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IMF's CAPTAC-DR increased its capacity development work in response to the pandemic and to support the economic recovery of its members

The International Monetary Fund (IMF)'s Regional Technical Assistance Center for Central America, Panama, and the Dominican Republic (CAPTAC-DR) held its 14th Steering Committee meeting on June 27. Representatives of CAPTAC-DR member countries, financial partners, and the IMF were present at the meeting, which was held virtually.

In his opening remarks, Mr. Dominique Desruelle, Director of the Institute for Capacity Development of the IMF, highlighted the lessons learned by the IMF in its capacity development (CD) work in the context of the pandemic in the last two years, and which have been applied by CAPTAC-DR to the benefit of its members.

Representatives of the Guatemalan authorities and the IMF team for Guatemala shared their advances in strengthening technical assistance (TA) coordination and integrating surveillance work with CD. A TA coordination committee has been established for Guatemala for this purpose, which involves the participation by the Guatemalan authorities, the IMF, and CAPTAC-DR. The committee has helped improve inter and intra-institutional coordination of Fund and Center TA in the country, as well as identifying difficulties with the implementation of TA recommendations and possible solutions to them.

The Costa Rican authorities, in turn, shared experiences in integrating CD into the financial arrangement Costa Rica has with the IMF. As part of this arrangement, and with the support of CAPTAC-DR and the Fund's Fiscal Affairs Department (FAD), the Costa Rican tax administration developed a tax compliance improvement plan, which strengthens institutional capacity to identify and manage tax compliance risks and seeks to increase compliance. Costa Rica also established a Single System for the Payment of Social Resources (SUPRES, for its acronyms in Spanish) as part of its arrangement with the Fund. The system was also developed with the support of CAPTAC-DR and FAD, and, in addition to promoting digitalization and financial inclusion, it fosters good governance, accountability, and fiscal transparency, while strengthening the efficiency of public resource management.

The Steering Committee learned about the implementation of the Center's work program for fiscal year 2022 (FY22) and approved its work program and budget for FY23. CAPTAC-DR's FY22 work

program was the largest of the last few years, reflecting the Center's response to increased CD needs derived from the pandemic and its support to the region's economic recovery, including in the context of new IMF-supported programs. The Steering Committee welcomed the gradual resumption of in-person CD work in FY23 and supported the envisaged mixed format (virtual and in-person) of CD delivery. Finally, the Committee welcomed CAPTAC-DR's progress in integrating digitalization into its work and learned about the benefits of the Center's use of regional CD projects in the tax and customs administration areas.

Background

CAPTAC-DR is located in Guatemala City and works with the countries of Central America, Panama and the Dominican Republic. The Central American Bank of Economic Integration, Canada, Colombia, European Union, Luxembourg, Mexico, Norway, and Spain provide financial support to the Center, alongside member countries and the IMF.

The IMF's [capacity development](#) efforts are part of its core mandate and help governments strengthen their economic institutions through technical assistance and training. A global network of [regional capacity development centers](#) help coordinate these efforts and is complemented by [global thematic funds](#) for capacity development. They are financed jointly by the IMF, external development partners, and member countries.

More information about CAPTAC-DR and the 14th Steering Committee can be found on <https://www.captac-dr.org/>

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