Introducing Caucasus, Central Asia, and Mongolia Regional Capacity Development Center

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The views expressed herein are those of the authors and should not be attributed to the IMF, its Executive Board, or its management.
Agenda

• Background
• Operations and Governance
• Activities in FY 2022
• Project Identification and Work Program
• Summary
The IMF Regional Capacity Development Centers

**CCAMTAC** is part of a network of 17 IMF regional capacity development centers around the world, which help to develop countries’ policymaking capacity by transferring economic skills and best practices.

Source: IMF website
Overview: IMF-CCAMTAC

- The Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC) is a collaborative venture between the IMF, nine member countries, and development partners.

- The center focuses on capacity development (CD) services—a combination of technical assistance, workshops, seminars, and peer learning networks - tailored to regional needs, with the aim to respond flexibly to new priorities.

- CCAMTAC aims to deliver the results-oriented services to members in an agile, integrated, inclusive and efficient way by leveraging (i) the existing experience from other Regional Capacity Development Centers, (ii) the use of technology, (iii) alternative delivery modalities, (iv) the expertise of members and partners, and (v) ongoing innovations.
CCAMTAC Covers a Diverse Set of Countries

**Lower-middle income countries:** Kyrgyz Republic, Mongolia, Tajikistan, Uzbekistan

**Upper-middle income countries:** Armenia, Azerbaijan, Georgia, Kazakhstan, Turkmenistan

**Oil exporters:** Azerbaijan, Kazakhstan, Turkmenistan, Uzbekistan

**Oil importers:** Armenia, Georgia, Kyrgyz Republic, Mongolia, Tajikistan

**Very High HDI:** Kazakhstan, Georgia

**High HDI:** Armenia, Azerbaijan, Mongolia, Uzbekistan, Turkmenistan

**Medium:** Kyrgyz Republic, Tajikistan

**Lower-middle income countries:** Kyrgyz Republic, Mongolia, Tajikistan

**Upper-middle income countries:** Armenia, Azerbaijan, Georgia, Kazakhstan, Turkmenistan

**Energy Endowments**
- Georgia: SBA (6/2022)
- Armenia: SBA (05/2019)
- Kyrgyz Republic: RFI/RCF Blend (05/2020)
- Tajikistan: RCF (05/2020)
- Uzbekistan: RCF/RFI Blend (05/2020)
- Mongolia: RFI (06/2020)

**Human Development Index**
- Very High HDI: Kazakhstan, Georgia
- High HDI: Armenia, Azerbaijan, Mongolia, Uzbekistan, Turkmenistan
- Medium: Kyrgyz Republic, Tajikistan

**Level of Income**
- Very High HDI: Kazakhstan, Georgia
- High HDI: Armenia, Azerbaijan, Mongolia, Uzbekistan, Turkmenistan
- Medium: Kyrgyz Republic, Tajikistan
- Lower-middle income countries: Kyrgyz Republic, Mongolia, Tajikistan

**Source:**
- Oil exporters: IMF World Economic Outlook
- Oil importers: IMF World Economic Outlook
- Level of Income: World Bank
- Human Development Index: UNDP

For recent developments and data see: IMF World Economic Outlook, and Regional Economic Outlooks: Middle East and Central Asia and Asia and Pacific.
IMF CD Strategic Priorities in the CCAM in FY23-24

Demand
• Demand is projected to rise across the board, as continuing pandemic and emerging economic challenges magnify pre-existing vulnerabilities

Topics
• Revenue administration, PFM, tax policy, expenditure policy
• Financial supervision, central bank operations, debt management, systemic risk and stress-testing, bank resolution
• National accounts, government finance, and BOP statistics

Integration
• With IMF surveillance and program priorities
• Increasing coordination with other development partners

Modalities
• Blended (virtual and face-to-face)
• Increased proximity and country tailoring
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Progress with Setting-up CCAMTAC

**Steering committee**
- Formally launched CCAMTAC virtually
- Endorsed role of steering committee
- Endorsed workplan Feb.- April 2021

**Start-up phase**
- Implemented workplan
- Hired three local staff
- Completed Resident Advisor hiring process
- Development of indicative FY22 workplan

**Steering committee**
- CCAMTAC update and strategy
- Indicative workplan for FY2022 approved

**Physical opening**
- Physical opening delayed because of pandemic
- High-level event for physical opening

- End-Jan. 2021
- June 2021
- 2022/23
CCAMTAC Operational Aspects

- **Start of operations**: February 2021, **Physical opening in Almaty**: Late 2022 – Early 2023

- **Focus on areas of greatest need (7 Resident Advisors)**:
  - **Macroeconomic analysis (1 advisor)**: macro-frameworks, financial programming (FP2.0), forecasting and policy analysis, debt dynamics, near-term forecasting to “macroeconomic frameworks for financial programming”
  - **Fiscal policy (2 advisors)**: public financial management, macro-fiscal issues, revenue administration
  - **Monetary and financial sector (2 advisors)**: central bank operations and financial regulation and supervision
  - **Macroeconomic statistics (2 advisors)**: national accounts, price, and government-finance and debt statistics

- **Envisaged Innovations**
  - Macro-fiscal peer group; integration with training at regional centers; leverage pipeline of analytical work, explore options of using more local experts, regional research seminar
  - New technologies

- **Deeper local partnerships**
  - Coordinate expertise in the field with other IFIs and donors
CCAMTAC Governance Structure

- CCAMTAC is guided by a Steering committee (SC) comprised of the IMF, country representatives, and development partners.

- SC responsibilities are to provide strategic guidance and priorities; endorse the annual work plan and budget; and review annual reports.

- SC Secretary, namely the CCAMTAC Director, will keep the SC informed about important developments and organize committee’s meetings and communication.
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CCAMTAC Members and Partners Expectations

1. Fostering communication and regional collaboration
   • Strengthen regional knowledge
   • Sharing and regional integration

2. Building capacity in analytical skills
   • Upgrading familiarity with new or updated tools (stress-testing, modeling, debt analysis) and research to support policymaking

3. Traditional and New Topics
   • Finding the right balance between traditional needs (fiscal, monetary, exchange rates) and emerging topics (climate, digitalization, gender, etc.)

4. Leveraging local and regional skills
   • Help translate international experience to local needs
   • Build capacity

5. Ensuring integration of CD
   • Integration of all of Funds’ CD (HQ, RCDC, TTF)
   • Integration of CD with surveillance and lending

6. Coordination with other partners
   • Avoid duplication of effort and increase complementarity
# Overview - Fiscal Year 2022 (May 2021 – April 2022)

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1/ FP2.0: Financial Programming 2.0; FPAS: Forecasting Policy Analysis System.  
2/ AB: Accounting and Budgeting; FR: Fiscal Risks; MF: Macro Fiscal.  
5/ AS: Accounting Standards (IFRS9); RM: Risk Management; RS: Risk-Based Supervision.  
Regional Activities in FY2022

Regional Workshops

- **Government Finance Statistics and Public Sector Debt Statistics** (September 13-17, 2021). Workstream: GFS and PSDS

- **Dollarization Issues in CCAM Region** (September 21-22, 2021). Workstream: Monetary and FX Operations

- **Informal Economy from a Tax Administration Perspective** (November 10-12, 2021). Workstream: Revenue Administration

- **Strengthening Public Investment Management Institutions (PIMA)** (January 24-27, 2022). Workstream: PFM

- **Monetary Policy Instruments and Operational Frameworks** (February 1-3, 2022). Workstream: Monetary and FX Operations

- **GFS and PSDS: Sectorization** (February 8-9, 2022). Workstream: GFS and PSDS

- **Liquidity Management and Forecasting** (February 15-16, 2022). Workstream: Monetary and FX Operations

Regional Activities in FY2022 (cont.)

Regional Workshops

- **Use of DSGE models in policy environment** (March 1-3, 2022). Workstream: Macroframeworks
- **Follow-up workshop on Liquidity Forecasting Framework** (September 13-17, 2021). Workstream: Monetary and FX Operations
- **Digital Transformation of Revenue Administration** (March 15-16, 2022). Workstream: Revenue Administration
- **Monetary Operations and Collateral Framework** (March 15-16, 2022). Workstream: Monetary and FX Operations
- **Corporate Governance** (March 17, 2022). Workstream: Financial Sector Regulation and Supervision
- **Projecting Debt Dynamics and Fiscal Paths** (March 21-25, 2022). Workstream: Macroframeworks
- **Modern Approaches to Tax Audit** (April 5-6, 2022). Workstream: Revenue Administration
- **Strengthening Tax Policy in CCAM** (April 5-7, 2022).
- **Managing the Relationship with Large Taxpayers** (April 20-21, 2022). Workstream: Revenue Administration
Regional Activities in FY2022 (cont.)

Webinars


✓ Discussion on Macroeconomic Frameworks / Financial Programming 2.0 (May 19, 2021). Speakers - IMF

✓ IMF Online Learning: Shaping the Future of Capacity Development (August 26, 2021). Speakers - IMF, CCAMTAC; intervention - Georgia

✓ IMF’s Engagement on Climate Issues (November 16, 2021). Speaker - IMF; interventions - Georgia

✓ Debt Investment Growth and Natural Resources (DIGNAR) Model (November 23, 2021). Speakers - IMF
Regional Activities in FY2022 (cont.)

**Webinars**

- **Regional Economic Outlook: Analytical Chapter Outreach** (December 9, 2021). Speakers - IMF
- **State-Owned Enterprises** (February 2, 2022). Speakers - IMF, WB, EBRD; interventions - Azerbaijan, Georgia, Uzbekistan
- **Green Public Financial Management** (February 10, 2022). Speakers - IMF, Switzerland
- **Climate Change and Fiscal Policies** (February 17, 2022). Speaker – IMF; intervention - Tajikistan
- **Regional Integration** (February 24, 2022). Speakers - ADB, CAREC Institute
- **Central Bank Digital Currencies** (March 10, 2022). Speakers - IMF, Kazakhstan
- **Inclusive Growth** (April 14, 2022). Speakers - IMF
Regional Activities in FY2022 (cont.)


- Sterilized interventions may be not so sterilized (October 5, 2021). Presenter - Georgia, discussant - CCAMTAC


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• Background
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TA Projects – Identification, Prioritization

- Demand from member countries (country authorities)
  - E.g., during surveillance / lending / CD missions, Spring or Annual Meetings
  - Letter from Minister / Governor to confirm request
  - Objectives of TA

- Internal Validation
  - Ensure request is not part of another project
  - IMF area of expertise

- Prioritization of demand by country teams
- Prioritization across countries (by workstream)
- Resource availability and work of other development partners
- Decision, refinement, implementation (Logframes)
  - Country mission chief needs to agree to scope and timing of a CD mission
  - Review during the year
### CCAMTAC Workplan: CD Projects by Workstream (FY 2023, Indicative)

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**Notes:**
- FP2.0/FPAS: Fiscal and Public Sector Analysis
- FR(SOE): Fiscal and Revenue Systems
- AB: Accounting
- FT: Financial Techniques
- PIMA: Public Investment Management and Analysis
- RA: Revenue Administration
- TA: Tax Administration
- OF LM: Other Financial Management
- MO: Money and Operations
- RR: Reserve and Reconciliation
- CG/RS/LIC: Corporate Governance/Regulation/Liability
- RS (Multitopic): Reserve Systems
- SE: Statistical Education
- CPI: Consumer Price Index
- HFI: Human Financial Indicators
- RPPI: Real Public Product and Private Activity
- QNA: Quantitative Non-Accounting
- NA: Not Applicable
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Summary CCAMTAC: A Major Step to Deepen Engagement with the Region

- CCAMTAC TA will help beneficiary countries strengthen policy frameworks and support growth objectives.
- CCAMTAC priority areas are fully aligned with the IMF’s overarching CD strategy and areas of expertise.
- The center’s strategy and objectives span priority areas in macroeconomic, fiscal, monetary, ER, and financial policies, as well as statistical issues.
CCAMTAC Website [https://ccamtac.imf.org/](https://ccamtac.imf.org/)

- Learn the latest news (IMF, Capacity Development and other important links)
- Enquire information on the regional Technical Assistance
- Check available webinars and seminars
- Check the Center’s Program document and newsletters
- Be aware of upcoming events and workplan