The EU and the IMF
Strategic Partners in Promoting Sustainable Capacity Development
Commissioner Mimica Introduction

The goals of the European Union’s (EU) development cooperation are to reduce poverty in the world, ensure sustainable development and promote democracy and peace. In short, our work is about ensuring a better future for everyone by supporting our partner countries in their quest for development. This is enshrined in the Treaty on the functioning of the EU and in our guiding policies, the Agenda for Change and the European Consensus for Development. The EU has allocated more than €70 billion for development and external cooperation in its programming cycle from 2014 to 2020.

The European Commission, while maintaining the commitment to provide effective aid, considers that the mobilisation of domestic resources should have a key role to play for the financing of development and it will be instrumental towards achieving the 2030 Agenda for Sustainable Development. Our position as set out in our Staff Working Document “Collect More – Spend Better, Achieving Development in an Inclusive and Sustainable Way”, is clear – domestic resources have to be mobilised and used effectively.

Economic governance plays a vital role towards the achievement of equitable growth and sustainable development. The EU provides comprehensive support and guidance to developing countries in order to carry out their economic reforms. Our cooperation places a strong emphasis on capacity development in support of sound public financial management, improved revenue mobilization and strengthened transparency and accountability. This is greatly facilitated through our financial assistance which creates valuable fiscal space, notably through budget support operations in more than 80 developing countries.

The EU has found in the IMF a natural strategic partner with a long track record of supporting economic reforms in developing countries. We share many of our development goals with the IMF, and we have a joint commitment to certain basic principles, such as the need in all countries for relevant, coherent, and sustainable policies that promote the good of their people. Both institutions also place transparency and accountability at the centre of the development equation.

As the stories that follow demonstrate, our partner countries greatly appreciate the joint EU-IMF efforts in capacity development and policy dialogue. I believe that we are contributing to real and tangible improvement in people’s lives.

Neven Mimica
EU Commissioner for International Cooperation and Development
Capacity development—comprising technical assistance and training—is one of three core activities of the IMF, in addition to surveillance and lending. IMF capacity development can have a large and direct role in supporting structural economic reform as well as economic growth and sustainability. There are two key aspects of IMF capacity development. First, it is entirely demand-driven: our technical assistance, for example, is delivered only upon request—typically, IMF member countries request IMF expertise to strengthen or reform their economic institutions, and in some cases to build them from scratch. Second, the IMF does not outsource activities to third party providers: its in-house staff and experts deliver high-quality technical assistance and training in a consistent and timely fashion.

Our strategic partnership with the EU is designed to leverage the comparative strengths of both organizations in building sustainable capacity in our member and partner countries. Since 2009, the EU-IMF partnership has intensified under our joint commitment to capacity development, where the EU has supported IMF capacity development activities with a total amount of about US$150 million. On May 20, 2015, the EU-IMF 2009 Framework Administrative Agreement was renewed, allowing us to continue our cooperation in our various capacity development vehicles, including Regional Technical Assistance Centers, Topical Trust Funds (e.g., on tax issues), and other regional and country programs that provide hands-on technical support that is customized to country and regional needs.

Both the EU and the IMF are heavily invested in achieving sustained progress toward the Sustainable Development Goals (SDGs). As evidenced by the July 2015 Finance for Development Conference in Addis Ababa, better domestic resource mobilization will be key to achieving economic outcomes that are in line with each government’s policy objectives. This is also captured in the EU’s recent communication “Collect More-Spend Better” and is the reason why both of our institutions pay much attention to strengthening tax policy and administration, advancing public financial management and fiscal transparency, addressing issues of corruption and rent seeking, and improving the management of natural resource wealth. Together we offer support to our member countries as they work to build institutions that will constitute a solid foundation for financial stability and sound economies. Setting attainable goals, learning how to achieve them, and monitoring progress and results along the way are principles that everyone can appreciate. The IMF-EU partnership strives to support countries in achieving economic progress based on those principles.

**Deputy Managing Director Grasso Introduction**

Carla Grasso
IMF Deputy Managing Director
KEY THEMES OF EU–IMF COOPERATION

Strengthening Public Financial Management Systems

The EU and the IMF both recognize that strengthening public financial management systems is essential in order to deliver better services to citizens. Sound public financial management ensures macroeconomic stability, improves transparency and effectiveness in managing public funds, and strengthens accountability. All of these are preconditions for sustainable growth. Due to the recent financial crisis, whose effects still linger, public resources are particularly scarce today—which means that more than ever countries must focus on managing their public finances carefully. They have learned that the temptation to spend more without regard to effectiveness must be resisted, and it is important to save in times of plenty. More and more countries are introducing fiscal rules and fiscal responsibility laws, planning further ahead when they budget, and adopting performance-based budgeting and risk-management techniques. The Public Expenditure and Financial Accountability Assessment (PEFA) that was developed jointly by the World Bank, the IMF, the EU, and several other partners is an excellent example of how a coordinated approach can lead to more efficient support for public financial management. The examples below illustrate the benefits the EU-IMF partnership has delivered in response to member requests for support.

Helping countries better manage their budgets

Botswana: The Minister of Finance and Development Planning requested assistance from the IMF and the EU to help build the capacity of the Ministry’s Macroeconomic Policy Section to formulate macro-fiscal plans and budgets. Here are some of the results of the EU-financed IMF project:

- The Ministry’s macro-fiscal working group is now operational and has a new database of macro-fiscal information. The Medium Term Fiscal Framework has been embedded in the annual budget process;
- The forecasting process is now more robust; there were far fewer forecasting errors in 2014 than the average for the period of 2005-2013; and
- Fiscal reporting was enhanced. The Ministry can now identify and correct data problems, such as systematic under-recording of tax collections, and its Quarterly Economic Bulletin has expanded its coverage.
**Gabon:** The EU-financed IMF project supported budget management reforms by assisting the government in introducing program-based budgeting. Significant achievements include:

- Adoption of laws to comply with the Economic and Monetary Community of Central Africa (CEMAC) directives for public expenditure management;
- Drastic measures taken to address pervasive and massive domestic arrears (equivalent to half a year of government spending); and
- Parliamentary approval of the budget that sets performance indicators for all central government spending units.

**Chad:** With the assistance of AFRITAC Central, Chad is moving forward to formalize its public financial management institutions and to:

- Operationalize the CEMAC directives for managing public spending;
- Align government accounting with international standards and good practices and improve management of public debt; and
- Strengthen oil revenue management and forecasting and prepare for second-generation reforms in public finance.

**Haiti:** The Haitian Ministry of Economy and Finance (MEF) sought guidance from the IMF and EU on how to manage resources for reconstruction after the January 2010 earthquake; its priorities were macro-fiscal forecasting and reporting, cash management, and government accounting. The following sustained results were achieved:

- The macro-fiscal units can now analyse the quality of capital spending and make sound cost-benefit analyses to support public investments;
- A Treasury Single Account (TSA) is being finalized;
- Accounting functions were assigned within ministries and the MEF; government accountants trained; and procedures drafted and put into practice.

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*We need to understand political economy issues as best we can, and use this information effectively to shape our engagement and program design. This requires close interactions with country authorities and key stakeholders, analysis of the sources of fragility and the risk, and, last but not least, appropriate staff expertise and understanding.*

—David Lipton
IMF First Deputy Managing Director
Guinea: As part of the restoration of civil rule, the Guinean Ministry of Economy and Finance sought to make budget execution more transparent and consistent with good international practices. A three-year EU-financed IMF project is aimed at (i) overhauling the legal framework for public financial management and (ii) enhancing central government accounting and cash management practices. Impressive results have been achieved:

- New laws on PFM and fiscal management of parastatals were adopted together with regulations on budget preparation and execution, both designed to improve the PFM effectiveness and accountability;
- Central government accounting standards, chart of accounts, and budget nomenclature were revised to meet international standards and practices;
- The TSA is substantially completed, with identification and transfer to the central bank of most public accounts in the Conakry area.

Senegal: An EU-financed IMF project has supported the Treasury in setting a public financial management reform agenda by helping improve central government accounting; drafting financial regulations and procedures for all autonomous central government entities; and planning the accounting information system for the next few years. Among the major results:

- Production of annual and monthly accounts is now timely and transposition of the 2009 West African Economic and Monetary Union public financial management directives has been completed;
- The accounting process for public pensions is being automated and annual accounts are being transmitted to the supreme audit institution;
- A study was carried out to identify how the new chart of accounts affects accounting for revenues and expenditures—a first step toward accrual accounting.

Helping countries raise more revenue

Governments need a predictable and sustainable revenue stream to provide essential public goods and services. A well-designed and properly administered tax system is a universal priority. The 2015 Financing for Development Conference in Addis Ababa highlighted the central role of domestic resource mobilization for tackling future development challenges. The recent European Commission Staff Working Document “Collect More—Spend Better” is fully in line with these priorities. The IMF capacity development programs and EU budget support and technical assistance operations work in parallel to help countries improve internal tax regulations and administration practices so that they facilitate the mobilisation of domestic revenues. Furthermore, by addressing problems in tax policy and administration, capacity development can help to ensure that recipient countries manage EU budget support well.
Democratic Republic of the Congo (DRC): An EU-financed IMF project helped the authorities achieve results like these:

- Introduction of the VAT on January 1, 2012, which led to simplification of the tax system as the VAT replaced other taxes and fees;
- VAT revenue accounted for 4.5 percent of GDP in 2012, compared with 3.5 percent in 2011 from the sales tax;
- Each VAT payer has been assigned a taxpayer identification number;
- A large taxpayer office, four medium-sized taxpayer offices, and seven dedicated tax centers are now fully operational to administer the VAT.

Seychelles: In recent years, Seychelles has pursued far-reaching structural reforms, one of which was to introduce a modern broad-based and single-rate value-added tax (VAT). An EU-financed IMF project has achieved the following results:

- Before the VAT was introduced on January 1, 2013, replacing the Goods and Services Tax (GST), about 70 percent of registered VAT taxpayers benefited from intensive workshops and face-to-face sessions to learn their new obligations;
- The domestic tax department was restructured to create specialized units for different taxpayer segments and thus optimize resources and effectiveness;
- In the first four months of VAT operations, on-time filing rates rose from 70 to 83 percent; today 93 percent of all expected returns are filed within a month of the due date.

Not long ago after long and painful internal conflict Mozambique and Rwanda were considered fragile. No longer. They demonstrate that, whether or not a country can draw on natural resources, rebuilding capacity and institutions can help build resilience and stability. We are doing what we can to help other countries whose outlook may not currently be hopeful to follow their example.

— Sharmini Coorey
Director, IMF Institute for Capacity Development
Tax Policy and Administration Topical Trust Fund (TPA-TTF)

TPA-TTF helps low and lower-middle income countries strengthen their tax systems to generate the revenue needed to provide essential public services and public goods. It finances IMF technical assistance to eligible countries to promote better tax policy design, address administrative weaknesses at the heart of low revenue collection, and improve the quality of laws and regulations. It also promotes learning by disseminating lessons learned from other technical assistance projects, and sharing best practices with recipients and donors, like the EU, and within the IMF itself.

The rationale for the TPA-TTF is that an effective tax system is a core function of an effective state. Beyond its obvious role in generating revenue for essential public services and public goods, a well-designed and properly administered tax system also helps formalize the economy by broadening participation and reducing tax evasion. It encourages growth of the small and medium business sector that in many developing economies is an engine for employment and growth. It is part of a social contract that underpins social cohesion and helps shape political governance; and over time, raising the tax-to-GDP ratio together with sustainable economic growth opens the way for developing countries to eliminate aid dependency.

Some notable results of TPA-TTF in the past year:

**Burundi:** Separate offices now serve large, medium, and small taxpayers. Collection procedures are being simplified, as are VAT returns. Compliance rates for large taxpayers have gone up.

**Cape Verde:** The National Revenue Directorate was created in 2013 and new corporate and personal income tax codes were approved late in 2014.

**Côte d’Ivoire:** Criteria for the turnover threshold for the Large Taxpayer Office have been revised and its jurisdiction extended. Two pilot medium-size taxpayer offices have improved compliance: the rate of noncompliance decreased from 27.6 percent in August 2014 to 16.2 percent in November.

**Liberia:** The Liberian Revenue Office went into operation in July 2014, with staff transferred from the former revenue department. A training module in the use of computer-assisted audit techniques for the telecommunications sector has been completed, and a new website is up.

**Mali:** Significant outcomes include a self-assessment option for small taxpayers, payment through banks for large taxpayers, and elimination of VAT withholding for private companies. The medium- taxpayer filing rate went up from 74 to 86 percent in 2014. A law to establish a tax policy unit has been drafted.

**Paraguay:** A new organizational structure was put in place at the end of 2014. The taxpayer registration system and online applications were revised and simplified, and payments may now be made only through banks.
The Tax Administration Diagnostic Assessment Tool (TADAT)

Over the years, IMF technical assistance around the world brought to light a common array of challenges to effective tax administration reform. In 2011, a Public Expenditure and Financial Accountability (PEFA) commissioned feasibility study concluded that a tool to assess tax administration performance would be both feasible and desirable. Supported by the TPA-TTF, the IMF in cooperation with its development partners, including the EU, responded by developing TADAT, which is designed to provide an objective, standardized, and evidence-based performance assessment of a country’s tax administration system. It also informs stakeholder dialogue on reform priorities. Repeat assessments will review the progress achieved.

A TADAT assessment focuses on tax administration outcomes rather than inputs or processes. Nine performance outcome areas (see figure above) drill down to 26 indicators and ultimately 51 scored dimensions. Although TADAT has only been operating since the beginning of 2014, as of September 2015 it had already achieved some impressive results:

- Thirteen successful pilot assessments have been carried out covering the socio-economic spectrum (Côte d’Ivoire, Fiji, Kosovo, Malaysia, Malawi, Madagascar, Mozambique, Norway, Paraguay, Rwanda, South Africa, Uganda, and Zambia); four of the test countries have set up teams to review the results as the basis for reforming their tax administrations. Three more pilot assessments are scheduled.
- An automated interactive TADAT workbook is being developed.
- 91 people have qualified as trained assessors after passing the requisite exam.
Supporting countries to better manage natural resources wealth

Recognizing that many resource-rich countries fail to realize the full development potential of their wealth, the EU engaged, together with other donors, in funding the Managing Natural Resource Wealth (MNRW) TTF, which the IMF launched in 2011. Through its technical assistance, the TTF helps resource-rich countries build capacity to manage their wealth effectively and create a stable macroeconomic environment for exploring natural resources and managing them in a socially responsible way. Some examples of countries that have benefitted from the MNRW TTF:

Mongolia: With natural resource revenues projected to grow significantly in coming years, a project was designed to reinforce medium-term fiscal management and capacity to manage cash and to guide the launch of a sovereign wealth fund. The project, which has a revenue administration component, has achieved the following results:

- The Medium-Term Fiscal Framework now has a fiscal strategy section, risk mitigation measures, and benchmarks for macroeconomic and fiscal forecasts; historical data has been used to improve models for forecasting spending;
- Aligning budget classifications and the chart of accounts has significantly improved fiscal reporting, and the information management system can now report expenditures as classified in the budget, hence enhancing budget transparency to the benefit of ordinary citizens;
- Since 2011, the Mongolia Revenue Authority has improved its management of large businesses, especially mining companies, and large taxpayers acknowledge receiving a better service. There is also evidence that government revenue has been safeguarded;
- A draft of the sovereign wealth fund law was submitted to the spring 2015 Parliament Session.

Mozambique: Mozambique has embarked on rapid development of both mining and gas/petroleum; the macro-fiscal impact over the next few decades is likely to be major. In recent years, the IMF has carried out many projects in Mozambique, most notably on revision of the extractive industry (EI) fiscal regimes and the legal framework for EI licensing and contracting. The following key results can be attributed to the work carried out so far:

- New EI laws in line with international best practice were adopted in 2014 and bylaws have since been drafted;
- A specialized unit was created to manage natural resource tax revenues, and eight staff members were recruited internally for the new Natural Resources Division.
Sierra Leone: Sierra Leone is a low-income country still recovering from a long period of conflict, much of it over control of natural resources. The MNRW TTF has helped the country formulate a framework for and the capacity to manage taxation of mining and oil over the medium-term. An evaluation was carried out on the laws and contracts that apply to the fiscal regime for minerals. The following major results have been reached:

- Draft laws governing petroleum and mining have been submitted to Parliament and were applied to agreements resulting from the 2012 licensing round; groundwork was laid for compiling production and generation of income accounts;
- Detailed models have been installed for mining and simulation models are available for petroleum (for which there is not enough data for forecasting), and a medium-term (three-year) expenditure framework is now included in the annual budget law;
- The draft PFM act will regulate spending of EI revenues through the annual budget; it defines Transitional Development Savings and an Intergenerational Savings Funds and sets out in- and outflow rules.

**Working Together in Fragile States**

Fragile states face entrenched obstacles to economic and human development. Often conflict-ridden, they generally suffer from weak and non-inclusive institutions, poor governance, and difficulties in pursuing a common national interest. Moreover, political and economic instability in fragile states can often spill over into neighbouring countries. Their challenges also make it harder for the international community to help these states build resilience and move toward stability.

The EU and the IMF believe that aid is more effective when it is consistent with domestic absorptive capacity and delivered progressively using national systems. Careful prioritization of policies and reforms is critical. Both partners recognize that a deeper understanding of the political economy of fragile states facilitates more effective program design, a more realistic pace of reforms, and better-focused capacity-building. At the same time, they understand that to make a difference, assistance must be deployed and adjusted quickly because circumstances can change rapidly. That is why it is necessary to aim for quick wins that will lay the groundwork for medium- to long-term stability.

Since 2012, the EU has been providing budget support through State-Building Contracts (SBCs) to countries dealing with fragility or transition. The objectives and expected results of an SBC are to support the maintenance of peace and security; promote
governance, human rights, and democracy; support progress toward development; and deliver basic services to the population. Building the state means promoting a well-structured and functioning public administration, an efficient public financial management system, and transparent and accountable planning and budgeting systems in order to help the authorities to gradually restore macroeconomic stability.

**Guinea-Bissau:** After years of instability, the new, peacefully elected authorities needed support in rebuilding the state. The coordinated work of the IMF and the EU made it possible to sign a State-Building Contract very quickly. The EU also financed several IMF public financial management experts on, e.g., public accountability, budget, financial control, and the supreme audit institution.

**Central African Republic:** Severely weakened by a deep political and security crisis, the Central African Republic has benefited from two EU State-Building Contracts. This support has only been possible because of the rigorous analysis, mutual support, and close coordination of the EU and the IMF; it has been complemented by EU-financed IMF technical assistance on public financial management.

**Togo:** In response to the long-troubled political situation, and taking into account weaknesses in the state structure, at the end of 2012 the EU provided a State-Building Contract to Togo. The capacity development component of the State-Building Contract includes IMF experts to reinforce public accounting.

**South Sudan:** As an example of its commitment to helping fragile states become more resilient, in 2012, with financing from the EU and other donors, the IMF established the South Sudan Trust Fund for Capacity Building on Macroeconomic Statistics and Policies. Long-term advisors supported by the trust fund are working with the Bank of South Sudan (BSS), the Ministry of Finance and Economic Planning (MFEP), and the National Bureau of Statistics (NBS).

*Developing a Shock Absorber Scheme for Low Income Countries*

Many developing countries are subject to large and recurrent adverse exogenous shocks that impose both steep short-term output and welfare losses, as well as prolonged slowdowns in economic growth and long-lasting negative development effects. To help countries lessen their impact, the EU has been working, in close cooperation with the IMF, on a mechanism to monitor and identify external shocks that have macroeconomic impact. The work is taking into account past experience with the FLEX and V-FLEX instruments under the Cotonou Agreement and recent IMF research.
Two criteria were formulated to identify countries that may need such support:

- The likely occurrence of exogenous shocks, such as economic crises, natural disasters, or acute food security shortages; and
- The lack of government fiscal space to respond to them effectively.

The mechanism presents various advantages. By specifically addressing the macroeconomic effects of shocks, it will fill a gap in the existing toolbox of assistance modalities, by complementing existing emergency relief to disaster-affected populations, and encourage longer-term projects for reconstruction and resilience building. The mechanism focuses on countries most in need (including small island developing states) and is forward-looking, countercyclical, and based on short-term needs and the fiscal capacity of the government at the time of the shock.

The goal is to restore the fiscal capacity of governments to put into practice development policies to reduce poverty and to avoid the possibility that a crisis could compromise urgent policy priorities. Use of the shock absorber will be part of a coherent policy response by the country itself and consistent with the EU cooperation framework with that country, embedded in the multi-year National Indicative Programme that sets the priorities and the financial envelope for each partner country.

The EU and the IMF will cooperate closely in monitoring and applying the shock absorber instrument, through coordinated discussions with the government, and regular information exchanges between the EU and the IMF.
EU-IMF COLLABORATION IN PRACTICE

The IMF and the EU partner in a number of capacity development vehicles, which provide a ‘menu’ of modalities customized to country and regional needs. These include Regional Technical Assistance Centers (RTACs), Topical Trust Funds (TTFs), Country Trust Funds, and bilateral agreements. Modalities for delivering technical support to IMF member countries vary from long-term hands-on work by resident advisors to shorter technical assistance missions or expert visits on specific issues, and are tailored to country needs. In addition, IMF resident representatives working within different countries play an important role in identifying capacity development priorities, working with the government, EU Delegations, and other technical assistance providers in the field to ensure complementarities of efforts. Training, which is often delivered in conjunction with technical assistance, helps to boost the absorption capacity of partner countries.

The RTACs anchor IMF technical advice regionally, and provide flexible, high-quality, and medium-term technical support to their regional member countries in close coordination with other donors active in the region. Recognizing that neighbouring countries often have similar capacity development needs that can best be served through a regional approach, the IMF launched the Pacific Financial Technical Assistance Center (PFTAC) in 1993, based in Fiji. The PFTAC proved to be of high value in helping member countries to build professional and institutional capacity to design and apply policies that promote growth and reduce poverty; in 2001, another center was opened in Barbados for the Caribbean region (CARTAC). Today there are nine full-fledged RTACs across the world.

RTACs are an important building block for promoting sound financial and economic management, and benefit from both economies of scale and proximity to their member countries. Regionally-based advisors can respond quickly to member requests with technical assistance and training that are custom-tailored to local conditions, hands-on and on-the-ground, tapping into local expertise, and guided by the strategic priorities of the IMF, the EU, and the other steering committee members.

The IMF also maintains a small number of TTFs, which have been set up to provide advice on specific topics that are closely linked to the agenda of Financing for Development. They support and draw on the IMF’s global experience and in-house analytical work, and complement other delivery modes of IMF technical assistance (e.g., through RTACs). Similarly, a small number of IMF country trust funds have been set up to provide focused capacity development for specific fragile/post-conflict states, which have large and distinct needs.
Sound governance and management of the RTACs, as well as the topical and country trust funds, are key to their success in terms of not only outcomes, but also in terms of buy-in, implementation, and donor coordination. Steering committees oversee the work of each RTAC and trust fund; they consist of representatives of recipient countries (in the case of RTACs), donors, and the IMF. The governance structure seeks to ensure that all stakeholders have an effective forum for exchanging ideas on how best to design and customize technical programs to the needs of individual countries in an effort to help them to strengthen economic sustainability.

The EU is a key strategic partner in all nine RTACs and in three of the IMF’s topical trust funds—tax policy and administration (TPA), managing natural resource wealth (MNRW), and the tax administration diagnostic assessment tool (TADAT)—as well as in the South-Sudan country trust fund. EU staff in delegations and in Brussels are actively involved in the governance, including by providing strategic guidance and advice through their participation in steering committees, involvement in mid-term evaluations and active coordination on the ground.

— Klaus Rudischhauser
Deputy Director-General, DG International Cooperation and Development

A comprehensive approach to capacity development must address areas such as the effectiveness of taxation systems, better spending patterns, and improved management of natural resources. The aim is to facilitate greater capacity for recipient countries to assume more responsibility themselves.
Regional Technical Assistance Centers

AFRITAC Network

The EU and the IMF
PFTAC (Fiji, 1993): The Pioneer

CARTAC (Barbados, 2001)
* Algeria, Djibouti, Morocco, and Tunisia will join METAC in 2016 when the next phase starts.

CAPTAC-DR (Guatemala, 2009)
What Participants Think of CARTAC Activities

Like all the RTACs, the Caribbean Regional Technical Assistance Center asks participants in the courses it conducts each year for their opinions about the value of what they learned. These responses were typical of the reactions of members of all the RTACs:

“I highly commend the efforts of CARTAC in providing outstanding support for the further development of statistics in the currency union. I wish to highlight the significant contributions by CARTAC towards strengthening the intra-regional statistical systems to produce and disseminate timely, high-quality and harmonised statistics....”

—Sir K. Dwight Venner, Governor, Eastern Caribbean Central Bank

“CARTAC’s assistance has been critical in helping Barbados through its PFM reform process. Recently, they provided an assessment of the existing monitoring and oversight processes relating to parastatals. Not only did CARTAC provide a framework for improvement, but they also continue to follow up on our progress and lend further assistance as necessary.”

—Nancy Headley, Permanent Secretary, Finance, Barbados

“This year, CARTAC has assisted Grenada in installing a cash management and forecasting function and has helped train two key staff. CARTAC also helped streamline our banking relations, closing many bank accounts, and strengthened our single treasury account process. While there is much to do, we have come a long way and can look back with pride on our achievements in the area of PFM Reforms.”

—Ambrose Obike, Accountant General, Grenada
Global Partnerships

Shared Objectives ● Joint Action ● Real Impact

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