CARTAC steering committee meeting in Bridgetown, Barbados, November 2017

By Wendell Samuel, CARTAC Programme Coordinator

The steering committee meeting was organized around the theme Gender and Inclusion in CARTAC’s capacity development to start a conversation on how to further integrate gender and inclusive growth in the center’s technical assistance activities. Opening remarks by Governor Haynes of the Central Bank of Barbados and Video-link address by Janet Stotsky ensured that the meeting had much to consider as the conversation developed throughout the day. The meeting was capped by a panel discussion on gender and inclusion that showcased thinking on gender from experienced practitioners and from the next generation of policy analysts in the region.

In his opening remarks, Governor Haynes pointed to the favorable ranking of some Caribbean countries in the World Economic Forum’s Gender Index (Barbados, 23 and Bahamas, 27), and the virtually equal labor force participation rate in Barbados as indicative of the achievements of the region in empowering women. Warning against complacency as some gaps still remain, he urged policymakers to continue to keep abreast of developments in gender and inclusion while not ignoring the crisis among young males in many Caribbean countries.

The underutilization of women in the Caribbean nations was echoed by Janet Stotsky who outlined the benefits to the economy, society and family, from increasing participation by women in the workforce. At the same time, she cautioned against neglecting the needs of the men, acknowledging that there are indeed some areas in which the males are being left behind. She challenged CARTAC and development partners to leverage partnerships with governments and industries to support labor market reforms and change in public policy to facilitate high women’s labor force participation, including child/elder care and more flexible working environments. She
also underscored the importance of leadership from Ministries of Finance and the need to incorporate gender-friendly programs into the budgets and in the administrative structure.

The panel on gender and inclusion reflected a mixture of experience and youth. Celeste Kubasta presented CARTAC summer intern, Jade Kirton’s research on the implementation of gender policies in the Caribbean. Jade’s research showed a positive relationship between gender balance and female participation in the labor force. However, challenges impede greater gender balance including, lack of gender equality legislation, gender gaps in levels of education as well as in wages and employment.

Research work on wage inequality and female labor force participation was featured in Janai Leonce’s presentation. His research shows that despite superior tertiary education enrollment and achievements by women in St. Lucia, there is still in income inequality in favor of men. The gender gap is less pronounced among younger members of the labor force, which might suggest that recent educational achievements are paying off. Generally, the gender gap is much smaller in the public service perhaps reflecting gender friendly wage policies in the civil service. One policy recommendation is for a tripartite wage council that could help replicate government wage policies in the private sector. Monique Bergeron, representing Global Affairs Canada highlighted the six priority action areas for Canada’s feminist development strategy: 1) gender equality and empowerment of women and girls; 2) human dignity, 3) health and nutrition, 4) humanitarian assistance, 5) growth that works for everyone—equal opportunity to succeed; and 6) environment and climate action (climate change, water management, inclusive governance, and peace and security). In her view, CARTAC can make a difference in the areas of inclusive governance and promoting more gender equal practices. She encouraged CARTAC to continue with the planned activities for gender and inclusive growth.

Some of the main issues raised in the very interactive discussion that followed and throughout the day include:

- In view of the enrollment and outcomes gap in higher education in favor of women in the Caribbean, it is important that men are not left behind, hence policies need to be tailored to the Caribbean situation;
- CARTAC’s work already incorporates some gender sensitive aspects, and the bulk of its capacity development activities already touches women, but there is need to reflect gender and inclusion in CARTAC capacity development milestones;
- Focus on gender will help build resilience in Caribbean economies;
- Better statistics are needed to monitor the effects of gender and inclusive growth policies.

Finally, on a related note, we have taken the opportunity to introduce a lighter side to the newsletter and in this edition, we have featured on page 7 an article that was co-written by the daughter of Ms. Renée Springer, one of CARTAC’s Administrative Assistants, who participated in a challenge hosted by the Canadian High Commission in Barbados and out of which was formed the “Youth Gender Champions of the Eastern Caribbean”.
In September CARTAC customs and statistics teams held a seminar in extracting and analyzing data using the Asycuda World system. This system is a modern computerized cargo declaration processing system that has been developed by the United Nations Conference on Trade and Development (UNCTAD). It is in use in 17 of the 21 CARTAC territories and is the backbone of modern customs operations in the region. The system collects and stores a tremendous amount of data regarding customs operations and international trade and as well as being an important tool for customs it is one of the main sources of data for statistics offices and central banks in the region who compile and analyze trade data for national accounts, balance of payments and other economic statistics.

Modern customs aim to both facilitate trade and secure revenue and to do this effectively customs needs to know who to supervise and who to facilitate – and customs depend on the analysis of data from Asycuda to help make these decisions. Knowledge of and skill in the use of Asycuda World is therefore vital. Similarly, statistics offices and central banks need reliable, timely and accurate trade data for proper compilation of macroeconomic statistics used for policymaking.

The seminar brought together customs officers and statisticians from statistics offices and central banks from 11 countries (unfortunately many could not attend because of Hurricane Irma) who learned about how data is stored and structured in Asycuda World; how to interrogate the system to obtain the data needed; and how to derive meaning from that data. Experts from UNCTAD took part and led the sessions involving the technical aspects of the Asycuda World system and officials from the Jamaica Customs Agency (JCA) shared their experience in successfully extracting and making use of data from the system.

The seminar was held in the training facilities in the Custom House, Port of Spain, and CARTAC are grateful to the Customs & Excise Department of Trinidad and Tobago and to UNCTAD for their support and generosity.
Establishing Large Taxpayer Operations in CARTAC Member Countries

By Vinette Keene, Tax Administration Adviser

Good international practice recognizes the need to ensure a separate and distinct focus on the management of those taxpayers who collectively contribute the largest share of the tax revenues. This approach follows what has become internationally known as the ‘80:20 rule’ suggesting that 80 percent of tax revenues are generally contributed by approximately 20 percent of the taxpayers. Comparative data for the region, suggests close alignment with this principle. Based on data gathered using ISORA, in 2015, just 18 administrations out of 135 that completed the survey did not have a large taxpayer office or program.

The role of the LTOs in tax administrations, is to ensure the highest level of voluntary compliance with the tax laws by the largest taxpayers. To achieve this, the LTO operations will have a strong focus on understanding its largest taxpayers, the industries within which they operate, and deliver compliance strategies that address the highest risks and provide quality and timely taxpayer service and facilitation.

CARTAC has traditionally provided technical assistance to support countries to establish large taxpayer operations (LTOs) and to date has assisted in the creation of LTOs in the six ECCU countries. CARTAC is now assisting Barbados and Guyana two of its largest members to establish large taxpayer management programs.

In Guyana, the management of approximately 250 large taxpayers contributed approximately 68 percent of tax collections in 2016. The main sectors within which the large taxpayers fall include, banking and insurance, telecommunications, and retail and manufacturing. Management of the taxpayer population in the large taxpayer division (LTD) will be along sectoral lines to facilitate the development of appropriate specialization and expertise required to effectively manage these complex sectors and business operations. The launch of the LTD is to be phased-in, and covers all core operations including account management (processing and taxpayer relations), auditing (desk and field), and filing, payments and arrears management. The implementation process follows conventional project management principles with a project team of ten persons. The launch of the LTD is set for January 2018.

In Barbados, the large taxpayer unit (LTU) has identified approximately 150 taxpayers falling within the purview of the LTU management and includes sectors such as insurance and banking, telecommunication, retail and services. The contribution of 92 taxpayers represents approximately 80 percent of total tax revenues. The contribution of 382 taxpayers represents approximately 90 percent of tax revenue collections.

The tax contribution of this segment fully justifies the targeted focus on their compliance with tax obligations, and in the context of the fiscal challenges among many countries in the region, emphasizes the need to closely monitor these small number of taxpayers that yield a high contribution to tax revenues.

The large taxpayer management operations in the region will influence the compliance environment by helping and encouraging large taxpayers to comply by establishing transparent and collaborative interactions, providing quality service, easy access and certainty of legal interpretations, minimizing the cost of compliance and mitigating the risks to compliance.

The focus of the LTOs in the region will establish systems and programs to effectively deter and detect non-compliance, tax avoidance and aggressive tax planning, and take proactive action to protect tax revenues.
Regional System of National Accounts Training, St. Lucia, October 2017
By Zia Abbasi, Real Sector Statistics Adviser

The two-week Regional National Accounts Statistics Training Course held in St. Lucia (Oct. 2-13, 2017) was attended by 39 recently recruited National Accounts Unit managers and compilers from CARTAC member states. Mr. Zia Abbasi, the CARTAC Real Sector Statistics Advisor, and Mr. Roger Jullion (IMF Expert) were the main presenters. The participants were trained on the System of National Accounts 2008 concepts and definitions; national accounts compilation methods and use of source data; data dissemination standards; and quality assessment frameworks. The workshop included individual knowledge tests and group exercises that were seen by participants as being particularly useful in reinforcing the concepts and methods covered in the presentations by the experts. The training relating to compiling annual GDP by economic activity and by expenditure components at current and constant prices were considered particularly relevant by the participants. As a number of national statistics offices are currently also compiling or developing supply and use tables (SUT); the participants felt that the SUT presentations and workshop exercises were timely and useful. Participants are expected to apply the additional knowledge and skills acquired during the training to improve the quality of their national accounts.

Capacity development @imfcapdev
(Developing national accounts compilation capacity in the Caribbean for better economic policy….)

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Male-dominated IMF missions to the Caribbean are initially astonished by the number of female counterparts sitting across the table. The dominance of women in the civil service should not be surprising given the significant gap in educational achievement in favor women that has emerged over the last three decades. What is surprising though, is the size of the wage gap in favor of men despite higher female enrollment and achievement at upper secondary and tertiary education levels. These two observations suggest that there are significant differences between the situation in the Caribbean and other countries, which call for Caribbean specific solutions.

CARTAC has been helping the region to identify such solutions in gender budgeting and inclusion. The regional workshop on inclusive growth held in Guyana in March 2017 addressed some of the issues related to gender inequality and suggested policy changes which would help reduce gender inequality including wage disparities. Many of these policy options have budgetary implications, and CARTAC’s work on gender budgeting predated and anticipated such policy developments, beginning with a workshop dedicated to gender budgeting in 2014. Subsequent technical assistance missions on budget have included identifying opportunities for gender related topics in the policy statements, budget forms, and budget monitoring. In 2015, the budget manual was modified to have a special section dedicated to gender budgeting.

To ensure that gender issues are being properly documented, addressed, and tracked, the internal audit workshop in 2015 covered gender audits. This was followed up again at the 2017 workshop. In 2015, the internal audit manual was also modified to include gender auditing techniques.

Going forward CARTAC will continue to assist countries in building capacity to implement and monitor the effects of gender policies. The next meeting of the CARTAC Steering Committee will be organized around the theme gender and inclusion. The discussion on gender budgeting will be facilitated by a short-term expert who is a researcher in gender budgeting, and will also showcase some of the work supported by CARTAC through the summer internship program. This will be followed early in the new year by a one week joint workshop between the Macroeconomic and Public Financial Management programs. The workshop will be aimed at building capacity in countries to do medium-term strategy papers that reinforce the techniques that countries have already acquired in gender budgeting. Gender issues will be included within the fiscal policy planning, budget preparation and presentation, and, for the first time, will include a portion on budget monitoring for results, with a focus on gender.

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1 One good sign is the narrowing of the wage gap for younger cohorts in the labor force perhaps indicating that the education gap in favor of females is slowly coming into play.


By Celeste Kubasta, Public Finance Management Adviser
The Youth Gender Champions of the Eastern Caribbean was formed in early 2017 out of a competition hosted by the Canadian High Commission called “Be High Commissioner for a Day”. The winner of the competition, Rose-Mary Reynolds and the 1st Runner-Up Christopher Brathwaite were privileged to be High Commissioner for a day; where they shared the responsibilities and benefits of being High Commissioner.

That competition was the catalyst which propelled Youth Gender Champions to become active. They aim to educate on gender based issues that are prominent and prevalent in the Caribbean societies, promote gender equality in all forums and lastly bring about a change within their individual communities to have a large and lasting effect on the world, forever.

During the last few days of November and early December, the Gender Champions embarked on putting a Gender Champion twist on the 16 Days of Activism hosted by UN Women. With firm resolution to bring about change and champion gender equality in the region, the Youth Gender Champions of the Eastern Caribbean in partnership with the High Commission of Canada have sought to pursue projects with these goals in mind.

They launched the 16 Days of Activism initiative at Harrison College, held logo and video competitions, partnered with other secondary schools (The St Michael School, Combermere and Ellerslie) and media corporations such as Slam 101.1FM to bring attention to the project, hosted Q&A’s, showed support for breast cancer awareness and showed their proud commitment to the never-ending pursuit of gender equality with the staff at the High Commission.

One of the Gender Champions is Shaune Springer, daughter of CARTAC Administrative Assistant Renée Springer. Shaune and Rose-Mary represented the Gender Champions on November 28, 2017 on Morning Barbados to bring public awareness of their existence as well as the 16 Days of Activism. They also used the forum to highlight gender inequality and its impact on the Caribbean.

It has been at times, an arduous, but incredibly worthwhile journey for the Gender Champions with months of preparation and planning but they are not over yet!

With an awareness walk and gender equality debate scheduled for 2018, the journey is far from over and they look forward to the continued support of the Canadian High Commission, and solicit the support of the schools across Barbados and the general public in their future endeavours.
Once again the staff at CARTAC pooled their individual resources together to supply the H.O.P.E.N. Charity (under the AIDS Society of Barbados) with grocery hampers to support the members of their community infected and affected by HIV/AIDS.

This social outreach initiative was born out of a suggestion almost ten years ago for the staff to do something in support of World AIDS day. The food bank of this local charity is always in need and especially at this time of the year, an extra special effort is made to ensure that families receive the much-needed groceries. Every little bit counts and the staff (all volunteers) and members of the H.O.P.E.N Charity are always exceedingly grateful to receive whatever we bring each December. A few pictures below show the hampers being prepared and delivered this past week.
Workshop Calendar
January – March 2018

PUBLIC FINANCE MANAGEMENT
Fiscal Strategy Paper and Strategic Budget Workshop
January 15-19, 2018
Trinidad and Tobago

TAX ADMINISTRATION
Managing the Audit Process in Tax Administration
March 12-16, 2018
The Dominican Republic

EXTERNAL SECTOR STATISTICS
Balance of Payments Workshop
(Date to be announced)
St. Lucia

CARTAC Mission Schedule
CARTAC Mission Schedule (January - March 2018)

Check out the PFM Blog
CARTAC’s 21 Member Countries

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