



## REGIONAL TECHNICAL ASSISTANCE CENTER IN WEST AFRICA 2

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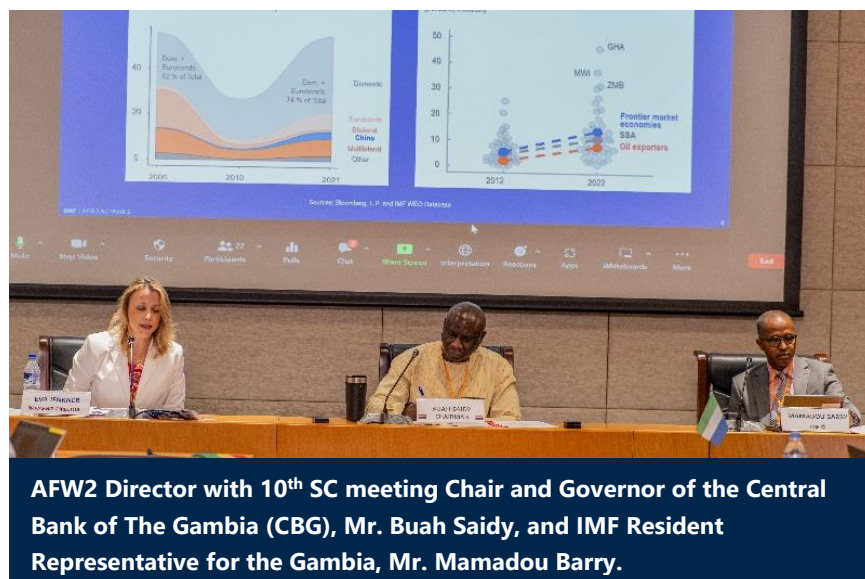
#### AFW2 Member Countries



#### AFW2 Development Partners

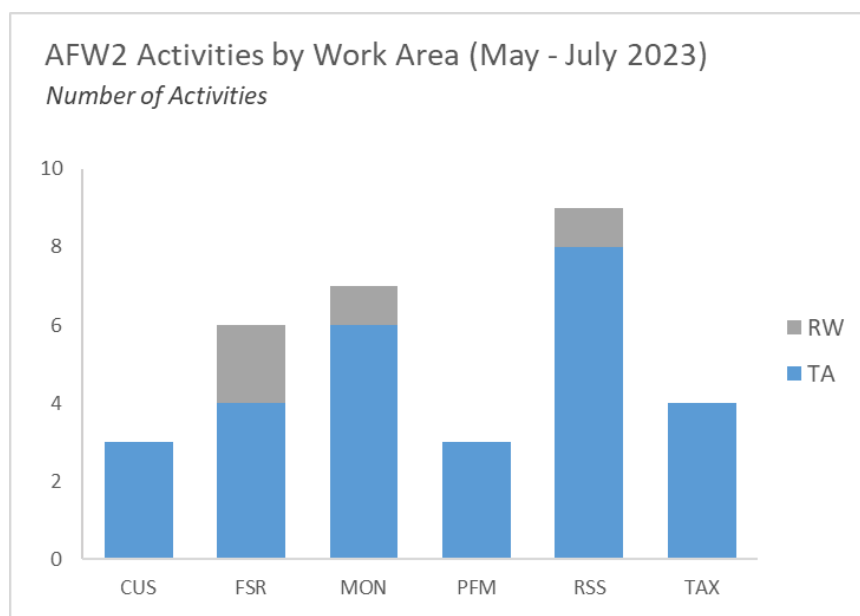


# HIGHLIGHTS



**The 10<sup>th</sup> AFRITAC West 2 (AFW2) Steering Committee (SC) Meeting was held in Serrekunda, The Gambia on June 20, 2023.** The meeting, chaired by the Governor of the Central Bank of The Gambia, Mr. Buah Saidy, included a panel discussion on helping the region address climate change and elicited lively debate.

Through interactive group discussions, AFW2 invited delegates to share insights from their partnership with AFW2 and help strategize for the next phase, to launch in May 2024.



**This quarter kicked off fiscal year (FY) 2024, as workplan execution gathered momentum.** In all work areas, 32 activities, comprising 28 TA missions and four regional workshops, were executed collaboratively with regional and international partners. All member countries in the region received TA in at least one of the work areas and

benefited from peer-learning during the workshops. Ghana, Nigeria, and Sierra Leone hosted three of the regional workshops. AFW2 continued to leverage partnerships for regional activities, with one interregional workshop with AFRITACs East and South in Addis Ababa, Ethiopia, and another with the West African Institute for Financial and Economic Management (WAIFEM) in Accra, Ghana.

# AFW2 PLEDGES TO SUPPORT ECONOMIC RECOVERY AT 10<sup>TH</sup> AFW2 SC MEETING



AFW2 SC delegates at the 10<sup>th</sup> Steering Committee Meeting, June 20

The IMF's Regional Technical Assistance Center for West Africa 2 (AFW2) held its 10<sup>th</sup> Steering Committee in The Sir Dawda Kairaba Jawara International Conference Center, Serrekunda, The Gambia on June 20, 2023. [The proceedings were chaired by the Governor of the Central Bank of the Gambia, Mr. Buah Saidy.](#)

The AFW2 SC was [duly represented](#), both in-person and virtually, by many beneficiary institutions from the member countries, IMF CD departments and development and regional partners, including the Foreign, Commonwealth & Development Office (FCDO), Swiss State Secretariat for Economic Affairs (SECO), the European Commission, GIZ and the European Investment Bank.

[Presentations and delegates' interventions focused on the center's support to the region](#) in tackling the effects of recent global shocks, including limited liquidity, exchange rate pressures, and high inflation, and sustaining economic recovery.

During a panel on ["Supporting the Region in Confronting Climate Change"](#), lively discussions centered around specific support needed to help members confront the perils of climate change. AFW2 partners and beneficiaries discussed promoting the region's resilience to climate change through improved data, incorporation of adaptation strategies into all levels of governance, and better availability of financing.

Planning for the upcoming fiscal year (FY) and Phase III was discussed through the lens of sustainability. AFW2 pledged a strong focus on helping members mobilize and manage their resources, balance inflation and growth objectives, and prepare sound economic statistics for effective policy decisions. [Breakout discussions](#) provided valuable inputs on priority topics, CD delivery strategies, strengthened partnerships towards better quality CD, and overall AFW2 governance.

# CD HIGHLIGHTS BY WORK AREA (MAY – JULY)

## TAX ADMINISTRATION



*Henry Gaperi*  
Tax Regional Advisor

**AFW2 support to revenue administrations continued in FY 2024, with the objective of improving domestic revenue mobilization.** Nigeria's Tax Administration Diagnostic Assessment Tool (TADAT) assessment was concluded in May, and its findings shared with the authorities. Liberia Revenue Authority was supported to improve tax exemptions management capacity. AFW2 continued to help Ghana and Liberia strengthen both institutional and compliance risk management.

## CUSTOMS ADMINISTRATION



*David Smith*  
Customs Regional Advisor

**Work continued to develop and improve core customs procedures in The Gambia, Liberia, and Nigeria.** Officials of the Nigeria Customs Service received training to build capacity in customs risk management, while officials in the Liberia Revenue Authority and Gambia Revenue Authority were supported to build capacity in customs border controls.

**An IMF HQ mission, led by HQ expert, Mr. Thabo Letjama, and joined by both AFW2 revenue administration advisors, supported the Ghana Revenue Authority (GRA) to develop a Medium-Term Revenue Strategy (MTRS).** The MTRS forms a component of the ongoing IMF-supported program in Ghana and is expected to be finalized by the end of September 2023.



**HQ Expert, Mr. Thabo Letjama, and AFW2 Customs Advisor, David Smith, with representatives of customs brokers and freight forwarders in Ghana.**



## PUBLIC FINANCIAL MANAGEMENT AND MACRO-FISCAL POLICY

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*Kubai Khasiani*  
PFM Regional Advisor



*Phyllis Makau*  
PFM Regional Advisor

**Three missions in PFM helped build budget management and macro-fiscal capacity in Cabo Verde, The Gambia and Liberia.** CD to the Ministry of Finance in Cabo Verde assisted the officials from the Macro Fiscal Analysis and Debt Management Departments in determining the Net Present Value (NPV) of Debt to support enhanced monitoring of the

ongoing IMF Program. As a follow-up to training delivered in November 2021, AFW2 assisted the Departments of Budget and Planning in the Ministry of Finance and Economic Affairs to develop gender priorities and guidelines for piloting gender-responsive programming and budgeting in The Gambia. An HQ-led mission to Liberia also helped establish budget execution and control reforms.

## MONETARY POLICY & FX OPERATIONS AND PAYMENT SYSTEMS (MONOPS)

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*Gani Gerguri*  
MONOPS Regional Advisor

**During the first quarter of FY24, AFW2 delivered 7 TA missions and one interregional workshop on monetary policy analysis and forecasting, foreign exchange (FX) market policy and operations, and financial market infrastructures (FMIs).** The Central Bank of The Gambia was assisted to further develop a forecasting and policy analysis system (FPAS), while the Bank of Sierra Leone received assistance in improving monetary policy analysis and near-term forecasting capabilities. Two TA missions to CBG and the BSL were focused on improving FX market operations. Banco de Cabo Verde and

CBG were supported to improve oversight and risk management frameworks for FMIs, Bank of Ghana also received assistance to review the Self-Assessment Report on RTGS system against the CPMI-IOSCO Principles for FMIs.

## FINANCIAL SECTOR SUPERVISION AND REGULATION

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*Vitus Ukwuoma*  
Financial Sector Supervision  
Regional Advisor

**AFW2 supported The Gambia, Ghana, Nigeria, and Sierra Leone with building capacity in the regulation and supervision of the financial sector.**

The Gambia received assistance to develop a baseline expected credit loss (ECL) model for assessing the credit risk assumptions of banks and the adequacy of provisions under the International Financial Accounting Standards (IFRS) 9. Ghana and Nigeria's supervisory staff also received practical training on key aspects of IFRS 9, especially on the ECL provisioning, using case-studies of locally regulated banks. A technical support to Sierra Leone enhanced the knowledge of foreign exchange regulation and supervision for supervisors. The training focused on methods for assessing banks' compliance with relevant regulations governing foreign exchange activities, including the effectiveness of internal controls at the banks.

## REAL SECTOR STATISTICS

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*Elirjeta Pepaj*  
Statistics Regional Advisor

**Work in statistics continued to support AFW2 member countries in the development of key national accounts and price statistics, and build related institutional capacity.**

In Cabo Verde, Ghana, Liberia and Nigeria, missions supported the development and update of both CPI and PPI statistics. In the area of national accounts, statistical services in Cabo Verde, Liberia and Nigeria made progress on rebasing GDP figures, while a mission to The Gambia supported further development of quarterly GDP. With assistance from the Data for Decisions (D4D) project of the IMF and in close coordination with AFW2, Ghana has been supported in assessing the availability of data for developing a Monthly Indicator of Economic Growth (MIEG) and climate statistics.

# REGIONAL WORKSHOPS AND PROFESSIONAL ATTACHMENTS



**Group photo of all participants of the workshop on FX Policy & Operations**

**In cooperation with the IMF's Monetary and Capital Markets Department, AFRITAC West 2, AFRITAC South and AFRITAC East organized a joint workshop on Foreign Exchange Policy and Operations in Addis Ababa, Ethiopia (July 24-28, 2023).** In total, 87 central bank officials attended the workshop, of which 54 in-person and 33 online. The workshop was opened by the Governor of the National Bank of Ethiopia, whereas concluding remarks were delivered by Mr. Romain Veyrune, Deputy Division Chief of the Central Banking Operations Division at the IMF's MCM. The objective of the workshop was to support the central banks from all three regions to strengthen their capacity for improving FX policies and operations and development of the FX market. The workshop was held at a very opportune time, given the current foreign exchange policy and exchange rate

challenges encountered by many countries in the region. Key challenges include the need to optimize FX policies to mitigate the spill-over effects of global monetary policy in the wake of the war in Ukraine and the normalization of monetary policies in advanced economies following the global financial crisis in 2007/08 and the Covid-19 pandemic.



**Participants at the joint AFW2/WAIFEM workshop on improving risk-based supervision for NBFIs**

**A joint AFW2/WAIFEM workshop on improving risk-based supervision for non-bank financial institutions (NBFIs) was held in Accra, Ghana (July 3 – 7).**

The Second Deputy Governor of the Bank of Ghana, Mrs. Elsie Addo Awadzi, opened the workshop, encouraging participants to strategize their country's approach to regulating NBFIs to ensure

consumer confidence and financial inclusion for the underserved. Participants, comprising 21 senior supervisors from the 6 member countries and the West African Monetary Institute (WAMI), delivered presentations on portfolio tracking practices, challenges, and outlook, and shared their experiences. Participants expressed gratitude for the opportunity to enhance their knowledge in international and regional best practices for regulation of NBFIs.



**Participants at the 1<sup>st</sup> AFW2 CD in insurance supervision, focusing on regional implementation of IFRS 17.**

**A regional workshop in Abuja, Nigeria (July 28 – August 8) focused on introducing IFRS 17.**

AFW2's first CD in insurance supervision focused on improving regional implementation of IFRS 17 and establishing a baseline understanding of compliance with insurance core principles in the region. Participants from each of the 6-member countries shared their current supervisory practices,

challenges, and areas of CD support, and fully participated in the interactive sessions. During the workshop, each country was assisted to develop relevant milestones to improve IFRS 17 project plan (Ghana and Nigeria), or a comprehensive integrated project plan, including legal framework, risk-based capital, and milestones (Cabo Verde, Liberia, Sierra Leone, and The Gambia). Areas for future CD support were identified and discussed with participants.



**Participants at the joint AFW2 workshop on Producer Price Index statistics**

**A regional training on [Producer Price Index](#) was conducted in Freetown, Sierra Leone (May 22 – 26).**

This one-week workshop focused on building capacity to compile the Producer Price Index (PPI). The course consisted of lectures covering methodological and compilation issues such as: (i) PPI conceptual and development issues, (ii) data sources for weights development and sample selection, and (iii) index coverage and compilations issues. The

program included several exercises that encouraged interactive discussions among 19 participants from the six countries and provided hands-on experience.





## OUTREACH AND PARTNER COOPERATION



In May 2023, AFW2 hosted Ms. Christelle Weckend and Mr. Julien Bandiaky of the African Development Bank Group to discuss the region's capacity development needs and opportunities for coordination.

**AFW2 Director, Eva Jenkner, PFM Advisor, Phyllis Makau with Ms. Weckend and Mr. Bandiaky at the AFW2 head office.**