



Highlights



I am thrilled to share with you the first update from the Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC), which is part of the IMF’s [network](#) of 17 such centers worldwide. This newsletter covers recent activities since the [inaugural steering committee](#) in late January, 2021.



Norbert Funke, Director, CCAMTAC

2021 will be a decisive year for the region and for CCAMTAC. Economic policies will shape the recovery and lay the groundwork for more inclusive and resilient growth, as discussed in the last [Regional Economic Outlook](#) from the Middle East and Central Asia Department. CCAMTAC’s capacity development (CD) support will continue to be guided by member countries’ needs to tackle this agenda.



In close cooperation with IMF Capacity Development Departments, CCAMTAC has started to provide regional and country-specific technical assistance (TA), already covering a broad range of issues and responding to new demands.

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Regional seminars focused on debt dynamics, public financial management issues, and other COVID-19 related issues. Cyber security, debt management and remittances were discussed during webinars. Country-specific TA focused on macroframeworks, revenue administration, public financial management, monetary and foreign exchange operations, and statistical issues. In a meeting with other International Financial Institutions last month, we provided an update on CCAMTAC and discussed CD priorities, as a step towards even stronger cooperation.

Finally, I am pleased to welcome China joining as a new donor partner and to report that the CCAMTAC’s local team is growing as planned. Its first three staff joined the virtual Almaty office, two resident advisors are joining this month, and the selection process for the remaining resident advisors is almost completed. In all these endeavors, the support from many colleagues in Washington, other Regional Capacity Development Centers, the host country Kazakhstan, other member countries, and development partners has been critical—a big thank you to all. Please reach out to me with any questions and suggestions.

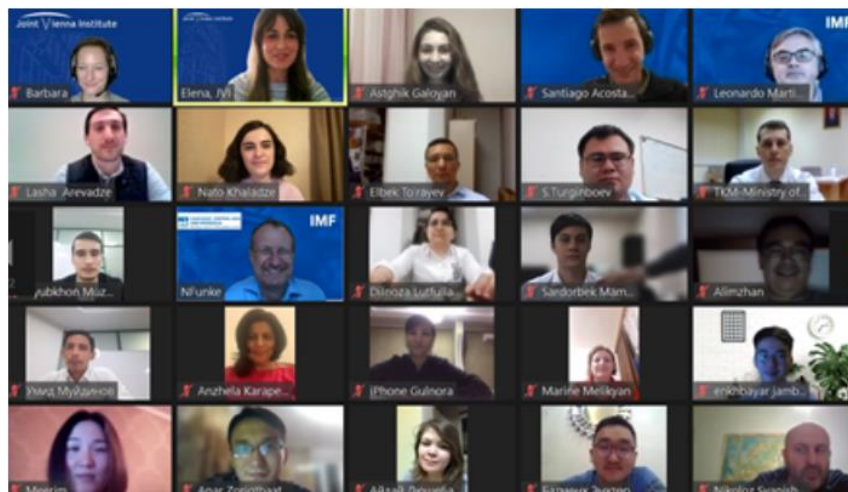
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CCAMTAC’s development partners (external donors): Asian Development Bank, China, Korea, Poland, and Switzerland



Recent Activities by Workstream

Macroeconomic Frameworks:



Regional Workshop Debt Dynamics (March 15–24, 2021). With debt rising in many countries in the region, a regional workshop, jointly organized with the Joint Vienna Institute (JVI), the Singapore Training Institute (STI), and CCAMTAC focused on the key analytical concepts related to debt dynamics, making use of an Excel-based Public Debt Dynamics Tool (DDT) by the

IMF Institute for Capacity Development (ICD), and an hands-on application of the tool to 8 participants' countries. To promote the integration of surveillance and TA, a panel discussion by three mission chiefs complemented the workshop. The seminar culminated with country presentations by participants, demonstrating their knowledge to understand how public debt is expected to change over time, perform scenario analyses, and assess fiscal adjustment paths to achieve a user-defined public debt target. Follow-up activities will be planned in FY22.

Azerbaijan: Macroframeworks (March 29–April 2, 2021). As response to a new request, a virtual TA mission made concrete proposals to streamline the list of macroeconomic indicators that the Ministry of Economy (MoE) prepares as input for the Ministry of Finance (MoF) for the preparation of the medium-term expenditure framework (MTEF). In determining the list, two angles were considered: the necessary cross-sectoral input needed by the MoF for their projection tools; and the macroeconomic forecast disclosure practices that would ensure transparency and accountability. In addition, the mission initiated some scoping for a requested future FP2.0 TA project to review and strengthen the current macroeconomic forecasting tools and processes. The mission also provided information on good practices regarding the publication of macroeconomic forecasts.

Uzbekistan: Macroeconomic framework / financial programming (FP2.0) project (March 15–19, 2021). As part of the ongoing project, the TA mission and the interagency core macro team discussed several amendments and additions to the authorities' macroframework to introduce more granularity, better take account of external developments, and refine projection methods. Benefiting from the virtual delivery, a wider group of staff followed the mission meetings. The core team aims at implementing discussed changes to the macroeconomic framework. A follow-up virtual TA mission to continue work on the framework is planned for May.

Public Financial Management:

Regional Workshop I - An Introduction to Rolling Baselines (March 29–April 1, 2021). The workshop contributed to the strategic objective of "comprehensive, credible and policy-based budget preparation". As several countries in the region are upgrading or implementing rules-based medium-

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term fiscal frameworks, the preparation of budget baseline estimates helps underpin the credibility of medium-term fiscal frameworks and supports fiscal discipline and compliance with fiscal rules. The seminar introduced participants to key concepts related to the preparation of budget baseline estimates; discussed the methodology for their preparation and their role in supporting budget preparation; and outlined the institutional roles and responsibilities for their preparation.

Regional Workshop II. - Assessing the Fiscal Risks of State-Owned Enterprises (April 19–21, 2021). The workshop aimed at supporting countries to strengthen the fiscal oversight of state-owned enterprises (SOEs) and better assess and manage related fiscal risks. The workshop helped participants understand the common risks that can emanate from the SOE sector and analytical approaches for assessing them; provided an overview on the use of the SOE Health Check Tool from the Fiscal Affairs Department which is designed to assess financial vulnerabilities and fiscal risks from SOEs; discussed institutional approaches to strengthen oversight of SOEs; and good practices and country illustrations on how to report information on SOE-related fiscal risks in budget documents.

Uzbekistan: Supporting Annual Budget Preparation (April 7–26, 2021). Building on significant progress in recent years to strengthen the PFM system, including expanded budget coverage, improved fiscal reporting, and enhanced accountability with the establishment of the State Budget Law, an expert supported the annual budget preparation process for the 2022 budget cycle and the preparation of the Fiscal Strategy Paper. The expert reviewed the budget instructions, that are being issued for the first time, in accordance with revised budget procedures and the new budget calendar. The expert also discussed the content and structure of the Fiscal Strategy Paper (FSP).

Revenue Administration:

Armenia: Strengthened revenue administration management and governance arrangements (March 1–April 30, 2021). One focus of the authorities' reforms in revenue administration is on addressing tax non-compliance. *The Armenia State Revenue Committee (SRC)* has started implementing compliance risk management (CRM) methodologies in their organization based on earlier advice from the Fiscal Affairs Department. The TA has supported the authorities through an innovative "virtual help desk" approach. The assignment supports the ongoing development of the CRM strategy and provides advice on aspects of CRM governance and the implementation of SRC's roadmap plan. It contributes to achieving the outcome "Corporate priorities are better managed through effective risk management".

Tajikistan: Assistance with reviewing draft tax code (February 15–19, 2021). A declared objective of the tax reform is to strengthen job creation in the private sector by lowering the tax burden on businesses while broadening the tax base. An expert reviewed the draft Tax Code (TC) and provided written comments on tax administration aspects in the draft.

Monetary Operations:

Azerbaijan, Kazakhstan, Kyrgyz Republic, Mongolia, and Turkmenistan: Assessing TA needs and input in work plans (January 15–April 30, 2021). The missions reviewed past TA, assessed TA needs and will provide the future CCAMTAC resident advisor on central banking with a preliminary work plan tailored to each country's needs. At the same time, several cross-cutting themes emerged. Most countries are transitioning to or plan to transition to inflation targeting. Common monetary policy and operations issues relate to high dollarization, foreign exchange intervention policy, the impact of remittances and their volatility on monetary policy, the role of the ruble exchange rate, and

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the state of correspondent banking. The assessments were shared with the respective country authorities to help inform their capacity development plans.

Real Sector Statistics:

Regional workshop: The Impact of COVID-19 on the Compilation of National Accounts (March 29–April 2, 2021). The workshop launched CCAMTAC's CD program in real sector statistics and discussed country-specific baselines and technical assistance (TA) needs to develop targeted national accounts and price statistics work plans for the short- and medium-term. The workshop strengthened the awareness of COVID-19 related challenges in compiling GDP and focused on: (i) good practice to record government support to businesses and households; (ii) challenges in recording deferred delivery of, and payment for goods and services; (iii) challenges in measuring non-market production, and; (iv) country technical assistance (TA) needs and priorities for FY22. National accountants and price statisticians from all nine CCAMTAC member countries attended.

Uzbekistan: Multi-sector statistics (March 1–19, 2021). A remote multi-topic statistics diagnostic mission from the Statistics Department (STA) (i) assessed the collection, compilation, and dissemination practices for the datasets covered by the mission; (ii) identified key high-level priorities and developed a medium-term plan for statistical improvement and the associated capacity development (CD) needs; and (iii) developed a roadmap for subscription to the Special Data Dissemination Standard (SDDS). CCAMTAC will in the future help follow-up.

Webinars

The complex landscape today...



Four webinars / remote discussions took place, three of which were directly related to the implications of the COVID-19 pandemic: a webinar on cybersecurity (February 4), debt management (February 16), remittances (jointly with the JVI, March 4) and operational questions related to CCAMTAC (Ask CCAMTAC) (March 30). Presentations by IMF staff, complemented by presentations from several authorities who shared hands-on experience, provided good opportunities for peer learning. Participation of development partners further broadened the

discussion. The use of polling devices was also intended to make the webinars more interactive.

Upcoming activities

The workplan for the next months is still being finalized and the development of more detailed work plans will be facilitated once all resident advisors are in place. Current plans for May and June include:

- a follow-up macroeconomics framework (FP2.0) mission to **Uzbekistan**;
- a government finance statistics mission to **Azerbaijan** to assist the authorities with

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compiling and disseminating GFS according to the international statistical standards as these data are relevant for decision making;

- a follow-up revenue administration mission on compliance risk management to **Armenia**;
- a price statistics mission to **Azerbaijan**;
- a national accounts statistics mission to **Uzbekistan** and **Armenia**; and
- a follow-up discussion and coaching on debt dynamics to **CCAMTAC member countries**.

Upcoming webinars will focus on *Unwinding COVID-19 Policy Interventions for Banking Systems* (May 6), *Macroeconomic Frameworks / Financial Programming 2.0 (FP2.0)* (May 19). A webinar related to *online learning opportunities* is tentatively planned for June.

New staff



Aliya Zhakenova joined on April 1 as Office Manager, with experience in the governmental and private sector, including as Executive Assistant of the Director of USAID in Almaty, income auditor at Sheraton, Community Liaison Office Assistant at the US Embassy, and the hospitality sector. She holds an MBA from EAE Business School in Barcelona.



Yekaterina Issayeva joined on April 1 as Administrative Assistant, with a diverse set of experience, including as Key Account Manager from Hess Technology LLP, various positions at Siemens, and several term assignments as Administrative Assistant in the IMF Resident Representative Office in Almaty. She holds a bachelor's degree in finance from the Kazakh-German University in Almaty.



Azamat Seitkhamit joined CCAMTAC on April 12 as Administrative Assistant, with diverse experience, including as the Assistant to the Commercial Representative of India in the Indian Embassy in Nur Sultan and before as Monitoring Expert in the Center of Analysis and Information of the Ministry of Information and Communications. He holds a Bachelor degree in International Relations from L.N. Gumilyov Eurasian National University.



Levan Gogoberishvili, a Georgian national joined CCAMTAC on May 1, 2021 as the Real Sector Statistics Advisor. Prior to joining the Center, he has worked for four years as an Economist in the Real Sector Division of the IMF's Statistics Department. He has conducted several IMF technical assistance missions on national accounts, including to countries in the region (Kazakhstan and Uzbekistan). Prior to joining the IMF in 2017, he had worked for 11 years in the National Accounts Division of National Statistics Office of Georgia and was for five years the Head of National Accounts Division, overseeing the

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compilation and dissemination of the Georgian Annual and Quarterly National Accounts. He holds a MSc in Economics from the Tbilisi State University.



Tiina Tamm, an Estonian National, will join CCAMTAC on May 24. She has been working as a revenue and tax administration expert for the IMF's Fiscal Affairs Department and the World Bank during the past 7 years. She has worked in a diverse set of countries, including Bhutan, Georgia, Macedonia, Montenegro, Afghanistan, Tajikistan, and Ukraine on organizational structures, performance management, and other revenue enhancing measures.

Tiina started her career in the Estonian Customs Board in the early 1990s, continued in the Estonian Tax and Customs Board and proceeded to the Ministry of Finance of Estonia. She holds an MBA in International Management from the International University of Japan.



Martin Fukac will join CCAMTAC in July as Macroeconomic Frameworks, Financial Programming, Forecasting and Policy Analysis Advisor. He has worked as a senior advisor and economist for the New Zealand Treasury, Reserve Bank of New Zealand, U.S. Federal Reserve Bank of Kansas City, Czech National Bank, and an assortment of international institutions including the International Monetary Fund and the Bank for International Settlements. He has also served as a consultant and led a variety of technical assistance programs in the West Africa, Pacific, Central and South East Asia regions. His

work aimed at enhancing monetary and fiscal policy frameworks. Martin holds a master's degree in finance and banking from Masaryk University Brno, and a doctorate in economics from the State University New York and the Centre for Economic Research and Graduate Education, the Czech Republic.



Ivana Jablonská will start in CCAMTAC in August as Government Finance and Public Sector Debt Statistics Advisor (GFS and PSDS), joining from Eurostat. Ivana is a Slovakian national with more than 15 years of expertise in the GFS and PSDS area. During 2016-19, she spent three years in the IMF Statistics Department managing a project for improving fiscal transparency in Central Asia and South Caucasus and as a backstopper of the AFRITAC Central project for improving GFS and PSDS compilation. Ivana started her

professional career at the Slovakian Ministry of Finance and continued in Eurostat, mainly dealing with GFS data of the EU Members.

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Appendix I: CCAMTAC Work Plan Implementation February-April 2021

TA AREA	Objective	Title	Modality	Month	Planned Days delivery	Implementation Status
Armenia						
Revenue Administration	Improved tax administration and governance arrangement	Compliance risk management	Remote	March/April	10	March 1–April 30
Statistics	Strengthen macroeconomic and financial statistics	National accounts	Remote	April	5	Postponed to FY22
Armenia total					15	10
TA AREA	Objective	Title	Modality	Month	Days delivery	Implementation Status
Azerbaijan						
Macroeconomic Frameworks	Strengthen macroeconomic forecasting indicators	FP2.0 Pillar 1	Remote	March-April	Added to workplan	Completed. March 29-April 2
Azerbaijan total					n.a.	5
Kazakhstan						
Macro Fiscal Policies	Strengthened identification, monitoring, and management of fiscal risks	Fiscal risk follow-up	Remote	March	10	Rescheduled to FY22
Macroeconomic Framework	Building macroeconomic policy and forecasting capacity	FP2.0 Pillar 1	Remote	March	10	Rescheduled to FY22
Kazakhstan total					20	0

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TA AREA	Objective	Title	Modality	Month	Planned Days delivery	Implementation Status
Tajikistan						
Revenue Administration	Improved tax administration and governance arrangement	Review of tax administration aspects in the draft Tax Code	Remote	February	Added to work program	Completed February 5-19
Tajikistan total:					n.a.	5
Uzbekistan						
Revenue Administration	Improved tax administration and governance arrangement	Compliance improvement plan	Remote	March/April	10	FY22
Public Financial Management	Comprehensive, credible, and policy-based budget preparation	Annual budget process	Remote	February	10	Completed April 7-26
Macroeconomic Framework	Building macroeconomic policy and forecasting capacity	FP2.0 pillar 1	Remote	February/April	10	Completed: March 15-19, Follow-up mission scheduled May 10-14
Macroeconomic Statistics	Strengthen macroeconomic and financial statistics	Multi-sector diagnostic mission	Remote	March	10	Completed March 1-11
Macroeconomic Statistics	Strengthen macroeconomic and financial statistics	Price statistics	Remote	March	10	Completed: March 15-19
Uzbekistan total					50	35

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TA AREA	Objective	Title	Modality	Month	Planned Days delivery	Implementation status
Multi-Country TA						
Central Bank Operations	Strengthening monetary foreign exchange operations of central banks	Scoping to establish work plans	Remote	February - April	Variab.	Completed to Azerbaijan, Kazakhstan, Kyrgyz Republic, Mongolia, Turkmenistan
Financial Supervision and Regulation	Strengthen financial supervision and regulation	Scoping to establish work plans	Remote	February – April	Variab.	Rescheduled
Multi country TA total					Variab.	
Multi-Country workshops						
Public Financial Management	Comprehensive, credible, and policy-based budget preparation	Better budgeting an introduction to rolling baseline	Remote	February	3	March 29-April 1
Macro-Fiscal policies	Strengthened identification, monitoring, and management of fiscal risks	Understanding and assessing fiscal risks related to SoEs	Remote	March	3	April 19-21
Government Finance Statistics	Strengthen macroeconomic and financial statistics	Opening of GFS CD program	Remote	April	5	Rescheduled to FY22
Real sector statistics	Strengthen macroeconomic and financial statistics	Opening of National Accounts CD program	Remote	March – April	Added to work program 5	March 29-April 2
Multi country workshops total					16	16

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Training with JVI / STI	Objective	Title	Modality	Month	Days delivery	Implementation status
Regional Training in Cooperation with JVI and STI						
Debt dynamics and fiscal adjustment	Building macroeconomic policy and forecasting capacity	Projecting public debt and fiscal adjustment paths	Remote	March	8	Completed: March 15-24
Regional training in cooperation with JVI and STI total					8	8



Useful links:

[IMF press release on the opening of CCAMTAC](#) (February 1, 2021)

[IMF press release on CCAMTAC's signing ceremony](#) (December 24, 2020)

[IMF.org/CapDev](https://www.imf.org/CapDev)

[IMF network of Regional Capacity Development Centers \(brochure\)](#)

[IMF network of Regional Capacity Development Centers \(map\)](#)

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