

GPFP FY24 Annual Report

Attachment 1. GPFP Progress Reports¹

FY24 Annual Report – June 2024

Table of Activities by Project and Modules from February 1 to April 30, 2024

Project	Revenue Component				Spending Component			
	RM I	RM II	RM III	RM IV	SM I	SM II	SM III	SM IV
	Tax Policy	Revenue Admin	Training	Tools	Expenditure Policy	Managing Public Finance	Training	Tools
Cabo Verde						SM II		
Comoros		RM II						
Congo, Republic of		RM II						
Georgia	RM I							
Guinea-Bissau		RM II						
Indonesia	RM I							
Kenya	RM I	RM II						
Lebanon		RM II						
Madagascar	RM I							
Mauritania	RM I				SM I			
Nepal	RM I							
Nigeria		RM II						
Philippines		RM II						
Sierra Leone					SM I			
Tanzania (Scoping)		RM II						
Togo	RM I							
Uzbekistan	RM I	RM II			SM I	SM II		
Zimbabwe					SM I			
VITARA			RM III					

¹ Progress reports provided for those projects that have activities in the first three months of the program.

Cabo Verde

FY24 Progress

Component: Spending

Module: SM II - Managing Public Finances

Project Manager: Nicoletta Feruglio, PFM Division 2

Key Progress in FY24:

A capacity development (CD) mission supported the authorities in amending the public private partnership (PPP) legal framework and integrating climate-related analysis into PPP project appraisal, selection, procurement, and contract management procedures. Additionally, the CD mission helped the authorities draft the first version of the PPP Manual. The objective of the PPP Manual is to support the implementation of an effective PPP program that can attract private sector investment and participation in providing public infrastructure services, strengthen awareness and knowledge of the PPP decision-making process, standardize these processes, and contribute to the Government of Cabo Verde's national development priorities, including climate change objectives. To this end, the manual incorporates climate change considerations into the PPP project cycle with a specific focus on climate resilience.

The amended PPP legal framework and manual are a key reform measure that the authorities have committed to within the Resilience and Sustainability Facility (RSF) program.

The government's success in implementing the new PPP legal framework will depend heavily on strengthened capacity in all stages of the project cycle. Currently, skills for dealing with long-term and complex infrastructure projects such as PPPs remain very limited. Building climate change related capacity within all institutions involved in the PPP lifecycle is particularly essential to implement a solid climate-sensitive PPP framework.

Cross-cutting Priority Activity:

Climate Change: Cabo Verde has made extensive use of public-private partnership (PPP) arrangements. PPPs are likely to become increasingly important as a means of addressing climate-related investment needs, where the resources and expertise of both the public and private sectors must converge to tackle the existential challenges facing the island. In this context, the legal framework and manual are crucial for developing climate-sensitive PPPs particularly for transparency and allocating climate risk liabilities upfront between the government and PPP partners.

Coordination/Cooperation:

The activity has been developed in close collaboration with the World Bank (WB) which is also supporting the government in climate-sensitive public investment management.

COMOROS

FY24 Progress

Component: Revenue

Module: RM II – Revenue Administration

Project Manager: Ramarozatovo, Anthony

Key Progress in FY24:

Main risks were identified, and a compliance improvement plan was developed and adopted by the authorities. Capacities in term of reform management were strengthened. Support was provided to the newly established large and medium-sized taxpayers' office, especially on monitoring tax filing rate and tax arrears collection. Finally, the roadmap to interconnect the tax and customs administrations were proposed with a view to exchange data and expand the tax base. A diagnostic mission and the peripatetic LTX based in Mauritius will assist tax and customs administrations in developing a reform strategy and implementation timeline within the framework of the GPFP project. Its full implementation will be realized over the course of the new GPFP project.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

AFS work plan supported the implementation of the RMTF diagnostic mission's (September 2021) main recommendations. Timing of AFS activities, including the LTX's work plan, is coordinated with the project. The legacy RMTF project interacted closely with the WBG, AfDB, EU and AFD (ad hoc meetings, document review, work plan sharing, etc.) and this is expected to continue through the GPFP. The activities of the CD project supported structural benchmarks for the current IMF ECF program.

Congo, Republic of

FY24 Progress

Component: Revenue

Module: RM II – Revenue Administration

Project Manager: Pierre Adrien Wandja Fondja

Key Progress in FY24:

From February 26 to March 8, an HQ-led scoping mission assessed the Congolese tax administration's (DGID) performance in the context of its reform plan, identified with tax management reform priorities to address the critical weaknesses and areas of improvement that could be supported by FAD's GPFP and AFRITAC Centre (AFC).

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

AFC LTX participated in this scoping mission and will be responsible for delivering some activities related to the CD plan discussed with the Congolese authorities.

The mission also met with development partners interested in revenue mobilization in Congo, including the World Bank (WB), the European Union, and the French cooperation. The WB HQ and field team and the IMF head of mission agreed to follow-up meetings in Washington, DC, to build synergies in digitalization of the DGID, which is critical to improvements in DRM.

Georgia
FY24 Progress

Component: Revenue
Module: RM I – Tax Policy
Project Manager: Charles Vellutini

Key Progress in FY24:

A 3-person CD mission to Georgia took place from April 1 to April 12, 2024. The primary objective of the mission was to evaluate Georgia's mining tax regime. Additionally, in collaboration with FAD's R1 (tax administration), the mission received an update on the development of the Medium-Term Revenue Strategy (MTRS). The mission collaborated with the Ministry of Finance's tax policy unit and the sector's regulator, the National Agency of Mineral Resources (NAMR). Additionally, it conducted technical meetings with the country's two principal mining companies: Rich Metal Group, which specializes in gold and copper, and Georgian Manganese, focused on manganese. The FARI model was extensively utilized to simulate various policy options.

An aide-mémoire was shared with the authorities at the end of the mission. The mission's key recommendations were:

- To replace the specific fee structure with a low ad valorem, price-based royalty on sales, suggesting 5 percent for gold and 2.5 percent for copper and manganese.
- To introduce a progressive royalty on operating profits, featuring three bands defined by increasing profit margins, with rates ranging from zero to 25 percent of operating profits.

The transition to ad valorem royalties will make the sector's revenues more responsive to fluctuations in international mineral prices. The royalty on operating profits will secure a higher government share of rents generated from higher international prices and/or the discovery of high-grade minerals. The estimated short-term revenue impact is around 0.3 percent of GDP, stemming from the royalty on operating profit, effectively offsetting the impacts of the Distributed Profit Tax (DPT).

The recommendations were discussed with the MoF and the NAMR and were broadly well received.

In addition, a preliminary summary of the MTRS was shared with the mission, outlining proposed tax policy reforms including changes to property tax, excise taxes, and tax expenditures. The draft also included tax and customs administration reforms. A complete draft of the MTRS is expected before the summer, at which point detailed feedback will be provided.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

The mission coordinated with R1 (revenue administration) on the MTRS (CD funded outside of GPFP). It also liaised with the World Bank on policy issues.

Guinea-Bissau

FY24 Progress

Component: Revenue

Module: RM II – Revenue Administration

Project Manager: Paulo Paz

Key Progress in FY24:

The GPFP project for Guinea-Bissau effectively started on March 2024, superseding a previous CD project under the RMTF. With GPFP support, the authorities (i) prepared a proposal of requisites for senior staff positions assignments, (ii) reviewed a statute for the tax administration employees, and (iii) drafted a staff performance assessment model. GPFP also supports the authorities to (i) implement the income tax on transport services in the electronic system (Kontaktu platform), (ii) modernize the workflow to collect the due taxes in the cashew cycle, (iii) advance preparations for the VAT rollout, and (iv) expand electronic notifications on tax debtors.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

FAD and AFW keep close coordination in implementing reforms. IMF and World Bank have regular meetings to coordinate CD, since WB is resuming CD to Guinea-Bissau.

Indonesia

FY24 Progress

Component: Revenue

Module: RM I - Tax Policy

Project Manager: Sebastien Beer, FADT2

Key Progress in FY24:

As part of the ongoing GPFP project aimed at increasing Indonesia's revenue efficiency and productivity, an HQ-led mission visited Jakarta between April 23rd and May 7th. The mission focused on two areas that can help guide the national ambitious efforts² of raising the tax-to-GDP ratio: first, the mission analyzed the contribution of regions to national tax revenue and its link with economic fundamentals and second, it assessed the design of the major central government taxes. The mission's findings could inform an update of a past medium term revenue strategy (MTRS) that has not led to fruition. The mission also identified, and highlighted to the authorities, tax policy areas where follow-up work could be useful. Feedback from the authorities will help plan future collaboration and inform priority areas for the GPFP project in FY25.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

N/A for this mission.

² Indonesia's incoming president announced a plan to increase the tax-to-GDP ratio, from its current level of 10 percent to 23 percent in the next 5 to 10 years.

Kenya

FY24 Progress

Component: Revenue

Module: RM I- Tax Policy and RM II- Revenue Administration

Project Manager: RM I- Ana Cebreiro and RM II- Thabo Letjama

Key Progress in FY24:

The authorities approved an MTRS in November 2023 and requested support on its implementation. A tax policy mission in January 2024 supported by RMTF provided tax policy support, and a revenue administration mission in April 2024 supported by GPFP, assisted the authorities to prioritize MTRS measures and sequence them for implementation. The MTRS will be implemented over the duration of the GPFP project.

Cross-cutting Priority Activity:

GovTech: The project includes development and implementation of a digitization strategy for Kenya Revenue Authority which will be designed and implemented over the duration of the project.

Coordination/Cooperation:

The Mission helped the authorities develop measures to improve revenue performance and meet program targets set under the ECF program, and it was arranged with assistance of the Kenya Team. With the leadership of the Resident Representative for the IMF and under the auspices of the Kenya development partner coordination framework, the mission met with multiple development partners to coordinate work.

Lebanon
FY24 Progress

Component: Revenue

Module: RM II – Revenue Administration

Project Manager: Joshua Aslett

Key Progress in FY24:

Following a strategic revenue administration (RA) headquarters mission in October 2023 (Aslett – supported by RMTF), the authorities endorsed and authorized publication of the resulting mission report. The report presented reform and CD priorities for the subsequent 36 months, providing the foundation for the RA project's current workplan and its expansion from tax administration to include customs administration. Due to deterioration of regional security, a mandatory suspension of field-based activities for IMF international staff has been in effect since October 11, 2023. During this period, the project successfully pivoted into a remote CD delivery configuration. The remote CD support delivered has influenced the decision of the Minister of Finance to authorize the integration of a single large taxpayer office (LTO) from standalone VAT and Revenue directorates, a key reform that is now ongoing. In support, and through two offsite events held under the project, IMF experts have assisted tax counterparts to: (1) better plan the integration; (2) produce analytics from their databases to inform that planning; and (3) using the analytics, develop a large taxpayer compliance strategy.

The second offsite event noted is the first CD activity under the GPFP. Attended for two days by the Director of the Ministry of Finance's (MOF) tax directorates, the event resulted in the following recommendations that have been notionally agreed and will be followed up on by the project's LTX for tax administration:

- Enhance the large taxpayer compliance strategy to include missing elements;
- Grant the LTO the additional autonomy needed to implement the strategy;
- Pilot the use of risk review techniques to evaluate large taxpayers; and
- Formalize a small project plan for LTO integration.

As of April 17, 2024, the suspension of field activities has been lifted and the project is expected to transition back to a regular field-based orientation. As this transition takes place, activities on the project's workplan will be delivered as originally planned with adjustments to timing and a heightened focus on customs legislation and digital topics (both tax and customs).

Cross-cutting Priority Activity:

GovTech: Within the domain of GovTech, in the short-term the RA project is expected to support improved use of data analytics and resolution of e-filing outages in tax administration. Additionally, an emerging requirement is being explored for CD support with the development of multi-year digital roadmaps, which would help to coordinate development partner assistance and highlight outstanding financing needs (e.g., financing to support the replacement of the tax administration's two archaic core processing systems into a single, modern platform that supports an eventual full organizational integration of tax directorates).

Coordination/Cooperation:

The project itself is a joint initiative between FAD and IMF's METAC. METAC is closely involved in the project's planning and execution. Coordination with development partners is occurring on a quasi-formal basis with the World Bank, United Nations Development Programme, European Union, and Expertise France.

Madagascar

FY24 Progress

Component: Revenue

Module: RM I - Tax Policy

Project Manager: Jean-Francois Wen

Key Progress in FY24:

An FAD external expert visited Madagascar in February 2024 to assist the authorities with implementing transfer pricing legislation and to deliver a series of training workshops on the application of transfer pricing rules. The activity is part of an ongoing effort to provide capacity development on base erosion and profit shifting issues in international taxation.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

The capacity development activities on legislative aspects of transfer pricing are coordinated with the Revenue Administration division (R2), which is providing assistance on enforcing transfer pricing rules and customs controls.

Mauritania

FY24 Progress

Component: Revenue

Module: RM I - Tax Policy

Project Manager: Fayçal Sawadogo

Key Progress in FY24:

Following the decree appointing the staff of the Tax Policy Unit (TPU), the authorities' priority has been capacity building of the TPU Staff to conduct tax policy analysis. To this end, two remote activities were carried out – in March and April 2024 – to introduce the newly established TPU staff to tax expenditures assessment. The activities consisted of collecting and preparing the necessary data and information for the assessment, developing a standardized template for the tax expenditure assessment report, establishing measures to institutionalize and systematize the assessment, and outlining strategies to capitalize on the report's findings by standardizing ex ante and/or ex post impact analysis methods for any derogatory tax measures, along with proposing orientations for a draft plan to rationalize tax expenditures. An in-field follow-up mission is planned for May 2024.

The Tax Policy diagnostic mission delivered in January 2024 through the RMTF formulated recommendations on (i) tax incentives which are being incorporated in the revised investment code expected to be finalized and adopted by December 2024 and (ii) the consumption tax which should be reformed in the revised 2024 budget law by August 2024. Moreover, the authorities committed to preparing a tax policy reform action plan by September 2024 using the recommendations of the tax policy diagnostic report. This action plan will form the basis of the CD through the project over the medium-term.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

The mission reached out to the World Bank to coordinate on the tax expenditures assessment and the reform of the consumption tax. The CD is also coordinated with the International Finance Corporation (IFC) World Bank Group, on the revision of the investment code. T1 and R1 coordinated to provide comments on a first draft of the investment code.

Nepal

FY24 Progress

Component: Revenue
Module: RM I -Tax Policy
Project Manager: Li Liu

Key Progress in FY24:

An STX CD mission to Nepal took place from February 19 to 27, 2024. The primary objective of the mission was to facilitate the preparation of a domestic revenue mobilization strategy (DRMS) document, which is a structural benchmark of the ECF program for end-April 2024. In addition, the mission discussed data and other inputs required to conduct tax expenditure assessment for major taxes, as initial steps to help the authorities request technical assistance for undertaking this exercise. The Mission held extensive discussions with Revenue Management Division, Inland Revenue Department, Department of Customs, and the High-Level Committee on Tax Reforms on the framework of the DRMS including the sequencing, packaging, timing and the political economy considerations of both tax policy and administration reforms, and the draft tax expenditure report prepared by an external Consultant. The key recommendations were presented during the wrap-up meeting and were broadly well received.

Building on the STX mission, a draft DRMS document was shared with the IMF in late April, outlining proposed actions including review of tax expenditures, income taxes, excise taxes, and property tax. Detailed feedback based on a HQ desk review has been provided with the authorities to support the preparation of the complete draft of the DRMS.

(Note that the DRMS does not follow the MTRS framework as it is focused on short-term measures)

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

The mission coordinated with R1 (revenue administration) in providing comments to the DRMS.

Nigeria

FY24 Progress

Component: Revenue

Module: RM II – Revenue Administration

Project Manager: Paulo Paz

Key Progress in FY24:

Since FY23, a Long-Term Expert (LTX) has supported Nigeria's reforms, and since April 1, his support has been financed under the GPFP. From April 24 to May 7, an HQ-led mission helped the authorities to design a multi-year reform plan, focused on the main weaknesses identified by a prior TADAT assessment. This reform plan will form the basis of the CD through the GPFP project over the medium-term, which will be also integrated with AFW2 deliveries.

Coordination/Cooperation:

The AFW2 LTX participated in the HQ-led mission and will fund some of the activities agreed with the tax administration. The Res Rep's office hosted a meeting with the donor community in Abuja to inform the partners about the main findings, build synergies, and agree in further cooperation.

Philippines
FY24 Progress

Component: Revenue

Module: RM II – Revenue Administration

Project Manager: Supriyo De

Key Progress in FY24:

During FY24, the authorities were focused on preparations for the Tax Administration Diagnostic Assessment Tool (TADAT) mission scheduled for May 6 – June 6, 2024. This included: (a) online orientation to introduce senior officials of the Department of Finance (DOF) and Bureau of Internal Revenue (BIR) to the TADAT methodology; (b) a four-day online workshop to provide detailed training for BIR staff responsible for the various TADAT performance outcome areas (POAs); (c) training for BIR officials who appeared for the TADAT Assessors accreditation examination conducted by the TADAT Secretariat; (d) formation of a core BIR team to liaise with the IMF team and coordinate preparatory activities and subgroups responsible for each POA; (e) an online coordination meeting between the IMF team and assessors sponsored by the World Bank and Asian Development Bank (ADB); (f) the BIR core team have been given access to an online shared folder for placing the assessment evidence and also completion of the requisite questionnaire. These preparatory activities reinforced BIR's commitment to the TADAT process and enhanced the capacities of the participating staff.

Cross-cutting Priority Activity:

GovTech (future): The TADAT assessment will provide diagnostics for improving digitalization of tax administration which is a GovTech priority for DOF and BIR. Based on these diagnostics, headquarters and short-term expert missions are envisaged to improve the digitalization processes and outcomes.

Coordination/Cooperation:

The activities entailed substantial coordination with the TADAT Secretariat for delivery of the online orientation and training workshop. The IMF TADAT assessment team also initiated coordination with the ADB and the World Bank given their engagement in revenue administration work in the Philippines. These two organizations will provide assessors for the TADAT assessment team. ADB is also anchoring some of the logistics on the ground. Following the TADAT, it is anticipated that discussions on potential follow-up CD will occur, allowing further opportunities for coordination and collaboration with interested development partners.

Sierra Leone

FY24 Progress

Component: Spending

Module: SM I – Spending Policy

Project Manager: SM I – Fernanda Brollo

Key Progress in FY24:

A one-week workshop on Wage Bill Forecasting took place in March 2023. The 20 participants included staff from the budget team, the macro-fiscal team, the payroll team, and the Accountant General's office. This training provided an introduction on how to explore the payroll data to gain insights, and used hands-on exercises to show staff how to use an Excel-based model for wage bill forecasting and scenario analysis. The model was handed over to the authorities as part of the mission's outputs.

Furthermore, a one-week scoping mission took place in April, on the subject of Energy Subsidies and Social Protection. The aide-memoire provided an evaluation of the key challenges in the electricity sector, and a distributional analysis to motivate the need for reform. The scoping mission also evaluated the availability of data on fuel subsidies, and laid out a timetable specifying (i) when the authorities will provide the outstanding data, (ii) when follow-up CD will take place to complete the analysis once these data have been shared, and (iii) proposed hands-on training to conduct after the follow-up CD.

Coordination/Cooperation:

The Wage Bill forecasting workshop built critical capacity to strengthen current program negotiations, where containing wage bill expenditure is a key pillar of the fiscal framework. The mission team discussed with the area department how the model can be used to evaluate granular policy measures to ensure consistency between the macro-framework and fiscal targets on the one hand, and the government policies underpinning these projections on the other hand.

The scoping mission on Energy Subsidies and Social Protection set out a timeline for future work, including a joint workshop with the World Bank (at a date to be confirmed by the authorities)

Tanzania Scoping Mission

FY24 Progress

Component: Revenue

Module: RM II- Revenue Administration

Project Manager: Thabo Letjama

Key Progress in FY24:

A scoping mission in April 2024, assisted the authorities to develop a draft MTRS and its implementation plan. The MTRS covers the period 2024/25- 2026/27, is expected to be finalized and submitted for Cabinet approval by end of June 2024, together with its implementation. The MTRS also forms the basis of support to Tanzania over the medium-term. A project proposal to the June GPFP Steering Committee includes a revenue administration module, and if approved, will provide support to the authorities for MTRS implementation.

Cross-cutting Priority Activity:

GovTech (future): The draft MTRS envisages a digitized Tanzania Revenue Authority with integrated systems that are internally integrated, and which connect with third party systems for sharing information. Authorities have requested CD to strengthen data analysis and gleaning insights for compliance management.

Coordination/Cooperation:

The MTRS is a structural benchmark under the current IMF/Tanzania program on economic growth. The Resident Tax Administration Advisor for AFE participated in the scoping mission. In preparation for the mission, a meeting was held with FCDO to discuss its potential revenue project to Tanzania and assess scope for collaboration.

Togo

FY24 Progress

Component: Revenue

Module: RM – I Tax Policy

Project Manager: Benninger, Thomas

Key Progress in FY24:

A diagnostic and scoping mission visited Togo in March 2024 (endorsed by SC in Jan 2024). Tax-to-GDP stands at 14.8 percent – below the convergence criteria of WAEMU but slightly above the regional average. Since the last tax policy mission in 2017, the authorities have implemented a considerable number of recommendations, in particular measures to protect the tax base of the corporate income tax and the removal of the reduced rate for the value-added tax. Moreover, the authorities have created and operationalized a tax policy unit.

In the coming months, the authorities should implement major reforms to make direct taxes more efficient and productive. This would include a full implementation of a dual income tax system which taxes labor income at progressive rates while applying a lower flat rate on capital income. Moreover, the presumptive regime for small enterprises should be simplified and the taxation of business income should increase the incentives for the incorporation of businesses to reduce informality and limit tax evasion.

The main focus for indirect taxes should be to broaden the tax base. This implies eliminating regressive exemptions from the value added tax and ending the practice of allowing reductions in the value of imports at customs.

The mission identified topics for follow-up support which are being considered by the authorities. If follow-up is requested, a full project proposal will be developed.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

The mission overlapped with a visit by revenue administration colleagues from headquarters and AFRITAC West. The mission identified a number of topics that should be tackled through a collaboration with expenditure policy (cash transfer and elimination of tax exemptions, petroleum pricing and taxation, PIT calibration and contributions/sustainability of the social security program). The mission met with other technical assistance partners to ensure there is no overlap with existing support received by the authorities from other providers.

Uzbekistan

FY24 Progress

Component: Revenue and Spending

Module: RM I Tax Policy; RM II Revenue Administration
SM I Spending Policy; SM II PFM

Project Manager: RM II - Vincent de Paul Koukpaizan; SM I - Ignatius de Bidegain

Key Progress in FY24:

RM I / RM II: A short mission was delivered in continuation of the CD support provided to Uzbekistan under the RMTF. It provided guidance to (1) finalize the draft Tax Committee's 2024-30 strategic plan that will be submitted to the Cabinet of Ministers in June 2024; (2) tighten the VAT refund system following the authorities' concern regarding recent surge in VAT refunds; and (3) refocus the large taxpayer office on the largest taxpayers. The mission's recommendations will be implemented alongside others during the course of the GPFP project.

SM I / SM II: A one-week mission on Health Expenditure was conducted between Apr 22nd and 26th. This short mission was designed to meet the Deputy Minister's request for practical advice on how to sequence and implement findings from a 2022 World Bank Expenditure Review, which contained rigorous analysis, but only high-level policy recommendations. The concluding workshop discussed expenditure policy actions, as well as the PFM deficiencies that create barriers to the Ministry of Economy and Finance (MOEF)'s ability to influence Health Expenditure Policy and incentivize the Ministry of Health (MOH) to promote structural reform and boost efficiency. This is an important first step in helping the MOEF move from a post-Soviet compliance and accounting role towards a modern strategic role in promoting trade-offs and efficiency in public spending. For this purpose, a functional budget process is key, and EP and M1 are collaborating closely on CD.

Cross-cutting Priority Activity:

N/A

Coordination/Cooperation:

RM I / RM II: The joint tax policy and tax administration mission was planned in coordination with the Country team for Uzbekistan and the Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC) which funded the tax policy component. The mission team's findings and recommendations fed into the IMF Article IV Consultation discussions (April 23 – May 7, 2024).

SM I / SM II: A PFM LTX joined the expenditure policy mission, anchoring expenditure policy advice to the work on rebuilding a functional budget process. The mission also held a virtual meeting with the World Bank team that conducted the Health Expenditure Review, to align messages and plans for future work.

Zimbabwe

FY24 Progress

Component: Spending

Module: SM I Spending Policy

Project Manager: Fernanda Brollo

Key Progress in FY24:

A scoping mission took place on April 29-May 2, 2024. The authorities expressed enthusiasm and strong commitment for the new medium-term programmatic CD on expenditure policy. They expressed appreciation for the envisaged FAD support highlighting the ideal timing and the pertinence of proposed topics. The agreed CD activities will focus on wage bill management, subsidies, SSNs, and investments/SDGs. The first of these activities in the form of a wage bill scoping mission is expected to take place in June 2024.

Cross-cutting Priority Activity:

TBD

Coordination/Cooperation:

TBD

VITARA

FY24 Progress

Component: Revenue

Module: RM III Training and Peer Learning

Project Manager: Tamas Kulcsar

Key Progress in FY24:

The Virtual Training to Advance Revenue Administration (VITARA) project released three new English online courses and a translated online module in FY24 comprising: the Performance Management, Audit, and Enterprise Risk Management modules (all English) and the Organization module (Arabic). By the end of FY24, the VITARA portfolio has grown to 17 modules, ten English and 7 translated courses. The content development of the Taxpayer Registration and the Information Technology and Data Management modules has progressed significantly. They are expected to be released by H1FY25. The development of the next three modules, Taxpayer Services, Filing and Payment, and Debt Management, has begun.

In FY24, VITARA trained 3815 course participants (70 percent of whom were government officials). This is a 13 percent increase compared to the last FY. The average pass rate (across all courses) was 75 percent, while the average learning gain reached 14 percent. The average course satisfaction ratio has remained very high (4.58/5). Most participants joined from Africa (40 percent), followed by enrollments from Europe (20 percent), Western Hemisphere (16 percent), Middle East (14 percent), and Asia (10 percent). Roughly 83 percent of the participants were from Emerging Market Economies and Low-Income Countries. Around 42 percent of participants were female (45 percent for government officials) and 85 percent have bachelors or higher university degree (93 percent in the case of government participants).

The 3815 active participants represent roughly 70 percent of all participants enrolled in online modules provided by the IMF Fiscal Affairs Department (FAD) and 13.6 percent of all participants of IMF online modules.

Since the release of the first module in FY22, the program has welcomed more than 11000 participants.

FAD has also continued to incorporate VITARA content and online modules into its in-person and blended CD activities. IMF Regional Capacity Development Centers (RCDC) and Long-term experts (LTX) lead the way in disseminating and using VITARA as part of their CD activities. For example, the Caucasus, Central Asia, and Mongolia Regional Capacity Development Center (CCAMTAC) held several regional workshops in FY24 to support countries with the implementation of core tax administration processes such as compliance risk management (CRM). Prior to the face-to-face events, officials undertook the VITARA CRM and Reform Management modules. Blending various modalities enhances the effectiveness of CD. Online training gives traction and supports more advanced and tailored technical assistance.

(See RMTF FY24 Annual Report Progress Report for FY24 Statistics)

Cross-cutting Priority Activity:

GovTech: Supporting the GovTech agenda, VITARA has advanced with the development of a new online module on Information Technology and Data Management for tax administrations.

Coordination/Cooperation:

VITARA benefits from strong cooperation between the IMF and the other participating international organizations (Inter-American Center of Tax Administrations, Intra-European Organisation of Tax Administrations, and Organisation for Economic Co-operation and Development). In FY24, the partners signed a new framework agreement for the development of VITARA Reference Guides. This will enable the project partners to publish the content of online modules in downloadable/printable pdf format. The partners intend to publish two new Reference Guides on reform management in the coming weeks.