customs program, enhancing the IRD capacity for effective reform implementation and fostering an integrated approach to tax and customs administration. The ongoing support from a long-term in-country advisor, along with targeted assistance from short-term experts, has been crucial in addressing absorptive capacity challenges. This collaborative effort is further strengthened by a development partner network led by the IMF, ensuring efficient and effective resource utilization to advance Sri Lanka's reform agenda.</p> <p>Vietnam The GDT has made significant progress in improving the organization and effectiveness of compliance risk management, aimed at strengthening the GDT's capacity to manage compliance risks and boost revenue collection, thereby contributing to a more efficient tax system. As preparation for the mid-term evaluation of the Tax System Reform Strategy 2021-2030, a TADAT assessment is set for July 2025 to further enhance tax administration efforts. Overall, these initiatives reflect country ownership and Vietnam's dedication to refining its tax administration framework and enhancing operational effectiveness. Close cooperation with the JSA customs program in Vietnam within FAD is underway to help foster awareness of the benefits of tax-customs collaboration in-country.</p>	

PROGRAM NAME: Domestic Revenue Mobilization (tax policy) in Selected Low-income Countries	JSA#: JPN133 IMF ID: FAD_IMF_2022_05
TARGET COUNTRIES: Bangladesh; Benin; Bhutan; Congo, Democratic Republic of the; Côte d'Ivoire; Lao P.D.R; Maldives; Pakistan; Papua New Guinea; and Solomon Islands	IMPLEMENTATION PERIOD: May 1, 2022, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>The main objective of the program is to support beneficiary countries in designing and implementing tax policy reforms and building human and institutional capacity in tax policy analysis. The primary areas of tax policy covered by this program are: (i) providing tax policy advice; (ii) building capacity to produce and publish TE; and (iii) developing and sustaining Tax Policy Units (TPU)s, typically situated in MoFs.</p> <p>Bangladesh – With a tax-to-GDP ratio of only 7.4 percent, Bangladesh needs to address long-standing structural issues with transformative reform of the policy and legislative framework. The funding demands for development are substantial, but the government has yet to deliver revenue measures adequate to meet modest program targets related to fiscal sustainability. Tax expenditure reporting has been a useful mechanism to raise awareness about pervasive preferential treatments but incremental measures to remove preferential treatments in budgets have met vociferous resistance. In contrast, a fundamental tax reform that more evenly distributes the increased tax burden could be sustainable as part of a national project to better deliver core public services, suggesting that future TA should work with the government to formulate comprehensive tax reform. FAD has been working to develop strategies that will move the country towards having viable and modern tax bases capable of sustainably funding government priorities in the medium and long term.</p> <p>Bhutan – With FAD's assistance the authorities have prepared a major tax reform while continuing making progress towards the implementation of the Goods and Services Tax. In mid-May 2025, a GST amendment bill, eliminating a large chunk of exemptions (and deferring VAT implementation to January 1, 2026) was submitted to Parliament for approval. A new Excise Tax Act, replacing the excise equalization tax with a modern excise tax, imposed at specific rates linked to harmful content, has been tabled in Parliament for approval. In June 2025, the Parliament will also vote on the new Income Tax Act, modernizing the Bhutanese income tax system. These ambitious and sweeping reforms, if approved and implemented, will represent a major improvement to the equity, efficiency and revenue productivity of Bhutan's tax system, faring well for the authorities' revenue mobilization efforts in the medium and long term.</p> <p>Lao, PDR – There were no activities in FY2025, and CD support remains at an early stage.</p> <p>Maldives – The authorities amended the Goods and Services Tax Act and the Green Tax in late 2024, raising the rates applicable for the tourism sector – both policies in line with IMF CD recommendations since the 2022 formulation of the MTRS. In addition, the authorities have made significant progress since 2020 on tax expenditure reporting – a key institutional component of their path towards greater fiscal transparency and domestic revenue mobilization under the government announced MTRS. While the authorities began to publish some tax expenditure estimates in a box alongside the budget in 2022 (following IMF CD on the topic in 2021), for the first time they published a stand-alone much more detailed tax expenditure report in January 2025. A remote CD mission was held that same month to assist the Maldivian authorities to refine quantitative modeling and reporting of tax expenditures. The mission refined previously developed quantitative models for tax expenditure estimation, expanded them to allow for tax expenditure forecasting, discussed methodological approaches to conduct incidence analysis of tax expenditures, and provided feedback on the stand-alone tax expenditure report published by the MoF. Next steps entail amending legislation to introduce explicit constraints and performance indicators on the provision of discretionary income tax exemptions and eventually repealing them altogether.</p> <p>Pakistan: In Pakistan, the program assessed specific tax policy measures, some of which under the IMF-financed EFF program. This included conducting a review of transparency aspects of tax policy, within the Fund governance assessment in Pakistan. Future work will focus on building capacity in tax policy analysis in the MoF TPU.</p>	

PROGRAM NAME: Domestic Revenue Mobilization (tax policy) in Selected Low-income Countries	JSA#: JPN133 IMF ID: FAD_IMF_2022_05
TARGET COUNTRIES: Bangladesh; Benin; Bhutan; Congo, Democratic Republic of the; Côte d'Ivoire; Lao P.D.R; Maldives; Pakistan; Papua New Guinea; and Solomon Islands	IMPLEMENTATION PERIOD: May 1, 2022, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>Papua New Guinea - PNG Parliament approved the new Income Tax Law on March 20, 2025. The legislation was prepared by the Department of Treasury and the Internal Revenue Commission with technical support from an IMF tax legislative expert. The work was initiated as part of the MTRS I launched in 2017 and continued during the COVID-19 period and through government changes in PNG. The draft bill was shared with the private sector through several public consultation periods. The new legislation simplifies and modernizes the antiquated income tax in PNG that was initially introduced in 1959 and amended numerous times since, often in piecemeal fashion. The legislation also rationalized certain tax incentives, simplified capital depreciation allowances, and closed several revenue loopholes, particularly those related to cross-border transactions.</p> <p>Solomon Islands - Support focused on issues relating to domestic revenue mobilization in FY2025, building on prior assistance on the taxation of retirement savings and the Solomon Islands National Provident Fund in FY24. FAD reviewed the Income Tax Act in anticipation of a full rewrite of the existing law in the near term, which highlighted areas of the law that needed strengthening and simplification. The assistance also reviewed existing and planned investment tax incentives to highlight the risks to revenue, especially when incentives are provided in a capacity constrained environment. Additional remote support was also provided on mining taxation, focusing on the valuation of key mineral exports for royalty purposes and on the tax issues (and risks) that can arise when countries seek to negotiate fiscal terms for mining investors.</p>	

PROGRAM NAME: Infrastructure Governance Facility II	JSA#: JPN136 IMF ID: FAD_IMF_2022_06
TARGET COUNTRIES: AFR – All, APD – All, MCD – Central Asia/on demand, EUR – on demand, WHD – on demand	IMPLEMENTATION PERIOD: May 1, 2022, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>This CD program for FY23-25 aimed to continue the delivery of Infrastructure Governance Facility. The program enables the IMF to support countries in strengthening infrastructure governance while advancing Japan's quality infrastructure agenda. The program aimed to further enhance practices to foster inclusive, sustainable, and climate-resilient growth by strengthening green and resilient PIM institutions.</p> <p>Delivery continued at pace during FY2025:</p> <ul style="list-style-type: none"> • Three PIMA were completed: Namibia, Fiji and the Indian State of Odisha. • Five PIMA updates were completed: Burkina Faso, The Gambia, Ghana, Liberia and the Philippines. • Seven Climate-PIMAs were completed: Burkina Faso, Fiji, The Gambia, Ghana, Liberia, Namibia and the Indian State of Odisha. <p>FY2025 saw continued roll-out of regional events and training, building on progress in the first years of the program:</p> <ul style="list-style-type: none"> • In April 2025, a joint conference was organized with the Central and West Africa Regional TA Centers in Libreville, Gabon. The conference focused on IG challenges in SSA with an emphasis on project appraisal and selection and the integration of climate change considerations into PIM processes. • In November 2024, a regional workshop for Lusophone African countries was held in Port Louis, Mauritius focusing on fiscal risks, especially those arising from PPPs, SOEs and climate-related natural disasters. <p>A number of substantial analytical outputs were completed or advanced in FY2025.</p> <ul style="list-style-type: none"> • The C-PIMA Handbook has been finalized. The handbook will be published in the last quarter of 2025. A live version of the handbook will be made available in the IG portal and updated periodically. • A How to Note and a Working Paper have been published in IMF eLibrary, discussing the specific challenges of IG in low-income developing countries together with possible reforms in weak and medium management capacities countries. <p>During the year, progress was made in reviewing and updating the PFRAM tool (jointly with the WB), to integrate climate considerations into the framework.</p>	

PROGRAM NAME: JSA Central Bank Digital Currency (CBDC) CD Work	JSA#: S_JPNNDM IMF ID: MCM_APD_2023_01
TARGET COUNTRIES: APD, AFR, MCD (Asian part), Fragile and Conflict-Affected States (FCS)	IMPLEMENTATION PERIOD: November 1, 2022, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>The program aims to strengthen central banks' capacity in CBDC to avoid a digital divide. In late FY2025, the scope of the program was expanded to include CD on AML/ CFT topics in cross-border payments.</p> <p>In FY2025, CD teams provided guidance to countries on CBDC issuance, design, and implementation. They also supported macro-financial assessments, pilot testing, wholesale CBDC exploration, and cross-border payment improvements. CD teams helped countries understand objectives, risks, and operational needs, ensuring informed decisions and readiness for domestic and cross-border CBDC impacts. Such FY2025 CD activities included eight bilateral TA missions (Eswatini, Kazakhstan, Nepal, Pakistan, the Philippines, South Africa, Tanzania, and Ukraine), a multi-country TA to Common Monetary Area countries, and three regional workshops and seminar (CCAMTAC and AFR Network).</p> <p>CD teams have been engaging closely with the area department country teams to facilitate CD-surveillance integration. Examples include: (i) collaborating with country teams on reviewing CMA countries' initial assessments under Project Sunbird - an effort to explore cross-border CBDC among Eswatini, Lesotho, Namibia, and South Africa; (ii) participating in the Namibia country team's Article IV consultation, and CBDC-related issues were discussed in the Namibia Article IV report; and (iii) keeping AFR country teams informed of its cross-border payments CD to identify the causes of frictions in the South Africa-Zimbabwe payment corridor.</p> <p>CD activities have been delivered through in-person, virtual, or hybrid engagements, in which the MCM closely collaborate with LEG, ITD, and CSF as well as with other partners e.g., central banks and monetary authorities, JICA, BIS Innovations Hub, the WB, etc. LEG, in collaboration with OAP, convened a high-level, closed-door roundtable on legal issues for CBDC in Tokyo on March 18-19, 2025, hosted by LEG's Director. Supported by the JSA CBDC CD Work, this inaugural event brought together 26 senior CBDC experts from 14 central banks across the Asia and Pacific region. The roundtable achieved strong engagement and impact, receiving an overall participant rating of 4.8/5. LEG's Director frequently mentioned JSA's support to this roundtable throughout the event and it was greatly acknowledged by all participants, reinforcing donor visibility and commitment to CD.</p> <p>Over the next two years, bilateral CD and multi-country peer-learning on CBDC and cross-border payments will continue building on the traction achieved and lessons learned to date. One of the latter pertains to ensuring sustainability of CD benefits as follows. Tailored advice to CD recipients bolsters the authorities' efforts in deepening their CBDC explorations. It helps the country authorities to clearly define and prioritize policy objectives, establish a clear view of macro-financial risks, and lay out key feature requirements, as well as test policy hypothesis. The ongoing capacity building helps country authorities to make a well-informed decision on CBDC issuance and how to evaluate and/or build CBDC, including developing clear and consistent policies as well as comprehensive legal and regulatory frameworks. Finally, CD sustainability is also ensured through its integration with surveillance as well as the analytical work that is conducted in parallel with the support of the Government of Japan.</p>	

PROGRAM NAME: JSA Central Bank Digital Currency (CBDC) Analytics and Development	JSA#: S_JPNDM IMF ID: MCM_APD_2023_02
TARGET COUNTRIES: IMF member countries	IMPLEMENTATION PERIOD: November 1, 2022, to April 30, 2027
<p>FY2025 Key Highlights</p> <p>The program aims at building policy foundations to guide policymakers in their explorations of CBDC and cross-border payments solutions. In FY2025, the program was extended for two years to continue advancing the development of the CBDC virtual Handbook (Handbook).</p> <p>The Handbook is designed as a “living” foundational document to strengthen policy lines and provide empirical support in both emerging market/developing and advanced economies. It aims at reflecting evolving experiences, findings, and policy views and is developed in close collaboration across IMF Departments (MCM, ITD, LEG, and SPR) and in consultation with country authorities and other international organizations.</p> <p>In FY2025, the second wave of Handbook chapters has addressed important analytical and operational questions raised by central banks in their ongoing CBDC explorations, covering topics on (i) positioning CBDC in the payments landscape; (ii) cyber resilience of the CBDC ecosystem; (iii) strategies for CBDC adoption; (iv) CBDC data use and privacy protection; (v) implications of CBDC for monetary operations; and (vi) cross-border payments with retail CBDC.</p> <p>The third wave of Fintech Notes and Handbook chapters is planned for 2025. The topics include (i) implications of CBDC for financial stability; (ii) impact of CBDC on payments competition; (iii) payment resilience in fragile and conflict-affected states: lessons for CBDC; (iv) selected legal considerations for CBDCs; (v) financial integrity considerations; and (vi) central bank strategy for tokenized reserves evaluation. These topics are chosen and prioritized based on the member countries’ needs in analytical thinking and tools that have been evolving and identified in the CD activities.</p> <p>To ensure sustainability of benefits from the ongoing analytical work, the IMF team strives to develop conceptual underpinnings and policy views in close and interactive consultation with country authorities and other international organizations. As a result, the analytical work is expected to sustainably contribute to strengthening economic and financial stability, as well as the stability of the international monetary system through instilling greater resilience of the payment systems and macro-financial framework in the member countries.</p> <p>Finally, sustainability of the ongoing analytical work is ensured through its offers of the underpinnings for clear and solidly anchored advice in CD activities and surveillance. The Handbook chapters have been presented and served as foundations for concrete discussions with authorities in more than 20 bilateral CD missions, 10 regional workshops and training courses, and country surveillance work, further facilitating the CBDC exploration by member countries. For instance, the chapters on CBDC’s implications for monetary policy transmission and operation helped guide bilateral advice provided to Nepal, the Philippines, and Tanzania. The Namibia country team’s Article IV consultation used the Handbook as a reference for discussions on CBDC.</p>	

PROGRAM NAME: Developing Macroeconomic Forecasting and Nowcasting Techniques	JSA#: JPN209 IMF ID: ICD_APD_2022_03
TARGET COUNTRIES: Congo, Democratic Republic of; Fiji, Republic of, Papua New Guinea, Philippines, Samoa, Solomon Islands, Tonga, Vanuatu	IMPLEMENTATION PERIOD: May 2, 2022, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>In FY2025, significant achievements were made across most of the 8 CBs supported by the program and several of the multiyear projects are nearing conclusion.</p> <p>Democratic Republic of Congo: In FY2025, the ICD team progressed on the FPAS for the Banque Centrale du Congo (BCC), focusing on the operationalization of forecasting models, including Nowcasting methodologies and a Quarterly Projection Model (QPM). The BCC committed to fully integrating these tools into its decision-making processes, thereby enhancing monetary policy effectiveness and external communications. Given its location in SSA, the funding source for this project has been shifted to one of ICD's funding programs for the region.</p> <p>Papua New Guinea: The BPNG actively engaged in its TA project, focusing on developing forecasting tools to support its macroeconomic framework. A scoping mission identified the need to enhance the BPNG's macroeconomic tools by using the expenditure-based GDP approach, laying a foundation for sustainable policy-making that can adapt to future economic challenges.</p> <p>Philippines: The macroeconomic framework project has supported the BSP in advancing the PAMPh2.0 model, which has become the central framework for policy analysis. During FY2025, the project facilitated the transition to using the model for baseline projections and risk scenarios, enhancing the BSP's capacity for macroeconomic policy formulation while promoting sustainability through institutional ownership and ongoing training.</p> <p>Samoa: The CBS made progress in its capacity development efforts through two in-person missions that focused on implementing an FPAS. The ICD team helped to develop a QPM to improve policy analysis and decision-making processes within the CBS, while emphasizing the importance of embedding these practices for long-term sustainability.</p> <p>Solomon Islands: The ICD team conducted two missions to enhance macroeconomic frameworks at the Central Bank of the Solomon Islands (CBSI) in FY2025. These missions focused on finalizing the QPM and training staff to effectively utilize forecasting tools, thereby improving the CBSI's analytical capacity and strengthening its monetary policy framework.</p> <p>Tonga: Tongan authorities achieved steady progress in developing a macroeconomic forecasting and nowcasting program through three in-person missions. These efforts centered on finalizing a forward-looking QPM and enhancing data management processes, contributing to better analysis of macroeconomic developments and improved policy coordination among governmental agencies, with a focus on ensuring that the tools and knowledge gained are sustained over time.</p> <p>Vanuatu: The Reserve Bank of Vanuatu faced staffing challenges but recognized the importance of developing forecasting and analytical capacity for sustainable economic management. A rescoping mission is planned for Q1 of 2026.</p> <p>During 3 missions at the National Reserve Bank of Tonga (NRBT) in FY2024, the ICD Tonga TA mission team completed another cycle of work on forecasting and nowcasting tools and techniques, as well as macroeconomic diagnostics. NRBT staff, guided by the ICD TA team, refined and updated the GDPNow and InflationNow reports for Tonga developed in previous in-person missions. As a by-product of the training sessions on macroeconomic diagnostics delivered in September and November 2023, the ICD TA team also helped NRBT staff to prepare a macroeconomic assessment report for Tonga, which was then updated during the January 2024 mission. These various methodologies and reports, which were favorably received by senior management, are being updated regularly to inform monetary policy discussions at the NRBT, and senior management are evaluating the prospective release of these reports to the public. The ICD TA team started to develop, with NRBT staff, a QPM for Tonga using EViews by first outlining the specific steps involved in adapting the canonical QPM model to the Tonga's economy. Finally, with the help of the ICD TA team, NRBT started the lengthy task of building a structured time-series data management system using EViews. The aim is to reduce NRBT's current reliance on Microsoft Excel for data management and costly data-related errors that easily arise using Excel, thereby improving the efficiency and effectiveness of NRBT's economic staff.</p>	

PROGRAM NAME: Developing Macroeconomic Forecasting and Nowcasting Techniques	JSA#: JPN209 IMF ID: ICD_APD_2022_03
TARGET COUNTRIES: Congo, Democratic Republic of; Fiji, Republic of, Papua New Guinea, Philippines, Samoa, Solomon Islands, Tonga, Vanuatu	IMPLEMENTATION PERIOD: May 2, 2022, to April 30, 2026
<p>The ICD team conducted two missions under the ICD TA project during FY2024, aimed at developing macroeconomic frameworks for the Banque Centrale du Congo (BCC) in the Democratic Republic of Congo. The missions focused on finalizing the operationalization of the models developed during the TA project, such as nowcasting, NTF, and the QPM. The objectives of the missions were to train BCC staff in generating medium-term forecast scenarios and to equip BCC members with the necessary components to ensure that technical analysis significantly influences decision making. In line with documentation and communication transparency, the BCC staff showcased the developments achieved during the TA by drafting a dedicated section in the BCC annual report. This section of the annual report describes the developed nowcasting models and provides estimates obtained for real GDP. Additionally, the BCC staff, in conjunction with the mission team, drafted a document describing the developments produced during the TA that will be published as part of the IMF working paper series.</p>	

PROGRAM NAME: Strengthening Fiscal and Debt Sustainability, and Sustainable Growth, through Macroeconomic Frameworks and Debt Dynamic Analysis for Forecasting in Selected Asian, African and Middle Eastern Countries	JSA#: JPN208 IMF ID: ICD_IMF_2022_03
TARGET COUNTRIES: Angola; Banque des États de l'Afrique Centrale; Botswana; Cabo Verde; Côte d'Ivoire; Djibouti; Eritrea, The State of; Guinea; Guinea-Bissau; Kenya; Kiribati; Liberia; Maldives; Mauritania, Islamic Republic of; Mongolia; Papua New Guinea; Philippines; Rwanda; Senegal; Seychelles; Solomon Islands; Sri Lanka; Thailand; Tonga; Tunisia; Tuvalu; West African Economic and Monetary Union; Zimbabwe	IMPLEMENTATION PERIOD: May 2, 2022, to April 30, 2026
<p>FY2025 Key Highlights</p> <p>This program seeks to build institutional capacity in macroeconomic forecasting and policy analysis, including developing capacity to project public debt. Several new projects were initiated in FY2025, including Cabo Verde, Liberia, Thailand, and Zimbabwe, reflecting a growing demand for macroeconomic frameworks TA.</p> <p>Cabo Verde: This project with the MOF concluded in FY2025, after successfully conducting several training sessions and adopting a Debt DDT to enhance macroeconomic forecasting capabilities.</p> <p>Liberia: The project initiated a macroframework for forecasting and policy analysis with the MFDP, with a scoping mission in November 2024. An action plan has been prepared that includes multiple missions to address capacity gaps in macroeconomic diagnostics.</p> <p>Maldives: The Maldives Monetary Authority (MMA) continued to develop a customized macroeconomic framework tool with support from the ICD TA team. The focus in FY2025 was on refining the functionality of the tool and improving data quality for policy analysis.</p> <p>Mauritania: The project with the Ministry of Economy and Finance focused on developing a customized version of the DDT tailored to Mauritania's economic context, including specific adjustments for resource-rich countries. This is expected to enhance the country's debt management and capacity to respond to shocks. A new project has been initiated to develop a macroeconomic framework that facilitates consistent economic projects and analysis.</p> <p>Mongolia: The MOF, with ICD support, achieved key milestones by completing major components of the macroeconomic frameworks project, producing a coherent macro-fiscal outlook. The team also completed an initial fiscal sector forecast.</p> <p>Papua New Guinea: Despite delays due to security issues, this project with the Treasury made some progress in FY2025. Efforts focused on integrating expenditure-side GDP for forecasting and developing a macro-fiscal model to estimate the effects of fiscal policies.</p> <p>Philippines: The project faced a brief hiatus due to leadership changes at the Department of Finance, but ICD successfully re-engaged with a new team in FY2025. With ICD support, the team initiated production of baseline and alternative macroeconomic forecasts using the CAEM.</p> <p>Rwanda: No new activities were undertaken, as the Ministry of Finance and Economic Planning met all project objectives and successfully integrated the Debt Dynamics Tool into its analytical processes. The DDT is now utilized for projections and analytical purposes.</p> <p>Sri Lanka: The MOF made significant progress in developing a Macroeconomic Framework Tool that will enhance data consistency and reliable forecasting, much needed in the Sri Lankan context. Ongoing training and support are planned for FY26.</p> <p>Thailand: The project was initiated in FY2025, and is focused on developing a dynamic stochastic general equilibrium (DSGE) model. A dedicated core group for macroeconomic analysis has been established, and training in DSGE models has been provided to enhance institutional capacity at the MOF.</p> <p>Tunisia: The project with the MOF and CB is nearing completion, with key objectives largely achieved, including developing capacity for comprehensive forecasting and improving inter-agency coordination for macroeconomic policy discussions.</p> <p>Zimbabwe: The project, involving the MOF, Reserve Bank, and statistical agency, commenced in FY2025 with a scoping mission that identified the need for enhanced forecasting tools which will feed into the MOF's budget process. An action plan has been agreed with the authorities to develop a comprehensive macroeconomic framework to support policy discussions. A follow-up mission introduced a macroeconomic frameworks tool which will be customized to meet the needs of the Zimbabwean authorities.</p>	

PROGRAM NAME: Strengthening Bank Supervision	JSA#: JPN423 IMF ID: MCM_KHM_2022_01
TARGET COUNTRIES: Cambodia	IMPLEMENTATION PERIOD: May 2, 2022, to December 31, 2025
<p>FY2025 Key Highlights</p> <p>The program's objective is to enhance the regulatory and supervisory frameworks of the NBC. The focus of the bilateral resident advisor's work is on upgrading the regulatory framework for banks and other financial institutions, and on building capacity of NBC staff to implement effective risk-based supervision (RBS).</p> <p>During FY2025, the NBC has finalized, adopted and implemented several prudential regulations. The regulation on liquidity for non-deposit-taking financial institutions was enacted in July 2024 and the capital adequacy ratio for deposit-taking institutions - in the beginning of 2025. In addition, the NBC has endorsed guidelines on D-SIBs and drafted and adopted a regulation on transactions related to crypto assets by banks. Some other draft regulations achieved are still pending final adoption and implementation, such as the regulation on early supervisory intervention for deposit-taking institutions, which is part of the RBS approach.</p> <p>Based on the recommendations of a short-term TA mission on Emergency Liquidity Assistance (ELA), prompted by the resident advisor on regulation and supervision, work has been actively pursued, in close cooperation with the resident advisor on monetary policy, to draft a new regulation on ELA.</p> <p>In the same vein, a set of proposed amendments to the regulation on reserve requirements have been drafted and presented jointly to the NBC by the two resident advisors to reach both monetary policy and prudential purposes. The latter would allow banks to make use of the reserve requirements included in the HQLA of the LCR in case of stress, in line with the draft Policy Position Note of the IMF on the inclusion of reserve requirements in the LCR.</p> <p>Other regulatory topics have been discussed and pursued but have not yet reached the status of final drafts, such as the regulation of the prudential scope of consolidation for supervisory purposes, the regulation on interest rates on loans and deposits and the regulation related to the setting up of an asset management company initiated by the NBC.</p> <p>In developing and deepening the RBS approach, the NBC has been carrying out the first survey of digitalization in the banking sector to raise awareness on potential financial and operational risks that were not so far really identified. The NBC has also been considering advice on how to make better use of stress testing for supervisory purposes in the context of RBS. The central bank has also been considering a forward-looking monitoring tool for reserve requirements that can be used in the context of broadening of averaging possibilities over the maintenance period. Its outline has been circulated with the objective of replacing the outdated prior authorization process in place for banks willing to draw down their reserve accounts. Finally, presentations on RBS to new banking supervision staff gave the NBC the opportunity to revisit some indicators used for the SREP, notably by proposing to include the NSFR among them to upgrade this ratio. The latter is calculated internally and incorporated in the SREP scoring process in accordance with the TA recommendations.</p> <p>To foster sustainable capacity building benefits, the TA work has been focused on structural regulatory issues designed to both shape the supervisory landscape over the long term and prioritize hands-on work with teams or dedicated working groups as well as learning by doing rather than formal presentations to large audiences.</p>	

PROGRAM NAME: Singapore Regional Training Institute (STI) - Continuing Training and Technical Assistance on Economic and Financial Policy Analysis in Asia	JSA#: JPN207 IMF ID: ICD_APD_2022_01
TARGET COUNTRIES: 38 countries in Asia and the Pacific	IMPLEMENTATION PERIOD: July 1, 2021, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>The objective of the STI program is to help build the capacity of Asia-Pacific countries to implement sound and effective macroeconomic and financial policies through the delivery of high-quality, interactive, and customized face-to-face, blended, and virtual training, workshops, peer-to-peer events, outreach activities, and TA in Singapore and throughout the Asia-Pacific region. Over the last 4 years STI has continued to provide high-quality training, while also increasing its TA activities on building macroeconomic frameworks in the region, in line with fast-rising demand for CD. Course delivery and TA were aligned with APD priorities in surveillance and lending.</p> <p>During FY2025, STI conducted a total of 31 courses at its Singapore premises, along with two country-specific courses held outside of Singapore, and five training/peer-to-peer events in collaboration with other RCDCs in the region: CDOT in Bangkok, PFTAC in Suva, and OAP in Tokyo. More than half of the courses delivered at STI addressed macroeconomic, fiscal, financial, and monetary policy issues, while the remaining courses focused on statistical and legal topics. Throughout FY2025, all but two of STI's training courses were conducted in-person, with two courses offered in a blended format.</p> <p>In FY2025, STI actively contributed to innovating and developing the IMF's new training course curriculum in line with growing demand in the region. In January 2025, STI successfully launched a first-of-its-kind blended course on Macroeconomic Policy Communications, designed to assist member country officials in navigating real-life communication challenges. This course, tailored specifically for policymakers from low-income countries and fragile states, was requested by country authorities during the 2023 Annual Meetings and at the 2023 Meeting of Asia-Pacific Directors of Training. STI, with support from the IMF Communication Department and the content designers and training divisions in ICD, developed and delivered the first such course at STI. The course received very positive feedback and will be offered again in future years in Asia and other regions.</p> <p>Training satisfaction rates were high, and substantial knowledge gains were achieved in all STI courses. The learning gains not only met but exceeded expectations as defined under the project. The effectiveness of the program in delivering impactful CD in FY2025 is evidenced by significant learning gains, averaging 25 percentage points for course participants. These gains surpassed the learning gain objectives outlined in the project, which were set at 15 percentage points. STI CD also received high ratings for end-of-course surveys. The average composite satisfaction score—combining ratings on the course content, effectiveness of delivery, and job relevance—was 4.77 on a scale of 1-5. This score exceeded the benchmark level of 4.4 or above outlined in the program.</p> <p>In FY2025, STI significantly expanded its TA activities in the region. STI resident advisors led or participated in ICD's macroeconomic frameworks TA projects with Cambodia, Lao PDR, Papua New Guinea, the Republic of Fiji, the Solomon Islands, and Timor-Leste. In total, STI staff conducted twelve TA missions during FY2025. Additionally, participants from countries with intensive IMF macroeconomic frameworks TA engagement—including Bangladesh, Cambodia, Lao PDR, the Solomon Islands, Papua New Guinea, and Tonga—were given priority access to relevant STI courses, including Monetary Policy, Model-Based Monetary Policy Analysis and Forecasting, and Nowcasting. This was accomplished in close coordination with ICD TA delivery teams, APD country mission chiefs, and resident representatives. These trainings focused on strengthening fundamental macroeconomic, financial, and policy analysis skills.</p> <p>The STI Singapore Seminar Series, conducted jointly with the APD Singapore Resident Representative Office, featured several presentations in FY2025, including discussions on China's Article IV consultation and Fiscal Frameworks in the Asia-Pacific region.</p> <p>Training effectiveness continued to improve due to better alignment of courses with CD priority areas. STI's FY2024/25 training program was compiled in consultation with other RCDCs, aligned with the IMF's CD objectives as outlined by IMF management, and consistent with the surveillance and lending priorities expressed in APD's work program. As a result, the STI continued to increase its CD efforts for officials in vulnerable economies—including Pacific Island economies and low-income countries in South- and South-East Asia. STI also delivered more training on priority climate change, debt sustainability issues, nowcasting, AML/CFT risk monitoring regulations, financial stability, and exchange-rate related topics.</p>	

PROGRAM NAME: Public Financial Management COVID-19	JSA#: S_JPNCOV IMF ID: FAD_IMF_2021_10
TARGET COUNTRIES: Comoros, Ethiopia, Kenya, Madagascar, Mozambique, Nigeria, Pakistan, South Sudan, Uganda, and other relevant countries in Sub-Saharan Africa and Asia (in line with Japan's priority list of countries)	IMPLEMENTATION PERIOD: May 1, 2021, to April, 2025
<p>FY2025 Key Highlights</p> <p>The extension of the JSA PFM COVID-19 funding program in FY2025 was focused only on actions in Madagascar and Comoros. The highlights for FY2025 henceforth have to do with the continuation of the work of the Resident Advisor (RA - based in Antananarivo and regularly travelling to Comoros) and various activities (STX or HQ missions) supported by the RA.</p> <p>Madagascar: The project remained focused on budget execution, supporting the implementation of the recommendations of the audit of the expenditure chain conducted in early FY24. With the assistance of STX visits, the RA supported the rollout of commitment plans to all ministries in January 2025 – a structural benchmark under the Fund ECF program – and helped the authorities put in place a dedicated IT module in their FMIS to prepare and update commitment plans. Work continued as well on the implementation of budgeting methods adequate for multi-year public investment projects (introduction of commitment authorizations and payment appropriations – <i>autorisations d'engagement / credits de paiement</i>). An important milestone was reached with the preparation of the first programming of investment projects using the AE/CP methodology for two important line ministries – Public Works and Agriculture. Achievements also include, in link with the work on budget classification, the design and adoption of a method to track climate-sensitive expenditure in the annual budget – which will contribute to the achievement of a reform measure under the Fund RSF program, and lead to the production of a first climate budget statement appended to the 2026 budget bill. With the support of a remote STX, the RA also started work on the reform of the 2004 Organic Budget Law; a full draft enabling major improvements in budget preparation (strengthened approach to medium-term budgeting) and execution has been prepared and is now under discussion before submission to Parliament. Close cooperation with other donors (notably AFD / Expertise France, the EU, the AfDB and the WB) was maintained all over the year and helped shape the design of future CD projects envisaged by this donor, which should (alongside with continuous support by AFS) help ensure the sustainability of progress made under this project.</p> <p>Comoros: The RA continued to contribute (remotely and through his field missions) to the timely production of the Table of Financial Operations of the State (TOFE – <i>Tableau des Operations Financieres de l'Etat</i>), which is the key fiscal reporting document for Comoros, including vis-a-vis the ongoing Fund program. The RA provided methodological support to enrich the format of the TOFE and improve data collection methods. On fiscal risks related to SOEs, a highlight in FY2025 was the adoption in August 2024 of the new law on governance of SOEs, prepared with extensive TA under the project (both RA and STX visits). A Directorate in charge of oversight of SOEs was also created within the MoF, whose director was appointed recently (end April 2025). Lastly, the RA contributed to a mission led by FAD HQ staff. This mission helped prepare a roadmap to improve fiscal transparency in Comoros.</p>	

PROGRAM NAME: Monetary Policy in Cambodia	JSA#: JPN422 IMF ID: MCM_KHM_2021_01
TARGET COUNTRIES: Cambodia	IMPLEMENTATION PERIOD: May 1, 2021, to December 31 2025
<p>FY2025 Key Highlights</p> <p>The program supports the NBC in strengthening the effectiveness of its monetary and FX operations, in line with the ongoing de-dollarization efforts of the authorities. With support from the bilateral resident advisor on monetary and FX operations, who started his assignment in November 2022, the NBC has made notable progress in several areas:</p> <ul style="list-style-type: none"> • Introduction of an IRC. The NBC introduced the IRC in March 2024. The overnight Marginal Lending Facility (MLF) sets the ceiling for market interest rates, while a one-week Negotiable Certificate of Deposit in KHR acts as the floor. In FY2025, the NBC narrowed the width of IRC from 550 to 400 basis points, aiming to reduce interest rate volatility and improve monetary policy transmission. • Enhancement of Reserve Requirement (RR) regime. The NBC increased the share of RR subject to averaging from 50 to 70 percent, with plans to move to full averaging. This measure supports more effective liquidity management by banks and helps reduce volatility in liquidity conditions and short-term interest rates. • Improved liquidity forecasting. The NBC has significantly enhanced its modeling and forecasting capacity. In FY2025, statistical models for government deposits and banks' settlement accounts related to the Bakong payment system were integrated. The NBC is now able to calibrate monetary operations using liquidity forecasts. • Redesign of the Emergency Liquidity Assistance (ELA) framework. A short-term TA mission reviewed the existing ELA framework and provided recommendations on parameters, operationalization (including internal procedures and simulation exercises), and the collateral framework. Draft amendments to the ELA regulation have been prepared. • Promotion of local currency. Another short-term TA mission reviewed the draft de-dollarization strategy and proposed measures to promote the use of the Khmer Riel (KHR) while safeguarding financial and macroeconomic stability. Key recommendations included improving the convenience of using KHR, reducing KHR liquidity management costs, and internalizing the costs and risks of USD-based transactions. <p>TA continues to be delivered in close coordination with the CDOT regional advisor on monetary operations, who participated in missions on ELA and local currency promotion. On issues intersecting with prudential policy e.g., ELA and RR, TA is coordinated with the resident advisor on banking regulation and supervision.</p> <p>Development of NBC staff's capacity is critical for ensuring the sustainability of TA. The resident advisor provides ongoing staff training through lectures and practical sessions on TA-related and broader macroeconomic topics. NBC staff are increasingly able to independently apply the tools and methodologies introduced. Sustainability is further supported by MCM TA handbooks, which offer theoretical and operational guidance on monetary and FX operations.</p>	

JSA CAPACITY DEVELOPMENT PROGRAMS APPROVED FOR FY2021

PROGRAM NAME: Strengthening and Modernizing Customs Administration in Asia and West Africa	JSA#: JPN130 IMF ID: FAD_IMF_2021_03
TARGET COUNTRIES: Cambodia, Lao P.D.R, Maldives, Mongolia, Myanmar, Nepal, Sri Lanka, Uzbekistan, Vietnam, Benin, Côte d'Ivoire, Guinea, Guinea-Bissau, Liberia, Nigeria, Sierra Leone, and Togo	IMPLEMENTATION PERIOD: May 1, 2020, to October 31, 2024
<p>FY2025 Key Highlights</p> <p>The program was closed on October 31, 2024. It aimed to enhance customs administrations' capacity to collect revenue and control revenue leakage in selected Asian and West African countries. The program supported beneficiary countries in reforming and modernizing their organizational structures, improving customs management and procedures, and enhancing the application of the rule of law without impeding trade. In FY2025, CD had been provided through virtual and in-person bilateral engagements.</p> <p>Asia: In FY2025, Cambodia, Maldives, Nepal, and Sri Lanka received in person CD, while Cambodia and Mongolia benefited from remote CD. Overall, the project was successful with good results in line with expected objectives and outcomes. Cambodia and Nepal benefited from the support of project's regional advisor. Both Cambodia and Mongolia successfully built capacity in designing and managing strategic plans. Cambodia is also modernizing its customs legal framework along FAD inputs. Through the program implementation period, the focus of CD in these countries evolved from in-person training on the basis of strategic management to desk reviews confirming the content of newly developed strategic plans. The Maldives enhanced its capacity to conduct post-clearance audits in line with international best practices. Nepal received its first customs administration CD scoping mission since 2016. Sri Lanka improved its implementation capacity in areas of good governance and anti-corruption. The achievements and follow-on CD needs identified through this program form the foundation of the new JSA program (FAD_APD_2024_02).</p> <p>West Africa: In FY2025, Côte d'Ivoire and Guinea-Bissau received in person CD, while Guinea-Bissau also benefited from remote CD. Overall, the project was successful with good results in line with expected objectives and outcomes. Côte d'Ivoire made significant progress in modernizing its customs administration, with a strong focus on digitalization. Supported by FAD, an artificial intelligence (AI) model was successfully integrated into the customs clearance IT system, overcoming scalability challenges. Follow-up CD, including the performance evaluation, is conducted under a new program (GPFP). Guinea-Bissau made significant progress in modernizing its customs administration, achieving key milestones in legislation, training, and control procedures, despite ongoing challenges. With FAD support, it drafted a new Customs Code (awaiting parliamentary approval) and the establishment of standard operating procedures (SOP) for the control of imported and exported cargo. Additionally, it benefited from FAD support in piloting an electronic training platform, which is scheduled to become operational in July 2025. The achievements and follow-in CD needs identified through this program form the foundation of the new GPFP programs.</p>	

PROGRAM NAME: Strengthening Debt Management Operational Frameworks in Africa	JSA#: JPN421 IMF ID: MCM_AFR_2021_02
TARGET COUNTRIES: Africa Regional Technical Assistance Center for West Africa (AFW) member countries (Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Togo, Equatorial Guinea, Gabon, Botswana, Eswatini, Seychelles, and Namibia)	IMPLEMENTATION PERIOD: May 1, 2020, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>The program objective is to strengthen the key operating framework to facilitate implementation of the debt management strategy, to help diversify market borrowings in the beneficiary countries, and to further deepen the institutional capacities at debt management offices/departments in Central, Southern, and West Africa.</p> <p>In FY2025, the fifth and final year of the program, the AFRITAC West (AFW) resident advisor has provided TA and Training resulting in the following CD deliverables and results:</p> <ul style="list-style-type: none"> Proposed an improved and efficient institutional framework for public debt management in Guinea, accompanied by a time-bound action plan to operationalize the recommended structure. Supported the drafting of a manual of procedures for the effective execution of debt management activities in Benin. The manual was adopted in the form of a Ministerial decree, a prior action under the World Bank framework for sustainable development financing. Assisted Guinea-Bissau in the preparation and publication of its first-ever debt management strategy document, released in February 2025. Strengthened capacity of debt management staff in debt management strategy formulation in Benin and Senegal. In Benin, this support directly informed the development of the authorities' new debt management strategy, which was published alongside the 2025 budget documents. Enhanced the capacity of Burkina-Faso and Guinea's authorities in issuance calendar preparation and in assessing its realism, as well as in the execution of cost-effective issuance operations. Supported the development of an investor relations strategy document for Burkina-Faso, expected to serve as a compass for the authorities' investor relation practices over the next five years. Improved the capacity of Togo's debt management staff in assessing the all-in cost and financial risks of commercial loans. Following the training, three staff members demonstrated the capacity to independently calculate the all-in cost of such loans. Reduced key-person risk in debt recording processes in Burkina-Faso and Guinea-Bissau by training more staff in the use of the debt recording system. Expanded the pool of staff in Côte d'Ivoire and Senegal who can operate the LIC-Debt Sustainability Framework (LIC-DSF-CPBBS) Analytical Tool and articulate linkages between debt, macro policies, debt sustainability. Continued implementing the action plan to develop Mauritania's government securities market. The authorities have successfully extended the yield curve by issuing 3-, 4-, and 5-year bonds. Supported the identification of gaps in the existing public debt management regulations in WAEMU countries and fostered consensus among stakeholders around key areas for regulatory enhancement. Trained debt management office staff in AFW member countries on Sovereign Environmental, Social and Governance debt-for-development swaps financing characteristics and issuance process. <p>In ensuring CD sustainability, country ownership and commitment, along with capacity to implement recommendations, are key. CD engagement starts with a dialogue with policy makers on alignment of debt management strategies with national priorities. Through interactive TA and Training, it further embeds expertise in the institutional structure. It also fosters collaboration among national stakeholders e.g., other partners, government agencies, and financial institutions, and leverages online learning and training. Regular assessments ensure the authorities meet their goals, making adjustments as needed and monitoring progress.</p>	

PROGRAM NAME: Strengthening Debt Management Operational Frameworks in Asia-Pacific	JSA#: JPN420 IMF ID: MCM_APD_2021_01
TARGET COUNTRIES: PFTAC member countries (Cook Islands, Fiji, Federated States of Micronesia, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, Vanuatu).	IMPLEMENTATION PERIOD: May 1, 2020, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>The program objective is to assist PFTAC member countries to strengthen their debt management by: (i) building capacity on debt related analyses and reporting; (ii) building capacity to implement their debt and risk management strategy; (iii) strengthening the institutional arrangements for debt management; and (iv) improving the functioning of local currency bond markets. In the first three years, the program also supported Southeast Asian countries. Starting FY24, the program focuses on PFTAC countries only.</p> <p>In FY2025, the fifth and final year of the program, the PFTAC resident advisor provided TA through in-person and virtual bilateral engagements. The TA provided to the beneficiary countries has helped to:</p> <ul style="list-style-type: none"> • Build capacity on debt related analyses and reporting and strengthen the institutional arrangements. CD aided Palau and to Kiribati to improve debt reporting and the institutional arrangements. In Palau, the support has resulted in a new Executive Order setting up a debt management office. The program also provided remote support on debt management fundamentals to the newly established debt management unit at the Ministry of Finance in Timor-Leste, following the institutional arrangements support in FY24. • Build capacity to design and implement a debt management strategy (DMS). The program assisted Solomon Islands and Vanuatu to prepare their own DMS. In the case of Vanuatu, the program followed up its support when Vanuatu was reclassified as high risk of debt distress causing the shift of donors' assistance to grants and the earthquake suffered by the country at the end of 2024. • Improve the functioning of local currency bond markets (LCBM). The program organized a regional workshop, attended by the 5 countries currently accessing domestic financing (Fiji, PNG, Solomon Islands, Tonga and Vanuatu), to introduce the LCBM framework into the Region. The workshop was carried out jointly with the World Bank to benefit from synergies. The workshop was then followed by a bilateral diagnostic mission to PNG which resulted in a comprehensive assessment of its domestic market. The program then followed up with support to PNG to implement recommendations related to preparing a Quarterly issuance Calendar (QIC) and auction announcements. • Support authorities' capacity building to prepare a debt sustainability analysis. The program organized a Regional Workshop to expose authorities to the LIC DSA framework. The training will be followed up with bilateral training in PNG so that national debt data can be used. • Additionally, a MTDS Training for Trainers workshop was organized for debt management experts in the Region to strengthen their understanding on the MTDS template, enabling them to potentially support missions in the region. This initiative supports continued knowledge transfer and peer-learning in the region. • The program continues to engage with other CD providers in the Region such as the WB and the ADB to benefit from synergies, increase efficiency and manage cost. <p>To ensure sustainability of CD benefits, in addition to the existing programmatic approach to CD design and implementation, two key measures are implemented. First, "Training for trainers" workshops foster regional capacity building by equipping local experts with skills to share knowledge within their countries and across the region. The participation of regional experts also promotes the exchange of support and sound practice throughout the PFTAC area. Second, a monitoring committee is advised in each of the five countries that are implementing the LCBM framework. Such a committee leads the process, enhances ownership, and monitors progress. It supervises the Reform Plan execution in individual countries and provides a platform for sharing experiences, thereby strengthening a collaborative approach to more sustainable capacity building in the region.</p>	

PROGRAM NAME: CDOT Supporting Monetary and Foreign Exchange Operations in Cambodia, Lao P.D.R., Myanmar and Vietnam	JSA#: JPN414 IMF ID: MCM_APD_2018_01
TARGET COUNTRIES: Myanmar, Cambodia, Lao P.D.R., and Vietnam	IMPLEMENTATION PERIOD: September 1, 2017, to April 30, 2025
<p>FY2025 Key Highlights</p> <p>The program provides CD on monetary and FX operations through the RA to the CBs of Cambodia, Lao PDR, and Vietnam. CD to Myanmar remains paused.</p> <p>In Cambodia, with the MCM technical support, the NBC moved to a symmetric interest rate corridor with adequate width, developed a platform for KHR interbank money market transactions, and approved full averaging of reserve requirements (RR) in KHR, which will soon be implemented. Previous achievements of the NBC include introducing a 7-day Liquidity Providing Collateralized Operation (LPCO) and the overnight Marginal Lending Facility, which have also supported the issuance of government bonds as they increase its liquidity; introducing the policy (reference) rate and linking the 7-day LPCO and interest rate corridor to it; setting up a short-term liquidity forecasting framework; increasing partial averaging maintenance of RR in KHR from 20 percent to 50 percent; starting the collection of daily data on interbank money market transactions; streamlining the FX auctions platform; and moving to a market-based official exchange rate calculation mechanism, which has eliminated the spread between official and parallel market rates.</p> <p>In Lao PDR, following MCM technical advice, the BOL achieved significant milestones that, combined with other measures, contributed to the appreciation of the exchange rate and a reduction in inflation to single digit in May 2025. As part of these reforms, the BOL introduced a 7-day BOL bill at the policy rate, issued 3- and 6-month BOL bills exclusively to banks, reduced the share of T-bills and BOL bills in maintaining the RR in Lao Kip from 70 percent to 10 percent, developed a liquidity forecasting model for Currency in Circulation, and initiated interbank market data collection. Previous achievements of the BOL include the establishment of a liquidity monitoring table, and the setting up of the Liquidity Monitoring and Forecasting Group to monitor and forecast market liquidity. Finally, the MCM advisor organized a peer-learning visit for BOL officials to the National Bank of the Kyrgyz Republic and delivered bilateral training alongside MCM staff on the liberalization and management of capital flows, marking the first collaboration with the ADB.</p> <p>In Myanmar, with the military takeover in February 2021, all CD activities with the CBM have been paused. However, the advisor maintains regular contact for fact-finding based on his experience as bilateral resident advisor to the CBM for three years prior to his CDOT assignment. This helps to be ready if conditions change and the Fund's Board decides to resume this CD.</p> <p>In Vietnam, the SBV has continued focusing on streamlining its monetary operations. CDOT and the SBV maintain bilateral discussions regarding subsequent CD engagements, which have resulted in the recent request from the SBV for training on FX reserve management, which will be delivered in FY26.</p> <p>Regional peer-learning included five regional CDOT-SARTTAC courses delivered in Bangkok, Thailand, and New Delhi, India on Monetary Policy Implementation, December 2-6, 2024; Central Bank Policy Communications and Transparency, December 9-11, 2024; Liquidity Forecasting and Estimation of Demand for Reserves, February 10-14, 2025; Emergency Liquidity Assistance, March 24-27, 2025; and FX Operations and Reference Exchange Rate, April 21-24, 2025.</p> <p>To continue delivering sustainable TA and Training, MCM technical teams (i) deploy a range of different types of engagements—regional and bilateral as well as virtual, in-person, and hybrid; (ii) continuously collaborate across complementary IMF CD workstreams as well as with IMF country teams, and (iii) are simply being patient for an opening in the relationship with a CD counterpart to step in with a bilateral advice.</p>	

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