

Technical Assistance Priorities for CARTAC Phase IV

**Bridgetown, Barbados
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Survey Needs

- Questionnaires to all members for views on Phase IV priorities (March 2010)
- No surprises in the overall set of results across all sectors
- Demand for TA in various forms (training, direct TA to implement reforms, internships, attachments, drafting) is HIGH
- Delivery modes of TA expected to remain

Region-Wide Concerns

- TA priorities to be framed within economic and development context of the 20 Caribbean countries:
 - The Caribbean Single Market and Economy/regional integration
 - Macroeconomic goals: GDP growth, stability, lower debt levels, low poverty
 - Ownership (content and sustainability)

Financial Sector (MCM)

- Supervision and capital markets development
TA will be intensified:
 - Bank and non-bank supervision
 - Insurance, credit unions supervision
 - Credit bureau development
 - Securities regulations, legislation
 - Payments systems
 - Market risk/asset management/liquidity
 - Financial Literacy

Fiscal Affairs-Macro-Fiscal

Managing fiscal risks will focus on:

- Developing Macro-fiscal units in member states
- Medium term fiscal targets, projections and policies (MTFF)
- Debt management including sustainability analysis (DSA)
- Strengthening oversight of state owned enterprises (SOE)
- Social security systems
- Public pension plans

Fiscal Affairs--PFM

- Public expenditure management in the region is dire, TA focus will remain on:
 - Strategic Budgeting, preparation and execution, controls (multi-year focus)
 - Internal Auditing
 - Getting the basics right
 - Public Investment

Fiscal Affairs (Revenue)

- Many countries still in process of restructuring revenue administration (tax and customs). TA to focus on :
 - Pre- and post VAT implementation
 - Customs modernization
 - CARICOM Tax Treaty
 - Efficiency in collections, audit
 - Institutional strengthening

Statistics (STA)

- State of statistics in the Caribbean remains weak, though improving. TA will focus on:
 - Methodology and compilation to international standards in national accounts and prices
 - Improving periodicity and quality of data
 - Compliance with GDDS and SDDS

Macroeconomic Programming (WHD)

- Development of capable macro-fiscal units across the region is underway. TA will continue to emphasize:
 - Increasing knowledge of the fundamentals of macro-programming through courses
 - Training of local teams during missions to prepare analysis prior to budget preparation

Issues for Discussion

- Is the demand driven character of CARTAC to be preserved as we know it?
- Is there room to devolve some TA to other regional bodies?
- How do we address sustainability of CARTAC programs in a budget constrained world?
- What can we do differently in Phase IV?