



# External Mid-Term Evaluation of the Regional Technical Assistance Center for Central Africa: AFRITAC CENTRAL

Phase III (November 2017 – April 2022)  
Volume I

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## List of Acronyms

<b>AfDB</b>	African Development Bank
<b>AFC</b>	Regional Capacity Development Center for Central Africa (AFRITAC Center)
<b>AFRISTAT</b>	Economic and Statistical Observatory for Sub-Saharan Africa
<b>BCC</b>	Central Bank of the Congo
<b>BRB</b>	Bank of the Republic of Burundi
<b>BSR</b>	Financial Supervision and Regulation
<b>CAR</b>	Central African Republic
<b>CD</b>	Capacity Development
<b>CEF</b>	Common Evaluation Framework
<b>CEMAC</b>	Central African Economic and Monetary Community
<b>COBAC</b>	The Central African Banking Commission
<b>COMESA</b>	Common Market for Eastern and Southern Africa
<b>COVID-19</b>	Coronavirus disease 2019
<b>CSN</b>	Country Strategy Note
<b>DAC</b>	Development Assistance Committee
<b>DBF</b>	Debt Management Facility
<b>DRC</b>	Democratic Republic of the Congo
<b>DRRM</b>	Recording, reporting, and monitoring of debt
<b>EAC</b>	East African Community
<b>EIB</b>	European Investment Bank
<b>EU</b>	European Union
<b>FAD</b>	Fiscal Affairs Department (IMF)
<b>FCDO</b>	Foreign and Commonwealth Development Office (UK)
<b>FCS</b>	Fragile and Conflict-Affected States
<b>FFL</b>	Financial and Fiscal Law
<b>FMI</b>	Financial Market Infrastructure and Payments
<b>FoHBAC</b>	Forum des Hauts Fonctionnaires du Budget des Etats membres de l'AFRITAC Center
<b>FPAS</b>	Forecasting and Policy Analysis System
<b>FSAP</b>	Financial Sector Assessment Program
<b>FSSR</b>	Financial Sector Stability Review
<b>FY</b>	Fiscal Year
<b>GDP</b>	Gross Domestic Product
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit (Germany)
<b>GFSM</b>	Government Finance Statistics Manual

<b>ICD</b>	Institute for Capacity Development
<b>IFRS</b>	International Financial Reporting Standards
<b>IMF</b>	International Monetary Fund
<b>LTX</b>	Long-Term Expert
<b>MCM</b>	Monetary and Capital Markets Department
<b>MPEF</b>	Mémorandum de Politiques Economiques et Financières
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>PDIA</b>	Problem-Driven Interactive Adaptation
<b>PFM</b>	Public Finance Management
<b>PM</b>	Project Management
<b>RA</b>	Resident Advisors
<b>RBM</b>	Results-Based Management
<b>RSN</b>	Regional Strategy Notes
<b>RCDC</b>	Regional Capacity Development Centers
<b>RTAC</b>	Regional Technical Assistance Centers
<b>RSS</b>	Real Sector Statistics
<b>SADC</b>	South African Development Community
<b>SC</b>	Steering Community
<b>SECO</b>	State Secretariat for Economic Affairs (Switzerland)
<b>SSA</b>	Sub-Saharan Africa
<b>STA</b>	Statistics Department
<b>STX</b>	Short-Term Expert
<b>TADM</b>	Tax Administration
<b>TOFE (GFOT)</b>	Tableau des opérations financières de l'Etat (Government Financial Operations Table)
<b>ToR</b>	Terms of Reference

# Executive summary

The period covered by this evaluation is the third phase (11/2017-04/2022) of the Regional Technical Assistance Center for Central Africa: AFRITAC Center (AFC) budget cycle. The workstreams covered are: Public Financial Management (PFM), Debt Management, Customs Administration, Tax Administration, Financial Supervision and Regulation, and Statistics.

**AFC performed well in all these workstreams, especially in terms of relevance and coherence both in the interviews conducted by the evaluation team and in the online survey.**

According to interviews with both AFC experts, IMF, HQ, backstoppers and beneficiary administrations, performance also seems to have improved in fragile countries. However, often the scores could not be based on comprehensive information and were mainly based on interviews and document review. Even for the effectiveness criterion, the milestones were not defined precisely enough by the LTXs of AFC, which led to subjective scoring.

**Evaluation at the CD level. Concrete improvements have been achieved since Phase II, but there is still significant room for progress. The main results are presented according to the DAC criteria:**

**RELEVANCE:** The high performance on the relevance (and coherence) criteria is mainly due to AFC's work in its traditional areas of intervention (Public Finance, Debt, Financial Supervision and Regulation and Statistics). The relevance could, however, be improved by focusing on weaknesses identified in the diagnostic missions to achieve short-term results (quick win), by implementing, for instance, light and decentralized IT solutions in the areas of revenue administration and public finance management, sharing data over the Internet and interconnected through the cell phone network. AFC could thus better build on the quality of IMF experts and its powerful impact stemming from the membership in the influential international institution. Adequate diagnostic and short-term delivery were provided in financial supervision and regulation.

**AFC's areas of intervention could also be extended to other areas in which the Center was not used to intervening,** such as support for strengthening internal and external audits, monitoring of sub-national administrations,

institutions or public enterprises (through the development of light computer applications), computerization of public contracts, the civil servants' file, management of revenue and expenditure arrears, decentralized budget management, and the constitution of files for mining revenue and other non-tax resources, etc.

**The Center could increase its share of TA with short-term impact,** such as strengthening public financial management control, which is fully in line with IMF objectives without which inclusive and balanced economic growth cannot be achieved

**Prioritization of activities would also be easier if the Center prepared its budget in the form of a program budget.** The budget for phase III was not elaborated based on the objectives defined in the RBM, but only broken down by workstream and type of activity: this does not allow for easy prioritization of the activities to be carried out according to the resources available. This, however, would require a structural reform going beyond the control of AFC.

**COHERENCE:** the good performance on this criterion is the result of AFC's continuous interaction with IMF headquarters and governments, and regular exchanges with other donors. No duplication was observed with technical assistance activities provided by other donors, despite technical assistance being provided by Afristat in statistics or by the World Bank or the European Union, notably for PFM.

**Although AFC already makes use of synergies with other IMF interventions, such as missions from headquarters or Extended Credit Facility Programs, further efforts in this direction would increase coherence of its actions.**

**EFFECTIVENESS:** the RBM analysis shows that TA performance in achieving results is slightly above average. Eighty-three percent of the milestones were fully or partially achieved during the period under review, but the wording of the milestones is not always sufficiently clear in the RBM system (except for the field of financial supervision and regulation) to know whether they correspond to activities or outputs that should be attributed to AFC experts or to the beneficiary administration. Furthermore, where they can be identified, it appears that most of the milestones that have been achieved correspond to activities or outputs produced by AFC experts.

**When the results were not or partially achieved, no comments were provided to the evaluation team to justify the score**, including whether this was due to political resistance, staff turnover or a lack of capacity in the administration that was not yet sufficiently prepared or organized.

**EFFICIENCY:** according to the interviews conducted, all beneficiaries of the TA delivered by AFC highly appreciated its high-quality expertise and the training provided. AFC was very good at combining different levels of expertise, standardizing approaches, capitalizing on experiences from other countries and organizing seminars to share and disseminate knowledge, etc. AFC's performance on this criterion would probably have been better with more quantitative **information**, notably the budgets executed for each of the outcomes.

**The health crisis caused an unforeseen switch to virtual missions, but the success of this has led to further efficiency improvements** and it is likely that conferences, videoconferences, and meetings will continue in the future thanks to the efficiency they provide. However, administrations were unanimous in asking for a return of experts to the field. Physical presence remains essential to achieve the expected results, but follow-up meetings could continue to be held by videoconference, and some tasks such as evaluations and the drafting of guides could be conducted partly remotely.

**IMPACT:** this criterion scored slightly above average, broadly the same as effectiveness and efficiency. However, it was difficult to measure in the absence of impact indicators in the IMF RBM system. The workstream of Financial Supervision and Regulation scored the highest, while the area of Tax Administration, where the impact is easiest to measure, only scored about average: this was because there was no significant increase in the tax burden. The impact on debt management is also average, although some countries regularly prepare their management strategy document now and most of the countries actively issue government securities to finance their borrowing requirements. The stock of CEMAC government securities has more than doubled over the 2018-2021 period.

**SUSTAINABILITY:** the average sustainability performance depends on several factors that have different weights in different countries. Some of them show a strong appetite for implementing reforms and have a high-level administration, but implementation is often weak due to multiple coordination problems, weak leadership, or weak controls. Others are reluctant to implement reforms

but apply them once they have been adopted at the political level. Other times, the administrations try to implement reforms but sometimes need to face counterproductive decisions. This still highlights the need to prioritize actions to maximize impact and ensure sustainability.

**Both the interviews conducted during the evaluation and the analysis of the documents show that leadership at the top is an essential component of the sustainability of the TA provided by AFC.** The high turnover of staff within the government is also a major obstacle, preventing the sustainable transfer of knowledge from training workshops and seminars. To remedy this, a more systematic follow-up of the implementation of the recommendations made in mission reports and seminars should be carried out. This would be facilitated if the recommendations made in the mission reports corresponded specifically to the milestones introduced in the CDMAP system, and if the back-to-office reports were integrated into the RBM system and consolidated in the form of reports.

**Evaluation at the entity level. Performance of AFC is overall particularly good. However, the evaluation showed possible areas for further improvement.** Rebalancing the top-down thematic approach with bottom-up approach based on gaps identified by evaluation reports or diagnostic missions would enhance relevance of TA missions, for instance. Establishing a common platform for mapping of planned or implemented activities would improve coordination of work between donors. AFC could take the lead on this initiative. Effectivity would gain on better definition of performance indicators. Efficiency, which is high in case of AFC, will increase if the use of technological tools is strengthened and refined and if focal points in each country for each workstream is designated to help prioritize activities and improve monitoring, for example.

# Evaluation report

## 1. Background Information

### 1.1. Objectives and Scope of the Evaluation

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1. **This report presents the results of a Mid-Term Evaluation of the Capacity Development (CD) activities of the IMF’s Regional Technical Assistance Center (RTAC) For Central Africa – AFRITAC Center (AFC) undertaken under the Phase III program.** AFC was established in November 2007 in Libreville, Gabon. The strategic objective of AFRITAC Center is to help beneficiary countries and institutions strengthen institutional and human capacity for the design and implementation of sound financial and macroeconomic policies, in support of growth and poverty reduction.<sup>1</sup> Managed by its own Steering Committee (SC), the Center serves 9 countries: Cameroon, The Central African Republic, Chad, Congo, Equatorial Guinea, Gabon, Burundi, the Democratic Republic of Congo as well as São Tomé and Príncipe. The first six afore-mentioned member countries belong to the Central African Economic and Monetary Community (CEMAC) and have a common currency (FCFA) issued by the Bank of Central African States. Burundi and the Democratic Republic of the Congo are both members of the Common Market for Eastern and Southern Africa (COMESA). Burundi recently joined the East African Community (EAC), while the Democratic Republic of the Congo is a member of the Southern African Development Community (SADC) and the East African Community (EAC). They have each a central bank and a domestic currency.

2. **This evaluation corresponds to the mandate for a Mid-Term Evaluation within 40 months of the start of each funding cycle.** The period of the evaluation covers Capacity Development (CD) activities that occurred from November 2017 to April 2021.<sup>2</sup> This Mid-Term Evaluation is intended, among others, to inform AFC future operations and to support the preparation for a fourth program phase. This evaluation is guided by the New Common Evaluation Framework (CEF) from 2017 and its updated version of 2020.

5. **The evaluation evaluates AFC at two complementary levels: the capacity development interventions and AFC as an entity.**

- The **evaluation of the CD interventions**, giving an assessment of AFC CD projects by assessing quantitatively and qualitatively a representative set of country-objectives, by rating on a scale of 1 to 4 each criterion and justifying these scores answering the evaluation questions.
- An **evaluation of AFC processes and governance at the entity level**. This overarching level evaluation will aim to explain the organization and management as a regional CD vehicle facilitating strategically targeted and high-quality delivery of CD.

### 1.2. AFC Program History

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#### 1.2.1. Evolution of Objectives and Progress Made from Phases I to II

##### 1.2.1.1. Phase I-III<sup>3</sup>

6. **The current Phase III of AFC program builds on achievements and lessons learned during the previous AFC Program Phases.** The objective of Phase I of the Program (2007-2011) was to strengthen the institutional and human capacities of governments to manage public finances effectively, maintain robust financial systems, and produce reliable macroeconomic statistics. It focused on five initial funding programs. Tax Administration, PFM, Financial Supervision and Microfinance, Consumer Price and National Accounts Statistics, and Debt Management. Despite high quality of AFC expertise and good

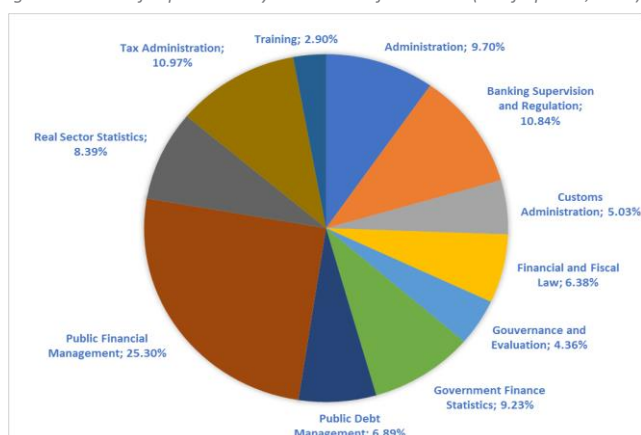
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<sup>1</sup> AFRITAC Center Program Document for Phase III.

<sup>2</sup> Terms of Reference for the External Mid-Term Evaluation of AFRITAC Central (AFC), January 2020.

<sup>3</sup> Independent Mid-Term Evaluation of AFRITAC CENTER, April 2018.

Figure 1: status of expenditure by workstream for Phase 3 (As of April 30, 2020)



responsiveness to the countries' necessities, the needs of the countries remained high. The Phase II (2011-2017) built on experiences gained during the first Phase. Its budget (US\$ 49.6 million) increased by around 400% as compared to the previous Phase. It covered the same funding programs. During the Phase II AFC strengthened its coordination with donors and other TA providers, including by wider dissemination of its work. The IMF also enhanced the traction of its TA by further integrating it into the IMF's broader lending and surveillance activities

and by improving its results-focused management toward ensuring sustainability of IMF and AFC TA.<sup>4</sup> The Mid-term evaluations of all previous Phases were largely positive and provided detailed recommendations.

**7. AFC is currently implementing the Phase III (June 2017 – initially April 2022, extended to April 2023) to the general satisfaction of beneficiaries and Development partners, which will be further illustrated in this report.** This Phase, representing a budget of US\$ 37.8 million, which is lower than the budget under the Phase II, maintains the same AFC's objectives that the previous ones, while it builds on several of the recommendations of the Phase II Evaluation and the feedback from stakeholders. Needs and priorities were identified through a collaborative effort between the beneficiaries, AFC, the TA providers, and the Development Partners, led by the IMF Departments. These priorities are defined in the Phase III program document.

### 1.2.2. State of Play

**8. The table below contains a budget comparison for each Phase.**

Table 1: AFC budget for Phases I to III

	Phase I	Phase II	Phase III (under evaluation)
<b>Budget (million USD)</b>	15,5	49.6	37.8
<b>Duration</b>	6.5 years	5 years	6 years

Sources: Program budget documents

**9. AFC's annual budget expenditures reflect some fluctuations. The budget expenditure exceeds the budget planned in FY2018 and FY2019. A slight budget under execution is observed in FY2020 and a considerable drop is observed in 2021.**

Table 2: Budget execution rate from 2018 to 2021

FY	Budget foreseen (million USD) <sup>5</sup>	Budget executed ( Million USD) – including TFM* and IMF expenses	Execution rate
<b>2018</b>	4,242	4,309 <sup>6</sup>	101% (89% without IMF expenses)
<b>2019</b>	7,985	9,922 <sup>7</sup>	124% (119% without IMF expenses)

<sup>4</sup> Idem.

<sup>5</sup> AFRITAC CENTRAL Phase III Program Budget, November 2017-April 2022.

<sup>6</sup> IMF, Regional Technical Assistance Center for Central Africa, Improving Macroeconomic Policy Frameworks in Central Africa, Annual Report 2019. The 2018 fiscal year expenditure between November 1, 2017, and April 30, 2018.

<sup>7</sup> IMF, Regional Technical Assistance Center for Central Africa, Improving Macroeconomic Policy Frameworks in Central Africa, Annual Report 2019, as of April 2019.

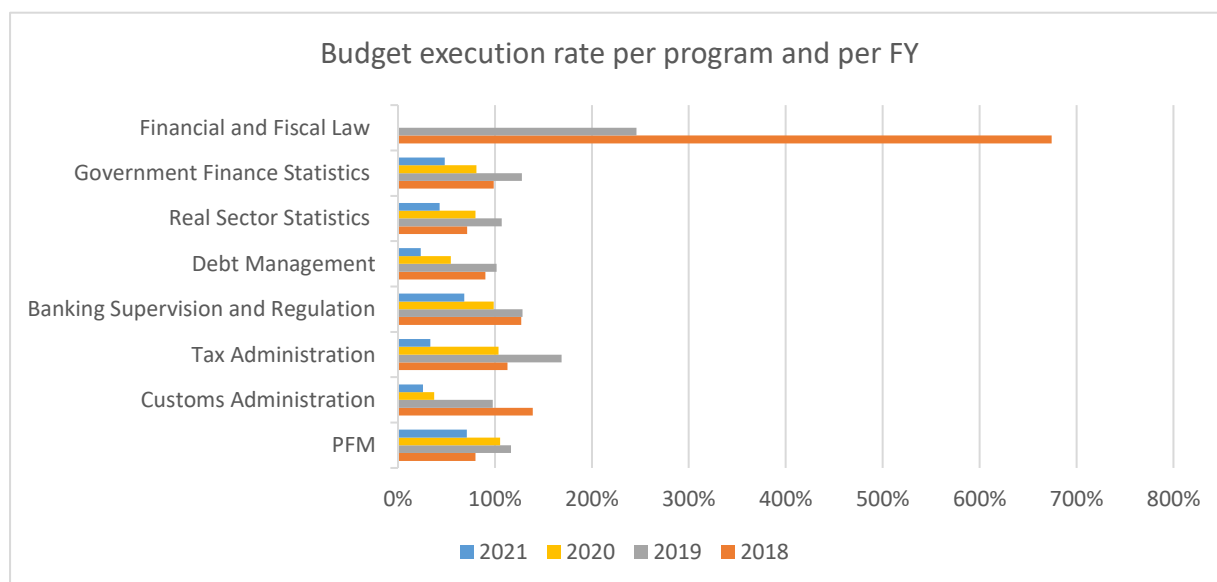
FY	Budget foreseen ( million USD) <sup>5</sup>	Budget executed ( Million USD) – including TFM* and IMF expenses	Execution rate
2020	Budget according to Program Document: 8,363,385 Working budget: 8,522,968	Report: 7,439,290 <sup>8</sup> Excel file: 7,742,368 (also as of 30 April 2020)	91% (86% without IMF expenses or 83% if based on the Program Document)
2021	Budget according to Program Document: 8,516,539 Working budget: 6,137,742	4,955,959 <sup>9</sup>	58,1% (53% without IMF expenses)
2022	Budget according to Program Document: 8,672,296 Working budget <sup>10</sup> : 7,139,316	N/A	N/A

Source: AFC Annual Reports

10. This drop in the execution rate from 2020 has been caused by the necessary reorganization and adaptation of AFC to critical situations, such as COVID-19. Multiple trips, face-to-face seminars and immersion internships have been canceled.

11. The significant drop in budget execution in FY2021 was because AFC has been compelled to adapt the modalities of TA delivery because of the COVID-19 sanitary crises. Therefore, remote workshops have been organized. In FY2021, the entire work program has been executed on a remote basis. As result, important savings have been realized. According to the FY2021 Report, there are reasons to believe that the FY2022 work program will also be entirely based on remote missions. This could also result in FY2022 budget being under execution.

Figure 2: AFC Working Budget: Budget execution rate per year per funding program Source: AFC Annual Reports



<sup>8</sup> IMF, Regional Technical Assistance Center for Central Africa, Improving Macroeconomic Policy Frameworks in Central Africa, Annual Report 2020. As of 30 April 2020.

<sup>9</sup> As of 30 April 2021.

<sup>10</sup> Marked as "indicative" in the "IMF, AFRITAC CENTRAL, Phase 3, FY 2018-2022, Multilateral - Regional Centers: Progress Reports.

Figure 3: AFC Budget expenditure per Funding Program; Source: AFC Annual Reports

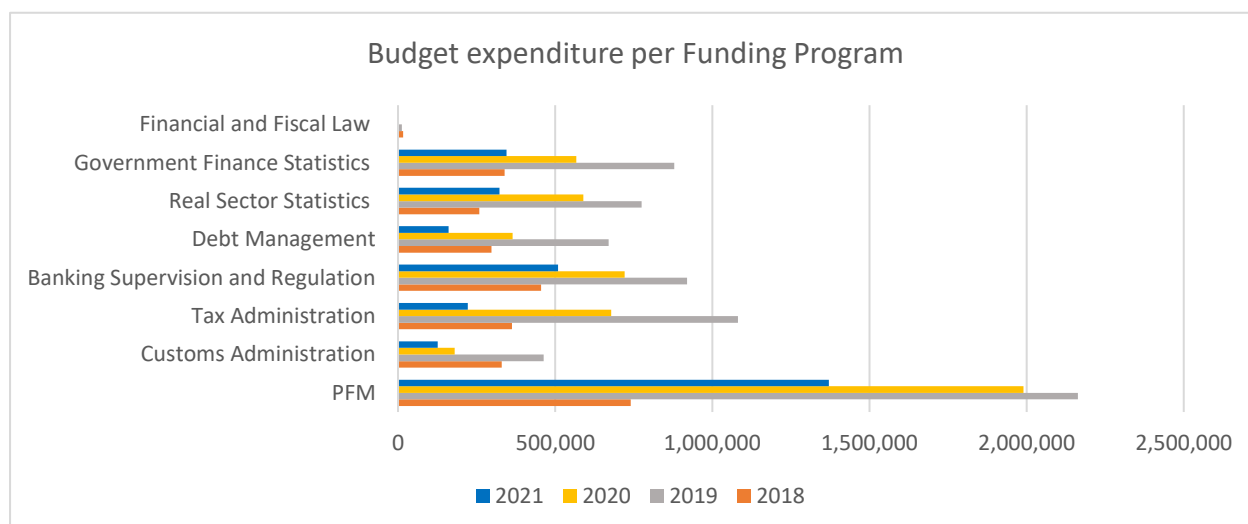


Table 3: Working Program Execution Rate from 2018 to 2021

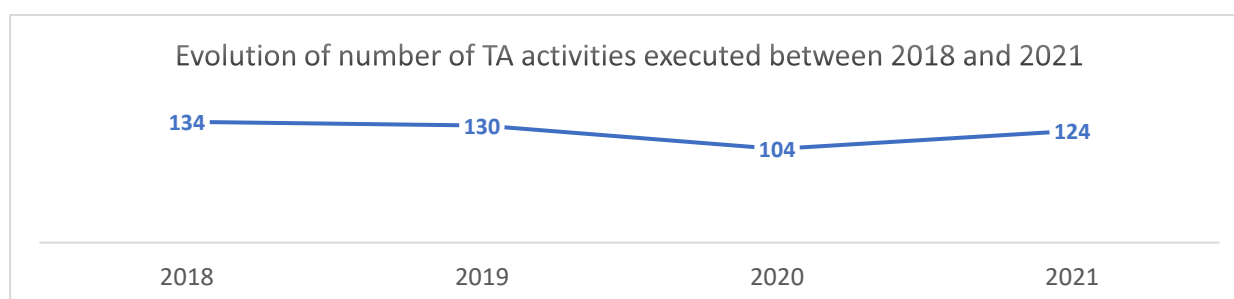
13. The key success indicators for implementation of the yearly working programs include the rate of their execution in terms of activities planned. AFC yearly working programs present high execution rates. The rates that exceed 100% mean that more activities have been executed than initially planned.

FY	Working program execution rate
2018	103%
2019	94%
2020	91%
2021	89%

14. It is to be noted, that program implementation has taken a hybrid form. This has as a consequence the fact that budget planning and execution no longer equates program implementation. It should be made clear while AFC responded nimbly and adapted well to CD support to member countries in FY2021 (see ¶19 below). Its ability to further raise execution rates was limited by the COVID-19 impacting members absorptive capacities. While this enhances cost-effectiveness, it hampers clarity and visibility of budget and program implementation planning as well as spending/implementation analysis.

15. There was an insignificant decrease in the number of TA delivered in 2020 in all areas, which was followed by a new jump in the number of TA delivered in 2021. This shows that AFC adapted swiftly the TA delivery modes to the sudden COVID-19 crises. The graph below shows the evolution of a number of TA activities executed throughout the period under the evaluation.

Figure 4: Evolution of number of TA activities executed between 2018 and 2021



Source: AFC Annual Reports

16. AFC used between 81% and 93% of its programmed resources per fiscal year (person-weeks) during the period under evaluation (2018-2021). These resources have been devoted to developing the capacities of administrations of member countries in all areas of intervention. Each year, the

resources have been adjusted based on technical assistance requirements and priorities of the member countries.<sup>11</sup>

The table below shows AFC's resources utilization amount and rate par FY.

Table 4: AFC's resources utilization amount and rate from 2018 to 2021

FY	Amount in person-weeks	Rate (% of programmed resources)
2018	435	93%
2019	485	92%
2020	354	81%
2021	420.1	90.1%

Source: AFC Annual Reports

**17. At the end of FY21, the milestones planned had been largely achieved or partially achieved (with only a few exceptions).** The table below shows the elevated level of achievement of milestones in the study period (FY 2018 – 2021).

Table 5: Execution of milestones from 2018 to 2021

Total all workstream (FY18-FY21)	Milestones planned (in numbers)	Achieved	Partially achieved	Not achieved/postponed
2018	164	112 (68%)	32 (20%)	20 (12%)
2019	233	169 (73%)	45 (19%)	19 (11%)
2020	228	148 (65%)	50 (22%)	30 (13%)
2021	241	59 (24%)	171 (71%)	11 (5%)

Sources: AFC Annual Reports 2018 – 2021.

Table 6: execution of milestones by domain between from 2017 to 2021<sup>12</sup>

Total all workstream (FY18-FY21)	Number of milestones planned	Achieved	Partially achieved	Not achieved/postponed
2018	164	112	32	20
2019	233	169	45	19
2020	218	148	50	30
2021	192	59	171	11

Sources: AFC Annual Report, 2018 – 2021.

**18. Shortcoming can be observed in FY2021 with only 59 milestones achieved and 171 being partially achieved.** The 2021 Report underlines, however, that the 171 milestones that are being partially achieved are in a process of achievement. This means they can still be achieved in the future.<sup>13</sup> Overall, most milestones during the Evaluation Period have been achieved.

**19. The COVID-19 pandemic required AFC to adapt its approach to the TA delivery.** It should be noted that the FY2021 work plan was prepared pre-COVID-19, but the strategic objectives remain the same and AFC has expressed its readiness to respond flexibly to new challenges stemming from the pandemic. This situation has resulted in:

- Reinforced coordination between AFRITAC and the Headquarters;
- Better account taken of beneficiary countries' needs and increased reactivity of AFC in relation to beneficiary countries' expectations;
- Exclusive use of experienced experts;
- Research undertaken for better adaptation and more effective methods for AFC's remote support.

**20. Overall, the COVID-19 crisis has highlighted the relevance of AFC's strategic objectives and the urgency to implement them. AFC's working methods have been swiftly adapted.** Virtual meetings

<sup>11</sup> AFC Annual Reports (2018 – 2021).

<sup>12</sup> For the number of milestones per workstream, see AFC 2018-2021 Annual Reports.

<sup>13</sup> AFC Annual Report, page 14.

have been useful in reaching out to all member states to discuss policy responses, provide guidance and review CD priorities considering the impact of the COVID-19 pandemic on the member states' economies. Webinars have also been based on IMF notes specifically developed to answer the fiscal challenges that arose with the COVID-19 crisis. As described in more detail in the next chapters, most funding programs have had a mainly positive response in redirecting resources to pressing pandemic needs.

## 2. Evaluation at the CD level

### 2.1. Methodology

#### 2.1.1. Overview of the methodological approach

21. The results of the evaluation at CD level aimed to assess the extent to which the CDs delivered by AFC have achieved their objectives, according to the five criteria of relevance, efficiency, effectiveness, sustainability, and impact, by answering and scoring between 1 and 4 on the performance assessment based on the Evaluation Questions presented in the table 7 below. The results of the CD level evaluation reflect AFC’s performance for a sample of four countries: Cameroon, Central African Republic, Democratic Republic of Congo, and Chad, comprising 23 objectives spread across AFC’s five workstreams. A detailed assessment is presented in Annex II.

Table 7: Evaluations Questions at the CD level

Evaluation question	
<b>Relevance</b> Is the CD Project Doing the Right Thing?	To what extent were the CD objectives derived from capacity gaps identified by the authorities, IMF surveillance/program, and other partners/institutions?
	To what extent the national authorities consider the CD objectives among the priorities of the country and/or agency?
	To what extent was the design sensitive to the context (e.g., economic, political economy, technical capacity) in which it took place?
<b>Coherence</b> How well does the CD Project Fit with Other Engagements?	To what extent the CD objectives and design successfully adapted to changing circumstances? Notably considering the recent impact on the COVID-19 crisis on delivering CD
	Internal coherence: ✓ What is the level of synergies and interlinkages between the CD project and other interventions carried out by the agency/ government? ✓ What is the level of consistency of the CD project with other IMF recommendations from surveillance, program, and other CD
	External coherence: What is the level of consistency of the CD project with interventions by development partners?
<b>Effectiveness</b> Is the CD Project Achieving its Objectives?	To what extent were the CD outcomes and objective, as defined by the RBM framework, achieved or are likely to be achieved? (In the process, validate the RBM ratings for outcomes and objective.)
	To what extent the observed direct results were attributed to/ happened as a result of the CD? Notably considering the recent impact on the COVID-19 crisis on delivering CD
<b>Efficiency</b> How well are Resources Being Used?	Were the CD inputs converted to outputs, outcomes, and impact in the most cost-effective way possible? ✓ To what extent have an appropriate mix of inputs (national, regional, international) been utilized? ✓ To what extent were inputs converted to outputs cost efficiently? ✓ To what extent have CD activities have been implemented to schedule?
	To what extent has the CD project enhanced the country’s macroeconomic and financial stability and supported inclusive growth?
	To what extent there are consequences of the CD project on relevant Fund strategic priorities, such as climate change and inequality (economic, gender, and financial inclusion).
<b>Impact</b> What differences does the CD Project make?	To what extent does preserving the net benefits of the CD project hinge on its continuation? (Discuss the likelihood of the net benefits continuing over the medium and long term.)
	What is the level of capacity of the recipient country’s system to sustain the net benefits of the CD project over time?
<b>Sustainability</b> Will the Benefits Last?	

22. The evaluation was based on four sources of data that were used to generate the results and scores presented in the following sections: (i) an extensive desk study, (ii) an online survey, and (iii) a series of semi-structured interviews with key stakeholders (LTX/backstoppers, administrations and Steering Committee members), and (iv) the scores assigned to milestones and outcomes in the RBM system. A score on a scale of 1 to 4 (1 being the lowest and 4 the highest) was assigned to each DAC criterion, according to its level of performance in achieving the planned milestones and outcomes. The detailed results by country area and for each DAC assessment criterion are presented in Annex II.

**23. The efficiency rating was based on the calculation of the effectiveness rating and the number of person-weeks allocated to each activity.** The cost or use of resources would have been better than the number of days used, but it was not possible to incorporate cost considerations, as the data provided was not sufficiently disaggregated.

**24. The ratings for the other criteria (relevance, coherence, impact, sustainability) were based on the interviewees' assessments and on the analysis of the literature and the survey results.** As previously indicated, a more detailed table presenting the score at the level of the country-domain criteria is presented in Annex II.

### 2.1.2. Methodological issues

**25. It was difficult for the evaluation mission to analyze the scores provided by the RBM system for a number of reasons:** (i) objectives, as well as outcome indicators and sometimes milestones, were often vaguely defined, making them difficult to assess and sometimes even "unauditable"; (ii) indicator scores were assigned by LTX and validated by the backstoppers, but a great deal of freedom had been left to LTX to assign scores and the way in which they were calculated was not specified in a manual or procedure, such as defining specific criteria ; (iii) comments associated with the scores of the indicators (milestones/outcomes/objectives) were available in the system but not provided to the evaluators; (iv) the scores of some outcomes did not always seem logical in relation to those assigned to the milestones; (v) there was no traceability in the RBM system of when objectives, outcomes, and milestones were introduced and possibly changed; and (vi) the system did not contain output indicators, which prevented to have a clear view of the main outputs provided by AFC<sup>14</sup>.

**26. As the milestones often reflected activities carried out by the Center's experts or output provided by them, the assessment team decided to weight the scores provided by the RBM system for effectiveness with those resulting from interviews and documentation review.** It should be noted, however, that in most cases the scores were often remarkably close to the evaluators' opinion and sometimes lower.

## 2.2. Key findings

### Lessons learned

#### Relevance

**All activities carried out by AFC during the period are relevant to the extent that they meet the needs expressed by the administration that has benefited from AFC's CDs in the various workstreams.**

- In the area of revenue administration, AFC helped CEMAC countries adopt the Community Customs Code and its implementing regulations.
- In the area of public financial management, AFC helped strengthen medium-term budget programming mechanisms, set up a framework for monitoring national public institutions and preparing a report on their financial statements, and improve the public accounting and financial management system.
- In the area of statistics, AFC promoted the establishment of an institutional public sector registry to broaden the coverage of public finance statistics and a framework for regular dissemination of all its macroeconomic statistics.

<sup>14</sup> This problem is not new and has already been identified in the CEF, which states that "the evaluation team will therefore need to use other elements of the RBM logframe, such as target indicators and milestones, and check project evaluations, to determine the specific results expected from the project. If these elements are not available or insufficient (e.g., missing or vague entries), the evaluation team should consult with the project manager and the CD expert." The updated CEF also states that "the objectives, outcomes, and targets of the CD indicators may have changed during project implementation" and that, in such cases, "the objectives and outcomes could only be changed with the approval of the portfolio manager, with documented justification." In practice, this situation occurs quite rarely, precisely because the indicators are defined vaguely enough that they do not need to be changed, but it also reduces the relevance and effectiveness of the RBM system.

- In the area of debt management, the Center stimulated the development of the government securities market.
- In the area of Financial Supervision and Regulation, AFC assisted the Central African Banking Commission (COBAC) in implementing risk-based supervision.

**However, the activities delivered by the TA were not able to cover all the shortcomings identified by the diagnostic missions. Sometimes, the design of the CD may have been more aligned with the needs assessments, IMF surveillance/program, etc.** For example:

In the area of revenue administration, the level of tax exemptions or collection of non-tax revenues (NTR) has not been the subject of particular attention by the CD departments, despite the potential. This is the same in PFM regarding payment arrears follow-up, as well as monitoring of public procurements and public enterprises. The IMF also considered it important to adopt a plan for the clearance of the respective debts of the state and public enterprises and to improve supervision of PPPs and associated budgetary risks, while few or no TA was provided by the IMF in this area, depending of the countries. TA would also have been needed to help eliminate public agencies without economic justification, to better monitor the closure of accounts in commercial banks, especially because many accounts were reopened during the COVID-19 period.

In the area of statistics, the TA supported the administration in rebasing national accounts, extending the scope of the TOFE, and switching to new international standards. The TA focused on putting in place contemporary GDP series and different countries have restarted the production and publication of annual national accounts, but greater efforts could have been made to improve the source data.

**Finally, even if it responds to a request from the administration because of policy decisions that have been taken, part of the TA is focused on supporting the implementation of reforms** (CEMAC directives, gender budget, climate budget, etc.) while the conditions are not always met to allow the achievement of results during AFC's budget cycle. The decision to provide TA in this framework should only be issued if the absorption capacity of the administration is sufficient and selected based on risk criteria introduced in the RBM (which should be clearly defined). The same applies to training and seminars. The relevance of the seminars is not debatable if one refers to the high degree of satisfaction of the beneficiaries, but one can doubt their impact and their sustainability for administrations that do not have sufficient absorption capacity. A process of follow-up of the achievements and the proposed recommendations should be put in place.

### Coherence

**AFC makes significant efforts to communicate with other partners, to be transparent and to streamline the implementation of its activities, but other donors do not make the same efforts.** While some donors publish a work program showing upcoming activities by area, objective and country, they do not generally publish periodic monitoring reports to see the degree of achievement of expected results.

**Even if the prioritization of AFC's TA could be oriented more towards TA with shorter-term results, the division of labor with other donors remains an obstacle, as the intervention logic of donors is not the same from one donor to another.** Some donors have a project management rationale based solely on the need to spend their budget, and the IMF sometimes has difficulty convincing them of the lack of relevance of the impact of their support in certain areas. This coherence could be strengthened by giving, for instance in Public Finance Management, a stronger coordinating role to the PFM Reform Unit.

### Effectiveness and efficiency

**AFC has made significant efforts to successively implement two results-based management systems (CD-Port and CDMAP).** While the first system (CD-Port) was still incomplete to be a real RBM system (lack of input and output indicators), CDMAP, which has been in operational use since 2021, seems to be a real RBM system allocating budgetary resources to projects that typically have one or a few objectives. To perfect the system, however, the objectives, results and milestones still need to be defined in a more precise and measurable way,

but this will probably come before more practice. In contrast, the IMF appears to be the only CD provider currently using an RBM system to enhance the effectiveness and efficiency of its TA.

### Impact and Sustainability

**The main factors limiting the impact and sustainability of the TA provided by AFC are mainly the lack of a structure dedicated to monitoring and evaluating the implementation of recommendations** (which should be the role of the reform implementation unit), **the mobility of national staff in the member country administrations**, who leave the service as soon as better opportunities arise (which underlines the importance of providing TA focused on implementing the simplest possible solutions so that they can be taken up by the replacements), **the lack of transmission of knowledge to young staff due to the lack of notes on the work carried out** (this could become a requirement of the TA provided by AFC, including during seminars) and finally the political support (on which **AFC's influence is sometimes not sufficient to make things change at the political level, which leads to the needs or revised its TA between two options: temporary delay its TA or strengthening coordination with other IMF bodies or other donors if TA has a chance to bear fruit.** The risk indicators introduced in CDMAP should better classify risks in relation to the course of action).

**The COVID-19 pandemic had a rather limited impact on TA because missions continued to be carried out remotely, thanks to the willingness of administrations to use new technologies.** However, it doesn't imply that the TA themselves had the same impact/result. Sustainability of TA could be strengthened by making greater use of video-conferencing tools to reinforce the follow-up of TA, organizing more remote meetings between field missions, organizing seminars with more numerous, motivated, and diverse interlocutors, etc. Online seminars or training were already used by the IMF over the last 2 fiscal years, but they were often like MOOCs. This practice could be expanded further for instance to discuss gaps between the expected outcomes and the effective situation at a given time, allow for a process of validation of competences, a better monitoring of the implementation of recommendations, etc.

#### 2.2.1. Results of the online survey

28. **This section presents a series of summarized results from the analysis of the Online Survey on the perceptions of three groups of respondents about the six DAC criteria.** These groups are Group 1: SC members, which include partners and donors; Group 2: IMF staff (AFC + HQ + STX/LTX); and Group 3: Beneficiaries, i.e., technical directors and senior managers of the different organizations that received AFC support. Respondents were asked to rate performance on a scale of 1 to 4. Table 2 below presents a summary of the responses to selected questions. Technical details and a full account of the results for the three groups can be found in Annex III.

29. **Amongst a generally positive set of responses for all countries surveyed, the answers of three groups were closely spaced.** As shown on the graphs in Annex III, responses for all three groups are often similar. The response rate for Groups 1, 2 and 3 was respectively 8,4% (9 respondents), 28,3% (45 respondents) and 11,24% (103 respondents).

30. **Some answers to open questions suggested that CD could be improved in several areas.** The non-exhaustive list below mentions some of the suggestions expressed in the surveys:

- To provide more practical exercises;
- To further develop workshops in beneficiary countries depending on the needs;
- To finance the sharing of experiences by organizing visits to advanced countries on a given theme;
- To improve expression of needs for training and areas of technical assistance (some training is general and rarely fits the real need);
- To develop more management tools, e.g. tools for budgetary risks or macroeconomic framework, in order to help the country members;
- To provide more face-to-face learning and fewer online trainings;

- To increase the duration of workshops and the scope of domains concerned;
- To accelerate the rhythm of workshops;
- To train the same team at least twice in order to evaluate the progress;
- To engage more civil society actors in the fight against corruption in the management of public funds in the CEMAC sub-region;
- To provide training for specific sectors: mines, hydrocarbons, telecommunications and banks;
- To establish a task force that would enable AFC to coordinate its interventions with other partners;
- To strengthen joint action of all intervening organizations for the choice of themes of TA to ensure overall consistency;
- To reduce time between CD activities (usually a year or more is a hindrance to continuity);
- To ensure the participation of local experts who could accompany the training measures and TA, even if the AFRITAC experts are not on site;
- Provide even more tailored/practical-oriented TA;
- In terms of external coordination, to better coordinate with national authorities (mission dates) and with international organizations and in terms of internal coordination, to better coordinate with IMF FAD);
- To improve assessment and follow-up missions;
- To ensure that TA builds up capacity and does not substitute the government agencies;
- To overcome administrative constraints by raising awareness among senior management;
- To organize outreach activities in the countries.

**31. In terms of the share of respondents rating CD services as ‘Good’ or ‘Excellent’ for each DAC criteria, the perceptions of the three groups were overall good.** The range of perceptions of the three groups rating CD services as ‘Good’ or ‘Excellent’ was less positive for Coherence, Sustainability, and Impact. The total number of respondents and other detailed information is indicated in Annex III.

**32. The responses were very positive for ‘Relevance’ concerning the needs and priorities of the countries and institutions** (between 77.7% and 87.4%). Regarding relevance of the responsiveness of AFRITAC CENTER to the financial and economic crises resulting from COVID-19, the responses were less positive but remain overall good. ‘Good’ and ‘Excellent’ ratings account for between 45.6% and 55.5% for this criterion and the ‘Excellent’ rate decreased by around 50% as compared to the relevance of TA for the needs and priorities of the countries or institutions.

Relevance criteria	Positive responses rate
Relevance concerning the needs and priorities of the countries and institutions	Between 77.7% and 87.4% of respondents
Relevance of the responsiveness of AFRITAC CENTER to the financial and economic crises resulting from COVID-19	Between 45,6% and 55,5% of respondents

**33. The assessment of the ‘Efficiency’ criterion measured by the quality of AFC services was only relevant for the first two groups of respondents.** The scores were very high for this criterion as well. Indeed, ‘Good’ and ‘Excellent’ ratings amounted to between 82.3% and 88.9%, depending on the group. The cost efficiency ratings were lower and oscillated between 54.6% and 77.8% for ‘Good’ and ‘Excellent’ responses.

Efficiency criteria	Positive responses rate
Quality of AFC services	Between 82.3% and 88.9% of respondents
Cost efficiency	Between 54.6% and 77.8% of respondents

34. The same 'Good' and 'Excellent' responses count for between 82% and 88% of all responses for three groups for the **effectiveness** of AFC TA in helping develop the technical capacities of the member countries. To the question "to which extent are the stated objectives and results of AFRITAC CENTER activities actually being reached", the respondents from all groups replied in an overwhelmingly positive way: between 82% and 88.9% were 'Good' and 'Excellent' ratings.

Effectiveness criteria	Positive responses rate
Effectiveness of AFC TA in helping develop the technical capacities of the member countries	Between 82% and 88% of respondents
Extent to which the stated objectives and results of AFRITAC CENTER activities actually being reached	Between 82% and 88.9% of respondents

35. In terms of 'Coherence', it should be noted, however, that "no opinion" responses represented an important part of replies to the survey. They represented 100% of responses concerning São Tomé and Príncipe in group 1, for instance, and between 25% and 50% for other member countries. This is due, however, to the fact that not all respondents have experience for each country concerned. The 'Modest' rating oscillated between 33.3% and 75%, depending on the country concerned. Still, in group 1, the coherence of AFC activities with other interventions benefited from 'Excellent' ratings only in three countries: Gabon (33.3% of respondents), DRC (50% of respondents) and the Republic of Congo (25% of respondents). Only in Burundi was the coherence qualified as good in group 1 (50% of respondents). In group 2, "no opinion" responses oscillated between 86.2% for Equatorial Guinea and 44.7% for Cameroon. In each country, the coherence was rated as 'Excellent' by only a few respondents. Excluding "no opinion" responses, the main response for each country was 'Good'. For group 3, "no opinion" responses represented 63.3% and 38.8%. Excluding these responses, the most significant responses qualified the coherence criterion as 'Good' or 'Excellent'.

Coherence criterion	Group of respondents concerned	Positive responses rate
Coherence of AFC activities with other interventions:	Group 1	Excellent rating: Gabon (33.3% of respondents) Democratic Republic of the Congo (50% of respondents) The Republic of Congo (25% of respondents) Good rating: Burundi (50% of respondents)
	Group 2	Limited excellent ratings for each country Good: majority rating for each country (excluding no opinion responses)
	Group 3	Excellent or good: majority rating (excluding the "no opinion" responses)

**36. Regarding the ‘Impact’ criterion and excluding numerous “no opinion” responses, 100% of responses for almost all countries in group 1 consisted of ‘Good’ and ‘Excellent’ ratings, except regarding São Tomé and Príncipe where the “no opinion” response was expressed by 100% of respondents and except for Democratic Republic of Congo, where the ‘Poor’ rating was assigned by 50% of respondents. For group 2 and excluding “no opinion” responses, ‘Good’ and ‘Excellent’ ratings dominated except for Equatorial Guinea and Burundi. For Equatorial Guinea, ‘Poor’ and ‘Modest’ ratings were expressed by around 26.1% respondents, as compared to ‘Good’ expressed by 8.7% of respondents, and ‘Excellent’ was not assigned at all. For Burundi, ‘Poor’ and ‘Modest’ ratings came to 31.3%, whereas ‘Good’ and ‘Excellent’ ratings totaled 28.2% of responses. For group 3, for the ‘Impact’ criterion, ‘Good’ and ‘Excellent’ ratings dominated for each country.**

Impact criterion	Group of respondents concerned	Positive responses rate
Impact of AFC activities	Group 1	Excellent or good: majority ratings for almost all countries (excluding the “no opinion” responses).
	Group 2	Excellent or good: majority ratings except for Equatorial Guinea and Burundi.
	Group 2	Excellent or good: majority ratings for each country

**37. Regarding the ‘Sustainability’ criterion, the responses were overall good for three groups of respondents, except for São Tomé and Príncipe where the “no opinion” response was provided by 100% of respondents in group 1, Central African Republic for group 1 where both the ‘Modest’ rating and ‘Good’ rating were expressed by 33.3% of respondents. No ‘Poor’ rating has been expressed in groups 1 and 3. A limited number of respondents qualified the sustainability of AFC’s activities and interventions as ‘Poor’ in group 2. A ‘Poor’ rating in group 3, even though limited, was expressed for all countries, except for Gabon and Cameroon. Many respondents of all groups rated AFC’s services as ‘Good’ or ‘Excellent’.**

Sustainability criterion	Positive responses rate
Sustainability of AFC activities	Excellent or good: majority ratings of all interviewed groups except for São Tomé and Príncipe (dominated by “no opinion” responses) and Central African Republic for Group 1 of respondents (divided between good and modest ratings)

### 2.2.2. Overview of AFC scores

**38. The CDs issued by AFC performed generally positively over the evaluation period.** Overall, the scores obtained by AFC show a positive performance of the TA provided by the Center, with an average score of 2.8. The table shows that the highest scores were obtained for relevance and coherence, while the impact and sustainability criteria obtained the lowest scores. By area of work, revenue administration and financial supervision and regulation – which are the IMF’s fundamental areas of work – scored highest. These are also areas where other TFPs do not usually intervene directly in terms of support.

Table 9: Performance scores by DAC activity areas and criteria (scales 1 to 4)

DAC Criteria	Revenue Administration	Public Financial Management	Debt Management	Financial Supervision & Regulation	Statistics	Average
Relevance	3.7	3.6	3.6	4.0	3.9	3.7
Coherence	4.0	3.5	3.9	3.9	3.5	3.7
Effectiveness	2.3	2.2	2.7	3.3	2.3	2.5
Efficiency	2.4	2.1	2.7	3.3	2.4	2.5
Impact	2.1	2.1	2.3	2.8	2.2	2.2
Sustainability	2.8	2.2	2.7	2.7	2.1	2.4
Average	2.9	2.6	3.0	3.3	2.7	2.8

Source: Evaluation team

## A. Relevance

39. **Key strengths and weaknesses: AFC is good at providing CD services that meet the specific needs of its beneficiaries.** All respondent groups answered positively to the questions on Relevance, including administrative staff. National authorities considered the areas of technical assistance intervention to be among the country's priorities and technical assistance missions were well aligned with the authorities' demands. The administration also benefited from the continuous support of AFC's long-term advisors, who are high-level experts and who were mostly supported by short-term experts with extremely specific qualifications in specific areas. On-site presence was interrupted during the COVID-19 period, but most missions could be continued remotely in a satisfactory manner thanks to video-conferencing tools.

40. **Regular consultations have also taken place with IMF surveillance missions, both on the Extended Fund Facility and under Article IV consultations.** This is a change from an earlier period when the areas of technical assistance and surveillance were well separated. However, the evaluation notes that some of the shortcomings identified by IMF surveillance programs – e.g., weak surveillance of state-owned enterprises – are mostly left to other donors rather than being integrated into the Center's program of activities (see Annex 2). Despite these discussions, except for certain CDs, such as in the workstream of Financial Supervision and Regulation, the activities that are carried out by the Center are mostly associated with medium to long-term objectives and remain quite distinct from the more short-term objectives of the ECF.

41. **In summary, the overall score is high for relevance (as well as for coherence), but this is partly because most of the objectives correspond to capacity-building activities, which are always relevant and were defined in a broad and consensual way.**

### i. Revenue administration

42. **This area was a priority for governments in all the sample countries, but it also applies to the other CEMAC countries, most of which are fragile states.** The need to increase fiscal resilience is also reflected in the ECF and Article IV reports. In addition, the health crisis has led to increased indebtedness in all these countries, which has reduced the level of revenue collection during this period. All the CDs conducted in this area were therefore highly relevant, as they focused on broadening the tax base and on customs and tax collection procedures. However, TA does not seem to have been sufficient to strengthen the control system (internal and external) of revenue collecting entities or the internal audit of tax authorities, an area that remains weak in most countries in the region. In the countries of the region. **However, not all areas that would require TA were covered by TA, notably non-tax revenues, as well as reducing the level of tax exemption, which are not well controlled.** Furthermore, they are given in advance and then the beneficiary disappears. The legislation should be reviewed so that investments are made before exemptions are granted.

## ii. Public finance management

**43. In terms of PFM, the Center’s interventions have been largely in line with government requests and are relatively well aligned with the conclusions of the diagnostic reports.** Notably, if PEFA assessments which have been carried out in each of the sample countries, show weaknesses in all areas of PFM,<sup>15</sup> they point out that the most important ones are related to the lack of enforcement of the legal framework and the weakness of internal and external audits. The need for reinforcing the monitoring of SOEs was also often notified in government “Memorandum de Politiques Économiques et Financières” (MPEF). In this regard, AFC has begun to address the issue on the component of arrears on staff expenditures, proposed the budgeting of employment ceilings, etc. AFC has also developed an accounting internal control guide for the six CEMAC countries covered by AFC, which will also be used in other countries. AFC has also provided TA in some countries to strengthen the oversight of public enterprises.

## iii. Debt management

**44. AFC has been effective in supporting countries in analyzing debt sustainability and improving data reliability and this support provided is highly appreciated by other TFPs.** CDs delivered by AFC in this domain are financed by the Debt Management Facility (DMF), which is a joint IMF-World Bank thematic fund helping countries adapt to emerging debt management challenges. This is contingent on the willingness of authorities to receive this TA, and AFC has significantly scaled up TA offerings in this area, but with little demand as debt remains sustainable for all the countries until recently. The Center has also supported the government in setting up procedures for issuing treasury bills. Overall, activities in this area have been particularly relevant, both in terms of establishing an effective institutional framework for debt management to better regulate the issuance of securities and minimise the cost of issuance or in formulating and implementing a medium-term debt management strategy (MTDS). They have also been particularly efficient as this area consumed only 7% of resources in 2020.

## iv. Financial Supervision and Regulation

**45. In banking regulation and supervision, AFC works with four recipient authorities: The Central African Banking Commission (COBAC) at sub-regional level (for CEMAC countries) as well as directly at country level with Bank of the Republic of Burundi (BRB), the Central Bank of the Congo (for Democratic Republic of the Congo) and the Central Bank of São Tomé and Príncipe.** Burundi and São Tomé and Príncipe do not belong to the group of sampled countries for this evaluation. Therefore, the following findings only concern COBAC and the Democratic Republic of Congo.

**46. The technical assistance provided by AFC during the period under evaluation was perfectly in line with COBAC's priorities** aimed at adopting international standards and practices in Financial Supervision. **The TA provided to the Central Bank of the Democratic Republic of Congo was aligned with the concerns** to strengthen the soundness and supervision of its banking and financial system and to build the capacity of the supervisors. In both cases, TA targeted identified weaknesses in close liaison with recipient authorities.

## v. Statistics

**47. The technical assistance provided by AFC during the period under evaluation was overall in line with the objectives of the recipient agencies, and it was coordinated with them.** Occasionally a scoping mission was conducted. The objective of the scoping missions is in general, to understand the status and needs in a specific country/topic. Concerning national accounts, many times the TA projects are conducted over several years, according to the resources and source data available (e.g., GDP rebasing exercise). In this case, scoping missions are in general not needed every year, and the TA needs are discussed directly between the authorities and the AFRITAC Central long-term advisor.

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<sup>15</sup> More than 2/3 of the indicators have a grade of C or lower.

However, coordination remained insufficient, hence leading sometimes to inconsistency between the TA's expectations and the beneficiaries' absorption capacities or even their priorities. Nonetheless, where relevant, TA was tailored to the country's fragility and high level of debt distress. The efforts required are still significant and the results can only be achieved in the long term.

## *B. Coherence*

**48. Main strengths and weaknesses.** AFC has made a significant effort to coordinate its technical assistance services with both those delivered by headquarters and with the interventions of other donors. Furthermore, in PFM, it has been assisted in this task by the existence of units or divisions responsible for monitoring the implementation of reforms, notably in Cameroon, the Central African Republic and the Democratic Republic of Congo. AFC publishes its work program on its website and shares it at meetings with Technical and Financial Partners (TFPs), who also participate in the AFRITAC organizing committee. This coordination has led to better planning with the establishment of a three-year program and better sequencing of intermediate steps. The IMF also publishes quarterly, semi-annual, and annual reports on its website, and makes mission reports available to other partners who wish to receive them. Before finalization, the mission ToR are reviewed by the IMF's geographic team to ensure consistency with government priorities and other donors' actions. Donor allocation is generally well established by area of intervention, but in detail, alignment is not always clear with the gaps that have been identified in the diagnostic reports. Clearer prioritization criteria should be established, and if possible published.

### *i. Revenue administration*

**49. Revenue administration is an area of intervention that is often left to the IMF, but other donors such as the EU, World Bank, AFD and GIZ have also provided support.** In 2020, this area consumed only 16% of AFC resources. AFC's support to strengthen tax and customs administrations has also been closely linked to other IMF-led missions, such as Article IV consultations and the Extended Credit Facility (ECF), based on the diagnostics that have been undertaken. AFC has also worked closely with other donors, notably coordinating with the World Bank, the EU and France to support tax and customs administration information and digitization of procedures, as well as with GIZ in the operation of a shared database between tax and customs administrations. The World Bank has also supported the countries in increasing the transparency of mining revenues. Tax administration was supported by the AfDB to improve the tax exemption system, and the World Bank provided assistance on built land.

### *ii. Public finance management*

**50. Public financial management is the main area of intervention of the IMF, but it is also of interest to most other donors.** In 2020, AFC devoted 40% of its resources to this area. This is also the area where coordination meetings with other donors have been most important. These are sometimes held under the aegis of a coordination committee.

**51. Despite good coordination, the division of labor could be better distributed, and a mapping of donor interventions should be developed and published.** AFC could also intervene in areas where diagnostic missions such as PEFA's evaluations have identified weaknesses including public procurement, auditing, public enterprises that are often left to other donors when TA provided is not clearly related to the weaknesses identified. In this case, TA brought by AFC would be desirable. On the other hand, the expected results of the different interventions could be defined in a more specific and measurable way (for AFRITAC as well as for other donors), by mapping and classifying TA, so that it is easier to measure the alignment of donor TA with the weaknesses that have been identified in PEFA or IMF evaluation reports. Ideally, this mapping should be developed by the coordination unit and published on the Ministry of Finance website.

### iii. Debt management

**52. Debt management is an area of focus for the IMF and the World Bank, funded by the DMF, where other donors have little involvement.** As noted in the relevance section, AFC's TA in this area has been consistent with both the recommendations of the IMF's Extended Credit Facility (ECF) program and country priorities, particularly with regard to the Medium-Term Debt Management Strategy (MTDS), which is done in collaboration with the World Bank. However, MTDS and DMS have not always guided financing decisions in most countries, due many factors such as of the lack of coordination between the different entities responsible for debt management the high turnover of staff, or the lack of alignment of estimates in the MTDS with the financing needs.

### iv. Financial Supervision and Regulation

**53. Financial Supervision is mainly the responsibility of the IMF, but other donors, such as the World Bank are sometimes involved in the same area.** Although there was no major duplication, there is no systematic coordination with the World Bank. Such coordination is ensured in practice by the beneficiary institutions.

### v. Statistics

**54. Other stakeholders are providing support in addressing statistics issues** in the Central African region, notably the World Bank, Afristat and the EU. It was observed that visiting missions tend to inform the other DPs of their mission and beneficiaries appreciate this. However, in several cases, beneficiaries expressed a **concern about the too many missions in the field that cannot all be managed together**. A better synchronization of mission dates is recommended. Overall, in the absence of a coordination platform, the beneficiary institutions remain essential to ensure coordination with the other donors.

## C. Effectiveness

**55. Key strengths and weaknesses. The outcomes were partially achieved to varying degrees, but several of these indicators correspond to activities carried out by the IMF.** In order to show results, AFC activities most often required the implementation of a new regulation or procedure (which was most often implemented in a longer time frame than expected).

**56. The RBM scores also show that overall efficiency has decreased in 2020 and 2021 compared to 2019, but this has been a trend since 2017.** However, these results should be taken with great caution, as many of the RBM milestones correspond to activities carried out by the Center and not to intermediate results to be produced by the government. As a result, areas that define milestones as true intermediate outcomes are at a disadvantage, compared to those where milestones are primarily IMF activities. It is therefore difficult to draw conclusions, as this may be due to an improved understanding of the system by LTXs. As already mentioned, many milestones correspond to IMF activities and not to intermediate steps. The replacement of activity indicators by outcome indicators over the years leads quite naturally to a decrease in effectiveness scores.

### i. Revenue administration

**57. The Center has helped countries to establish a modern tax administration, and performance is relatively good despite organizational problems in most countries.** However, the RBM system used by the IMF to monitor the effectiveness of CDs that are issued shows that the objective "Strengthened revenue administration management and governance arrangements" scores the lowest. None of the countries in the sample yet meets the CEMAC convergence criterion of 17% of GDP in tax revenue. According to a recent IMF study,<sup>16</sup> the main factors that alter the effectiveness of TA provided by the IMF point to many multinational companies avoiding the payment of taxes, while all the sample

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<sup>16</sup> Tax Avoidance in Sub-Saharan Africa's Mining Sector, Sept. 2021.

countries have significant mineral and/or oil resources. However, TA has been hands-off in this area. This is a result of the IMF's demand-driven TA policy, whereas targeted measures to reduce tax evasion require political will.

**58. Tax exemptions, which reduce the tax base, are also a factor that reduces efficiency and would have required a TA from AFC.** According to interviews with the CAR tax administration, technical assistance was requested from the ADB while it seems that the center had the best skills to deal with this problem.

**59. The analytical reports also show that the effectiveness of TA has been most noticeable in improving the performance of high-potential taxes such as VAT and corporate income tax.** The insufficient integration of the informal economy into the tax system reduces tax expenditure relative to potential, but the informal economy nevertheless pays a significant amount of indirect taxes, notably through taxes on petroleum products and telephone communications.

#### ii. Public finance management

**60. The expected results in public financial management were only partially achieved. The objective "Improved budget execution and control" was the best performer in the IMF RBM system, while the worst performance is recorded for the objective "Improved coverage and quality of fiscal reporting".** In the area of general accounting, AFC provided several tools and guides to help the authorities prepare for the implementation of general accounting, including support for the establishment of government accounting standards, the development of a chart of accounts aligned with the government's budgetary nomenclature in accordance with CEMAC directives, and operational guides for public accounting. Technical assistance was also provided on inventory accounting and on the preparation of a manual on the register of non-financial assets.

**61. For the objective "Comprehensive, credible, and policy-based budget preparation", few countries in the region have started implementing programing budget and the decentralization of authorization is not finalized yet.** For the other countries, program budgeting has not yet been operationally implemented and no consolidated performance review report has yet been prepared. AFC TA has taken note of this situation and has focused its efforts on the implementation of an MTF (Medium-Term Fiscal Framework) where significant progress has been observed on budget preparation thanks to this tool.

#### iii. Debt management

**62. The outcomes in debt management were partially achieved with a relatively good level, but many of the milestones were training activities and it was difficult to know whether the learning was actually used in practice.** Through the technical assistance provided by AFC, countries were nevertheless able to improve their MTDS or develop their first document. Although some countries do not have a formal MTDS, support has been provided for the development and implementation of a national emissions. AFC has also helped centralize debt management responsibilities or establish a debt committee. Finally, the Center supported countries in issuing government securities, which enabled CEMAC countries to cope with the borrowing needs induced by the COVID-19 shock. However, the RBM system shows that the following objectives : "Establish an effective market infrastructure for Islamic securities that is consistent with the level of market development", "Support the authorities in establishing an efficient institutional structure for managing public debt", "Establish appropriate procedures and processes for accurate debt recording, reporting, and monitoring (DRRM)" and status of expenditure by workstream for Phase III (as of April 30, 2020) "To support debt sustainability by developing staff skills to perform own DSA" were only partially achieved. The main issues were the lack of TA ownership at management level due to the dispersed institutional structure.

#### iv. Financial Supervision and Regulation

**63. The technical assistance was mostly effective in the production of relevant regulatory texts for Financial Supervision, and in providing methodologies to this end. It was less effective in ensuring the implementation of the recommendations on the ground. For this reason, most results have only been partially achieved. The COVID-19 pandemic has affected the effectiveness of the TA provided.**

According to the interviewees remote missions are often more effective when the preparation of regulation is involved. It has also been demonstrated by the interviewees that the success of the remote mission depends on their anticipated detailed preparation in coordination with local authorities and on sufficient time for the preparation and realization of the mission. This was the case of the May-November 2020 mission to COBAC, often cited as a success story, which consisted of improvement of prudential supervision instruments and processes. Workshops were organized online and the “customized” prior development of expected “deliverables” helped maximize the value added of the interactive workshop. This allowed COBAC to make a significant progress in the implementation of its strategic plan.<sup>17</sup>

**64. Regarding COBAC**, it results from the available documentation that supervisory bodies are not monitoring banking groups and their prudential ratios on a consolidated basis yet; the institutional structure and procedures and operations for the implementation of risk-based control are not strengthened to the degree planned; supervisors are not dealing in a timely manner with unsafe or dangerous practices or activities that could pose risks to banks or the banking system yet; banking legislation and regulations are not entirely aligned with Basel II/III requirements yet; and banks’ level of capital is not entirely in line with their risk profile, business strategy and level of risk tolerance. Positive results can be observed in the field of prudential standards.

**65. Regarding BCC**, the available documentation shows that revised templates for accreditation applications have not yet been completed and adopted. Furthermore, manuals of methodological guidelines for on-site inspections of internal control, risk management and governance have not been approved and implemented yet. The revised CAMELS/ORAP bank rating system is also not approved and implemented. However, there are some important positive achievements for BCC, for instance in implementing a risk-based control system and upgrading other control processes.

#### v. Statistics

**66. The results in statistics show visible progress yet without the outcome being fully achieved in the four sampled countries.** In one of the countries, the available documentation shows that two expected outcomes out of five have been achieved in the field of government finance and that all the expected outcomes have been realized in the field of macroeconomic statistics. In another one, the objectives and outcomes have been partially achieved in both fields of statistics. In another sampled country, all outcomes have been achieved in the field of government finance statistics and one outcome has been fully achieved in macroeconomic statistics, namely data is made available internally and to the public in a more punctual way (reduction of delays). In the remaining samples country, the objectives and outcomes have been partially achieved in both fields of statistics, and systemic obstacles were observed impairing CD effectiveness. In all countries, significant progress can be observed in the field of national accounts.

**67. The delivery of TA has been impacted by the COVID-19 pandemic.** Furthermore, we observed that when a beneficiary agency depends on another to obtain relevant data, and inter-agency coordination is insufficient, TA to the beneficiary agency cannot be entirely effective. Overall, more efforts should be made in ensuring the availability of source data in the countries concerned. Interviews also highlighted the political dimension for the disclosing of data and this, together with the fact that local teams are small, also works as a limiting factor.

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<sup>17</sup> AFC Annual Report 2021, page 52, Success Story 10.

#### *D. Efficiency*

**68. Key strengths and weaknesses:** Revenue Administration, Financial Supervision and Regulation, and Statistics appear to be the most efficient areas, as the steps achieved the highest efficiency score with fewer days needed to achieve them, while Debt Management achieved the lowest score.

These scores were obtained on the basis of the results achieved (efficiency score) and the human resources used to achieve them. The debt management efficiency rating is heavily influenced by the scoring methodology. Based on the feedback from the backstoppers, the bilateral training activities were considered to be results-oriented, which was not the case for the other workstreams. AFC is dealing with a lot of Fragile and Conflict-Affected States (FCS) that don't have the necessary skills, making training a major interim step to achieve the intended results of intervention. In these cases, a follow-up process should be implemented to verify that staff skills have indeed improved. In addition, the regulations underlying these operations should be the final milestones.

**69. Interviews and the budget analysis show that the efficiency of IMF TA is very high, especially when compared to that provided by other donors.** The interviews and online survey revealed that the IMF can provide more effective TA than other providers, but the team had no initial benchmark against which to compare the results. Therefore, the absolute level of this score allows only limited conclusions to be drawn. This is also because activities supporting the implementation of reforms require more TA days to achieve a result, which can only be observed in the medium to long term. As with other donors, national, regional, and international experts are recruited according to the objectives of the TA, their experience and profile, but CDs are usually delivered over a particularly short period of time (usually no more than 15 days).

**70. AFC is using the experience gained in countries that have achieved the objectives to share this experience with other countries.** This is the case, for example, of the appropriation of custom valuations. In addition, AFC has specialized advisors in each of the areas of intervention, and they are familiar with the countries' administrations and their different contexts.

**71. The online survey revealed a high level of satisfaction with the quality of services provided by AFC and a very good capacity of the IMF to adapt to these circumstances.** Both the online survey and the interviews with IMF experts, beneficiaries and SC members highlighted the use of video conferencing as a key factor in contributing to improved efficiency, particularly in the organization of meetings. However, the gain will not be as high as for other donors, as the IMF was already used to making relatively short and few missions. Given the need not to eliminate the presence of experts in the field, the room for maneuver will be smaller than for other donors.

**72. Numerous seminars are also organized to share the experiences of countries facing the same problem, to facilitate the implementation of the recommendations in their country of origin.** During the pandemic, numerous methodological workshops aimed at adapting to the impact of COVID-19 were organized remotely, to update the various activities of the countries in the region.

**73. In Financial Supervision and Regulation, efficiency is high when the TA involves the drafting of relevant regulatory texts for Financial Supervision.** For this type of work, remote interactions are effective and entail limited costs. Interviewees also indicated that regional seminars increase efficiency, since they enable the cross-fertilization of TA.

**74. In the statistics domain, in all countries, we noted that the TA was delivered with an appropriate mix of expertise (national, regional, international) and the expertise was of a good quality, ensuring value for money.** However, efficiency was hampered by limitations linked to the effectiveness of the TA and the limited absorption capacity in the countries considered.

**75. During the COVID-19 period, although not measurable due to the lack of detailed financial information by objective and country, the use of teleworking and technological tools has led to a significant improvement in efficiency through video conferencing.**

## **E. Impact**

**76. Key strengths and weaknesses:** The results showed a rather limited impact of the TA provided by AFC, but it is difficult to clearly identify the reasons because of the political instability that prevails in most of the countries in the sample and most often leads to a low level of decision making and high turnover of administrative staff (which also hinders the performance of sustainability criteria.)

**77. The RBM system does not have impact indicators by workstream and country to indicate where political will or high staff turnover may be affecting TA results.** Interviews revealed that political will was lowest in regulatory implementation, particularly in PFM and revenue administration, and staff turnover was highest in statistics. However, trends are heterogeneous across functional areas and countries and the interviews also indicated that staff capacity has recently been strengthened in the public administration of beneficiary countries served by AFC, which allows for better management of problems. Some staff also reported that they had always benefited from capacity building interventions, whether training or TA, but it was difficult to find further evidence.

**78. Another explanation for a rather low impact is that the Center works mainly with middle managers in the public administration of the beneficiary countries and may not have exerted sufficient pressure at the political level to push decisions forward.** It was noted that trained middle managers could have greater responsibilities in the future and take decisions that would increase the impact of TA, but this could generally only be measured over a period beyond the evaluation period.

**79. CD objectives are often derived from supranational and national legislation (WAEMU directives) and are therefore subject to country-specific constraints, given their general alignment with regional and national objectives. This underlines the importance of coordination at the regional level, in order to specify clear and measurable objectives and to overlay national CD with CD at the regional level in collaboration with the WAEMU.** Other respondents stated that the quality of activities was strongly influenced by the level of corruption in the administrations receiving CDs, so the focus should be on fighting corruption to maximize the impact of TA. Responses to the online survey also mentioned the lack of real political involvement of sub-regional organizations in the validation of data, which is not the role of AFC. The framework used by the Center does not really include regional indicators, as they are more country specific. Nevertheless, according to the online survey, the potential impact of AFC's TA is to strengthen the capacity of policymakers in the different areas of IMF intervention.

### **i. Revenue administration**

**80. AFC's support improved the collection and management of tax revenues, including VAT revenues, which increased significantly over the period but did not have a very significant impact on the level of tax collection.** It is difficult, however, to establish a clear link between improved tax administration and increased tax collection because there are other factors such as tax policy that the FCA does not cover.

**81. Overall, the tax burden remains at about half of its potential in the sample countries and well below the average for African countries.** The main reason for this is most often a lack of organization and cooperation among revenue collection entities.

### **ii. Public financial management**

**82. As with revenue administration, the impact of TA provided by CAF in the sample countries was most often limited by organizational and communication problems within the administration or by ineffective budgetary control.** Mobilization of public finances was generally lower than expected, while recourse to exceptional procedures remained high, leading to cash flow pressures and accumulation of arrears.

**83. Public financial management and good financial governance have improved slightly in recent years, but it is difficult to determine how much of this is due to IMF technical assistance and how much to country stabilization.** Nevertheless, it can be observed that the technical assistance provided over the period has contributed to reducing the use of exceptional spending procedures, thanks to the increased use of IT systems and the improved transparency of public financial management over the period. On the other hand, other support provided by AFC, such as accrual accounting, cash management, or budget preparation, has not yet produced observable effects. Overall, the most notable impact that can be attributed to the TA provided by CFA is the maintenance of a more prudent expenditure policy, the computerization of the expenditure channel, and the improvement of transparency.

### *iii. Debt management*

**84. IMF technical assistance has helped governments better manage refinancing risk.** AFC has supported governments in implementing a credible debt management strategy (DMS), and in issuing treasury bills, which has had the most measurable impact. Thanks to the TA on domestic issuance preparation and implementation and some market reforms that AFC assist in implementing, most of CEMAC are quite active on the domestic market. Their level of activity has intensified to the point that subsequent TA was provided to coordinate issuances and reduce competition amongst countries.

### *iv. Financial Supervision and Regulation*

**85. The work carried out by AFC has contributed to maintaining the stability of the banking sector through more demanding regulations derived from the Basel texts and international Financial Supervision practices.** A challenge now is to ensure the implementation in the member countries of the newly adopted regulatory framework.

### *v. Statistics*

**86. Overall, AFC has supported the countries in providing the basic compilation methodologies and data to identify key economic indicators, which are essential for the formulation and monitoring of sound economic policies.** The Center has provided the compilation methodologies and basic data for policy formulation and monitoring, but the impact on economic growth is not measurable, unless one considers the indirect effect that rebasing national accounts has on nominal GDP growth, which allows the country to borrow more while respecting the CEMAC convergence criteria. On a more factual basis, the impact of TA could be measured based on the improvement in the frequency of publication or the quality of statistics that has been observed in some countries in the region.

### *E. Sustainability*

**87. As with the Impact criterion, two major obstacles hinder the sustainability of the TA provided by AFC: 1) the low absorptive capacity of the administration in all workstreams or the high mobility of administrative staff, and 2) the lack of political will leading to the slow evolution of legislation and implementation procedures often leading to counterproductive decision-making.** However, while the absorptive capacity of the administration is low in most countries, there is a real political will to implement reforms and the body of legislation is almost complete. The gaps are most often in the implementation of legislation, either because of a lack of political will or because of the low level of administration. Nevertheless, IMF technical assistance is likely to be sustainable only in countries where the administration has reached a certain level. For other countries, however, sustainability is discernible when there is improved monitoring (through computerization) or increased transparency (publications on the websites of the relevant administrations).

**88. Key strengths and weaknesses. A significant transfer of knowledge has taken place during the reporting period, but this is still insufficient to allow the authorities to be sufficiently autonomous.** The authorities are still asking for more training, as in CAR, in the drafting of situation reports. Even in Cameroon, the administrations would like to be trained on the climate budget and the gender budget,

so as not to be behind the international developments. This further highlights the need to set up criteria for prioritizing the TA to be provided by AFC, as the Center certainly does not have the resources to cover the shortcomings identified by the diagnostic missions, the implementation of the necessary reforms for the application of the CEMAC directives, and additional reforms such as the gender and climate budget.

#### i. Revenue administration

**89. Revenue administration is the area where the administration seems to have taken the most ownership. It is also one of the areas where the TA provided by the Center is most relevant.** However, even in this area, the sustainability of TA is difficult to assess, as many other parameters have reduced the impact of IMF TA, such as non-implementation of measures recommended in mission reports, due to staff instability or lack of political will, as they often require high-level organizational measures. While knowledge transfer has taken place, there is still a need for capacity building, to ensure the sustainability of TA.

#### ii. Public finance management

**90. While AFC support was relevant in all areas, the sustainability of the “achievements” is not guaranteed.** For example, the reform of the TSA has been difficult to finalize, due to the reopening of bank accounts in commercial banks, notably during the COVID-19 period. Other activities carried out by the Center seem to have had more lasting results, where changes in legislation or procedures have been made.

#### iii. Debt management

**91. The technical assistance provided by AFC contributed to improving institutional arrangements in all sample countries, improved debt reporting and monitoring practices, development of the local currency market, and improved DSA capacity. All these areas are essential for the authorities to ensure sustainability in debt management.** Prior to COVID-19, AFC also organized at least one training session in these countries to enable each country to produce an MTDS, but some feel less concerned as they are primarily dependent on international aid. The need for an MTDS based on a quantitative scenario offers limited benefits and ownership is likely to be low. AFC then proposed a different approach to preparing a financing plan, but the shift to the virtual technical assistance modality prevented the provision of appropriate technical assistance. Support was also provided for the development and implementation of a national emissions plan, but more AFC intervention would be needed to ensure sustainability.

#### iv. Financial Supervision and Regulation

**92. Based on the interviews conducted, the institutions would need to develop a mechanism for the monitoring of the implementation of adopted regulations and to finance it. Severe ownership problems occur at that level. The continuation of TA is a necessity to consolidate the achievements of TA and further improve the regulatory framework and Financial Supervision.** Several regulations have been put in place and these require TA to accompany them over time. However, consideration of all the new provisions recommended by the Basel Committee, which are constantly evolving, requires assistance: this calls for the use of experts that the central bank does not have locally. AFC experts consider that, in some countries, political support and commitment from technical departments are of an average level and that the adequacy of resources is low. Changes in governors and the rotation of managers and staff within Financial Supervision could lead, in the absence of TA, to a gradual weakening of the Financial Supervision mission.

#### v. Statistics

**93. The maintenance of the net benefits of TA projects over time is ‘mixed’ in the countries analyzed. Where there is sufficient staffing capacity, and higher authorities are committed, the sustainability rate is higher.** In all countries, training should be renewed regularly to maintain capacity.

### 2.2.3. Conclusions and recommendations

*CONCLUSION 1. THE CDS DELIVERED BY AFC ARE RELEVANT, BUT THE CENTER HAS NOT FUNDAMENTALLY CHANGED ITS MODE OF TECHNICAL ASSISTANCE, REMAINING MORE FOCUSED ON PROVIDING SOLUTIONS THAN ON CORRECTING THE FAILURES IDENTIFIED BY THE DIAGNOSTIC MISSIONS.*

94. **CDs delivered by AFC score highest on the Relevance and Coherence criteria. One reason is that the CDs were conducted in workstreams where the IMF has the highest level of expertise.** All countries got CDs belonging to the following Workstreams: fiscal policy and revenue administration; public financial management, public debt management; real sector statistics and public finance statistics except DRC which also got CDs in Financial Supervision and Regulation.

95. **In PFM, Relevance is also enhanced by the fact that AFC has been following since 2019 a demand-driven approach** contained in the Forum des Hauts Fonctionnaires du Budget des Etats membres de l'AFRITAC Center (FoHBAC) action plan held in Brazzaville.

96. **The IMF's logical framework for delivering CDs has also been developed following a top-down thematic approach rather than a bottom-up approach based on the consolidation of deficiencies identified in evaluation reports (PEFA, TADAT, PIMA, etc.) or in IMF diagnostic or surveillance reports (Article IV, FEC, etc.).** As a result, TA is sometimes focused on objectives such as the elaboration of a medium-term debt strategy, the transition to program-based budgeting, the transition to the production of the TOFE (Tableau des Opérations Financières de l'État) according to the GFSM 2014 methodology, the rebasing of national accounts, the implementation of accrual or asset accounting, etc., which supports the implementation of reforms rather than the resolution of failure.

97. **TA slightly evolved towards missions that correct weaknesses,** such as the elaboration of the alignment of budget proposals with the demands of the ministries through the elaboration of MTEFs and the monitoring of public enterprises, but important areas such as procurement or strengthening of external control are not covered by AFC and have been delegated to other donors, whereas these areas are essential for PFM to function properly. In this regard, significant deficiencies have been identified in these areas, even in Cameroon, which is the most advanced of the sample countries.

99. **The prioritization of activities is not done in sufficient detail at the beginning of the Phase.** AFC work program presents a breakdown of its provisional budget by workstream and according to the different types of CDs (LTX, STX, workshops, etc.). But there is no classification of CDs according to whether they are intended to support the implementation of a reform or to remedy a deficiency identified by the government or in a diagnostic report. Furthermore, the budget is not linked to the objectives and outcomes of the Logframe.

*RECOMMENDATION 1. MAKE THE PRIORITIZATION PROCESS USED TO IDENTIFY CDS FOCUSED ON CORRECTING THE MOST IMPORTANT DEFECTS THAN ON IMPLEMENTING SOLUTIONS A PRIORI.*

100. **"Demand-driven" approaches and those that support the authorities in implementing CEMAC reforms should not be the only ones to define the TA activities** provided by the Center, as there may remain areas with strong deficiencies but no demand for support from the authorities, including those related to monitoring and surveillance.

101. **Due to the high level of competence of its experts and backstoppers, AFC could make its TA evolve towards the most priority areas.** For example, in the area of revenue administration, the exemption regime should be well controlled, payment arrears should be very low and mining and non-tax revenues should not be too far below their potential; in the area of PFM, good management cannot be observed and financial statements cannot be produced in a timely manner without effective control; in the area of debt, data must be reliable and properly recorded, etc. While this may be open

to discussion, the following areas of intervention, defined as outcomes, appear to be those for which no significant improvement of the situation can be observed if they do not improve:

- *Revenue Administration*: limiting the percentage of fraud and tax exemptions to a certain percentage of revenues
- *Public Financial Management*: achieving a certain percentage of production and publication of financial statements of the central government, public enterprises and local authorities within 6 months after the end of the fiscal year and their verification by the supreme audit institution; achieving a certain percentage of publication of public procurement statistics; achieving a certain percentage of reconciliation of persons registered in the payroll file and those registered in the human resources files,
- *Debt Management*: obtain a certain percentage of coverage of public debt (especially domestic debt) by official statistics and the periodic publication of these statistics
- *Statistics*: obtaining a certain percentage of coverage of real and financial statistics by official statistics and the periodic publication of these statistics

102. **Key Performance Indicators (KPIs)** should be set so that **they** can be achieved within the 5-year AFC's budget cycle. Alternatively, interim milestones should be defined in a sufficiently precise manner so that they correspond to an easily identifiable time frame for achieving the outcome. We noted, however, that in the workstream of financial supervision and regulation, tangible results were obtained thanks to an adequate identification of weaknesses with the beneficiary institutions.

103. **Milestones need to be linked with identified weaknesses and defined more precisely based on a standardized classification of needs, which should be discussed with a focal point from the administration in each workstream, such as a responsible from the public finance management reform unit.** The more precisely an objective is defined, the more possible it is to know whether it has been achieved. It is therefore important to avoid names such as Improved, Strengthened, etc. In addition, outcomes must be systematically associated with objectively verifiable and measurable indicators. Also, the budget is not linked to the objectives and outcomes of the Logframe. This would, of course, help to better prioritize the activities to be carried out during the Phase. Third-party monitoring would not be sufficient to fill these gaps. The system itself should be revised.

104. **The classification of needs should differentiate between short-term priority actions and medium-term reform actions.** The CDs should derive from a selection process in which a focal point from the administration should be involved. the results of the process should be produced in a report.

*CONCLUSION 2. AFC COORDINATES WELL WITH OTHER DONORS AND BENEFICIARY COUNTRIES BUT AFC FOLLOWS A "DEMAND-DRIVEN" TECHNICAL ASSISTANCE AND INSUFFICIENT LEVERAGE WAS USED TO PUSH THE ADMINISTRATION TO MAKE THEIR REQUESTS SPECIFICALLY IN THE AREAS OF WEAKNESS IDENTIFIED BY THE DIAGNOSTIC MISSIONS*

105. **AFC coordinates well with other donors and recipient countries, through multiple meetings and the presence of an SC within AFC, but better coordination could make governments more responsive to priority actions.** For example, PEFA missions identify weaknesses in several areas (payroll management, procurement, internal and external control, transparency), but the government does not often request support in this area. The evolution of a TA more focused on the weaknesses identified by the missions would require coordinated action to ensure that the government requests support in the areas of weakness that have been identified (e.g., through budget support or ECF program triggers).

106. **The mapping of TA activities is the responsibility of the beneficiary countries/institutions. For some areas, this mapping exists, which enables to improve synergy in the area, but this is not always the case.** The monitoring of activities carried out by the TFPs is generally insufficient, both by the TFPs and by the administration, which most often produces incomplete, late, or overly consolidated financial or monitoring reports. In all the countries in the sample, there is a PFM reform

implementation and monitoring unit attached to the Minister of Finance, but none of them produces its own annual reports on the monitoring of the implementation of donor activities.

**RECOMMENDATION 2. STRENGTHEN SYNERGIES BETWEEN DONORS TO CREATE A LEVERAGE EFFECT AND MAKE AVAILABLE A MAPPING OF PLANNED AND IMPLEMENTED ACTIVITIES ON A COMMON PLATFORM.**

107. **Develop AFC work program in the form of a strategy harmonized with those defined by other donors, involving as much as possible the PFM reform unit of the countries concerned to drive coordination.** As all donors, including the government, are becoming more obliged to draft a calendar of activities with indicators of output, activity, or results for both donors and the government, a mapping should be easily produced and made available on a common platform. In some countries where there are partner platforms or entities in charge of monitoring the reform, these summaries of TA activities exist, but it should be generalized and located in the same place in any country, for example on the website of the reform implementation unit. **The many guides that have been developed by the IMF should be published or at least made available to the administration or other technical and financial partners on a shared space.** This would allow for a wider dissemination of knowledge and avoid funding missions that may have already been carried out.

108. **As with the IMF, donor-led TA should be phased based on an increasing level of priorities identified in the diagnostic missions.** Budget support or the integration of a trigger into EFC programs could be used more often to achieve this objective, which requires an increased level of coordination both among donors and between AFC and HQ missions. In this respect, an AFC expert should be systematically associated with the EFC missions, but this is already quite often the case. Once the intervention priorities have been defined and coordinated with the other donors, they should be integrated into the budget (see recommendation 1), which would be presented to the PFM reform coordination unit and validated by the country authorities and IMF headquarters.

**CONCLUSION 3. EFFECTIVENESS OF THE CDS DELIVERED BY AFC IS GOOD, BUT THE RESULT-BASED MANAGEMENT SYSTEMS LACK PERFORMANCE INDICATORS AND THOSE OF THE SYSTEM ARE NOT ALWAYS WELL DEFINED AND SCORED.**

109. **Until the implementation of CDMAP in 2021, Afritac Center used** its own system for fundraising and program monitoring, which was neither connected to the experts' mission system management by the HQ nor to the RBM system. As a result, briefing papers and mission reports did not refer to the indicators defined in the RBM system until recently. In addition, financial resources could only be followed at an aggregate level, because of their lack of connection with the other information systems. Also, Input (financial resources), activity, output (products and services delivered by AFC experts) and impact indicators were not introduced into the RBM system at the time of the assessment.

110. **AFC budget is only broken down by workstream and by different categories** (LTX, STX, seminars, etc.). There is no breakdown by country and by outcome. Finally, milestones are often defined during the Phase and not at the beginning of the Phase, except for the "Revenue Administration" workstream, which does not allow identification of the path that will be followed to achieve the result.

111. **Budgets are not linked to milestones**, which are generally not defined at the beginning of the Phase (except for debt management) but during implementation. The CDMAP used since 2021 seems to link budgets with associated indicators, but it was used only recently.

112. **Efficiency cannot therefore be measured in absolute terms, but only in relative terms.** For the CDs, efficiency was calculated from the effectiveness scores and a formula indicating the rate of resource persons used to deliver the CDs. The CDs that used the fewest resource persons to achieve the outcomes had the highest scores, but it is difficult to draw conclusions from this, as those with long-term outcomes necessarily require more resources to achieve them. This problem underlines the need to be able to define results that can be achieved before the end of the budget cycle.

113. **Milestones sometimes refer to activities or outputs provided by AFC’s experts and not only to the intermediate results to be provided by the administration. Besides they scores were established by LTX and only reviewed by the backstoppers.** The scores neither validated by the RBM specialist who was present at the Center nor by the beneficiary administration. Furthermore, no comments to justify the scores were provided to the evaluators, although it appears that these had been entered into the system. The evaluation team nevertheless cross checked the scores of all milestones and outcomes based on the interviews and the review of the documentation and found that the outcome scores were particularly reasonable and often below average when they effectively corresponded to intermediate outputs produced by the administration.

***RECOMMENDATION 3. BETTER CLASSIFY THE INDICATORS AND SEPARATE THEM BETWEEN INPUT (FINANCIAL RESOURCES), OUTPUT (PROVIDED BY IMF), OUTCOME (PROVIDED BY THE ADMINISTRATION) AND IMPACT INDICATORS. TRAIN STAFF.***

114. **Link financial resources (input indicators) to milestones once they have been better defined.** Input, Activity, Output, and Impact indicators should be implemented in the RBM system milestones and outcome indicators. Then, the system would enable to produce monitoring reports that would look like quarterly and annual performance reports. Milestones should also be defined more precisely and refer only to the intermediate results to be provided by the administration. Milestones should also be defined at the beginning of the Phase, instead of during the program implementation<sup>18</sup> as they can constitute a roadmap focused on results to be provided by the administration. A focal point by workstreams should be responsible for scoring the milestones and the outcomes while the role of AFC’S LTX should be limited to score and comment activity and output indicators.

115. **Staff should be better trained on the elaboration of logframes.** A working manual on effective logframes should be produced and staff trained accordingly to generate sound logframes, enabling an effective *ex-post* evaluation of the CD.

***CONCLUSION 4. AFC DRAWS ON LONG-TERM, SHORT-TERM, NATIONAL, REGIONAL AND INTERNATIONAL EXPERTISE, BUT THERE IS STILL ROOM FOR IMPROVEMENT BY BETTER USING ICT.***

116. **Although this is not reflected in the scores because of the lack of sufficient information to measure it properly, efficiency is the area in which AFC (as well as the other RTACs) has the best performance.** There are several reasons for this good performance: interventions that are limited to a well-defined and rather narrow scope of intervention, long-term advisors who are fully conversant with their fields, high-level STXs identified on the basis of a rigorous selection process and integrated into a roster, economies of scale due to a perfect knowledge of both the beneficiary administration and the region, or the prestige for AFC’s experts to be associated with an international institution recognized for its excellence, etc.

***RECOMMENDATION 4: STRENGTHEN THE USE OF TECHNOLOGICAL TOOLS AND IMPLEMENT “HYBRID” TECHNICAL ASSISTANCE TO IMPROVE EFFICIENCY***

117. Despite the high level of efficiency displayed by AFC, the system could be further improved in different ways:

- 1) Develop lightweight solutions on Excel, distribute them to all responsible staff concerned, require them to export their data<sup>19</sup> on a regular basis to a shared directory, designate a person responsible for their consolidation and publish the summary reports on an appropriate web site. Such an approach would be applicable to all areas identified in Recommendation 1.

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<sup>18</sup> such as the removal of bank accounts linked to COVID expenditure.

<sup>19</sup> e.g. data bases of revenue collecting entities, annual financial statements of government entities, including public establishments, state-owned enterprise and sub national governments, public contracts submitted and registered by the contracting units, human resources and payroll files, expenditure and revenue arrears, real sector and government finance statistics, etc.

- 2) Establish a new permanent framework for monitoring public finance reforms with all technical and financial partners and the public finance reform unit of TA beneficiaries and share the consolidated follow-up report.
- 3) Develop a database of weaknesses identified in the various diagnostic reports (IMF surveillance or diagnostic reports, PEFA reports, TADAT, etc.) and associate a level of priority with them. Check that the activities to be carried out between the various donors make it possible to cover the most important weaknesses. Upgrade the monitoring reports of AFC and other donors to annual performance reports (see recommendation 2) and publish them also on this shared platform.
- 4) Use videoconferencing tools to improve follow-up between different TA missions. Although there is a near-unanimous consensus on the need to return to on-site TA, some assessment, coordination, or follow-up missions could be replaced by missions carried out remotely, which would increase efficiency.

***CONCLUSION 5. CAPACITY BUILDING NEEDS TO BE REINFORCED BUT ROOMS FOR IMPROVEMENT ARE STILL NOT CLEARLY VISIBLE BECAUSE OF THE POLITICAL INSTABILITY.***

**118. In the absence of impact indicators introduced into the system, the impact of TA is difficult to assess because of political instabilities of many countries in the region and the disparity of absorption capacities.** There has nevertheless been some progress in some countries, thanks to a greater willingness on the part of governments to address shortcomings, but they are generally starting from a very low base.

**119. Most of the regional/national seminars and workshops focused on sharing national, regional, and international experiences and implementing good practices.** They have resulted in recommendations that feed into the programs of activities in the areas concerned. The regional courses have more theoretical components.

**120. Finally, no follow-up mechanism has been implemented to check the degree of the implementation of the recommendations made in the mission reports or during the seminars.** A workshop to assess the state of implementation of the recommendations of previous missions was held in some countries, but this follow-up work is not carried out systematically and the findings are not consolidated in a database.

***RECOMMENDATION 5: A FOCAL POINT SHOULD BE IDENTIFIED FOR EACH WORKSTREAM IN EACH COUNTRY IN ORDER TO HELP FOR PRIORITIZATION OF ACTIVITIES ACCORDING TO COUNTRY ABSORPTIVE CAPACITY AND IMPROVE MONITORING OF AFC'S ACTIVITIES AND IMPLEMENTATION OF RECOMMENDATIONS MADE BOTH IN MISSION REPORTS AND DURING SEMINARS.***

**121. It would be appropriate to propose focal points by area in the countries.** These would assist the reform coordination units or the global focal points of AFC in monitoring the implementation of the recommendations. Thus, this follow-up would be easier by area with a consolidation at the level of AFC main focal point who participates in the FCDO meetings.

**122. Workshops or seminars could be used on strengthening the degree on implementation using a more structured approach based on the scores of RBM indicators.** Workshops and seminars would help identify the reasons of the shortcomings and propose operational ways of improvements. To this end, the Center could take advantage of the extensive use of new technologies, such as videoconferencing, which have become widespread during the **COVID-19** period to organize online seminars to strengthen exchanges and bring out practical proposals to remedy observed shortcomings. The use of these technologies would help to enhance the number of countries and participants, including oversight entities such as the civil society organizations, the external audit and the Parliament.

### 3. Evaluation Results at the Entity Level

123. **This chapter conducts the evaluation at the RTAC level.** It focuses on the processes of converting inputs to results, especially the value-added of having RTACs residing in the region.

124. **The content of the chapter is threefold: (i) the evaluation methodology; (ii) main findings on three major dimensions: AFC governance, AFC management and organization, and design and adaptability of CD activities; plus (iii) conclusions and recommendations.**

#### 3.1. Methodology

125. **Three sources of evidence were used to generate the findings, conclusions, and recommendations for this section: Semi-Structured Interviews, an Online Survey, and Resource Allocation analysis.** The first two extract the views of AFC-SC, LTXs and leadership and administrative staff at the Center, IMF staff at headquarters (backstoppers and other staff from functional departments) and beneficiary country representatives. More detailed information on applying these evaluation instruments, and on the evidence generated, is included in the report annexes. Below is a summary description of the sources:

- A questionnaire used in the Semi-Structured Interviews, aimed at understanding current practices of seven functions by different actors during the phase under evaluation, the challenges faced during implementation, and the lessons learned (Table 1).<sup>20</sup>
- An Online Survey collected information relevant to the six DAC criteria among three Groups of respondents: (i) SC and DP members; (ii) LTX, STX and IMF staff; and (iii) TA beneficiaries, namely technical directors and senior staff at the different organizations that received support from the Center. The questionnaires have several common questions for all three groups, and they elicit responses customized to each group's status.
- A Resource Allocation analysis examined the use of financial and human resources by workstream and/or countries. Hence, it is based on a review of budgetary and human resource allocation data.

Table 8: Evaluation Questions at the entity level

Evaluation Question at the entity level
<b>Strategic Guidance and Governance:</b> Has the Steering Committee (SC) been effective in providing strategic guidance and oversight of RTAC activities and contributing to setting priorities?
<b>Internal Learning and management:</b> To what degree has the Center's systems and institutional set-up allowed for retention of organizational memory adequacy, and quality of administrative and operational support provided to advisors, including by their backstopping departments?
<b>Use of technical resources:</b> What contribution has the Center made to building a robust network of local experts in the region, and to systematically identify and optimize the use of local and regional expertise?
<b>Donors Coordination:</b> To what extent are RTAC's activities effectively coordinated with DPs in the same sectors? To what level is coordination in place with country representations of the partners?
<b>Exogenous Shocks and Adaptability:</b> How has RTAC coped with conflict and fragilities in countries in the region? Have important exogenous events undermined the ability of RTAC to achieve its objectives? If so, has RTAC's response been adequate?
<b>Incorporation of Global Topics:</b> To what extent have governance, gender, climate change and financial inclusion dimensions been taken into account in the program design of CD services?
<b>Sustainability:</b> To what extent has RTAC built sustainability into the training provided?

20 The functions refer to (i) Strategic guidance and governance by the SC; (ii) Internal learning and management by Center staff; (iii) Use of technical resources; (iv) Coordination with DPs; (v) Exogenous shocks and adaptability; (vi) Incorporation of global topics; and (vii) Avenues to promote sustainability.

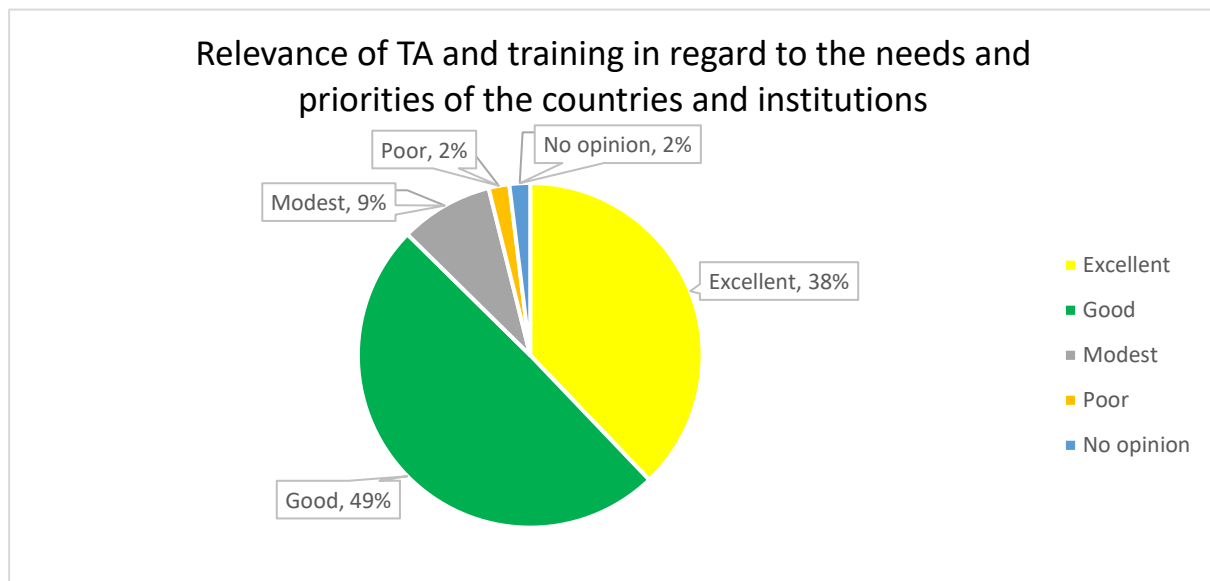
## 3.2. Findings

### 3.2.1. Steering Committee and Overall RTAC Governance including HQ Oversight

126. **Steering Committee Strategic Guidance.** The Evaluation Team considers that the strategic guidance by the SC is broadly effective. This is ensured by a mix of well-prepared SC annual meetings, timely decisions on strategic matters, and regular engagement by the Center Director and its staff. The Online Survey investigated the relevance of TA and training for the strategic needs and priorities of the countries and institutions, and it found an overwhelming positive response – around 87% – across three Groups rating it as ‘Good’ or ‘Excellent’.

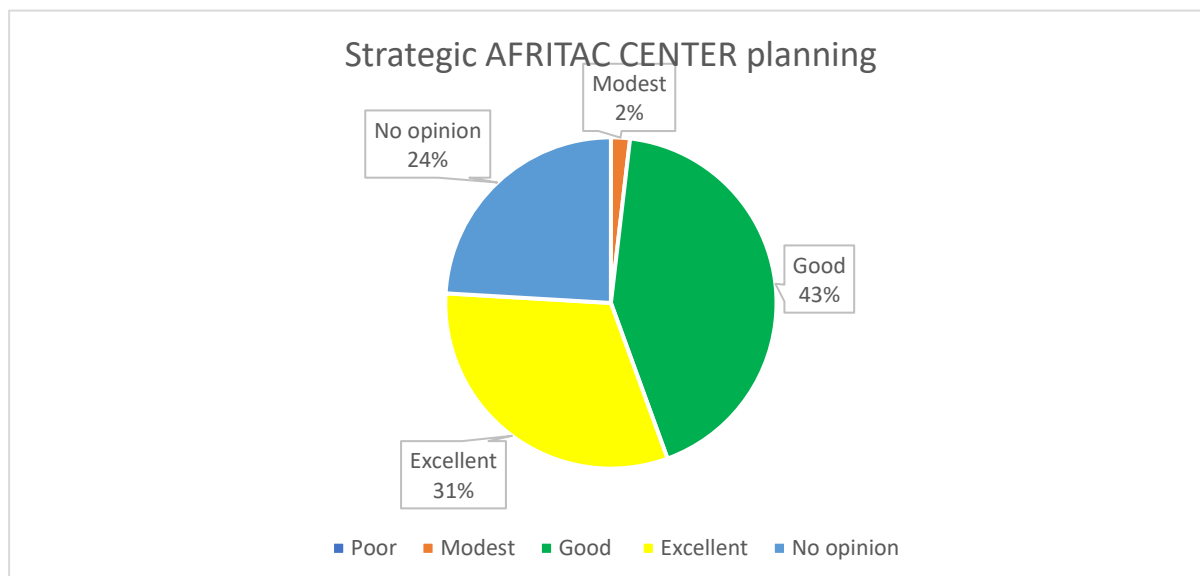
The graph below shows the rating of the relevance of TA training for strategic needs, as well as the priorities of the countries and institutions according to the respondents of three groups.

Figure 5: Relevance of TA and training for strategic needs and priorities of the countries and institutions



127. **RTAC Strategic Guidance is supported by well-structured RTAC policies.** Following the procedures of a standard Operations Manual, the interviews show that SC has endorsed the recommendations of the Center and members at the Annual Meetings, while coordination has taken place both within the IMF and with country authorities to ensure relevance of the CD activities. The routine process is as follows: the Center Director disseminates the SC report two weeks in advance of the Annual Meeting, holds regular bilateral meetings with SC members to discuss CD annual priorities, and sends questionnaires to donors and regional organizations for their feedback. LTXs also hold regular debriefing meetings with beneficiaries and donors. Membership and participation rate for the SC meeting are satisfactory. Attendance has remained stable over time, with representatives of all beneficiary countries, DPs and regional institutions present at all meetings, except in 2021 due to the absence of representatives of two countries. The 2020 SC annual meeting did not take place, due to the COVID-19 pandemic. A good example of the SC setting new strategic priorities is the gradual adjustment during the initial months of the COVID-19 period, largely on demand from IMF and national authorities. Seventy-four percent of respondents to the Online Survey of Groups 1 and 2 rated as ‘good’ or ‘excellent’ the strategic planning of AFC. The graph below shows the breakdown between all answers.

Figure 6: Strategic AFRITAC Central planning rating



**128. Despite these positive findings, we also found opportunities for improvement in RTAC Strategic Guidance.**

- There would be a need to better clarify prioritization responsibilities. Presently, beneficiaries convey their TA requests, in coordination with resident advisors, and discuss with resident advisors their priorities. Then IMF departments (Africa Department and functional departments) further process and prioritize the TA requests, to make them consistent with the country strategy papers. Finally, depending on budget availability, a further prioritization is made by AFC Director. The SC is supposed to help set priorities. However, in practice this is not the case, since the SC generally endorses the work program that is presented. Further strategic discussion on priorities at SC level would be desirable.
- Increase the frequency of SC meetings, as a single annual gathering often does not allow sufficient time for full discussions of questions to be addressed and follow-up of CD program performance. Furthermore, we noted the filing of new TA requests and subsequent amendments to the work program during the year. Presently, they tend to be accepted by the Center without a formal discussion on priorities. A second meeting would now be possible, as virtual meetings have become an option for members who cannot travel. Hence, it would be possible to have one in-presence meeting and one virtual meeting per year, without increasing operational costs.
- Include more space for discussions during the SC meeting. The world is changing fast and so are the needs. Interviewed DP Representatives highlighted the need to add space for TA coordination efforts (see below).
- Provide more detailed information on impact and outcomes of TA, and on strategic challenges facing the beneficiary countries, as well as their fragilities.

**129. RTAC Institutional Setup. The Center benefits from a solid institutional set-up, with operational practices and procedures that generally work well (including HQ oversight).**

- The Center holds regular internal meetings to discuss relevant issues affecting workstreams and its staff is kept up to date on recent developments. Divisions also hold periodic Divisional meetings with Head Office and RTAC LTXs on several diverse issues and to give updates from missions.
- Several interviewees among backstoppers and DP underlined good distribution of work within the Center and good collaborative behavior.
- The system to prepare the work program is transparent and it is led by the IMF departments (Africa Department and functional departments), in coordination with the Center and its

resident advisors, while considering reform needs, identified priorities and TA requests of Beneficiary governments.

**130. The Evaluation Team noted the following concerns:**

- Shift to CDMAP and inflation of administrative work creates unease in the Center and in HQ. There is a perception of a possible confusion between the tasks of the project manager and those of the advisor. The former tasks seem to have become too prominent and too time-consuming for advisors. This generates a workload that may be detrimental for the technical work and CD.

### 3.2.2. RTAC Management and Organization

**131. Application of the RBM System. The Online Survey produced very positive results regarding the Effectiveness of the RBM approach.** Over 70% of respondents of Groups 1 and 2 provided a ‘good’ or ‘excellent’ rating for logical and RBM frameworks’ effectiveness.

**132. Despite delays, there has been progress in implementing the RBM.** Since 2018, significant progress in results-based management has been made since the implementation of the system and using the CD Map. The use of the logframe throughout AFC’s activities is now compulsory.

**133. However, the evaluation team found that CD-PORT system, which was used during the review period of this Evaluation, did not enable an assessment of the progress and impact of the TA provided by AFC.** Impact indicators relate to an overall action, which is not always exclusively traceable to a specific program or mission. These indicators are often linked to a more global policy or context, which is difficult to control by the TA.

**134. The Evaluation Team noted the following concerns:**

- The work program logframe is perceived by several experts and DP as too general and too rigid at the same time. It does not sufficiently consider the countries’ specificities and absorption capacities during the implementation period. Interviews highlight the importance of a logframe per project per country.
- It is difficult to connect missions to outcomes in the logframe
- Missions’ recommendations are not connected to milestones.
- Milestones do not make the difference between what must be achieved by the CD and what must be achieved by the beneficiary, thus possibly making any evaluation of CD based on milestones inadequate.
- Achievement indicators should be revisited to make them measurable
- Staff should be better trained on logframes, although the Center already benefited from an advisor on results-based management, who provided internal training, and it now benefits from an expert ensuring quality of logframes in CD programming.

**135. Reporting. The importance of reporting is generally understood and appreciated by all stakeholders. Reports are used both for information and coordination purposes and to improve the analysis of a country’s needs and priorities. However, there has been the inflation of reporting requirements,** such as trimestral implementation reports, a separate report four months after the work program, and input to database (recently CDMAP). Several interviewed backstoppers and resident advisors consider that this has recently generated a **strong increase in administrative work, which may not be necessary.** This additional workload is generally perceived as hampering CD delivery. Furthermore, there is a lack of information on how these reports are handled and what follow-up is given to them. There is consensus that fewer reports would increase the quality of reporting, while ensuring both information to DPs and relevance to the pursuit and programming of future CD activities. It is also important to ensure that the reports follow the same structure and approach for presenting the budget, figures, graphs or other data. An adequate effort is made with CDMAP in this regard, although CDMAP is still not considered efficient by all interviewed persons.

136. ***The Use Experts.*** This evaluation finds that the hiring of short-term experts, based on the roster of the IMF network at HQ, appears to be generally smooth. The selection mechanism for the experts operates well. The LTXs are responsible for selecting a STX on a roster, but the approval request is sent to the IMF HQ Department. Once the expert is chosen, there is a tendency to use the same expert. When the mission is requested, the approval of the mission is required. The system does not present any bottlenecks. However, the roster seems to suffer from a lack of sufficient French-speaking experts. Few beneficiaries indicated that they are offered experts typically from the same administrations of France, while they would also like to receive experts from other French-speaking countries with different traditions, such as Belgium, Switzerland, or Canada. They also indicated they would like to be able to select the expert from among three proposed CVs.

137. **SC members and beneficiaries underscored that the shift toward virtual mode missions was a positive development as an effective response to the health crisis.** However, they also highlighted the need for keeping in-person missions, to benefit from peer-to-peer learning. In this regard, views from the SC members were strongly supportive of the need to keep in-person technical missions.

### 3.2.3. Design and Adaptability of CD Activities/Services

138. ***Country strategy and pluri-annual planning of CD.*** This evaluation has observed adequate strategic orientation to the programming of Phase III, at both country and regional levels, as well as a pluri-annual approach. Identification of CD activities is also made in line with the Regional Strategy Notes prepared by IMF's Africa Department, and it adequately ensures that the needs of beneficiaries, as expressed by them, are considered.

139. ***Incorporation of Governance, Gender, and Climate Change topics.*** Information gathered indicated that global topics are not new for AFC and their recent prioritization is strongly shared by all members of the SC. However, work to introduce them is spotty and mainly at the diagnostic stage. The interviewees indicated that the topics of gender and climate change have mainly been on the table. They underlined the almost complete absence of the other topics: financial inclusion, governance or human rights. Here is a more detailed summary of their views:

- On Gender: the program document requires particular attention to be paid to gender issues in the monitoring and evaluation of the training activities with the member countries and in the selection of participants for the regional seminars. A regional seminar was organized dedicated to gender-based budgeting.
- On Climate change: the majority of interviewed stakeholders underline the common understanding of climate change as a major focus of attention. A regional seminar was also organized for that purpose.
- On Governance and Corruption: none of the interviewees mentioned this topic as being discussed at the SC level or incorporated in the Center's activities.
- On human rights: This topic is not addressed in the planning of activities.
- On financial inclusion: none of the development partners indicated that this issue is formally addressed.

140. ***Coordination with Development Partners.*** Regular and varied efforts are made to maintain and strengthen donor coordination. Donor coordination occurs primarily in four ways. Firstly, in the identification of TA needs, through a privileged dialogue between the resident advisors and the beneficiary institutions. Several of the latter maintain rosters of TA activities of other donors and coordinate with them the expression of their TA needs. Secondly, they do this in the lead-up and during the annual SC. Thirdly, they do this when workplans are shared, and periodic meetings are held to discuss priority CD requirements. Fourthly, each Resident Advisor representing each workstream portfolio informs Development Partners (DPs) of planned missions and invites them to be briefed during or after the mission. Contacts are then maintained with individual DPs in each country. Overall, the approach taken is tailored to the needs and arrangements in place in each individual country.

**141. The interviews showed that the development partners appreciate the coordination efforts of AFC.** The following remarks are applicable:

- The strength of AFC is that it provides work programs to DPs. However, the Center does not always receive the work programs of other donors.
- The Center is recognized for swift communication of documents, open and proactive information exchanges, and high transparency.
- DPs could be better involved in the work program development. However, the DPs trust the Center very much. They generally consider that all CD is well planned and relevant. Hence, they see there is less of a need to enter the technical details of activity identification and coordination at that level.
- The DPs appreciate the Center's detailed and clear annual and quarterly reports.
- One proposal, which the evaluation team considers appropriate, is to organize a coordination platform with the other DPs per country and per workstream.

**142. There is a need to discuss more coordination issues with other key CD agencies, such as the World Bank and AFRISTAT.** Coordination difficulties are endemic among the two Bretton Woods Institutions, and beneficiaries and experts have highlighted occasional duplications of CD in, among others, the areas of statistics and bank supervision. Coordination between the IMF and other agencies is also made difficult due to IMF's current confidentiality requirements, which prevent the communication of back-to-office reports to other DPs. This generates opportunity losses in sharing intelligence on the ground and it hampers the possibility to conduct joint missions.

**143. On balance, our evaluation has found that efforts now being made to strengthen donor coordination must be further expanded.** The most effective donor coordination is that exerted bilaterally by official institutions at the country level, and the Center should better consider this issue and monitor that this is achieved. AFC and other DPs can support country-led efforts through information sharing and collaboration. But the final responsibility must rest with country administrations, to establish effective mechanisms to coordinate the TA requested from different providers.

**144. Exogenous shocks, resilience, and adaptability (including COVID-19). The overall perception of the three surveyed Groups on AFC response to the pandemic was positive.** Thirty-two percent of respondents of all groups and for all countries found that the Impact and Effectiveness of AFC's response to the COVID-19 pandemic were good; 13% percent of respondents found the Impact and Effectiveness of the response to be 'excellent'; while 23% of respondents found them 'modest' and around 2% of respondents considered them 'poor'. AFC response to the challenges posed by COVID-19 was gradual. Initially, the Center adopted a 'wait and see' position, until it had more clarity on the extent of the pandemic and possible reactions by countries. While there was little certainty at IMF HQ on what to do, in-person missions were restricted or canceled. The SC meeting that was scheduled for 2020 was also canceled.

**145. However, despite overall positive feedback, as seen in Chapter 2, some beneficiaries held somewhat less enthusiastic views on the adequacy of remote activities.** For instance, the Center supported countries in their response strategy and reacted fast. Webinars have been put in place. As highlighted in sections above, although several activities had to be canceled, everything has been done to maintain the CD flowing according to plan. In certain cases, because the experts no longer needed to travel, the number of activities even increased. LTX used their established contacts to quickly resume work, after the surprise pandemic's effect had passed. However, training online created disappointments. Beneficiaries and experts consider that remote sessions cannot replace in-presence meetings, especially when technical work and manipulation of complex spreadsheets are involved. Working days are also shorter with remote work, due to people's concentration difficulties. Risks related to connectivity issues and computer availability also hamper the effectiveness of the assistance provided. Beneficiaries generally request to resume in-presence CD like before, although there is larger

acceptance that preparatory meetings and exchange of documents, as well as follow-up of recommendations, can be done remotely.

**146. An important lesson learned from COVID-19 is the need to be prepared to restructure the program with flexibility, as a response to crises.** Clearly, medium-term priorities should be back loaded for the shorter term. AFC has responded positively to the new needs and demands that beneficiaries expressed, but perhaps without a structured discussion on priorities. It is difficult, however, to evaluate what could have been done better, based on SC reports alone. On-site visits would be necessary to get a better vision of the projects.

**147. Sustainability. Surveys highlighted sustainability concerns about the lack of domestic ownership, limited absorption capacity, and insufficient follow-up of recommendations:**

- *Lack of local absorption capacity.* DP Representatives confirm there are still absorption difficulties and weaknesses in the implementation of objectives in the beneficiary countries. Interviews revealed that this can be due to the high number of activities and recommendations, which are beyond the beneficiaries' absorption capacities. Moreover, those interviews underlined that there is a need to develop better institutional and emotional intelligence of such absorption capacities. This would facilitate the prioritization of activities and outcomes that are implementable. Hence more time should be dedicated for this purpose, even if this entails less technical output. This evaluation endorses that observation.
- *Several experts indicated that it is better to have fewer missions.* Remote TA may lead to an unsustainable inflation of TA, which may be too technical and may only lead to standard recommendations. In some cases, fewer missions conducted could lead to better intelligence gathering of the realities in the ground. These missions should also lead to a follow-up mechanism for implementation of the recommendations. At the same time, there is a need to give adequate time to the beneficiary institutions to process the recommendations. This evaluation endorses that observation.
- *High staff rotation and/or removal of key staff in certain agencies.* It has been highlighted that while the value-added of AFC involves providing local expertise, the impact remains limited due to important staff rotation within the administration. In addition, some interviewees highlighted the fact that national officers' teams to be trained are very small. Staff rotation has been described as a long-term challenge, related to ground realities. There is a need to ensure better presence of in-country experts and to ensure the constant development of personal contacts within the beneficiary institutions and their staff.
- *Insufficient involvement of decision-makers.* Some interviewees pointed out that AFC does not sufficiently address the decision-makers' level. There is not a mechanism that would foster the high-level implementation of the recommendations. This evaluation endorses that observation.
- *CD by doing instead of CD by training.* In certain cases, CD activities led the experts to do the work the beneficiary institutions should do themselves. While this is assistance, it is not capacity-building. However, it could be justified in some cases. While AFC should not substitute to recipient authorities to perform their duties, including reform conduct and project management, the authorities sometimes ask for input at the starting stage of reforms (first drafting of regulations, for instance). This first AFC input conditions sometimes the progress and success of TA delivery in particular projects. For example, such a proactive TA commitment in banking regulation and supervision is prudential regulation review in one of the countries covered by AFC, eventually resulted in a great achievement of the local authorities.
- The latter, which is obviously more sustainable than the former, should be favored. This implies that more time should be devoted to each activity, considering actual absorption capacities and realistic implementable objectives.

### 3.3. Conclusion and Recommendations

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148. This Evaluation has observed that Phase III of AFC has **adequately considered and implemented several of the recommendations of Phase II**. An adequate **strategy was identified for each country** covering the different topical areas in the program document. The strategies are integrated with RBM objectives and funding allocations. **Gender and climate change are now better considered** in CD programming and monitoring. **The Center benefits from a solid institutional set-up, with operational practices and procedures that generally work well**. The **RBM framework has also been further strengthened and implemented**. It is a significant change in AFC's overall governance, which is expected to lead to more structured and possibly more impactful TA in the beneficiary countries. SC Members are also entirely **satisfied with information sharing and reporting**. Finally, and importantly, **adequate and competent LTX and STX are mobilized to conduct CD**, and this has proven to be instrumental for the overall effectiveness of the activities conducted under the Center's auspices.

149. Notwithstanding the above, this Evaluation considers that the **RBM system should be better implemented and integrated at all levels of the TA provided**. It still provides inadequate and somehow rigid logframes. Performance indicators are ill-conceived, leading to **inadequate CD evaluation by milestones**. **Even though the Center's program budget was presented by objectives, it was not linked to the RBM system**. Presently, **shift to CDMAP and a higher administrative workload** is creating unease in the Center and in HQ, with the danger of a negative effect on CD delivery. There has also been the inflation of **unnecessary reporting requirements**, which is generally perceived as hampering CD delivery. The need to better streamline reporting at the Center's level and TA level is also an issue to consider.

150. **Doubts also arise regarding the full consistency of CD prioritization with actual absorption capacities of beneficiaries**. There should also be more consideration of **global and cross-cutting issues**, such as financial inclusion, governance, or fragile state issues, in CD planning and delivery. Deeper discussions of these issues among DPs should ideally take place in SC meetings or in any other *ad-hoc* formal setting to be established.

151. **The hiring of short-term experts appears to be generally smooth, but the Center suffers from a lack of sufficient French-speaking experts**. It would be useful for beneficiaries to be able to propose and select experts from other French-speaking countries with different traditions, such as Belgium, Switzerland or Canada.

152. **Substantial efforts are being made to maintain and strengthen donor coordination, but the efforts in that field of the TA recipients and country administrations should also be addressed and monitored**. We propose the organizing of a coordination platform with the other DPs per country and per workstream. **There is also a clear need to better coordinate with the World Bank and AFRISTAT and to ensure that the confidentiality of TA reports does not prevent this from happening**.

153. **AFC's reaction to the pandemic was overall considered positive**. The Center did its best to support countries in their response strategy, while it continued to deliver its work program. While the shift toward virtual mode missions was considered an effective response to the health crisis, there is **a general demand to keep in-person missions**. Remote sessions cannot replace in-presence meetings, especially when technical work and manipulation of complex spreadsheets are involved. However, there is **larger acceptance that preparatory meetings and exchange of documents, as well as follow-up of recommendations, can be done remotely**.

154. **Finally, while substantial efforts were deployed to ensure the sustainability of the Center's activities, the usual shortcomings remain, especially regarding the beneficiaries' low absorption capacity**. There is a need to develop **better institutional and emotional intelligence of absorption capacities** and to prioritize activities and outcomes that are implementable. Consideration should be made to **organize fewer missions**, but missions that lead to better tailored recommendations, and a follow-up mechanism for their implementation. Finally, a deeper partnership with the countries'

leaders would be desirable, to ensure sufficient momentum in the reforms and to retain the trained staff to implement them.

The box below shows lessons learned from the past experience and through the evaluation period.

## Lessons learned

- Too many bureaucratic requirements of IMF affecting long term experts, standardization of the electronic database, and inflation of administrative work may jeopardize emotional intelligence on the ground, adaptability to local realities and finally the quality of CD. Constructive creativity and intuitive thinking are equally important and should be recognized.
- Quality logframes, which are identified per country and workstream, are essential to deliver adequate CD and to ensure effective evaluation.
- Beneficiaries appreciate experts with different backgrounds and administrative traditions.
- In-person missions remain essential for CD delivery in Central African countries.
- Coordination with the World Bank is important.
- It is important to be prepared to restructure the work program with flexibility, as a response to crises. Prioritization is necessary in this context.
- Fewer missions are better than having too many missions.
- CD by training instead of CD by doing is more sustainable. However, experience in central Africa showed that CD made of training only without subsequent operational implementation of expertise embedded in a concrete reform project could also be ineffective. Training is valuable only when supporting reforms, otherwise the risk is that it stays theoretical and standard. It is important to involve the key decision-makers, in order to ensure the sustainability of CD.

The above conclusions lead us to formulate the following **recommendations**:

### Strategic Guidance and Governance by the SC

#### CONCLUSION 1: STRATEGIC GUIDANCE BY THE SC IS BROADLY EFFECTIVE

155. Areas for improvement would include increasing the frequency of SC meetings and to have for instance one in-person meeting and one virtual meeting per year, without increasing operational costs. It would also be useful to include more space for discussions during the SC meeting, especially regarding the impact and outcomes of TA, and on strategic challenges facing the beneficiary countries, as well as their fragilities and absorption capacities. The SC should promote fewer activities and prioritize them.

#### RECOMMENDATION 1. CONSIDER HAVING A MID-YEAR SC MEETING FOCUSED ON A PROGRAM REVIEW AND FOLLOW-UP, IN ADDITION TO THE ANNUAL MEETING.

156. More SC meetings should also help address new TA requests and changes in the program document during the year. We also recommend deepening discussions on prioritization and TA coordination efforts, as well as the exchange of information on absorption difficulties and TA impact and outcomes. Moreover, increasing the number of SC meetings would increase space to address cross-cutting issues, which are also important to DPs, such as gender, financial inclusion, and climate change.

### Institutional set-up

#### CONCLUSION 2: THE CENTER BENEFITS FROM A SOLID INSTITUTIONAL SET-UP, WITH OPERATIONAL PRACTICES AND PROCEDURES THAT GENERALLY WORK WELL

157. However, we observed that the shift to CDMAP and inflation of administrative work creates unease in the Center and in HQ. There is a perception of a possible confusion between the tasks of the project manager and those of the advisor.

## RECOMMENDATION 2. REDUCE THE NUMBER OF REPORTING AND MAXIMIZE EXPERTS' TIME TO PROVIDE TECHNICAL INPUT

158. Experts should be requested to provide activity reports at the end of each mission and quarterly performance reports, according to straightforward templates. Project managers should provide input to the database, produce tables and consolidate reports on a bi-annual basis.

### Coordination with Development Partners

## CONCLUSION 3: REGULAR AND VARIED EFFORTS ARE MADE TO MAINTAIN AND STRENGTHEN DONOR COORDINATION

159. To improve donor coordination, however, work programs would need to be received from other donors, while coordination that also takes place at country-level would need to be monitored. It would also be useful to discuss more coordination issues during SC meetings.

## RECOMMENDATION 3. ESTABLISH A COORDINATION PLATFORM WITH THE OTHER DPs PER COUNTRY AND PER WORKSTREAM

160. The coordination platform would also enable the sharing of lessons learned from good practices in Central Africa. Efforts to better coordinate with the World Bank should be made, and removal of the secrecy of certain reports should be considered. Non-disclosure agreements can be concluded between DP partners in this respect.

### Sustainability

## CONCLUSION 4: SUSTAINABILITY CONCERNS REMAIN ABOUT THE LACK OF DOMESTIC OWNERSHIP, LIMITED ABSORPTION CAPACITY, AND INSUFFICIENT FOLLOW-UP OF RECOMMENDATIONS

161. The high number of activities and recommendations may be beyond the beneficiaries' absorption capacities. There is a need to develop better institutional and emotional intelligence of such absorption capacities. Fewer activities should be programmed, and these should be prioritized in accordance with absorption capacities.

## RECOMMENDATION 4. FOR EACH MAJOR REFORM, CARRY OUT *EX-ANTE* COUNTRY-BASED LOCAL OWNERSHIP AND CAPACITY ASSESSMENTS UPFRONT BEFORE ENGAGING IN CD ACTIVITIES

162. If analysis reveals a lack of proper conditions for a successful implementation, it is recommended that a work program to create such conditions should be designed and implemented. An alternative solution would be to stop CD financing for such a CD activity, until conditions change, and the matter has been addressed with the country's lead. Consideration should be given to organize fewer missions, but missions that lead to better tailored recommendations, and a follow-up mechanism for their implementation.



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