

**FOR
INFORMATION**

FO/DIS/18/50

March 22, 2018

To: Members of the Executive Board

From: The Secretary

Subject: **Ms. Grasso's Report to the Board on Her Visits to Ghana, the United Kingdom, Belgium, Sweden, and Italy—February 25–March 8, 2018**

Board Action: Executive Directors' **information**

**Ms. Grasso's Report to the Executive Board on Her Visits to
Ghana, the United Kingdom, Belgium, Sweden, and Italy
February 25–March 8, 2018**

During February 25–March 8,¹ I traveled to Accra, Ghana to deliver the opening address at a regional conference on “Fiscal Management of Mining and Petroleum Resources” jointly organized by the African and Fiscal Affairs Departments of the IMF, and hosted by the Ghanaian authorities. I stressed that sound fiscal management and strong economic institutions are key to assist countries to reap the full benefits from revenues from natural resources in support of macroeconomic stability and more equitable growth. I also noted that the Fund can be an active partner in that endeavor as our capacity development activities cover key areas of concern, including designing good tax policies, improving revenue administration, effectively managing public resources, and strengthening governance frameworks.

I also visited our technical assistance center AFRITAC WEST 2 which provides capacity development to Cabo Verde, Ghana, Liberia, Nigeria, Sierra Leone, and The Gambia. I met with local staff, regional advisors and Center Coordinator and learned of the Center's traction, impact, and challenges in delivering technical assistance. Despite being a new center, a recent independent mid-term evaluation of the Center's work reaffirmed its relevance and traction with member countries. These views were also clearly articulated through a video presentation on feedback from member countries on the capacity development they had received. I was also able to discuss human resource-related issues confronting local staff with a view to finding equitable solutions.

The Center also hosted a meeting with Deputy Minister of Finance, Mr. Charles Boahen and the Governor of the Bank of Ghana, Mr. Ernest Addison to solicit their views on the capacity development they had received and how the Center and Fund could improve its effectiveness. A key takeaway was the need for less diagnostic missions but more “how to” hands-on training. The Ghanaian authorities also underscored the need to explore partnering with other development partners in order to improve the efficacy of capacity interventions, e.g., the provision of computers for audit analysis.

The authorities welcomed technical assistance provided by the IMF and noted that for the most part, it was demand-driven. However, in some cases TA recommendations were generic and not well tailored to the Ghanaian circumstances. They recommended to ensure

¹ Due to illness, I had to cancel the visit and meetings in Sweden and Italy scheduled for March 7 and 8.

that all technical assistance teams organize a workshop at the end of their missions to discuss their findings and recommendations. They asked about opportunities for peer-to-peer learning within the region and globally, and suggested to facilitate staff exchanges.

I also had a lunch meeting with women entrepreneurs who shared their career and family experiences. They pointed to limited access to finance as an obstacle for expanding their businesses. They also felt that they were not on a level playing field when negotiating with men. Several women have been running training programs, affiliated with their businesses, providing young people with skills and job opportunities.

In the UK, after a courtesy meeting with UK Executive Director Ms. Shona Riach I met with the Permanent Secretary of the Department for International Development (DFID), Mr. Matthew Rycroft, DFID Permanent Secretary. Discussions focused on Fragile States and the issue of sexual exploitation in the development sector (or “safeguarding”). I outlined the policies and procedures, including code of conduct, within IMF HQ operations, as well as noted the specific clauses appearing in contracts for long-term experts based in the field. The UK authorities will be writing to all partners—including MDBs—shortly to highlight the safeguarding issue. I emphasized that, as an important institutional priority, the IMF already provides significant capacity development to Fragile States. I also met with DFID staff to discuss DFID’s approach to RBM and the systems they use to manage information.

In Brussels, I met with officials from the European Union and the Belgian government. At the European Commission, Mr. Neven Mimica, Commissioner in charge of International cooperation and Development, and I signed a five-year EU-IMF Public Financial Management Partnership Program with a budgetary envelope of €5 million. This new program aims at supporting public finance management reforms to improve resource allocation and spending efficiency in Fragile States, and low- and lower- middle-income countries. Commissioner Mimica and I also welcomed the broad range of ongoing cooperation on capacity development between the EU and the IMF, including support for regional centers and global thematic funds, and we explored to expand this cooperation in the future. I also met with senior officials at the Directorate General for Neighborhood and Enlargement Negotiations (DG NEAR) to explore ways to support and expand regional development collaboration via METAC, and a program serving the countries of South Eastern Europe. Finally, I met with officials at Belgium’s Federal Public Service Foreign Affairs, Trade and Development Cooperation. I welcomed the strong cooperation between Belgium and the IMF in support of the IMF’s capacity development work on revenue mobilization. We discussed how this partnership could be extended to our regional centers in Africa and also to our new global thematic funds in support of financial stability and inclusion, and statistics.