



Helping Member States Strengthen Macro-Fiscal Management

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Effective Macro-Fiscal Management

- *Budget* preparation & execution *from a top-down/multi-year/policy perspective*
- Focus on “big numbers” first, then allocations
- Multi-year rolling plan - once plan is prepared, then in-year: executed, monitored, assessed, updated & extended

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Effective Macro-Fiscal Management (cont'd)

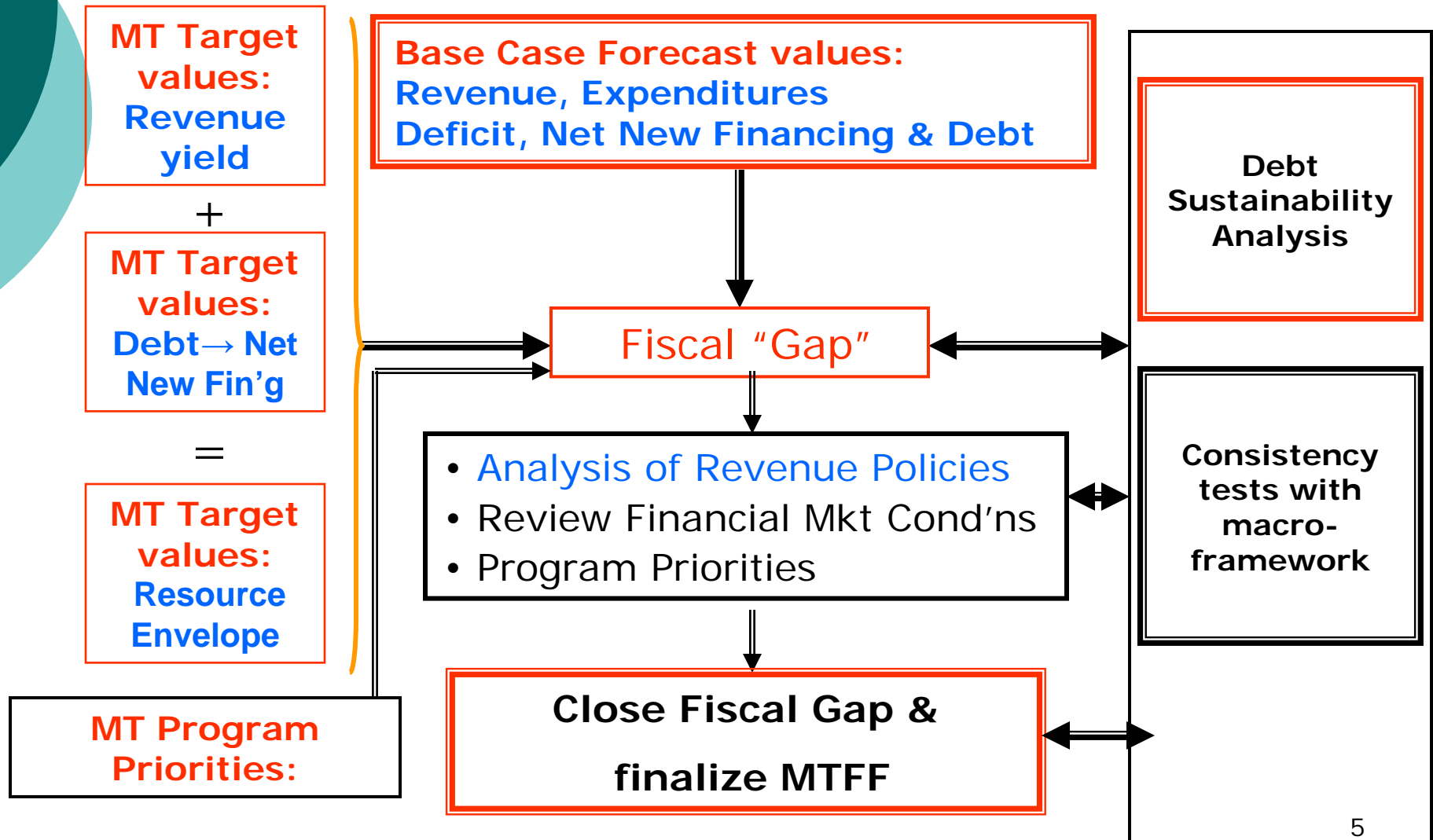
- **All-encompassing risk assessment** - include National/Public sector pensions, SOEs, & other potential claims on fiscal frame
- **Consistent with macro-framework & reflective of coordinated fiscal-monetary policy stance**
 - interface with MAC sector
- **Integrated Capital and Recurrent Spending as key element of policy-based allocations**
 - interface with PFM sector

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Preparation & tracking of MTFF are key elements

- Decide on target values for “bottom line” fiscal aggregates first...then, allocations
- Expenditure envelope defined from revenue and net financing targets ($Exp = Rev + Fin'g$)
- Integrate “technical” revenue and expenditure estimates and policy measures

MTFF Preparation: Graphical representation



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Macro-Fiscal Management activities

- **Help member states prepare**
 - Medium-Term Revenue projections
 - Medium-Term Fiscal Framework (& in-year monitoring)
 - Debt Sustainability Analyses
 - National/Public Sector Pension Plan Reviews
- Help member states strengthen their Debt Offices and debt management capacity & promote regional networking - build on ECCB actions

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CARTAC Macro-Fiscal Management activities

- **Help member states:**
 - Improve governance and oversight of State Enterprises and associated risk assessment/management
 - Review and Reform National and Public Sector Pension Plans; & help increase understanding of actuarial and other quantitative estimates
 - Set up and strengthen Macro-Fiscal Units as “keepers of the fiscal frame”

Activities in last 6 months

- **10 workshops/modules:**
 - 4 revenue forecast preparation workshops
 - Barbados, Grenada, BVI, Belize
 - 4 MTFE prep'n, reviews & in-year tracking
 - Barbados, Belize, Grenada, SVG
 - 1 DSA (Belize) (+1 in November in Barbados)
 - 1 SOE Oversight and Governance (SVG)
 - 3 S.B. workshops, with PFM advisor

- **TA sessions, meetings, VC, CC,: BVI, Belize, St. Kitts and Nevis, Dominican Republic, Suriname, ECCB, Anguilla, T&T**

- **Regional Conferences/workshops:**
 - Pension Reform
 - Debt management – sponsorships at 2 IADB workshops for LAC Debt Managers
 - Donour meetings

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Plans for next 6 months

- Needs assessments proposed where limited interventions in previous reporting period:
 - Antigua & Barbuda, the Bahamas, Guyana, Jamaica,

- 20+ workshops/modules target:
 - 6 + revenue forecasting (or reviews)
 - Anguilla, Belize, Bermuda, Cayman I., Haiti, Montserrat, St. Lucia, T&T
 - 6+ MTFE prep'n or reviews (forecast or scheduled)
 - Belize, Bermuda, BVI, Cayman I., Haiti, St. Lucia, T&T
 - 2 + DSAs
 - 5 SOE Oversight and Governance (Belize, Grenada, StK&N...)
 - 3+ Quantitative Pensions workshops (BVI, StK&N, St. Lucia, T&C)
 - 3 Debt management workshops or other TA interventions (Barbados, T&T, St. Lucia)

Plans for next 6 months (cont'd)

- **Follow-Up TA to assist in implementation of Pension Reform (Montserrat), possibly also in St. K&N, and T&C**
- **TA to support set-up and strengthening of macro-fiscal units and/or Debt Management units**
- **Regional Conferences/meetings:**
 - **ECCB VC meetings**
 - **PFM conferences**
 - **Donor/provider meetings**
 - **IADB workshops for LAC Debt Managers**
 - **1 event likely to be held in CARTAC member state within the next 12-18 months**
 - **Possible conference/workshop focused on MFM themes or on "Strengthening Debt Offices and Debt Management"**
- **Your ideas are welcome!**

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3. CARTAC MFM activities

Thank you

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