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April 17, 2003

To: Members of the Executive Board

From: The Secretary

Subject: **Technical Assistance Evaluation Program—Fiscal Years 2003–05**

Attached for the **information** of the Executive Directors is a paper on a technical assistance evaluation program for fiscal years 2003–05. The staff does not propose the publication of this paper.

Questions may be referred to Mr. B. L. Christensen, OTM (ext. 39356).

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Department Heads



INTERNATIONAL MONETARY FUND

**Technical Assistance Evaluation Program—Fiscal Years 2003-05**

Prepared by the Office of Technical Assistance Management

(In consultation with Fiscal Affairs, Legal, Monetary & Exchange Affairs,  
Policy Development and Review, Statistics, and other departments)

Approved by Claire Liuksila

April 17, 2003

1. This note provides information on a new Technical Assistance Evaluation Program covering fiscal years 2003-05. Section I of the note describes the background to the launch of the Program. Section II provides a brief description of the evaluations to be undertaken in the context of the Evaluation Program, the methodologies to be used, the expected timing of each evaluation, and the reporting of the findings to the Executive Board.

**I. BACKGROUND**

2. As part of the medium-term work program to strengthen the Fund's technical assistance (TA) program, the Board at its review of TA on July 8, 2002, endorsed a staff proposal to introduce a formal program of evaluation for TA.<sup>1</sup> Specifically, Directors requested additional information on the actual effectiveness and impact of TA, and endorsed the proposal to introduce a formal three-year program of evaluation.

3. The purpose of this Evaluation Program is to introduce a more formal approach to evaluation of Fund TA. In doing so, the Program aims at (i) increasing the frequency and coverage of evaluations of Fund TA; (ii) generating and disseminating lessons that can be applied to make Fund TA more effective; (iii) fostering strengthened integration of TA with the Fund's surveillance and program work; and (iv) improving accountability and transparency of Fund TA.

4. It is expected that the immediate and most direct use of the findings of individual evaluations undertaken in the context of the Program will be made by the concerned TA providing departments and area departments. The findings are expected to be used in defining operational responses to future TA requirements, as well as in making more effective the collaboration with other TA providers and initiatives. As the number of evaluations undertaken grows, generating lessons that are of wider relevance, the findings will also help inform the regular review of the Fund's TA policy and practices.

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<sup>1</sup> *Review of Technical Assistance Policy and Experience* (SM/02/180, 6/13/02) and *Summing Up by the Acting Chair* (BUFF/02/107, 7/12/02).

5. The Evaluation Program is part of a larger effort to strengthen monitoring and evaluation of Fund TA. In particular, introduction of this Program complements ongoing efforts to establish a Fund-wide methodology for monitoring and evaluating TA.<sup>2</sup> The work on a monitoring and evaluation methodology focuses among other things on identifying criteria to be employed in the selection of TA activities to be evaluated, and establishing a standard methodology through which the individual evaluations will assess the effectiveness and impact of TA activities. Once a standard methodology for monitoring and evaluating TA becomes fully operational, there may be a need to revisit the Evaluation Program described in this note.<sup>3</sup> In the mean time, this Evaluation Program is intended as a framework within which evaluations are planned, undertaken, and reported on annually. The Program may be complemented by other assessments and evaluations of TA undertaken from time to time, such as those undertaken by the IEO or OIA.

6. The Evaluation Program is planned as a rolling work program for the evaluation of Fund TA. The Program as a whole should therefore be seen as a tentative schedule of evaluation activities, where only the evaluation activities of the first year should be considered firm. The Program will complement ongoing assessment activities by TA departments through their own internal assessment systems.

7. As will be seen in Section II, the Program will include a mixture of topics and will employ different methodologies. For example, it will include comprehensive studies covering large country samples, focused policy area studies with small country samples, evaluations of regional TA centers, country or sector case studies, and project evaluations. The Program will include externally as well as Fund-financed activities. The Evaluation Program will consist of both internally and externally-conducted evaluations, as well as a combination of these, such as an internal evaluation with participation of external consultants, TA providers or donors, or an internal evaluation with an external reviewer.

8. Once a year, the findings of evaluations undertaken during the previous fiscal year within the context of the multi-year Evaluation Program will be provided to the Board in the form of a summary note. With the consent of the concerned members, the summary note will be made available to the public through the Fund's website. The first such summary note will be provided to the Board in FY2004.

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<sup>2</sup> An interdepartmental working group—working with an external consultant—is currently reviewing options for such a standardized methodology for monitoring and evaluating TA, drawing on existing in-house experience and systems, as well as international best practices. It is expected that a report on the working group's recommendations will be submitted for management approval by mid-2003.

<sup>3</sup> It will take time before the benefits of a standard methodology will show results in the form of a stronger Fund TA evaluation capacity and improved evaluations.

9. It is expected that an updated Evaluation Program for FY2004-06 will be provided to the Board at the end of 2003.

## II. EVALUATION PROGRAM

### A. Overview

10. Table 1 provides a summary of the Evaluation Program for FY2003-05. The Program includes ten evaluations that have been selected to cover a broad range of TA activities. The amount of TA delivered in the areas covered by the evaluations during the time span indicated under each topic is estimated at some 150 person years. The coverage of the evaluations will necessarily be much smaller, and the evaluations will in most cases focus on samples. Given the resource implications, some of the evaluative work will also be conducted as desk studies as opposed to in-country work, although in these cases the views of the relevant authorities and other interested parties will be sought through the use of questionnaires.

11. A number of criteria were used in selecting topics for the Evaluation Program. In particular, evaluation topics should (i) meet a clear need, without which they are not likely to be used effectively, nor feed into operations or policy determination; (ii) fall within one of a number of areas of policy relevance; (iii) cover TA activities spanning a number of years, involving an aggregation of short-term interventions with similar characteristics or objectives, or using an alternative delivery modality; and (iv) include, in one form or another, issues related to coordination and collaboration with donors, TA providers and initiatives, and regional institutions.

12. Four areas of particular policy relevance have been given prominence in the selection of topics.

- First, *the link between TA and the Fund's surveillance and program work*. An example of TA that has been addressing a systemic issue and reinforcing and supporting surveillance and program work is LEG's assistance with the implementation of the Bankruptcy Law and strengthening the Commercial Court in Indonesia.
- Secondly, *regional arrangements* have become increasingly important instruments for the delivery of Fund TA. Importance has therefore been given to assessments of the contributions of the regional TA centers, and, more generally, regional projects, in addressing member countries' TA requirements and capacity constraints.
- Thirdly, the steadily increasing role of Fund TA in *HIPC/PRGF eligible countries in Africa* has been included. A number of evaluations fall in this area, chiefly among them the two public expenditure management evaluations, but also the planned evaluation by MAE of TA provided to the Democratic Republic of Congo.

- Finally, priority has been given to the evaluation of *TA activities responding to new initiatives and international calls for increased assistance* in certain policy areas. Two evaluations have been included in this area in the outer years of the Program—evaluations of MAE's TA in Anti-money Laundering (AML) and Combating the Financing of Terrorism (CFT) and FAD's policy advice in support of countries undergoing trade and tariff reform.

Table 1. Technical Assistance Evaluation Program—FY2003-05

Department/ TA center	Topics	Report to the Board Fiscal Year
FAD	Public expenditure management—TA to Anglophone African countries	2004
FAD	Public expenditure management—TA to Francophone African countries	
CARTAC	Caribbean Regional Technical Assistance Center (CARTAC)—Mid-term Review 1/	
MAE PFTAC	TA to the Democratic Republic of the Congo Pacific Financial Technical Assistance Centre (PFTAC)—Evaluation 1/	2005
LEG	TA related to strengthening the Commercial Court and the implementation of the Bankruptcy Law in Indonesia	
AFRITACs	Africa Regional Technical Assistance Centers (AFRITACs)—Evaluation 1/	
FAD	TA in support of countries undergoing trade and tariff reform	2006
MAE	TA in Anti-Money Laundering and Combating the Financing of Terrorism	
STA	General Data Dissemination System (GDDS)—Regional TA projects	

1/ The reviews and evaluations of the regional TA centers are being carried out as part of a two tier monitoring and evaluation process employed by the centers in which the regular reviews of the centers' performance are the responsibility of the centers' respective governing committees, while the less frequent, but in-depth reviews and evaluations are usually undertaken by external consultants or parties on behalf of the committees.

13. It is difficult to estimate the full cost of implementing the Program, since it depends on a number of details regarding both the scope of the evaluations, such as coverage and travel requirements, and the use of external evaluators, that have not yet been decided in each case. However, based on previous experience from thematic studies and evaluations of externally-financed projects, as well as budget estimates for the initial evaluations, it is expected that the Program will require 2 3/4 person years of staff time, equivalent to an

estimated cost of \$455,000<sup>4</sup>, and \$385,000 for hiring external evaluators, a part of which is already budgeted for in those TA interventions that are supported by external financing.

## **B. Fiscal Year 2003**

### **Public expenditure management—TA to Anglophone African countries<sup>5</sup>**

#### ***Background***

14. FAD has provided substantial technical assistance in the public expenditure management (PEM) area to Anglophone African countries. With regard to their PEM systems, these countries can be regarded as a fairly homogeneous group: by and large, they have a standard and relatively simple budget system, based on the so-called “Westminster model” of government inherited from the United Kingdom. Over the five-year period of FY1998-2002, some 31 person years of TA have been provided by FAD to Anglophone African countries in the PEM area through a combination of short-term missions providing strategic advice and long-term TA supporting the implementation of reforms.

#### ***Scope and methodology***

15. The evaluation will cover in detail FAD’s experience in delivering TA to a sample of ten countries, that have been major recipients of TA in the PEM area during the period under review. It will encompass all PEM elements that have been provided to these countries. The evaluation will be based on reviews of TA to each country that will systematically cover: the primary issues addressed by the TA, the appropriateness of the advice and assistance given, the steps that national authorities undertook as a result, and the main factors that had an impact, both negatively and positively, on the effectiveness of the TA provided. These country reviews will be appended to a main report that will summarize the principal findings and make recommendations to enhance the effectiveness of TA to Anglophone African countries in the area of PEM. The evaluation will also contribute to development of a future strategy for TA on budget system reform in Anglophone Africa, including in the countries served by the new East AFRITAC that started operations in October 2002.

16. The preliminary phase of the evaluation (compiling information on, and reviewing, country experiences) was undertaken between January 2002 and February 2003. An external consultant will be engaged to review this work and to make suggestions regarding future TA, as indicated above. Views will be sought and results discussed with the national authorities of the countries concerned. It is envisaged that the consultant will have an opportunity to interact directly with national authorities.

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<sup>4</sup> Based on standard costs (A9-A15 level).

<sup>5</sup> In addition to eight Anglophone countries (The Gambia, Ghana, Kenya, Malawi, Nigeria, Tanzania, Uganda, and Zambia), the evaluation will also cover Eritrea and Rwanda.

### ***Reporting***

17. It is expected that the findings of the evaluation will be reported to the Board in FY2004.

### **Public expenditure management—TA to Francophone African countries<sup>6</sup>**

#### ***Background***

18. FAD has provided substantial TA in PEM to Francophone African countries. Although most of the countries have implemented variants of the French system, there are significant divergences across countries and from the French system. Over the six-year period FY1998-03, some 20 person years of TA have been provided by FAD to Francophone African countries in the PEM area through a combination of short-term missions providing strategic advice and long-term TA supporting the implementation of reforms.

#### ***Scope and methodology***

19. The evaluation will cover in detail FAD's experience in delivering PEM TA in the fifteen Francophone and two Lusophone countries since the mid-1990s with regard to: the method of delivery; the substance of the advice and assistance given; the responses of national authorities; and the results achieved. It will encompass all aspects of the TA provided in the PEM area. Its ultimate objective is to improve the effectiveness of TA on PEM in these countries, whether provided directly by FAD or through the planned West AFRITAC. A paper, based on individual country case studies, has been prepared by FAD staff highlighting both the differences and the common issues across countries. The main findings result from a discussion between FAD, the World Bank and the African Development Bank held in Dakar in February 2001. This was followed by a discussion with the Francophone African countries and bilateral donors, including France, in Abidjan in June 2002. An independent external consultant has been identified to review this staff work, and to discuss the findings with FAD management. The consultant's report will form part of the final documentation for this evaluation.

### ***Reporting***

20. It is expected that the findings of the evaluation will be reported to the Board in FY2004.

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<sup>6</sup> The evaluation will cover fifteen Francophone countries (Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Republic of Congo, Cote d'Ivoire, Gabon, Guinea, Mali, Niger, Senegal, and Togo), and two Lusophone countries (Cape Verde and Guinea-Bissau).



## **Caribbean Regional Technical Assistance Center (CARTAC)**

### ***Background***

21. CARTAC is a regional TA center, which provides TA and training in economic and financial management for Caribbean Community (CARICOM) members and the Dominican Republic. The Center was inaugurated in November 2001 and is organized as a United Nations Development Programme (UNDP) regional program with the Fund as executing agency. Its mission is to enhance the institutional and human capacities of the countries in the Caribbean region to achieve their macroeconomic, fiscal, and monetary objectives. The Fund manages the Center's operations, provides its program coordinator, and recruits and technically supervises its resident advisors through the TA departments. The Center provides TA through a team of five resident advisors and a program coordinator, supplemented by short-term specialists. Annual TA delivery by CARTAC totals some eight person years. It also features a strong training component, offering in-country workshops, regional training courses, and hands-on professional attachments. Canada contributes over 50 percent of CARTAC's funding. Other contributors include Ireland, United Kingdom (DFID), United States (USAID), Inter-American Development Bank, UNDP and the World Bank, and starting from 2003, possibly the European Commission. The Caribbean Development Bank is seconding a full-time economist to the Center.

22. At its February 2003 meeting, CARTAC's Steering Committee commissioned an independent mid-term review of CARTAC's performance.

### ***Scope and methodology***

23. The mid-term review will examine results to date, and will help the Steering Committee, the IMF, and the involved donors determine optimal strategies for CARTAC's continuation beyond 2004 when the current financing agreements conclude. The review will identify achievements and lessons learned. More specifically, the contribution of the Center in addressing the region's problems and capacity constraints in each of the functional areas covered will be assessed. The mid-term review will, among other things, include an assessment of the quality, timeliness and appropriateness of the inputs provided, activities undertaken, and outputs produced; the relationship between costs and results; the responsiveness of the Center in adapting to the region's changing needs; the level of support and commitment of the participating countries; and the likely impact and sustainability of results.

24. The Steering Committee has decided that a Canadian Government agency, specializing in providing consulting and audit services, will undertake the review. The review is expected to take place during March-June 2003.

### ***Reporting***

25. It is expected that the findings of the mid-term review will be reported to the Board in FY2004.

### **C. Fiscal Year 2004**

#### **MAE TA to the Democratic Republic of the Congo**

##### ***Background***

26. TA to the Democratic Republic of the Congo (DRC) by MAE started in early 2001, in the context of the implementation of the Staff Monitored Program (SMP), and the subsequent three-year arrangement under the Poverty Reduction and Growth Facility (PRGF) covering the period June 2002-June 2005.

27. MAE TA unfolded on the basis of a clear road map of policy measures adopted early on in the context of the SMP, fully taking into account the weak administrative capacity in the DRC. The main beneficiary is the Central Bank of the Congo (BCC). Assistance began with a visit of an MAE short-term expert to assist the authorities in the unification and floating of the exchange rate. A subsequent MAE TA mission took place in October 2001 at a time when the macroeconomic framework had already been stabilized under the SMP, following greater budgetary discipline and the successful unification and floating of the exchange rate. The objective of the mission was to support the capacity-building efforts at the BCC so that these initial achievements could be sustained. The mission focused its work on monetary management, foreign exchange market and operations, and central bank accounting and audit. During the course of 2002, MAE short-term experts made several follow-up visits to assist the BCC in the implementation of MAE recommendations, and an MAE resident advisor to the BCC Governor was appointed. In parallel, the World Bank took a leading role in the restructuring of the banking sector, in particular in overseeing the liquidation of insolvent banks. During FY2002-03, a total of 2 1/4 person years of MAE TA has been provided to DRC.

28. In the years to come, MAE is expected to continue its assistance to the BCC in all areas of Central Bank operations, with a view to strengthening the BCC's operational capacity in the area of monetary and exchange operations and the prudential supervision of the Congolese financial sector.

##### ***Scope and methodology***

29. The scope of the review will include all TA provided to the BCC between April 2001 and the date of the review, which is expected to start in late FY2004. The review will make use of interviews, analysis of answers to a questionnaire provided by the authorities, the experts and the area departments, and a review of outputs. At this stage it is contemplated that the review will be conducted internally by MAE staff.

##### ***Reporting***

30. It is expected that the findings of the review will be reported to the Board in FY2005.

## **Pacific Financial Technical Assistance Centre (PFTAC)**

### ***Background***

31. PFTAC was jointly established in 1993 by UNDP and the Fund as a regional TA center that aims at building skills and institutional capacity in 15 Pacific island countries for effective economic and financial management. Toward these objectives, the Centre provides technical advice and training in public financial management, tax policy and administration, banking regulation and supervision, and macroeconomic and financial statistics. The overall guidance of PFTAC is provided by a Tripartite Review Committee (TPRC). The Fund manages the Centre's operations, provides its Coordinator, and recruits and supervises its resident advisors. PFTAC provides TA through four resident advisors and the Coordinator, supplemented by short-term experts, training and seminar activities, and professional attachments. Annual TA delivery by PFTAC totals some 5 1/2 person years. Financing for PFTAC has been provided by the Asian Development Bank, Australia, Pacific Island Forum Secretariat, New Zealand, and UNDP, and starting from 2004, possibly the European Commission.

32. PFTAC was subject to an in-depth evaluation by an external team in early 1997. The evaluation assessed the contribution of the project in addressing the region's problems and capacity constraints; commented on the merits of the design of the Centre; identified lessons; and suggested pointers for the future.

### ***Scope and methodology***

33. The evaluation will cover the period since the last evaluation. The objective of the evaluation is to help the TPRC in establishing strategies for PFTAC's continued work. The evaluation will assess the extent to which the objectives of PFTAC have been achieved and outputs produced, and will comment on the relevance of the TA and training provided, its effectiveness in addressing countries' capacity constraints in each of the functional areas covered by the Centre, as well as the efficacy with which TA has been delivered. More specifically, the evaluation will, among other things, include an assessment of the quality, timeliness and relevance of the inputs provided, activities undertaken, and outputs produced; the merits of the regional approach in the Pacific region; the use being made of outputs and the impact that these are having on improved economic and financial performance in the region; the effectiveness of PFTAC; and the likely sustainability of results.

34. It is expected that the evaluation will be undertaken by an independent team of experienced consultants. The terms of reference and modalities will be subject to approval of PFTAC's TPRC which is scheduled to meet in early May 2003.

### ***Reporting***

35. It is expected that the findings of the evaluation will be reported to the Board in FY2005.

## **TA related to strengthening the Commercial Court and the implementation of the Bankruptcy Law in Indonesia**

### ***Background***

36. In response to the Asian Economic Crisis in 1997, the Fund and the Government of Indonesia agreed on a program that aimed to restore macroeconomic stability and to address structural weaknesses. The core of the structural reform program encompassed bank restructuring, corporate restructuring, deregulation, privatization, and improved governance. With particular regard to corporate restructuring, an effective framework for financial restructuring and an efficient bankruptcy regime had to be put in place. The Indonesian authorities recognized that corporate financial restructuring would require the application of the Bankruptcy Law in a predictable and impartial manner. The authorities further recognized that the Bankruptcy Law could not play a deterrent role unless the perception of pervasive corruption in the judiciary was decisively addressed, institutional and administrative weaknesses in judicial governance resolved, and substantive law strengthened and modernized. Accordingly, since 1997, Indonesia's Fund-supported programs have included a strong component of legal reform measures required for effective corporate restructuring. LEG has provided significant technical assistance for such legal reform totaling some 11 person years. Phase one of a Law Reform Program, implemented with external financing from the Netherlands, began in May 2000. A second phase, expected to begin in April 2003 with additional funding from the Netherlands, will run until December 2004. Under this Program, LEG maintains a long-term resident legal advisor and two part-time strategic legal advisors in Jakarta to coordinate the activities.

### ***Scope and methodology***

37. The evaluation will examine results to date, and will assist the Steering Committee for the Development of the Commercial Court, other relevant Indonesian authorities, the Netherlands, and the Fund to determine the best strategies for the continued implementation of the law reform agenda. In particular, the evaluation will: (i) assess the effectiveness of technical assistance provided, including its integration into Indonesia's overall law reform program; (ii) outline achievements and lessons learned; (iii) identify any problems that have arisen; (iv) make recommendations to resolve any such problems; and (v) make recommendations on what should be done after the completion of Phase 2 in December 2004.

38. The evaluation will be undertaken by three independent experts. The Government of Indonesia, the Embassy of the Netherlands in Indonesia, and the Fund will each nominate an expert. The review is expected to take place at the end of FY2004.

### ***Reporting***

39. It is expected that the findings of this evaluation will be reported to the Board in FY2005.

## **D. Fiscal Year 2005**

### **TA in support of countries undergoing trade and tariff reform**

#### ***Background***

40. A key concern of many countries in undertaking trade liberalization—and a potential impediment to further trade reform—is the potential loss of government revenue. There are broadly two sets of issues to be faced. First, how will trade liberalization affect revenue from trade taxes, and how should revenue concerns be reflected in the design of the trade reform? Second, how can any reduction in trade tax revenues be recovered from alternative, domestic taxes? These issues are likely to become more pressing in the coming years, making a review of TA provided in this area timely. FAD has provided policy advice and analysis in relation to both sets of issues, either together or separately.<sup>7</sup>

#### ***Scope and methodology***

41. The evaluation will cover FAD's TA activities in this area since 1993, the focus being on policy rather than administrative aspects. It will begin by taking stock of the extent of activities in this area, including policy advice given by missions primarily focused on administration.

42. A sample of projects will be chosen for closer evaluation of: (i) the coherence of the advice given; (ii) the extent to which advice given was followed; and (iii) the extent to which trade liberalization has indeed been achieved in these countries without any significantly adverse revenue impact.

43. The evaluation will be carried out primarily by FAD staff in collaboration with area department country desks. An external consultant will be engaged to comment on the design of the project and to give an independent assessment of results. Views will be sought and results discussed with the authorities of countries included in the sample for detailed review.

#### ***Reporting***

44. It is expected that the findings of this evaluation will be reported to the Board in FY2006.

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<sup>7</sup> While FAD's TA on the reform and modernization of customs administration also supports trade policy reform, this topic would raise different evaluation issues and will therefore not be a focus of this evaluation.

## **TA in Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT)**

### ***Background***

45. The IMF has for some time been working to assist countries in combating money laundering. In April 2001, the Board agreed that an expanded role in combating money laundering should include more TA for members, particularly for capacity building. Later in 2001, the Board agreed on a number of measures, subsequently endorsed by the International Monetary and Financial Committee (IMFC), to intensify the Fund's work and extend it to include CFT. In addition to adding the common AML/CFT methodology to the list of standards assessable for ROSC purposes and approving a twelve month assessment program which commenced in October 2002, directors emphasized the importance of the delivery of TA to help countries address gaps in the AML/CFT frameworks that are identified in assessments and supported the assignment of additional resources. The Directors confirmed that the work of the Fund would not extend into law enforcement aspects of AML/CFT.

46. MAE is currently engaged in a range of TA projects on AML/CFT, either jointly or closely coordinated with the Fund's Legal Department and with the World Bank, and focusing in particular on member countries which are not being assisted, and on topics which are not already being addressed, by other agencies, TA providers, or donors. These projects include follow-up TA to FSAPs and other AML/CFT assessments, whether relating to the pilot phase or otherwise, as well as other missions responding to specific member requests. Training workshops and other projects organized at the regional level will be included in the program. For FY2003, most of the missions recorded as MAE AML/CFT TA took the form of Offshore Financial Center (OFC) assessments, which are outside the scope of this evaluation. The level of AML/CFT TA to be delivered by MAE in FY2004 is projected to increase significantly to a range of 5 - 7 person years, depending on demand and available resources. The TA program is expected to continue at least into FY2005.

### ***Scope and methodology***

47. Following implementation of the decision of the Board to provide TA for AML/CFT, subject to the conditions described above, it is appropriate to review as part of the Evaluation Program whether, in the light of experience, the scope and implementation of MAE's role in this area continues to represent an appropriate, timely and effective response to the needs of members, bearing in mind the role of other providers and donors in delivering TA. The evaluation will assist in guiding the Fund in the design and delivery of future TA projects in this area.

48. The evaluation will take the form of an internal staff review conducted by MAE, possibly with the assistance of an external consultant. This evaluation would be additional to the standard internal MAE questionnaire-based field evaluation system applied to the department's TA projects. The evaluation would be conducted at the end of FY2005.

### ***Reporting***

49. It is expected that the findings of the evaluation will be reported to the Board in FY2006.

### **Africa Regional Technical Assistance Centers (AFRITACs)**

#### ***Background***

50. As part of the Fund's Africa Capacity-Building Initiative<sup>8</sup>, the first AFRITAC (East AFRITAC) was opened in October 2002 to provide TA and training in economic and financial management to six East African countries. Opening of another center in West Africa, covering ten Francophone countries, is planned in early FY2004. Each regional TA center has a center coordinator, a team of resident experts, and also draws upon specialized short-term experts. Each center is guided by a Steering Committee for the development of TA strategy and priorities for the center, endorsing the work program of the center, and monitoring its implementation. Expected annual TA delivery by each center is around eight person years. Although the priorities for TA to be delivered or arranged by the AFRITACs will vary across countries, broad common aims are to foster the capacity for sound macroeconomic management, strong fiscal institutions and financial systems, and the timely and accurate collection and dissemination of economic data in support of the PRSP process.

51. An in-depth independent evaluation of the AFRITACs has been scheduled to take place after 18 months of operation. The evaluation is expected to take place in early FY2005.

#### ***Scope and methodology***

52. The evaluation, which will be undertaken by a team of external experts, will assess the effectiveness of the centers and the TA provided by them, bearing in mind the long-term nature of capacity building. It is expected that the evaluation will also assess the merit of the regional approach and the value-added of the AFRITACs compared to other modalities of TA delivery. In this regard, it is envisaged that the evaluation will assess whether the establishment of the AFRITACs has enhanced the timeliness of TA delivery and follow-up; strengthened country ownership and accountability of TA activities; helped integrate TA delivery more closely with activities of development partners; and enhanced regional integration and knowledge-sharing.

### ***Reporting***

53. It is expected that the findings of this evaluation will be reported to the Board in FY2005.

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<sup>8</sup> *The Fund's Africa Capacity-Building Initiative* (EBS/02/72, 4/24/2002).

## **General Data Dissemination System (GDDS)—Regional TA projects**

### ***Background***

54. The GDDS projects are a statistical capacity-building initiative of STA. The projects integrate participation in the GDDS by member countries with programs of TA to help them implement the plans to improve the statistical systems identified in their metadata as posted on the Fund's Dissemination Standards Bulletin Board (DSBB).

55. GDDS projects are based on a regional approach, which draws on local expertise, and encourages close collaboration with regional institutions and with other bilateral and multilateral agencies providing TA in the region. Assistance under GDDS projects covers, in a first stage, the drafting of metadata and, subsequently, the efforts by participating countries to strive toward the GDDS objectives of good statistical practice, based on the plans for improvement identified in the metadata. Within the overall GDDS framework, participating countries are encouraged to set their own priorities and make progress at a pace they feel they can sustain.

56. The assistance by the Fund is delivered over extended periods of time by a dedicated group of experts in economic and financial statistics, some of whom may be posted in the region on a continuous basis. The GDDS projects have benefited from financial support from Japan and the United Kingdom, and from close collaboration with the World Bank for activities related to socio-demographic statistics.

57. GDDS projects have been launched for groups of 14 Anglophone African countries, four Lusophone African countries, eight Pacific island countries, and member countries of the West African Economic and Monetary Union. Two additional projects, in the Middle East and in Central America, have been proposed. During the period FY2002-03, some 7 1/2 person years of TA were provided in the context of these projects. An estimated 6 1/2 person years is expected to be delivered in FY2004.

### ***Scope and methodology***

58. The evaluation will cover STA's experience in delivering TA under the framework of the GDDS. In particular, the evaluation will compare TA delivered under regional GDDS projects with more traditional modes of TA delivery. It will assess the benefits of using a regional coordinator and regional steering committees. The evaluation will be prepared by STA staff drawing on the findings of scheduled reviews under the individual GDDS regional projects, which typically include field reviews of project progress undertaken together with donors, as well as the assessments of the recipient authorities and associated regional organizations. The evaluation also will incorporate findings from STA's Project Management System, in which mission objectives and tasks are annotated with reports of assistance actually provided and results achieved.



***Reporting***

59. It is expected that the findings of the evaluation will be reported to the Board in FY2006.