

ANNUAL REPORT

October 2012



CARIBBEAN REGIONAL TECHNICAL ASSISTANCE CENTER (CARTAC)



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Statement by the Chairperson of CARTAC Steering Committee



It is a distinct pleasure to oversee the production of CARTAC's 2011 Annual Report. Despite its almost decade of existence, the report marks the first occasion on which the annual activities of CARTAC are being documented in this format. While CARTAC intends to continue its long tradition of transparency by providing detailed information on its activities throughout the year on its website (www.cartac.org), we hope that the report will be received by our stakeholders and the wider public as a valuable enhancement by summarizing the year's activities in a convenient and accessible format.

The Caribbean region benefited greatly from CARTAC's expertise and knowledge in 2011. In its tenth year of operation, the Centre continued to deliver a high quality of service largely meeting the objectives and targets set out in the work plan. CARTAC has responded quickly and flexibly in addressing the emerging challenges to fiscal and debt sustainability, financial sector development and macroeconomic management in the Caribbean. Demand-led programme activities were geared towards building technical capacity and enhancing the institutional capabilities of the region's finance ministries, revenue departments, central banks and other key government and public sector agencies. This has assisted several countries to develop the skills needed for effective economic and financial management in the challenging environment.

CARTAC achieved much success in 2011. CARTAC's TA is continuing to have a significant impact on building capacity in the region to support vital policy and institutional reforms. In public financial management, CARTAC focused on supporting some countries' efforts in developing and implementing reform action plans with an emphasis on strengthening budget preparation and execution including treasury management. In tax administration, CARTAC continued to support pre- and post implementation of VAT helping to bolster the revenue mobilization efforts of member countries' TA programs. Regional programmes play an integral role in the delivery of a high quality of technical assistance in credit union and insurance supervision and the pension industry, enabling participants to share experiences and exchange views on common problems and issues. Technical assistance activities also supported the deepening of capacity in macroeconomic programming analysis and macro-fiscal policy capability, including debt management particularly in the ECCU member countries. CARTAC's TA was also vital to member countries improving the quality and timeliness of economic statistics. TA was provided in the areas of national accounts, price statistics, and external sector statistics - balance of payments, international investment position (IIP).

To strengthen transparency and accountability, CARTAC adopted a Results Based Management (RBM) framework (with objectives, outputs, inputs, verifiable indicators and yearly milestones) to guide the development, implementation and assessment of its technical assistance programs.

I would like to thank the donors for their generous contributions to CARTAC. The Canadian International Development Agency (CIDA) continues to be the largest financial donor. Other contributors are the UK Department for International Development (DFID), Australian Agency for International Development (AUSAID), the International Monetary Fund (IMF), Caribbean Development Bank (CDB), European Union (EU), United Nations Development Programme (UNDP), and the Inter-American Development Bank (IDB). I would also like to thank the member countries who have committed to substantially increasing their contributions to the Centre ensuring that it will remain viable in service to the region. Our host country, Barbados, continues to provide excellent office facilities allowing the Centre to function effectively.

I express my gratitude to the members of the steering committee for ensuring that the principles of CARTAC are supported and upheld. Inevitably, there will be challenges ahead and I wish the CARTAC team another successful year.

Brian Wynter
Chairperson
CARTAC Steering Committee

Foreword by Centre Coordinator



It is an honor to deliver this first ever Annual Report for CARTAC's 2011 operations. I hope that this report will help member states, donors, and all CARTAC stakeholders to understand better what we do; why we do it and the impact it is having in the twenty member countries in which we conduct business.

For the uninitiated, CARTAC focuses on several core areas of capacity building, technical assistance and training: economic statistics; macro-economic management (financial programming and macro-fiscal); public financial management (tax and customs; public expenditure management); and financial sector supervision.

CARTAC has a dedicated staff, half of whom are international long term advisers with a hard working local staff. The outstanding work in 2011 is largely attributed to their efforts. However, in the absence of serious local counterparts in all member states, our efforts would fall flat. The Caribbean is commendable in this regard and we thank all of the public officials with whom we interact, without whose interest and efforts, we would have limited impact and success. Capacity building is a two way street, and the more we engage, the more intellectual capacity is shared - we all learn.

CARTAC's stakeholders include our important financial partners. This community has been expanding gradually, but we are extremely fortunate to have a major benefactor in the case of the Canadian International Development Agency, which leads our pool of supporters. Other important sustainers include the European Union, the UK Department for International Development, the Australian Agency for International Development, the Caribbean Development Bank, the Inter-American Development Bank, the United Nations Development Programme, and the International Monetary Fund.

Continuing weak economic conditions in the global economy, especially in the Caribbean's major trading partners, together with deteriorating macroeconomic performance in many of the region's economies, provided the backdrop to CARTAC's work programme in 2011. Our approved programme budget for Phase IV stood at \$62 million. However, donor commitments together with member country contributions (increased from Phase III) resulted in a budget gap of approximately \$12 million and to partially close the gap CARTAC reduced our long term advisers from ten to eight. While the high level of demand for CARTAC services continues unabated, we are constantly challenged to rationalize resources and do more with less. In this regard, CARTAC takes seriously a green approach to doing business with the use of technology to cut down on travel and document sharing. CARTAC's website has become a major resource for the latter and it is our window to the world.

I trust that you find this Annual report useful and we welcome your feedback on what would make this a more interesting and productive tool in the future.

Arnold McIntyre
CARTAC Programme Coordinator

SELECTED ACRONYMS

AGD	Accountant General's Department
AGDP	Annual Gross Domestic Product
ASYCUDA	Automated System for Customs Data
AUSAID	Australian Agency for International Development
BPM	Balance of Payments Manual
BSS	Barbados Statistical Service
CAP	Cost Effectiveness Action Plan
CARICOM	Caribbean Community Secretariat
CARTAC	Caribbean Regional Technical Assistance Centre
CCMF	Caribbean Centre for Money and Finance
CDIS	Coordinated Direct Investment Survey
CED	Customs and Excise Department
CIDA	Canadian International Development Agency
CoA	Chart of Accounts
CoFoG	Classification of the Functions of Government
COMSEC	Commonwealth Secretariat
CPI	Consumer Price Index
CSDRMS	Commonwealth Secretariat Debt Recording and Management System
CSO	Central Statistical Office
CTMS	Central Treasury Management System
CTO	Caribbean Tourism Organization
CY	Calendar Year
DFID	Department for International Development
DMAS	Debt Management Advisory Services
DP	Development Partner
DSA	Debt Sustainability Assessment
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
ECLAC	Economic Commission for Latin America and the Caribbean
EGDP	Gross Domestic Product by Expenditure
EU	European Union
FAD	Fiscal Affairs Department
FY	Fiscal Year
GBS	General Bureau of Statistics
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GFSM	Government Finance Statistics Manual
GTACP	Grenada Technical Assistance Credit Project
HFCE	Household Final Consumption Expenditure

HMRC	Her Majesty's Revenue and Customs Service
ICP	International Comparison Project
IDB	Inter-American Development Bank
IFC	International Comparison Project
IIP	International Investment Position
IMF	International Monetary Fund
IPSAS	International Public Sector Accountant Standards
IRD	Inland Revenue Department
IT	Information Technology
LAC	Latin America and the Caribbean
LEG	Legal Department (IMF)
LMTU	Large and Medium Taxpayer Unit
MAC	Macroeconomics
MCCSR	Minimum Continuing Capital and Surplus Requirement
MDA	Ministries/Departments and Agencies
MFM	Macro-Fiscal Management
MIS	Management Information System
MoF	Ministry of Finance
MOU	Memorandum of Understanding
MTFF	Medium Term Fiscal Framework
OECS	Organization of Eastern Caribbean States
PFM	Public Finance Management
PIPS	Price Index Processor System
PPI	Producer Price Index
QGDP	Quarterly Domestic Product
RA	Revenue Administration
RBM	Results Based Management
ROSC	Report on the Observance of Standards and Codes
RTAC	Regional Technical Assistance Centre
SATAP	Structural and Technical Assistance Programme
SBA	Stand-By Arrangement
SC	Steering Committee
SCCS	Standing Committee of Caribbean Statisticians
SDDS	Special Data Dissemination Standard
SEMCAR	Supporting Economic Management in the Caribbean
SIB	Statistical Institute of Belize
SIGTAS	Standard Integrated Government Tax Administration System
SNA	System of National Accounts
SOE	State Owned Enterprises
STA	Statistics Department (IMF)
SUT	Supply and Use Table

TA	Technical Assistance
TRIPS	Total Revenue Integrated Processing System
TSA	Treasury Single Account
UNDP	United Nations Development Programme
VAT	Value Added Tax
WB	World Bank
WHD	Western Hemisphere Department (IMF)

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CARTAC'S MEMBER COUNTRIES			
Anguilla	Antigua & Barbuda	The Bahamas	Barbados
Belize	Bermuda	British Virgin Islands	Cayman Islands
Dominica	Grenada	Guyana	Haiti
Jamaica	Montserrat	St. Kitts & Nevis	St. Lucia
St. Vincent & the Grenadines	Suriname	Trinidad & Tobago	Turks & Caicos Islands



SECTION I:

The IMF's RTAC Initiative and CARTAC

SECTION I. THE IMF'S RTAC INITIATIVE AND CARTAC

General Information on RTACs

Eight Regional Technical Assistance Centres (RTACs) in the Pacific, the Caribbean, in Africa, the Middle East, and Central America help countries strengthen human and institutional capacity to design and implement sound macroeconomic policies that promote growth and reduce poverty. Work is progressing on establishing a new regional centre for Western Africa.

RTACs combine local expertise and on-the-ground capacity building with strategic advice from IMF headquarters. All technical assistance (TA) is integrated into the IMF's lending and surveillance operations, and coordinated with other IMF TA as well as that of other providers. All TA is backstopped by IMF headquarters, ensuring quality and consistency of policy advice.

RTACs' Key Areas of Work and Delivery Modes

RTACs host a team of resident advisers who assist countries in implementing their reform programs. The composition of competencies is tailored to the specific needs of the region and may include: public finance management, medium-term expenditure frameworks, tax and customs policy and administration, revenue administration, debt management, financial sector supervision and regulation, financial sector development, capital market development, monetary policy and operations, economic and financial statistics, national accounts and price statistics, financial programming, and training in macroeconomics. The work of the resident advisers is supported by short-term experts, including in areas that require specialized knowledge. Other delivery modalities include workshops and seminars, courses on key macroeconomic issues in collaboration with the IMF Institute, as well as short-term professional attachments.

RTACs' Regional Approach

The IMF's regional approach to technical assistance and training allows for better tailoring of assistance to the particular needs of a region, closer coordination with other assistance providers, and enhanced ability to respond quickly to emerging needs.

RTACs develop a deep knowledge of their countries and region, including cross-cutting and regional integration issues. They are close to their clients, and RTAC resident advisers are in frequent contact and travel to recipient countries to provide step-by-step assistance with TA implementation. Given their physical proximity, they can respond promptly to urgent TA requests and follow up, and are less costly in the delivery of TA. RTACs are using and building local expertise.

RTACs' Governance Structure and Operational Arrangements

RTACs are governed by Steering Committees (SC) composed of representatives of recipient countries, donors and the IMF. This governance structure has proven highly successful as it builds stakeholder ownership of work programs, facilitates peer review and networking, and provides a platform for donor coordination.

TA needs are identified and prioritized by the country authorities in cooperation with area and TA departments at IMF headquarters and the centre, and the work plans are endorsed by the Steering Committee.

The day-to-day management of the centre falls into the responsibility of the centre coordinator who is an IMF staff member. The centre's professional staff (resident advisers and short-term experts) are recruited, supervised, and backstopped by the IMF, ensuring quality and consistency of policy advice.

The Caribbean Regional Technical Assistance Centre (CARTAC)

The Caribbean Regional Technical Assistance Centre (CARTAC) is a regional resource, providing technical assistance and training in core areas of economic and financial management at the request of twenty participating countries/territories. Recognizing that countries in the Caribbean face similar problems in meeting the standards of economic and financial governance expected of them by their citizens, and by domestic and international investors, the Caribbean Community and Common Market (CARICOM) Council of Ministers of Finance and Planning took the decision to establish the Centre in September 1999. Located in Barbados, CARTAC started its operations in November 2001 with the strategic goal of developing skills in the specialized areas required for designing and implementing measures to meet these standards at both the national and regional levels.

Located close to the countries/territories it serves, CARTAC offers several advantages that are typical of the IMF Regional Technical Assistance Centres (RTACs). These include: (i) decentralized and better tailored delivery of technical assistance to the particular needs of the region; (ii) enhanced country ownership and accountability; (iii) faster and more efficient response to technical assistance requests; (iv) more effective follow up in implementing technical assistance country strategies as designed by IMF headquarters; (v) closer coordination with other technical assistance providers in the region; and (vi) more focused subject-specific and hands-on training for local officials. CARTAC's activities are complementary to other forms of IMF technical assistance, and are closely integrated into the IMF's technical assistance program. The IMF ensures accountability and quality control of CARTAC's technical assistance and training activities.

CARTAC is managed by a Centre Coordinator, and staffed by eight resident advisers, who have substantial expertise in their respective sectors. The advisers are based in Barbados and travel throughout the 20 CARTAC beneficiary countries and territories, allowing them to establish strong regional links and a strong appreciation of national and regional needs. CARTAC's resident expertise and skill mix are also complemented by short term advisers—drawn from the IMF roster of experts—who are deployed to ensure the delivery of a technical assistance program, which is the largest among all RTACs. In addition to direct technical assistance, CARTAC conducts both regional and national workshops and seminars to further build technical capacity across the region. CARTAC also organizes professional attachments, allowing select staff from various agencies of member countries to visit other organizations, to develop their skills and observe best practices.

CARTAC has adopted a Results Based Management (RBM) framework to guide the development, implementation and assessment of its technical assistance programs. CARTAC's medium-term strategic log frame spells out clearly the Centre's core strategic objective:

Improved macroeconomic management including in the context of increased regional integration to foster economic growth in CARTAC member countries.

Sector log frames are fully aligned with CARTAC's strategic log frame to ensure a cohesive and well coordinated technical assistance program. In addition, the RBM framework enhances transparency and accountability in CARTAC's programs for all stakeholders.

In line with the main objectives spelt out in CARTAC's medium-term strategic log frame and endorsed by its Steering Committee, the Centre's mandate includes the following five sectors.

Public Financial Management

The Centre's assistance in this sector aims to assist member countries in building capacity for enhancing budget preparation and execution, expenditure control, and audit. This includes strengthening procedures for revenue collection monitoring; reforming treasury systems and upgrading cash and debt management procedures; modernizing financial accounts and reporting; implementing government finance statistics (GFS) classification; formulating modern financial management legislation; and overall strengthening of human and institutional capacity within ministries of finance and revenue collecting organizations.

In 2009, CARTAC expanded in new directions, with the introduction of a work program on **Macro-Fiscal Management (MFM)** that aims to assist member countries in developing a medium-term, top-down, target- and policy-based approach to budget preparation and execution; and in preparing accurate base-case and policy-enhanced projections for revenues, expenditures and the fiscal balance, and stress tests.

Revenue (Tax/Customs) Administration

CARTAC's assistance in this sector aims to assist member countries in designing and implementing tax reforms, and simplified tax operations; preparing the legislative framework for tax and customs administration; implementing more effective compliance control tools for tax and customs legislation; and bringing customs operations in line with international/regional agreements.

Financial Sector Regulation and Supervision

CARTAC's work in this area focuses on assisting member countries in strengthening laws and regulations governing financial institutions and capital markets using harmonized approaches where possible. The activities are directed at enhancing bank supervisory procedures in accordance with international best practices; strengthening the regulation and supervision of nonbank financial institutions (including insurance companies, credit unions and capital markets intermediaries); and implementing international accounting standards for financial institutions and reporting issues.

Economic and Financial Statistics

With the strategic goal of enhancing the quality and timeliness of macroeconomic statistics in the Caribbean, CARTAC provides technical assistance in improving national accounts, price, and balance of payments statistics. The key focus areas include establishing and maintaining underlying basic data collection; promoting the use of internationally-accepted concepts and statistical methodologies; and helping countries to develop compilation and dissemination procedures, including the identification of emerging data sources, data preparation and verification, and documentation of data sources and compilation methods. In partnership with other regional and international agencies, including the Eastern Caribbean Central Bank (ECCB) and the IMF Statistics Department (STA), CARTAC also provides regional training workshops in consumer prices, government finance statistics, and monetary and financial statistics.

Macroeconomic Programming and Analysis

The TA program is focused on building capacity on a sustainable basis in macroeconomic analysis, forecasting and performance monitoring, while providing assistance in the update of countries' macroeconomic framework. In pursuit of this objective the program assists both ministries of finance and central banks to strengthen their capacity to undertake consistent macroeconomic projections, and macro-fiscal analysis by providing hands-on training in the preparation of macroeconomic projections and analysis of policy options.

How does CARTAC fit into the IMF broad strategy and the Western Hemisphere Department's (WHD) regional strategy?

CARTAC's operations are integral to Fund TA and consistent with WHD's objectives and strategy for the region. WHD's Regional Strategy Note provides the framework to guide the development of CARTACs TA programs. In addition, while CARTAC remains a demand driven organization, TA provision is based on mutually agreed identified needs (all parties) and whether or not CARTAC can satisfy the needs as requested by member countries. In short, TA is allocated to member countries according to needs as identified by national authorities and the IMF.

CARTAC is in its Fourth Phase (2011-2015). Independent mid-term evaluations of each of the three earlier phases have confirmed that CARTAC delivers high quality, responsive and well-targeted technical assistance to the region. The report on the findings of the most recent evaluation in October 2009¹ noted that "CARTAC's demand-driven model is responsive to needs rather than being supplier driven." The evaluation report noted that "there was clear feedback that CARTAC's technical expertise and support to capacity building needs are highly relevant and consistent with CARTAC's mission to *"improve members' capacity to manage macroeconomic and fiscal policies, to strengthen financial supervision and development, and to support economic growth and poverty reduction in the region."*

¹ The next mid-term evaluation is scheduled for 2013.

SECTION II:

CARTAC'S Technical Assistance Activities FY 2011

SECTION II. CARTAC'S TECHNICAL ASSISTANCE ACTIVITIES FY 2011

A. Public Finance Management

Regional Strategy

The Public Finance Management (PFM) program in CARTAC spans the areas of budget preparation, budget execution and audit. Activities are a blend of technical assistance, targeted training initiatives for capacity building, and support for regional initiatives and conferences. TA interventions concentrate on working closely with country officials to guide and empower them in their reform efforts, sharing experiences among countries and developing practical and sustainable skills and solutions for each. Exchanges allow countries to leverage good practice in other governments, seeing first-hand how to find pragmatic solutions for the inevitable challenges inherent in the improvement of financial management, including information systems.

In 2010, in preparation for CARTAC Phase IV, the CARTAC PFM Adviser worked with member countries to sequence reforms in ways that emphasized “getting the basics right” so that reforms would be sustainable. The effort built on existing diagnostic studies and reports (Report on the Observance of Standards and Codes - ROSC and IMF) and complemented them with detailed work plans for practical approaches.

CARTAC assisted countries to get the best value from their existing (often expensive) technology: PFM efforts focused on overcoming dis-use of technology such as allowing manual alternatives or insisting on continuing old paper processes (even though they have been replaced by automation). Examples are shown in the individual country summaries that follow.

CARTAC delivery of technical assistance focused on:

- Developing a more strategic approach through development of PFM reform action plans.
- Strengthening treasury management.
- Strengthening capacity to develop medium-term results-oriented budgets.
- Strengthening internal control frameworks.
- Developing a more sustainable education and peer-assisted learning capacity in the region.

CARTAC's main investment has been in the first three areas, undertaking a similar range of reforms in a number of countries. For example, over 2011-12, CARTAC has supported seven countries in undertaking Chart of Accounts (CoA) reform; two in cash management and forecasting; four with bank reconciliation; and 11 in budget preparation reforms. CARTAC also assisted ECCU countries and the Bahamas to examine the steps required to meet reporting against cash based International Public Sector Accountant Standards (IPSAS). These activities have provided the opportunity to build on lessons learned in one country for improved results in other countries.

Summary of Technical Assistance by Country

Anguilla: The overall focus of TA was to strengthen the budget preparation process, to strengthen fiscal discipline. The short-term expert assisted with the implementation of new budget templates and formats within line ministries and in the Ministry of Finance (MoF), to strengthen the medium-term budget

"CARTAC has been critical to the implementation of leading edge budget reform; designing a logical framework and supporting it with clear and systematic templates. CARTAC did not only tell us what to do but showed us how to do it and also followed up on our progress."

Shona Proctor, Budget Director, Anguilla

process and integrity of the fiscal framework. The templates focus on results. Presentations were delivered to senior officials and to MDAs. During the course of the mission, the authorities commenced using the "budget scorecard" template, a simple, at-a-glance analytic display that shows decision-makers the impact of a new policy decision on the fiscal balance and discipline.

Antigua and Barbuda: Support was provided in early 2011 to assist the authorities in preparation for the completion of its annual financial statements, and reconciliation of both the main bank account and revenue suspense accounts. The PFM Adviser also joined an IMF Fiscal Affairs Department (FAD) mission for three days to assist with the development of a reform road map for a major TA program funded by the European Union (EU) which commenced in the second half of 2011.

The Bahamas: The authorities were assisted in developing a PFM reform action plan based largely on the results of their 2010 PEFA exercise. This exercise provided a documented basis for a sequenced reform program together with a mechanism to engage in dialogue with development partners for support. CARTAC also provided support to the Accountant General's Department (AGD), which included mapping the existing CoAs to Government Financial Statistics Manual (GFSM) 2001 and the Classifications of the Functions of Government (CoFoG) and advice on the presentation of financial statements to better align with the requirements of the cash based IPSAS. The overall focus of support was to enhance

the reporting capacity of the AGD. This work linked closely with further TA for budget reform.

A road map for reform over the next three years was submitted to the authorities. However, a key issue identified was the very onerous line item budget, which in turn created reporting issues for the AGD. Agreement was reached to overhaul the CoA and budget classifications to ensure it aligned better with GFSM 2001 as well as support a better integrated reporting framework for decision making.

Barbados: CARTAC assisted with the implementation of new budget templates and formats within MDAs and in the MoF, to strengthen the medium-term budget process and integrity of the fiscal framework. The templates also improve the presentation of information for results-based budgeting. While Barbados had been the recipient of significant TA during CARTAC's earlier phases, they sought this support to fine tune their approach to performance reporting in particular.

Further TA was provided to review progress to date in meeting the requirements for implementation of the full accrual IPSAS. A major issue for all countries is the requirement for consolidated reporting by the public sector, including state owned enterprises (SOEs). CARTAC's TA provided a road map for improvement while also highlighting some of the major challenges confronting the authorities, particularly in relation to the issue of netting operations between the various reporting entities of government.

Belize: Work that commenced in 2010 was continued and involved assisting the authorities to review their below the line accounts and other segments of the CoA to improve structures and reporting. The TA also provided specific advice on correct accounting treatment, according to international standards, together with the approach to properly recording grant and loan financing from development partners where it crosses financial years. The authorities are now well placed to produce a report according to GFSM 2001 and CoFoG, enhancing their ability to produce reports on the fiscal balance and a cash flow statement that accords with the cash based IPSAS, and by sector, using CoFoG.

British Virgin Islands: A key objective of support in 2011 was to refocus efforts in order to implement a more incremental approach to PFM reforms. CoA reform received a significant amount of attention to ensure the authorities are able to produce reports economically, by source of financing, for its different statutory funds, by location and for results. BVI has begun to map its CoA to GFSM 2001 and CoFoG, at the same time it endeavours to rationalize and restructure its CoA taking advantage of good practice regarding exclusive segments and hierarchy. Concurrently, it has embarked on a process to strengthen the budget process, enhancing fiscal discipline and the focus on results.

Dominica: CARTAC provided a significant level of support to Dominica for the implementation of its PFM Reform Action Plan (developed with assistance from CARTAC in 2010). TA targeted the following key reforms: (i) development of an electronic interface between Customs and Tax to provide daily updates of revenues into the FMIS, SmartStream²; (ii) enhancement of the operations of the treasury single account with a particular focus on consolidation of cash balances and elimination of redundant bank accounts; (iii)

Population	70,000
Capital	Roseau
Area	290 sq miles
Language	English; French Patois
Religion	Roman Catholic; Protestant
Currency	Eastern Caribbean Dollar
Life Expectancy	73
GDP per capita	US 5,400
Literacy %	94

(iii) refinement of business processes in relation to revenue recording to remove redundant manual practices and produce more timely revenue information; (iv) development of an electronic bank reconciliation process to reduce workloads and support improved cash-flow reporting; (v) development of an Excel-based cash-flow forecasting model and provision of guidance to strengthen the integration of cash-flow forecasts, warrant releases and commitments; and (vi) implementation of new budget templates and formats within MDAs and in the MoF that strengthen the medium-term budget process and integrity of the fiscal framework. The templates also have a greater focus on results. Workshops were convened with over 100 officials across all MDAs.

A PFM Success Story - Dominica

In 2010, Dominica undertook its second PEFA exercise. Following-on from completion of the assessment, the authorities, with the support of the Caribbean Regional Technical Assistance Centre developed a Public Financial Management Reform Action Plan to prioritise its reform agenda, and to assist in the coordination of support with development partners.

The Government of Dominica has taken full ownership of the reforms to the next level. On completing the plan, the requested assistance from development partners, seeking their support in implementing the plan. CARTAC is a major partner in that regard and much of the work done to date has been with the guidance and assistance of the PFM advisers and Consultants provided for these purposes. The progress in the implementation of the activities of the plan is done on a regular basis by the Government.

² The interface is very simply but ensures the authorities have access to up-to-date information on the bulk of daily revenue collections the same day. Dominica may well be the first country in the Caribbean to do this for both of its major revenue sources.

What has Dominica Achieved?

In the last 18 months, Dominica has made much progress with its reform agenda in a number of key areas including:

- Development of a new medium-term budget process, with a strengthened focus on fiscal discipline and improved performance reporting. A three-year rolling forward estimates process has been implemented, supported by a new policy process – no additional funding without formal approval of a new policy;
- Implementation of a more integrated process for commitment control, cash management and the release of warrants;
- Development of a strategy to reduce the number of bank accounts and to improve the cost of cash management for the government;
- An ongoing strategy to replace cheques with the more efficient and cost effective option of direct deposits;
- Redesign of the mechanism for collecting public money, eliminating redundant manual processes both in line ministries and the Accountant General’s Department. This has resulted in Dominica becoming one of the first (if not the first) jurisdiction to bring the daily collections from its two major revenue agencies, Customs and Inland Revenue, to account in the ledger electronically each day;
- Development of an automated bank reconciliation tool coupled with a strategy for reducing the dependency on cheques. Dominica is targeting moving to a daily reconciliation process, which in turn will allow the timely production of monthly financial reports – a critical issue for decision making given the current fiscal constraints confronting most countries;
- Improvement in the presentation of the annual financial statements to align better with the requirements of IPSAS on a cash basis; and
- Development of a simple cash-flow forecasting model.

While many of these initiatives are on-going, undertaking the reforms within such a small economy in a relatively short timeframe has been a significant achievement.

The success in the implementation of these reforms in Dominica would not have been possible without the significant support and commitment from CARTAC and its Advisers.



Grenada: CARTAC supported Grenada's implementation of a number of reforms highlighted in its PFM Reform Action Plan (developed through CARTAC TA in 2010). Technical assistance targeted the following key reforms: (i) finalization of the mapping of the existing CoA to GFS 2001 and CoFoG - A draft new economic segment of the CoA was also largely completed; (ii) automation of the bank reconciliation process for matching cheques for the main operational accounts; and development of a cash-flow forecasting model, supported both by the CARTAC PFM Advisers and the Deputy Accountant General in Anguilla - further work is required to rationalize the Grenada banking arrangements and accounting for specific cash flows, which are impacting the ability to record cash transactions in a timely fashion; and (iii) implementation of new budget preparation templates and processes designed in 2010 - bilateral working sessions were convened with all MDAs and the MoF to institutionalize these processes.

Guyana: Guyana implemented program budgeting in the 1990s – one of the first countries in the region to do so. Support was requested from CARTAC to work first in building budget analyst capacity within the MoF and subsequently, in MDAs. Meetings took place with all ministries over three visits focussing on the practical elements of strengthened budget submissions.

CARTAC also provided support in the following areas: (i) a business process review of the AGD which identified many areas where the existing accounting system could be enhanced to eliminate manual processes; (ii) development of a capacity building programme for internal auditors; and (iii) advice on a capacity building programme for all financial actors to improve internal controls and accountability.

Jamaica: Assistance has been given both directly to the authorities, and in support of other TA providers (IMF/FAD, Inter-American Development Bank (IDB) and US Treasury), in progressing towards implementation of the Central Treasury Management System (CTMS). This support has included assistance to the authorities in the redevelopment of the revenue codes in the CoAs, provided both in-country and remotely; refinement of the Conceptual Design; development of a banking policy and banking service agreements; development of Information Technology (IT) requirements; and efforts to assure all stakeholders were fully apprised of progress and challenges.

“CARTAC has built a partnership with Jamaica to advance Public Financial Management Reform. In particular, providing expert guidance has been significant to the Ministry of Finance to develop and chart a path through the implementation minefield for the CTMS.

Mark Silins previously of CARTAC was a major contributor to our efforts. Eileen Browne his successor at CARTAC, having provided expert guidance with the CTMS and being very familiar with our PFM efforts is equally knowledgeable of the needs and challenges of developing countries. Simply put, the PFM future is therefore looking bright.”

Devon Rowe, Ministry of Finance, Jamaica

Montserrat: Supported the redevelopment of the CoA, including mapping to GFSM 2001 and CoFoG. CARTAC assisted with the implementation of new budget templates and formats within MDAs and in the MoF which strengthen the medium-term budget process and integrity of the fiscal framework. The templates, with a greater focus on results, link the existing country strategic and operational planning process to budgets through programmes. Presentations were also delivered to senior officials including the Chief Minister.

St Kitts and Nevis: CARTAC supported Nevis with the development of a road map for strengthened budget reform, including better integration with the fiscal framework, a strengthened medium-term context, improved transparency and a greater focus on results. Presentations were also delivered to senior officials.

St. Lucia: In response to the PFM Reform Action Plan the following areas were supported in the Accountant General's Department: development of an automated bank reconciliation process; review and clearance of below the line accounts; timely recording of revenues in the IFMIS; and review and improvement of accounting practices to better accord with international good practice. Further assistance was provided in budget preparation where a road map for strengthened budget reform, including better integration with the fiscal framework, a strengthened medium term context, improved transparency and a greater focus on results were developed.

St. Vincent and the Grenadines: Following a major TA programme implemented in 2009/10 (EU funded through CARTAC), CARTAC supported the authorities' re-examination of reform priorities through a facilitated workshop to redefine the PFM reform action plan. CARTAC also provide comments on the new plan. The PFM Adviser also joined the first Supporting Economic Management in the Caribbean (SEMCAR) review mission.

Suriname: CARTAC supported the development and drafting of the PFM Reform Action Plan and assisted the authorities in the review and initial stages of mapping of the CoA to GFS 2001 and CoFoG. A road map for budget preparation reform was also developed.

Seminars / Workshops



- CARTAC supported the Commonwealth Secretariat (ComSec) at two regional conferences on Procurement and Internal Audit in 2011. CARTAC presented on regional issues at both events and contributed to discussions and planning for future activities.
- In November 2011, CARTAC convened a

Budget Preparation Conference in St. Lucia attended by 12 countries³. The focus of the conference was on exploring good practice in budget processes, with an emphasis on strategies for strengthening the linkages to medium-term fiscal frameworks and promoting fiscal discipline in general. SEMCAR also participated.

The Financial Secretary of Dominica, Rosamund Edwards, was the keynote speaker and attended most of the conference, actively participating in the sessions. Evaluative feedback from attendees confirmed that her involvement was a major positive aspect of this event.

Attendees were also required to participate, with each country delivering a presentation on the status of their budget processes. This provided an opportunity for peer learning and sharing among attendees and has become a major feature of PFM regional events with more than 80% of presentations delivered by regional participants.

- A one-week PFM workshop was also convened in Dominica and attended by over thirty officials. The two lead presenters, Ambrose Obike (Grenada) and Felix Enriquez (Belize) were joined by two local presenters. The workshop, developed in 2009 by CARTAC using regional experts, has now been delivered in 8 countries by 12 regional presenters. Evaluative feedback was of the highest order. This approach to training provides an excellent example of the development of sustainable regional capacity, which can be seen by the fact that four countries delivered part or the entire workshop without development partner (DP) support in 2011 (Anguilla, Barbados, Belize and Grenada).

Coordination with Development Partners

In addition to encouraging member countries to develop a more strategic approach to reform, CARTAC's focus on the development of PFM reform action plans also provides a mechanism for coordination with development partners. For example, Suriname invited CARTAC to facilitate its PFM reform action plan process, involving representatives from three other development partners – the Dutch Government, World Bank and IDB. CARTAC also has an on-going dialogue with DPs and consultants regionally to ensure effective integration of many elements of its programme. This includes integrating the budgeting TA provided by CARTAC with the PRODEV⁴ initiatives of CDB and IDB, which focus on strengthening country monitoring and evaluation frameworks.

³ Bad weather resulted in three countries that had confirmed attendance not making the conference

⁴ The Program to Implement the External Pillar of the Medium-Term Action Plan for Development Effectiveness

CARTAC has also ensured synergy with SEMCAR, including participating in the first SEMCAR mission to St. Vincent and the Grenadines, and holding a joint mission with the new SEMCAR PFM Adviser to Grenada.

CARTAC is an active participant in a Barbados based development partner network focussed on PFM reforms in the region which meets regularly and is currently hosted by the EU. Contribution has included the delivery of two presentations to the network – the first on the development of PFM reform action plans in the region and the second on the budget reform process that CARTAC is seeking to institutionalise in a number of countries.

B. Macro-Fiscal Management

Regional Strategy

CARTAC continued a major effort to support member countries' efforts to strengthen their MFM institutions and staff capacity. The strategy emphasized working with member country officials to deepen their knowledge of the tools, processes, approaches and mechanisms to help them hone the technical skills required to analyze and assess fiscal sustainability. Secondly, CARTAC TA sought to assist them in developing the skills needed to formulate sound policies to address fiscal sustainability by recognizing and mitigating risk.

Reforming and sustaining the viability of debt management for member states was a clear CARTAC focus in 2011. In support of debt managers throughout the region CARTAC played a catalyst role with the Commonwealth Secretariat and the IDB in sponsoring the institution and launch of the Caribbean Association of Debt Managers (CARADEM) in October 2011. An intense in-country effort in Barbados and Jamaica assisted those member countries to achieve structural reforms in their Debt Office functions. The authorities in Barbados embarked on reforms using CARTAC recommendations following an institutional review that was carried out the previous year. In Jamaica, special funding from the IDB enabled the assignment of a peripatetic debt specialist in the Debt Management Unit of the MoF. CARTAC defined the terms of reference, selected the expert and backstopped the assignment, with the IDB providing funding and administrative support.

Three additional in-country missions were carried out – two of which funded by the IDB – to assist The Bahamas, Barbados, and BVI with the preparation of medium-term macro-fiscal projections.

The Macro-Fiscal Adviser also participated in a number of strategic visits, in various meetings with development partners, TA providers and with international experts in tax policy reforms, pension reforms, and in oversight of state-owned enterprises.

Summary of Technical Assistance by Country

The Bahamas: In response to a request from the local authorities who wanted to improve the methodology used for generating revenue projections a seven-day Revenue Modelling and Forecasting workshop was delivered to MoF officials and officers from other ministries actively engaged in revenue collection. Follow up TA is planned in order to complete the fiscal projections and a Debt Sustainability Assessment (DSA).

Backstopped by the Macro-Fiscal Adviser, an IDB-funded macro-modelling specialist travelled to The Bahamas to carry out the next steps in the development of a macroeconomic forecasting and impact analysis model at the Central Bank.

Barbados: The Macro-Fiscal Adviser, together with a regional consultant based in the Ministry of Finance and Economic Affairs of Barbados delivered a Medium-Term Fiscal Framework (MTFF) and DSA preparation workshop in November to a group of officials from various departments of the Ministry, the Central Bank of Barbados and the Statistics Bureau.

Discussions with local authorities focused on emphasizing the benefits of transitioning to a strategic, forward-looking approach to fiscal management and the type of support CARTAC could provide the Government of Barbados. A study tour and an attachment of Barbados officials to the MoF in Jamaica were proposed to the authorities to facilitate bilateral discussions on the processes, institutional arrangements and data management practices followed in both countries in support of strong macro-fiscal management.

In presenting the fiscal strategy underlying the 2012-13 budget, the Minister of Finance made reference to the results reached during the aforementioned DSA-preparation workshop; and he acknowledged CARTAC's support to the Government of Barbados.

BVI: The Macro-Fiscal Adviser carried out a 10-day mission to assist in the preparation of an MTFF and provide advice on how best to go about setting up a macro-fiscal unit: the key activities, and the associated analytical, modelling, forecasting, monitoring and fiscal policy development and associated macro-fiscal dataset management responsibilities.

Dominica: Dominica was the second country in the Organization of Eastern Caribbean States (OECS) where CARTAC and the ECCB Debt Management Advisory Services Unit (DMAS), jointly delivered a DSA preparation workshop to senior officials of the MOF and other partner institutions. Results obtained, issues encountered and proposed next steps were presented to and discussed with the Financial Secretary. Exchanges also took place with the Financial Secretary on institutional issues surrounding efforts to strengthen the oversight and governance of SOEs in Dominica.

An MFM Success Story - Dominica

The Commonwealth of Dominica has benefited greatly and in a number of ways from CARTAC technical assistance over the years. Dominica's successful implementation of the VAT was in part due to the support provided by CARTAC. In addition, CARTAC has collaborated with Dominica in improving various facets of expenditure management and macro-fiscal management.

In the macro-fiscal area, CARTAC provided much assistance in support of Dominica's continued efforts to align the reforms in public sector pension plans to those of the Dominica Social Security.

Support was also provided, when CARTAC was approached to help us with our effort to institute a more robust regime to oversee state-owned enterprises and better manage the associated fiscal risks. CARTAC's joint effort with DMAS to demonstrate the process followed to prepare a DSA and to train officials from the Ministry of Finance in the preparation of macro-fiscal inputs into the DSA was very productive. The DSA exercise also provided a good platform for enhancing the capacity of the staff in assessing the debt portfolio.

The Macro-Fiscal Adviser has responded very quickly to requests for assistance and to date the guidance and advice given have resulted in the formulation of policy. In addition, the officials who have worked with the Adviser and the consultants on the various assignments have benefited significantly from the methodical, hands-on training, confirming that capacity building has been at the centre of the various technical assistance assignments which were conducted. We acknowledge and thank CARTAC for its support.

- *Ms. Rosamund Edwards, Financial Secretary, Ministry of Finance*

Haiti: Following the institution in 2010 of a multi-faceted EU funded technical assistance support program, the significant public finance management component of this program has been managed directly by the IMF. The Macro-Fiscal Adviser continued to provide input into the terms of reference of the HQ-backstopped missions and to comment on mission reports.

Jamaica: Jamaica represented CARTAC's most intensive MFM TA effort in 2011. Early in the year, CARTAC partnered with the IDB in the delivery of peripatetic support to Debt Management Unit in the MoF. CARTAC prepared the TORs, selected the expert who delivered the TA and backstopped the project, which helped to kick start the reforms in debt management functions and institute a full-fledged Debt Management Unit within the

Economic Management Division in the MoF. IDB funded the expert and handled the administrative arrangements.

The Macro-Fiscal Adviser participated in a strategic mission where reform plans were discussed with the authorities as were the technical assistance needs notably in the areas of Fiscal Policy, SOE oversight and Debt Management. Following up on these meetings, an MTFE-DSA preparation workshop was arranged and delivered later in the year while the Authorities requested TA to help strengthen SOE oversight and governance.

Montserrat: The Macro-Fiscal Adviser carried out a brief follow up mission to review the fiscal projections prepared by the nascent macro-fiscal unit.

St. Kitts and Nevis: There were ongoing exchanges with the authorities in the MoF on DSA preparation as well as ongoing exchanges in support of counterpart efforts to strengthen SOE governance and oversight. This followed up on the formal TA provided to St. Kitts in the previous year.

St. Lucia: Together with the Director of Research and Policy in the MoF St. Lucia and a member of ECCB/DMAS project, a DSA preparation workshop was delivered. Medium-term macro-fiscal projections were reviewed and extended to form a long-term base-case macroeconomic framework, which was then submitted to the IMF/World Bank (WB) Debt Sustainability Assessment (DSA) framework.

Population	163,000
Capital	Castries
Area	238 sq miles
Language	English; French Patois
Religion	Roman Catholic; Protestant
Currency	Eastern Caribbean Dollar
Life Expectancy	72
GDP per capita	US 5,400
Literacy %	67

Preparation of an alternative “active fiscal” scenario, designed to bring the major fiscal aggregates within their respective medium-and longer-term target ranges was prepared in a follow-up mission. Results were reviewed with the MoF leadership team, and they were sent to the team of IMF specialists in Washington for peer review. (Refer to testimonial from Mr. Embert St. Juste, Director of Research and Policy in the MoF, the mission’s principal counterpart in St. Lucia.)

An MFM Success Story – St. Lucia

CARTAC has been providing technical assistance to the Ministry of Finance in St. Lucia since 2003 on macro-fiscal policy management. Technical assistance began under the Structural and Technical Assistance Program (SATAP) with the main focus on developing capacity in the ministry to undertake financial programming exercises including macro-fiscal projections. However, more recently technical assistance has been extended to

specific areas of macro-fiscal policy management such as debt sustainability analysis and revenue forecasting.

In the last year, CARTAC has assisted the Ministry of Finance in Saint Lucia in developing capacity in debt sustainability analysis, through a joint workshop with the Eastern Caribbean Central Bank that was conducted in June 2011. This workshop entailed preparing base case macroeconomic and fiscal projections, developing a debt sustainability analysis; and a few weeks later incorporating policy scenarios into the analysis. Ten persons from the Ministry of Finance benefited from the training that was conducted during the period June 6 to 10, 2011. A report on the results of the DSA exercise was prepared and submitted to the management of the Ministry of Finance.

The training sessions were very interactive and a ‘hands-on’ approach was adopted which was very well appreciated by the participants. The participants indicated how useful the training was in enhancing their capacity to undertake DSAs and macroeconomic analysis in general. Mr. Michel Marion, the main facilitator of the training workshop, was quite adept at imparting his vast experience and knowledge to the participants and was very professional and methodical in his approach.

The Ministry of Finance is very grateful for the support provided by CARTAC over the years and looks forward to future collaboration in undertaking training for its staff in various aspects of macro fiscal policy management. The Government of St. Lucia is seeking to enhance the capacity of the ministry in undertaking analytical and research activities and to provide the best possible policy advice on economic management issues. The government is of the view that CARTAC has played and can continue to play a critical role in achieving this objective.

- *Mr. Embert St. Juste, Director of Research and Policy, Ministry of Finance*

St. Vincent and the Grenadines: Together with two officials from the ECCB-based DMAS project, the Adviser delivered a workshop during which the inputs required to complete a DSA were prepared. ECCB officials followed up with a mission to complete the DSA and interpret the results.

Suriname: Significant TA was provided by CARTAC to Suriname in recent years in support of the country’s efforts to strengthen macro-fiscal management and to better manage fiscal risks. In Fiscal Year (FY) 2011-12, there was continued dialogue with the authorities and material shared with them on fiscal risk management, fiscal rules, and on budget communications strategies. At a technical level, having secured the intended improvements in the MTFP preparation methods and processes, the authorities’ attention then turned to the

need to improve the real sector projections. In response to a request for TA, preparations were initiated to deliver a workshop early in FY 2012-13.

Trinidad and Tobago: CARTAC's debt management consultant carried out a mission to advise the leadership of MoF and of the Central Bank on the merits and feasibility of shifting to the Commonwealth Secretariat Debt Recording and Management System (CSDRMS) – the system used in virtually all other Caribbean nations. The mission report recommended a number of complementary reforms to precede system transition. Those include some changes in debt management processes, information flows, inter-agency communications protocols, and institutional arrangements, all intended to strengthen debt management.

The MFM Adviser consulted with officials from the Investment Division on their recent reforms to strengthen oversight and governance of state-owned enterprises; and to witness first hand the capabilities of the country's impressive SOE information management system. Preliminary discussions focused on mechanisms that would enable country officials to share their good practices with other CARTAC member states, to which senior officials expressed openness.

Seminars / Workshops

CARTAC has long sponsored the participation of debt managers from member countries to the IDB-led Proceedings of Latin American and Caribbean (LAC) Debt managers. At the 2009 and 2010 Proceedings, the diverging economic paths of the Caribbean and Latin American economies and the vastly different issues, market conditions and challenges faced by Caribbean debt managers became evident, prompting discussion of instituting a complementary effort that would be focused on the shared needs and interests of Caribbean debt managers.



The 3-day Proceedings of LAC debt managers that took place in Jamaica in November 2011, was preceded by the First Annual Forum of Caribbean Debt managers. At the conclusion of the one-day Forum at which 16 member states were represented, Caribbean debt managers voted to form the Caribbean Association of Debt Managers; a founding Executive Committee, led by the Head of the DMU in Jamaica was also elected. It was agreed that the annual meetings of CARADEM would be timed to be juxtaposed to the LAC Proceedings. Resources permitting, CARTAC agreed to make every effort to sustain its support to a vibrant CARADEM.

Coordination with Development Partners

In order to maximize the impact of the CARTAC effort, where possible, CARTAC partnered with other institutions engaged in the delivery of technical assistance. In particular, a joint effort was deployed with the ECCB-based CIDA-funded DMAS project to deliver Debt Sustainability Assessment (DSA) preparation workshops in three Organization of Eastern Caribbean States (OECS) members facing sustainability risks. A two-part DSA workshop was also delivered in Barbados. CARTAC also co-delivered three workshops with the Inter-American Development Bank in The Bahamas, Barbados, and Suriname.

Furthermore, in response to a request from ECCB management, the Macro-Fiscal Adviser arranged for representatives of a leading international actuarial firm specializing in the investment side of Social Security Fund management to present a paper and participate in the ensuing discussions at a video-conference organized for social security directors in the OECS.

C. Revenue (Tax and Customs) Administration

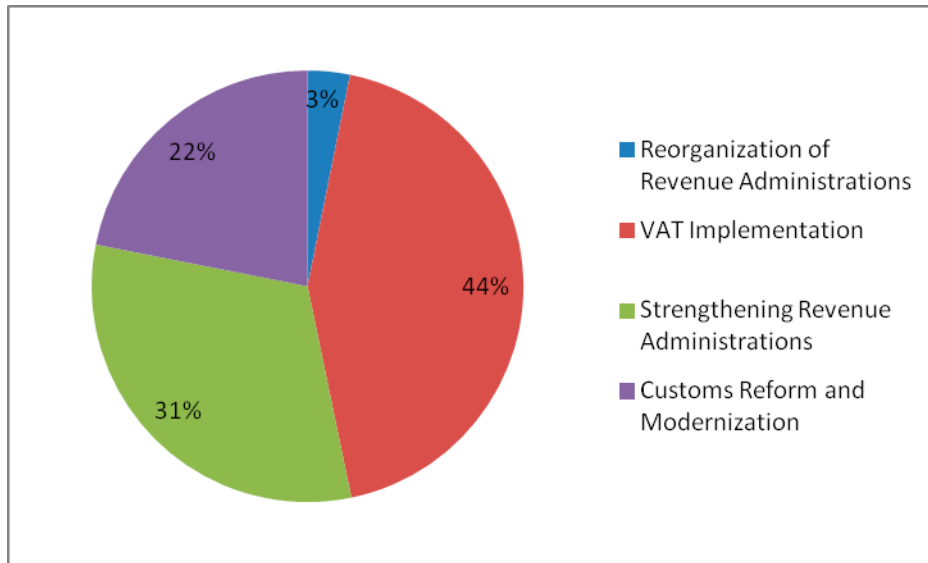
Regional Strategy

During FY 2011 CARTAC's technical assistance in the revenue administration area focused primarily on reform, modernization and capacity building in both tax and customs operations. The objective of CARTAC's assistance in this sector was to assist and support member countries in: designing and implementing tax reforms; simplifying tax operations; preparing the legislative framework to support revenue administration; supporting trade facilitation initiatives in Customs; and harmonizing practices in line with international and regional agreements for example, the World Trade Organization (WTO), and the CARICOM.

CARTAC's technical assistance was delivered through a variety of approaches including advisory and diagnostic missions, hands-on and classroom training, seminars, professional attachments, thematic peripatetic support, outcome-oriented short-term technical missions, and policy and program development support. The priorities in FY 2011 were:

1. Reorganization of Revenue Administrations.
2. Reform of Indirect Tax Systems through Implementation of Value Added Tax (VAT).
3. Strengthening Revenue Administrations.
4. Reform and Modernization of Customs and Excise Departments (CED).

Figure I. TA Delivered by Priority Area



Summary of Technical Assistance Delivery by Country

Reorganization of Revenue Administrations

Barbados: CARTAC provided high level strategic advice to support preparations for the establishment of a Revenue Authority (RA) that will result in the integration of four separate domestic tax administrations into a single department by March 2013, and the inclusion of border taxes and control (customs operations) by February 2014.

Dominica: CARTAC continued assisting the Inland Revenue Department (IRD) with its plans to integrate the VAT and income tax operations, and adopt a taxpayer segmentation approach by creating a unit to oversee large and medium taxpayers (LMTU). In April 2010, IRD started implementing a roadmap to establish the LMTU by January 2012. CARTAC's interventions in FY 2011 included finalizing the draft organizational structure and determining the staffing requirements for the new Unit.

Implementation of Value Added Tax (VAT)

The most prominent revenue administration TA area has continued to be the implementation of VAT. **Grenada** and **St. Kitts and Nevis** introduced VAT in February 2010 and November 2010 respectively with significant assistance from CARTAC. In FY 2011, TA to these two countries focused on post-VAT implementation support while in **St. Lucia, Suriname** and **Turks and Caicos Islands** CARTAC supported preparations for VAT implementation.

CARTAC's TA to all five countries included onsite and offsite technical advice and guidance on VAT administration and implementation.

Grenada: CARTAC completed an assessment to estimate the revenue (VAT and customs duties) forgone due to exemptions, zero-rating, and other concessions. This exercise was intended as a first step in an effort to introduce an annual tax expenditure budget (to identify which activities are benefiting from the revenue forgone), and allow policymakers to address tax policy issues premised on country priorities. CARTAC also continued a capacity building program in audit that included classroom and on-the-job training, and mentoring.

St. Kitts and Nevis: CARTAC completed a review of the first six months' VAT revenue performance and identified issues hampering current performance and future revenue yield. In addition, an annual audit program and a risk-based file selection program was developed and implemented for VAT. To support the implementation of these two programs, CARTAC provided peripatetic support aimed at building audit capacity particularly through classroom training - including basic training delivered in conjunction with staff from United Kingdom's Her Majesty's Revenue and Customs service(HMRC)mentoring and coaching. A CARTAC short-term expert also installed some additional VAT modules in IRD's information technology (IT) system, the *Standard Integrated Government Tax Administration System (SIGTAS)* to support compliance.

In preparation for the introduction of VAT in **St. Lucia**, scheduled for October 2012, CARTAC assisted the authorities with the following activities: (i) completed a review of the second draft VAT Bill; (ii) provided advice on the organizational structure, staffing requirements and layout of the new IRD VAT Unit; (iii) supported research on several critical VAT policy issues; (iv) delivered VAT administration training to IRD and CED staff; and (v) assisted in resolving IT issues within SIGTAS in preparation for the installation of the VAT modules.

Suriname: A joint IMF/FAD and CARTAC mission completed a diagnostic assessment of the tax and customs operations (February 2011) and recommended improvements in preparation for the introduction of VAT in Calendar Year (CY) 2013. The mission also provided a high-level VAT implementation plan that guided the subsequent preparation of a detailed project plan. Following the appointment of the VAT Implementation Team and Steering Committee, two joint IMF Legal Department (LEG) and CARTAC missions delivered basic VAT training to the groups, and management staff of tax and customs. CARTAC also assisted with the preliminary work to draft the VAT legislation. An initial list of potential VAT registrants was compiled, a train-the-trainers workshop was delivered, and the opportunity was provided to the Suriname team to observe VAT operations and discuss VAT preparation issues in Grenada.

Turks and Caicos Islands: CARTAC supported initial preparations for VAT implementation targeted for April 2013. Activities included: (i) drafting a VAT Bill with

supporting regulations; (ii) developing a detailed VAT implementation project plan and (iii) completing a study to determine possible VAT and excise tax rates. Further TA was provided to develop the VAT Team's capacity through classroom training, mentoring and a professional attachment to Grenada.

Strengthening Revenue Administrations

Antigua and Barbuda: FAD and CARTAC - with funding initially from UK's DFID and later from the EU—continued to provide extensive support aimed at strengthening the tax and customs operations.

Technical assistance in **tax administration** included: (i) delivery of training and mentoring programs to enhance capacity in audit and collections; (ii) development and implementation of operational procedures and management information system (MIS) templates that reflect information and production in cashiering, arrears collections, monitoring late or non-filers and data processing; (iii) enhancing the functionalities of SIGTAS by resolving a number of data integrity issues, and migrating SIGTAS from ORACLE 10g to the enhanced 10i system application on new back-up servers; (iv) development of legislative reforms related to progressive collections enforcement measures; and (v) supporting efforts to improve communication with taxpayers—the first phase focused on the large taxpayers and professionals segments.

In **Customs**, TA was delivered to facilitate the implementation of a new risk assessment system to monitor bonded warehouses and duty free shops. New compliance procedures and processes were developed for release of goods, dishonoured checks, cargo operations and related measurement systems, yachts and related bonds, and long room and deep water port operations. A joint CARTAC and LEG mission assisted with preparation of a draft customs bill and related regulations that are based on the CARICOM model. A six-day course on valuation methods was also delivered.

Dominica: The IRD staff received additional training and coaching assistance to enhance their capacity in audit operations. The TA focused on : (i) risk-based file selection; (ii) preparation of audit plans; (iii) use of ratios; (iv) direct methods and advanced technical audit; (v) audit file review; (vi) management and related administrative processes; (vii) use of third party information and (viii) testing of indirect audit methods.

Jamaica: The thrust of the technical assistance was to accelerate the revenue administration reforms and strengthen capacity in tax compliance management as well as Customs post clearance audit and valuation of goods consistent with international guidelines.

A joint FAD and CARTAC mission assessed the progress of tax and customs reforms that began in CY 2009 and recommended strategies to accelerate the reforms and strengthen compliance management capacity. CARTAC collaborated with Customs management on a

training needs analysis in relation to post clearance audit and valuation, and conducted a high level review of the enabling environment for audit and inspection, and other compliance verification activities. Based on the findings, CARTAC developed and piloted intermediate level training workshops in valuation and audit. The two workshops addressed primary and alternative methods of valuation, audit selection and approaches, sampling and case file management.

St. Lucia: CARTAC delivered a seminar on the draft code of conduct prepared in FY 2010, and finalized the communication plan and procedures for monitoring the integrity program.

St. Vincent and the Grenadines: CARTAC reviewed the performance of the VAT since its introduction in May 2007, and identified administrative, policy and environmental issues that may be affecting revenue yield. Advice was provided on remedial action to improve VAT revenues.

Trinidad and Tobago: CARTAC supported the development of IRD's risk management program by assisting with the development of VAT audit and risk-based case file selection programs. The activities included data analysis, review of business processes, and approaches to selecting high-risk taxpayers for VAT audit. A system to establish and monitor business ratios for key sectors was also developed. The intention was to use the VAT as a pilot and gradually extend the programs to income tax.

Reform and Modernization of Customs

Belize: CARTAC continued to deliver technical assistance to support the implementation of a risk management program and the newly installed Automated System for Customs Data (ASYCUDA) World. Work in this area included: (i) delivery of a workshop to establish and implement ASYCUDA World risk selectivity criteria; (ii) assistance with the development of performance monitoring data elements; and (iii) coordinating a workshop aimed at resolving issues related to the implementation of ASYCUDA World; and (iv) following on to develop a draft ASYCUDA World implementation plan to be used as a basis for inputting all relevant data.

Dominica: CARTAC continued to support the post clearance audit and risk management programs which were implemented in CY 2010 by: (i) delivering further training and coaching to develop the capacity of the auditors and risk management staff. The training topics included : (i) audit planning, accounting for goods, reviewing financial statements, enforcement and risk management techniques, risk management operational risk reviews, and

“The technical assistance that CARTAC has provided in supporting the Grenada Customs and Excise Department’s modernization and reform program has been crucial to its success. The technical assistance delivered by CARTAC experts, particularly in strengthening enforcement, compliance and risk management, and developing trade facilitation techniques has been of the highest quality”.

Carlyle Felix, Comptroller of Customs

profile development; (ii) reviewing the new organizational structure, job descriptions and the 2011-12 work plan for the Post Clearance Unit; (iii) developing a mandate statement for the Enforcement and Compliance function; (iv) revising the Risk Management Policy and Strategic Framework; and (v) updating the examination guidelines and instructions for staff undertaking the inspection of cargo. The new Customs Act was also reviewed to identify regulatory and administrative issues.

Grenada: CARTAC supported the development and implementation of a risk management program and establishment of a Risk Management Unit in the CED. TA in risk management included: (i) facilitating a workshop for managers; (ii) training for customs enforcement, compliance and operational staff; (iii) development of a Mandate Statement for the Enforcement and Compliance Division which outlines key result areas, performance indicators and clarifying organizational responsibilities; (iv) preparation of documents outlining the roles and responsibilities of the Customs Intelligence Unit and the Risk Management Committee; (v) development of a Risk Management Policy, Risk Management Action Plan and Risk Management Framework; (vi) development of examination guidelines, an examination report and instructions for staff undertaking the inspection of cargo; and (vii) preparation of a revised draft Memorandum of Understanding (MOU) between CED and Royal Grenada Police Force.

Some risk management TA was also delivered by the *International Finance Corporation* (IFC) in collaboration with CARTAC to avoid duplication. CARTAC's risk management support coincided with the installation of the new ASYCUDA World system and implementation of a special technical assistance project (Grenada Technical Assistance Credit Project – GTACP) (for tax and customs funded by the WB and the Government of Grenada. A post clearance audit program was developed and is being implemented under GTACP, and CARTAC collaborated with the GTACP expert to ensure the timely delivery of the audit capacity building program.

St. Kitts and Nevis: the objective of the technical assistance was to strengthen enforcement, compliance and risk management, and harmonize operational procedures and practices. CARTAC's support included (i) supporting implementation of improved compliance management risk selection practices; (ii) developing a resource and organizational model for the Enforcement Unit; (iii) facilitating a one week Risk Cycle Planning Workshop and a three day Intelligence Case Development Workshop; (vi) designing and participating in a review of the data warehouse Customs Integrated Information System (CIIS) and selectivity parameters in the electronic declaration system Total Revenue

Population	48,000
Capital	Basseterre
Area	104 sq miles
Language	English
Religion	Anglican; Other Protestant
Currency	EC Dollar
Life Expectancy	71
GDP per capita	US 8,800
Literacy %	97

Integrated Processing System (TRIPS); and (vi) fostering and assisting the harmonization of Nevis policies, procedures and systems with those of St. Kitts - including those related to enforcement, bonded warehouse audits and Release Prior To Payment.

A Revenue Administration Success Story – St. Kitts & Nevis

The Government of the Federation of St. Kitts and Nevis would like to extend its profound gratitude to the Caribbean Regional Technical Assistance Centre for the technical assistance that the institution has provided to date in support of reform of its tax system and capacity building within its tax administration.

The Federation's tax reform program, with the support of CARTAC, has been focusing on: consultations with stakeholders; re-designing the organizational structure, business processes and procedures; training to build human resource capacity; the launch of a public relations campaign; and other projects aim at reforming the tax system.

During 2009 and 2010 CARTAC provided invaluable technical assistance to support the introduction of a modern VAT in November 2010. From 2011, CARTAC has re-directed its technical assistance towards sustaining the VAT regime and strengthening the capacity of tax administration staff in select functional areas.

CARTAC's technical assistance has directly resulted in the following achievements:

- VAT revenue exceeded projections for 2011 by 46 percent;
- 2011 VAT revenue exceeded 2010 revenue from the repealed/replacement taxes by 171 percent;
- Improved taxpayer audit selection has resulted in significant amounts collected in tax revenues;
- Development and pilot introduction of an advisory visit program for all newly registered taxpayers;
- Development and pilot introduction of key performance indicators for IRD core functions;
- Introduction of a re-designed organizational structure for IRD.

- *Mr. Edward Gift, Acting Comptroller, Department of Inland Revenue*

St. Lucia: CARTAC continued to support the post clearance audit function established in FY 2010 by providing functional guidance on program management, resourcing and operational issues.

Seminars / Workshops

CARTAC developed three regional courses for delivery in member countries in FY 2011 and 2012.



- **An Electronic Auditing Training course** was designed to assist tax officers in utilizing electronic accounting data to conduct more efficient and effective tax audit, whether for income or value added taxes. Officers are taught how to use computer software to document and support the audit and any resulting re-assessments. Through a combination of lecture, on-line computer sessions and case studies, officers should be able to analyze taxpayer accounting

data using Excel and build an electronic audit program and audit file.

- **A Valuation Training course** was designed to introduce Customs officers and managers to various valuation methods including alternative approaches and techniques that affect the duty and tax payable. The course also focuses on developing solid valuation assessments through critical thinking.
- **The Intermediate Post Clearance Audit Training course** aims at introducing Customs officers to various auditing methods and techniques that impact on case selection, audit approach, sampling, and case file management. The course also focuses on developing skills to utilize judgment and analysis to support decision-making while at the same time augmenting communication skills.

D. Financial Sector Supervision

Regional Strategy

Banking Supervision

Upgrading the supervision of insurance companies and credit unions in the Caribbean to international standards remained a top priority for financial sector supervision technical assistance in fiscal year 2011.

This emphasis began in 2008 when it was identified that within the CARTAC member countries, the level of supervision for nonbanks, particularly insurance companies and credit unions, was with few exceptions, far below international standards. In 2009, a major

Caribbean insurance company failed, sending shock waves through the region. Supervisory regimes for nonbank supervision had to be built from the ground up.

Technical assistance focused on harmonizing insurance supervisory practices in the region to facilitate consolidated supervision of insurance companies operating region-wide. In the eight Eastern Caribbean countries as well as in Suriname, and Turks and Caicos, regulatory reporting forms for insurance companies are harmonized, and insurance companies began reporting under these harmonized reporting forms in 2011. Barbados has indicated their intention to use the same regulatory reporting forms for their insurance companies in 2013. The eight Eastern Caribbean countries also harmonized regulatory reporting forms for credit unions. A second College of Regulators meeting to discuss region-wide operations of major insurance companies is planned for 2012.

Technical assistance to unify risk-based capital standards for insurance companies in Jamaica and Trinidad and Tobago continued with Barbados also indicating a desire to harmonize its capital standards with these two countries. Since Trinidad and Tobago and Barbados house the largest insurance companies in the Caribbean and since these insurance companies have operations throughout all of the Caribbean, upgrading capital standards to the international risk-based standard will promote a safer and sounder insurance industry.

Credit Union supervisory manuals were also a focus on regional harmonization in 2011, and all countries have access to the Credit Union On-site Examination Manual. An off-site examination manual for credit unions is in the works for 2012. Using the same insurance and credit unions experts greatly facilitated the harmonized nonbanking supervisory framework. Frequent meetings held with regulators to discuss harmonized and best supervisory practices for the Caribbean and to share technical assistance outputs, has also been successful.

Summary of Technical Assistance by Country

Belize: *Enhance the supervisory framework for credit unions:* Belize has 13 credit unions with total assets amounting to 18 percent of gross domestic product. Given the systemic importance of credit unions in Belize, the authorities sought an evaluation of their methodologies and practices. CARTAC's expert worked with the authorities to assess on-site and off-site supervision, assess the financial condition of the credit unions, develop a credit union supervisory manual for on-site examinations, and provide training in on-site examinations.

The report of findings was delivered to the authorities who are now implementing the recommendations of the report. The results thus far are that a draft regulation to tighten standards for reserves for loan losses is being discussed with the industry; supervisory action has been taken to address deficiencies in a credit union, and on-site examination frequency has been increased and is now focused on the credit unions that are not meeting supervisory standards (risk-based supervision).

Grenada: *Developing regulations to support the Insurance Act:* CARTAC worked with the authorities in Grenada to develop and issue regulations to support the Insurance Act. For example, regulations codify capital standards and permissible safe investments for insurance companies as two examples of many. The regulations are written and are now being discussed with the insurance industry in Grenada. The authorities intend to adopt and pass the regulations by year-end 2012. Since these regulations apply to the harmonized Insurance Act in place in eight countries, including Grenada, the supervisory authorities in the other seven countries are interested in adopting these same regulations once the regulations have been vetted in Grenada. CARTAC will ensure that mechanisms are in place for the seven remaining countries to adopt the regulations for insurance companies.

Jamaica: *Upgrading capital standards for life insurance companies and harmonizing these capital standards with Trinidad and Tobago and Canada:* This is a two-year project which is fifty percent complete at this point. This same capital standards project (known as MCCSR or Minimum Continuing Capital and Surplus Requirement, the capital standard used in Canada for life insurance companies) was implemented in Trinidad and Tobago in 2009 and 2010 based on CARTAC technical assistance. Risk-based capital standards for insurance companies can only be applied to the largest CARTAC member countries due to its complexity and requirement that the authorities have on staff an actuary. Phase I involved a consultative report on the existing solvency framework, required enhancements to the framework, and an agreement on policy directives and parameters to be incorporated into the new framework. These parameters have now all be agreed upon, and Phase II is now in place which involves a Quantitative Impact Study of the proposed framework on the industry and assisting the industry in developing the expertise to implement the framework. The project is expected to be completed in 2012 and fully implemented in 2013.

Jamaica: *Enhanced the early warning risk assessment for pension plans and for pension investment managers at the Financial Services Commission of Jamaica to support risk-based supervision:* In order to further its risk-based supervisory approach, the authorities in Jamaica sought a risk management tool to better direct its supervisory resources. A pension expert developed for the authorities a matrix and spreadsheet to analyze the financial, governance, and management information of pension plans and managers. Jamaica has fully implemented the matrix and spreadsheet and presented its findings at a meeting of Caribbean pension fund supervisors. Based on this presentation, Barbados has meet with the authorities in Jamaica to adopt for itself the same risk assessment tool.

Suriname: *Upgrading the insurance, pension, and securities supervisory frameworks:* With assistance from CARTAC, the Central Bank of Suriname took steps to upgrade the existing insurance supervisory regime and to harmonize its practices with the region. A CARTAC insurance expert worked with the insurance supervisory staff at the Central Bank of Suriname on the Insurance Act, capital standards, on-site and off-site supervisory manuals, physical on-site examination training, and regulatory reporting forms. The standards used in

each of these outputs are the same framework implemented in other CARTAC member countries by the same expert.

The Central Bank of Suriname is in the process of fully implementing the technical assistance outputs. The revised Insurance Act is expected to be passed in 2013; regulatory reporting forms are being discussed with the insurance industry, and on-site examinations are underway; supervisory manuals will be adopted once the legislation is passed as this will be the basis for the expanded supervisory processes.

With respect to pension fund supervision, the technical assistance addressed policy issues to incorporate defined pension plans into legislation. The project addressed licensing requirements, reporting standards, permissible investments, fees, and policies and procedures. The intended result is to establish a legal framework that enables supervision of pension funds which is expected to be passed in 2012.

For securities supervision, CARTAC engaged with the authorities on an assessment of the securities industries and developed a road map to implement the supervision of the securities industry. Suriname is now implementing that roadmap and drafting legislation that will be discussed with industry beginning in June, 2012.

Regional: *Standardizing actuarial standards and methodology in the Caribbean:* In the past, supervisors of insurance companies observed that actuaries used various valuation methodologies and discount rates to value assets and liabilities of insurance companies and pension funds which allowed for, at times, overstated assets and understated liabilities. In order to better assess these variables and to have more confidence in reported capital, the supervisors and the Caribbean Association of Actuaries agreed to standardize actuarial practices and to set up an internal structure to ensure compliance with the standards.

CARTAC provided expertise in establishing these standards and in drafting the rules. The goal of the standards is to (1) narrow the range of acceptable results, (2) reflect local conditions, (3) converge with international standards, and (4) require compliance with the standards and disclose any differences. The standards will apply to life insurance, non-life insurance, pensions, and social insurance. The standards are complete and out for public discussion. The standards can be found online at <http://www.caa.com.bb/presentations.html>. The goal is to have these standards adopted in 2013 and fully implemented in 2014.

ECCU: *Developed and implemented harmonized regulatory reporting forms for the eight ECCU countries:* For the past several years, CARTAC and the single regulatory units in the ECCU have worked to develop regulatory reporting forms for insurance companies, credit unions, money services businesses, off-shore banks, trust companies, mutual funds, and non-depository institutions. These forms were completed in 2010, discussed with the industry in 2011, and fully implemented in September, 2011. The data will provide nonbank supervisors

with a tool to identify unsafe and unsound financial and managerial practices and allow for early intervention to correct such practices.

Seminars / Workshops



- In 2011, financial sector supervision held two workshops. One workshop was a 3-day insurance supervision workshop which focused on understanding actuarial reports. The workshop was followed by a one-day meeting of insurance supervisors to discuss successes and challenges in the supervision of insurance companies in the Caribbean as well as progress on developing standardized actuarial standards.

This workshop and meeting supported the strategic goal of CARTAC to bring the supervision of insurance companies up to international standards. It also supported the technical assistance project to standardize actuarial practices in the region.

- The second workshop was on market risk in banking. CARTAC has had a goal of bringing all of the Caribbean countries up to international standards with respect to Basel I capital standards. The main deficiency was the application of market risk capital charges. This goal has not yielded expected results as only one country has adopted the market risk capital charges despite the intended goal of having four countries adopt the standards. The main reason for the lack of results is that banking supervisors were distracted from this project due to the increased focus on the supervision of banks required as a result of the 2008 world financial and economic crisis.

Coordination with Development Partners

For financial sector supervision, CARTAC has worked with donor agencies and technical assistance providers to ensure no overlapping of technical assistance resources. This includes the World Bank, the IFC, the Commonwealth, and CIDA. For example, CARTAC worked with the World Bank to ensure that its assistance in addressing nonbank supervision in the ECCU did not duplicate the program already implemented by CARTAC. The IFC and CARTAC have joined together to focus on credit bureau development in the Caribbean. The Commonwealth and CARTAC discuss regularly technical assistance to the region to avoid duplication.

E. Economic and Financial Statistics

Regional Strategy

Macroeconomic statistics are essential for economic analysis and the conduct of economic policies, and for the private sector to make informed decisions. CARTAC provides TA and training in the areas of national accounts, price statistics, and external sector statistics (balance of payments, international investment position).

CARTACs medium term outcome in the area of statistics is as follows:

- Improved datasets for macro-economic policy analysis based on compiled and disseminated annual national accounts by expenditure on a timely basis following the 1993/2008 System of National Accounts (SNA) methodology as well as reconciliation with national accounts by production that reflect updated base years.
- Improved data sets related to price indices covering consumer, producers and export and import price indices following the latest available international methodologies and guidelines.
- Improved data sets for the analysis of external trade transactions and positions based on the compilation and dissemination of balance of payments and International Investment Position and external debt statistics on a timely basis following the BPM6 and related methodological guidelines and manuals.

Summary of Technical Assistance by Country

While ongoing progress can be observed mainly in the area of national accounts and price statistics, it is usually slow however, due to insufficient human and financial resources in most countries, which is an impediment to the timely production and dissemination of statistics.

The main highlights of CARTAC's statistical activities during the reporting period were as follows:

National Accounts

Barbados: *Rebasing of Gross Domestic Product (GDP) at constant prices:* CARTAC assisted the Barbados Statistical Service (BSS) to revise the national accounts at constant prices from 1974 to 2006 and to revise the current price series to be consistent with the revised constant price series using the 1993 System of National Accounts (SNA1993) recommendations. CARTAC recommended a further revision of the estimates based on elaborate economic surveys, benchmark data and an updated Supply and Use Table (SUT).

Bermuda: *Rebasing of GDP at constant prices:* CARTAC assisted the Department of Statistics (DOS) in Bermuda to assist the authorities in rebasing the GDP series from 1990 to 2006 constant prices using appropriate deflators and extrapolators by industry covering the period 1996–2009. The rebasing activities were finalized in 2011.

Population	69,080
Capital	Hamilton
Area	20 sq miles
Language	English; Portuguese
Religion	Protestant; Roman Catholic
Currency	Bermuda dollar
Life Expectancy	80
GDP per capita	US 69,900
Literacy %	98%

A Statistics Success Story – Bermuda

The base year for measuring constant price Gross Domestic Product in Bermuda has been updated from 1996 to 2006.

In order to analyze the behavior of GDP over time, independent of the influence of price changes, GDP is calculated at the industry level in constant dollar prices that reflect a base year of 1996. These data have been released each December by the Department of Statistics, and sources financial data collected from businesses and other economic entities during the annual conduct of the Economic Activity Survey. However, the more remote a base year, over time the pattern of relative prices in the base year becomes less relevant to the current economic state. Hence, it is necessary to update the base year to ensure that the relevancy and accuracy of the GDP estimates is maintained. Although countries are encouraged to change the GDP base year every five or ten years, the revisions vary from country to country depending on available resources and technical ability.

Earlier this year the Department of Statistics was positioned to undertake the exercise of rebasing the year for the GDP constant price estimates from 1996 to 2006. With technical expertise received from the Caribbean Regional Technical Assistance Centre, the update of the base year to 2006 has led to refinements in methodology and improved data sources that feed into the calculation of GDP.

Suriname: *Revision of GDP in current prices and rebasing of the GDP at constant prices:* Follow-up missions were conducted to Suriname to continue to assist the authorities in rebasing the Gross Domestic Product at constant prices from 1990 to 2007, and revising the GDP in current prices using improved data sources. The results of the rebasing exercise have been released and published.

The extract below is taken from Suriname's national accounts publication:

“For the realization of this publication....express their deepest appreciation to CARTAC especially consultant Ms. M.Blokland. Ms Blokland's contribution has been exceptional as she worked tirelessly with her counterparts to achieve these results”.

Mr. Iwan Sno, Director of the General Bureau of Statistics

Population	447,000
Capital	Paramaribo
Area	63,037 sq miles
Language	Dutch, English, Sranang Tongo (Taki-Taki), Hindustani, Javanese
Religion	Hindu, Protestant (Moravian), Roman Catholic, Muslim
Currency	Surinamese Dollar
Life Expectancy	70
GDP per capita	US 3,400
Literacy %	93

A Statistics Success Story - Suriname

The General Bureau of Statistics (GBS) of Suriname has made considerable progress in improving national accounts statistics with TA from CARTAC since 2008, despite challenges of low response rates for the establishment surveys and limited resources. The GBS has published revised estimates of GDP by expenditure, started preparatory work on quarterly national accounts and SUT compilation, and finalized an extensive benchmark revision of the national accounts from 1990 to 2007 at current and constant prices.

The rebasing project is finalized and brought major improvements in the current and constant price estimates, arising from broader coverage, conceptual and methodological changes, and improved estimation procedures. Important milestones of this revision process are: implementation of System of National Accounts 1993 (1993 SNA) concepts and methods; revised national accounts survey questionnaires based on 1993 SNA concepts and definitions; elaborating national accounts surveys to compile basic data to support the compilation of the production account.

St. Vincent & the Grenadines: *Revision of GDP by expenditure:* This project is ongoing and aims at assisting the authorities in revising the GDP by expenditure (EGDP) estimates at current prices and compile GDP by expenditure at constant prices. Preliminary estimates of

all components including Household Final Consumption Expenditure (HFCE) were compiled for the period 2008-2010.

Grenada: *Revision of GDP by expenditure in Grenada:* Follow-up missions were conducted to Grenada to assist the authorities in revising the EGDP at current prices and to compile EGDP at constant prices. The methodological framework is finalized and set up in EGDP templates. Estimates for all the components were included in the framework for the years 2000-2010.

Trinidad & Tobago: *Compilation of quarterly GDP:* Trinidad and Tobago has indicated its intention to work towards subscription of the IMF's Special Data Dissemination Standard (SDDS) by 2011. One of the key issues impeding subscription to the SDDS is the unavailability of current/constant price Gross Domestic Product estimates on a quarterly basis (QGDP). The QGDP project has been delayed due to resource challenges.

St. Lucia: *Compilation of quarterly GDP:* CARTAC assisted the Central Statistical Office (CSO) of St. Lucia, in the development of Quarterly Gross Domestic Product (QGDP) estimates at current and constant prices. The missions concluded that the QGDP compilation is feasible provided that additional data sources are collected and additional staff allocated to the project. The development of the methodological framework is in progress. The QGDP project will serve as a pilot project for the countries of the Eastern Caribbean Currency Union (ECCU).

Price statistics

Barbados: *Compilation of Producers Price Index (PPI):* The Barbados Statistical Service (BSS) is interested in developing a PPI for industrial activities. CARTAC assisted the BSS to develop a sampling frame for the manufacturing sector using VAT records and available survey data. The Gross Output data from the VAT records were used for industry and establishment weights. The mission provided examples of data collection forms and detailed instructions on procedures for initiating establishments and obtaining transaction prices. The mission developed a model PPI compilation system and updated the action plan for completing the PPI

Belize: *Compilation of Consumer Price Index (CPI):* A follow-up mission was conducted to the Statistical Institute of Belize (SIB) to continue work on revising their CPI and implementing a new computer processing system. The SIB has released the revised CPI.

Bahamas: *Compilation of CPI :* CARTAC assisted The Bahamas Department of Statistics (DOS) to compile revised CPI for geographic areas at a very detailed level.

External Sector Statistics

Bermuda & Cayman Islands: TA requests have been received from Cayman Islands and Bermuda to assist the countries in the implementation of the BPM6-IIP manual. The Balance of payments missions were postponed several times due to unavailability of the BOP experts. The missions are scheduled to take place in 2012.

Seminars / Workshops



- CARTAC hosted a Coordinated Direct Investment Survey (CDIS) workshop organized by IMF-HQ from July 11-13, 2011. The main purpose of the workshop was to familiarize participants with the methodology related to the compilation of direct investment and International Investment Position statistics, to review the results of the 2009 CDIS, and discuss any challenges countries may have in compiling the statistics.
- A training session was conducted on the Price Index Processor System (PIPS). Ten CARTAC countries are currently using PIPS as their processing system. Two experts conducted the workshop for PIPS users on the latest version of this software that contains a number of improvements. 20 participants (Statisticians and IT personnel) were trained on the advanced features of PIPS.
- Finally, in-country training was provided to all TA receiving countries in the respective topic areas.

Coordination with Development Partners

CARTAC continued to collaborate with other regional agencies such as CARICOM, the Economic Commission for Latin America and the Caribbean (ECLAC), ECCB and Caribbean Tourism Organization (CTO) to enhance statistical capability in the region and to harmonize the work program to make efficient use of regional resources. Most notable are the projects listed below:

- **TA in the revision of the GDP by expenditure (EGDP) for ECCU member states in collaboration with the Eastern Caribbean Central bank (ECCB).**

The ECCU countries have recently finalized the rebasing of their national accounts. The next step in improving the National Accounts Statistics is the improvement of the GDP by expenditure. CARTAC, in collaboration with the ECCB, provided assistance to two member states namely Grenada and St Vincent and the Grenadines. These countries which will serve as pilot countries for the rest of the region.

- **CARICOM - ECLAC activities related to the International Comparison Project (ICP).**

ECLAC and CARICOM serve as regional coordinators of this program. This program will support the improvement of national accounts in the region since a major element in the ICP work program is the identification and solution of problems in the current scope and coverage of national accounts and price statistics in the region to facilitate cross-country comparisons. The ICP is planned from 2011-2013. It has synergies with the GDP by expenditure and price statistics projects supported by CARTAC.

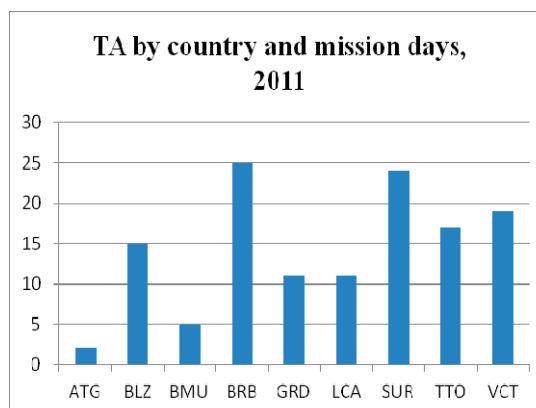
CARTAC attended, and assisted in organizing follow-up meetings related to the ICP, given the synergies with the technical assistance projects and work program of CARTAC and the importance of calculating Purchasing Power Parities for the region, and maximizing the use of limited resources regionally.

- **In response to an invitation from the CARICOM Secretariat, CARTAC attended the thirty-sixth meeting of the Standing Committee of Caribbean Statisticians (SCCS) in Belize City, Belize (October 24–26) and the seminar for Heads of Statistical Offices and National Accountants on the implementation of the System of National Accounts 2008 in Belize City, Belize (October 31–November 4).**

The first meeting considered the progress of work done by member countries and the CARICOM Secretariat and take decisions as required on various areas of statistics and related developmental activities. These areas of statistics include: National Accounts, International Trade in Services, Merchandise Trade, Social/Gender, Environment and Information and Communication Technology Statistics. The second meeting's main objective was to assist countries in the *2008 SNA* implementation which in turn would support sound macro-economic management and evidence-based policy formulation.

- **Several countries in the region have expressed the importance of quantifying the impact of tourism in these highly tourism dependent economies.**

The development of tourism statistics and tourism satellite accounts is consistent with the improvement of the national accounts and balance of payments statistics. Particularly the further improvement of supply and use tables and the travel debit and credit statistics as part of the balance of payments are important in this regard. The Caribbean Tourism Organization is the coordinating body for this project.

Figure II. TA by Country and Mission Days (2011)

F. Macroeconomic Programming and Analysis

Regional Strategy

Activities in CARTAC's Macroeconomics (MAC) technical assistance programme focused on providing support to the fiscal consolidation efforts of member countries. This was achieved through technical assistance interventions to strengthen the medium-term macroeconomic framework of member countries while building capacity within the respective ministries of finance. More specifically, the activities under this programme included working with local country teams to prepare medium-term macroeconomic projections under a baseline scenario; identifying imbalances and quantifying policy measures to address them; and preparing a framework to monitor the key quarterly targets.

During the year under review, CARTAC's MAC Economics Internship Programme was one of the highlights of the TA Programme. Launched in 2008, the internship programme continued to provide an opportunity for university economics graduates to work with experienced economists on joint research projects at regional central banks and their jointly-financed research institute. Over the years, CARTAC collaborated with the Bank of Jamaica, the Caribbean Centre for Money and Finance (CCMF), the Central Bank of Barbados, the Central Bank of Trinidad and Tobago and the Eastern Caribbean Central Bank (ECCB) on the internship programme.

Summary of Technical Assistance Delivery by Country

The MAC Programme continued to promote the use of the medium-term macroeconomic frameworks for economic analysis and policy formulation.

Anguilla: An overseas territory of the United Kingdom and a member of the Eastern Caribbean Currency Union, Anguilla engaged in an Article IV Consultation for the first time in 2011. In preparation for the Article IV Consultation, CARTAC worked along with staff from the Ministry of Finance to update the island's medium-term macroeconomic framework as well as to assist with a review of the economic performance over the past five years. A MAC TA mission also provided support to the Ministry of Finance to revise the medium-term fiscal framework during the last quarter of 2011. That work included assisting the Authorities in quantifying the impact of fiscal measures in the final stages of the budget preparation process. That exercise was extremely important to the Authorities as they work towards a balanced budget by the end of FY 2012.

Antigua and Barbuda: CARTAC's MAC programme continued to support the efforts of the Ministry of Finance to develop and implement a framework to monitor the macroeconomic impact of the Government's Fiscal Consolidation Programme. Support was provided to the Ministry of Finance to prepare for the review of the Stand-By Arrangement (SBA) including providing assistance to review the fiscal performance and the financing of the central government's operations.

"CARTAC's MAC Programme provided significant assistance to the Government of Antigua and Barbuda with respect to their Stand-by Arrangement (SBA) with the IMF. CARTAC assisted technicians in the Ministry of Finance to establish baseline for key variables which were critical in negotiating the programme. CARTAC also assisted in developing the framework used to monitor and report on the programme and provided technical assistance ahead of the first and second programme reviews. The Government is extremely grateful for this assistance from CARTAC".

Kevin Silston, Deputy Financial Secretary, Ministry of Finance (Sept 2009 - Oct 2011)

Dominica: The primary focus of this technical assistance intervention was to further strengthen the medium-term macroeconomic framework while building capacity within the Ministry of Finance to undertake this work. CARTAC guided staff in the Ministry of Finance to update the medium-term macro-fiscal framework to determine resource envelopes for the preparation of the annual budget. A small team comprising officers from the Macroeconomic Unit and Central Statistical Office worked along with the CARTAC mission and benefited from the exercise.

[A Macroeconomics Success Story - Dominica](#)

The staff of the Macro Policy Unit, Ministry of Finance, Dominica, is extremely grateful for the support of CARTAC's MAC technical assistance over the years. Assistance to the unit has been in the form of training exercises aimed at building capacity to update Dominica's medium term fiscal framework.

Mention must be made of the ‘hands on’ training style used to foster greater understanding of the issues and results. Note as well that training does not end after the workshop as participants have the opportunity to liaise with CARTAC after the exercise for additional support and guidance to effectively apply the knowledge acquired.

We all say a special “thank you” to CARTAC’s MAC programme for its impact on our professional development.

- *Mr. Collin Robinson, Senior Economist (Ag.), Macro Policy Unit, Ministry of Finance*

Montserrat: An overseas territory of the United Kingdom and a member of the Eastern Caribbean Currency Union, Montserrat also engaged in an Article IV Consultation for the first time in 2011. In preparation for the Article IV Consultation, CARTAC worked along with staff from the Ministry of Finance to update the island’s medium-term macroeconomic framework as well as to assist with a review of the economic performance over the past five years.

Population	5164
Capital	Plymouth
Area	39.3 sq miles
Language	English
Religion	Roman Catholic; Protestant
Currency	Eastern Caribbean Dollar
Life Expectancy	73
GDP per capita	USD 8,500
Literacy %	97

A Macroeconomics Success Story - Montserrat

The Caribbean Regional Technical Assistance Centre (CARTAC) has provided Government of Montserrat with invaluable support over the last financial year. This was focused on preparing Government of Montserrat for its first ever IMF Article IV Consultations.

The support was provided in a very timely manner and covered the development of a model which included a GDP and fiscal forecast. The programme was produced at the summary level but proved quite useful given the timeframe for completion and the purpose of the intervention. The empirical work carried out by participants during this session made use of official data for Montserrat. The final product was utilized successfully during the IMF mission and was also available as a reference tool for budgetary aid talks with DFID later that year.

We take this opportunity to express our appreciation to the CARTAC MAC Programme for the sterling contribution to the development of the Framework for the macro fiscal

projections. The Centre must also be commended for its sterling support (remotely) throughout the year, even after this intervention. Frequent monitoring of the programme with the intention of providing further support has been undertaken.

St. Kitts and Nevis: CARTAC continued to support the fiscal consolidation efforts of the Government. Once the Government finalized an SBA with the IMF, the MAC Programme worked closely with the Ministry of Finance to introduce and fine-tune systems to facilitate the compilation of data to monitor the Programme. In particular, CARTAC provided assistance to the Authorities in developing a framework to compile and monitor the stock of expenditure arrears. A quantitative performance criterion for the SBA is the reduction of total arrears, hence the importance of that work. CARTAC delivered hands-on training to the local team to update the medium-term macro-fiscal framework to determine resource envelopes for the preparation of the annual budget as well as to compile the financing of the central government on a quarterly basis.

At the sub-regional level of the ECCU, CARTAC collaborated with the ECCB to organize and sponsor a two-day *Economic, Stabilization and Adjustment Mini Boot Camp* from in January 2011. The slated objective of the “Camp” was to fine-tune the annual fiscal targets of the ECCU member countries that were originally presented at the special meeting of the ECCB Monetary Council on September 2, 2010. Additionally, the “Camp” was organized to develop quarterly fiscal targets as well as a framework to monitor them.



Regional: In response to comments from members of the CARTAC Steering Committee (SC) regarding the inadequacy of economics graduates in the region for operational work, an internship programme was launched in 2008. To date, CARTAC successfully collaborated with the University of the West Indies to identify honour students enrolled in their BSc and MSc Economics Programmes at the three campuses. Those students were hosted by the Bank of Jamaica, the Caribbean Centre for Money and Finance (CCMF), the Central Bank of Barbados, Central Bank of Trinidad and Tobago and the ECCB. At the end of its fourth year, a total of twenty eight (28) internships had been organized and a number of past interns are currently employed at regional central banks and

finance ministries while others are in the process of completing post-graduate studies in economics.

A Macroeconomics Success Story - St. Kitts & Nevis

The staff of the Ministry of Finance is very appreciative of the technical assistance received from CARTAC during 2011. The consultants were instrumental in training the staff in the following areas:

1. Updating the medium term fiscal framework;
2. Preparing a framework for the compilation of Government's financing on a quarterly and annual basis;
3. Creating a system to facilitate the compilation of expenditure arrears; and
4. Analyzing and monitoring the Government's expenditure arrears.

The training received in the various areas has strengthened the Ministry's public financial management capabilities. In particular, the training that was provided greatly enhanced the forecasting and analytical skills of the staff. This has led to increased productivity and efficiency in carrying out the functions of the Ministry.

The development of a framework to monitor expenditure arrears was also quite useful and contributed to an overall improvement in the accuracy of the fiscal data and the monitoring of Government's commitments.

The Ministry of Finance expresses its profound gratitude to CARTAC for the invaluable technical assistance provided in 2011.

- *Ministry of Finance, Government of St. Kitts and Nevis*

G. CARTAC's Cost Effectiveness Evaluation

In approving the budget for CARTAC Phase IV the Steering Committee requested an independent evaluation of CARTAC's cost effectiveness. The analysis was based on the first year of Phase IV (FY 2011). The principal objective was to assess CARTAC's overhead ratio and its unit costs for services in the context of factors that influence the effectiveness of a technical assistance centre. The evaluation team examined documents and data, visited four member countries, conducted interviews with stakeholders, and distributed a questionnaire on the issues.

In general, the study found that CARTAC's administrative costs are reasonable and comparable to other international financial institutions. *"In particular CARTAC's overhead rate is lower than the overhead rates of benchmark Funds when the whole chain of service delivery is considered from first donor to final beneficiary. The IMF's charges for the time of its experts are reasonable. They are comparable with other international financial institutions and lower than private sector companies' charges for equivalent professional services at similar levels of expertise."*

In addition, it was reported that CARTAC received exceptionally high ratings from all groups of stakeholders on almost all dimensions of performance. For example, CARTAC received excellent ratings on the quality of expertise and services, on understanding member country needs and on timely response. In evaluators' opinion, *back-stopping is an essential element of CARTAC's services and when it works well it adds value that is much greater than its costs.*

The study provided a set of recommendations that could be considered to further improve CARTAC's efficiency. These are being reviewed by the IMF and CARTAC and a program of action ("Cost-Effectiveness Action Plan") will be developed.

Recommendations include:

1. *Operate at a sufficient scale to take full advantage of the management infrastructure that CARTAC has in place.*
2. *Look for additional efficiencies within overhead costs that are already at reasonable levels.*
3. *Increase efficiency by simplifying management within the IMF Administrative Framework.*
4. *Improve results orientation and results reporting.*
5. *Use technology to provide services cost-effectively.*
6. *Emphasize balanced teams of experts.*
7. *Emphasize the 'competitive' elements of procurement of experts, within the framework of IMF procurement policies.*

8. *Build on the IMF's excellence in back-stopping.*
9. *(Next Steps) Produce a Cost-Effectiveness Action Plan (CAP) and assess performance against it, and against CARTAC's Topic Area LogFrames, in the next mid-term evaluation.*

H. CARTAC's Outreach Activities

As part of its outreach program CARTAC participated in various activities in FY 2011. Mr. Arnold McIntyre, CARTAC Coordinator;

- Presented an **Update on CARTAC's TA Program Implementation** at the 36th Bi-Annual Meeting of CARICOM Central Bank Governors; Barbados; May 2011;
- Presented the IMF **"Regional Economic Outlook"** at a regional conference organized by the Caribbean Centre for Money and Finance; Trinidad and Tobago; June 2011;
- Presented the IMF **"Regional Economic Outlook"** at the annual meeting of the Caribbean Group of Securities Regulators; Trinidad and Tobago; October 2011;
- Presented an **Update on CARTAC's TA Program Implementation** at the 37th Bi-Annual Meeting of CARICOM Central bank Governors; Barbados; November 2011;
- Presented IMF **"Regional Economic Outlook"** at Royal Bank of Canada conference; Barbados; January 2012.

SECTION III:

Overview of FY 2012 Work Plan

SECTION III. OVERVIEW OF FY2012 WORK PLAN

A. Public Finance Management

CARTAC has determined that good practice requires more attention to integration of the elements of MFM with PFM. The financial management processes, while requiring varied skills work well only when performed in a coordinated context. Having said that, the work plan for 2012/13 remains in line with the key result areas of the CARTAC phase IV programme document, with emphasis on activities in the areas of treasury and budget. While the CARTAC workplan covers a 12-month period, and defines the specific technical assistance planned in each country and regionally, flexibility exists to respond to new issues, particularly where urgent and unforeseen requirements arise, and also where changes in priorities occur.

CARTAC will focus efforts on supporting countries with their PFM reform agenda and action plans, including providing guidance and facilitation for new plans or in updating existing plans.

CARTAC's work plan for 2012/13 will focus providing support for the following activities:

Accountant General Department

- Mapping existing CoAs to GFSM 2001 and CoFoG in Dominica, St Kitts and Nevis, and Suriname; and in redesigning the CoAs to improve fiscal, financial and performance reporting and accountability in The Bahamas, Belize, British Virgin Islands, Grenada and Montserrat;
- Adoption of international public sector accounting standards in ECCU countries, The Bahamas and British Virgin Islands;
- Consolidation of banking arrangements, including progressive steps toward the efficiency and transparency of an Treasury Single Account (TSA) in Dominica, Grenada, Jamaica and Suriname;
- Further improvements to Jamaica's central treasury management system (CTMS);
- Improved bank reconciliation processes, including automation of the matching of transactions between the bank and the ledger in Dominica, Grenada, and St Kitts and Nevis;
- Implementation of a cash flow management and forecasting model and enhanced techniques for cash management in Dominica, Grenada, and Nevis;
- Business process review and redesign to eliminate errors and lost time associated with manual processes, and strengthen internal controls through enhanced use of government accounting systems in British Virgin Islands, Dominica, Grenada, Guyana, and St Kitts and Nevis;

Budget

- Improved budget preparation processes, particularly in relation to fiscal discipline, through the implementation of a forward estimates process, budget scorecards and reconciliation tables, and new policy and savings proposals. This will also involve a focus on improved results-based budget management in seven countries including: Anguilla, British Virgin Islands, Dominica, Grenada, Montserrat, St Kitts and Nevis, and The Bahamas.
- Improved budget execution through the informed use of Spending Plans and Budget Monitoring to allow treasury cash execution to follow the policy, avoiding cash rationing.

Workshops / Training

- Internal audit introductory and advanced workshops in Guyana and St Vincent and the Grenadines – training to be delivered by regional experts;
- Delivery of the CARTAC one-week PFM workshop in four countries, delivered entirely by regional presenters;
- Development of a PS capacity building workshop for Dominica, which will be made available to other countries;
- Regional Conferences on Debt Management, Fiscal Risk and strengthening the capacity of the Accountant General's Departments;
- Regular tailored capacity building sessions as part of all missions, including both formal and informal, and on-the-job training.

CARTAC will actively seek opportunities for peer-assisted learning between countries in the region, including the use of positive TA outcomes in one country to stimulate reforms in other countries.

CARTAC will also maintain strong contact with other development partners including, AUSAID, CARICAD, CDB, CIDA, Commonwealth Secretariat, EC, IDB, SEMCAR and the World Bank. CARTAC will ensure cooperation in relation to country TA and also seek opportunities to continue to work collaboratively.

B. Macro-Fiscal Management

It is intended that with the re-integration of the macro-fiscal sector into the public finance management sector, there will not only continue to be a significant MFM TA effort, but that this effort will be carried out within the broader PFM content, with the objective of enhancing coordination and the exploitation of synergies. Continued regional activities are being planned including newsletters, workshops and support for the nascent organization, CARADEM. Delivery of the 2-week Quantitative Tax Policy Workshop is being contemplated.

It is expected that the in-country core MFM TA effort will continue to be focused on providing institutional, technical, data management and communications support to burgeoning macro-fiscal units. A renewed effort will be deployed in support of member countries' efforts to strengthen oversight of all relevant fiscal risks. With the pending re-institution of ComSec's regional adviser program, a more supportive and complementary role is envisaged for CARTAC in the area of debt management.

C. Revenue (Tax and Customs) Administration

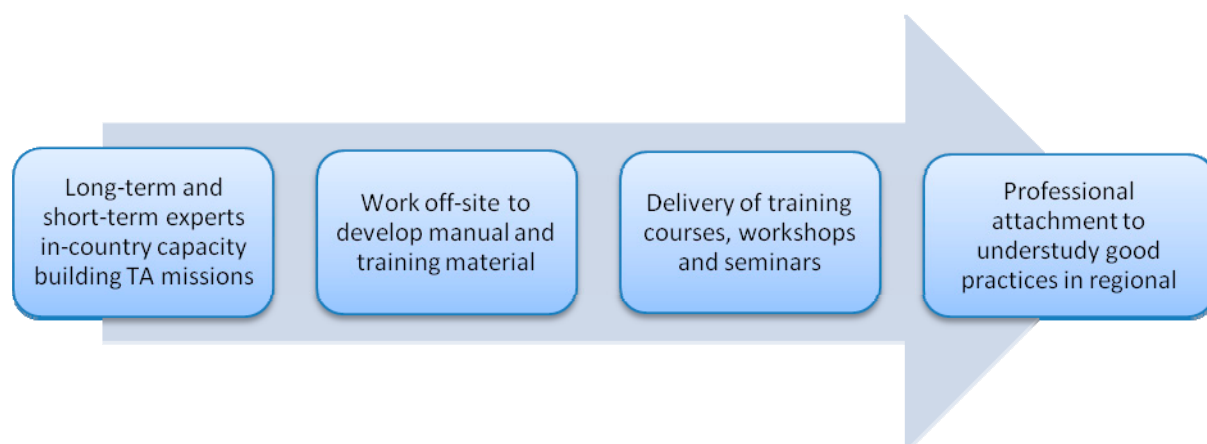
The strategic objective of the revenue administration program over the next three years is to strengthen the administration of domestic tax and customs regimes through increased use of harmonized regional systems and procedures that are aligned to internationally accepted good practice. This objective is consistent with the needs, demands and priorities of member countries. The FY 2012 Work Plan has been designed to contribute towards achieving this objective and will focus on the following:

- Preparation for VAT implementation in **Anguilla, St. Lucia, Suriname and Turks and Caicos Islands**;
- Post-VAT capacity building in **St. Kitts and Nevis**;
- Supporting the Risk Management programs in **Grenada, Guyana, St. Kitts and Nevis** and **St. Lucia** CED, and for IRD in **St. Kitts and Nevis**;
- Advancing the establishment of **Dominica** LMTU, **Barbados** Revenue Authority and integration of income tax and VAT operations in **Grenada**;
- Building tax audit capacity in **Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines**, and **Trinidad and Tobago**;
- Building capacity in Customs post clearance audit in **Dominica** and **St. Lucia**;
- Harmonizing operational procedures in Customs in **St. Kitts and Nevis**;
- Enhancing Customs valuation capacity in **Jamaica**.

Workshops / Training

- Delivery of a **regional** workshop on “*Effective Practices in Regional Tax Arrears Collections & Enforcement*” to be held in St. Kitts and Nevis; and
- Delivery of two **regional** workshops on “*Auditing of Financial Institutions*” to be held Dominica and Trinidad.

Figure III. Modalities for Delivery of Revenue Administration Sector TA in FY 2012



D. Financial Sector Supervision

The work plan for 2012 continues to focus on the needs of the individual countries as well as the region. The focus will still be primarily on insurance supervision and credit union supervision and the development of the nonbanking supervisory expertise.

- A supervisory framework to supervise credit unions in **St. Kitts and Nevis** will be built.
- A roadmap to develop the supervision of insurance companies, credit unions, pension funds, and securities firms will be developed and implemented over the next five years for the newly formed Financial Services Commission in **Barbados**.
- A College of Regulators meeting will be held to discuss the financial and managerial condition of two large insurance companies operating in the Caribbean.
- A region-wide data collection project for insurance companies is planned to better assess size of the insurance market in the Caribbean.
- Technical assistance will be provided to the Central Bank of **Barbados** to assist in implementing Basel II over the next three years.

Workshops / Training

- A workshop to develop more expertise in analyzing the financial statements of insurance companies is planned.
- A workshop on risk-based supervision for pension funds is planned.
- A select group of Central Bank supervision staff will be trained to deliver a credit risk analysis workshop under a Train-the-Trainer workshop.

E. Economic and Financial Statistics

Macroeconomic Statistics

The work plan will cover the following areas:

National accounts

- GDP by expenditure project, pilot projects in **St. Vincent and the Grenadines** and **Grenada**; follow-up missions to assist the authorities in the revision of the EGDP estimates at current prices and the compilation of EGDP at constant prices, in close collaboration with the ECCB.
- GDP by expenditure compilation in **Bermuda**; missions to assist the Bermuda Department of Statistics in continuing to improve the annual GDP (AGDP) and developing the quarterly national accounts (QNA) by expenditure.
- Quarterly GDP compilation in **St. Lucia**; missions to assist the authorities in the compilation of QGDP estimates.
- Quarterly GDP compilation in the **Bahamas**; missions to assist the Department of Statistics (DOS), to compile QGDP by production and expenditure using the guidelines of the IMF QNA manual.
- Quarterly GDP compilation in **Barbados**; missions to assist the Barbados Statistical Services (BSS) to develop a methodology for compiling Quarterly GDP (QGDP) estimates using the guidelines of the IMF QNA manual.
- GDP rebasing in **Suriname**; missions to assist the GBS to finalize the rebasing and revision of the GDP by production.
- Assessment of GDP deflators and extrapolators in **Trinidad and Tobago**; missions to assess the data sources including the extrapolators and deflators available for the compilation of annual GDP in current and at constant prices.
- Mission to **St. Kitts and Nevis** to assist the authorities in the revision of the quarterly GDP by production.

Price statistics

- CPI/PPI revision **Montserrat**; missions to assist the Statistics Department of Montserrat to develop the new CPI 2007/2008 basket of goods and services, after validation of the results of the HIES/SLC.
- Producer Price Index (PPI) compilation in **Barbados**; follow-up missions to Barbados to assist Barbados Statistical Services (BSS) in developing a PPI that conforms to international standards as presented in the Producer Price Index Manual (PPI Manual), 2004.
- CPI/PPI revisions mission; follow-up missions to **Trinidad and Tobago** to assess progress in improving the Retail Price Index (RPI) and to revise the producer price index (PPI) so that both meet the international standards.
- CPI revision in **Barbados**; diagnostic mission to assist the Barbados Statistical Services (BSS) in updating the CPI basket using international standards.

External sector statistics

- TA in the area of implementation of the recommendations of the Balance of Payments Manual (BPM) VI, from the following organizations and countries: ECCB, Bermuda, Cayman Islands and Barbados.

Workshops / Training

- Regional 2008 System of National Accounts Workshop; together with the IMF STARE Division, conduct a workshop on national accounts statistics with focus on GDP compilation issues and based on the SNA 2008 covering mainly an overview of the 2008 SNA, sequence of accounts, production account, output of specific industries, GDP by expenditure approach, price and volume measures, supply and use tables, inventory valuation, informal sector, and introduction to quarterly national accounts.
- Regional seminar on Government Finance Statistics, with linkages to national accounts and public finance management through the chart of accounts, St Kitts and Nevis; conduct in cooperation with STAGO and PFM a seminar on Government Finance Statistics, with linkages to national accounts and public finance management through the chart of accounts, St Kitts and Nevis (April 16-27, 2012). This is the first seminar of its kind which, in addition to presenting the methodology of GFSM 2001, will also explore the linkages with SNA and PFM systems.
- Regional Monetary Financial Statistics workshop; together with STA, host a workshop on monetary financial statistics.
- Quarterly GDP workshop to share the experiences of the pilot country with other CARTAC member countries.

- Expenditure GDP workshop to share the experiences of the pilot countries with the other CARTAC member countries.
- Basic course in national accounts compilation as requested by several member countries.
- In country and on-the-job training in TA recipients in the TA topic area.
- Several workshops in collaboration with regional partners such as Caricom, ECLAC and the ECCB.

F. MacroEconomic and Programming Analysis

In the ECCU, the impact of the developments in the global economy has become increasingly evident with members experiencing a decline in tourist arrivals, lower inflows of foreign direct investment and remittances, leading to a fall in construction activity and real output. This poor performance has resulted in a further weakening of central government's finances, adversely affecting their ability to respond adequately to the crisis. Cognizant of this, member governments have renewed their commitment to manage near-term risks and implement policies aimed at stimulating their respective economies, while ensuring fiscal and debt sustainability.

Consequently, the current work plan has been developed in response to the demand from member countries to strengthen capacity within the Macro-Policy Units, consistent with CARTAC's Programme Document. Work will focus on providing guidance to local teams to update their respective medium-term macroeconomic framework that underpin the budget. The MAC Economics Internship Programme aimed at improving the analytical and professional skills of regional economists will also be organised.

CARTAC's MAC work plan for FY 2012 will focus on the following:

To complement hands-on capacity building exercise across the ECCU, a sub-regional *Financial Programming and Policies* course will be delivered at the ECCB headquarters.

- **ECCU:** Further strengthen the medium-term macroeconomic framework through capacity building exercise.
- **ECCU:** Support establishment of Macro Policy Units to help strengthen macroeconomic and policy analysis by providing guidance on the role, functions and requirements for effective Units.
- **ECCU:** Strengthen the ability of local staff to analyze macroeconomic developments and effectively present same to senior Ministry of Finance officials.
- **ECCU:** Strengthen the framework to monitor fiscal and debt developments.
- **Guyana:** Further strengthen the medium-term macroeconomic framework through capacity building exercise.

ANNEXES

Annex I: Existing Regional Technical Assistance Centres

The Pacific Financial Technical Assistance Centre (PFTAC) was established in Suva, Fiji, in 1993, now serves 16 Pacific island countries and territories, including the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, and Vanuatu. Its current program cycle is funded by the Asian Development Bank, Australia, the European Union, the IMF, Korea, New Zealand, and the host country Fiji.

The African Regional Technical Assistance Centres (AFRITACs) are part of the IMF's Africa Capacity-Building Initiative, launched in May 2002. Responding to calls from African leaders, including under the New Partnership for Africa's Development (NEPAD), the Initiative promotes strengthening the capacity of African countries to design and implement their poverty-reducing strategies, as well as to improve the coordination of capacity-building technical assistance in the Poverty Reduction Strategy Paper (PRSP) process. As part of the Initiative, four African Regional Technical Assistance Centres have been established. East AFRITAC was opened in Dar es Salaam, Tanzania, in 2002, now serves seven countries in East Africa (Eritrea, Ethiopia, Kenya, Malawi, Rwanda, Tanzania, and Uganda). West AFRITAC was opened in Bamako, Mali, in 2003 and moved to Abidjan, Côte d'Ivoire, in mid-2012 to serve ten countries in West Africa (Benin, Burkina Faso, Côte d'Ivoire, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, and Togo). Central AFRITAC was opened in Libreville, Gabon, in 2007, to serve countries in the CEMAC group, plus Burundi and the Democratic Republic of the Congo. AFRITAC South was opened in Port Louis, Mauritius, in June 2011, to serve 13 countries in Southern Africa (Angola, Botswana, Comoros, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia, and Zimbabwe). Work is in progress to open one more AFRITAC in 2013, covering the non-francophone countries in West Africa (AFRITAC West 2). The AFRITACs are financed by contributions from a number of donors, the IMF, as well as host and beneficiary countries. Current donors include the African Development Bank, Australia, Brazil, Canada, the European Investment Bank, the European Commission, France, Germany, Italy, Kuwait, Luxembourg, the Netherlands, Switzerland, and the United Kingdom.

The Middle East Regional Technical Assistance Centre (METAC) was established in Beirut, Lebanon, in 2004 to serve ten countries/territories in the Middle East (Afghanistan, Egypt, Iraq, Jordan, Lebanon, Libya, Sudan, Syria, West Bank and Gaza, and Yemen). METAC's main objective is to help strengthen capacity for effective macroeconomic and financial management in the region, and to support the region's integration into the world economy. A particular focus is to help post-conflict countries in the region achieve macroeconomic stability and develop basic institutions for policymaking. METAC is designed to enhance coordination among development partners and to promote effective implementation of economic initiatives within the Middle East region. METAC's current program cycle is financed by contributions from the European Investment Bank, the

European Commission, France, the IMF, Kuwait, Oman, the host country Lebanon, and beneficiary countries.

The Central America, Panama and the Dominican Republic Regional Technical Assistance Centre (CAPTAC-DR) started operations in May 2009 in Guatemala. It serves Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The Centre's technical assistance is focused on financial sector supervision, tax and customs administration, medium-term expenditure frameworks and public financial management, money markets, and macroeconomic statistics. Improved institutions and increased regional integration are the objectives. The Centre is funded by Canada, the Central American Bank for Economic Integration, the European Commission, Germany, the Inter-American Development Bank, the IMF, Mexico, Spain, the host country Guatemala, and beneficiary countries.

Annex II: Members of CARTAC Steering Committee

Steering Committee Heads
Chairperson
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<p>Mr. Arnold McIntyre Programme Coordinator CARTAC Email: amcintyre@imf.org</p>

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Annex III: CARTAC Staff

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Sector	Name	Email
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Public Finance Management (Present)	Ms. Eileen Browne	ebrowne@imf.org
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Tax Administration (2010 – 2011)	Mr. Robert Mills	N/A
Tax Administration (2011-2012)	Mr. Mark Waddington	N/A
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Financial Sector Supervision (2007 - 2012)	Mr. Howard 'Skip' Edmonds	N/A
Financial Sector Supervision (Present)	Mr. Courtney Christie-Veitch	cchristieveitch@imf.org

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Position	Name
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Senior Administrative Assistant	Ms. Sally-Ann Barrow
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Administrative Assistants	Ms. Aysha Springer Ms. Renée Springer Ms. Shirley-Ann Lovell
Chauffeur	Mr. Everton Blackett

STATISTICAL APPENDICES

Appendix I: CARTAC Missions, FY 2011

PUBLIC FINANCE MANAGEMENT AND MACRO-FISCAL MANAGEMENT

MISSION ACTIVITY	LTX/STX	DATE
REGIONAL		
Presentation at Workshop on Public Sector Investment Programme (PSIP)	LTX	March 2011
Attend CARTAC Steering Committee Meeting	LTX	March 2011
Attend CARTAC Steering Committee Meeting	LTX	March 2011
Attend LAC meetings & Caribbean Day in partnership with IDB Com-Sec ECCB	LTX	October 2011
Assist with LAC Debt Managers Group Meeting	STX	October 2011
Attend CARTAC Steering Committee meeting; Study tour to MoF;	LTX	November 2011
Attend PFM Workshop bank reconciliation and cash flow forecasting	LTX	November 2011
Attend Budget Preparation Workshop	LTX	November 2011
Attend CARTAC Strategic Meetings with HQ	LTX	December 2011
Attend CARTAC Strategic Meetings with HQ	LTX	December 2011
Debt Sustainability Assessment	LTX	January 2012
ANGUILLA		
Budget Preparation	STX	June 2011
Cash Management	LTX	July 2011
Budget Preparation	STX	October 2011
ANTIGUA & BARBUDA		
Financial Statement preparation & resolving challenges on Chart of Accounts for salary posting	LTX	March 2011
Inception Mission EC	LTX	January 2012
BAHAMAS		
Conduct Revenue Modeling and Forecasting Workshop	LTX	April 2011
Revenue Forecasting Workshop	STX	April 2011
PFM Reform Action Plan	LTX	May 2011
Join Expert Stephen Symansky to continue work on Macro-Modeling	LTX	May 2011
Business Process Review for AGD including CoAs and BPR	LTX	November 2011
Budget Preparation	STX	November 2011
BARBADOS		
Budget Preparation	STX	September 2011
Co-trainer for DSA Workshop	STX	November 2011
Public Financial Management	STX	January 2012
BELIZE		
Attend CARTAC Strategic Meetings	LTX	May 2011
Chart of Accounts Mission	LTX	August 2011
BRITISH VIRGIN ISLANDS		
Preparation of Medium Term Fiscal Framework (MTFF)	LTX	June 2011

Budget Preparation	STX	November 2011
CoAs Reform and Induction of Budget Adviser	LTX	November 2011
DOMINICA		
AGD capacity building	LTX	May 2011
Budget Preparation	STX	September 2011
Continue work with AGD	LTX	September 2011
Preparation of DSA and long-term economic and fiscal projections used as inputs	LTX	September 2011
Continue work on Bank Reconciliation Process	LTX	October 2011
Improved capacity in budget preparation	STX	January 2012
Improve capacity of the AGD	LTX	January 2012
GRENADA		
Attend Accountant General Capacity Building	LTX	April 2011
Budget Preparation Reform	STX	May 2011
Backstopping and continued AGD support	LTX	June 2011
Chart of Accounts and Support to AGD	LTX	September 2011
Follow up mission on cash flow forecasting and Chart of Accounts	LTX	October 2011
GUYANA		
Support Budget Expert; meet with AGD & develop capacity building programme for AGD & Internal Audit	LTX	May 2011
Budget Preparation	STX	May 2011
Budget Preparation	STX	July 2011
Business process review of the AGD	LTX	September 2011
Budget Preparation	STX	October 2011
JAMAICA		
Meet with Ministry of Finance Officials	LTX	April 2011
Attend Regional Procurement Conference	LTX	April 2011
Support the redevelopment of the Chart of Accounts for Central Treasury Management System Project	LTX	April 2011
Attend CARTAC Strategic Meetings	LTX	May 2011
Attend CARTAC Strategic Meetings	LTX	May 2011
CTMS support mission and redevelopment of PFM Action Plan	LTX	July 2011
Attend CARTAC Steering Committee Meeting and continued work on Action Plan	LTX	October 2011
Public Financial Management	STX	November 2011
Public Financial Management	STX	December 2011
MONTSERRAT		
Work on Budget and Chart of Accounts	LTX	August 2011
Budget Preparation	STX	August 2011
Work with Macro-Fiscal unit under direction of Lindorna Brade & Budget Director	LTX	September 2011
Budget Preparation	STX	October 2011
Improved capacity in budget preparation	STX	January 2012
ST. KITTS & NEVIS		
Budget Preparation	LTX	June 2011

Budget Preparation Reform	STX	June 2011
Preparation of DSA and long-term economic and fiscal projections used as inputs	LTX	November 2011
ST. LUCIA		
Induct budget prep expert and backstop Lepage	LTX	May 2011
Budget Preparation	STX	May 2011
Conduct DSA workshop	LTX	June 2011
Bank Reconciliation and Business Process	STX	July 2011
Follow up to DSA mission at request of MoF	LTX	July 2011
Bank Reconciliations	STX	September 2011
Bank Reconciliations	STX	October 2011
Budget Preparation	STX	November 2011
ST. VINCENT & THE GRENADINES		
AGD Mission	LTX	April 2011
PFM Action Plan	LTX	May 2011
Accompany FAD and SEMCAR Missions	LTX	September 2011
Preparation of DSA and long-term economic and fiscal projections used as inputs	LTX	October 2011
SURINAME		
PFM Reform Action Plan	LTX	July 2011
Finalise PFM Action Plan	LTX	August 2011
Macro-Modelling Project: Reviewing and Re-working the forecasting Model	LTX	January 2012
Induction of Budget Adviser	LTX	January 2012
Improve capacity in Budget preparation	STX	January 2012
TRINIDAD & TOBAGO		
Discuss authorities' interest in working with CARTAC to strengthen oversight/governance of SOEs	LTX	July 2011

REVENUE (TAX AND CUSTOMS) ADMINISTRATION

MISSION ACTIVITY	LTX/STX	DATE
REGIONAL		
Attend CARTAC Steering Committee Meeting	LTX	March 2011
Attend CARTAC Steering Committee Meeting	LTX	March 2011
Attend CARTAC Strategic Visit	LTX	May 2011
Tax and Customs Administration	STX	September 2011
Tax and Customs Administration	STX	September 2011
HQ Briefing for CARTAC Revenue Administration Adviser	LTX	September 2011
Observe audit operations; meet with senior auditors; attend CARTAC Steering Committee meeting	LTX	October 2011
Attend CARTAC Steering Committee meeting	LTX	October 2011
HQ Briefing of Customs Administration Regional Adviser (Mr. Jones replacement)	LTX	December 2011
Attend CARTAC Strategic Meeting with HQ	LTX	December 2011

Attend CARTAC Strategic Meetings at HQ	LTX	December 2011
ANGUILLA		
Assessment mission to ascertain the feasibility of VAT implementation	LTX	January 2012
Assessment mission to ascertain the feasibility of VAT implementation	LTX	January 2012
ANTIGUA & BARBUDA		
Meet with senior officials regarding next phase of Revenue Administration Reform	LTX	June 2011
Work on EC reform program plans and strategies	LTX	September 2011
BARBADOS		
Tax and Customs Administration BTB with 11FAM18	STX	October 2011
Tax and Customs Administration	STX	December 2011
Tax and Customs Administration	STX	January 2012
BELIZE		
Risk Management	STX	June 2011
DOMINICA		
Post Clearance Audit	STX	April 2011
Risk Management Techniques	STX	May 2011
Introduce STX Michael Mintrum to authorities	LTX	May 2011
Audit TA	STX	May 2011
Attend closing of Audit Capacity Building done by Mike Mintrum; discuss program for later in 2011	LTX	May 2011
Support Implementation of Large & Medium Taxpayer Unit; provide guidance on sensitive audit cases	LTX	July 2011
Follow up visit from recent mission (12FAF24 02) 25 July - 5 Aug	LTX	September 2011
Engage counterparts on revenue reform issues; develop themes covered by B Dawe; determine future TA	LTX	November 2011
GRENADA		
Post VAT Capacity Building (1 of 3)	STX	June 2011
VAT Implementation Programme	LTX	September 2011
Risk Management Support (1 of 3)	STX	September 2011
Work with audit expert during first two days of mission	LTX	October 2011
Mentoring and Training VAT Audit Staff	STX	October 2011
Risk Management Support	STX	November 2011
Risk Management Support (1 of 3)	STX	January 2012
Review & evaluate progress on Risk Management Workshops; meet Comptroller and Senior Managers	LTX	January 2012
Tax and Customs Administration	STX	January 2012
To participate in exit meeting of fund mission.	LTX	January 2012
To deliver TA mission providing mentoring and support to VAT Audit Team	LTX	January 2012
GUYANA		
Discuss the way forward re TA request from authorities; observe Guyana Revenue Authority operations	LTX	December 2011
Discuss the way forward re TA request from authorities; observe Guyana Revenue Authority operations	LTX	December 2011

JAMAICA		
Conduct training needs analysis in subject areas of Post Clearance Audit & Enhanced Enforcement	LTX	June 2011
Tax and Customs Administration	STX	September 2011
Tax and Customs Administration	STX	September 2011
Participation in Tax administration and assessment of program reforms FAD mission 12FAG22	LTX	September 2011
Post Audit Clearance (3 of 3)	STX	October 2011
Tax and Customs Administration	STX	October 2011
Co-deliver and assess design of Pilot Intermediate Level Customs Audit Workshop	LTX	October 2011
Launch new enhanced valuation training workshop	LTX	October 2011
Review & evaluate progress on Valuation Workshops; meet Commissioner and Senior Managers	LTX	January 2012
Valuation	STX	January 2012
ST. KITTS & NEVIS		
VAT Revenue Review	STX	May 2011
Attend opening sessions of the VAT Assurance Training being delivered by HMRC	LTX	June 2011
Review progress of VAT implementation; backstop delivery of Basic VAT Assurance Training course	LTX	June 2011
Provide coaching support to improve auditing techniques	LTX	July 2011
Audit Risk Selection System & National Audit Programme	STX	August 2011
Continue TA in Audit Division to establish/implement	LTX	August 2011
Customs Modernization & Risk Assessment	STX	October 2011
Tax and Customs Administration	STX	October 2011
VAT Audit support	STX	October 2011
Review post VAT implementation program; assist authorities to resolve critical issues; work with STX	LTX	November 2011
VAT Audit Support BTB with 12FAL55	STX	January 2012
Risk Assessment & Post VAT Support	STX	January 2012
ST. LUCIA		
Code of Conduct	STX	May 2011
Participate in the Government's Strategic Planning Retreat to prepare for VAT introduction in 2012	LTX	May 2011
Post Clearance Audit	STX	June 2011
Review the status of preparation of VAT implementation and provide onsite support to Project Team	LTX	July 2011
Review Status of the VAT Implementation Project	LTX	September 2011
Tax and Customs Administration	STX	September 2011
Work with authorities in preparation for VAT implementation	LTX	October 2011
Assist with Development and Implementation of VAT Advisory Programme	STX	November 2011
Review progress on VAT implementation and provide onsite assistance to authorities	LTX	November 2011
To Review Progress on VAT Implementation and Provide onsite assistance to Authorities	LTX	November 2011
Assist Authorities with the Redesign of Floor Space	STX	December 2011

ST. VINCENT & THE GRENADINES		
Tax and Customs Administration	STX	November 2011
Introduction to stakeholders & STX delivering tax policy input; opportunity for structured handover	LTX	November 2011
Tax and Customs Administration.	STX	January 2012
To participate in exit meeting of STX	LTX	January 2012
SURINAME		
Basic VAT Training and preparation of responses to VAT Legislation Questionnaire	LTX	September 2011
LEG/CARTAC mission - advise on tax administration during the review of the first draft VAT Bill	LTX	November 2011
Training the Trainers	STX	November 2011
Assist with VAT Taxroll definition	LTX	November 2011
Review progress with regard to VAT implementation and provide onsite assistance to the authorities	LTX	January 2012
TRINIDAD & TOBAGO		
Attend CARTAC Strategic Meetings	LTX	April 2011
Tax and Customs Administration	STX	November 2011
Assist with Ratios as a Compliance Management Tool	STX	January 2012
TURKS AND CAICOS		
Meet FS/CFO to discuss VAT implementation; assess current state & capacity of revenue administration	LTX	April 2011
Meet FS/CFO to discuss VAT implementation; assess current state & capacity of revenue administration	LTX	April 2011
Deliver basic VAT Training Course to MOF CED IRD and VAT Implementation Project Staff	LTX	June 2011
Assist with preparation of responses to VAT questionnaire to prepare for drafting of legislation	LTX	June 2011
VAT Law	STX	July 2011
VAT Law	STX	July 2011
Participate in VAT legislation drafting; assist with development of VAT implementation project plan	LTX	July 2011
VAT Preparation (1 of 2)	STX	July 2011
VAT Law	STX	August 2011
VAT Law	STX	November 2011
Advise on tax administration during the drafting of the VAT regulations by STX - A Schenk	LTX	November 2011
Drafting VAT Bills	STX	December 2011

FINANCIAL SECTOR SUPERVISION

MISSION ACTIVITY	LTX/STX	DATE
REGIONAL		
Financial Sector Supervision	LTX	February 2011
Capital Markets	LTX	February 2011
Attend Standardization of Actuarial Standards for the C'bean; meet with FSC	LTX	March 2011
Attend Regional Consultation on Integration of Capital Markets	LTX	March 2011

& CARTAC Steering Committee Meeting		
Attend CARTAC Steering Committee Meeting	LTX	March 2011
Attend C'bean Assoc of Pension Supervisors Conference; discuss Suriname pension fund supervision	LTX	May 2011
Attend CFATF Plenary Meeting XXXIII	LTX	May 2011
Attend CFATF Plenary/Ministerial Meetings	LTX	June 2011
CAIR Workshop and Conference	STX	June 2011
Attend Commonwealth Secretariat Workshop	LTX	June 2011
Attend CARTAC Securities Regulatory/Exchange Advisory Group Meetings	LTX	June 2011
Bank Supervision and Regulation	STX	June 2011
Attend Market Risk Workshop for Banking Supervision	LTX	June 2011
Market Risk Capital Workshop	STX	June 2011
Attend Commonwealth Regional Discussion Forum	LTX	August 2011
Attend ECCU Insurance Regulation and Supervision Workshop	LTX	October 2011
Bank supervision and regulation	STX	October 2011
Attend CARTAC Steering Committee Meeting	LTX	October 2011
Attend CARTAC Strategic Meetings at HQ	LTX	December 2011
Banking Supervision and Regulations	STX	January 2012
Supervision of Nonbank Financial Sector Supervision	STX	January 2012
Supervision of Nonbank Financial Sector Supervision	STX	January 2012
Supervision of Nonbank Financial Sector Supervision	STX	January 2012
Supervision of Nonbank Financial Sector Supervision	STX	January 2012
Supervision of Nonbank Financial Sector Supervision	STX	January 2012
Supervision of Nonbank Financial Sector Supervision	STX	January 2012
BARBADOS		
Bank Regulation & Supervision	STX	May 2011
Pension Fund Supervision	STX	May 2011
Bank Supervision and Regulation	STX	September 2011
BELIZE		
Bank supervision and regulation	STX	October 2011
Bank Supervision and Regulation	STX	November 2011
Bank Supervision and Regulation	STX	November 2011
CAYMAN ISLANDS		
CAIR Workshop and Conference	STX	June 2011
DOMINICA		
Banking Supervision (off-shore banks)	STX	August 2011
GRENADA		
Insurance Supervision Work	STX	January 2012
Bank Supervision and Regulation	STX	January 2012
HAITI		
Development of Markets/Securities Project	STX	April 2011
Development of Government Securities	STX	August 2011
JAMAICA		

Bank Supervision and Regulation	STX	March 2011
Bank Supervision and Regulation	STX	July 2011
Pension Fund Supervision	STX	August 2011
Present Draft Consultation Report for Discussion	STX	November 2011
Bank Supervision & Regulations	STX	November 2011
Bank Supervision & Regulation	STX	December 2011
SURINAME		
Bank Supervision and Regulations	STX	April 2011
Pension Fund Supervision	LTX	June 2011
Pension Fund Supervision	STX	June 2011
Bank Supervision & Regulation	STX	June 2011
Insurance Supervision	STX	July 2011
Insurance Supervision	STX	October 2011
Bank Supervision & Regulations	STX	November 2011
Bank Supervision & Regulation	STX	January 2012
Capital Markets Developments	STX	January 2012
TRINIDAD & TOBAGO		
Attend CARTAC Strategic Meetings	LTX	April 2011
Attend CGSR Meeting	LTX	October 2011
Bank Supervision & Regulation	STX	November 2011

ECONOMIC AND FINANCIAL STATISTICS

MISSION ACTIVITY	LTX/STX	DATE
REGIONAL		
Attend ICP ECLAC Meeting and CARTAC Steering Committee Meeting	LTX	March 2011
PIPS Workshop	STX	April 2011
CARTAC: GDP by expenditure compilation OECS Member States	LTX	May 2011
CARTAC: Training: Price Index Processor (PIPS) Workshop	LTX	May 2011
CARTAC: GDP by expenditure compilation OECS Member States	LTX	September 2011
CARTAC: International comparison project ECLAC	LTX	September 2011
CARTAC: STE NA - GDP by expenditure compilation OECS member states	LTX	October 2011
CARTAC: SCCS Meeting	LTX	October 2011
CARTAC: Steering Committee Meeting	LTX	October 2011
CARTAC: Attend National Accounts CARICOM Meeting	LTX	October 2011
CARTAC: Attend Strategic Meetings with HQ	LTX	December 2011
BARBADOS		
CARTAC: Consumer Prices/Producer Price	LTX	April 2011
CARTAC: STE: National Accounts Statistics	STX	June 2011
CARTAC: GDP Rebased Concluding Mission	STX	September 2011

CARTAC: Assist Statistics Office with PPI Compilation	STX	October 2011
BELIZE		
CARTAC: Consumer Prices/Producer Price	STX	June 2011
CARTAC: PIPS Implementation	STX	August 2011
BERMUDA		
CARTAC: Follow up rebasing	LTX	April 2011
GRENADA		
CARTAC:GDP by expenditure compilation OECS Member States	LTX	June 2011
CARTAC: STE NA - GDP by expenditure compilation OECS member states	LTX	November 2011
ST. LUCIA		
CARTAC:Quarterly National Accounts compilation	LTX	May 2011
CARTAC: STE NA - Quarterly National Accounts	STX	October 2011
CARTAC: QGDP	LTX	October 2011
ST. VINCENT & THE GRENADINES		
CARTAC:GDP by expenditure compilation OECS Member States	LTX	June 2011
CARTAC: GDP by expenditure compilation OECS member states	LTX	January 2012
SURINAME		
CARTAC: Rebase GDP by production	LTX	May 2011
CARTAC: Rebase GDP by production	LTX	August 2011
CARTAC: Rebase GDP by production	LTX	January 2012
TRINIDAD & TOBAGO		
CARTAC: Attend Working Group Meeting on Price Statistics	LTX	October 2011
CARTAC: National Accounts Statistics	STX	December 2011
CARTAC: STE: Consumer Prices/Producer Price - Improve CPI Methodology	STX	January 2012

MACROECONOMIC PROGRAMMING & ANALYSIS

MISSION ACTIVITY	LTX/STX	DATE
REGIONAL		
Attend CARTAC Steering Committee Meeting	LTX	October 2011
Attend CARTAC Strategic Meeting with HQ	LTX	December 2011
ANGUILLA		
ST Regional Expert Assignment	STX	July 2011
Finalise Fiscal Projections and Guidance in Preparing a Paper for the British Government	STX	November 2011
Attend last week of MAC update mission	LTX	November 2011
DOMINICA		
Provide training in the preparation of Fiscal Projections to the local Macro Team	LTX	December 2011
Provide Training in Fiscal Projections	STX	December 2011

Update fiscal framework in preparation for budget	LTX	January 2012
Preparation of Fiscal Projections	STX	January 2012
MONTSERRAT		
ST Regional Expert Assignment	STX	July 2011
ST. KITTS & NEVIS		
Review/update Debt Stats; finalise financing before HQ Article IV Consultation; attend OECS meeting	LTX	April 2011
Work along with an HQ team on the upcoming Article IV consultation	LTX	May 2011
Assessments of measures to complete 2011 fiscal projections	STX	June 2011
Follow up on HQ request	LTX	June 2011
Continuation of mission visit from 20-23 June 2011	LTX	June 2011
Follow up meeting with Permanent Secretaries to discuss way forward on stock of expenditure arrears	LTX	July 2011
Work with Budget Division to compile expenditure arrears for January-July 2011	LTX	August 2011
ST Regional Expert Assignment	STX	September 2011
Mission to work with Fiscal Unit	LTX	September 2011
To update the macro-fiscal framework in preparation for the Budget	LTX	September 2011
Review data compiled on expenditure arrears; complete financing of the NIA for 2011 quarterly	LTX	November 2011
ST. LUCIA		
Meet with PS Anthony to discuss way forward for MAC TA programme	LTX	November 2011
Annual mission to update Macro/Fiscal framework to inform budget discussions	LTX	January 2012
Annual MAC FP Update Mission	STX	January 2012
ST. VINCENT & THE GRENADINES		
Follow up meeting with Ministry of Finance	LTX	October 2011
TRINIDAD & TOBAGO		
Attend CARTAC Steering Committee Meeting	LTX	March 2011
Attend CARTAC Strategic Meetings	LTX	April 2011

Appendix II: CARTAC Technical Assistance Reports Issued for FY 2011

PUBLIC FINANCE MANAGEMENT

Country	Report Description	Date
Anguilla	Budget Preparation - mission report 1	Jan 2011
Anguilla	Budget Preparation - mission report 2	July 2011
Anguilla	Budget Preparation - mission report 3	Oct 2011
Antigua	Suspense Account Reconciliation	Mar 2011
Bahamas	IPSAS and CoAs reform	May 2011
Bahamas	Budget Preparation Reform	Nov 2011
Bahamas	CoAs Reform – Mission Report 2	Nov 2011
Barbados	Budget Preparation Reform	Sept 2011
Barbados	IPSAS Road map for Consolidated Reporting	Jan 2011
Belize	CoAs reform	Aug 2011
BVI	Budget Preparation Reform	Nov 2011
BVI	Next steps CoAs Reform	Nov 2011
Dominica	Account General's Department Report	May 2011
Dominica	AGD report and Cashflow Forecasting	Nov 2011
Dominica	Budget Preparation – mission report 1	Jan 2011
Dominica	Budget Preparation – mission report 2	Sep 2011
Dominica	Budget Preparation – mission report 3	Jan 2012
Dominica	AGD Report and Cashflow Forecasting	Jan 2012
ECCU	Steps towards Cash Based IPSAs	Aug 2011
Grenada	Budget Preparation - mission report 2	June 2011
Grenada	AGD Reforms	June 2011
Grenada	AGD Reforms	Sep 2011
Grenada	AGD Reforms	Nov 2011
Guyana	Budget Preparation Report	July 2011
Guyana	AGD Business Process Review	Sept 2011
Montserrat	Budget Preparation Report	Aug 2011
Montserrat	CoAs	Sept 2011
Montserrat	Budget Preparation Report - 2	Oct 2011
Montserrat	Budget Preparation Report -3	Jan 2012
St Kitts and Nevis	Budget Preparation Report (Nevis)	Jul 2011
St Lucia	Budget Preparation Report	May 2011
St Lucia	AGD Reform	July 2011
St Lucia	AGD Reform	Sept 2011
St Lucia	AGD Reform	Oct 2011
St Vincent	EC TA Programme – final report to PFM Reform	Mar 2011

	Committee	
Suriname	Strengthening fiscal discipline: budget planning and execution	Jan 2012
Regional	Challenges in Public Financial Management in the Caribbean – Regional Review	Nov 2011

REVENUE (TAX AND CUSTOMS) ADMINISTRATION

Country	Report Description	Date
Antigua & Barbuda	Taxpayer Service and Stop Filer Program	February 2011
Antigua & Barbuda	Revenue Collection and Performance Management	February 2011
Antigua & Barbuda	Collection Enforcement Reform Program	February 2011
Antigua & Barbuda	Control and Release of Goods Reform Program	February 2011
Antigua & Barbuda	Strengthening ABST Audit Program	March 2011
Antigua & Barbuda	Strengthening Enforcement and Risk Management	March 2011
Antigua & Barbuda	Strengthening IT System	November 2011
Antigua & Barbuda	Strengthening PAYE Audit Program	November 2011
Antigua & Barbuda	Strengthening Revenue Collection, Trade & Enforcement	November 2011
Antigua & Barbuda	Strengthening IT System	December 2011
Antigua & Barbuda	Strengthening Revenue Collection, Trade & Enforcement (B. Jones)	January 2012
Antigua & Barbuda	Strengthening Personal Income and Corporate Audit (B. Adams)	January 2012
Antigua & Barbuda	Strengthening PAYE Audit Program (M. MacLeod)	January 2012
Antigua & Barbuda	Strengthening ABST Audit Program (M. Mintrum)	January 2012
Belize	Strengthening Customs Risk Management Program	May 2011
Dominica	Building Capacity in Customs Post Clearance Audit	April 2011
Dominica	Strengthening Customs Risk Management Program	May 2011
Dominica	Strengthening VAT Audit Technical Capacity	May 2011
Dominica	Strengthening Tax Audit Technical Capacity and Supporting the Establishment of the Large and Medium Taxpayer Unit	July 2011
Grenada	Implementing Customs Risk Management Program	September 2011
Grenada	Building VAT Audit Technical Capacity	June 2011
Grenada	Building VAT Audit Technical Capacity	October 2011
Grenada	Implementing Customs Risk Management Program	November 2011
Grenada	Implementing Customs Risk Management Program	January 2012
Grenada	Tax Expenditure Study	January 2012
Jamaica	Intermediate Customs Post Clearance Audit Training Course	October 2011
Jamaica	Customs Valuation Training Course	October 2011
Jamaica	Customs Valuation Training Course	January 2012
St. Kitts & Nevis	VAT Revenue Review	May 2011
St. Kitts & Nevis	Basic VAT Assurance Training Course	June 2011
St. Kitts & Nevis	Strengthening Tax Audit Technical Capacity	July & August

		2011
St. Kitts & Nevis	Supporting Tax Audit Risk-based Selection and National Audit Programs	August 2011
St. Kitts & Nevis	SIGTAS Support	October 2011
St. Kitts & Nevis	Building VAT Audit Technical Capacity	November 2011
St. Kitts & Nevis	Strengthening Customs Risk Management Program	January 2012
St. Kitts & Nevis	Building VAT Audit Technical Capacity	January 2012
St. Lucia	Supporting Tax Integrity Program	May 2011
St. Lucia	Building Capacity in Customs Post Clearance Audit	June 2011
St. Lucia	SIGTAS Support	September 2011
St. Lucia	Supporting VAT Implementation – Establishing IRD VAT Unit	December 2011
St. Vincent & Grenadines	Enhancing and Safeguarding VAT Revenue	November 2011
St. Vincent & Grenadines	Assessing VAT Revenue Trends	January 2012
Suriname	Train-the-Trainers Workshop	November 2011
	VAT Tax Roll Definition	November 2011
Trinidad & Tobago	Supporting VAT Audit Risk-based Selection and National Audit Programs	November 2011
Trinidad & Tobago	Compliance Technical Assistance	January 2012
Turks & Caicos Is.	VAT Rate Study	July 2011

FINANCIAL SECTOR SUPERVISION

Country	Report Description	Date
Belize	Assessment and Action Plan on Credit Union Supervisory Framework	December, 2011
Grenada	Discussion Paper and Outputs on Insurance Regulations, Liquidity, and Related Party Transactions,	January, 2012
Jamaica	Consultative Report on the Implementation Strategy for MCCR	November, 2011
Jamaica	Consultative Report on Implementation of Early Warning System for Investment Managers	January, 2012
Suriname	Capital Markets Regulation and Supervision	January, 2012
Suriname	Technical Assistance Summary of Insurance Supervisory Framework for Suriname	November, 2011
Suriname	Discussion Paper and Outputs Summary on Pension Fund Supervision	January, 2012
Regional	Goals, Accomplishments, and Progress in Standardizing Actuarial Standards	May, 2011

ECONOMIC AND FINANCIAL STATISTICS

Country	Report Description	Date
Barbados	Barbados Producers Price Index Mission Report	April 2011
Barbados	Barbados National Accounts Rebasing Mission Report	June 2011
Barbados	Barbados National Accounts Rebasing Mission Report	September 2011
Barbados	Barbados Producers Price Index Mission Report	October 2011
Belize	Belize Mission Notes on CPI Rebasing	June 2011
Bermuda	Bermuda Mission Notes National Accounts Rebasing	April 2011
Grenada	Grenada Mission Notes GDP by Expenditure	June 2011
Grenada	Grenada Mission Notes GDP by Expenditure	November 2011
St. Lucia	St. Lucia Mission Notes Quarterly GDP	May 2011
St. Lucia	St. Lucia Mission Notes Quarterly GDP	October 2011
St. Vincent & the Grenadines	ECCB Diagnostic Mission Notes GDP by Expenditure	May 2011
St. Vincent & the Grenadines	St. Vincent Mission Notes GDP by Expenditure	June 2011
St. Vincent & the Grenadines	St. Vincent Mission Notes GDP by Expenditure	September 2011
St. Vincent & the Grenadines	St. Vincent Mission Notes GDP by Expenditure	October 2011
St. Vincent & the Grenadines	St. Vincent Mission Notes GDP by Expenditure	January 2012
Suriname	Suriname Mission Notes GDP Rebasing	May 2011
Suriname	Suriname Mission Notes GDP Rebasing	August 2011
Suriname	Suriname Mission Notes GDP Rebasing	January 2012
Trinidad and Tobago	Trinidad and Tobago Quarterly GDP Mission Report	December 2011
Trinidad and Tobago	Trinidad and Tobago Consumer Price Index Mission Report	January 2012

MACROECONOMIC AND PROGRAMMING ANALYSIS

Country	Report Description	Date
Antigua & Barbuda	Mission Report: Framework to Monitor central government's fiscal performance under the SBA	January 2011
St. Kitts & Nevis	Mission Report: Framework to Compile and Monitor Expenditure Arrears	August 2011
Montserrat	Mission Report	July 2011

Appendix III: Seminars and Workshops Conducted During FY 2011

Activity	Beneficiary	Location	Month	Number of Participants
PUBLIC FINANCE MANAGEMENT (PFM)				
Conference on Procurement	Regional	Jamaica	April	100
Conference on Internal Audit	Regional	Barbados	June	50
Budget Preparation and Development of Results Based Budgeting	Anguilla	Anguilla	June/October	50
Chart of Accounts Reform and IPSAS	Bahamas	Bahamas	May	6
Business Process Reengineering in the AGD	Dominica	Dominica	June	15
Budget Preparation and Development of Results Based Budgeting	Dominica	Dominica	August	100
Strengthening Fiscal Discipline - Role of Permanent Secretaries in tightening the belts	Dominica	Dominica	October	10
Cash Management and Forecasting	Grenada	Grenada	June	20
Budget Preparation and Development of Results Based Budgeting	Grenada	Grenada	June	120
Results Based Budgeting	Guyana	Guyana	May	50
Budget Preparation and Development of Results Based Budgeting	Guyana	Guyana	July/October	150
The importance of Internal Controls	Guyana	Guyana	September	25
Chart of Accounts Reform and IPSAS	Jamaica	Jamaica	May	6
Developing a PFM Reform Action Plan	Jamaica	Jamaica	July/October	20
Development of a more results oriented budget process	Montserrat	Montserrat	August/October	40
Developing a PFM Reform Action Plan	St Vincent	St Vincent	April	25
Chart of Accounts Reform and IPSAS	Suriname	Suriname	August	6
Developing a PFM Reform Action Plan	Suriname	Suriname	August	40
Public Finance Management	Local	Dominica	November	35
Budget Conference	Regional	St. Lucia	November	21
MACRO-FISCAL MANAGEMENT (MFM)				
Revenue Forecasting Seminar	Bahamas	Bahamas	April	13

LAC Debt Managers Conference	Regional	Jamaica	October	19
DSA Workshop	Local	Barbados	Novemeber	13
TAX ADMINISTRATION				
Basic VAT Seminar	Turks & Caicos	Turks & Caicos	June	18
Basic VAT Seminar	Suriname	Suriname	September	20
Basic VAT Assurance Training	St. Kitts & Nevis	St. Kitts & Nevis	June	20
Risk Management Workshop for Customs Management	Grenada	Grenada	September	13
Risk Management Training (Module 1)	Grenada	Grenada	October	20
CUSTOMS ADMINISTRATION				
Customs Risk Management	Local	Grenada	November	21
ECONOMIC AND FINANCIAL STATISTICS (STA)				
PIPS Workshop	Regional	Barbados	April	20
ICP workshop	Regional	Trinidad	September	10
Price collection and Validation Training	Jamaica	Trinidad	October	1
In country on the job training	St. Vincent	St Vincent	September	3
In country on the job training	Grenada	Grenada	October	4
In country on the job training	Suriname	Suriname	August	4
Workshop on Constructing Producers' Price Indices	Jamaica	Washington DC	August	2
FINANCIAL SECTOR SUPERVISION (FSS)				
Market Risk Seminar	Regional	Trinidad	June	30
CAIR Conference	Regional	Cayman Island	June	55
SRU Meeting	Anguilla & Montserrat	Grenada	November	2
CAPITAL MARKETS DEVELOPMENT (CMD)				
Training on Regulatory Issues	Regional	Barbados	June	21
CGSR Conference	Regional	Trinidad	October	11

Appendix IV: CARTAC Mission Activity Planned for February 2012–April 2013

PUBLIC FINANCE MANAGEMENT

TERRITORY	ACTIVITY
REGIONAL	Conference – Public Finance during a fiscal Crisis – tools, communications techniques and incentives for all decision-makers to overcome obstacles
	Budget Spending Plans and Budget Monitoring
	GFS/CoAs workshop, jointly with Statistics
ANGUILLA	Budget Preparation Technical Assistance
ANTIGUA & BARBUDA	General PFM support
BAHAMAS	Budget reform.
	Accountant General's Department–CoAs and Financial statement reform. Business process review (after assessment)
	Debt Mgmt Review and Structure basics
BARBADOS	Budget preparation reform.
	Consolidation of Financial Statements
	Debt Management
BELIZE	Finalise CoA.
	Debt Management
BERMUDA	Follow-up support to AGD
BRITISH VIRGIN ISLANDS	Chart of Accounts Reform (Feb, May) plus GFS statistical melding for Macro through mapping
	GFS Macro rationalization
DOMINICA	Support to the Accountant General's Department and MoF, bank accounts, business process, cash flow and commitment control
	IA Training
	Budget Preparation follow-up TA
GRENADA	Provide TA for continued budget preparation reform (two weeks).
	Decide on provision of TA for cash management and forecasting/commitment accounting.
GUYANA	Confirm support for internal audit proposed
	Budget Preparation
	Business process Reengineering – implementation of 2011 recommendations
JAMAICA	Provide TA for the Accountant General in establishing a Treasury Single Account

MONTSERRAT	CoA support
	Budget Preparation Support
ST. KITTS & NEVIS	St Kitts and Nevis (both islands)- Budget Preparation Support
ST. LUCIA	Budget Preparation Support
ST. VINCENT & THE GRENADINES	Introduce Internal Audit Training - Introductory and Advanced workshops
SURINAME	Provide quality assurance support for implementation of PFM reform programme funded by the Netherland's Government
	Budget preparation support
	Provide support in chart of accounts reform
	Deliver PFM workshop
	Debt Register rationalization

REVENUE ADMINISTRATION

TERRITORY	ACTIVITY
REGIONAL	Deliver a workshop on 'Effective Practices in Regional Tax Arrears Collections & Enforcement'
	Deliver a workshop on 'Auditing of Financial Institutions'
ANGUILLA	Preparation for VAT Implementation
ANTIGUA & BARBUDA	Build Tax Audit Capacity
BARBADOS	Continue to assist with preparations for establishment of a Revenue Authority
	Build Tax Audit Capacity
DOMINICA	Advancing the establishment of LMTU
	Building Capacity in Customs Post Clearance Audit
GRENADA	VAT Audit Support
	Mentoring and Audit Training for Staff
	Supporting the Risk Management Programmes (CED)
	Integration of Income Tax and VAT Operations
GUYANA	Supporting the Risk Management Programmes (CED)
	Build Tax Audit Capacity
JAMAICA	Enhance Customs Valuation Capacity

ST. KITTS & NEVIS	To provide audit training and mentoring to non-VAT auditors
	Post-VAT capacity building
	Supporting the Risk Management Programmes (CED & IRD)
	Harmonize operational procedures in Customs
ST. LUCIA	To assist with the delivery of the VAT Advisory Visits and Compliance program
	To assist with training and mentoring of the Collections staff
	Supporting the Risk Management Programmes (CED)
	Build Tax Audit Capacity
	Building Capacity in Customs Post Clearance Audit
ST. VINCENT & THE GRENADINES	Build Tax Audit Capacity
SURINAME	Excise Law and Regulations
	Preparation for VAT Implementation
TRINIDAD AND TOBAGO	Build Tax Audit Capacity
TURKS AND CAICOS	To assist with the delivery of the VAT Advisory Visits and Compliance Programs

FINANCIAL SECTOR SUPERVISION

TERRITORY	ACTIVITY
REGIONAL	Meeting of College of Regulators
	Workshop – Analysis of Financial Statements of Insurance Companies
	Data Collection Project for Insurance Companies
	Workshop on Risk-Based Supervision for Pension Funds
	Train-the-Trainer Workshop
ECCU / ECCB	Bank Supervision and Regulation
BARBADOS	Assist the Central Bank with Implementation of Basel II over next three years
ST. KITTS & NEVIS	Bank Supervision & Regulation
	Build a Framework for Credit Union Supervision

ECONOMIC AND FINANCIAL STATISTICS

TERRITORY	ACTIVITY
BAHAMAS	CARTAC: National Accounts - Quarterly
	CARTAC: Steering Committee Meeting
BARBADOS	CARTAC Consumer Prices/Producer Price Compilation
	CARTAC: National Accounts - Quarterly
	CARTAC: Consumer Prices/Producer Price
	CARTAC: Consumer/Producer Price Index
	CARTAC: Consumer Prices/Producer Prices Compilation
	CARTAC: Balance of Payments Statistics
BELIZE	CARTAC: National Accounts
BERMUDA	CARTAC: Balance of Payments Statistics
	CARTAC: National Accounts
REGIONAL	CARTAC: Steering Committee Meeting
	CARTAC: National Accounts - Annual
	CARTAC: Training: National Accounts Regional Workshop
	CARTAC: Training: National Accounts-MFS Workshop
CAYMAN ISLANDS	CARTAC: Balance of Payments Statistics
GRENADA	CARTAC: National Accounts
	CARTAC: Training: National Accounts Regional Workshop
	CARTAC: National Accounts - Quarterly
HAITI	CARTAC: National Accounts
MONTSERRAT	CARTAC: Consumer/Producer Price Index
ST. KITTS & NEVIS	CARTAC: National Accounts - Quarterly
ST. LUCIA	CARTAC: National Accounts
	CARTAC: National Accounts - Quarterly
ST. VINCENT & THE GRENADINES	CARTAC: National Accounts
SURINAME	CARTAC: Export/Import Price Index
	CARTAC: National Accounts

TRINIDAD & TOBAGO	CARTAC: Consumer Prices/Producer Prices Compilation
	CARTAC: National Accounts Quarterly
	CARTAC: National Accounts
	CARTAC: Consumer/Producer Price Index - Compilation

MACROECONOMIC AND PROGRAMMING ANALYSIS

TERRITORY	ACTIVITY
ECCU	Capacity Building Exercise to Strengthen Medium-Term Macro-Economic Framework
	Support Establishment of Macro Policy Units
	Strengthen Capacity of Local Staff
	Strengthen Framework to Monitor Fiscal and Debt Development
GUYANA	Capacity Building Exercise to Further Strengthen Medium-Term Macro-Economic Framework

Appendix V: Statement of Financial Contributions

Caribbean Regional Technical Assistance Centre (CARTAC) Statement of Financial Contributions as of September 21, 2012				
Donor/Country	Pledged in donor currencies	Pledged in USD	Cash Received	Date of LOU Signed
Donors:				-
Australia	AUD 6,500,000	\$6,604,540	\$6,604,540	May-5-2011
Canada	CAD 20,000,000	\$20,143,010	\$19,117,159	Feb-24-2011
Caribbean Development Bank	USD 1,000,000	\$1,000,000	\$1,000,000	Jul-11-2011
United Kingdom	GBP 4,500,000	\$7,215,842	\$6,403,626	Feb-18-2011
Total Donors:		\$34,963,392	\$33,125,325	
Recipients:				-
Anguilla	USD 350,000	\$350,000	\$70,000	Jan-31-2012
Bahamas	USD 350,000	\$350,000	\$70,000	Apr-30-2012
Belize	USD 350,000	\$350,000	\$70,000	Nov-4-2011
Bermuda	USD 350,000	\$350,000	\$70,000	Oct-24-2011
Dominica	USD 350,000	\$350,000	\$70,000	May-21-2012
Jamaica	USD 350,000	\$350,000	\$70,000	Jul-11-2011
Montserrat	USD 350,000	\$350,000	\$70,000	Mar-16-2012
St. Lucia	USD 350,000	\$350,000	\$0	Dec-13-2011
Turks And Caicos	USD 350,000	\$350,000	\$0	Dec-22-2011
Trinidad & Tobago	USD 350,000	\$350,000	\$70,000	Pending
Total Recipients:		\$3,500,000	\$560,000	
Grand Total		\$38,463,392	\$33,685,325	
<i>Source: IMF, Institute for Capacity Development, Global Partnerships Division</i>				

Appendix VI. Budget and Expenditure

Caribbean Regional Technical Assistance Center (CARTAC)					
Budget and Expenses					
Feb. 1, 2011 - Apr. 30, 2012					
	FY2011-FY2016	FY2011-FY2016	FY11-12		
	Program Document	Operational	Expenditures		
	Budget USD	Budget USD	Feb. 2011 - Jan. 2012	Feb. 2012 - Apr. 2012	Total
Long-term Experts	14,077,764	11,966,283	2,438,234	555,351	2,993,585
Short-term Experts	22,154,288	15,609,200	1,293,383	778,980	2,072,363
Diagnostic Interventions	829,720	-	-	-	-
Training/Seminars	6,692,787	6,769,443	323,973	383,406	707,379
Travel	3,581,598	2,980,259	352,162	158,041	510,203
Regional travel Advisors	2,500,000	2,960,259	352,162	158,041	510,203
Staff Travel	1,081,598	20,000	-	-	-
Backstopping/Project Management	5,257,729	4,041,434	196,265	70,953	267,218
Backstopping	3,380,435	2,463,482	105,591	40,401	145,993
Project Management	1,877,294	1,577,952	90,674	30,552	121,225
Other	2,500,544	2,513,032	253,847	209,954	463,801
Evaluation	310,000	400,000	-	25,834	25,834
Miscellaneous/Office Communication	2,190,544	2,113,032	253,847	184,120	437,967
Subtotal TA Expenses	55,094,430	43,879,651	4,857,863	2,156,686	7,014,550
Trust Fund Management	3,856,610	3,071,576	340,050	150,968	491,018
Subtotal Expenses	58,951,040	46,951,227	5,197,914	2,307,654	7,505,568
IMF/Host Country in Kind Contribution	3,284,000	3,284,000	772,938	157,387	930,325
IMF	2,659,000	2,659,000	639,648	124,064	763,712
Host Country 1/	625,000	625,000	133,290	33,323	166,613
Total CARTAC	62,235,040	50,235,227	5,970,852	2,465,041	8,435,893

Total Expenses Feb. 2011- Apr. 30, 2012	7,505,568
Total Contribution received	29,917,037
Interes Received	3,511
Account Balance BIS =	22,414,980

Source: IMF, Institute for Capacity Development, Global Partnerships Division

1/ Host Country expenses from Feb. 2012 to Apr. 2012 estimated.

Appendix VII: CARTAC's Logical Frameworks

Please visit CARTAC's website at <http://cartac.org/reports/category/logical-framework-reports> to view the following documents:

- 1) **CARTAC's Strategic Logical Framework**
- 2) **CARTAC's Topic Area Logical Framework**

