

July - Sept, 2016
Volume 34

CARTAC NEWS



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CARTAC Energizes Caribbean Revenue Administrations' Leadership

By Vinette Keene, CARTAC Tax Administration Adviser



From Left: CARTAC Programme Coordinator, David Kloeden and ECCB Governor, Mr. Timothy Antoine

CARTAC welcomed more than sixty participants from all twenty member countries to a 4-day Leadership Symposium held in Barbados from September 20 – 23, 2016.

The theme of the event was *“Leading and Managing Revenue Administration for Efficient and Effective Outcomes”* and targeted executive and senior management from the region’s tax and customs administrations. CARTAC Coordinator David Kloeden set the stage by outlining the impact of the work of CARTAC across the Caribbean as well as the IMF more generally. Presentations followed focusing on tax and customs administration and general leadership topics, coupled with a rich mix of professional experiences shared by tax administration experts from Canada (David Bennett – also the Event Facilitator), Australia (Michael Smithson),

Slovenia (Andja Komso), and Jamaica (Judith Smith-Richards), along with CARTAC resident advisors Vinette Keene and Norris Miller (tax), and Stephen Mendes (customs).

The featured guest speaker – the Governor of the Eastern Caribbean Central Bank (ECCB) Mr. Timothy Antoine – delivered a rousing lecture on *“Leading for Results – Some Suggestions”* which earned him a standing ovation from participants.

Targeting senior executives and managers, the key objective of the CARTAC Leadership Initiative (CLI) is to sustainably optimize leadership capacity and potential in revenue administrations across the region. The forum highlighted examples of ‘centers of excellence’ in the implementation of CARTAC’s technical assistance as well as ‘home grown’ success stories. St. Kitts and Nevis,



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Jamaica, and Barbados shared experiences that have become ‘centers of excellence’ in the use of data mining and analysis, IT implementation, and unique approaches to building leadership capacity in the Barbados Revenue Authority (BRA). These motivated the other participants and created the platform for meaningful collaboration and networking.

During the event, two regional standardized frameworks were launched – Data Integrity and Analysis for tax and customs, and a Risk-based Compliance Management Framework (RCMF) for tax. These were rolled-out in three volunteer countries immediately following the event, with the remaining member countries expected to follow. The Frameworks support capacity building in important performance outcome areas anchored on the Tax Administration Diagnostic Assessment Tool (TADAT) Framework.

Other areas of learning included: perspectives on the theory of leading modern organizations; an overview of the key elements of a modern revenue administration; a reference framework for the choice, scope, and implementation of major IT solutions; strategic planning in customs covering treaties, policies and plans, and a clear vision to complete the institutionalization of a strategic management framework; and perspectives on human resource management with respect to managing critical talent for increased productivity.

The Framework initiatives aim to create and deliver more standardized TA solutions across the region. Achieving sustainable outcomes is a partnership between CARTAC and member countries. As the saying goes, “It takes two to Tango”!! In the case of sustainable TA outcomes, the real onus rests with the authorities to ensure that an accountability framework is established in which an impact assessment of capacity building initiatives are always evaluated, and that provision of the resources to sustain the competence always remains a priority within the administration.

As an evening event, the group watched one of the “greatest leadership movies” based on a true story- ***Remember the Titans***. The film clearly demonstrated the different sources of power, whether ‘*personal*’ and ‘*position*’ driven, and clearly showed that leadership can occur at all levels of the organization.

Based on evaluation reviews, participants thoroughly enjoyed the experience, learned many important lessons that can immediately be put into practice, and welcomed the opportunity to network with their regional peers. They also ‘keenly’ look forward to a follow-on sequel event next year with great expectation!!!!

Special thanks to the BRA Revenue Commissioner who sponsored a Cocktail Party for the enjoyment of the CARTAC Symposium participants.

IMF's RTAC Retreat, Washington, September 2016

By David Kloeden Programme Coordinator

Coordinators and office managers from all ten IMF Regional Technical Assistance Centers (RTACs) gathered in Washington for an annual retreat the week of September 26 – 30.¹

Through the RTAC network, the IMF is scaling-up its Capacity Development (CD) delivery to its membership, and in turn the RTACs themselves need to respond to both global and region-specific challenges. As traditional donors grapple with the fallout from the global financial crisis, and European donors face the challenges posed by the refugee crisis, development aid budgets are under severe pressure. Against this backdrop, the retreat provided an excellent opportunity to consider how the RTACs, including CARTAC, can adapt and indeed thrive in this new environment.

Three important themes emerged: (a) the need for RTACs to be more innovative, including in addressing new issues (e.g. gender and environment); (b) maximizing the use of social media to ensure visibility of the Centers' work, as well as the contribution of development partners, and (c) enhancing the focus on results, through more attention value for money metrics, implementation of Results Based Management (RBM), and the IMF's new evaluation framework.

A range of good practices were shared, ranging from enhancing the presentation of annual reports, using social media, particularly Facebook and Twitter, the challenges of maintaining a secure, yet informative and up-to-date web presence, and ways of enhancing the effectiveness of Steering Committee meetings. We will follow-up some of the good ideas from these discussions, to even further enhance CARTAC's outreach efforts and impact.

Two of the five retreat days were devoted to training for the IMF's new Results Based Management (RBM) information technology system CD-PORT (Capacity Development Portal). As the RTAC which is leading on RBM implementation, Liz Cunningham (CARTAC's RBM Advisor) and I presented the CARTAC experience to the group, which were of great interest to the other centers, and provides a road map for our colleagues for their RBM implementation.

We also had a meeting with the IMF's Deputy Managing Director responsible for CD—Ms Carla Grasso. At that round table, I had the opportunity to present CARTAC's work on RBM, and to highlight the need for continued investments.



¹ This included the coordinator from the South Asia Regional Training and Technical Assistance Center (SARTTAC), a new center being established in New Delhi that fully integrates the delivery of technical assistance and IMF training for the first time.



CDB's Public Policy Analysis Management (PPAM) and Project Cycle Management (PCM) Training Programme (2016-2018)

By Reginald Graham, Consultant Coordinator, CDB Training Unit

The Caribbean Development Bank's new Public Policy Analysis and Management (PPAM) and Project Cycle Management (PCM) Training Programme 2016-2018 has been launched with a new brochure.

Since 1980, the Caribbean Development Bank (CDB) has been offering training in Public Policy Analysis and Management (PPAM) and Project Cycle Management (PCM) to its Borrowing Member Countries (BMCs). Thirty-six years later, it is still an integral part of the Bank's work in building and reinforcing institutional capacity in the Region.

Three years ago, CDB commissioned a training needs assessment, based on feedback from BMCs about the Bank's previous training initiatives. That assessment informed the design and delivery of a new cycle of PPAM and PCM training. The following year, the Bank's Board of Directors approved technical assistance for the implementation of the PPAM and PCM Training Programme 2015-2018 for the Bank's BMCs and its staff. In January 2016, the CDB Training Unit was established within the Bank's Technical Cooperation Division to implement the Programme.

How it Works

The training initiative utilises a blended approach to training—a combination of face-to-face and online delivery. Within each BMC, up to 25 persons may be nominated to participate in each of ten in-country face-to-face training modules. Up to 200 officials may be nominated to complete online courses in Procurement, Project Management, Public Policy, and Monitoring and Evaluation, which will establish a baseline for face-to-face training.

While CDB funds the Programme, each country will make in-kind contributions in the form of providing training venues, meals for participants, some assistance with the provision of stationery, and national programme coordination. In addition, five regional workshops will have been delivered by December 2018. The very robust training programme also includes flexibility for country-specific topics relevant to PPAM and PCM to be included, based on the unique needs of individual countries.

The staff of CDB will play a critical role in the design and development of the core curricula for the new face-to-face PPAM and PCM training modules. The collaborative effort of CDB staff, Programme trainers and officials in the BMCs will ensure that the modules reflect the regional context in which CDB operates. Live, in-country case studies will be used during the delivery of the training modules, helping to ensure that the training sessions are contextual and very practical.

Our Journey

The Training Unit has already begun pre-training missions to the Bank's BMCs to assist with the formulation of Country Training Plans and facilitate the establishment of coordination groups, with a view to beginning the face-to-face component of the Training Programme in 2017. Nominated participants in the BMCs will be able to register for the online training component once the training plan for their country has been finalised.

One such pre-training mission took the Training Unit to Haiti in August 2016. On that mission, CDB Training Unit staff met with senior government officials in Port-au-Prince to introduce the new training programme and initiate pre-training activities. The mission was coordinated by staff of Haiti's Ministry of Economics and Finance.



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Representatives from the Ministry of Economics and Finance in Haiti and the CDB Training Unit staff during the pre-training mission at the ENAF Training Center Port Au Prince Haiti, August 2016.

Eligible Countries

The PPAM and PCM Training programme will be offered to CDBs 19 BMCs.

Anguilla	Haiti
Antigua and Barbuda	Jamaica
The Bahamas	Monserrat
Barbados	St. Kitts and Nevis
Belize	St. Lucia
British Virgin Islands	St. Vincent and the Grenadines
Cayman Islands	Suriname
Dominica	Trinidad and Tobago
Grenada	Turks and Caicos Islands
Guyana	

Coordination with regional development partners and BMCs

A central feature of the programme is that training will be provided even to those BMCs where CDB may not have ongoing projects. In addition, there is a commitment to not duplicate the work being done by other development agencies active in the region. In light of this, the Training Unit is engaged in ongoing discussions with BMCs and development partners, including CARTAC and the Inter-American Development Bank, to ensure that CDB's PPAM and PCM Training Programme complements other training and capacity development initiatives for countries in the region during the 2016-2018 cycle. The Programme is also designed to include the staging of joint regional networking and training events with regional development partners. These events will be presented as a Leadership Series and will cover priority topics that will address challenges faced by BMCs.

CDB is excited about implementing this responsive, learner-centred and practical new Training Programme to its BMCs. The Caribbean Development Bank is encouraged by the many positive responses from officials in these countries.

Further information

To learn more about the PPAM and PCM Training Programme, please [click here](#).

For more information, please email CDBTU@caribank.org.

Regional National Accounts Planning Workshop in Bridgetown, Barbados

By Zia Abbasi, CARTAC Real Sector Statistics Adviser



The Caribbean Regional Technical Assistance Centre (CARTAC) successfully conducted a regional national accounts training workshop in Bridgetown, Barbados during October 3-7, 2016. A total of 41 heads of the National Accounts Units and national accounts compilers from the 19 member states attended the workshop. Mr. Zia Abbasi, the CARTAC Real Sector Statistics Advisor (RSA) and Messrs. Roger Jullion and Robin Youll (IMF Experts) were the main presenters.

The main objectives of the workshop were achieved. Training was provided to the national accounts compilers on compiling supply and use tables (SUT), and making the best use of available source data and indicators to develop and/or improve the compilation of quarterly GDP estimates at current and constant prices. Training was also provided on compiling estimates of financial intermediation services indirectly measured (FISIM);

work-in-progress (WIP) for agriculture, construction and other industries; insurance services and the informal sector, consistent with the *2008 System of National Accounts (2008 SNA)*. The workshop included group discussions and exercises where participants worked in teams in producing two SUTs and in using XLPBM and MS Solver in compiling quarterly GDP estimates. These exercises were seen by participants as being particularly useful in reinforcing the concepts and methods covered in the presentations by the experts.

As a few national statistics offices (NSOs) are currently compiling SUTs, and several other NSOs are preparing to develop SUTs, in order to rebase their GDP estimates; the participants felt that the presentations and workshop exercises were particularly relevant and timely. The quarterly national accounts presentations and exercises were also seen as being very useful as a number of NSOs are trying to improve their quarterly GDP, while most other NSOs are starting to develop quarterly GDP estimates. The participants are expected to apply the additional knowledge and skills acquired during the training when they return to work.

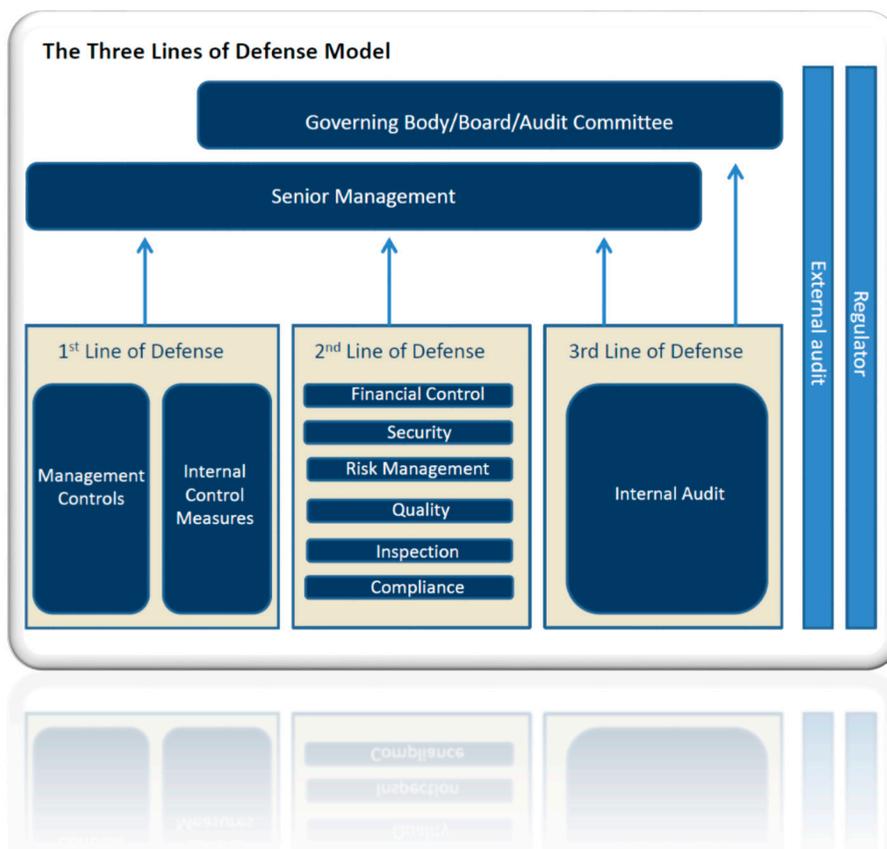
Third Annual Internal Audit Workshop in Bridgetown, Barbados

By Bill Rafuse, CARTAC Short Term PFM Expert

CARTAC hosted its third annual Internal Audit Workshop in Barbados during September 19-22, 2016. This four-day event was attended by 39 participants from 19 member countries. The purpose of the workshop was to highlight and exchange countries' best practices and to encourage development of internal audit capacity across the region.

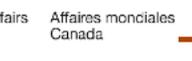
The theme this year was the importance of adopting and conforming to internal audit standards. Recent and upcoming changes to the Institute of Internal Auditor's International Professional Practices Framework (IPPF) were discussed, including the impact of these changes. During the year, the internal audit units in St. Kitts and the British Virgin Islands (BVI) conducted self-assessments of their conformance with the IIA audit standards. CARTAC then delivered Technical Assistance (TA) to provide an independent external validation of the self-assessment results. At the workshop, BVI presented on the value of the self-assessment with validation approach, and encouraged other countries to do the same.

Related to the workshop theme of the IPPF and audit standards was a discussion of the Three Lines of Defense model.



This is a simple and effective way to define roles and responsibilities related to risk management and control. Much of the work conducted by internal auditors is routine verification of compliance—the second line of defense—and is not providing independent assurance to management. In the case of pre-audit, auditors are carrying out some of management's internal control responsibilities—the first line of defense. A survey of workshop participants found that although three countries reported 100 percent of their work was independent assurance, the overall result was that only 57 percent of internal auditors' work could be considered as third line of defense.

Other workshop topics included:



- Jamaica’s presentation on its experience selecting and implementing audit management software;
- Turks and Caicos Islands’ presentation on establishing a new internal audit function;
- Auditing internal control from the perspective of Committee of Sponsoring Organizations (COSO) and the Public Expenditure and Financial Accountability (PEFA) frameworks, and;
- Auditing government revenues—this included a presentation by the Barbados Auditor General’s office on the results of its 2014 audit of the collection and management of tax receivables.

A key feature of these annual workshops is the preparation of action plans to further develop each country’s internal audit capacity and effectiveness. At the beginning of the workshop, each country makes a presentation on its progress implementing the previous year’s action plan, as well as a summary of its audit activities during the year. On the final day of the workshop, each country presents its action plan for the upcoming year.

Participant course evaluations were very positive. All agreed that the knowledge and skills gained will be useful in their work. Participants particularly valued the presentations made by their colleagues and the opportunity to interact with and learn from internal auditors from across the region.

The United Kingdom – First Development Partner for CARTAC Phase V



The United Kingdom's Department for International Development becomes the first development partner to contribute to CARTAC Phase V. The event was marked by Mr. Mark George (Deputy Head and Growth Team Leader) and Ms. Sharmini Coorey (Director , Institute for Capacity Development , IMF) who discussed the partnership between DFID and the IMF, and how our institutions can partner to support the Caribbean region.

CARTAC Internship Programme - Going from Strength to Strength!



CARTAC 2016 Summer Interns

On June 6, 2016 the newest batch of freshly polished CARTAC-sponsored interns gathered together with CARTAC staff and development partners at an induction event hosted by the Central Bank of Barbados. The event gave the interns an opportunity to hear about the IMF's work, and the role of CARTAC's capacity development work in the region. Presentations from the United Kingdom's Department of International Development (Mr. Mark George) and Global Affairs Canada (Mr. Leo Iannone) also gave an insight into how development partners are supporting strengthened economic governance in the region. The event was lively and the interns maximized the opportunity to network among each other and with CARTAC staff.

The CARTAC internship program has grown considerably over the past years, and in 2016 had its highest number of participants to date (17). Potential interns are identified jointly with the University of the West Indies,² and matched with host institutions (principally, but not exclusively Central Banks in the region) by CARTAC, where they spend their summer months completing a research project and working in a real-life environment.

The internship program provides an opportunity for the region's next crop of policy makers to gain experience prior to entering the workforce; it encourages students to undertake a career in the public sector; and improves the analytical body of knowledge by allowing interns to research a topic relevant to the student, the host institution, and to the region. Subjects tackled by the 2016 intake were as diverse as "Assessing the

"The experience was indeed a tremendous learning time and an avenue for professional development. The deliverables that were expected of myself were a great demand but provided the opportunity to build scope and depth to my thinking. In addition, the program enabled me to build my professional network; networking has been touted as a very important asset to any young professional and that was obtained throughout the experience. The practical experience also allowed me to develop in areas such as self-confidence and presentation skills; two of the most important soft skills for the workplace and general life. The staff were welcoming and willing to share and encourage me in undertaking my deliverables. The bottom line is that the internship touched a number of areas which enabled me to advance in a balanced way."

² Across its three campuses.

External Vulnerability of Trinidad and Tobago: Indicators for an Early Warning Exercise”, “Determinants of foreign direct investment in Jamaica using an Error Correction methodology” and “Does Bank Liquidity Creation contribute to Economic Growth?”

Feedback from the 2016 interns was extremely positive. The internships helped to strengthen their technical skills, including the use of econometric modelling techniques and statistical packages. In addition, the interns highlighted the importance of regular presentations to their host institutions in honing their presentation skills and learning to communicate effectively with their colleagues and managers. Integration into the working environments of their host institutions gave the interns a more rounded appreciation of the work of an economist, with the result that the vast majority of interns indicated their commitment to continuing work both in the economic governance field, and indeed in the region.

“As it relates to fulfillment of personal goals and career expectations, being at the central bank has provided me with insight as to what is required to work as an economist as well as motivation for pursuing a PhD in Economics upon the completion of my master’s degree.

Treshauna Turner, Central Bank of Barbados

Looking forward to 2017, CARTAC plans to maintain the high level of slots available, with some important enhancements, including: expanding the range of host institutions, strengthening the mentorship aspects of the program, and more active post-internship engagement (e.g. through a LinkedIn group).

Since the program began in 2008 CARTAC has facilitated 70 internships excluding the 17 this year. A survey conducted in early 2016 indicated that, encouragingly, 92 percent of respondents are either currently employed, or have undertaken further studies. Of the employed former interns, 74 percent are in the public sector (Chart 1). Of the remaining students, two are undertaking their PhD overseas, while another four are completing their Masters degrees. Two former interns

“Through this internship, the transition from a school to a professional environment has significantly assisted my time management and presentation skills. Moreover, the demands to complete daily tasks and meet the deadlines for other responsibilities such as the research paper have heightened my appreciation for efficient multi-tasking. During the presentation process, I understood the importance of verbally and visually presenting my ideas with confidence to capture the intended audience. Further, my analytical skills were challenged as it was mandatory to observe the U.S market and interpret its weekly implication for the Eastern Caribbean Currency Union (ECCU) to the bank’s investment unit.”

Neisha Cave, ECCB

“During this internship, I was finally able to “marry” theory and practice together. I found this to be rewarding, because as a student we are only taught, and I always wanted to know how this would actually play out. Doing this internship equipped me with new techniques that I could add to my “econometric tool-kit”. The whole idea of vulnerability and predicting crisis, are concepts that were are clear to me after undertaking this research.”

Aaron Charles, Central Bank of Trinidad and Tobago

are working at respected NGOs in the region; while one former intern is at a private bank, and another two are teachers.

Central Bank employment accounts for 44 percent of those employed in the public sector, while the Financial Services Commissions throughout the region retained 22 percent of public sector employed respondents. The remainder of the public sector employees are scattered throughout other public sector institutions (Chart 2).

Chart 1: Past interns employment status
(Number of students)

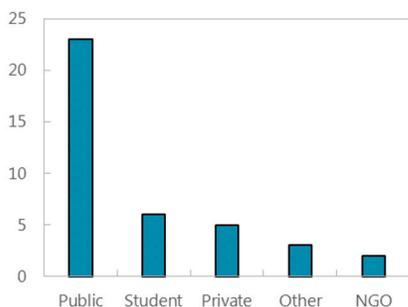
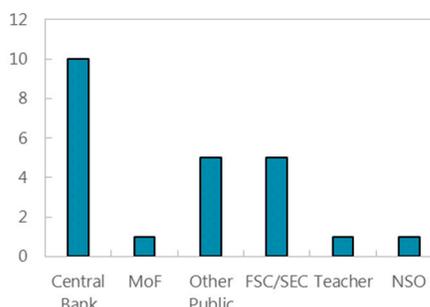


Chart 2: Past interns employment in the public sector
(Number of students)



Workshop Calendar

(Oct - Dec, 2016)

STATISTICS

Compilation of Supply and Use Tables and QGDP Workshop

October 3-7, 2016

Bridgetown, Barbados

Statistics Planning Workshop

November 22-25, 2016

Bridgetown, Barbados

FINANCIAL SECTOR STABILITY

Regional Workshop on Financial Soundness and Real Estate

Indicators (with Bank of Jamaica)

October 10-14, 2016

Mid-Year Meeting of CARTAC Steering Committee

November 21, 2016

Bridgtown Barbados

CARTAC Mission Schedule

[CARTAC Mission Schedule \(October - December 2016\)](#)



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CARTAC's 20 Member Countries

Anguilla	Antigua & Barbuda	The Bahamas	Barbados	Belize
Bermuda	British Virgin Islands	Cayman Islands	Dominica	Grenada
Guyana	Haiti	Jamaica	Montserrat	St. Kitts & Nevis
St. Lucia	St. Vincent & the Grenadines	Suriname	Trinidad & Tobago	Turks & Caicos Islands

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