

**REGIONAL TECHNICAL  
ASSISTANCE CENTER FOR  
CENTRAL AMERICA, PANAMA,  
AND THE DOMINICAN REPUBLIC**



**CAPTAC-DR**

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**ANNUAL  
REPORT &  
WORK  
PROGRAM  
FY2021**

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# ACRONYMS AND ABBREVIATIONS

## Collaborating Agencies

<b>AECID</b>	Agency for International Development Cooperation of Spain	<b>IFS</b>	Institute of Fiscal Studies of Spain
<b>CABEI</b>	Central American Bank for Economic Integration	<b>SICA</b>	Central American Integration System
<b>CEMLA</b>	Center for Latin American Monetary Studies	<b>UNED</b>	National University of Distance Learning in Madrid
<b>CIAT</b>	Inter-American Center of Tax Administrations	<b>USAID</b>	United States Agency for International Development
<b>EU</b>	European Union	<b>WB</b>	The World Bank
<b>IADB</b>	Inter-American Development Bank	<b>WCO</b>	World Customs Organization
<b>IFRS</b>	International Financial Reporting Standards	<b>WTO</b>	World Trade Organization

## Member Countries, CAPTAC-DR and the IMF

<b>COMIECO</b>	Regional Council of Economic Ministers	<b>NIC</b>	Nicaragua
<b>COSEFIN</b>	Central American Council of Finance Ministers	<b>OMX</b>	Central Bank Operations
<b>CCSBSO</b>	Central American Council of Superintendents of Banks, Insurance, and Other Financial Institutions	<b>PAN</b>	Panama
<b>CMCA, SECMCA</b>	Central American Monetary Council, Executive Secretariat of the CMCA	<b>PFM</b>	Public Financial Management
<b>CRI</b>	Costa Rica	<b>PIMA</b>	Public Investment Management Assessment
<b>CUS</b>	Customs Administration	<b>RBM</b>	Results Based Management
<b>DOM</b>	The Dominican Republic	<b>REG</b>	Regional
<b>GFS, GFSM 2014</b>	Government Finance Statistics, Government Finance Statistics Manual 2014	<b>RM-TF</b>	Revenue Mobilization Trust Fund
<b>GTM</b>	Guatemala	<b>RSS</b>	Real Sector Statistics
<b>IPSAS</b>	International Public Sector Accounting Standards	<b>SBF</b>	Financial Supervision and Regulation
<b>HND</b>	Honduras	<b>SLV</b>	El Salvador
		<b>TAX</b>	Tax Administration
		<b>TSA</b>	Treasury Single Account
		<b>TADAT</b>	Tax Administration Diagnostic Assessment Tool

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# SUMMARY

## **PROGRESS IN FISCAL YEAR 2020 (FY20)**

Owing to funding constraints and the outbreak of the Coronavirus (COVID-19), CAPTAC-DR reduced the delivery of capacity development (CD) assistance. Member countries thus focused on lesser priority milestones to improve frameworks for effective policy making. Guided by the Strategy Note of the IMF's Western Hemisphere Department, the Center placed greater priority to regional integration goals and emerging policy themes to guide progress at the country level and build capacity for inclusive growth policies. The Center also focused on the integration of CD work with IMF surveillance and of technical assistance (TA) with training, with a view of assisting countries advance towards their strategic goals. Overall progress in milestones was largely attained (an estimated score of 3.5 out of 4).

## **FINANCIAL EXECUTION AND MONITORING**

The noted difficulties in funding and the impact of the COVID-19 restrained financial execution. Thanks to the frontloading of contributions by financial partners, the Center raised CD spending over the course of the year, although it suspended most CD delivery in the last two months of FY20 due to the virus spread. All in all, the Center is expected to execute about two-thirds of the budget (US\$8.2 million) for FY20. To ease cutbacks in the CD program from funding shortfalls, the Center attained efficiency gains in training and received in-kind contributions from development partners, members countries, and IMF CD Departments. With the launching of Phase III, CAPTAC-DR consolidated the usage of the IMF Results-Based Management (RBM) system and raised the dissemination of TA reports to 92 percent of total reports produced since the outset of Phase II in 2014.

## **PROPOSED WORK PLAN FOR FY21**

Based on members' strategic objectives outlined in the Program Document for Phase III, the Center will intensify reliance on multiyear regional projects and will implement an initial agenda on capacity for gender balance, equality, climate change, and governance. The Center will resume assistance under the workstream of central banking and will enhance the effectiveness of CD assistance, guided by the 2018 IMF CD Strategy Review. The Center will carry out the proposed work by collaborating closely with the IMF country teams and CD departments. In particular, the delivery of the CD program will be coordinated with IMF assistance provided through the Revenue Mobilization Trust Fund (RM-TF), the Tax Administration Diagnostic Assessment Tool (TADAT), the Financial Sector Stability Fund (FSSF), and the Data for Decisions Fund (D4D).

## **PROPOSED BUDGET FOR FY21 AND FUNDRAISING PROSPECTS**

Consistent with this year's work plan, the proposed budget stands at US\$8.5 million. This will bring up TA and training to the desired level of the Program Document and provide space to catch up for some of the CD activities suspended in the latter part of FY20. It is expected that the financing needs of the Center will be fully met for FY21. Looking ahead, the challenge is to close the remaining financing gap of US\$13 million for the phase (equivalent to nearly 2 years of operations). In this context, the Center will actively continue the fundraising effort in close collaboration with member countries and IMF staff.





**SECTION I**

MAIN OUTCOMES  
IN FISCAL YEAR 2020

# MAIN OUTCOMES IN FISCAL YEAR 2020

## **The region continued to build capacity for effective policy making.**

Policy goals entailed consolidating macroeconomic stability, easing economic vulnerabilities, and creating conditions for faster and more inclusive growth (Annex I). During the first fiscal year of the new Phase III, the Center continued to focus its activities on the following priorities:

- **Public finances.** Tax administrations enhanced the ability to collect tax revenue, through greater managerial capacity and stronger controls for tax compliance. Customs built capacity to adopt the trade facilitation agreement of the World Trade Organization (WTO). Public financial management improved the operation of treasuries and the framework for transparent budgets (Annex II).
- **Financial sector.** Members upgraded the capacity to regulate and supervise risks in the financial sector to protect the integrity of banks and underpin financial stability (Annex III).
- **Macroeconomic statistics.** Countries continued to modernize the real sector statistics to measure more accurately the structure and activity in the economy and upgraded the public finance statistics to make them more comparable across the region. These efforts are providing better data to policy makers and private investors.

## **The Center's assistance was largely guided by country needs.**

In line with the 2018 IMF's CD Strategy Review, the launching of Phase III has focused on improving the effectiveness of its assistance (Box 1). In particular, the Center provided more support to regional integration goals and incorporated an initial agenda of projects to build capacity for inclusive growth policies (see text table and Annex I). As predicated by the Strategy Note of the IMF's Western Hemisphere Department, the Center moved to closely integrate CD work with IMF surveillance, as well as TA with training to address countries needs more effectively. Stronger collaboration with CD providers resulted in joint activities and greater sharing of TA information. The RBM system has become the main vehicle to monitor CD progress. The Center has also secured a smooth transition of its Coordinator and regional advisors for the coming fiscal year.

## **REGIONAL INTEGRATION IN PHASE III**

### **Public finances**

- Use third-party information for tax compliance
- Build managerial skills for tax and customs officials
- Integrated risk management in customs
- Develop operating metrics for customs performance
- Modernize treasuries and manage fiscal risks

### **Financial sector**

- Assess systemic risks in the banking systems
- Supervise corporate governance and monitor capital adequacy in banking groups
- Standards for reporting of financial instruments

### **Statistics**

- Rebasing of the national accounts
- Harmonize the national accounts system
- Harmonize the government and debt statistics
- Develop regional report on fiscal analysis

## BOX 1. LAUNCHING OF PHASE III

*The initiation of Phase III has entailed multiple actions to raise the effectiveness of the Center, guided by the 2018 CD Strategy Review of the IMF.<sup>1</sup> Growing attention has been paid to support regional integration, build capacity for inclusive growth policies, and work closely with IMF country teams and TA providers. Uncertainties on funding constitute a major risk to the CD program.*

- **Regional projects.** Supported by the leadership of the regional councils, the Center intensified the formulation of multi-year regional projects to guide capacity gains at the country level. This approach enhances cross-dissemination, boosts members' coordination, and help close development gaps within the region.
- **Emerging policy themes.** The Center broadened the delivery of regional training on gender, equality, and the environment, as well as governance. This is a first step in articulating future TA projects to build capacity for the formulation of policies for inclusive growth (see Annex I).
- **Integration with surveillance.** Dialogue with IMF country teams helped: (i) link closer CD work with policy advice from Article IV Consultations, and (ii) design forward-looking CD strategies more tailored to country needs. Within the Center, this effort has resulted in closer coordination among workstreams and more integration of TA projects and training; all, to facilitate the adoption of the Center's advice by members. Good examples are the regional training program for development of managerial skills in tax and customs administration and for the modernization of the treasuries (Box 2).
- **Collaboration with partners.** The Center actively engaged partners and shared more CD information. These actions are leading to the delivery of joint CD events, greater complementary among CD providers, and reduced duplicity of CD efforts.
- **External evaluation.**<sup>2</sup> In line with the advice of the 2018 external evaluation of CAPTAC-DR's operations, the RBM system has become a valuable vehicle to monitor and prioritize CD delivery. Moreover, the Center upgraded its budgetary process, refined the scope of projects on public financial management, and further consolidated its communication strategy.
- **Turnover of advisors.** The Center has secured a smooth transition of staff for the coming fiscal year. Beyond the new advisor on central banking, successors have been selected for the Center Coordinator and advisors on public financial management and banking supervision. The Center is renewing the assignment of the remaining 4 advisors. This effort would ensure that regional advisors serve a minimum of 5 years, as advised by the external evaluation.

**The Center assigned priority to the integration of CD with surveillance and program work.** The goal was to inform the policy advice made by IMF country teams to member countries and obtain feedback from teams regarding country needs. The integrated work yielded capacity gains. To illustrate, the Center assisted Honduras with a structural benchmark pertaining to the new customs administration agency under the Stand-By Arrangement. Article IV staff reports incorporated CAPTAC-DR's advice on treasury single accounts for better management of public resources. In Guatemala, the country team sharpened the analysis on cyber risks to the banking system. In Costa Rica, the Center followed up on the advice to modernize prudential regulations for banking groups. As agreed with country teams, the Center emphasized upgrades in national accounts and government finance statistics to sharpen surveillance and policy analysis.

### **Shortfalls in funding to the Center and the effects of COVID-19 limited capacity building across the region.**

Under the RBM scoring, the weighted average progress in milestones reached an estimated grade of 3.5 out of 4, the same grade as in FY19. Milestone performance largely reflected: (i) funding shortfalls that restrained the Center's assistance, especially in central banking and training, and (ii) the interruption of CD delivery due to the virus outbreak, although some virtual assistance was possible to maintain. As a result, member countries focused on fewer priority milestones this year—about 150 milestones in FY20, below 200 milestones in FY19. Other limiting factors were changes in country priorities, turnover of officials from new governments in El Salvador and Panama, and a low use of expert-weeks by Nicaragua (Chart 1). Some two-thirds of the planned milestones were largely or fully achieved (Table 1 and Appendix I).

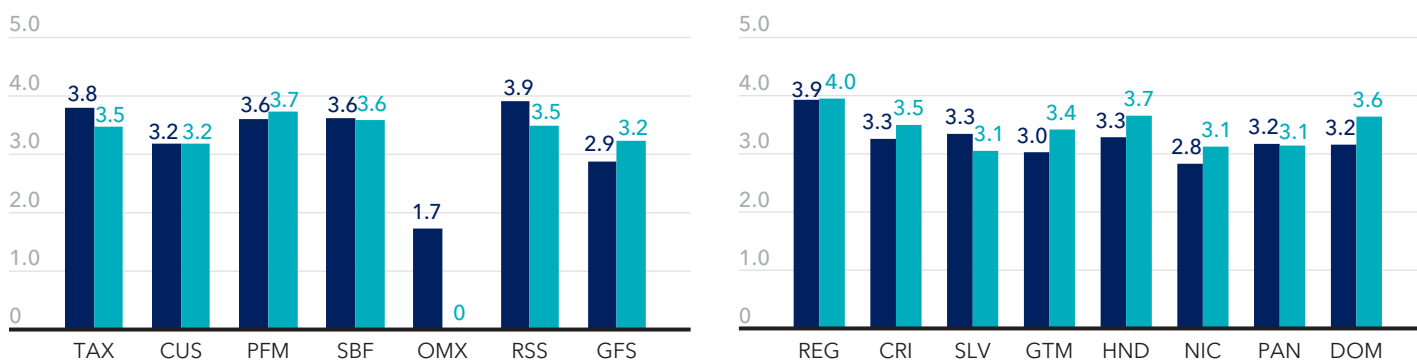
<sup>1</sup> See 2018 Review of the Fund's Capacity Development Strategy, November 2018 (<https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/11/20/2018-review-of-the-funds-capacity-development-strategy>).

<sup>2</sup> See Mid-Term External Evaluation of CAPTAC-DR Operations, August 2018 ([https://www.captac-dr.org/content/dam/CAPTACDR/docs/Publicaciones/Fiscus%20Revised%20Final%20Report\\_%20IMF%20RFP%201136-CAPTAC-DR%2031-08-18%20%20.pdf](https://www.captac-dr.org/content/dam/CAPTACDR/docs/Publicaciones/Fiscus%20Revised%20Final%20Report_%20IMF%20RFP%201136-CAPTAC-DR%2031-08-18%20%20.pdf)).

## CHART 1. CAPTAC-DR: PROGRESS ACHIEVED IN MILESTONES DURING FY20

(Expert-weeks weighted averages, estimated as of end-April 2020)<sup>3</sup>

■ FY19 ■ FY20



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: Regional projects. FY20: May 2019-April 2020.

Source: CAPTAC-DR staff estimations.

## TABLE 1. CAPTAC-DR: PROGRESS ACHIEVED IN MILESTONES DURING FISCAL YEAR 2020

(Estimated as of end-April 2020)

By Area	Number of milestones	Fully met (4)	Largely met (3, <4)	Partially met (>1, <3)	Not met (1)	Percent of fully-and largely-met milestones in total
<b>I. By area</b>						
<b>Public Finances</b>	<b>66</b>	<b>21</b>	<b>27</b>	<b>3</b>	<b>15</b>	<b>73</b>
Tax Administration	20	4	15	–	1	95
Customs Administration	22	8	10	2	2	82
Public Financial Management	24	9	2	1	12	46
<b>Financial Sector</b>	<b>30</b>	<b>10</b>	<b>0</b>	<b>4</b>	<b>16</b>	<b>33</b>
Financial Supervision	30	10	0	4	16	33
Central Bank Operations	–	–	–	–	–	–
<b>Macroeconomics Statistics</b>	<b>52</b>	<b>18</b>	<b>20</b>	<b>4</b>	<b>10</b>	<b>73</b>
National Accounts	27	12	2	3	10	52
Government Finance	25	6	18	1	–	96
<b>II. By country</b>						
Regional Projects	29	20	2	1	6	76
Costa Rica	21	7	8	2	4	71
El Salvador	17	1	9	2	5	59
Guatemala	19	7	3	3	6	53
Honduras	17	6	5	2	4	65
Nicaragua	13	1	6	–	6	54
Panama	16	2	9	1	4	69
Dominican Republic	16	5	5	–	6	63
<b>Total</b>	<b>148</b>	<b>49</b>	<b>47</b>	<b>11</b>	<b>41</b>	<b>65</b>

Source: CAPTAC-DR.

<sup>3</sup> Acronyms are as follows: tax administration (TAX); customs administration (CUS); public financial management (PFM); financial supervision and regulation (SBF); central banking (OMX); real sector statistics (RSS); and government finance statistics (GFS).

**SECTION II**

FINANCIAL REPORT

# FINANCIAL REPORT

**Financing of Phase III.** CAPTAC-DR has received pledges for some US\$27 million, out of US\$40 million targeted for the new 5-year phase (Table 2). Five new partners signed financial commitments during this fiscal year, entailing the Central American Bank of Economic Integration (CABEI), the European Union (EU), Mexico, Norway, and Spain. Financial partners and member countries are also considering shifting leftover funds from Phase II (US\$0.7 million). To close the financing gap of US\$13 million, country authorities and IMF staff, including CAPTAC-DR, are engaging potential partners and exploring possible top-ups in contributions by existing partners.

**Performance under the budget.** Difficulties in funding and the adverse impact of COVID-19 restrained the financial execution. During the 1o. half of the fiscal year, the Center mainly operated under the contingency budget (US\$4 million) endorsed by the Steering Committee. Subsequently, CD spending rose somewhat as more contributions were disbursed. Overall, financial execution only reached an estimated two-thirds of the desired budget (US\$8.2 million) (Table 3). Some salient features are as follows:

- **Extension of Phase II.** The Center allocated as planned the funds made available (US\$1 million) by the extension of Phase II (text table);
- **Impact of COVID-19.** The virus outbreak forced the suspension of most CD delivery during March and April 2020. The associated under-execution amounted to US\$0.7 million or 9 percent of the desired budget, and most of the interrupted CD activities were shifted to the next fiscal year; and
- **Cost-recovery model.** The Center began observing the cost-recovery model that was approved by the IMF in September 2017. Under this model, CAPTAC-DR's absorbed operating expenses previously borne by the IMF, amounting to some US\$60 thousands per year.

**Managing funding shortfalls.** Given the large funding shortfall at the outset of the fiscal year (over US\$4 million), partners acted to protect the envisaged work program:

## Budget Execution under Extension of Phase II<sup>1</sup>

(In thousands of U.S. dollars)

Total	1,037
<i>Workstreams:</i>	
Public finances	627
Financial sector	158
Statistics	212
Office expenses	40

<sup>1</sup> May 1-June 22, 2019.

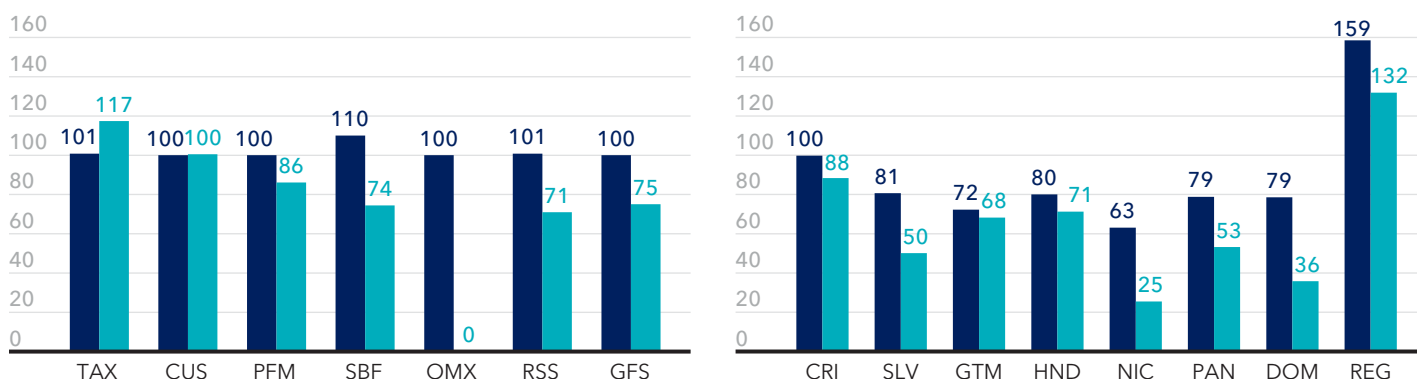
- **Frontloading.** CABEI, the EU, and Norway frontloaded future contributions (US\$5 million). This effort, combined with scheduled installments from partners and members, helped the Center secure its funding needs for the 2o. half of FY20 and FY21, and allowed the hiring of the regional advisor on central banking (after 19 months on hold); and
- **In-kind collaboration.** IMF CD Departments delivered key priority activities contemplated for FY20. Moreover, development partners (such as, AECID, CEMLA, CIAT, the Fiscal Studies Institute of Spain, and USAID, among others) and member countries assumed selected outlays related to CD missions. This in-kind collaboration reached the equivalent of US\$0.9 million or 25 percent of the funding shortfall, enabling the delivery of regional seminars, including in Mexico and Uruguay (Table 4).

**Allocation of fieldwork.** With the noted funding constraints and impact of COVID-19, the Center delivered some 525 weeks of fieldwork, out of the 710 weeks proposed in the work plan—but, exceeded the 270 weeks contained in the contingency plan. The under-execution in resources largely reflected the fact that no fieldwork was delivered for central banking (Chart 2) and that Nicaragua's usage of CD assistance remained low for second year in a row (Figure 1 displays in detail the use of resources).

## CHART 2. CAPTAC-DR: ALLOCATED RESOURCES DURING FY20

(In expert-weeks; estimated as of end-April 2020)

■ Budget ■ Actual



Source: CAPTAC-DR staff estimates.

## TABLE 2. CAPTAC-DR: FINANCIAL PLEDGES AND CONTRIBUTIONS TO PHASE III

(As of March 17, 2020)

	Agreements			Disbursements	
	Currency	Amount	Amount <sup>1</sup>	Received	Future
			(In U.S. dollars)	(In U.S. dollars) <sup>2</sup>	
<b>Partners</b>			<b>17,675,745</b>	<b>9,394,914</b>	<b>8,295,887</b>
Central American Bank of Economic Integration	USD	2,500,000	2,500,000	1,000,000	1,500,000
European Union	EUR	3,000,000	3,321,891	3,349,740	-
Luxembourg	EUR	2,000,000	2,272,727	901,230	1,371,497
Mexico	USD	5,000,000	5,000,000	1,000,000	4,000,000
Norway	NOK	30,000,000	3,462,684	2,038,294	1,424,390
Spain	EUR	1,000,000	1,118,443	1,105,650	-
<b>Members</b>			<b>9,500,000</b>	<b>2,300,000</b>	<b>7,200,000</b>
Costa Rica	USD	1,500,000	1,500,000	300,000	1,200,000
Dominican Republic	USD	1,500,000	1,500,000	300,000	1,200,000
El Salvador	USD	1,500,000	1,500,000	300,000	1,200,000
Guatemala	USD	1,500,000	1,500,000	300,000	1,200,000
Honduras	USD	1,500,000	1,500,000	600,000	900,000
Nicaragua	USD	500,000	500,000	200,000	300,000
Panama	USD	1,500,000	1,500,000	300,000	1,200,000
<b>Phase II Rollover<sup>3</sup></b>			<b>-</b>	<b>-</b>	<b>700,000</b>
<b>Total</b>			<b>27,175,745</b>	<b>11,694,914</b>	<b>16,195,887</b>

Source: IMF Partners Connect (<https://www.imfconnect.org/content/imf/en/partners-connect/welcome.html>).

<sup>1</sup> Converted at the exchange rate prevailing at the date of signing the letter of understanding.

<sup>2</sup> Converted at the exchange rate prevailing at the date of receiving the contribution.

<sup>3</sup> Comprises left-over funds from Phase II that could potentially be transferred to Phase III.

**TABLE 3. CAPTAC-DR: BUDGET EXECUTION DURING FISCAL YEAR 2020 AND PROPOSED BUDGET FOR FISCAL YEAR 2021**

(In thousands of U.S. Dollars)

Project/Activity	Phase III Program Document Budget	FY20 Budget <sup>1</sup>				FY21 Proposed Budget	FY22 Indicative	FY23 Indicative
		Approved	Contingency <sup>2</sup>	Estimated Outturn	Execution (Percent) <sup>3</sup>			
<b>Tax Administration</b>	<b>5,046</b>	<b>936</b>	<b>461</b>	<b>642</b>	<b>69</b>	<b>1,008</b>	<b>985</b>	<b>1,068</b>
Long-term advisors	2,036	384	384	331	86	395	407	418
Short-term advisors and Fund missions	2,042	363	24	166	46	422	385	454
Seminars	467	88	-	76	86	91	93	96
Backstopping and management <sup>4</sup>	500	100	53	69	69	100	100	100
<b>Customs Administration</b>	<b>5,046</b>	<b>936</b>	<b>511</b>	<b>657</b>	<b>70</b>	<b>972</b>	<b>985</b>	<b>1,068</b>
Long-term advisors	2,036	384	384	286	75	395	407	418
Short-term advisors and Fund missions	2,042	363	24	212	58	386	385	454
Seminars	467	88	50	88	100	91	93	96
Backstopping and management <sup>4</sup>	500	100	53	70	70	100	100	100
<b>Public Financial Management</b>	<b>5,335</b>	<b>1,058</b>	<b>480</b>	<b>893</b>	<b>84</b>	<b>1,135</b>	<b>1,113</b>	<b>1,026</b>
Long-term advisors	1,888	356	356	369	104	367	377	388
Short-term advisors and Fund missions	1,944	367	24	311	85	428	388	400
Seminars	887	212	50	114	54	218	224	115
Backstopping and management <sup>4</sup>	616	123	49	99	80	123	123	123
<b>Banking Supervision and Regulation<sup>5</sup></b>	<b>4,757</b>	<b>891</b>	<b>460</b>	<b>609</b>	<b>68</b>	<b>985</b>	<b>942</b>	<b>991</b>
Long-term advisors	1,794	339	339	301	89	348	358	369
Short-term advisors and Fund missions	1,556	294	24	177	60	350	311	320
Seminars	307	50	50	71	143	72	53	76
Backstopping and management <sup>4</sup>	578	109	47	60	55	112	116	119
<b>Central Bank Operations</b>	<b>4,235</b>	<b>792</b>	<b>-</b>	<b>53</b>	<b>7</b>	<b>835</b>	<b>838</b>	<b>884</b>
Long-term advisors	1,794	339	-	-	-	348	358	369
Short-term advisors and Fund missions	1,556	294	-	47	16	374	311	320
Seminars	307	50	-	-	-	-	53	76
Backstopping and management <sup>4</sup>	578	109	-	6	5	112	116	119
<b>Real Sector Statistics</b>	<b>5,095</b>	<b>1,008</b>	<b>402</b>	<b>625</b>	<b>62</b>	<b>1,047</b>	<b>1,071</b>	<b>1,020</b>
Long-term advisors	1,758	332	332	293	88	341	351	362
Short-term advisors and Fund missions	1,800	334	24	204	61	442	354	379
Seminars	837	210	-	60	29	128	222	136
Backstopping and management <sup>4</sup>	700	131	46	68	52	135	143	143
<b>Government Finance Statistics</b>	<b>4,096</b>	<b>754</b>	<b>469</b>	<b>559</b>	<b>74</b>	<b>848</b>	<b>823</b>	<b>847</b>
Long-term advisors	1,836	347	347	296	85	357	367	378
Short-term advisors and Fund missions	1,002	170	24	182	107	247	205	211
Seminars	761	144	50	20	14	148	152	156
Backstopping and management <sup>4</sup>	497	94	48	61	65	96	99	102
<b>Training by ICD</b>	<b>1,309</b>	<b>247</b>	<b>-</b>	<b>51</b>	<b>21</b>	<b>100</b>	<b>262</b>	<b>269</b>
Administrative expenses <sup>6</sup>	1,660	258	281	198	77	265	571	279
Contingency	800	160	-	-	-	160	160	160
Trust fund management	2,617	494	215	281	57	507	544	535
Subtotal	39,997	7,533	3,280	4,567	61	7,862	8,295	8,147
<b>IMF and host country in-kind</b>	<b>3,400</b>	<b>680</b>	<b>680</b>	<b>680</b>	<b>-</b>	<b>680</b>	<b>680</b>	<b>680</b>
<b>Grand Total</b>	<b>43,397</b>	<b>8,213</b>	<b>3,960</b>	<b>5,247</b>	<b>64</b>	<b>8,542</b>	<b>8,975</b>	<b>8,827</b>

Source: Fund staff estimations.

<sup>1</sup> Comprises extension of Phase II (May 1-June 22, 2019) and first year of Phase III (June 23, 2019-April 30, 2020).

<sup>2</sup> Based on cash contributions as of end-February 2019 and from extension of Phase II.

<sup>3</sup> Compared to approved budget.

<sup>4</sup> Includes backstopping, project management, language services, security, and governance costs under CD departments.

<sup>5</sup> Includes IMF's Legal Department missions.

<sup>6</sup> Comprises FIN and WHD project management, as well as local office operating costs.



**TABLE 4. CAPTAC-DR: COLLABORATION FROM OTHER CD PROVIDERS DURING FISCAL YEAR 2020**  
(May 2019-April 2020)

Area	Activity	Collaborating agencies	Beneficiary/date <sup>4</sup>	Venue
<b>Tax Administration</b>	Tax Administration Diagnostic Assessment Tool (TADAT) <sup>1</sup>	IMF Fiscal Affairs Department (IMF FAD)	Costa Rica, Jun 2019	Finance Ministry, Costa Rica
	Use of information to improve tax collection <sup>2,3</sup>	Peru Tax Agency (SUNAT)	Region, Jun 2020	SUNAT, Peru
<b>Customs Administration</b>	Management development program <sup>2</sup>	AECID, CIAT, FAD, IADB, IFS, WCO, UNED (together with TAX)	Region, Dec 2019	AECID, Uruguay
	Business intelligence for risk management <sup>2,3</sup>	Mexico Tax Agency (SAT), USAID, WCO	Region, May 2020	SAT, Mexico
<b>Public Financial Management</b>	Public Investment Management Assessment (PIMA) <sup>1</sup>	IMF FAD	El Salvador, Oct 2019	El Salvador
	PIMA <sup>2</sup>	IMF FAD	Region, Sep 2020	Guatemala
<b>Financial Supervision and Regulation</b>	Financial inclusion <sup>2</sup>	CNBV, BCP, SBS, SFC, WB <sup>5</sup>	Region, May 2019	Guatemala
	Review and strengthen IT risk and cybersecurity framework <sup>1</sup>	IMF Monetary and Capital Markets Department (IMF MCM)	Guatemala, Jan 2020	Guatemala
	Financial development and financial inclusion <sup>3</sup>	IMF Institute for Capacity Development (IMF ICD)	Region, Nov 2020	Costa Rica
<b>Central Bank Operations</b>	Regional financial stability <sup>1</sup>	IMF MCM	SECMCA, May 2019	Honduras
<b>Real Sector Statistics</b>	Natural resources in national accounts <sup>2</sup>	CEMLA, IMF Statistics Department (STA) (together with GFS)	Region, Nov 2019	CEMLA, Mexico
	Harmonization of government finance statistics and national accounts <sup>2</sup>	Finance Ministry (together with GFS)	Region, Jun 2020	Panama
<b>Government Finance Statistics</b>	Fiscal policy analysis for compilers <sup>2</sup>	IMF ICD	Region, Apr 2019	IMF Headquarters, Washington, D.C.
	Harmonization of macroeconomic statistics	Central Bank	Region, Sep 2019	Dominican Republic
<b>Memorandum item: Combined funding from other CD providers (in thousands of U.S. dollars)</b>				<b>855.0</b>

Source: CAPTAC-DR.

<sup>1</sup> Technical assistance.

<sup>2</sup> Region training.

<sup>3</sup> Collaboration planned for fiscal year 2021.

<sup>4</sup> Region comprises Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, and the Dominican Republic.

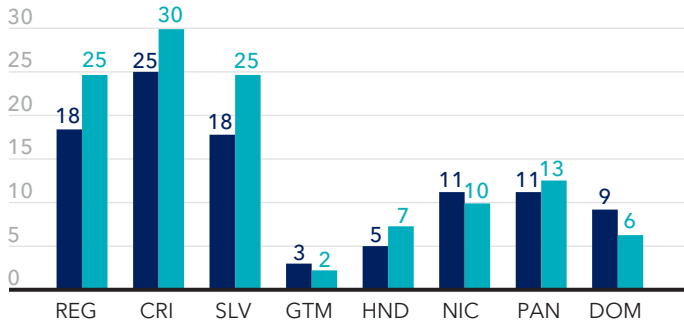
<sup>5</sup> Acronyms: Mexico Banks Superintendency (CNBV), Paraguay Central Bank (BCP), Peru Banks Superintendency (SBS), Colombia Finance Superintendency (SFC).

**FIGURE 1. CAPTAC-DR: RESOURCE ALLOCATION BY AREA DURING FY20**

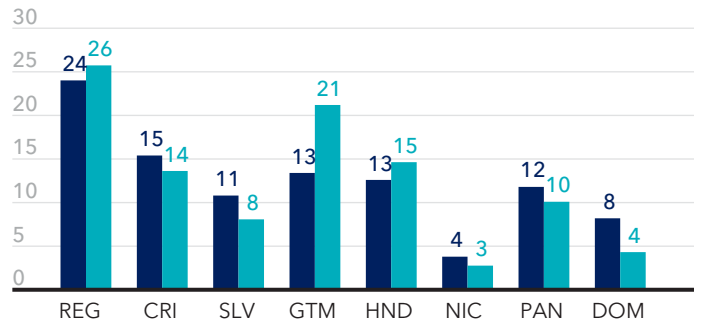
(In expert-weeks; estimated as of end-April 2020)

■ Budget ■ Actual

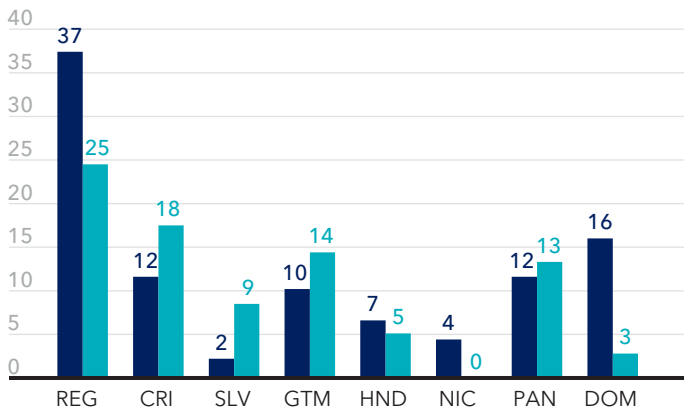
**Tax Administration**



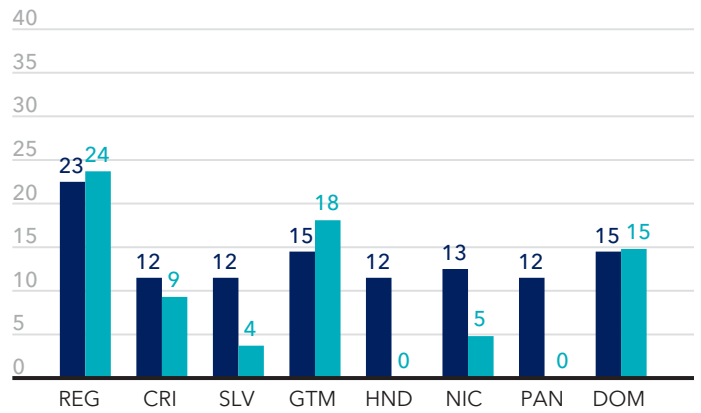
**Customs Administration**



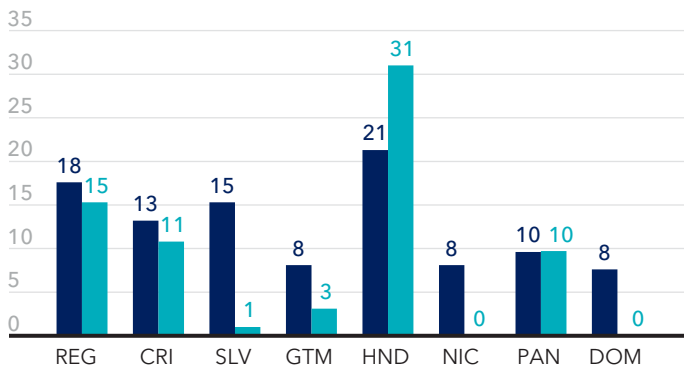
**Public Financial Management**



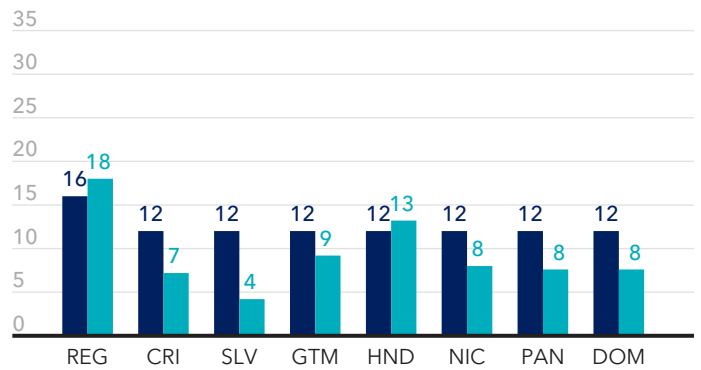
**Financial Supervision and Regulation**



**Real Sector Statistics**



**Government Finance Statistics**



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.

**SECTION III**

REPORT BY AREA  
OF OPERATION

## A

## TAX ADMINISTRATION

**Member countries improved the capacity for tax compliance largely as planned.** During the first year of Phase III, the effort centered on improving managerial capacity and core processes. Administrators assessed the operational shortcomings that inhibit capacity building, with a view of designing corrective actions. Lack of modern IT systems is the main obstacle for progress. Main outcomes achieved include:

- **Regional projects.** Together with the area of customs administration, the Center focused on building the managerial skills of top officials to lead the modernization of the tax and customs administrations (Box 2). In collaboration with CD providers, the Center successfully conducted the second stage of the training program for managers, with gender balance participation.

This program constitutes an unprecedented effort of collaboration among CD providers to develop managerial skills in an integrated and targeted way.

- **Managerial capacity.** Countries made strong progress in framing and adopting strategic and operational plans, relying on risk management, principally in Costa Rica and Honduras.

Participants in Regional Management Development Program, Customs and Tax Administrations



## BOX 2. MANAGERIAL SKILLS IN TAX AND CUSTOMS ADMINISTRATIONS

*In September 2019, CAPTAC-DR launched a training program for the development of managerial capacities of officials. The program is designed to enable officials to formulate and adopt strategies to modernize the tax and customs administrations in the CAPDR region over the medium term.*

The 2018 IMF's CD Strategy Review underscores key lessons learned in the delivery of CD. One of them is that enhancing the planning and leadership skills of managers is essential for institutional building. In this connection, CAPTAC-DR designed a training program integrated with technical assistance to foster development of tax and customs administrations. The program developed jointly with the IMF's Fiscal Affairs Department entails several blocks:

- **Scope.** A key objective of this medium-term program is to enhance the managerial and leadership skills of middle-and high-level officials. Main areas of development are: strategic planning, management of projects and corporate risk, ethics and transparency, and digitalization. This is the first training program of this nature created for CAPDR.
- **Technical assistance.** The program was carefully elaborated to supplement the goals of TA and the focus on results. In particular, the desired outcomes of stronger managerial skills are to: (i) enable implementation of TA advice in the short term; and (ii) foster independent formulation of future reforms on tax and customs administration over the medium term.
- **Coordination.** To attain a steady reduction in tax evasion and greater voluntary compliance, tax and customs administrations need to deepen the exchange of relevant tax information and coordinate the analysis of such data. The program intends to foster systematic collaboration and communication between the two agencies and with key stakeholders.
- **Partners.** The program relies on the collaboration and expertise of many development partners.<sup>4</sup> Additional partners have expressed interest in co-financing the future components of the program.<sup>5</sup> This combined effort has allowed greater complementary in CD agendas and reduced duplicity of CD delivery.
- **Certification.** Partnership with UNED grants academic certification to officials that conclude successfully the program, providing another indication of the quality of the competences acquired. Certification requires completion of two phases: a 7-week online training and a face-to-face seminar to obtain country experience and resolve topical case studies. This is the first training framed by CAPTAC-DR with academic certification.

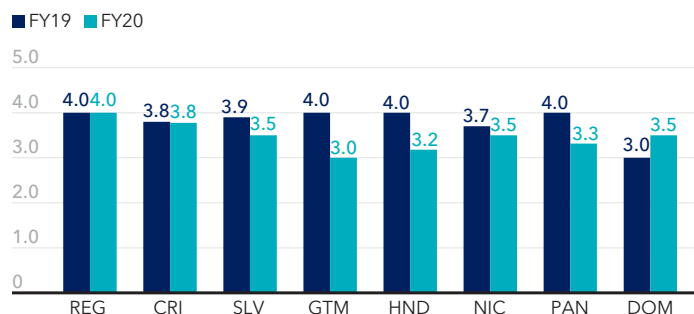
<sup>4</sup> Comprising the Agency for International Cooperation of Spain (AECID), the Inter-American Center of Tax Administrations (CIAT), the Inter-American Development Bank (IADB), the Institute of Fiscal Studies of Spain (IFS), the National University of Distance Learning in Madrid (UNED), and the World Customs Organization (WCO).

<sup>5</sup> Including the Swiss State Secretariat for Economic Affairs (SECO) and the United States Agency of International Development (USAID).

- Risk management.** A culture of limited usage of information for decision making hindered for years the development of methodologies to identify and assess risks to tax compliance. This situation is gradually changing. Costa Rica, El Salvador, and Honduras mapped key risks from core collection processes, tax return practices, and tax audit system. Guatemala and the Dominican Republic took initial steps to develop capacity to map tax risks.
- Core functions.** Most countries concluded updating the taxpayers' registry and designed actions for tax control. El Salvador and the Dominican Republic identified key segments of taxpayers to enhance control. Costa Rica and El Salvador improved the timely filing of tax returns. El Salvador and Nicaragua broadened the coverage of audits and targeted taxpayer segments to improve control over the value-added tax. Indications are that the expansion of electronic invoicing in Costa Rica, Guatemala, and Panama could yield valuable tax information to raise tax compliance over the medium term.
- Training.** Beyond the training program for managerial skills, a regional seminar was delivered on risk management for tax and customs administration. The seminar was organized in collaboration with IMF staff and the area of customs administration. Customized training was provided to El Salvador on tax risk management.

**Milestones.** Overall, the region largely achieved planned milestones (3.5 out of 4), but below the level recorded last year of 3.8. A strong commitment and an efficient use of the assistance stood out across the region. Guatemala and Honduras received assistance under the IMF RM-TF, which reduced somewhat the priority on projects delivered by the Center. Performance in El Salvador and Panama reflected the change of government.

Tax Administration Milestones



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.

Miriam Guzman, Minister Director of the Revenue Management Service of Honduras (SAR) participating in the Regional Management Development Program, Customs and Tax Administrations





## CUSTOMS ADMINISTRATION

**During the first year of Phase III, countries improved core functions, risk management, managerial capacities, and governance, both at the regional and bilateral levels.**

The achievements were guided by the WTO Trade Facilitation Agreement, the regional strategy on integrated risk management, and the customs union. Milestones achieved included:

- **Regional projects.** The regional council of economic ministers (COMIECO) endorsed the regional strategy on integrated risk management, developed by the Center in 2018. With the support of COSEFIN and COMIECO, the Center assisted on key milestones within the strategy: (i) all countries but one adopted a methodology for the segmentation of importers based on risk management, while Nicaragua started its

implementation; (ii) the region reactivated the Central American Customs Valuation Commission; and (iii) the Center conducted a regional diagnostic on post-clearance audit, whose findings will guide future improvements in capacity. The diagnostic will be supplemented by an assessment in the next fiscal year on the quality of primary data and IT systems to exchange of information across the region.

Participants in Regional Management Development Program, Customs and Tax Administrations



- **Customs processes.** Countries narrowed the gap with the standards of the WTO agreement and enhanced transparency in customs. Costa Rica, El Salvador, and Honduras adopted inter-agency protocols to ease clearance time and improve cargo controls. Costa Rica, Honduras, and Panama upgraded the registry of trade operators, with a view of unifying the taxpayers' registry for the tax and customs administrations. Costa Rica and Guatemala redefined procedures for air cargo control. As for digitalization, countries started to use radio frequency identification (RFID) technology at borders to facilitate trade, while Guatemala launched a pilot project for the electronic control on the transit of cargo.

- **Risk management.** In line with the strategy of integrated risk management, the region enhanced the mitigation of customs risks from the valuation of trade, traceability of goods, and fraud over special cargo regimes. Key milestones included: (i) Nicaragua and Panama upgraded risk analysis to reinforce cargo control; (ii) Guatemala introduced a new model of post-clearance audit to mitigate risks of fraud on sensitive goods and on special cargo regimes; (iii) the Dominican Republic defined an action plan to ease risks to the compliance of import duties on fuel; and (iv) El Salvador and Guatemala expanded a program of integrated cargo control to the main customs posts

Participants during technical assistance mission to strengthen the import of hydrocarbons in the General Directorate of Customs, the Dominican Republic





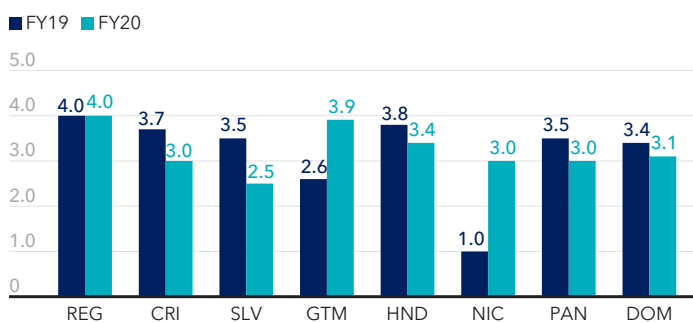
to improve traceability of goods—the program has resulted in some tax collection gains, while Costa Rica started a similar program in the largest customs post (Santamaria).

- Managerial capacity and governance.** Countries made strides in enhancing managerial capacities and governance. In Honduras, the Center helped achieve a structural benchmark on the consolidation of a new customs administration agency, contained in the economic program supported by an IMF Stand-By Arrangement. The Center’s intervention eased the potential adverse impact on trade flows during this transition. Honduras also elaborated a strategic plan for customs, while the Dominican Republic adopted an automatized dashboard to monitor performance indicators linked to the strategic and operational plans.
- Training.** For years, training on customs has been carefully calibrated and integrated with the workstream of tax administration to facilitate implementation of the Center’s advice. To illustrate, seminars on customs risk management during Phase II were designed to raise awareness among high-level officials on the relevance of assessing and mitigating risks to trade facilitation and tax compliance. This effort helped build support over the noted strategy on integrated risk management. Along these lines, the Center organized two seminars and delivered extensive customized training during this fiscal year:

- Together with the area of tax administration, two regional seminars on: (i) the program for development of managerial skills, with ample collaboration of other TA providers (see Box 2); and (ii) risk management for tax and customs compliance to enhance risk analysis and coordination between the administrations.
- Customized training on strategic planning and risk management was delivered to officials in Honduras and Panama. The Center also collaborated with USAID to deliver training on coordinated border management for Guatemala, El Salvador, and Honduras.

**Milestones.** Despite the interruption of CD assistance, countries largely achieved milestones set for FY20 (3.2 out of 4), somewhat below the level of 3.2 recorded last year. After two years in pause, Nicaragua resumed work in customs under the Center’s advice.

Customs Administration Milestones



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.

## C

PUBLIC FINANCIAL  
MANAGEMENT**Countries reached milestones in treasury management, fiscal transparency, and budgeting largely as planned.**

During the first year of Phase III, the emphasis centered on the continued implementation of multiyear projects.

- Treasury management.** The Center supported upgrades in Treasury management in Costa Rica, Panama, and the Dominican Republic. Costa Rica conducted a diagnostic to integrate and coordinate more effectively the tasks of the Treasury and the public debt office. Panama continued to incorporate the public enterprises, decentralized agencies, and a public university into the Treasury Single Account (TSA). Panama and the Dominican Republic designed an online system to collect no-tax revenue.
- Fiscal transparency.** The focus was on better accounting and fiscal risk management, building on progress made in previous years (see Annex II). Guatemala set up indicators to monitor the adoption of the advice from the 2016 IMF's Fiscal Transparency Evaluation. El Salvador began to introduce the International Public Sector Accounting Standards (IPSAS). Costa Rica joined the group of countries that incorporate information on fiscal risks into the budget documentation (El Salvador, Guatemala, Panama, the Dominican Republic).

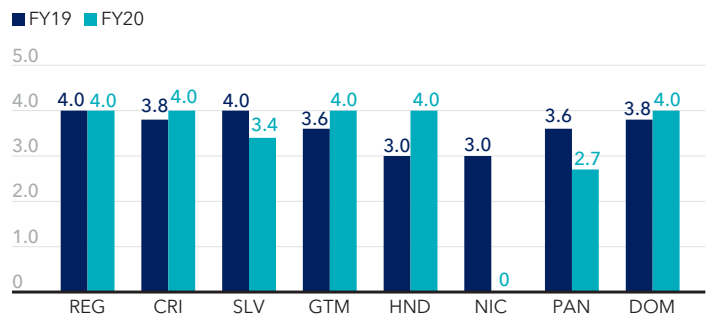
Participants at Regional Treasury Management Program, Public Financial Management



- Budgeting.** The Center delivered the activities planned for the year. Guatemala improved the medium-term fiscal framework by assessing the sensitivity of the public finances to alternative macroeconomic conditions and recalibrated the financial programming model with the new national income accounts released in 2019. Honduras refined methodologies to elaborate spending and tax revenue projections, which were used in the preparation of the national budget for 2020. El Salvador participated in the IMF’s Public Investment Management Assessment (PIMA), which will help develop future CD projects.
- Training.** The Center delivered a regional seminar on modern practices for treasury management. Regional seminars on best standards from PIMA (jointly with the IMF’s Fiscal Affairs Department) and on accounting of public sector financial assets (jointly with the area of government finance statistics) were shifted to FY21 due to the COVID-19. The Dominican Republic received customized training on treasury management.

**Milestones.** Overall progress reached a score of 3.7 out of 4, slightly above the score of 3.6 reported last year. Costa Rica, Guatemala, Honduras, and the Dominican Republic fully met planned milestones. Performance in El Salvador and Panama was slowed by the change of government, while Nicaragua did not request any assistance from the Center.

Public Financial Management Milestones



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.

Participants at Regional Treasury Management Program, Public Financial Management





## FINANCIAL SUPERVISION

**Most countries made progress in the customized adoption of international standards for supervision and regulation.** Countries delivered milestones on prudential regulation, Basel standards, and risk-based supervision. They also improved supervisory capacities and monitoring tools for banking supervision. Main outcomes included:

- **Regional projects.** The regional council of superintendents of banks (CCSBSO) developed common procedures for the adoption of international financing reporting standards for leasing (IFRS 16), building upon previous work on reporting standards for financial instruments (IFRS 9). The region continued to enhance the supervision of banking groups on a consolidated and cross-border basis (see Annex III). The CCSBSO delayed the project to supervise the capital adequacy of banking groups to the next fiscal year.
- **Regulatory framework.** Broadly as planned, countries updated regulations on: (i) credit risk management and provisioning (Costa Rica) and (ii) consolidated and cross-border supervision of banking groups (Costa Rica, Guatemala). Projects on the insurance sector were shifted to the later years of the current phase.

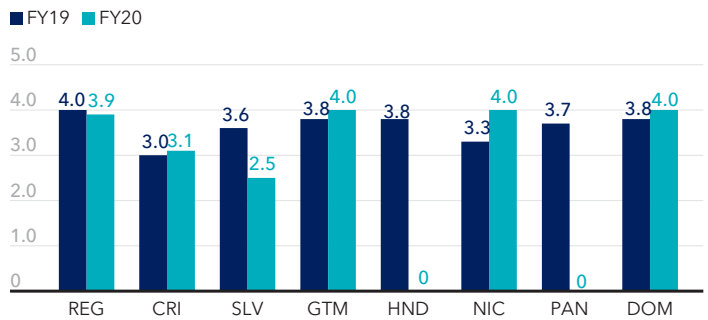
Participants in Regional Financial Inclusion Workshop, Financial Supervision



- **Basel standards.** Supervisors started processes to: (i) adopt the liquidity coverage ratio (the Dominican Republic), and (ii) set up regulations to guide banks in self-assessing capital adequacy (El Salvador).
- **Supervision.** Countries developed or updated tools and procedures to supervise financial risks, such as: credit (Nicaragua), liquidity (Costa Rica in process), and cyber/IT risks (Guatemala, the Dominican Republic). The Center provided training to reinforce these improvements during missions, including on credit (Costa Rica, Nicaragua), liquidity (Costa Rica, the Dominican Republic), and cyber/IT risks (Guatemala, the Dominican Republic).
- **Training.** Beyond customized training provided during missions, the Center organized two regional seminars on: (i) the role of the supervisor in financial inclusion, and (ii) the adoption of Basel’s Pillar II. A regional workshop on financial sector policies was shifted to FY21.

**Milestones.** The weighted average of progress on milestones reached 3.6 out of 4, the same score as last year. Guatemala, Nicaragua, and the Dominican Republic fully met planned milestones, while the regional project was very close to fully meeting them. Honduras and Panama did not receive assistance largely due to the interruption of the Center’s activities by the COVID-19 outbreak.

Financial Supervision and Regulation Milestones



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.

Jose Roberto Effio, Long-Term Expert, in Regional Financial Inclusion Workshop, Financial Supervision





## E

## REAL SECTOR STATISTICS

**Countries continued to modernize the real sector statistics broadly as planned.** The standards of the 2008 System of National Accounts guided the rebasing of the national accounts and initial steps were taken to modify economic surveys to adequately measure employment by gender. Main outcomes included:

- **Regional projects.** The region took actions to harmonize monetary and government finance statistics with the national accounts. The Center helped the regional working groups of macroeconomic statistics, supervised by the SECMCA, develop an initial roadmap to guide the harmonization of the system of national accounts in each country and elaborate a template for collection and dissemination of comparable statistics.
- **Base year.** Most countries advanced in the rebasing of the national accounts. Costa Rica and Honduras made progress in compiling GDP series, under the production, expenditure,

Participants in Regional Natural Resources in National Accounts Regional Seminar, Real Sector Statistics



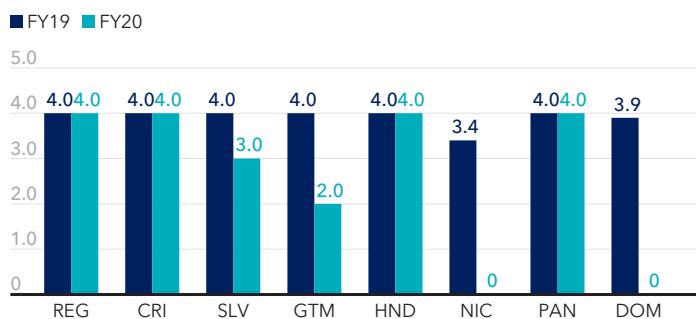
and income approaches, consistent with plans to update the base year to 2017 and 2016, respectively. They updated business directories and economic surveys and adopted new compilation methods. Guatemala disseminated the new 2013 base year series in December 2019, assisted by other TA providers. Panama delayed to 2020 the rebasing project to allow time to incorporate the results of the population census scheduled for May 2020. An assessment mission of the Center, jointly with IMF's Statistics Department, advised El Salvador to update the current 2005 base year.

- Institutional sectors.** Honduras advanced in the compilation of the households and nonfinancial corporation sectors. Costa Rica made progress in the measurement of stocks of nonfinancial assets to strengthen balance-sheet analysis. Nicaragua improved the statistics on foreign direct investment, while CD assistance to Honduras was shifted to the next fiscal year due to the COVID-19 spread.
- Price indices.** Honduras and Guatemala conducted a pilot household survey as part of the rebasing project of the consumer price index and made progress in compiling the producer price index. Nicaragua and the Dominican Republic rescheduled the rebasing of the consumer and the export-import price indices.
- Training.** The Center conducted regional seminars on: (i) natural resources in the national accounts, in collaboration with CEMLA and IMF staff, that focused on the measurement of depletion and implications for

government's royalties; and (ii) high-frequency indicators to assess features of the economic cycle and inform policy making. Due to COVID-19, the regional seminar on the harmonization of government finance statistics and national accounts, in collaboration with statistical offices of Mexico and Brazil and the area of government finance statistics, was rescheduled to FY21. Panama received customized training to facilitate the rebasing of the national accounts.

**Milestones.** The region achieved a milestone score of 3.5 out of 4 (3.9 last fiscal year). Costa Rica, Honduras, and Panama fully met envisaged milestones. El Salvador delayed work until teams of the new government were in place, while Guatemala partly met milestones reflecting slow progress in its quarterly economic surveys. Nicaragua and the Dominican Republic did not request assistance from the Center.

Real Sector Statistics Milestones



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.

Participants in Regional Natural Resources in National Accounts Regional Seminar, Real Sector Statistics





## F

GOVERNMENT FINANCE  
STATISTICS

**Countries made strong progress in strengthening the public sector statistics.** Countries published harmonized central government statistics, began to expand the coverage of government finance data according to international standards, and started using these data for analysis and decision making. Progress on public sector debt statistics was moderate on expanding coverage, adopting nominal value, and aligning residence criteria with best practice. Key outcomes achieved with the support of the Center included:

- **Regional projects.** In line with the strategy for the regional harmonization of public sector statistics approved by COSEFIN and CMCA in November 2018, the region (but Nicaragua) published a first set of harmonized statistics in December 2019, hosted at the website of CMCA, in line with IMF methodology (*GFSM 2014*), comprising monthly, quarterly, and annual central government and debt statistics. Nicaragua is expected to join the regional publication during 2020. Countries started working

to expand coverage to the general government and a working group began to prepare the first regional report, focused on integrating fiscal and macroeconomic analysis.

- **Government statistics.** Based on the 2017-18 diagnostics, countries made strong progress in governments statistics, in line with best standards:
  - **Dissemination.** Honduras and Panama resumed dissemination of annual data to the *Government Finance Statistics Yearbook*,

Participants at Customized Training in Public Debt Statistics, Government Finance Statistics







Participants at Customized Training in Public Debt Statistics, Government Finance Statistics

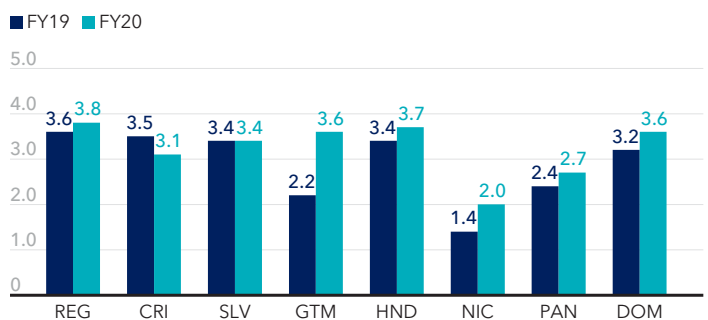
meaning that all countries submitted data for the yearbook by end-2019. Costa Rica, Guatemala, and Honduras joined the Dominican Republic on the publication of monthly budgetary central government data. El Salvador and Panama started publishing these data on quarterly basis. El Salvador was the first country to disseminate quarterly balance sheet items, including nonfinancial assets and opening the path to a full stock-flow approach. Guatemala was the second country in the region to start publishing monthly data on the government’s webpage, following the Dominican Republic’s footsteps, while other countries continued publishing only their national presentations.

- **Functional classification.** All countries (except Honduras, Nicaragua) were able to compile annual spending using the functional classification, which allows the use of indicators such as social expenditure and outlays on environmental protection by the central government, among others.
- **Analytical reports.** Supported by the Center’s regional training on fiscal policy analysis in April 2019, countries began integrating the data generated with the macro-fiscal framework. The Dominican Republic was the first to adopt internal reports for the authorities, making use of government finance statistics (GFS) both in the central bank and the finance ministry and connecting the reports with the medium-term macro-fiscal evaluation. El Salvador published in September 2019 a report on the four main public enterprises, using some GFS indicators to monitor demands by the fiscal responsibility law. Honduras is adapting some fiscal responsibility law indicators to the most updated concepts. Guatemala published an appendix on the budgetary law to introduce GFS concepts for analytical purposes and is preparing a debt sustainability analysis to adopt the new datasets compiled.

- **Debt statistics.** Guatemala, El Salvador, Honduras, and the Dominican Republic made initial progress reconciling debt data published by the central banks and the finance ministry. Costa Rica, Guatemala, Honduras, the Dominican Republic initiated pilot exercises to estimate and compile accrual interest payments and nominal value of debt, in line with international standards. Expansion of institutional coverage was limited for all region. Only Honduras and Guatemala made progress in refining other accounts payable. Work to ensure consistency in the classification of domestic and external debt was initiated.
- **Training.** The Center delivered regional seminars on: (i) the harmonization of public finance and debt statistics; and (ii) the harmonization of public finances and other macroeconomic statistics. The Center delivered extensive customized training on debt statistics, budget statistics, and fiscal analysis, covering some 140 officials.

**Milestones.** Milestone progress was strong, with a score of 3.2 out of 4, above last year’s score of 2.9. Costa Rica, El Salvador, Guatemala, Honduras, and the Dominican Republic largely achieved their milestones. Nicaragua needs to catch up with the timetable for regional harmonization, while Panama needs to make progress in reconciling public debt under various criteria.

Government Finance Statistics Milestones



Scale: (1) Unmet, (2) partially met, (3) largely met, and (4) fully met. Reg: regional projects. Expert-weeks weighted average; estimated as of end-April, 2020.



**SECTION IV**

TRAINING

# TRAINING

**Training helped strengthen policy analysis and build institutional capacity.** The Center exercised intensive coordination among its workstreams to enhance the relevance and impact of training. This interaction was more notable between the areas of tax and customs administration, public financial management and government finance statistics, and government finance statistics and national accounts. Salient features are as follows:

- **Policy analysis.** The Center carried seminars on emerging policy issues (financial inclusion and natural resources in national accounts) and analysis (fiscal policy and Basel pillar II) (Table 5). The seminars disseminated best practice and helped articulate future TA projects.
- **Programs.** In collaboration with other CD providers, the program for development of managerial skills for tax and customs administrations was successfully initiated (see Box 2). Meanwhile, the program for the modernization of treasury management continued for third year in a row.

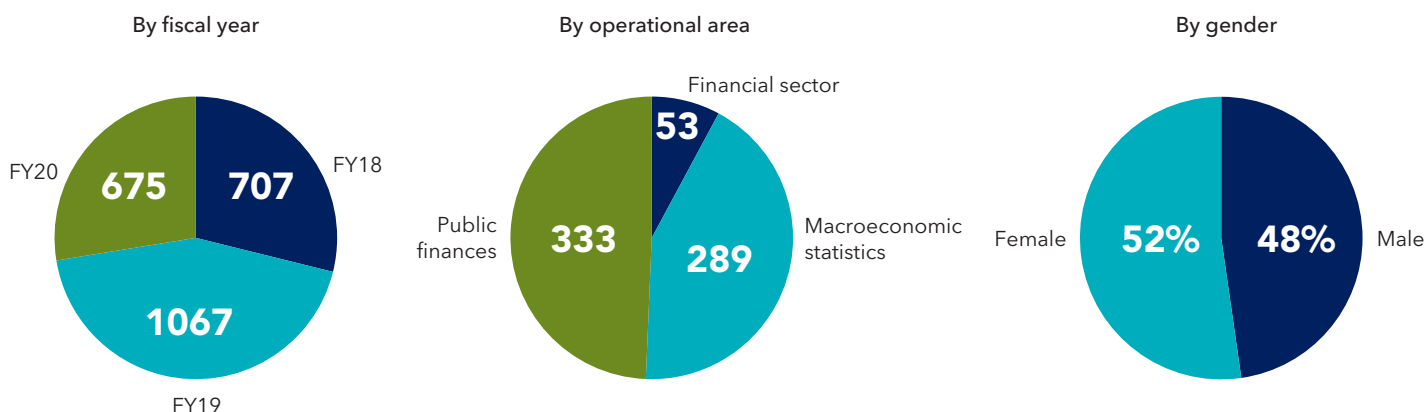
These regional programs and training were carefully sequenced to facilitate progress in milestones. Due to COVID-19, the Center shifted training on the harmonization of government statistics and national accounts and balance-sheet fiscal accounting to the next fiscal year.

- **Customized training.** The Center tailored training to address the specific needs of member countries (Table 6). The goal was to support the implementation of TA advice and entrench capacity gains.

**Delivery.** Reflecting funding constraints and the impact of COVID-19, the Center only delivered 9 regional and 12 bilateral training events, with participation of 675 officials, balanced gender participation, and an overall score of 4.8 out of 5 (see Chart 3 and Tables 5-6). Last year, the Center delivered 21 regional seminars and trained over 1,000 officials. Participants continued to stress the positive contribution of training to the institutional capacity in their countries.

**CHART 3. CAPTAC-DR: PARTICIPANTS IN TRAINING FY20**

(Estimated as of end-April 2020)



Source: CAPTAC-DR staff.

**TABLE 5. CAPTAC-DR: REGIONAL TRAINING DURING FISCAL YEAR 2020**

(May 2019-April 2020)

Area	Topic	Collaborating Agency	Participants			Country, Date	Country <sup>3</sup>
			Number	Female Share <sup>1</sup>	Score <sup>2</sup>		
<b>Tax Administration</b>	Management development program (together with CUS)	AECID, CIAT, FAD, IADB, IFS, WCO, UNED	33	58	4.7	Uruguay, Dec	Region
<b>Customs Administration</b>	Risk management (together with TAX)	...	48	58	4.8	Costa Rica, Jun	Region
<b>Public Financial Management</b>	Treasury management program (part I and II)	...	22	45	4.9	Dominican Republic, Jun	Region
	Treasury management program (part I and II)	...	24	50	4.9	Dominican Republic, Mar	Region
<b>Financial Supervision and Regulation</b>	Financial inclusion	CNBV, BCP, SBS, SFC, WB <sup>4</sup>	28	50	4.9	Guatemala, May	Region
	Basel pillar II implementation	...	25	40	4.9	Guatemala, Oct	Region
<b>Real Sector Statistics</b>	Natural resources in national accounts (together with GFS)	IMF, CEMLA	42	62	4.8	Mexico, Nov	Region, Bolivia, Guyana, Mozambique and São Tomé
	High frequency indicators	...	22	55	4.9	Guatemala, Feb	Region
<b>Government Finance Statistics</b>	Harmonization of public finance and debt statistics	Central Bank of Dominican Republic	20	35	4.8	Dominican Republic, Sep	Region
<b>Total</b>			<b>264</b>	<b>52</b>	<b>4.8</b>		

Source: CAPTAC-DR.

<sup>1</sup> In percent of total participants.

<sup>2</sup> Rating assessed by participants; scale of 1 (lowest) to 5 (highest).

<sup>3</sup> Region comprises Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, and the Dominican Republic.

<sup>4</sup> Acronyms: Mexico Banks Superintendency (CNBV), Paraguay Central Bank (BCP), Peru Banks Superintendency (SBS), Colombia Finance Superintendency (SFC).

Participants in Regional Management Development Program for Customs and Tax Administrations



**TABLE 6. CAPTAC-DR: CUSTOMIZED TRAINING DURING FISCAL YEAR 2020**

(May 2019-April 2020)

Area	Topic	Collaborating Agency	Participants Number	Date	Country
<b>Tax Administration</b>	Strengthening risk management	Tax agency (DGII)	30	Aug	El Salvador
<b>Customs Administration</b>	Modernizing air-cargo processes in customs	Customs agency (SAT)	16	Feb	Guatemala
	Strategic planning	Customs agency (AAH)	25	Feb	Honduras
	Risk management	Customs agency (AAH)	15	Feb	Honduras
	Risk management	Customs agency (AAH)	20	Apr	Honduras
<b>Public Financial Management</b>	Modernizing treasury management	Finance Ministry	100	Jun	Dominican Republic
<b>Real Sector Statistics</b>	National accounts in value terms	Statistics agency (INEC)	31	Jul	Panama
	National accounts in volume terms	Statistics agency (INEC)	30	Sep	Panama
<b>Government Finance Statistics</b>	Public sector debt statistics	Finance Ministry and Central Bank	32	Jun	Nicaragua
	Basic finance statistics for budgeting alignment	Finance Ministry	42	Oct	Honduras
	Government financial statistics for analytical purposes	Finance Ministry	20	Dec	Guatemala
	Basic finance statistics for budgeting alignment	Finance Ministry and Central Bank	50	Feb	Honduras
<b>Total</b>			<b>411</b>		

Source: CAPTAC-DR.

**SECTION V**

COMMUNICATIONS

# COMMUNICATIONS

**The Center disseminated key achievements and provided a platform for the visibility of partners.** The effort focused on the consolidation of the communication strategy.

- **Dissemination of TA information.** The consensus among partners and members is that the sharing of TA reports helps exploit synergies with CD providers, raises coordination of CD delivery, and spreads valuable experience across countries. Dissemination of TA reports produced since Phase II through the secure repository rose from 60 to 92 percent during this fiscal year (text table).
- **Consultation with partners.** Broad dialogue with partners in the field greatly enriched the exchange of information on CD priorities and challenges. It opened opportunities for joint-delivery of CD assistance and provided visibility for partners, mainly through participation in regional seminars organized by the Center (Table 7). The Center obtained valuable guidance from the quarterly meetings with the regional councils for the formulation of regional projects and best options to incorporate emerging policy themes into the work program.
- **Newsletter.** The quarterly newsletter reported to the general public key results of regional seminars and joint activities with partners. Interviews with new partners and regional advisors helped explain on a friendly language the relevance of the strategy of capacity building and the scope of projects on macroeconomic statistics.

## Dissemination of TA Report<sup>1</sup> (Percent of reports)

	Mar 2020
<b>Total</b>	<b>92</b>
Public finances	90
Financial sector	89
Statistics	98

<sup>1</sup> Since July 2014.

- **Progress reports.** The quarterly report monitored progress of milestones under the RBM system and was distributed to country authorities, partners, and IMF staff. This year, the report began to track dissemination of TA information. There were also quarterly updates on fundraising developments to the Steering Committee. The rolling schedule of CD events was extended from 8 to 10 weeks ahead to help stakeholders track upcoming activities.
- **Social media.** The Center's website is the main outlet to showcase CD results. The Center launched a new, more secure, and user-friendlier website ([www.captac-dr.org](http://www.captac-dr.org)). Social media, specifically a Twitter account (@captacdr), facilitated the sharing of news on training, TA mission, and other relevant activities—followers in social media rose from 600 to 950 this year. The Center began preparation of a video for its website to highlight key results of its areas of operation.



**TABLE 7. CAPTAC-DR: CONSULTATION WITH EXTERNAL PARTNERS DURING FISCAL YEAR 2020**

(May 2019-April 2020)

Partner	Area <sup>1</sup>	Type of engagement	Date	Country
Central American Bank of Economic Integration	CC	Participation in Executive Board	Sep	Mexico
	GFS	Participation in bilateral assistance	Feb	Honduras
	GFS	Meeting with officials	Feb	Honduras
European Union	CAPTAC-DR	Meeting with delegation	Sep	Guatemala
	CAPTAC-DR	Meeting with delegation	Oct	Guatemala
	TAX	Meeting with delegation	Oct	El Salvador
	TAX/CUS/GFS	Meeting with delegation	Oct	Dominican Republic
	CC/SBF	Participation in regional seminar	Oct	Guatemala
	CUS	Meeting with delegation	Nov	Honduras
	TAX	Meeting with delegation	Nov	Honduras
	TAX/CUS	Meeting with delegation (and other CD providers)	Nov	Guatemala
	CC/TAX/CUS/PFM	Briefing to regional delegations	Dec	Nicaragua
	RSS	Meeting with delegation	Dec	Costa Rica
	GFS	Meeting with delegation	Dec	El Salvador
	GFS	Meeting with delegation	Jan	Nicaragua
	GFS	Meeting with delegation	Jan	Honduras
	GFS	Meeting with delegation	Feb	Honduras
	CC	Meeting with delegation	Feb	Guatemala
Luxembourg	TAX	Meeting with delegation	Nov	Nicaragua
Mexico	CC/RSS	Meeting with Statistics Office (INEGI) and Central Bank	May	Mexico
	CC/RSS	Briefing to Ministry of Finance	May	Mexico
	CC	Meeting with Statistics Office (INEGI) and Central Bank	Sep	Mexico
	CC	Briefing to Ministry of Finance	Sep	Mexico
	CC	Meeting with authorities (Colombia, Mexico, and Spain)	Oct	IMF Headquarters
	CC/RSS	Meeting with Statistics Office (INEGI) and Central Bank	Nov	Mexico
	CC/RSS	Briefing with Ministry of Finance	Nov	Mexico
Norway	CC/RSS	Participation in regional seminar / meeting with delegates	Nov	Mexico
Spain	TAX/CUS	Participation in regional seminar	Dec	Uruguay
<b>Other CD providers:</b>				
Canada	CC/TAX/CUS/PFM	Meeting with delegation	Dec	Guatemala
Others	TAX/CUS	Meeting with OTA, EU, CIAT, USAID, DAI/USAID, GIZ, MCC, INL	Nov	Guatemala

Source: CAPTAC-DR Staff.

<sup>1</sup> Acronyms are as follows: Center coordinator (CC); tax administration (TAX); customs administration (CUS); public financial management (PFM); financial supervision (SBF); central bank operations (OMX); real sector statistics (RSS); and government finance statistics (GFS).



**SECTION VI**

WORK PROGRAM  
FOR FISCAL YEAR 2021

# WORK PROGRAM FOR FISCAL YEAR 2021

**The work plan for the second year of Phase III is guided by the strategic objectives of the Program Document.** Based on the priorities of member countries and the Strategy Note of the IMF Western Hemisphere Department, the plan focuses on the implementation of multi-year projects, with emphasis on regional projects and initial assistance on emerging policy themes (see Annex I). The program for central banking will be reported to the Steering Committee once the new advisor concludes it. The work plan is consistent with a desired level of CD delivery, since the Center's funding needs are expected to be covered in FY21. Fundraising efforts will continue in order to close the remaining financing gap and thus avoid undesirable cutbacks in assistance during the last three years of Phase III.



## A

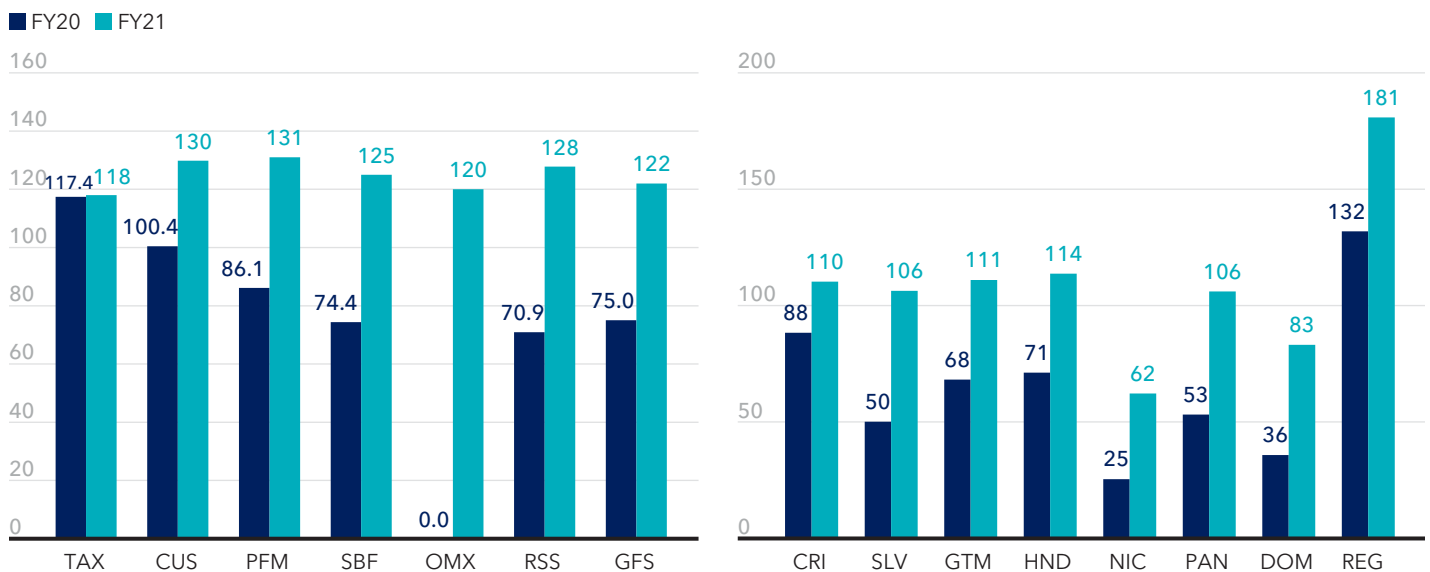
## FINANCIAL BUDGET

**Proposed budget.** The Center proposes a budget of US\$8.5 million for FY21, slightly above the level contemplated in the Program Document (see Table 3). The budget assumes that the Center will resume CD assistance fully with the start of FY21 and provides some space to catch up with the assistance interrupted by the virus outbreak. The budget is based on an overall

allocation of 870 expert-weeks (525 weeks in FY20) and 16 regional seminars (9 seminars in FY20) (Chart 4). Appendix II summarizes the expected outcomes and milestones that have been agreed with country authorities and IMF's CD Departments. In terms of effectiveness of CD assistance, the Center will further develop the strategic actions outlined in Box 1.

**CHART 4. CAPTAC-DR: PROPOSED RESOURCE ALLOCATION FOR FY21**

(In expert-weeks)



Source: CAPTAC-DR staff estimates.

## TAX ADMINISTRATION

**Member countries will further develop capacity on tax administration.**

The focus will be on risk management, control over tax returns, auditing, and managerial skills to foster tax compliance. Expected outcomes include:

- **Risk management.** Countries are expected to advance in several fronts in assessing and mitigating risks to tax collection. The Center will help more advanced countries elaborate plans to improve compliance based on management of tax risks (Costa Rica, Honduras). Other countries will conclude the mapping of tax risks (El Salvador, Guatemala, Nicaragua, Panama, the Dominican Republic). Countries will develop risk analysis models based on electronic information (Costa Rica, El Salvador, Guatemala, the Dominican Republic).
- **Tax returns.** Countries plan to develop well-structured plans to improve control over the filing of tax returns. Actions will be based on: (i) the relevance of tax obligations derived from the updated taxpayers'

registry; (ii) the usage of third-party information to enable cross-checking of taxpayers; and (iii) the usage of automatized tools to detect non-filing. Countries will also develop actions to ensure a timely filing of tax returns.

- **Auditing.** Countries plan to target audits on priority taxpayer segments and key taxes. The Center will develop guidelines for general and specific auditing, focusing on key economic sectors, as a tool to broaden the coverage of audits (Costa Rica, El Salvador, Guatemala, Nicaragua, Panama, the Dominican Republic).
- **Managerial capacity.** The Center will gear the training program for managerial skills towards the implication of achieving gender balance in the organizational chart, designing practices to reduce discretion and corruption, and incorporating the effects of climate change. Training will also focus on developing auditing skills and incorporating best practice in the auditing of the value-added tax.

## CUSTOMS ADMINISTRATION

**Member countries plan to strengthen the capacity on customs administration, in line with the strategic goals of the Program Document.**

The plan is to continue implementing the WTO trade facilitation agreement, the regional strategy on integrated risk management, and the customs union. The Center will help the region develop capacity for the design of gender and governance policies. Expected achievements include:

- **Regional projects.** COSEFIN will advance the strategy on integrated risk management. Together with the area of tax administration, a diagnostic will be prepared to assess the state of play, implications and benefits, and strategies for gender balance within the administrations. The diagnostic will consider the regional policy on equality and gender endorsed by the Central American Integration System (SICA) and integrate other TA providers. The Center will help adopt a regional methodology for segmentation of importers based on risk management and will advise the Central American Customs Valuation Commission and a regional group of experts on risk management processes.
- **Customs processes.** The region will continue closing the gap with the standards of the WTO agreement to advance customs integration and enhance competitiveness. The plan

is to elaborate an inter-agency protocol with the tax administration to improve collaboration (El Salvador), consolidate the registry of trade operators to create a unified taxpayers' registry with the tax administration (Honduras, Panama), and raise customs transparency, reduce clearance time, and improve cargo control (Guatemala, Costa Rica).

- **Risk management.** Milestones are oriented to the goals of the regional strategy on integrated risk management, particularly reducing fraud and contraband. Key actions will include: (i) consolidate procedures for post-clearance auditing to increase compliance of customs valuation and classification of goods (El Salvador, Guatemala), and import duties on fuel (the Dominican Republic); (ii) define action plans for post-clearance auditing focused on sensitive goods (Honduras, Nicaragua, Panama); (iii) initiate a pilot exercise to reinforce control over special regimens to avoid abuse of fiscal benefits (Guatemala); (iv) elaborate a national strategy on risk management (the Dominican Republic); (v) consolidate adoption of a plan for integrated cargo control that improves traceability of goods (Costa Rica); (vi) adopt a methodology for the segmentation of importers based on risk management to improve identification of risks to the clearance process (Nicaragua); and (vii) define a program for

customs compliance based on risk management (Honduras).

- **Managerial capacity and governance.** The Center will assist in building managerial skills to undertake the modernization of customs and strengthen the governance structure. El Salvador will define a plan for the modernization of customs and develop a score card to monitor progress. Guatemala will incorporate the governance priorities of the new government. Panama will define a medium-term strategy for the modernizing customs service, including with support from IMF's Fiscal Affairs Department.
- **Training.** To facilitate the implementation of TA advice, the Center will deliver regional training on: (i) managerial skills for tax and customs administrations, which will be delivered for a second year in a row, to also foster inter-agency coordination; and (ii) good practices for customs intelligence designed to improve the information exchange and intelligence initiatives, in collaboration with Mexico and the World Customs Organization (WCO), which supports the strategy for integrated risk management. Honduras and Panama will receive customized training on post-clearance auditing. The Center will collaborate with the USAID to build a coordinated border management in El Salvador, Guatemala, and Honduras.

## D

PUBLIC FINANCIAL  
MANAGEMENT

**The proposed work will continue to prioritize assistance on treasury management, fiscal transparency, and budgeting.** The strategic goal of these multiyear projects is to achieve greater efficiency in the use of public resources. Expected outcomes are as follows:

- **Treasury management.** The Center will continue to support the modernization of treasury management, mainly through projects on TSA, cash programming, and payment systems. Treasuries in Guatemala, Panama, and the Dominican Republic will receive assistance to expediate payments, reduce discretion, and invest temporary cash surpluses of the TSA. They will incorporate decentralized agencies, Congress, and the Judicial into the TSA. Panama will adopt an online system to collect nontax revenue and exert payments. The Center will propose an action plan to Nicaragua to resume work on treasury management.
- **Fiscal transparency.** Countries will take further steps to elaborate annual fiscal reports and manage fiscal risks (see Annex II). They plan to elevate reporting standards and broaden the disclosure of information to the public to enhance governance. Countries will assess a broader set of fiscal risks and deepen their analysis in the annual reports. Costa Rica and El Salvador will continue with the adoption of the IPSAS.
- **Budgeting.** Countries plan to develop medium-term macro-fiscal forecasting. They will take initial steps to design stronger program-based budgets, as a tool to enhance gender balance, deal with vulnerability to climate change, and foster inclusion. Costa Rica will create a special unit for macro-fiscal projections. Guatemala will refine forecasting techniques and upgrade the debt sustainability analysis, incorporating the pension system. El Salvador will set up a special unit to assess the quality of spending, while Honduras will emphasize methodologies for the formulation of gender-oriented budgets. Panama plans to modernize the process of formulation of the budget.
- **Training.** The Center will maintain the training program for treasury management. The program has been operating since April 2017 and has trained over 40 percent of officials in the region. The program is geared to facilitating adoption of the Center's TA advice and comprises two components: operational management and financial management. As noted earlier, regional training will be provided on PIMA standards, accounting of public sector financial assets, and debt sustainability analysis.



## E

## FINANCIAL SUPERVISION

**Countries plan to make further strides in bolstering financial supervision and regulation.**

To underpin financial stability, projects will continue to focus on strengthening risk-based supervision on a stand-alone basis as well as a consolidated and cross-border basis. The expected outcomes for next year include:

- **Regional projects.** The CCSBSO will build capacity to supervise the capital adequacy of banking groups on a consolidated and cross-border basis. In line with a roadmap for the adoption of IFRS, supervisors will draft guidelines to develop a common accounting language and foster transparency on the sharing of information.
- **Regulatory framework.** The Center will continue to help modernize regulations to manage financial risks. This assistance will include regulations on credit risk and provisioning (El Salvador, Honduras, Guatemala, Nicaragua), interest rate risk in the banking book (El Salvador), and consolidated supervision of financial groups (Costa Rica). El Salvador will initiate the transition to new accounting standards, based on the IFRS.
- **Basel standards.** The plan is to adopt some components of Basel II/III standards. Key steps

comprise: (i) initiate the introduction of a capital buffer for market risks (the Dominican Republic), (ii) conclude the adoption of the liquidity coverage ratio (Guatemala), (iii) assess the impact of the net stable funding ratio on banks (Honduras), and (iv) issue requirements for the disclosure of financial information by banks and financial groups (Costa Rica). Honduras will enhance the analysis of contagion risk by improving the assessment of interconnexión among domestic financial institution.

- **Supervision.** Countries will bolster the capacity to monitor financial risks. In the banking sector, the goals are to enhance supervisory capacity and monitoring tools for credit (El Salvador, Nicaragua, the Dominican Republic), liquidity (Costa Rica), and cyber/IT risks (Panama). The Center will deliver training on the consolidated supervision of financial groups (Costa Rica), interest rate risk in the banking book (El Salvador), and the adoption of IFRS (Honduras, El Salvador). Potential gaps in processes for the surveillance of weak banks (Panama) will be identified. In the insurance sector, the Center will help self-assess the extent of implementation of core principles for supervision (Guatemala).

## REAL SECTOR STATISTICS

**The work plan will continue to focus on the migration to new base years for the national accounts.**

The Center will also gear efforts towards TA activities on statistics for natural resources and gender, and the harmonization of the national accounts system. As in other workstreams, the proposed work plan incorporates CD assistance interrupted in FY20 by the outbreak of the COVID-19.

- **National accounts.** Costa Rica (rebasings to 2017) will release the new national accounts this year, once annual and quarterly backcasts are concluded. Honduras (rebasings to 2016) will work on the new annual and quarterly series. Panama (rebasings to 2018) will update business directories and economic surveys to start the rebasing project. The Dominican Republic (rebasings to 2018) will finalize a new input-output table and develop quarterly series. Guatemala (rebased to 2013) will enhance the annual and quarterly economic surveys and elaborate

methodological notes underlying the new national accounts.

- **Institutional sectors.** As part of the rebasing projects, countries plan to strengthen the compilation of the household sector (Honduras, the Dominican Republic) and compile the stocks of nonfinancial and financial assets to fortify statistics on institutional sectors, namely households, government, and nonfinancial corporations (Costa Rica, Honduras).
- **Price indices.** Countries will rebase the consumer price indices, consistent with new household surveys on income and expenditure (Guatemala, Honduras, Nicaragua, Panama, the Dominican Republic) and will make progress in elaborating the producer price indices (Guatemala, Honduras). This requires updating the weights and baskets of goods of those indices. The Center will provide training on digital data sources to compile price indices.

# GOVERNMENT FINANCE STATISTICS

**Countries will strengthen statistics to enhance policy making and regional analysis.**

Guided by the regional strategy, countries will address quality gaps in government finance statistics and broaden the institutional coverage of debt statistics, securing consistency with other macroeconomic statistics. The emphasis will be on capacity to elaborate regional reports on fiscal analysis, including debt sustainability analysis. The expected outcomes comprise:

- **Regional projects.** The regional working group will enhance the dataset of harmonized statistics, by broadening the coverage to the general government, aggregating balance sheet items, improving the compilation and the frequency of functional expenditure. Debt data is expected to include other accounts payable, cover the general government and main public enterprises, initiate the adoption of nominal value, and reconcile residence criteria. Countries plan to submit reports with analytical indicators for consolidation and publication by the regional working group through the online platform of the CMCA.
- **Government statistics.** Member countries will: (i) compile monthly and quarterly statistics for the general

government that could be published in the IMF International Financial Statistics, and (ii) broaden institutional and transactional coverage of annual statistics to partially include stocks, with a view of initiating a regional transition to a stock-flow approach. To broaden coverage to the general government, there will be joint work with the area of public financial management to help countries compile data from the social security schemes. Countries will gradually include and coordinate these statistics with the macro-fiscal framework, according to customized needs. In this sense, Costa Rica and Panama, as well as Nicaragua, are expected to define bilateral requests.

- **Debt statistics.** The Center will help improve the reporting of statistics, including to the World Bank-IMF database, and enhance the stock-flows approach. The work plan includes actions to overcome institutional coverage limitations and data gaps; improve valuation processes; enhance the accuracy between the compilation of stocks and flows; and ensure consistency in the classification of domestic and external debt, including proper collection of other accounts payable. The Center will provide regional and customized training.



**SECTION VII**

PROPOSED TRAINING  
AND OUTREACH



# PROPOSED TRAINING AND OUTREACH

## **The proposed training and communications strategies are aligned with the work plan for FY21.**

Training will be further integrated with TA projects and matched to the needs of members. The strategy is two-fold: (i) utilize training strategically to share best practice and international experience, as a basis to develop future TA projects; and (ii) use regional and customized training to facilitate adoption of current TA advice.

Outreach will focus on enhancing stakeholders' support to the plan for capacity building and disseminating success stories (Box 3).

- **Training.** In emerging themes and policy analysis, regional training will comprise: (i) managerial development in tax and customs administrations, with emphasis on gender balance in the organizational chart; (ii) financial development and inclusion; (iii) fiscal data for policy analysis, including social spending; and (iv) harmonization of public sector statistics and national accounts to also measure gender and inequality gaps, and depletion of natural resources. Other proposed regional training for FY21 is displayed in Table 8.
- **Collaboration.** Partners and authorities will continue to participate in training events to address participants on the importance of sustainable institutional development and the relevance of disseminating knowledge to peers in their home agencies. The Center will continue to seek cost-sharing arrangements with other CD providers in the region. The Center will consolidate the dissemination of TA reports to other CD providers with a legitimate interest in the region to facilitate coordination and address more effectively the capacity building needs of member countries.
- **Outreach.** The focus will be on providing partners' visibility and raising understanding of the activities of the Center. The Center will continue to share information on capacity building to the large audience that follows the Center, through social media and quarterly newsletters, while leveraging the Center's webpage.

### BOX 3. PROPOSED PLAN ON COMMUNICATIONS AND VISIBILITY

**Objective.** Provide high visibility to financial partners and disseminate key achievements to a broad audience. The proposed plan envisages activities supported in the past by the Steering Committee.



Steering Committee CAPTAC-DR

#### PARTNERS

- Brief partners regularly on milestone progress, challenges facing countries, and key advice on capacity development for policy making; increase visibility of partners through participation in regional training, interviews in our quarterly newsletter, and CD discussions with regional councils;
- Share strategic goals with other providers to coordinate CD delivery to upgrade institutional skills and enhance sustainability; seek relevant synergies to help build capacity for policies on inclusive growth.



Erick Vargas, Superintendent of Banks of Guatemala, during Regional Basel Pillar II Implementation Seminar, Financial Supervision

#### MEMBER COUNTRIES

- Review progress and interventions with regional councils and countries to attain the objectives of the work plan and broaden the scope of regional projects; consolidate the dissemination of TA information;
- Improve the integration of technical assistance and training, as well as capacity development and IMF surveillance.



Participants in Regional Natural Resources in National Accounts Program, Real Sector Statistics

#### SEMINARS

- Communicate objectives of specific training events and the integration with technical assistance projects; involve high-level country authorities and partners to convey expectations of capacity building;
- Emphasize how training helps upgrade officials' skills for policy making, facilitates adoption of the Center's advice, and support sustainability of capacity development; raise awareness on the challenge of building capacity for emerging policy issues, incorporate more governance and technology seminars.



Mario Garza and Jose Roberto Effio during Regional Basel Pillar II Implementation Seminar, Financial Supervision

#### SOCIAL MEDIA

- Broaden the non-specialized audience through blogs, twitter news, videos, infographics of each area, and other user-friendly material;
- Take advantage of the website and social media to showcase success cases, interviews with partners, and coordination with partners.

**TABLE 8. CAPTAC-DR: PROPOSED REGIONAL TRAINING FOR FISCAL YEAR 2021**

(May 2020-April 2021)

Area	Topic	Proposed date	Venue	Participants
<b>Tax Administration</b>	Use of information to improve tax collection	Jun	Peru	14
	Best practices on auditing the value-added tax	Feb	Costa Rica	28
<b>Customs Administration</b>	Business intelligence for risk management	Jun	Mexico	21
	Management development program (together with TAX)	Jul	Guatemala	28
<b>Public Financial Management</b>	Social security sector compilation and analysis (together with GFS)	Aug	Guatemala	23
	Public Investment Management Assessment [PIMA] (delivered by FAD)	Sep	Guatemala	41
	Treasury management program (part I and II)	Jan	Costa Rica	21
<b>Financial Supervision and Regulation</b>	Supervision of bank credit portfolio	Oct	Panama	32
	Financial development and financial inclusion (delivered by ICD)	Nov	Costa Rica	30
<b>Central Bank Operations</b>	Financial sector policies (delivered by ICD)	Sep	Guatemala	28
<b>Real Sector Statistics</b>	Annual and quarterly sectorial accounts	Jun	Dominican Republic	28
	Harmonization of national accounts and government finance statistics (together with GFS)	Jun	Panama	40
	Data sources for price statistics	Sep	Costa Rica	28
<b>Government Finance Statistics</b>	Public debt statistics workshop (together with HQ-D4D)	Jul	El Salvador	12
	Accounting and valuation of financial assets (together with PFM)	Sep	Guatemala	35
	Harmonization of the public finance and debt statistics	Mar	Guatemala	16

Source: CAPTAC-DR.

# ANNEXES

# Annex I.

## Projects on Cross-Cutting Themes for Phase III

CAPTAC-DR has developed an initial agenda to build capacity for cross-cutting policy issues during the 5-year period of Phase III. The agenda is embedded into the work plan for FY21, building on projects initiated earlier. Implementation will require close collaboration with IMF's country teams and partners.

### A. GENDER BALANCE AND EQUALITY

#### Public finances

- Review implications and experience of pink taxation<sup>1</sup> (FY22)
- Assess tax/subsidy policies to identify biases against gender and the vulnerable<sup>1</sup> (FY23)
- Review management of fiscal policy and effect on social spending<sup>1</sup> (FY22)
- Develop managerial skills to balance gender in tax and customs administrations, with emphasis on gender issues<sup>1</sup> (FY20-22)
- Assess impact from gender balance in tax and customs administrations<sup>1</sup> (FY21-22)
- Strengthen program-based budgeting for gender balance and equality<sup>1,2</sup> (FY20-23)

#### Financial sector

- Analyze policies and challenges for financial development and inclusion<sup>1</sup> (FY21)
- Review experience of regulatory changes for financial inclusion<sup>1</sup> (FY22)
- Review experience of prudential frameworks to support microfinance and women entrepreneurship, while protecting financial stability<sup>2</sup> (FY23-24)

#### Statistics

- Enhance employment matrices to measure gender gaps and informality<sup>2</sup> (FY20-23)
- Analyze household surveys to measure wage gaps and income inequality<sup>2</sup> (FY20-23)
- Upgrade compilation and analysis of general government social spending<sup>1,2</sup> (FY20-23)
- Align budgetary accounts to government finance standards in HND and DOM<sup>1,2</sup> (FY20-23)

<sup>1</sup> Regional and/or customized training.

<sup>2</sup> Technical assistance.

### B. CLIMATE

#### Public finances

- Manage risks on tax collections from climate change<sup>1,2</sup> (FY21-22)
- Assess tax/subsidy policies to promote low-carbon emission economies<sup>1</sup> (FY22)
- Manage public investment to mitigate vulnerability to climate change<sup>1</sup> (FY21-22)
- Strengthen the role of customs on trade facilitation of post-disaster goods<sup>2</sup> (FY22-23)
- Analyze fiscal risks from natural disasters<sup>2</sup> (FY20-21)
- Strengthen program-based budgeting to ease vulnerability and foster resilience<sup>2</sup> (FY20-22)

#### Financial sector

- Monitor systemic risks from climate change and develop stress-testing<sup>2</sup> (FY20-22)
- Manage climate risks in the insurance sector and enhance its resilience<sup>2</sup> (FY21-22)
- Supervise credit risks from climate change<sup>2</sup> (FY22-23)

#### Macroeconomic Statistics

- Analyze natural resources in national income accounts<sup>1</sup> (FY20-22)
- Incorporate depletion of natural resources into national accounts<sup>2</sup> (FY22-24)
- Compile and analyze natural resources in the central and general government<sup>1,2</sup> (FY20-23)

## C. GOVERNANCE AND TRANSPARENCY

### Public finances

- Develop strategic and operational plans for tax administration, with expected results on collection and costing<sup>1</sup> (FY20-23)
- Enhance strategic planning in customs administrations<sup>2</sup> (FY20-21)
- Enhance fiscal transparency (particularly, accounting, macro-fiscal forecasting and risk assessment) and disclosure to civil society<sup>2</sup> (FY20-24)
- Develop result-based budgeting to strengthen accountability<sup>1</sup> (FY 2020-24)

### Financial sector

- Supervise corporate governance and strengthen integrity practices in banks<sup>1</sup> (FY21-23)
- Adopt international reporting standards and secure transparency of information<sup>1</sup> (FY20-23)
- Support Basel's Pillar III implementation to enhance requirements for disclosure of information and introduce self-assessments of capital adequacy<sup>1,2</sup> (FY22-24)
- Develop capacity to supervise AML/CFT risks<sup>1,2</sup> (FY19, FY22-24)

### Statistics

- Strengthen the transparency and analysis of government finance and public debt statistics to inform policy making<sup>1,2</sup> (FY20-23)
- Develop regional reports to enhance the governance in the design and analysis of fiscal and macroeconomic policy<sup>1,2</sup> (FY20-23)

## D. TECHNOLOGY AND DIGITALIZATION

### Public finances

- Develop risk management models in technology platforms<sup>1</sup> (FY22-23)
- Develop databases for valuation of trade in customs<sup>1</sup> (FY21-23)

### Financial sector

- Improve capacity to supervise cyber-security risks<sup>1,2</sup> (FY20-21)
- Enhance regulation and supervision of IT risks<sup>1</sup> (FY20-22)
- Develop capacity to regulate and supervise Fintech intermediation<sup>1,2</sup> (FY21-23)

### Statistics

- Upgrade IT systems to produce automatized fiscal and debt statistics<sup>1,2</sup> (FY19-23)
- Generate fiscal reports for decision making from IT and programming platforms<sup>2</sup> (FY19-23)
- Improve CMCA/COSEFIN websites to publish harmonized statistics and reports<sup>2</sup> (FY20-23)



# Annex II.

## Assessing Risks to the Public Finances

(Success case of Public Financial Management)

*Since the mid-2010s, CAPTAC-DR has helped the region develop an integrated management of fiscal risks. So far, most countries have built capacity to assess the fiscal impact of shocks, both within the public sector and on the overall the economy. Looking ahead, the region needs to consolidate progress achieved and develop capacity to design mitigating policies to cope with risks.*

### A. INITIAL SITUATION

In the mid-2010s, the capacity to assess and manage risks to the operations of the public sector was almost absent. Finance ministries across the region lacked a basic understanding about fiscal risks and were largely unable to design preventive strategies to deal with the consequences of shocks. Most of the time, the materialization of risks resulted in sizable deviations from the budget, with adverse impact on public social spending, infrastructure investment, and the level of public sector indebtedness. Key shortcomings in the delivery of the budget included:

- The preparation of the budget did not explicitly account for potential deviations from the underlying macroeconomic assumptions. Budget officials normally took for granted the assumptions received from the central bank. As a result, projections of revenue, spending, and the operations of public enterprises under alternative scenarios were not usually assessed nor utilized to inform the budget. At the approval stage, budget documentation submitted to Congress commonly excluded a full consideration of relevant risks and their potential impact.
- The finance ministries were unable to fully analyze risks within the public sector. They were inadequately equipped to identify risks that could affect fiscal outcomes; for instance, those associated with ongoing legal disputes against the government or vulnerable public enterprises. Budget officials did not properly evaluate the channels of transmission between fiscal policy and the overall economy.
- The scope for an integrated management of fiscal risks was limited. To illustrate, public credit officials assessed the risks from the profile of the public sector debt, but those risks were not fully incorporated into the budget. The government normally evaluated risks from natural disasters and resorted to contingent credit lines to mitigate economic effects, but those actions were usually conducted outside an integrated framework. While the national supervisor exercised an effective monitoring of the financial system, related risks were insufficiently integrated into an assessment of the public finances.

### B. PROGRESS ACHIEVED

In consultation with country authorities, the Center designed a medium-term strategy to enable capacity to manage risks to the public finances. The strategy entailed a sequence of components: (i) the mapping of relevant fiscal risks; (ii) the disclosure of fiscal risks through the elaboration of a comprehensive analytical report; and (iii) the development of mitigating actions to cope with fiscal risks. Progress was achieved over the 5-year period of Phase II (June 2014-June 2019).

As a first step, the Center focused on regional and customized training to raise awareness among budget officials of the relevance of assessing risks to the public sector finances. The Center delivered regional seminars to share international experience and analytical tools. For instance, several presentations were conducted in Guatemala in 2017, in the context of the government's open budget exercise. However, more effort was needed to provide training to additional budget officials in the general government and to members of Congress.

The region developed to a large extent the first component for the management of fiscal risks. Supported by the Center, countries identified and mapped the main fiscal risks. Most relevant risks derived from macroeconomic uncertainties, natural disasters, and the public enterprises. Added risks related to the pension and health systems, owing to the population aging, local government indebtedness, legal disputes against the government, and the banking system.

Countries advanced into the second component related to the elaboration of fiscal reports. To this end, the Center helped members strengthen the analysis of individual risks, particularly in Costa Rica, Guatemala, Panama, and the Dominican Republic. Assistance centered on building capacity to (i) introduce organizational changes to clarify and assign tasks related to macro-fiscal projections and fiscal risks analysis; (ii) model consistent macroeconomic and fiscal projections and prepare diagnostics on the exposure

to specific risks; and (iii) elaborate fiscal risks reports. Some achievement entailed:

- Finance ministries (except in Nicaragua) redefined tasks or designated a unit in charge of analyzing and reporting on fiscal risks. Initially, they assessed macroeconomic and public debt risks, and subsequently developed risk analysis on natural disasters and pension schemes. Limited information has inhibited the analysis of other identified risks.
- Members refined the consistency of macroeconomic and fiscal projections. However, ministries need to work further on assessing the projected fiscal stance under alternative macroeconomic scenarios and reduce reliance on the macroeconomic projections from the central bank. While analysis of individuals risks gradually improved, the lack of relevant data and staff with adequate capacities has limited further progress.
- All members (except Honduras and Nicaragua) elaborated an initial report of fiscal risks, although the analytical content and disclosure need to be upgraded. In the context of the budget approval, some countries (Costa Rica, El Salvador, Guatemala, the Dominican Republic) presented information on fiscal risks to Congress, attached to the macro-fiscal framework and projections. However, this information did not incorporate mitigation actions. Hence, it fell short from constituting a full statement on fiscal risks.

### C. NEXT STEPS

Over the period of Phase III, the region seeks to build capacity to undertake risk analysis and design strategies to mitigate fiscal risks. To this end, members intend to consolidate the progress achieved so far and improve procedures for the disclosure of fiscal risks. These efforts will serve to inform the budget better and enhance fiscal transparency. The latter is also a key strategic objective of the current phase. Next steps include:

- Set up a formal consultation process to identify, assess, and manage fiscal risks, with broad participation of key public sector agencies and relevant stakeholders, possibly including banking supervisors and judicial representatives.
- In some countries, broaden the scope of fiscal risks reports to incorporate the public enterprises, local governments, and the financial system, among others. This requires stronger probabilistic analysis of macroeconomic and sectoral risks and better information systems to enable the assessment of risks, particularly for legal disputes, pension schemes, public enterprises, and local governments.
- Establish standards for the disclosure and presentation to Congress of a statement on fiscal risks to accompany the proposed national budget.
- Develop capacity to design strategies to mitigate relevant risks. The exercise would need to assess fiscal cost and offsetting actions, include cost-sharing with the private sector and least-cost options for the government, and foster discussion with stakeholder.

# Annex III.

## Supervising Banking Groups in the Central American Region

(Success case of Financial Supervision and Regulation)

*The region has upscaled the supervision of banking groups on a consolidated and cross-border basis since the outset of Phase I. Countries are building standardized capacity to cope with risks arising from corporate governance and liquidity management. The future regional agenda needs to enhance the supervision of solvency and broader financial risks to banking groups.*

### A. INITIAL SITUATION

In the mid-2000s, member countries began a long-term process to supervise banking groups on a consolidated and cross-border basis. The rapid expansion of banking groups across the region exposed financial systems to new systemic risks and countries lacked capacity to monitor, assess, and mitigate those risks. The regional council of superintendents of banks (CCSBSO) assumed the task of developing a common framework for the supervision of banking groups.<sup>1</sup> The goal of this concerted effort was to guide the building of supervisory capacity in each country and enhance coordination among supervisors in the region.

During Phase I (2009-14), CAPTAC-DR assisted the CCSBSO with standardized guidelines and extensive training on consolidated supervision. Hence, countries made strides in monitoring risks to banking groups, coordinating inspections and analysis, and exchanging information for consolidation of the lead supervisor (or country hosting the group holding). However, the 2016 regional diagnostic on macroprudential policy conducted by the Center and IMF staff found legal shortcomings and supervisory deficiencies at the country level that inhibited an effective supervision of banking groups. During Phase II (2014-2019) the CCSBSO focused in strengthening two areas for modernization:

- **Corporate governance.** Countries lacked proper supervision of corporate governance in banking groups. Regional guidelines by the CCSBSO were outdated relative to evolving standards, which incorporated the important lessons from the global financial crisis. Considering the critical role of corporate governance to the proper intermediation of savings and the functioning of the

economy, it was essential to bring regional guidelines in line with the international standards contained in the Basel corporate governance principles for banks and the G20/OECD principles of corporate governance.

- **Liquidity risk management.** Countries needed to close gaps in the supervision of liquidity risks on a consolidated basis. The region was highly exposed to liquidity shocks on banking groups that could rapidly propagate across countries, with serious macro-financial impact. Country regulation only applied to banks on a stand-alone basis, even after the intended adoption of the liquidity coverage ratio and monitoring tools, advised by Basel standards. Regional guidelines excluded steps for the supervision of liquidity risks to banking groups.

### B. PROGRESS ACHIEVED

Against this background, CAPTAC-DR assisted the CCSBSO to bolster the supervision of banking groups on a consolidated and cross-border basis. During the period of Phase II (2014-19), the Center's assistance focused on the priority blocks of corporate governance and liquidity risk management. The main results were to: (i) raise an understanding of new international standards; (ii) modernize common supervisory guidelines and standardize information requirements; and (iii) improve procedures for off-and on-site inspections.

#### Regional level

- **Corporate governance.** Guided by CAPTAC-DR, countries revamped guidelines and information requirements for the supervision of corporate governance in banking groups.

<sup>1</sup> The CCSBSO serves as a forum to assess financial developments and risks to the region and design coordinated supervisory strategies that could be adopted by individual countries. The council comprises the superintendencies of banks of CAPTAC-DR's seven member countries and Colombia.

In line with best practice, the new procedures called for: (i) an assessment of the corporate governance framework, and (ii) a more effective evaluation of the results of the country supervisor, leading to synergies in stand-alone and group level supervision. They enabled supervisors to assess the group structure (ownership and organization), the suitability of the board and senior management, key business lines, risk management practices, as well as the adequacy of internal controls, compliance, and transparency. The guidelines also standardized the information shared among supervisors.

- **Liquidity risk management.** The CCSBSO developed new regional guidelines to supervise liquidity risk in banking groups. Based on Basel standards and country-specific needs, the guidelines supplemented stand-alone supervisory procedures with cross-border principles to enable the supervision of the group. Drawing on country plans to introduce the liquidity coverage ratio and the net stable funding ratio (minimum levels of liquidity at country level), the guidelines geared country supervisory tools towards the monitoring of liquidity at the group level and provided standardized practices to facilitate the cross-border supervision of the banking group by the lead supervisor. The collaborative effort sped up the introduction of the liquidity ratios in some countries.

### Country level

- Costa Rica amended the central bank law in October 2019 to broaden the legal powers of supervisors to exercise a more effective consolidated supervision of banking groups. The Center assisted with the preparation of the draft bill that included changes to: (i) widen the perimeter of consolidated supervision; (ii) clarify the scope, definition, and concepts of the supervision of banking groups (i.e., ownership, group control, management relationship, significant influence, related parties, and economic group, among others); and (iii) empower the supervisory agencies (SUGEF, CONASSIF) to prudently regulate banking groups on a consolidated basis. The immediate priorities are to regulate the new legal provisions and build the supervisors' capacity to undertake these changes.
- Guatemala and Honduras built the technical capacity of supervisors through training on the application of international standards for consolidated supervision. These countries also prepared updated regulations for the consolidated supervision of banking groups, which are expected to be issued over the next few years.

- The Dominican Republic reorganized a committee for consolidated supervision and resumed its work. With CAPTAC-DR's advice, the committee reinforced the collaboration among various areas (banking, insurance, securities, and pensions) to supervise banking groups operating in the country and restarted periodic meetings to exchange analysis about these groups. The committee needs to set up a working agenda, clarify roles and tasks, and define a roadmap to enhance consolidated supervision in future years.

### C. NEXT STEPS

During the period of Phase III, the CCSBSO seeks to consolidate progress achieved so far, develop standardized capacity to supervise capital adequacy, and manage broader financial risks to banking groups. The following steps will help the region build adequate capacity to supervise banking groups and eventually reduce reliance on the assistance from the Center:

- Modernize the legal frameworks in most countries to grant supervisors powers to advance with the supervision of banking groups on a consolidated and cross-border basis. The initial agenda could follow up the footsteps of Costa Rica;
- Modify prudential regulations to incorporate a more consolidated and cross-border approach to banking groups, particularly for capital adequacy and risks of concentration and contagion. Develop adequate regulations to formalize the improved procedures already in place to supervise corporate governance;
- In line with Basel standards, (i) introduce a minimum of capital required for banking groups on consolidated basis, and (ii) adopt supplementary capital buffers to account for the stage of development of the self-assessment of capital adequacy in the banking group and the group-wide risk profile of the business operations;
- Develop a model for the management of financial risks for banking groups (mainly credit, market, operational, liquidity, and cybersecurity risks), including appropriate supervision and effective internal controls on a consolidated and cross-border basis; and
- Strengthen the role of the CCSBSO to set up a permanent procedure to guide standardized revisions in the supervision of banking groups at the country level and improve the council's IT capabilities to share information that facilitate consolidated supervision.

# CAPTAC-DR TEAM



CENTER COORDINATOR

**Mario Garza**



PROJECT MANAGER

**Andrés Navas**



LTX TAX ADMINISTRATION

**Martín Ramos**



OFFICE MANAGER

**Lesli Soto**



LTX CUSTOMS ADMINISTRATION

**Selvin Lemus**



SENIOR ADMINISTRATIVE ASSISTANT

**María Wong**



LTX PUBLIC FINANCIAL MANAGEMENT

**Jean-Baptiste Gros**



SENIOR ADMINISTRATIVE ASSISTANT

**Juan Pablo González**



LTX FINANCIAL SUPERVISION

**José Roberto Effio**



ADMINISTRATIVE ASSISTANT

**José Castañeda**



LTX NATIONAL ACCOUNTS

**Martha Tovar**



ADMINISTRATIVE ASSISTANT

**Kariana Villagra**



LTX GOVERNMENT FINANCE STATISTICS

**Bruno Da Rocha**

# APPENDIXES



# APPENDIX I: CAPTAC-DR—Execution of Work Plan for Fiscal Year 2020 (May 2019–April 2020)

## Tax Administration

Strengthening tax administrations through improved controls, intensifying risk analysis and adopting better control management systems to achieve a more balanced reform in the different dimensions of a tax administration.

Region						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
Manage technical assistance in tax administration matters. Support and coordinate initiatives of regional authorities, in coordination with other institutions that provide technical assistance.	Reports for the Management Committee of CAPTAC-DR and other stakeholders. Situation and activity report at the beginning and end of the period with appreciation of the LTX on the evolution of the activity of strengthening the tax administrations of CAPTAC-DR.	The countries of the region require international support to strengthen the tax administration and its main functions.	Execution of the extension and communication plan. Preparation of the Work Plan for the fiscal year 2021 and the Annual Report for the fiscal year 2020.	7.0	17.6	4.0
Strengthen revenue administration management and governance arrangements.	Reform management capacity strengthened in place for reform implementation, including dedicated resources. Gender equality and transparency awareness increase at managerial level.	Tax administrations do not have trained management personnel to make decisions, due to high turnover or lack of training plan. First edition of the management development program took in FY 2019.	Second edition of the Management Development Program (included customs) aim to middle-level managers launched jointly with other donors by April 2020.	4.8	5.9	4.0
Regional seminar on "Risk management and the tax compliance" by tax and customs.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The countries of the region require international support to initiate and/or strengthen risk management as an institutional strategy.	Course qualification by attendees not inferior to 4.8 out of 5. Prepare a final document of the seminar by April 2020.	6.6	1.2	4.0
<b>Total Region</b>				<b>18.4</b>	<b>24.7</b>	<b>4.0</b>
Costa Rica						
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGT has initiated a plan to improve compliance based on risks, but is still in the initial phase.	Improvements in the identification, evaluation and classification of risks is implemented by April 2020.	10.2	16.6	4.0
Strengthen revenue administration management and governance arrangements.	Key performance indicators established, regularly reported and monitored.	DGT has indicators, however these are not routinely prepared and are not monitoring.	Approve an aligned strategic and operational plan with outcome indicators by April 2020.	5.6	6.5	3.5
Strengthen core tax administration functions.	On-time filing ratio improves over time.	The implementation of the VAT and the amnesty regime requires support for its implementation.	Declarations management plan is implemented by April 2020.	9.2	6.9	3.5
<b>Total Costa Rica</b>				<b>25.0</b>	<b>29.9</b>	<b>3.8</b>

Tax Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>El Salvador</b>						
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGII has a control plan to improve compliance, but it doesn't based on compliance risks.	Compliance plan based on risk management is implemented by April 2020.	6.6	8.7	3.5
Strengthen core tax administration functions.	Accurate and reliable taxpayer information held in centralized database.	There is no constant updating policy for the taxpayer registry and the current format does not provide reliable information for tax management.	The taxpayer registry is updated for active taxpayers by April 2020.	5.6	3.6	3.5
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	According to the VAT base taxpayers have a coverage of 2.8 percent.	New models of information crossings for the massive control of taxpayers are implemented by April 2020.	5.6	12.3	3.5
<b>Total El Salvador</b>				<b>17.8</b>	<b>24.7</b>	<b>3.5</b>
<b>Guatemala</b>						
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The SAT does not have a risk management model, although they have identified risks that are in an initial phase.	Compliance Plan based on risk management is implemented by April 2020.	3.0	2.2	3.0
<b>Total Guatemala</b>				<b>3.0</b>	<b>2.2</b>	<b>3.0</b>
<b>Honduras</b>						
Strengthen revenue administration management and governance arrangements.	Key performance indicators established, regularly reported and monitored.	The SAR has an operational plan that measures activities and is not aligned with institutional objectives.	The operational plan that incorporates risk management and performance indicators is implemented by April 2020.	2.0	4.6	3.0
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	Risks have been identified and the first version of them established, but they are in an initial phase.	Compliance plan based on risk management is implemented by April 2020.	1.0	2.6	3.5
Strengthen core tax administration functions.	On-time filing ratio improves over time.	There is no invoicing control plan available. There is a basic control of omissions to the filing.	VAT declaration management plan implemented. The obligation of authorization for paper invoice implemented by April 2020.	2.0	--	1.0
<b>Total Honduras</b>				<b>5.0</b>	<b>7.3</b>	<b>3.2</b>

Tax Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Nicaragua</b>						
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGI has a control plan to improve compliance, but it doesn't based on compliance risks.	Compliance Plan based on risk management is implemented by April 2020.	5.6	5.3	3.5
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	The tax control of the DGI presents opportunities for improvement.	Increased coverage of audits and verifications for the extensive control of taxpayers by April 2020.	5.6	4.6	3.5
<b>Total Nicaragua</b>				<b>11.2</b>	<b>9.9</b>	<b>3.5</b>
<b>Panama</b>						
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGI has an early stage risk management model.	Compliance Plan based on risk management is implemented by April 2020.	5.6	4.6	3.0
Strengthen core tax administration functions.	Accurate and reliable taxpayer information held in centralized database.	There is no constant updating policy for the taxpayer registry and the current format does not provide reliable information for tax management.	The taxpayer registry is updated for active taxpayers by April 2020.	2.8	4.2	3.5
Strengthen core tax administration functions.	On-time filing ratio improves over time.	The declaration control model and the extensive controls present opportunities for improvement.	Declarations management plan is implemented by April 2020.	2.8	3.6	3.5
<b>Total Panama</b>				<b>11.2</b>	<b>12.5</b>	<b>3.3</b>
<b>Dominican Republic</b>						
Strengthen revenue administration management and governance arrangements.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGII has an incipient risk model. The list of identified risks is available.	Compliance Plan based on risk management is implemented by April 2020.	4.6	6.3	3.5
Strengthen core tax administration functions.	Accurate and reliable taxpayer information held in centralized database.	There is no constant updating policy for the taxpayer registry and the current format does not provide reliable information for tax management.	The taxpayer registry is updated for active taxpayers by April 2020.	4.6	--	3.5
<b>Total Dominican Republic</b>				<b>9.2</b>	<b>6.3</b>	<b>3.5</b>
<b>Total Countries</b>				<b>82.4</b>	<b>92.7</b>	<b>--</b>
<b>Total Region</b>				<b>18.4</b>	<b>24.7</b>	<b>--</b>
<b>Total Budget</b>				<b>100.8</b>	<b>117.4</b>	<b>3.5</b>

## Customs Administration

Strengthen the capacities of customs administrations in the region through an integrated customs control that allows them to increase transparency and facilitate customs processes, implementing international best practices on risk management.

Region						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
Effective management of the regional technical assistance on customs administration.	Progress level on milestones' achievement.	The strategic objectives for phase III emphasize a strengthening in the areas of managerial capacity, governance arrangements, and core functions to facilitate trade and reduce evasion, while improving gender balance in customs. Donor coordination to avoid duplication and overlapping in delivering TA continue as a priority during this phase III.	Work Program execution report submitted to the Steering Committee by April 2020. WP proposal for FY2021 submitter for endorsement of the Steering Committee by April 2020.	10.0	12.6	4.0
Improved customs administration functions.	Legal base, procedures and capacities strengthened to exchange information with the tax department, other government agencies and foreign customs.	The regional strategy on integrated risk management developed by CAPTAC-DR endorsed by regional DG's established the need of boosting massive analysis of information for improving risk assessment, defining as milestone executing a diagnostic on data quality at regional level. Regional customs administrations have data quality challenges and lack of processes for information management. 2 out of 7 regional customs administrations had implemented IT platforms to conduct massive information analysis for risk management and performance measurement.	Regional Diagnostic on Post Clearance Audit.	5.0	4.8	4.0
Strengthened revenue administration management and governance arrangements.	Improved monitoring and evaluation of compliance risk mitigation activities.	The CAPDR region has developed and adopted a regional strategy on customs integrated risk management with the support of CAPTAC-DR jointly with WCO and USAID. There are some initiatives in the region for implementing technology for improving customs cross-border controls and traceability and facilitated licit trade, such as NII equipment, RFID technology, electronic seals, etc. There are in the region the need for increasing risk management capacities and applying technology to improve risk prevention and mitigation.	Regional seminar on "Risk management for improving tax and customs compliance" delivered by June 2019.	3.0	4.0	4.0
Strengthened revenue administration management and governance arrangements.	Reform management capacity strengthened or in place for reform implementation, including dedicated resources. Gender equality and transparency awareness increase at managerial level.	Based on CAPTAC-DR 's experience, it is common to find in customs technical staff in areas such as customs valuation, classification and origin, however, it is necessary to strengthen management skills applied to customs. Many customs administrations in CAPDR region have requested training on management. Other TA providers organize training aimed at improving customs managerial capacities in different formats and methodologies. Tax Administration is already working in a similar program, which will help to organize an integrated program.	First edition of the Management Development Program aim to middle-level managers launched jointly with tax administrations and other TA providers by April 2020.	6.0	4.3	4.0
Strengthened revenue administration management and governance arrangements.	Improved monitoring and evaluation of compliance risk mitigation activities.	The CAPDR region has developed and adopted a regional strategy on customs integrated risk management (ERGIRA by its Acronyms in Spanish) with the support of CAPTAC-DR jointly with WCO and USAID. There are some initiatives in the region for implementing technology for improving customs cross-border controls and traceability and facilitated licit trade, such as NII equipment, RFID technology, electronic seals, etc. An important pillars of this strategy are the information exchange and intelligence initiatives, therefore, it is a vital to know good practices on those topics for supporting the implementation of the ERGIRA.	Regional Seminar on "Good practices of Customs Intelligence for implementing the Regional Strategy of Integrated Risk Management".	--	--	1.0
<b>Total Region</b>				<b>24.0</b>	<b>25.7</b>	<b>4.0</b>

Customs Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Costa Rica</b>						
Improved customs administration functions.	Customs laws, regulations, and guidelines simplified and easily accessible. Alignment of customs procedures (including transit) with international standards and regional integration objective improved.	Current business process at customs, tax and treasury administrations are not linked and managed as silos. A business process management initiative has been defined as priority by Vice Minister of Incomes.	Importation and exportation improved processes implemented in Santamaría customs offices by April 2020. First integrated and improved process between customs-tax-treasury administrations implemented by April 2020.	9.0	4.8	3.0
Improved customs administration functions.	Risk-based control selectivity applied more consistently.	Inspection rate is lower than 10 percent but without an effective assertiveness rate. An importers' segmentation base on risks was made in FY2018.	National Risk Management Strategy for facilitating trade and combating fraud, implemented in a first phase by December 2019.	6.4	4.8	3.0
Improved customs administration functions.	Effective application of procedures based on international standards for valuation, origin and the tariff classification of goods improved. Traceability of goods and customs actions in the customs systems strengthened.	An Integral Risk Management Strategy was drafted last fiscal year, but a specific control program to combat customs evasion is still pending. There are many opportunities to improve traceability of goods in this country, since TICA still lacks of controls and there are many fiscal warehouses without presence of customs officers and low control actions to monitor compliance in such customs areas.	Plan of Integral Cargo Control implemented as pilot in Santamaría customs by April 2020.	--	4.0	3.0
<b>Total Costa Rica</b>				<b>15.4</b>	<b>13.6</b>	<b>3.0</b>
<b>El Salvador</b>						
Improved customs administration functions.	Effective application of procedures based on international standards for valuation, origin and the tariff classification of goods improved. Traceability of goods and customs actions in the customs systems strengthened.	Port and airport authorities area not registered as temporary warehouses in customs, therefore, customs has not complete control of primary zones. Lack of an effective communication and cooperation mechanism among control authorities acting at borders, ports and airports.	Second phase of the Integrated cargo control plan implemented at Cargo Airport customs office by April 2020. Implementation of an information exchange protocol with Tax Administration, for improving risk management and traceability of goods, by April 2020.	5.4	3.8	2.0
Improved customs administration functions.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	Customs inspection plans do not incorporate comprehensive risk assessment. Customs inspection is not focused on economic sectors. The use of non-intrusive inspection equipment has been implemented in main borders and Acajutla port. Risk management is not integrated at customs nor is it coordinated with domestic taxes.	Implementation of the post clearance audit focused on economic sectors and sensitive goods by April 2020.	5.4	4.3	3.0
<b>Total El Salvador</b>				<b>10.8</b>	<b>8.1</b>	<b>2.5</b>

Customs Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Guatemala</b>						
Strengthened revenue administration management and governance arrangements.	Strategic and operational plans prepared and adopted. Key performance indicators established, regularly reported and monitored.	The new SAT's strategic plan includes, among other projects, the redefinition and automation of main customs processes and other customs modernization initiatives. CAPTAC-DR supported SAT in FY2018 and FY2019 in the definition of a customs modernization program called MIAD (Integral Customs Modernization Program), already part of the new strategic plan. MIAD aims at implementing international best practices including the WTO Trade Facilitation Agreement, strengthening fraud controls, increasing transparency, and implementing digitalization and risk management strategies. One of the strategic actions recommended by FAD in the 2016 mission was the Ingrated Cargo Control Plan implemented in Puerto Quetzal, which is now evolving to be consider in the new Customs Modernization Program.	Pilot on improving transit of goods process by implementin electronic seals by December 2019. Implementation of electronic exit/enter doors at TCQ port by April 2020.	8.0	3.8	3.5
Improved customs administration functions.	A larger share of trade controlled progressively through a properly designed post clearance audit program. Framework to control special regimes and exemptions strengthened.	Customs inspection plans do not incorporate comprehensive risk assessment strategy. Risk management is not fully integrated at customs. Lacks of an effective coordination with domestic taxes. Post clearance audit is conducted by an integrated tax-customs area out of the customs intendance, without significant results in terms of promoting voluntary compliance. Special procedures lack of effective customs controls. In FY2019 CAPTAC-DR supported the definition of an action plan to increase controls of royalties and right licencies.	Action plan for improving post clearance audit process end to end, implemented in its first phase focused on controlling special procedures, by April 2020. Definition of a new management and control model of special regimes, by April 2020.	5.4	13.9	4.0
Improved customs administration functions.	Traceability of goods and customs actions in the customs systems strengthened. Risk-based control selectivity applied more consistently.	No advanced risk analysis is performed. Customs inspection plans do not incorporate comprehensive risk assessment strategy. Risk management is not fully integrated at customs. It lacks an effective coordination with domestic taxes. Lack of an integrated traceability of imported and exported goods. An integrated cargo control plan was implemented in Puerto Quetzal and Tecún Uman Customs between 2016 and 2018.	Integrated Cargo Control Program implemented in the customs office covering 80 per cent of national cargos by April 2020.	--	3.5	4.0
<b>Total Guatemala</b>				<b>13.4</b>	<b>21.2</b>	<b>3.9</b>



Customs Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Honduras</b>						
Strengthened revenue administration management and governance arrangements.	Improved identification, assessment, ranking and quantification of compliance risks. Better mitigation of risks through a compliance improvement program.	Customs inspection plans do not incorporate comprehensive risk assessment. FAD and CAPTAC-DR have supported and information exchange initiatives among Customs, SAR and SEFIN to increase capacities for preventing and mitigating tax evasion risks. Guatemala and Honduras started a customs union initiative to facilitate movement of goods through borders. El Salvador joint such initiative in 2018. Customs union operations lack of effective controls by customs and SAT and they with their counterparts in Guatemala and El Salvador. The new Customs Agency initiated operations in January 2019, with former and new staff.	Workshop on risk management identification executed by December 2019. An inter-institutional compliance improvement program (Customs - SAR - SEFIN) to enhance identification and mitigation of risks derived from customs union operations, applied by April 2020.	7.2	2.8	3.0
Improved customs administration functions.	Customs laws, regulations, and guidelines simplified and easily accessible. Active engagement with the trade community supports voluntary compliance.	Honduras notified in 2014 its commitments category A under the WTO Bali Agreement. Lack of a process and procedures manual and a service desk for improving information dissemination to traders and other stakeholders. Trade operators' registration is weak and not validated with information from other agencies and customs. FAD and CAPTAC-DR have supported and information exchange initiatives among Customs, SAR and SEFIN to increase capacities for preventing and mitigating tax evasion risks.	Integration of customs trade operators register to a unified tax payer register (Customs-SAR, SEFIN), defined by April 2020.	5.4	2.8	2.0
Strengthened revenue administration management and governance arrangements.	Clear organizational structure along functional lines and/or taxpayer segments established and operating or strengthened. Clear separation of roles and responsibilities between HQ (definition of standard operation procedures, planning and monitoring) and local branches (execution) adopted.	An initiative for restructuring revenue administration was undertaken early 2014. A presidential Commission was appointed to take control of the Customs service in 2016. The new Tax Code entered into force in January 2017 created a new Customs Administration Agency, still under implementation. CAPTAC-DR helped define a new organizational structure in FY2018.	Institutionalization of the new customs agency by August 2019.	--	9.1	4.0
<b>Total Honduras</b>				<b>12.6</b>	<b>14.6</b>	<b>3.4</b>

Customs Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Nicaragua</b>						
Improved customs administration functions.	Risk-based control selectivity applied more consistently.	Inspection rate is lower than 20 percent but without an effective assertiveness rate. There is not an importer's segmentation based on risks in place. Customs inspection plans do not incorporate a comprehensive risk assessment strategy.	Segmentation of trade operators based on their risk level is implemented by April 2020.	1.0	2.8	3.0
Improved customs administration functions.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	Customs inspection plans do not incorporate comprehensive risk assessment. Customs inspection is not focused on economic sectors. The use of non-intrusive inspection equipment has been implemented in main borders. Risk management is not integrated at customs. Lacks of effective coordinated with domestic taxes. Results of post clearance audit activities have a big potential to increase.	Action plan for improving post clearance audit implemented in its first phase by April 2020.	2.8	--	1.0
<b>Total Nicaragua</b>				<b>3.8</b>	<b>2.8</b>	<b>3.0</b>
<b>Panama</b>						
Improved customs administration functions.	Risk-based control selectivity applied more consistently.	Customs lacks of a risk management strategy. One hundred percent of final import declaration are reviewed during clearance process without high level of effectiveness. Inspection of goods during clearance process is conducted with limited capacities, and following discretionary criteria. Customs inspection of goods is not focused on economic sectors. Risk management is not fully integrated at customs. Lacks of an effective coordination with domestic taxes.	Workshop on risk management identification executed by December 2020. Risk analysis rules for registering trade operators, defined and applied by April 2020.	5.4	7.6	3.0
Improved customs administration functions.	Customs laws, regulations, and guidelines simplified and easily accessible. Alignment of customs procedures (including transit) with international standards and regional integration objective improved.	No integrated process management is applied. Management is performed by functions. In 2013, Panama adopted the Central America Customs Code (CAUCA by its acronym in Spanish) and its regulations, RECAUCA, but its customs procedures are not yet aligned with its provisions. In 2014, Panama notified the WTO its category A commitments under the WTO Trade Facilitation Agreement in 2014. A mission conducted by FAD in 2016 identified the need of defining a comprehensive trade facilitation strategy aligned with the WTO-TFA.	A pilot for improving the registration of traders' process implemented by April 2020.	6.4	2.5	3.0
<b>Total Panama</b>				<b>11.8</b>	<b>10.1</b>	<b>3.0</b>

Customs Administration						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Dominican Republic</b>						
Strengthened revenue administration management and governance arrangements.	Key performance indicators established, regularly reported and monitored.	Customs had a strategic plan 2013-2016 updated in FY2019 to 2017-2020. FAD diagnostic missions had identified limitation in the strategic management capacities in the customs administration. A new planning management area was created in the organizational structure. The administration lacked of an internal management committee, which was created in 2017 following a recommendation from FAD. Customs administration has an strong research and statistical area but lacks of an indicators' dashboard.	Automation of the key performance indicators by April 2020.	2.8	0.5	4.0
Improved customs administration functions.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	One hundred percent of customs declarations are reviewed during clearance process. Customs advance controls are not applied. Customs controls are not based on a comprehensive risk management strategy. Post clearance audit is one of the strengthens of the customs administration, but is not focused on economic sectors and there are needs for stronger support to this type of controls.	Action plan for improving post clearance audit process end to end, implemented in its first phase by April 2020.	5.4	3.8	3.0
<b>Total Dominican Republic</b>				<b>8.2</b>	<b>4.3</b>	<b>3.1</b>
<b>Total Countries</b>				<b>76.0</b>	<b>74.7</b>	<b>--</b>
<b>Total Region</b>				<b>24.0</b>	<b>25.7</b>	<b>--</b>
<b>Total Budget</b>				<b>100.0</b>	<b>100.4</b>	<b>3.2</b>

## Public Financial Management

Improve public financial management by strengthening the medium-term budget process, government accounting, treasury management and implementation of medium-term fiscal and macroeconomic projections.

Region						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
Planning, coordination, monitoring and follow-up of the TA in public financial management. Disclosure of the work done by CAPTAC-DR. Support to regional institutions in strengthening public financial management.	N.A.	N.A.	N.A.	8.0	8.5	4.0
FAD-HQ Diagnostic mission.	TBD	TBD	TBD	14.4	--	1.0
Improved coverage and quality of fiscal reporting.	N.A.	N.A.	Participants are trained with a satisfaction rate higher than 4.5 out of 5 by April 2020.	3.0	--	1.0
Improved asset and liability management.	N.A.	N.A.	Participants are trained with a satisfaction rate higher than 4.5 out of 5 by April 2020.	12.0	16.1	4.0
Improved budget execution and control.	Appraisal, selection, costing and monitoring of public investment projects (PEFA PI-11, PIMA 9, PIMA 10, PIMA 13, PIMA 14, FTC 2.1.4).	N.A.	Participants are trained with a satisfaction rate higher than 4.5 out of 5 by April 2020.	--	--	1.0
<b>Total Region</b>				<b>37.4</b>	<b>24.5</b>	<b>4.0</b>
Costa Rica						
Comprehensive, credible, and policy based budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	PEFA PI-14: C+ FTC 2.1.2: Good	To be defined.	4.0	--	1.0
Strengthened identification, monitoring, and management of fiscal risks.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Basic	Publication of a fiscal risk report including at least 5 sorts of fiscal risks by April 2020.	7.6	4.5	4.0
Improved asset and liability management.	Timeliness of transfer of collected revenue to the Treasury (PEFA PI-20.2).	There was no operational risk management framework in the Treasury. Reforms are led with no real monitoring framework.	Definition of an indicator dashboard for Treasury management reforms.	--	13.0	4.0
Improved coverage and quality of fiscal reporting.	Fiscal reports' coverage of institutions (FTC 1.1.1).	FTC 1.1.1.: Advanced		--	--	1.0
<b>Total Costa Rica</b>				<b>11.6</b>	<b>17.5</b>	<b>4.0</b>

Public Financial Management						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>El Salvador</b>						
Improved coverage and quality of fiscal reporting.	Fiscal reports' coverage of institutions (FTC 1.1.1).	FTC 1.1.1: Basic	Consolidated financial statements that include local government are elaborated by April 2020.	2.2	5.1	3.0
Improved budget execution and control.	Appraisal, selection, costing and monitoring of public investment projects (PEFA PI-11, PIMA 9, PIMA 10, PIMA 13, PIMA 14, FTC 2.1.4).		A PIMA is realized.	--	3.4	4.0
<b>Total El Salvador</b>				<b>2.2</b>	<b>8.5</b>	<b>3.4</b>
<b>Guatemala</b>						
Improved asset and liability management.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective cash flow forecasting: B. DPI 11-2: Effective cash balance management: D.	A payment policy that rules payment agenda, terms of payment and decentralization of payment is adopted by April 2020.	2.2	--	1.0
Comprehensive, credible, and policy based budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	PI-14: D+ FTC 2.1.2: Basic	Elaboration of a new MTMFF by April 2020.	4.4	6.5	4.0
Strengthened identification, monitoring and management of fiscal risks.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Basic	A 30 year DSA analysis that includes social security's funds is made by April 2020.	3.6	7.9	4.0
<b>Total Guatemala</b>				<b>10.2</b>	<b>14.4</b>	<b>4.0</b>
<b>Honduras</b>						
Comprehensive, credible, and policy based budget preparation.	Medium-term perspective in budget framework (PEFA PI-16, FTC 2.1.3).	PEFA PI-16: FTC 2.1.3: Good	Sound baseline methodology is defined for budget preparation by April 2020.	4.4	5.1	4.0
Improved coverage and quality of fiscal reporting.	Fiscal reports' coverage of institutions (FTC 1.1.1).	FTC 1.1.1.: Good	A training strategy for decentralized institutions' accountants is adopted by April 2020.	2.2	--	1.0
<b>Total Honduras</b>				<b>6.6</b>	<b>5.1</b>	<b>4.0</b>

Public Financial Management						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Nicaragua</b>						
Improved asset and liability management.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: D	70 percent of TSA payments use electronic means of payment by April 2020.	2.2	--	1.0
Strengthened identification, monitoring, and management of fiscal risks.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Less than basic	A fiscal risk report is elaborated that includes an analysis of macro fiscal risks based on the FP simulations by April 2020.	2.2	--	1.0
<b>Total Nicaragua</b>				<b>4.4</b>	<b>--</b>	<b>--</b>
<b>Panama</b>						
Improved asset and liability management.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: B	A payment policy that rules payment agenda, terms of payment and decentralization of payment is adopted by April 2020.	5.8	9.3	3.0
Comprehensive, credible and policy based budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	FTC 2.1.2: Less than basic.	The MTMFF uses scenarios based on the fiscal programming model by April 2020.	2.2	3.9	2.0
Strengthened identification, monitoring and management of fiscal risks.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Less than basic.	The MTMFF goes along with a fiscal risk report by April 2020.	3.6	--	1.0
<b>Total Panama</b>				<b>11.6</b>	<b>13.3</b>	<b>2.7</b>
<b>Dominican Republic</b>						
Improved asset and liability management.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: B	An investment strategy for TSA's cash surpluses is adopted by April 2020.	4.0	2.8	4.0
Comprehensive, credible, and policy based budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	PEFA PI-14: D+ FTC 2.1.2: Less than Basic	A sector-based tax income evaluation methodology is defined by April 2020.	2.2	--	1.0
Strengthened identification, monitoring and management of fiscal risks.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Less than Basic	A fiscal risk report includes SOE-based fiscal risks by April 2020.	7.6	--	1.0
Improved coverage and quality of fiscal reporting.	Fiscal reports' coverage of institutions (FTC 1.1.1).	FTC 1.1.1.	To be defined.	2.2	--	1.0
<b>Total Dominican Republic</b>				<b>16.0</b>	<b>2.8</b>	<b>4</b>
Total Countries				<b>62.6</b>	<b>61.5</b>	<b>--</b>
Total Region				<b>37.4</b>	<b>24.5</b>	<b>--</b>
<b>Total Budget</b>				<b>100.0</b>	<b>86.0</b>	<b>3.7</b>



## Financial Supervision and Regulation

Implement and strengthen international best practices in financial supervision and regulation, including risk-based supervision, consolidated and cross-border supervision, and macroprudential supervision.

Region						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
Develop/strengthen banking regulations and prudential norms.	Banks submit reports on standalone and consolidated basis.	CAPTAC-DR has been supporting the CCSBSO to strengthen the consolidated and cross-border supervision of regional financial groups. Previous TA included Liquidity risk and corporate governance supervision at financial groups.	Guidelines to update the standardized process to assess banking group's solvency are agreed by regional supervisors, by April 2020.	4.0	1.1	1.5
Manage TA on financial supervision and regulation.	TA backstopping. Dissemination of information. Documents for the IMF and for the Steering Committee.	Budgeted resources (person-weeks) for FY 2020 TA on financial supervision and regulation, as per the beginning of CAPTAC-DR's Phase III.	Contributions to FY 2021 program document, FY 2020 Annual Report, and other documentation to technical assistance stakeholders are drafted, by April 2020.	5.0	8.1	4.0
To improve supervisory effectiveness for accounting and prudential provisioning through improving regulatory guidelines against international standards and practices.	Appropriate planning document for the implementation is produced.	CAPTAC-DR has been supporting the CCSBSO's Accounting Standards Committee to move towards IFRS.	A follow-up on previous TA recommendations regarding financial instruments' supervision procedures is performed, by April 2020. Guidelines compliant with TA recommendations regarding IFRS 16 implementation are agreed, by April 2020. A training program is designed and delivered to supervisors on IFRS 9 (deterioration) and IFRS 16, by April 2020.	--	3.7	4.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	Regional authorities look forward to bolster supervisors' capacities on credit risk portfolio supervision.	A regional workshop on credit risk portfolio supervision is designed and delivered, by April 2020.	5.2	--	1.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	CAPTAC-DR is committed to continue supporting financial inclusion efforts in the region.	A regional workshop on the supervisor and regulator's role in fostering financial inclusion is designed and delivered, by June 2019.	3.1	3.3	4.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	CAPTAC-DR is committed to continue supporting Pillar II implementation in the region.	A regional seminar on the implementation of Basel's Pillar II standard is designed and delivered, by April 2020.	5.2	7.4	4.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	CAPTAC-DR will support ICD regional training program.	In coordination with ICD, a regional workshop on financial sector policies is organized and delivered, by April 2020.	--	--	1.0
<b>Total Region</b>				<b>22.5</b>	<b>23.7</b>	<b>3.9</b>

Financial Supervision and Regulation						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Costa Rica</b>						
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Risk-based processes and manuals are implemented.	In line with the FSSR mission recommendations, CAPTAC-DR has been supporting the SUGEF on a project to updating credit risk measurement standards and update credit risk provisioning.	Credit risk provisions supervision tools and inspection manuals are updated, by April 2020. Revised reporting templates on credit risk provisions are developed, by April 2020.	3.0	--	1.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Risk-based processes and manuals are implemented.	SUGEF deems important to bolster the set of tools available to strengthen the supervision of liquidity risk at the microeconomic and systemic level.	Criteria to design and produce a supervisory liquidity stress testing tool is provided, by April 2020. Supervisors are trained on liquidity stress tools and their use for supervisory purposes, by April 2020.	3.0	3.7	2.5
Develop/strengthen banking regulations and prudential norms.	Guidelines and regulations for risk measurement and management are adopted.	CAPTAC-DR has been supporting the SUGEF on a project to strengthen credit risk measurement standards and update credit risk provisioning.	Draft an updated regulation on external auditors, by April 2020. Revised supervisory procedures on external auditors are developed, by April 2020.	3.0	--	1.0
Develop/strengthen banking regulations and prudential norms.	Guidelines and regulations for risk measurement and management are adopted.	CAPTAC-DR has been supporting the SUGEF on a project to strengthen credit risk measurement standards and update credit risk provisioning.	Drafts amendments on credit risk management, and loan measurement and provisioning regulations are presented to SUGEF for approval, by December 2019. Supervisors are trained on standards and best practices on credit risk management, loan measurement and provisioning, and country and transfer risks, by December 2019.	2.5	3.7	4.0
Develop/strengthen banking regulations and prudential norms.	Banks submit reports on standalone and consolidated basis.	CONASSIF has amend the Banking Law in Costa Rica to, among others, enhance supervisors' powers to implement an effective financial groups' supervision. SUGEF is the responsible to develop and propose amendments to current regulatory framework.	Improvement opportunities to the regulatory framework to introduce legal amendments for financial groups supervision are identified, April 2020.	--	1.9	2.5
<b>Total Costa Rica</b>				<b>11.5</b>	<b>9.3</b>	<b>3.1</b>

Financial Supervision and Regulation						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>El Salvador</b>						
Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS).	Enactment/Issuance of necessary amended legislation and regulation to establish risk based capital requirements covering all material risks and ladder of interventions based on the level of capital.	CAPTAC-DR has been supporting Salvadorian authorities to strengthen insurance sector supervision.	Guidelines to introduce regulatory reserves requirements are drafted, by April 2020. Supervisors and regulators are trained on reserves requirements, by April 2020.	3.0	--	1.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	CAPTAC-DR has been supporting Salvadorian authorities to strengthen market risk management and introduce capital requirements. Now, they look forward to introducing IRRBB management requirements.	Guidelines for a IRRBB regulation are drafted, by April 2020. IRRBB supervision tools and procedures are developed, by April 2020. Supervisors and regulators are trained on IRRBB standards and supervision, by April 2020.	3.0	--	1.0
Implement Basel II and III standards.	Banks send an internal capital adequacy assessment report to supervisors.	As part of previous MCM TA mission, a road map to implement Basel standards included the introduction of ICAAP requirements.	Guidelines to introduce regulatory requirements for banks to develop an internal process to stress test their capital are drafted, by April 2020. ICAAP supervision procedures are developed, by April 2020.  Supervisors and regulators are trained on ICAAP standards and supervision, by April 2020.	5.5	3.7	2.5
<b>Total El Salvador</b>				<b>11.5</b>	<b>3.7</b>	<b>2.5</b>

Financial Supervision and Regulation						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Guatemala</b>						
Implement Basel II and III standards.	New liquidity regulations have been issued in line with Basel III requirements.	In order to move towards Basel standards, the SIB has been drafting liquidity risk requirements and developing impact studies to introduce the LCR.	Supervisors are trained on the Basel's LCR standard and supervisory practices, by April 2020.	5.5	--	1.0
Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS).	Enactment/issuance of necessary amended legislation and regulation to establish risk based capital requirements covering all material risks and ladder of interventions based on the level of capital.	SIB plans to reform the insurance sector supervision, include the introduction of a new legal framework, to replace current provisions that are very out of date (from the 70's).	Guidelines to draft a new Insurance Law are agreed and drafted, by April 2020.	3.0	--	1.0
Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS).	Template provided by TA is adopted.	SIB has been working on new accounting standards for insurance companies, and deems necessary to be reviewed by a third-party expert.	SIB's draft accounting standards for insurance companies are reviewed and improvement opportunities are identified, by April 2020.	3.0	--	1.0
Develop/strengthen banking regulations and prudential norms.	Banks submit reports on standalone and consolidated basis.	SIB regulatory plan includes drafting amendments to the Banking Law on financial groups supervision, and introducing prudential requirements. There are MCM recommendations on this regard pending to implement.	Guidelines to draft financial groups supervision prudential regulation are designed, by April 2020.	3.0	3.7	4.0
Develop/strengthen cybersecurity regulations and prudential norms.	Supervisors revise regulations in line with developments in sector and standards.	SIB has been working on updating its regulatory framework on IT risk, but they see necessary to focus their supervision activities more on cybersecurity issues.	Supervisors are trained about cybersecurity standards and best supervisory practices, by April 2020. Guidelines to develop cybersecurity supervisory procedures are recommended, by April 2020.	--	14.4	4.0
Develop/strengthen banking regulations and prudential norms.	Guidelines and regulations for risk measurement and management are adopted.	SIB regulatory plan includes drafting amendments to the Banking Law on financial groups supervision, and introducing prudential requirements. There are MCM recommendations on this regard pending to implement.	Information requirements to carry out a diagnostic on retail portfolio overindebtedness are identified, by April 2020. Guidelines to introduce in current regulatory framework the management of retail portfolio overindebtedness are drafted, by April 2020.	--	--	1.0
<b>Total Guatemala</b>				<b>14.5</b>	<b>18.1</b>	<b>4.0</b>

Financial Supervision and Regulation						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Honduras</b>						
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Risk-based processes and manuals are implemented.	In order to improve credit risk supervision, the CNBS considers necessary to update supervisor's PD estimation procedure.	Improvement opportunities on the CNBS' PD estimation model are identified, by April 2020. Drafted guidelines to amend credit risk measurement and provisioning regulations are discussed, by April 2020.	5.5	--	1.0
Implement Basel II and III standards.	Supervisors set different capital charges over minimum requirements to account for differing bank risk profiles and risk management capacity.	Supervisors plan to set different capital charges over minimum requirements to account for diverse bank risk profiles and risk management capacity.	Improvement opportunities on the CNBS' draft methodology for the assessment of domestic financial interconnectedness are identified, by April 2020.	3.0	--	1.0
To improve supervisory effectiveness for accounting and prudential provisioning through improving regulatory guidelines against international standards and practices.	Approved action plan.	To complement regional TA to the Council of Superintendents' technical committee on accounting regulation, the CNBS looks forward to strengthen financial instruments supervision (i.e. Forwards and financial derivatives).	Supervisors are trained on fair value and financial instruments accounting, by April 2020.	3.0	--	1.0
<b>Total Honduras</b>				<b>11.5</b>	<b>--</b>	<b>--</b>

Financial Supervision and Regulation						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Nicaragua</b>						
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Risk-based processes and manuals are implemented.	In line with FSSR recommendations, the SIBOIF looks forward to strengthening on-site credit risk supervision procedures and capacities, and develop a commercial loan portfolio review plan.	On-site credit risk supervision procedures, regarding the commercial loan portfolios, are reviewed and updated, by December 2019. Guidelines to organize and execute a commercial loan portfolio review plan are drafted, by December 2019. Supervisors are trained on on-site supervision of credit risk, focusing on commercial loans management and provisioning, by June 2019.	3.5	4.8	4.0
Develop/strengthen banking regulations and prudential norms.	Guidelines and regulations for risk measurement and management are adopted.	In line with FSSR recommendations, the SIBOIF will update current credit risk measurement and provisioning regulations.	Drafts amendments on credit risk measurement and provisioning regulation, in line with FSSR recommendations, are agreed and drafted, by April 2020. Supervisors are trained on standards and best practices on credit risk measurement and provisioning, by April 2020.	9.0	--	1.0
<b>Total Nicaragua</b>				<b>12.5</b>	<b>4.8</b>	<b>4.0</b>
<b>Panama</b>						
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Reports have been modified and adopted to require more relevant data for risk assessment.	The RBS approach implemented by the SBP did not consider a reporting system review. Recently, the SBP required CAPTAC-DR support to assess if current reporting templates satisfied RBS information requirements, starting with credit risk.	Recommendations to improve current banking reporting system and off site procedures on solvency, corporate governance and country risk management are identified, by April 2020.	8.0	--	1.0
Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS).	Enactment/Issuance of necessary amended legislation and regulation to establish risk based capital requirements covering all material risks and ladder of interventions based on the level of capital.	The Panamanian Insurance Superintendency required CAPTAC support to improve and enhance insurance supervision.	Improvement opportunities of current insurance sector supervision process and regulatory framework are identified, and an action plan to enhance them is drafted, by April 2020.	3.5	--	1.0
<b>Total Panama</b>				<b>11.5</b>	<b>--</b>	<b>--</b>



Financial Supervision and Regulation						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Dominican Republic</b>						
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Risk-based processes and manuals are implemented.	A recent regulation on IT risk management by the BCR, established requirements on information security and business continuity for banks, and set SIB's responsibilities on its supervision.	Improvement opportunities on IT risk supervision procedures are identified, by April 2020. Supervisors are trained on information security and business continuity for banks international standards and supervision, by April 2020.	3.0	11.0	4.0
Implement Basel II and III standards.	New liquidity regulations have been issued in line with Basel III requirements.	CAPTAC-DR has been supporting the SIB on updating liquidity risk requirements and introducing the LCR, in order to move towards Basel standards.	Guidelines to amend current liquidity risk regulation and introduce the LCR are drafted, by April 2020. Supervisors are trained on the Basel's LCR standard, by April 2020.	3.0	3.7	4.0
Implement Basel II and III standards.	New Capital regulation and minimum requirements are issued in line with Basel II / III requirements.	To enhance its regulatory framework and move towards Basel standards, CAPTAC-DR has been supporting the SIB on updateing its market risk management requirements and introducing an IRRBB framework. Now, the SIB plans to introduce market risk capital requirements.	Assess the impact of implementing new market risk minimum capital requirements, by April 2020. Draft guidelines for a regulation to introduce market risk minimum capital requirements, by April 2020.	5.5	--	1.0
Develop/strengthen banking regulations and prudential norms.	Banks submit reports on standalone and consolidated basis.	With the assistance of CAPTAC-DR, the SIB and other domestic supervisors have strted the implementation of a Consolidated Supervision Committee, as a forum for the cooperation and coordination for the supervision of financial groups.	Guidelines to operationalize the domestic committee for financial groups supervision are agreed among relevant supervisors, by April 2020. Mechanisms to facilitate information exchange and joint supervision activities among domestic supervisors, are designed and formalized, by April 2020.	3.0	--	1.0
<b>Total Dominican Republic</b>				<b>14.5</b>	<b>14.8</b>	<b>4.0</b>
<b>Total Countries</b>				<b>87.5</b>	<b>50.7</b>	<b>--</b>
<b>Total Region</b>				<b>22.5</b>	<b>23.7</b>	<b>--</b>
<b>Total Budget</b>				<b>110.0</b>	<b>74.4</b>	<b>3.6</b>

## Real Sector Statistic

Continue the enhancement of compilation methods for national accounts and prices statistics through the implementation of the latest international guidelines, to provide macroeconomic information for policy makers, and foster measurement of inequality gaps.

Region						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
SC FY20 and LTX Retreat.	N.A.	N.A.	N.A.	2.0	1.7	4.0
CAPTAC-DR management FY20.	Documents developed, agreed with STA and WHD, as well as country authorities.	CAPTAC-DR needs to report annual activities.	Draft contributions to WP 2020-24 and FY 2019 Annual Report, and other documentation to NA authorities and WHD, as well as support to STA activities.	3.0	--	1.0
Regional group, CMCA, ECLAC.			Relative to the baseline, the real sector statistics area need to be represented in regional agencies by April 2020.	1.8	3.8	4.0
High frequency indicators by economic activity.	The number of staff trained to compile and disseminate these statistics is adequate.	The number of staff trained to compile these statistics is inadequate, by April 2019.	Relative to the baseline, the number of staff trained to compile high frequency indicators is adequate by April 2020 (average of 3 technician by country member).	5.4	8.0	4.0
Training on natural resources (with STARE)	The number of staff trained to compile and disseminate these statistics is adequate.	The number of staff trained to compile these statistics is inadequate, by April 2019.	Relative to the baseline, the number of staff trained to compile natural resources in the context of national accounts is adequate by April 2020 (average of 3 technician by country member).	--	1.7	4.0
The General Government Sector compilation and its harmonization with GFS.	The number of staff trained to compile and disseminate these statistics is adequate.	The number of staff trained to compile these statistics is inadequate, by April 2019.	Relative to the baseline, the number of staff trained to compile the General Government sector in the context of national accounts is adequate by April 2020 (average of 3 technician by country member).	5.4	--	3.0
<b>Total Region</b>				<b>17.6</b>	<b>15.3</b>	<b>4.0</b>

Real Sector Statistic						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Costa Rica</b>						
Annual National Accounts series are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	ISWGNA recommended tables and accounts: financial accounts for all sectors and balance sheets, revaluation and other volume changes in asset accounts for all sectors.	The range of accounts/ aggregates compiled and disseminated does not satisfy national data needs, or is incomplete relative to the ISWGNA minimum requirements and/or the recommended tables and accounts for the new base year 2017 by April 2019.	Relative to the baseline, financial accounts and balance sheets are developed to meet national data requirements and ISWGNA recommended tables and accounts, in the context of the new base year project to 2017, by April 2020.	7.2	4.5	4.0
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Methodologies used are the best possible given available data and capacity to comply with the 2008 SNA. Key issues may include: production approach detail; minimal use of fixed ratios; owner-occupied dwellings; FISIM; inventories and work-in-progress valuation; volume measures; expenditure components are derived independently and at sufficient detail.	Economic surveys by industry do not gather the data to measure production in process and cost of production, in the context of the new base year project to 2017 by April 2019.	Economic surveys by industry do not gather the data to measure production in process and cost of production, in the context of the new base year project to 2017, by April 2020.	4.0	3.1	4.0
Quarterly national accounts compiled in accordance with internationally accepted good practices.	Consistent quarterly national accounts statistics are available internally and/or to the public with at least five years of historical data.	The quarterly national accounts series need to be assessed to guaranty the methods applied and its harmonization with the annual series by April 2019.	Relative to the baseline, review the disseminated quarterly national accounts series, base year 2012, and improve the compilation methods for the project to update the base year to 2017, by April 2020.	2.0	3.1	4.0
<b>Total Costa Rica</b>				<b>13.2</b>	<b>10.8</b>	<b>4.0</b>

Real Sector Statistic						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>El Salvador</b>						
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data needed to compile annual estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, time of recording required, and timely.	Source data from economic surveys of enterprises are incomplete for annual estimates due to lack of availability, quality and time or recording, by as of April 2019.	Relative to the baseline, enhancing annual economic surveys to enterprises by reviewing the selection of samples using statistical techniques, by April 2020.	4.0	--	1.0
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	The scope covers 2008 SNA accounts/aggregates: Minimum requirements specified by ISWGNA annual accounts (until net lending) for these sectors: non-financial corporations; financial corporations; general government; households; non-profit institutions serving households.	The range of accounts compiled and disseminated does not satisfy national data needs, or is incomplete relative to the ISWGNA minimum requirements and/or the recommended tables and accounts, by April 2019.	Relative to the baseline, additional accounts by insitutional sectors are developed to meet national data requirements and ISWGNA recommended tables and accounts, are made by April 2020.	7.2	--	1.0
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2009 Export and Import Price Index (XMPI) Manual.	The general framework, concepts and definitions do not fully follow, as relevant, the 2009 XMPI Handbook, by April 2019.	Relative to the baseline, deviations from the XMPI Handbook are reduced, by April 2020.	4.0	--	1.0
National accounts base year is updated, in line with the recommended standars.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are nusable for decision-making because are outdated.	Relative to baseline, new national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available by April 2024.	--	1.0	3.0
<b>Total El Salvador</b>				<b>15.3</b>	<b>1.0</b>	<b>3.0</b>

Real Sector Statistic						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Guatemala</b>						
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data needed to compile annual estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, time of recording required, and timely.	Quarterly economic surveys have problems in samples, statistical tests, grossing-up factors and substitutions of observations units due to not following statistical procedures, by April 2019.	Relative to the baseline, advances in the enhancing of economic surveys that will be used in the quarterly compilations in the context of the rebasing project to 2013 are made by April 2020.	4.0	--	1.0
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2004 PPI Handbook.	The general framework, concepts and definitions do not fully follow, as relevant, the 2004 PPI Manual, by April 2019.	Relative to the baseline, deviations from the 2004 PPI Manual are reduced, by April 2020.	4.0	3.1	2.0
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available.	New national accounts statistics as set out in the latest 2008 SNA are not available and are not suitable for decision-making, by January 2016.	Annual accounts, in current values and volume, in the context of the new base year and implementing the main recommendations of the 2008 SNA, are available by April 2020.	--	--	2.0
<b>Total Guatemala</b>				<b>8.1</b>	<b>3.1</b>	<b>2.0</b>

Real Sector Statistic						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Honduras</b>						
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available.	New national accounts statistics as set out in the latest 2008 SNA are not available and are not suitable for decision-making, by January 2016.	Annual accounts, in current values and volume, in the context of the new base year and implementing the main recommendations of the 2008 SNA, are available by April 2020.	11.2	25.4	4.0
Quarterly national accounts compiled in accordance with internationally accepted good practices.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available.	New national accounts statistics, as set out in the latest 2008 SNA need to be updated to make them suitable for decision-making, by April 2019.	Advances in the quarterly GDP by the production and expenditure approach as part of the new base year 2016, in line with the last recommendations, are available by April 2020.	4.0	--	4.0
Households surveys are conducted on a regular basis to be used as inputs to compile national accounts statistics are adequate.	Source data needed to compile annual estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, time of recording required, and timely.	Source data from economic surveys of enterprises are incomplete for annual estimates due to lack of availability, quality and time or recording, by April 2019.	Relative to the baseline, enhancing the household survey by reviewing questionnaires and adoption of the guidelines of the 2008 SNA, are made by April 2020.	2.0	--	1.0
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2004 CPI Manual.	The general framework, concepts and definitions do not fully follow, as relevant, the 2004 CPI Manual by April 2019.	Relative to the baseline, updating of the CPI base year 1999, in the context of the rebasing project and the Income-Expenditure Households survey 2018-19, are made by April 2020.	4.0	5.6	4.0
The scope of the balance of payments statistics and international investment position is broadly consistent with internationally accepted standards, guidelines, or good practices.	The coverage and scope of the balance of payments and IIP statistics are broadly consistent with the guidelines outlined in BPM6.	The coverage and scope of the balance of payments and/or IIP statistics are not fully consistent with the guidelines outlined in the relevant manual (currently BPM6), by January 2016.	Relative to the baseline for IIP data, all positions in financial claims between resident institutional units and nonresidents are included in the IIP, by April 2019.	--	--	2.0
<b>Total Honduras</b>				<b>21.3</b>	<b>31.0</b>	<b>4.0</b>

Real Sector Statistic						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Nicaragua</b>						
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data needed to compile periodic benchmark estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, and time of recording required (recommended at least 5-yearly benchmarks), and timely.	Economic census and surveys, as well as household surveys are incomplete to elaborate a benchmark estimate due to lack availability and coverage, by April 2019.	Relative to the baseline, advances in the improvements to source data that will be used in the benchmark estimates year 2018, are made by April 2020.	4.0	--	1.0
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Other statistical procedures employ sound statistical techniques; appropriate techniques used for the adjustment of weights; calculation of elementary indexes; aggregation of higher level indexes; and weight reference period.	Sound statistical techniques are not used to compile Export and Import Price Indexes, including weighting structure not consistent to support compilation of indexes across activities and inappropriate techniques for the calculation of elementary indexes, by April 2019.	Relative to the baseline, improvements are made to employ sound statistical techniques for the compilation and assessing of Export and Import Prices Index are made by April 2020.	4.0	--	1.0
<b>Total Nicaragua</b>				<b>8.1</b>	<b>--</b>	<b>--</b>
<b>Panama</b>						
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	The scope covers 2008 SNA accounts/aggregates: Minimum requirements specified by ISWGNA: annual expenditures of GDP at current and constant prices and annual rest of the world accounts (until net lending).	The range of aggregates compiled and disseminated does not satisfy the timely of national data needs, by April 2019.	Relative to the baseline, additional aggregates are developed to meet national data requirements according to the 2008 SNA, are made by April 2020.	3.6	6.6	4.0
Quarterly national accounts compiled in accordance with internationally accepted good practices.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available.	New national accounts statistics, as set out in the latest 2008 SNA need to be updated to make them suitable for decision-making, by April 2019.	Advances in the quarterly GDP by the expenditure approach as part of the current base year 2007, in line with the last recommendations, are available by April 2020.	2.0	3.1	4.0
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Exclusions from coverage and scope are clearly noted and explained, and reflecting internationally accepted standards, guidelines, and good practices: for XMPI, all international trade in goods and services is included.	The general framework, concepts and definitions do not fully follow, as relevant, the 2009 XMPI Handbook, by April 2019.	Relative to the baseline, improvements are made to employ sound statistical techniques for the compilation and assessing of Export and Import Prices Index for Panama and the Colon Zone, are made by April 2020.	4.0	--	1.0
<b>Total Panama</b>				<b>9.6</b>	<b>9.7</b>	<b>4.0</b>



Real Sector Statistic						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Dominican Republic</b>						
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	New national accounts statistics, as set out in the latest System of National Accounts (2008) manual, are available.	New national accounts statistics need to be updated to a more recent base reference year to make them suitable for decision-making, by April 2019.	Advances in the process of implementation of the main recommendations of the 2008 SNA, in the context of the rebasing project to 2018, in the annual accounts: central bank output, SIFMI, non-observed economy, are available by April 2020.	3.6	--	1.0
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2004 PPI Handbook.	The general framework, concepts and definitions do not fully follow, as relevant, the 2004 PPI Manual, by April 2019.	Relative to the baseline, revision of the PPI average prices base year 2013 and weight base year 2007, in the context of the rebasing project to 2017, are made by April 2020.	4.0	--	1.0
<b>Total Dominican Republic</b>				<b>7.6</b>	<b>--</b>	<b>--</b>
<b>Total Countries</b>				<b>83.2</b>	<b>55.7</b>	<b>--</b>
<b>Total Region</b>				<b>17.6</b>	<b>15.3</b>	<b>--</b>
<b>Total Budget</b>				<b>100.8</b>	<b>71.0</b>	<b>3.5</b>

## Government Finance Statistics

Strengthen the compilation and dissemination of financial and macroeconomic statistical data for decision making.

Region						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
Planning, coordinating, monitoring and following-up of the TA in GFS and PSDS. Disclosure of the work done by CAPTAC-DR. Supporting regional institutions in strengthening government finance statistics.	Reports for CAPTAC-DR related Committees and other stakeholder. Annual and quarterly reports with assessment of the LTX on the evolution of the activity of strengthening GFS and PSDS in the region.	The countries of the region require international support to strengthen their GFS and PSDS.	Preparation of the Work Plan for fiscal year 2021. Preparation of the Annual Report for fiscal year 2020. Preparation of quarterly monitoring reports.	5.0	5.0	4.0
Assist the Regional Councils of Central Bank Governors (CMCA) and Ministers of Finances (COSEFIN) to follow up with the strategy for GFS and PSDS regional harmonization and publication.	Publication tables for harmonized fiscal statistics harmonization prepared for publishing.	COSEFIN and CMCA demonstrated a great impetus to promote regional fiscal statistics harmonization, as done with BOP and Monetary and Financial Statistics. To date, there is no publication of GFS and PSDS harmonized data.	Relative to the baseline, have the first regional harmonized GFS and PSDS data published in the region. Support countries to start preparing data for publication on FY2021 (phase II).	5.0	5.0	4.0
Regional Seminar "Preparation for first GFS and PSDS regional harmonized data".	Aide-memoire on the following steps for the first publication and regional recommendations.	There is no regional harmonized GFS and PSDS currently published.	Revised tables for publication by December 2019. Not less than 14 participants are trained. Participants have a satisfaction indicator higher than 4.5 out of 5.	2.0	4.0	4.0
Regional Seminar "Analysis of harmonized GFS and PSDS data".	Aide-memoire on the main recommendations to improve regional harmonized data.	There is no regional harmonized GFS and PSDS currently published.	Revised tables improved for publication by April 2020. Not less than 14 participants are trained. Participants have a satisfaction indicator higher than 4.5 out of 5.	4.0	4.0	3.0
<b>Total Region</b>				<b>16.0</b>	<b>18.0</b>	<b>3.8</b>

Government Finance Statistics						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Costa Rica</b>						
Assess data gaps on source data to prepare data for high frequency GFS publication (quarterly or monthly).	GFS for central government operations are compiled and disseminated on a quarterly basis.	GFS for central government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for central government operations are compiled and disseminated on a quarterly basis by April 2020.	4.0	1.0	3.5
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2019. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	4.0	4.2	3.0
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	4.0	2.0	3.0
<b>Total Costa Rica</b>				<b>12.0</b>	<b>7.2</b>	<b>3.1</b>
<b>El Salvador</b>						
Assess data gaps on source data to revise and prepare data for high frequency GFS publication of nonfinancial corporations (quarterly or monthly).	GFS for 4 nonfinancial corporations operations are compiled and disseminated on a quarterly and annual basis.	GFS for central government operations are compiled, but not aligned with international standards.	Relative to the baseline, GFS for 4 nonfinancial corporations operations are compiled and disseminated on a quarterly basis by April 2020.	4.0	1.0	3.5
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	GFS for nonfinancial operations are compiled but not fully aligned with international standards to support decision making.	GFS for general government operations do not include data on stocks and present data gaps.	Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	5.0	2.5	3.5
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	3.0	0.7	3.0
<b>Total El Salvador</b>				<b>12.0</b>	<b>4.2</b>	<b>3.4</b>

Government Finance Statistics						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Guatemala</b>						
Assess data gaps on source data to prepare data for high frequency GFS publication (quarterly or monthly).	GFS for central government operations are compiled and disseminated on a quarterly basis.	GFS for central government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for central government operations are compiled and disseminated on a quarterly basis by December 2019.	4.0	3.8	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2019. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	5.0	4.4	3.5
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	3.0	1.0	2.5
<b>Total Guatemala</b>				<b>12.0</b>	<b>9.2</b>	<b>3.6</b>
<b>Honduras</b>						
Assess data gaps on source data to prepare data for high frequency GFS publication (quarterly or monthly).	GFS for central government operations are compiled and disseminated on a quarterly basis.	GFS for central government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for central government operations are compiled and disseminated on a quarterly basis by December 2019.	4.0	4.8	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2019. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	5.0	8.4	3.5
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	3.0	--	3.0
<b>Total Honduras</b>				<b>12.0</b>	<b>13.2</b>	<b>3.7</b>

Government Finance Statistics						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Nicaragua</b>						
Assess data gaps on source data to prepare data for high frequency GFS publication (quarterly or monthly).	GFS for central government operations are compiled and disseminated on a quarterly basis.	GFS for central government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for central government operations are compiled and disseminated on a quarterly basis by December 2020.	3.0	1.0	2.0
Assess data gaps on source data to prepare above and below the line reconciled GFS.	Above and below the line GFS for central government operations are reconciled and regularly disseminated.	Above and below the line GFS for central government operations are not reconciled and are not regularly published or disseminated.	Relative to the baseline, above and below the line GFS for central government operations are reconciled by April 2020. Relative to the baseline, above and below the line GFS for central government operations are regularly disseminated and published by April 2020.	5.0	5.0	2.0
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	4.0	2.0	2.0
<b>Total Nicaragua</b>				<b>12.0</b>	<b>8.0</b>	<b>2.0</b>
<b>Panama</b>						
Assess data gaps on source data to prepare data for high frequency GFS publication (quarterly or monthly).	GFS for central government operations are compiled and disseminated on a quarterly basis.	GFS for central government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for central government operations are compiled and disseminated on a quarterly basis by December 2019.	4.0	1.0	3.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2019. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	5.0	4.6	3.0
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	3.0	2.0	2.0
<b>Total Panama</b>				<b>12.0</b>	<b>7.6</b>	<b>2.7</b>

Government Finance Statistics						
Objectives	Indicators	Baseline	Milestones	Planned Person weeks	Used Person weeks	Milestone Progress <sup>1</sup>
<b>Dominican Republic</b>						
Assess data gaps on source data to prepare data for high frequency and general government GFS publication (quarterly or monthly).	GFS for general government operations are compiled and disseminated on a quarterly basis.	GFS for general government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for general government operations are compiled and disseminated on a quarterly basis by December 2020.	4.0	3.0	4.0
Assess data gaps on source data to prepare data for high frequency and annual nonfinancial public sector GFS publication (quarterly or monthly).	GFS for nonfinancial public sector operations are compiled and disseminated annually and subannually including partial data on stocks.	GFS for general government operations are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for Nonfinancial public sector operations are compiled and disseminated annually by December 2019. Relative to the baseline, annual and subannual data disseminated to the IMF GFSY is improved, including partial data on stocks.	4.0	3.0	3.5
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Annual and subannual GFS and PSDS are compiled using the same methodology.	There are discrepancies between PSDS published by different institutions.	Relative to the baseline, PSDS adopt accrued interests, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2020.	4.0	1.6	3.0
<b>Total Dominican Republic</b>				<b>12.0</b>	<b>7.6</b>	<b>3.6</b>
<b>Total Countries</b>				<b>84.0</b>	<b>57.0</b>	<b>--</b>
<b>Total Region</b>				<b>16.0</b>	<b>18.0</b>	<b>--</b>
<b>Total Budget</b>				<b>100.0</b>	<b>75.0</b>	<b>3.2</b>
<b>Overall budget for all areas<sup>2</sup></b>				<b>611.6</b>	<b>524.2</b>	<b>3.5</b>

<sup>1</sup> Scale of milestone progress consist of: (1) unmet, (2) partially met, (3) largely met, (4) fully met.

<sup>2</sup> Including central banking, planned person-weeks will rise to 711.6 weeks.

# APPENDIX II: CAPTAC-DR—Proposed Work Plan for Fiscal Year 2021 (May 2020–April 2021)

## Tax Administration

Strengthening tax administrations through improved controls, intensifying risk analysis and adopting better control management systems to achieve a more balanced reform in the different dimensions of a tax administration.

Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Manage technical assistance in tax administration matters. Support and coordinate initiatives of regional authorities, in coordination with other institutions that provide technical assistance.	Effective and transparent TA management. Effective cooperation with other TA providers and donors. Satisfactory response to requests from the Center's stakeholders.	Reports for the Management Committee of CAPTAC-DR and other stakeholders. Situation and activity report at the beginning and end of the period with appreciation of the LTX on the evolution of the activity of strengthening the tax administrations of CAPTAC-DR.	The countries of the region require international support to strengthen the tax administration and its main functions.	Execution of the extension and communication plan. Preparation of the Work Plan for the fiscal year 2022 and the Annual Report for the fiscal year 2021.	7.0	--	7.0
Strengthen revenue administration management and governance arrangements.	Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized.	Reform management capacity strengthened in place for reform implementation, including dedicated resources. Gender equality and transparency awareness increase at managerial level.	Tax administrations do not have trained management personnel to make decisions, due to high turnover or lack of training plan. First edition of the management development program took in FY 2019.	Third edition of the Management Development Program (included customs) aim to middle-level managers launched jointly with other donors by April 2021.	3.0	1.0	4.0
Regional Seminar on "Best practices in VAT audit processes".	Audit and other verification programs more effectively ensure accuracy of reporting.	Sound methodologies used to monitor the extent of inaccurate reporting and tax gaps.	The supervision of audits is low.	Course qualification by attendees not inferior to 4.8 out of 5. Prepare a final document of the seminar.	3.0	2.0	5.0
ISORA 2020 Workshop.	A reform strategy and a strategic management framework are adopted and institutionalized.	Key performance indicators established, regularly reported and monitored.	Tax administrations participate in the two last editions, but they have had several problems with the construction.	Course qualification by attendees not inferior to 4.8 out of 5. Prepare a final document of the seminar.	1.0	--	1.0
Regional Seminar on "Tax Information Exploitation".	Tax Administrations improve the controls and services they provide based on the incorporation and use of tax information.	Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud.	Taxpayer coverage of VAT and Income Taxes are below the average for Latin America.	Course qualification by attendees not inferior to 4.8 out of 5. Prepare a final document of the seminar.	1.0	--	1.0
<b>Total Region</b>					<b>15.0</b>	<b>3.0</b>	<b>18.0</b>



Tax Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Costa Rica							
Strengthen revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGT has initiated to identify risks, assessment and quantification.	Compliance risks identified and classified. Compliance risks quantified.	1.0	4.0	5.0
Strengthen revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Compliance improvement program in place to mitigate identified risks.	There are no real compliance to mitigate risks.	Compliance programs based on identified risks are implemented.	3.0	4.0	7.0
Strengthen revenue administration management and governance arrangements.	Strengthen revenue administration management and governance arrangements.	Key performance indicators established, regularly reported and monitored.	DGT has indicators, however these are not routinely prepared and are not monitoring.	Approve an aligned strategic and operational plan with outcome indicators by April 2021.	--	2.0	2.0
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud.	The DGT has a low inspection coverage, both in large taxpayers and in the rest of the segments.	Inspection coverage is improved in large taxpayers.	2.0	4.0	6.0
<b>Total Costa Rica</b>					<b>6.0</b>	<b>14.0</b>	<b>20.0</b>
El Salvador							
Strengthen revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Compliance risks identified, assessed, ranked and quantified through intelligence and research	The DGII has a control plan to improve compliance, but it doesn't based on compliance risks	Compliance risks identified and classified. Compliance risks quantified.	2.0	6.0	8.0
Strengthen revenue administration management and governance arrangements.	Organizational arrangements enable more effective delivery of strategy and reforms.	Clear separation of roles and responsibilities between HQ (definition of standard operation procedures, planning and monitoring) and local branches (execution) adopted.	The DGII has cross functions at the central and regional levels as well as at the strategic and operational levels.	Separation of responsibility between the central level and the decentralized level are implemented. Separation of roles between the strategic and operational level are implemented.	1.0	2.0	3.0
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	Audit and other verification programs more effectively ensure accuracy of reporting.	The DGII has a low inspection coverage, both in large taxpayers and in the rest of the segments.	Inspection coverage is improved in large taxpayers.	3.0	6.0	9.0
<b>Total El Salvador</b>					<b>6.0</b>	<b>14.0</b>	<b>20.0</b>

Tax Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Guatemala							
Strengthen revenue administration management and governance arrangements.	A reform strategy and a strategic management framework are adopted and institutionalized.	Key performance indicators established, regularly reported and monitored.	The SAT has indicators, however these are not routinely prepared and are not monitoring.	Strategic and operational plans are managed by results. Strategic and operational plans include dedicated resources by activity.	2.0	4.0	6.0
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	Audit and other verification programs more effectively ensure accuracy of reporting.	The SAT has a low inspection coverage, both in large taxpayers and in the rest of the segments.	Inspection coverage is improved in all taxpayers segments.	2.0	4.0	6.0
<b>Total Guatemala</b>					<b>4.0</b>	<b>8.0</b>	<b>12.0</b>
Honduras							
Strengthen core tax administration functions.	A larger proportion of taxpayers meet their filing obligations as required by law.	On-time filing ratio improves over time.	There is no immediate control of the filing obligations.	Control actions for VAT and Income tax returns are implemented.	2.0	4.0	6.0
Strengthen core tax administration functions.		Accurate and reliable taxpayer information held in centralized database.	There is no constant updating policy for the taxpayer registry and the current format does not provide reliable information for tax management.	The taxpayer registry is updated for active taxpayers by April 2021.	--	2.0	2.0
<b>Total Honduras</b>					<b>2.0</b>	<b>6.0</b>	<b>8.0</b>
Nicaragua							
Strengthen revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGI has a control plan to improve compliance, but it doesn't based on compliance risks.	Compliance risks identified and classified. Compliance risks quantified.	1.0	4.0	5.0
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	Audit and other verification programs more effectively ensure accuracy of reporting.	The DGI has a low inspection coverage, both in large taxpayers and in the rest of the segments.	Inspection coverage is improved in all taxpayers segments.	2.0	4.0	6.0
<b>Total Nicaragua</b>					<b>3.0</b>	<b>8.0</b>	<b>11.0</b>
Panama							
Strengthen revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Compliance risks identified, assessed, ranked and quantified through intelligence and research.	The DGI has an early stage risk management model.	Compliance risks identified and classified. Compliance risks quantified.	1.0	6.0	7.0
Strengthen core tax administration functions.	A larger proportion of taxpayers meet their filing obligations as required by law.	On-time filing ratio improves over time.	The declaration control model and the extensive controls present opportunities for improvement.	Control actions for VAT and Income tax returns are implemented.	2.0	4.0	6.0
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	Audit and other verification programs more effectively ensure accuracy of reporting.	The DGI has a low inspection coverage, both in large taxpayers and in the rest of the segments.	Inspection coverage is improved in all taxpayers segments.	2.0	4.0	6.0
<b>Total Panama</b>					<b>5.0</b>	<b>14.0</b>	<b>19.0</b>

Tax Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Dominican Republic</b>							
Strengthen revenue administration management and governance arrangements.	A reform strategy and a strategic management framework are adopted and institutionalized.	Key performance indicators established, regularly reported and monitored.	The DGII has indicators, however these are not routinely prepared and are not monitoring.	Strategic and operational plans are managed by results. Strategic and operational plans include dedicated resources by activity.	2.0	2.0	4.0
Strengthen core tax administration functions.	Audit and other verification programs more effectively ensure accuracy of reporting.	Audit and other verification programs more effectively ensure accuracy of reporting.	The DGII has a low inspection coverage, both in large taxpayers and in the rest of the segments.	Inspection coverage is improved in all taxpayers segments.	2.0	4.0	6.0
<b>Total Dominican Republic</b>					<b>4.0</b>	<b>6.0</b>	<b>10.0</b>
<b>Total Countries</b>					<b>30.0</b>	<b>70.0</b>	<b>100.0</b>
<b>Total Region</b>					<b>15.0</b>	<b>3.0</b>	<b>18.0</b>
<b>Total Budget</b>					<b>45.0</b>	<b>73.0</b>	<b>118.0</b>

## Customs Administration

Strengthen the capacities of customs administrations in the region through an integrated customs control that allows them to increase transparency and facilitate customs processes, implementing international best practices on risk management.

Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Effective management of the regional technical assistance on customs administration.	Effective execution of the annual work plan and good coordination with other donors and regional institutions support the achievement of milestones defined by regional customs administrations.	Progress level on milestones' achievement.	The strategic objectives for phase III emphasize a strengthening in the areas of managerial capacity, governance arrangements, and core functions to facilitate trade and reduce evasion, while improving gender balance in customs. Donor coordination to avoid duplication and overlapping in delivering TA continue as a priority during this phase III.	The WP execution report is submitted to the Steering Committee by April 2021. The WP proposal for FY2022 is submitted for endorsement of the Steering Committee by April 2021.	6.0	--	6.0
Strengthened revenue administration management and governance arrangements.	Support functions enable more effective delivery of strategy and reforms.	Gender equality and transparency awareness increase at managerial level in Customs administration. Improved human resources strategies and practices to support the tax and customs administrations.	There isn't a regional reference on how the customs and tax administrations are addressing the gender balance issues that helped to define HR policies and take actions oriented to search a better arrangement at such respect. This study addressed an IMF emerging topic. SICA has a regional policy on gender balance and equality (PREIG) approved in 2013 and which goal is "to incorporate measures needed to ensure development and progress of women from CAPRD by 2025 in all party states, under conditions of equality and equity in political, economic, social, cultural, environmental and institutional areas, both at national and regional level.	A regional study on gender allocation in the customs and tax administrations is prepared by April 2021.	2.0	1.0	3.0

Customs Administration							
Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	Legal base, procedures and capacities strengthened to exchange information with the tax department, other government agencies and foreign customs.	The regional strategy on integrated risk management developed by CAPTAC-DR endorsed by regional DG's established the need of boosting massive analysis of information for improving risk assessment, defining as milestone executing a diagnostic on data quality at regional level. Regional customs administrations have data quality challenges and lack of processes for information management. 2 out of 7 regional customs administrations had implemented IT platforms to conduct massive information analysis for risk management and performance measurement.	Diagnostic on customs quality data and IT platforms for massive analysis of information, executed by April 2021.	2.0	2.0	4.0
Strengthened revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Improved monitoring and evaluation of compliance risk mitigation activities.	The CAPDR region has developed and adopted by COMIECO a regional strategy on customs integrated risk management (ERGIRA by its Acronyms in Spanish) with the support of CAPTAC-DR jointly with WCO and USAID. In that framework, there are already some initiatives in the region under implementation such as: NII equipment, RFID technology, electronic seals, information exchange and intelligence, among others. The good performance of such initiatives and the implementation itself of ERGIRA require knowledge of good practices and international standards application.	A regional seminar on "Good practices on Customs Intelligence for improving risk management is organized by December 2020".	1.0	2.0	3.0

Customs Administration							
Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Strengthened revenue administration management and governance arrangements.	Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized.	Reform management capacity strengthened or in place for reform implementation, including dedicated resources. Gender equality and transparency awareness increase at managerial level.	By delivering TA in the region, the Center has identified the need of strengthening management skills in middle- and high- level managers to to formulate and implement sound reform and modernization programs. CAPTAC-DR defined the only one program in CAPDR region for strengthening managerial capacities of Customs and Tax administrations' authorities. The program was launched in FY2020 and it is planned to deliver it until FY2023 jointly with the Institute for Fiscal Studies of Spain (IEF), CIAT, the WCO, the Spanish Agency for International Cooperation (AECID), the IDB and the National University of Distance Education in Madrid (UNED). In FY2020 de program received a rate of 4.7/5 from participants as satisfaction level.	The Advanced Course for the management of Customs and Tax Administrations jointly with other TA providers is executed by December 2020.	1.0	3.0	4.0
<b>Total Region</b>					<b>12.0</b>	<b>8.0</b>	<b>22.0</b>

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Costa Rica</b>							
Improved customs administration functions.	Trade facilitation and service initiatives better support voluntary compliance.	Customs laws, regulations, and guidelines simplified and easily accessible. Alignment of customs procedures (including transit) with international standards and regional integration objective improved.	A business process management initiative has been defined as priority by Vice Minister of Incomes and the Customs Director General. A new dedicated team was appointed to develop such initiative. The customs processes have many manual activities, discretionary tasks, unlinked operations. They also lack of enough HR, traceability, tools and controls, among other challenges. All the business processes at customs, tax and treasury administrations are not linked themselves and are managed as silos.	Improved importation and exportation processes are expanded to three main customs offices by April 2021. The post clearance process is improved by April 2021.	2.0	5.4	7.4
Improved customs administration functions.	Customs control during the clearance process more effectively ensures accuracy of declarations	Risk-based control selectivity applied more consistently. Rate of physical inspections decreased. Effective application of procedures based on international standards for valuation, origin and the tariff classification of goods improved. Traceability of goods and customs actions in the customs systems strengthened.	Physical inspection's rate at borders, ports and airport is lower than 10 percent but without an effective assertiveness rate. There is a need for more and experienced personnel at customs. Santamaria Customs is the most relevant in terms of number of operations and one of the three most important from revenue point of view. A national strategy of Integrated Risk Management was developed with support of CAPTAC-DR. An importers' segmentation base on risks was developed in FY2018 and new risk profiles were defined based on such segmentation. An Integral Risk Management Strategy was drafted in FY2019, but a specific control program to combat customs evasion is still pending.	Plan of Integral Cargo Control implemented in a second phase in Santamaria customs by April 2021.	1.0	3.6	4.6
<b>Total Costa Rica</b>					<b>3.0</b>	<b>9.0</b>	<b>12.0</b>



Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>El Salvador</b>							
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	Customs inspection plans do not incorporate comprehensive risk assessment. Customs inspection is not focused on critical risks' sectors. The use of non-intrusive inspection equipment has been implemented in main borders and Acajutla Port. Risk management is not integrated at customs. There are limited information exchanged with tax administration.	A protocol for exchanging information with Tax Administration is implemented by April 2021. Implementation of a new model on Customs post clearance audit focused on economic sectors and sensitive goods by April 2021. Designing a customs control program for air cargo by April 2021.	2.0	6.4	8.4
Strengthened revenue administration management and governance arrangements.	Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized.	Strategic and operational plans prepared and adopted. Key performance indicators established, regularly reported and monitored.	Customs service lacks a medium-term strategy. Strategic management is limited to report progress on projects. Organizational structure needs to be improved according with the new challenges faced by customs and with a medium-term modernization plan. There is not a culture of use indicators to make decisions at all levels, but it uses some statistics that help in some way to such propose but are not enough.	A customs modernization strategic plan is approved by December 2020. A dashboard for strategic, tactical and operational indicators is adopted by December 2020. Operational plans are adopted by December 2020.	2.0	3.6	5.6
<b>Total El Salvador</b>					<b>4.0</b>	<b>10.0</b>	<b>14.0</b>

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Guatemala</b>							
Strengthened revenue administration management and governance arrangements.	Organizational arrangements enable more effective delivery of strategy and reforms.	Strategic and operational plans prepared and adopted. Key performance indicators established, regularly reported and monitored.	The new SAT's strategic plan includes, among other projects, the redefinition and automation of main customs processes and other customs modernization initiatives. CAPTAC-DR supported SAT in FY2018 and FY2019 in the definition of a customs modernization program called MIAD (Integral Customs Modernization Program), already part of the new strategic plan. MIAD aims at implementing international best practices including the WTO Trade Facilitation Agreement, strengthening fraud controls, increasing transparency, and implementing digitalization and risk management strategies. One of the strategic actions recommended by FAD in the 2016 mission was the Integrated Cargo Control Plan implemented in Puerto Quetzal, which is now including as part of the new Customs Modernization Program (MIAD).	Improved customs cargo and clearance processes are implemented at the International Airport's Customs Office by April 2021.	2.0	5.4	7.4

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Guatemala</b>							
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	Customs inspection plans do not incorporate comprehensive risk assessment strategy. Risk management is not fully integrated at customs. Lacks of an effective coordination with domestic taxes. Post clearance audit is conducted by an integrated tax-customs area out of the customs intendance, without significant results in terms of promoting voluntary compliance. Special procedures lack of effective customs controls. In FY2019 CAPTAC-DR supported the definition of an action plan to increase controls of royalties and right licencies.	A Customs post clearance audit program based on risk management is implemented by April 2021. The first phase of a new model to improve special procedures management is implemented by April 2021.	3.0	7.2	10.2
Strengthened revenue administration management and governance arrangements.	Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized.	Strategic and operational plans prepared and adopted. Multi-year reform implementation plan, with supporting resource plan, adopted and well communicated.	New authorities were appointed in January 2020 as part of the change of national government in Guatemala. The new Minister of Finance has requested support from donor agencies to define priority actions to be undertaken to strengthen SAT and improving revenue results. FAD and CAPTAC-DR will joint WHD contry team to attend Minister's request.	A medium-term strategy is agreed with the authorities to reform and modernize SAT.	2.0	--	2.0
<b>Total Guatemala</b>					<b>7.0</b>	<b>12.6</b>	<b>19.6</b>

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Honduras</b>							
Strengthened revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Improved identification, assessment, ranking and quantification of compliance risks. Better mitigation of risks through a compliance improvement program.	Customs inspection plans do not incorporate comprehensive risk assessment. FAD and CAPTAC-DR have supported and information exchange initiatives among Customs, SAR and SEFIN to increase capacities for preventing and mitigating tax evasion risks. Guatemala and Honduras started a customs union initiative to facilitate movement of goods through borders. El Salvador joint such initiative in 2018. Customs union operations lack of effective controls by customs and SAT and they with their counterparts in Guatemala and El Salvador. The new Customs Agency initiated operations in January 2019, with former and new staff.	A compliance improvement program based on risk management is defined by December 2021.	2.0	3.6	5.6
Improved customs administration functions.	Trade facilitation and service initiatives better support voluntary compliance.	Customs laws, regulations, and guidelines simplified and easily accessible. Active engagement with the trade community supports voluntary compliance.	Honduras notified in 2014 its commitments category A under the WTO Bali Agreement. Lack of a process and procedures manual and a service desk for improving information dissemination to traders and other stakeholders. Trade operators' registration is weak and not validated with information from other agencies and customs. FAD and CAPTAC-DR have supported and information exchange initiatives among Customs, SAR and SEFIN to increase capacities for preventing and mitigating tax evasion risks.	Integration of customs trade operators register to a unified tax payer register (Customs-SAR, SEFIN), defined by April 2021. The first phase of a unified taxpayers' registration process is implemented by April 2021.	3.0	3.6	6.6

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Honduras</b>							
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	The new Customs agency initiated operations in January 2020 and one of their priority is strengthening its institutional, being the post clearance audit an important building block for such a purpose. The former agency had customs inspection plans without incorporate comprehensive risk assessment strategy. Risk management was not a fully integrated effort. Lacks of an effective coordination with domestic taxes. Special procedures lacked of effective customs controls. The post clearance process has limitations in terms of methodology, information, HR, IT tools, risk management and results.	Workshop on best practices on Post Clearance Audit is organized by April 2021. An action plan for improving post clearance audit is defined by April 2021.	2.0	5.4	7.4
<b>Total Honduras</b>					<b>7.0</b>	<b>12.6</b>	<b>19.6</b>
<b>Nicaragua</b>							
Improved customs administration functions.	Customs control during the clearance process more effectively ensures accuracy of declarations.	Risk-based control selectivity applied more consistently.	Inspection rate is lower than 20 percent but without an effective assertiveness rate. There is not an importer' segmentation based on risks in place. Customs inspection plans do not incorporate a comprehensive risk assessment strategy.	A action plan for improving risk identification criteria based on an importers' segmentation, is implemented by April 2021.	1.0	2.8	3.8
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	Customs inspection plans do not incorporate comprehensive risk assessment. Customs inspection is not focused on economic sectors. The use of non-intrusive inspection equipment has been implemented in main borders. Risk management is not integrated at customs. Lacks of effective coordinated with domestic taxes. Results of post clearance audit activities have a big potential to increase.	An action plan for improving post clearance audit is defined by April 2021.	1.0	1.8	2.8
<b>Total Nicaragua</b>					<b>2.0</b>	<b>4.6</b>	<b>6.6</b>

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Panama</b>							
Improved customs administration functions.	Customs control during the clearance process more effectively ensures accuracy of declarations.	Risk-based control selectivity applied more consistently.	Customs lacks of a risk management strategy. One hundred percent of final import declaration are reviewed during clearance process without high level of effectiveness. Inspection of goods during clearance process is conducted with limited capacities, and following discretionary criteria. Customs inspection of goods is not focused on economic sectors. Risk management is not fully integrated at customs. Lacks of an effective coordination with domestic taxes.	A protocol for exchange information with Tax Administration is implemented by April 2021.	1.0	1.8	2.8
Improved customs administration functions.	Trade facilitation and service initiatives better support voluntary compliance.	Customs laws, regulations, and guidelines simplified and easily accessible. Alignment of customs procedures (including transit) with international standards and regional integration objective improved.	No integrated process management is applied. Management is performed by functions. In 2013, Panama adopted the Central America Customs Code (CAUCA by its acronym in Spanish) and its regulations, RECAUCA, but its customs procedures are not yet aligned with its provisions. In 2014, Panama notified the WTO its category A commitments under the WTO Trade Facilitation Agreement in 2014. A mission conducted by FAD in 2016 identified the need of defining a comprehensive trade facilitation strategy aligned with the WTO-TFA.	A pilot for improving the registration of traders' process implemented by April 2020. The new trade operators' register process is applied to all operators by April 2021.	1.0	3.6	4.6

Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Panama</b>							
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	Customs inspection plans do not incorporate comprehensive risk assessment. Customs inspection is not focused on economic sectors. The use of non-intrusive inspection equipment has been implemented in main ports. Risk management is not an integrated effort. Lacks of effective coordinated with domestic taxes. Results of post clearance audit activities have a big potential to increase. Customs control is currently mostly focused on border controls. The post clearance process has limitations in terms of methodology, information, HR, IT tools, and risk management.	Workshop on best practices on Post Clearance Audit is organized by April 2021. An action plan for improving post clearance audit is defined by April 2021.	1.0	3.6	4.6
Strengthened revenue administration management and governance arrangements.	Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized.	Strategic and operational plans prepared and adopted. Multi-year reform implementation plan, with supporting resource plan, adopted and well communicated.	New authorities were appointed in the National Customs Agency in July 2019 as part of the change of government in Panama. The new Director General requested to FAD a diagnostic mission to define priority actions to be undertaken to reform and modernize the customs service in Panama. CAPTAC-DR would be part of the mission to be conducted by FAD.	A medium-term strategy is agreed with the authorities to reform and modernize Panama Customs Service.	2.0	9.0	11.0
<b>Total Panama</b>					<b>5.0</b>	<b>18.0</b>	<b>23.0</b>



Customs Administration							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Dominican Republic</b>							
Improved customs administration functions.	Audit and anti-smuggling programs more effectively ensure enforcement of customs laws.	A larger share of trade controlled progressively through a properly designed post clearance audit program.	One hundred percent of customs declarations are reviewed during clearance process. Customs advance controls are not applied. Customs controls are not based on a comprehensive risk management strategy. Post clearance audit is one of the strengthens of the customs administration, but is not focused on economic sectors and there are needs for stronger support to this type of controls. The recovery debts' capacity is low. An action plan to improve post clearance audit was defined in FY2019 with low implementation level. Fuel control actions were started in FY2020.	Action plan for improving post clearance audit process end to end, implemented in its first phase by April 2020. Second phase of the action plan to improve fuel control is implemented by April 2021.	3.0	6.4	9.4
Strengthened revenue administration management and governance arrangements.	Corporate priorities are better managed through effective risk management.	Improved identification, assessment, ranking and quantification of compliance risks. Better mitigation of risks through a compliance improvement program.	One hundred percent of customs declarations are reviewed during clearance process. Customs advance controls are not applied. Customs controls are not based on a comprehensive risk management strategy. Post clearance audit is one of the strengthens of the customs administration but needs to be based on risk management.	Definition of a National Integrated Risk Management Strategy by April 2021.	2.0	3.6	5.6
<b>Total Dominican Republic</b>					<b>5.0</b>	<b>10.0</b>	<b>15.0</b>
<b>Total Countries</b>					<b>33.0</b>	<b>76.8</b>	<b>109.8</b>
<b>Total Region</b>					<b>12.0</b>	<b>8.0</b>	<b>22.0</b>
<b>Total Budget</b>					<b>45.0</b>	<b>84.8</b>	<b>129.8</b>

## Public Financial Management

Improve public financial management by strengthening the medium-term budget process, government accounting, treasury management and implementation of medium-term fiscal and macroeconomic projections.

Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Planning, coordination, monitoring and follow-up of the TA in public financial management. Disclosure of the work done by CAPTAC-DR. Support to regional institutions in strengthening public financial management.	N.A.	N.A.	N.A.	N.A.	7.0	--	7.0
FAD-HQ Diagnostic mission.	To be defined.	To be defined.	To be defined.	To be defined.	3.6	25.2	28.8
Improved budget execution and control.	Appraisal, selection, and implementation of public investments is improved.	N.A.	N.A.	Participants are trained with a satisfaction rate higher than 4.5 out of 5.	1.3	2.4	3.7
Improved coverage and quality of fiscal reporting.	Comprehensiveness, frequency, and quality of fiscal reports is enhanced.	N.A.	N.A.	Participants are trained with a satisfaction rate higher than 4.5 out of 5.	1.4	2.4	3.8
Improved asset and liability management.	Comprehensiveness, frequency, and quality of fiscal reports is enhanced.	N.A.	N.A.	Participants are trained with a satisfaction rate higher than 4.5 out of 5.	5.0	5.6	10.6
<b>Total Region</b>					<b>18.3</b>	<b>35.6</b>	<b>53.9</b>
Costa Rica							
Comprehensive, credible, and policy based budget preparation.	A more credible medium-term macro-fiscal framework that supports budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	PEFA PI-14: C+ FTC 2.1.2: Good	A methodology is defined for the elaboration of a macro fiscal risk report.	1.8	5.4	7.2
Strengthened identification, monitoring, and management of fiscal risks.	Central fiscal oversight and analysis of public corporation risks are strengthened.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Basic	A fiscal risk report including at least 7 sorts of fiscal risks is disclosed.	0.3	3.6	3.9
Improved coverage and quality of fiscal reporting.	Comprehensiveness, frequency, and quality of fiscal reports is enhanced.	Fiscal reports' coverage of institutions (FTC 1.1.1).	FTC 1.1.1.: Advanced	One new IPSAS is implemented.	0.3	5.4	5.7
<b>Total Costa Rica</b>					<b>2.4</b>	<b>14.4</b>	<b>16.8</b>

Public Financial Management							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>El Salvador</b>							
Comprehensive, credible, and policy based budget preparation.	A more credible medium-term macro-fiscal framework that supports budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	PEFA PI-14: C FTC 2.1.2:	A unit on Expenditure quality is created.	3.6	3.6	7.2
Improved coverage and quality of fiscal reporting.	Comprehensiveness, frequency, and quality of fiscal reports is enhanced.	Fiscal reports' coverage of institutions (FTC 1.1.1).	FTC 1.1.1: Basic	A new manual of accounting procedures is implemented.	3.6	3.6	7.2
<b>Total El Salvador</b>					<b>7.2</b>	<b>7.2</b>	<b>14.4</b>
<b>Guatemala</b>							
Comprehensive, credible, and policy based budget preparation.	A more credible medium-term macro-fiscal framework that supports budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	PI-14: D+ FTC 2.1.2: Basic	The MoF is able to realize Long term Fiscal Sustainability analysis.	0.3	5.4	5.7
Strengthened identification, monitoring, and management of fiscal risks.	Disclosure and management of contingent liabilities and other specific risks are more comprehensive.	Reporting contingent liabilities and other risks (PEFA PI-10.3, OBI 42).	FTC 3.1.2: Basic	To be defined.	1.8	3.6	5.4
Improved asset and liability management.	More central government revenues and expenditures are deposited and disbursed through a Treasury Single Account.	Timeliness of transfer of collected revenue to the Treasury (PEFA PI-20.2).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: D	At least one decentralized institution managed its resources through the TSA.	3.6	--	3.6
<b>Total Guatemala</b>					<b>5.7</b>	<b>9.0</b>	<b>14.7</b>
<b>Honduras</b>							
Comprehensive, credible, and policy based budget preparation.	A more credible medium-term macro-fiscal framework that supports budget preparation.	Medium-term perspective in budget framework (PEFA PI-16, FTC 2.1.3).	PEFA PI-16: C+ FTC 2.1.3: Good	To be defined.	1.8	7.2	9.0
<b>Total Honduras</b>					<b>1.8</b>	<b>7.2</b>	<b>9.0</b>
<b>Nicaragua</b>							
Improved asset and liability management.	More central government revenues and expenditures are deposited and disbursed through a Treasury Single Account.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: D	More than 80% of payments are made electronically.	1.8	--	1.8
<b>Total Nicaragua</b>					<b>1.8</b>	<b>--</b>	<b>1.8</b>

Public Financial Management							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Panama</b>							
Comprehensive, credible, and policy based budget preparation.	A more credible medium-term macro-fiscal framework that supports budget preparation.	Presentation and explanation of medium-term macroeconomic and fiscal forecasts (PEFA PI-14, FTC 2.1.2).	FTC 2.1.2: Less than Basic.	The structure of budget program is improved.	0.3	5.4	5.7
Improved asset and liability management.	More central government revenues and expenditures are deposited and disbursed through a Treasury Single Account.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: B	A payment policy that rules payment agenda, terms of payment and decentralization of payment is implemented.	3.6	1.8	5.4
<b>Total Panama</b>					<b>3.9</b>	<b>7.2</b>	<b>11.1</b>
<b>Dominican Republic</b>							
Strengthened identification, monitoring, and management of fiscal risks.	Disclosure and management of contingent liabilities and other specific risks are more comprehensive.	Reporting specific fiscal risks (FTC 3.1.2).	FTC 3.1.2: Less than Basic	A fiscal risk report is annexed to the Budget law.	0.3	3.6	3.9
Improved asset and liability management.	More central government revenues and expenditures are deposited and disbursed through a Treasury Single Account.	Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11).	DPI 11-1: Effective Cash Flow Forecasting: B DPI 11-2: Effective Cash Balance Management: B	Legislative and judicial institutions manage their funds through the TSA.	3.6	1.8	5.4
<b>Total Dominican Republic</b>					<b>3.9</b>	<b>5.4</b>	<b>9.3</b>
<b>Total Countries</b>					<b>26.7</b>	<b>50.4</b>	<b>77.1</b>
<b>Total Region</b>					<b>18.3</b>	<b>35.6</b>	<b>53.9</b>
<b>Total Budget</b>					<b>45.0</b>	<b>86.0</b>	<b>131.0</b>

## Financial Supervision and Regulation

Implement and strengthen international best practices in financial supervision and regulation, including risk-based supervision, consolidated and cross-border supervision, and macroprudential supervision.

Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Develop/strengthen banking regulations and prudential norms.	Supervisors monitor banking groups and their prudential ratios on consolidated basis.	Banks submit reports on standalone and consolidated basis.	CAPTAC-DR has been supporting the CCSBSO to strengthen the consolidated and cross-border supervision of regional financial groups. Previous TA included Liquidity risk and corporate governance supervision at financial groups.	Guidelines to update the standardized process to assess banking group's solvency are agreed by regional supervisors, by April 2021.	2.0	4.0	6.0
To improve supervisory effectiveness for accounting and prudential provisioning through improving regulatory guidelines against international standards and practices.	The authorities approve an action plan that lays out key steps for implementing TA recommendations to implement IFRS relating to NPLs.	Appropriate planning document for the implementation is produced.	CAPTAC-DR has been supporting the CCSBSO's Accounting Standards Committee to move towards IFRS.	A follow-up on previous TA recommendations, by April 2021. Guidelines regarding IFRS 15 implementation are agreed, by April 2021. A training program is designed and delivered to supervisors on IFRS 15, by April 2021.	1.0	2.0	3.0
Manage TA on financial supervision and regulation.	Manage and coordinate CAPTAC-DR's TA on financial supervision and regulation.	Technical assistance backstopping. Dissemination of information. Documents for the IMF and for the Steering Committee.	Budgeted resources (person-weeks) for FY 2021 TA on financial supervision and regulation.	Contributions to FY 2022 program document, FY 2021 Annual Report, and other documentation to TA stakeholders are drafted, by April 2021.	6.5	--	6.5
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	Regional authorities look forward to bolster supervisors' capacities on credit risk portfolio supervision.	A regional workshop on credit risk portfolio supervision is designed and delivered, by April 2021.	1.0	2.0	3.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	Regional authorities look forward to develop supervisors' capacities on stress testing banks resilience.	A regional workshop on stress testing tools is designed and delivered, by April 2021.	1.0	2.0	3.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	Regional authorities look forward to taking stock of supervisor's experiences on dealing with the environmental and social risks in banks.	A regional workshop on the environmental and social risks in banks and the regulator's role is designed and delivered, by April 2021.	1.0	2.0	3.0
<b>Total Region</b>					<b>12.5</b>	<b>12.0</b>	<b>24.5</b>

Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Costa Rica</b>							
Develop/strengthen banking regulations and prudential norms.	Supervisors monitor banking groups and their prudential ratios on consolidated basis.	Banks submit reports on standalone and consolidated basis.	CONASSIF has amend the legal framework in Costa Rica, to grant supervisors power to implement an effective consolidated and cross-border supervision of financial groups. SUGEF is looking forward to update and enhance current regulatory framework on this regard.	Improvement opportunities on the financial groups' regulatory framework are identified, by April 2021. Coordination and information shareing guidelines on financial groups supervision are agreed among domestic supervisors, by April 2021. Supervisors are trained on consolidated supervision best practices and standards, by April 2021.	1.5	4.0	5.5
Develop/strengthen banking regulations and prudential norms.	Supervisors monitor banking groups and their prudential ratios on consolidated basis.	Banks submit reports on standalone and consolidated basis.	CONASSIF has amend the legal framework in Costa Rica, to grant supervisors power to implement an effective consolidated and cross-border supervision of financial groups. SUGEF is looking forward to update and enhance current regulatory framework on this regard.	Guidelines to update banking group's solvency and capital requirements are proposed, by April 2021.	2.0	4.0	6.0
Develop/strengthen banking regulations and prudential norms.	Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment.	Guidelines and regulations for corporate governance and internal controls are adopted.	CONASSIF has amend the legal framework in Costa Rica, amending information disclosure requirements regarding banks' products and services, corporate governance, risks management and financial information. SUGEF is the responsible to develop and propose amendments to current regulatory framework.	Regulatory framework on public disclosure is reviewed and recommendations are provided, to align them with international standards, by 2021.	1.0	2.0	3.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Strengthened institutional structure and operational and procedures for RBS implementation.	Risk-based processes and manuals are implemented.	SUGEF deems important to bolster the set of tools available to strengthen the supervision of liquidity risk at the microeconomic and systemic level.	Criteria to design and produce a supervisory liquidity stress testing tool is provided, by April 2020. Supervisors are trined on liquidity stress tools and their use for supervisory purposes, by April 2020.	1.0	2.0	3.0
<b>Total Costa Rica</b>					<b>5.5</b>	<b>12.0</b>	<b>17.5</b>

Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>El Salvador</b>							
To improve supervisory effectiveness for accounting and prudential provisioning through improving regulatory guidelines against international standards and practices.	Enhanced knowledge of IFRS by CB supervisors and banks, including dealing with specific provisioning issues to balance requirements by IFRS and Basel principles.	Training of staff completed.	CAPTAC-DR has been supporting the CCSBSO's Accounting Standards Committee to move towards IFRS. Salvadorian regulation and supervision authorities look forward to initiate the process to move towards IFRS adoption.	A training program is designed and delivered to supervisors and regulators on IFRS 9, 32, 16, by April 2021. Draft accounting provisions by Salvadorian authorities are reviewed and improvement opportunities are identified, by April 2021.	1.5	4.0	5.5
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Strengthened institutional structure and operational and procedures for RBS implementation.	Risk-based processes and manuals are implemented.	In order to improve credit risk supervision, the Salvadorian authorities deems necessary to update supervisor's PD estimation procedures, and update credit risk regulatory framework.	Improvement opportunities on the SSF' PD estimation model are identified, by April 2021. Draft credit risk measurement and provisioning regulation by Salvadorian authorities is reviewed and improvement opportunities are identified, by April 2021.	2.0	4.0	6.0
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	Supervisors fully trained to be able to implement risk-based supervision and other supervisory process.	CAPTAC-DR has been supporting Salvadorian authorities to strengthen market risk management and introduce capital requirements. Now, they look forward to introducing IRRBB management requirements.	Guidelines for a IRRBB regulation are drafted, by April 2020. IRRBB supervision tools and procedures are developed, by April 2020. Supervisors and regulators are trained on IRRBB standards and supervision, by April 2020.	1.0	2.0	3.0
Implement Basel II and III standards.	The level of banks' capital reflects well their risk profile, their business strategy and their risk acceptance levels.	Banks send an internal capital adequacy assessment report to supervisors.	As part of previous MCM TA mission, a road map to implement Basel standards included the introduction of ICAAP requirements.	Guidelines to introduce regulatory requirements for banks to develop an internal process to stress test their capital are drafted, by April 2020. ICAAP supervision procedures are drafted, by April 2020. Supervisors and regulators are trained on ICAAP standards and supervision, by April 2020.	1.0	2.0	3.0
<b>Total El Salvador</b>					<b>5.5</b>	<b>12.0</b>	<b>17.5</b>



Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Guatemala</b>							
Implement Basel II and III standards.	Banking legislation and regulations are aligned with Basel II/III requirements.	New liquidity regulations have been issued in line with Basel III requirements.	In order to move towards Basel standards, the SIB has been drafting liquidity risk requirements and developing impact studies to introduce the LCR.	Supervisors are trained on the Basel's LCR standard and supervisory practices, by April 2021. LCR and liquidity risk management supervision procedures are updated and developed, by April 2020.	1.5	4.0	5.5
Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS).	Risk based capital requirements are imposed and IS takes actions if insurers breach the requirements.	Recommendations provided by TA have been implemented.	SIB last self-assessment of IAIS Core Principles implementation is outdated (2014) The insurance supervisor plans to start a self-assessment process, and looks forward for an external support.	A gap analysis (self assessment of compliance of ICP 14 and 17) conducted, by April 2021. Supervisors are trained on IAIS Core Principles implementation, by April 2021.	2.0	4.0	6.0
Develop/strengthen banking regulations and prudential norms.	Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile.	Guidelines and regulations for risk measurement and management are adopted.	SIB regulatory plan includes drafting amendments to the Banking Law on financial groups supervision, and introducing prudential requirements. There are MCM recommendations on this regard pending to implement.	Information requirements to carry out a diagnostic on retail portfolio overindebtedness are identified, by April 2020. Guidelines to introduce in current regulatory framework the management of retail portfolio overindebtedness are drafted, by April 2020.	1.0	2.0	3.0
<b>Total Guatemala</b>					<b>4.5</b>	<b>10.0</b>	<b>14.5</b>

Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Honduras</b>							
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Strengthened institutional structure and operational and procedures for RBS implementation.	Risk-based processes and manuals are implemented.	In order to improve credit risk supervision, the CNBS deems necessary to update supervisor's PD estimation procedures, considering IFRS 9 and Basel new developments on the matter.	Improvement opportunities on the CNBS' PD estimation model are identified, by April 2021. Guidelines to estimate LGD & EAD, and introduce expected loss are drafted, by April 2021.	1.5	4.0	5.5
Implement Basel II and III standards.	Banking legislation and regulations are aligned with Basel II/III requirements.	New liquidity regulations have been issued in line with Basel III requirements.	CAPTAC-DR supported the CNBS on the introduction of the LCR in its liquidity regulation. As per January 2020, the new LCR has been enforced. Continuing with its plan to strengthen liquidity risk supervision, the CNBS deems necessary to start the process to introduce the NSFR.	Criteria to estimate and introduce a NSFR is provided, by April 2021. Guidelines to amend current liquidity risk regulation are drafted, by April 2021.	1.0	2.0	3.0
Implement Basel II and III standards.	The level of banks' capital reflects well their risk profile, their business strategy and their risk acceptance levels.	Supervisors set different capital charges over minimum requirements to account for differing bank risk profiles and risk management capacity.	Supervisors plan to set different capital charges over minimum requirements to account for diverse bank risk profiles and risk management capacity.	Improvement opportunities on the CNBS' draft methodology for the assessment of domestic financial interconnectedness are identified, by April 2020.	2.0	4.0	6.0
To improve supervisory effectiveness for accounting and prudential provisioning through improving regulatory guidelines against international standards and practices.	The authorities approve an action plan that lays out key steps for implementing TA recommendations to implement IFRS relating to NPLs.	Approved action plan.	To complement regional TA to the Council of Superintendents' technical committee on accounting regulation, the CNBS looks forward to strengthen financial instruments supervision (i.e. Forwards and financial derivatives).	Supervisors are trained on fair value and financial instruments accounting, by April 2020.	1.0	1.0	2.0
<b>Total Honduras</b>					<b>5.5</b>	<b>11.0</b>	<b>16.5</b>

Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Nicaragua</b>							
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Strengthened institutional structure and operational and procedures for RBS implementation.	Supervisory structure and responsibilities are adopted to allow more cooperation between different functions, notably onsite and offsite functions.	MCM has recommended SIBOIF to bolster current on-site credit risk supervision practices, by enhancing portfolio samples. As SIBOIF lacks resources needed for that purpose, it deems appropriate to use external providers (auditors firms).	Guidelines to draft agreed-upon procedures with external reviewers' to support credit risk supervision tasks are developed, by April 2021. Supervisors are trained on best practices on monitoring external reviewers' agreed-upon procedures to support credit risk supervision, by April 2021.	1.0	2.0	3.0
Develop/strengthen banking regulations and prudential norms.	Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile.	Guidelines and regulations for risk measurement and management are adopted.	In line with FSSR recommendations, the SIBOIF will update current credit risk measurement and provisioning regulations. Among needed amendments, SIBOIF is planning first to address gaps on treatment of collaterals.	Amendments on credit risk measurement and provisioning regulation (treatment of collaterals) are drafted, by April 2021.	2.0	3.0	5.0
<b>Total Nicaragua</b>					<b>3.0</b>	<b>5.0</b>	<b>8.0</b>

Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Panama</b>							
Develop/strengthen cybersecurity regulations and prudential norms.	Supervisors have capacity to upgrade regulations and effectively apply them.	Supervisors revise regulations in line with developments in sector and standards.	SIB has been working on updating its regulatory framework on IT risk, but they see necessary to focus their supervision activities more on cybersecurity issues.	Supervisors are trained about cybersecurity standards and best supervisory practices, by April 2021. Guidelines to develop cybersecurity supervisory procedures are recommended, by April 2021.	1.5	4.0	5.5
To implement a risk-based supervision (RBS) system and upgrade other supervisory processes.	Supervisors timely address unsafe and unsound practices or activities that could pose risks to banks or to the banking system.	Supervisors apply sanctions and enforce prompt corrective actions to address banking problems.	In recent years the SBP has been dealing with weak banks and is looking forward to strengthen current supervisory review process in this regard.	Guidelines to amend supervisory processes on identifying and dealing with weak banks are developed, by April 2021. Supervisors are trained on best practices and standards on dealing with weak banks, by April 2021.	2.0	4.0	6.0
Develop/strengthen regulation of insurance companies (IC) and risk based supervision capability of the insurance supervisor (IS).	Risk based capital requirements are imposed and IS takes actions if insurers breach the requirements.	Enactment/Issuance of necessary amended legislation and regulation to establish risk based capital requirements covering all material risks and ladder of interventions based on the level of capital.	The Panamanian Insurance Superintendency required CAPTAC support to improve and enhance insurance supervision.	Improvement opportunities of current insurance sector supervision process and regulatory framework are identified, and an action plan to enhance them is drafted, by April 2020.	1.0	2.0	3.0
<b>Total Panama</b>					<b>4.5</b>	<b>10.0</b>	<b>14.5</b>

Financial Supervision and Regulation							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Dominican Republic</b>							
Develop/strengthen banking regulations and prudential norms.	Supervisors monitor banking groups and their prudential ratios on consolidated basis.	Banks submit reports on standalone and consolidated basis.	With the assistance of CAPTAC-DR, the SIB and other domestic supervisors have started the implementation of a Consolidated Supervision Committee, as a forum for the cooperation and coordination for the supervision of financial groups.	Guidelines to operationalize the domestic committee for financial groups supervision are agreed among relevant supervisors, by April 2021. Mechanisms to facilitate information exchange and joint supervision activities among domestic supervisors, are designed and formalized, by April 2021.	2.0	4.0	6.0
Implement Basel II and III standards.	Banking legislation and regulations are aligned with Basel II/ III requirements.	New Capital regulation and minimum requirements are issued in line with Basel II / III requirements.	To enhance its regulatory framework and move towards Basel standards, CAPTAC-DR has been supporting the SIB on updating its market risk management requirements and introducing an IRRBB framework. Now, the SIB plans to introduce market risk capital requirements.	Assess the impact of implementing new market risk minimum capital requirements, by April 2021. Draft guidelines for a regulation to introduce market risk minimum capital requirements, by April 2021.	2.0	4.0	6.0
<b>Total Dominican Republic</b>					<b>4.0</b>	<b>8.0</b>	<b>12.0</b>
<b>Total Countries</b>					<b>32.5</b>	<b>68.0</b>	<b>100.5</b>
<b>Total Region</b>					<b>12.5</b>	<b>12.0</b>	<b>24.5</b>
<b>Total Budget</b>					<b>45.0</b>	<b>80.0</b>	<b>125.0</b>

## Real Sector Statistics

Improve the quality of national accounts and prices' statistics in the region by promoting the compilation of reliable and coherent statistics, according to international best practices, to contribute to their harmonization and facilitate timely and informed decision-making of economic policy.

Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
SC FY21 and LTX Retreat.	NA	NA	NA	NA	2.0	--	2.0
CAPTAC-DR management FY21.	Give continuity to the CAPTAC-DR activities.	Documents developed, agreed with STA and WHD, as well as country authorities.	CAPTAC-DR needs to report annual activities.	Draft contributions to FY 2021 Annual Report, and other documentation to NA authorities and WHD, as well as support to STA activities.	3.0	--	3.0
Regional group, CMCA, ECLAC.	Represent Real Sector Statistics Area in regional agencies.			Relative to the baseline, the real sector statistics area need to be represented in regional agencies by April 2021.	1.8	--	1.8
System of National Accounts 2008, annual and quarterly sectoral accounts.	Staff capacity increased through training, especially on compilation methods (DQAF 0.2).	The number of staff trained to compile these statistics is adequate.	The number of staff trained to compile these statistics is inadequate, by April 2020.	Relative to the baseline, the number of staff trained to compile national accounts based on the 2008 SNA is adequate by April 2021 (Average of 3 technician by country member).	1.8	1.8	3.6
Alternative data sources for price indices.	Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination (DQAF 0.2).	The number of staff trained to compile these statistics is adequate.	The number of staff trained to compile these statistics is inadequate, by April 2020.	Relative to the baseline, the number of staff trained to compile high frequency indicators is adequate by April 2021 (Average of 3 technician by country member).	1.8	3.6	5.4
Harmonization of National Accounts with Government Finance Statistics	Staff capacity increased through training, especially on harmonizing the data sources and concepts between national accounts and GFS (DQAF 0.2).	The number of staff trained to compile these statistics is adequate.	The number of staff trained to compile these statistics is inadequate (as of April 2021).	Relative to the baseline, the number of staff trained to compile national accounts for the general government sector harmonized with GFS is adequate by April 2021. (Average of 2 technician by country member).	1.8	1.8	3.6
<b>Total Region</b>					<b>12.2</b>	<b>7.2</b>	<b>19.4</b>

Real Sector Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Costa Rica</b>							
Annual National Accounts series are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the coverage and scope of the latest manual/guide (DQAF 2.2).	ISWGNA recommended tables and accounts: financial accounts for all sectors and balance sheets, revaluation and other volume changes in asset accounts for all sectors.	The range of accounts/aggregates compiled and disseminated does not satisfy national data needs, or is incomplete relative to the ISWGNA minimum requirements and/or the recommended tables and accounts for the new base year 2017, by April 2020.	Relative to the baseline, financial accounts and balance sheets are developed to meet national data requirements and ISWGNA recommended tables and accounts, in the context of the new base year project to 2017, by April 2021.	7.2	--	7.2
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of intermediate data and statistical outputs (DQAF 3.3 and/or 3.4).	Methodologies used are the best possible given available data and capacity to comply with the 2008 SNA. Key issues may include: production approach detail; minimal use of fixed ratios; owner-occupied dwellings; FISIM; inventories and work-in-progress valuation; volume measures; expenditure components are derived independently and at sufficient detail.	Economic surveys by industry do not gather the data to measure production in process and cost of production, in the context of the new base year project to 2017, by April 2020.	Economic surveys by industry do not gather the data to measure production in process and cost of production, in the context of the new base year project to 2017, by April 2021.	0.3	3.6	3.9
Quarterly national accounts compiled in accordance with internationally accepted good practices.	Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of intermediate data and statistical outputs (DQAF 3.3 and/or 3.4).	Consistent quarterly national accounts statistics are available internally and/or to the public with at least five years of historical data.	Quarterly national accounts series need to be assessed to guaranty the methods applied and its harmonization with the annual series, by April 2020.	Relative to the baseline, review the disseminated quarterly national accounts series, base year 2012, and improve the compilation methods for the project to update the base year to 2017, by April 2021.	0.3	3.6	3.9
<b>Total Costa Rica</b>					<b>7.8</b>	<b>7.2</b>	<b>15.0</b>



Real Sector Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>El Salvador</b>							
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data are adequate for the compilation of the national accounts (DQAF 3.1).	Source data needed to compile annual estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, time of recording required, and timely.	Source data from economic surveys of enterprises are incomplete for annual estimates due to lack of availability, quality and time or recording, as of April 2020.	Relative to the baseline, enhancing annual economic surveys to enterprises by reviewing the selection of samples using statistical techniques, by April 2020.	0.3	3.6	3.9
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	A new data set has been compiled and disseminated internally and/or to the public	New national accounts statistics, as set out in the latest 2008 SNA manual, are available.	New national accounts statistics, as set out in the latest 2008 SNA manual, are not available based on a recent year making them unusable for decision-making by April 2020.	Relative to the baseline, new national accounts statistics, as set out in the latest 2008 SNA manual, are available by April 2023.	3.6	--	3.6
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the concepts and definitions of the latest manual/guide (DQAF 2.1).	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2009 Export and Import Price Index (XMPI) Manual.	The general framework, concepts and definitions do not fully follow, as relevant, the 2009 XMPI Handbook by April 2020.	Relative to the baseline, deviations from the XMPI Handbook are reduced, by April 2020.	0.3	3.6	3.9
<b>Total El Salvador</b>					<b>4.2</b>	<b>7.2</b>	<b>11.4</b>

Real Sector Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Guatemala</b>							
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	A new data set has been compiled and disseminated internally and/or to the public.	New national accounts statistics, as set out in the latest 2008 SNA manual, are available.	New national accounts statistics as set out in the latest 2008 SNA are not available and are not suitable for decision-making (as of April 2020).	Annual accounts, in current values and volume, in the context of the new base year and implementing the main recommendations of the 2008 SNA, are available by September 2021.	3.9	3.6	7.5
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data are adequate for the compilation of the national accounts (DQAF 3.1).	Source data needed to compile annual estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, time of recording required, and timely.	Quarterly economic surveys have problems in samples, statistical tests, grossing-up factors and substitutions of observations units due to not following statistical procedures, by April 2020.	Relative to the baseline, advances in the enhancing of economic surveys that will be used in the quarterly compilations in the context of the rebasing project to 2013 are made by April 2021.	0.3	3.6	3.9
Consumer Price Indices and Producer Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the concepts and definitions of the latest manual/ guide (DQAF 2.1)	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2004 CPI Handbook and 2004 PPI Handbook.	The general framework, concepts and definitions do not fully follow, as relevant, the 2004 CPI and 2004 PPI Manuals, by April 2020.	Relative to the baseline, deviations from the 2004 CPI and 2004 PPI Manuals are reduced, by April 2022.	0.6	7.2	7.8
Metadata produced to understand, quantify and identify the main changes and improvements in the new national accounts series are available for users.	Metadata released internally and to the public have been strengthened consistent with the dataset to enhance interpretation and analysis (DQAF 5.2)	Metadata released internally and to the public have been strengthened consistent with the dataset to enhance interpretation and analysis (DQAF 5.2).	Metadata are insufficient to support data analysis of the new base year 2013, by April 2020.	Relative to the baseline, more metadata have been compiled and made available to users to support data analysis by April 2023.	0.3	3.6	3.9
<b>Total Guatemala</b>					<b>5.2</b>	<b>18.0</b>	<b>23.2</b>

Real Sector Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Honduras</b>							
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	A new data set has been compiled and disseminated internally and/or to the public.	New national accounts statistics, as set out in the latest 2008 SNA manual, are available.	New national accounts statistics as set out in the latest 2008 SNA are not available and are not suitable for decision-making, by April 2020.	Annual accounts, in current values and volume, in the context of the new base year and implementing the main recommendations of the 2008 SNA, are available by September 2021.	4.8	3.6	8.4
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data are adequate for the compilation of the national accounts (DQAF 3.1)	Source data needed to compile quarterly estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, time of recording required, and timely.	Source data from quarterly economic surveys of enterprises are incomplete for national accounts estimates due to lack of availability, quality and time or recording, by April 2020.	Relative to the baseline, enhancing economic surveys to enterprises by reviewing the statistical techniques applied, in the context of the new base year project, are made by September 2020.	0.3	3.6	3.9
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the coverage and scope of the latest manual/guide (DQAF 2.2).	The scope covers 2008 SNA accounts/ aggregates: Minimum requirements specified by ISWGNA annual accounts (until net lending) for these sectors: non-financial corporations; financial corporations; general government; households; non-profit institutions serving households.	The range of accounts compiled and disseminated does not satisfy national data needs, or is incomplete relative to the ISWGNA minimum requirements and/or the recommended tables and accounts, by April 2020.	Relative to the baseline, additional accounts by insitutional sectors are developed to meet national data requirements and ISWGNA recommended tables and accounts, are made by April 2021.	3.9	3.6	7.5
Consumer Price Indices and Producer Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the concepts and definitions of the latest manual/guide (DQAF 2.1).	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2004 CPI and 2004 PPI Manuals.	The general framework, concepts and definitions do not fully follow, as relevant, the 2004 CPI Manual and 2004 PPI Manual, by April 2020.	Relative to the baseline, updating of the CPI base year 1999, in the context of the rebasing project and the Income-Expenditure Households survey 2018-19 and a new PPI are made by July 2021.	0.6	7.2	7.8
BOP consistency project and project to improve the classification used for the balance of payments and IIP statistics is in broad conformity with guidelines outlined in the relevant manual (BPM6).	National accounts statistics are consistent or reconcilable with external sector statistics and the classification used for the balance of payments and IIP statistics is in broad conformity with guidelines outlined in the relevant manual (BPM6).	Goods and services account, primary and secondary income account of the BoP is in line with the latest guideline in the 6MBP. Data for the maquila sector in national accounts and balance of payments is consistent.	The BoP in according to the 6MBP and harmonized with the national accounts concepts in the context of the rebasing project of national accounts.	Relative to baseline, upgrading the BoP to disseminate new data set in line with the 6MBP.	0.3	3.6	3.9
<b>Total Honduras</b>					<b>10.0</b>	<b>21.6</b>	<b>31.6</b>

Real Sector Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Nicaragua</b>							
Enterprise/ establishment data sources employed to compile national accounts statistics are adequate.	Source data are adequate for the compilation of the national accounts (DQAF 3.1).	Source data needed to compile periodic benchmark estimates are comprehensive and reasonably approximate the definitions, scope, classifications, valuation, and time of recording required (recommended at least 5-yearly benchmarks), and timely.	Economic census and surveys, as well as household surveys are incomplete to elaborate a benchmark estimate due to lack availability and coverage, by April 2020.	Relative to the baseline, advances in the improvements to source data that will be used in the new benchmark estimates, are made by April 2023.	0.3	3.6	3.9
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of intermediate data and statistical outputs (DQAF 3.3 and/or 3.4)	Other statistical procedures employ sound statistical techniques; appropriate techniques used for the adjustment of weights; calculation of elementary indexes; aggregation of higher level indexes; and weight reference period.	Sound statistical techniques are not used to compile Export and Import Price Indices, including weighting structure not consistent to support compilation of indexes across activities and inappropriate techniques for the calculation of elementary indexes, by April 2020.	Relative to the baseline, improvements are made to employ sound statistical techniques for the compilation and assessing of Export and Import Prices Index are made by April 2023.	0.3	3.6	3.9
<b>Total Nicaragua</b>					<b>0.6</b>	<b>7.2</b>	<b>7.8</b>

Real Sector Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Panama</b>							
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the coverage and scope of the latest manual/guide (DQAF 2.2)	The scope covers 2008 SNA accounts/ aggregates: Minimum requirements specified by ISWGNA: annual expenditures of GDP at current and constant prices and annual rest of the world accounts (until net lending).	The range of aggregates compiled and disseminated does not satisfy the timely of national data needs, by April 2020.	Relative to the baseline, additional aggregates are developed to meet national data requirements according to the 2008 SNA, are made by April 2021.	--	3.6	3.6
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	A new data set has been compiled and disseminated internally and/or to the public.	New national accounts statistics, as set out in the latest 2008 SNA manual, are available.	New national accounts statistics, as set out in the latest 2008 SNA manual, are not available based on a recent year making them unusable for decision-making, by April 2020.	Relative to the baseline, new national accounts statistics, as set out in the latest 2008 SNA manual, are available by April 2023.	3.9	--	3.9
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the coverage and scope of the latest manual/guide (DQAF 2.2).	Exclusions from coverage and scope are clearly noted and explained, and reflecting internationally accepted standards, guidelines, and good practices: for XMPI, all international trade in goods and services is included.	The general framework, concepts and definitions do not fully follow, as relevant, the 2009 XMPI Handbook, by April 2020.	Relative to the baseline, improvements are made to employ sound statistical techniques for the compilation and assessing of Export and Import Prices Index for Panama and the Colon Zone, are made by April 2021.	0.3	3.6	3.9
<b>Total Panama</b>					<b>4.2</b>	<b>7.2</b>	<b>11.4</b>
<b>Dominican Republic</b>							
The scope of the annual national accounts statistics is broadly consistent with internationally accepted standards, guidelines, or good practices.	A new data set has been compiled and disseminated internally and/or to the public.	New national accounts statistics, as set out in the latest 2008 SNA manual, are available.	New national accounts statistics need to be updated to a more recent base reference year to make them suitable for decision-making, by April 2020.	Advances in the process of implementation of the main recommendations of the 2008 SNA, in the context of the rebasing project to 2018, in the annual accounts: central bank output, SIFMI, non-observed economy, are available by April 2021.	0.3	3.6	3.9
Producer Price Indices, Consumer Price Indices and Imports and Exports Price Indices are compiled with methodological basis following internationally accepted standards, guidelines, or good practices.	Data are compiled and disseminated using the concepts and definitions of the latest manual/guide (DQAF 2.1).	Concepts, definitions, and compilation methods broadly follow, as relevant, the 2004 PPI Handbook.	The general framework, concepts and definitions do not fully follow, as relevant, the 2004 PPI Manual, by April 2020.	Relative to the baseline, revision of the PPI average prices base year 2013 and weight base year 2007, in the context of the rebasing project to 2017, are made by April 2021.	0.3	3.6	3.9
<b>Total Dominican Republic</b>					<b>0.6</b>	<b>7.2</b>	<b>7.8</b>
<b>Total Countries</b>					<b>32.8</b>	<b>75.6</b>	<b>108.4</b>
<b>Total Region</b>					<b>12.2</b>	<b>7.2</b>	<b>19.4</b>
<b>Total Budget</b>					<b>45.0</b>	<b>82.8</b>	<b>127.8</b>

## Government Finance Statistics

Strengthen the compilation and dissemination of financial and macroeconomic statistical data for decision making.

Region							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
Planning, coordinating, monitoring and following-up of the TA in GFS and PSDS. Disclosure of the work done by CAPTAC-DR. Supporting regional institutions in strengthening government finance statistics.	Effective and transparent TA management. Effective cooperation with other TA providers and donors. Satisfactory response to requests from the Center's stakeholders.	Reports for CAPTAC-DR related Committees and other stakeholder. Annual and quarterly reports with assessment of the LTX on the evolution of the activity of strengthening GFS and PSDS in the region.	The countries of the region require international support to strengthen their GFS and PSDS.	Preparation of the Work Plan for fiscal year 2022. Preparation of the Annual Report for fiscal year 2021. Preparation of quarterly monitoring reports.	5.0	--	5.0
Assist the Regional Councils of Central Bank Governors (CMCA) and Ministers of Finances (COSEFIN) to follow up with the strategy for GFS and PSDS regional harmonization and publication, including the first regional analytical report.	Strategy for GFS and PSDS harmonization implemented for FY2020.	Improved publication tables and harmonized indicators prepared for publication. Prepare first regional fiscal analytical report for publication.	COSEFIN and CMCA demonstrated a great impetus to promote regional fiscal statistics harmonization, as done with BOP and Monetary and Financial Statistics. To date, there is no publication of GFS and PSDS harmonized data.	Improve the harmonized GFS and PSDS data published in Dec 2019 in the region. Support countries to expand data coverage for publication for FY2021 (phase III). Aid develop the first regional fiscal analytical report.	3.0	--	3.0
Regional Seminar "Using and reporting GFS for macroeconomic policy and decision making".	Staff capacity increased, as well as data prepared for publication and dissemination.	Aide-memoire on the following steps for the first publication and regional recommendations.	There is no regional analytical report on GFS and PSDS currently published.	Revised tables and report for first publication by March 2021. Not less than 14 participants are trained. Participants have a satisfaction indicator higher than 4.5 out of 5.	2.0	3.0	5.0
Regional Seminar "Compiling improved and consistent general government fiscal and public sector debt data".	Staff capacity increased, as well as data prepared for publication and dissemination.	Aide-memoire on the main recommendations to improve regional harmonized data.	In countries such as Nicaragua, Honduras, Panama, Costa Rica and El Salvador, the analytical capacity building for compiling and generating GFS and PSDS data needs to be improved.	Improve general government coverage of GFS and PSDS for at least 3 of CAPTAC-DR member countries by March 2021. Not less than 14 participants are trained. Participants have a satisfaction indicator higher than 4.5 out of 5.	1.0	2.0	3.0
Regional Seminar "Compiling improved social security schemes fiscal data".	Staff capacity increased, as well as data prepared for publication and dissemination.	Aide-memoire on the main recommendations to improve regional harmonized data.	In countries such as Guatemala, Dominican Republic, Honduras and Costa Rica, both the compilation of data and the sustainability of the social schemes need to be improved through capacity building.	Improve coverage of GFS to include social security schemes by March 2021. Not less than 14 participants are trained. Participants have a satisfaction indicator higher than 4.5 out of 5.	1.0	3.0	4.0
Regional Seminar "Valuation of nonfinancial assets and liabilities to improve public debt data".	Staff capacity increased, as well as data prepared for publication and dissemination.	Aide-memoire on the main recommendations to improve regional harmonized data.	In countries such as Guatemala, Dominican Republic, Honduras and El Salvador, initial efforts are being done to incorporate accrued interests and nominal value on both GFS and PSDS.	Improve valuation of GFS and PSDS for at least 3 of CAPTAC-DR member countries by March 2021. Not less than 14 participants are trained. Participants have a satisfaction indicator higher than 4.5 out of 5.	1.0	2.0	3.0
<b>Total Region</b>					<b>13.0</b>	<b>10.0</b>	<b>23.0</b>

Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Costa Rica</b>							
Expand coverage of high frequency GFS publication (quarterly or monthly).	General government subannual GFS are compiled and disseminated (quarterly or monthly).	GFS for general government operations are compiled and disseminated on a quarterly basis.	GFS for general government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for general government operations are compiled and disseminated on a quarterly basis by April 2021.	1.0	3.0	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	General government annual GFS are improved, and datastes include main SOE's and partial data on stocks.	GFS for general government operations and main SOE's are compiled and disseminated annually including partial data on stocks.	GFS for general government operations and main SOE's are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations and main SOE's are compiled and disseminated annually by April 2021. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	2.0	4.0	6.0
Expand the coverage of the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government and main SOE's are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies between PSDS published by different institutions and coverage is restricted to central government.	Relative to the baseline, PSDS expand coverage to general government and main SOE's, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2021.	1.0	4.0	5.0
<b>Total Costa Rica</b>					<b>4.0</b>	<b>11.0</b>	<b>15.0</b>



Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>El Salvador</b>							
Expand coverage of high frequency GFS publication, including the 4 main SOE's (quarterly or monthly).	Annual and subannual GFS data for the 4 main SOE's are compiled and disseminated according to international standards for decision making.	GFS for 4 nonfinancial corporations operations are compiled and disseminated on a quarterly and annual basis.	GFS for general government operations are compiled, and are being gradually aligned with international standards.	Relative to the baseline, GFS for 4 nonfinancial corporations operations are compiled and disseminated on a quarterly basis by April 2021 and included in GFS fiscal tables.	1.0	3.0	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	General government annual GFS are improved, and datastes include main SOE's.	GFS for general government operations and main SOE's are compiled and disseminated annually including partial data on stocks.	GFS for general government operations do not include data on the 4 main SOE's.	Relative to the baseline, GFS for general government operations and 4 main SOE's are compiled and disseminated annually by April 2021. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	2.0	4.0	6.0
Expand the coverage of the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government and main SOE's are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies and different coverages between PSDS published by different institutions.	Relative to the baseline, PSDS expand coverage to general government and main SOE's, reconcile criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2021.	1.0	4.0	5.0
<b>Total El Salvador</b>					<b>4.0</b>	<b>11.0</b>	<b>15.0</b>

Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Guatemala</b>							
Expand coverage of high frequency GFS publication (quarterly or monthly).	General government subannual GFS are compiled and disseminated (quarterly or monthly).	GFS for general government operations are compiled and disseminated on a quarterly basis.	GFS for general government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for general government operations are compiled and disseminated on a quarterly basis by April 2021.	1.0	3.0	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	General government annual GFS are compiled, and datastes include partial data on stocks.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations and main SOE's are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2020. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	2.0	3.0	5.0
Expand the coverage of the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government and main SOE's are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies between PSDS published by different institutions and coverage is restricted to central government.	Relative to the baseline, PSDS expand coverage to general government and main SOE's, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2021.	1.0	3.0	4.0
<b>Total Guatemala</b>					<b>4.0</b>	<b>9.0</b>	<b>13.0</b>

Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Honduras</b>							
Expand coverage of high frequency GFS publication (quarterly or monthly).	General government subannual GFS are compiled and disseminated (quarterly or monthly).	GFS for general government operations are compiled and disseminated on a quarterly basis.	GFS for general government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for general government operations are compiled and disseminated on a quarterly basis by April 2021.	1.0	3.0	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	General government annual GFS are compiled, and datasets include partial data on stocks.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations and main SOE's are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2020. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	2.0	4.0	6.0
Expand the coverage of the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government and main SOE's are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies between PSDS published by different institutions and coverage is restricted to central government.	Relative to the baseline, PSDS expand coverage to general government and main SOE's, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2021.	1.0	4.0	5.0
<b>Total Honduras</b>					<b>4.0</b>	<b>11.0</b>	<b>15.0</b>

Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Nicaragua</b>							
Assess data gaps on source data to prepare data for high frequency GFS publication (quarterly or monthly).	Central government annual and subannual GFS are compiled and disseminated using the same methodology.	GFS for central government operations are compiled and disseminated on a quarterly basis.	GFS for central government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for central government operations are compiled and disseminated on a quarterly basis by December 2020.	1.0	3.0	4.0
Assess data gaps on source data to prepare above and below the line reconciled GFS.	Central government GFS are improved, including data on financing and the reconciliation of these data with above the line GFS.	Above and below the line GFS for central government operations are reconciled and regularly disseminated.	Above and below the line GFS for central government operations are not reconciled and are not regularly published or disseminated.	Relative to the baseline, above and below the line GFS for central government operations are reconciled by April 2021. Relative to the baseline, above and below the line GFS for central government operations are regularly disseminated and published by April 2021.	2.0	3.0	5.0
Review the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government and main SOE's are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies between PSDS published by different institutions and coverage is restricted to central government.	Relative to the baseline, PSDS expand coverage to general government, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2021.	1.0	3.0	4.0
<b>Total Nicaragua</b>					<b>4.0</b>	<b>9.0</b>	<b>13.0</b>

Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Panama</b>							
Expand coverage of high frequency GFS publication (quarterly or monthly).	General government subannual GFS are compiled and disseminated (quarterly or monthly).	GFS for general government operations are compiled and disseminated on a quarterly basis.	GFS for general government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for general government operations are compiled and disseminated on a quarterly basis by April 2021.	1.0	3.0	4.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	General government annual GFS are compiled, and datasets include partial data on stocks.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations and main SOE's are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2020. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	2.0	3.0	5.0
Expand the coverage of the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government and main SOE's are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies between PSDS published by different institutions and coverage is restricted to central government.	Relative to the baseline, PSDS expand coverage to general government and main SOE's, reconcile residence criteria between the CB and the MOF and include at least partial data on other accounts payable by April 2021.	1.0	3.0	4.0
<b>Total Panama</b>					<b>4.0</b>	<b>9.0</b>	<b>13.0</b>

Government Finance Statistics							
Objectives	Outcomes	Indicators	Baseline	Milestones	LTX	STX	Total Planned Person-weeks
<b>Dominican Republic</b>							
Expand coverage of high frequency GFS publication (quarterly or monthly).	General government subannual GFS are compiled and disseminated (quarterly or monthly).	GFS for general government operations are compiled and disseminated on a quarterly basis.	GFS for general government operations are not compiled and disseminated on a quarterly basis.	Relative to the baseline, GFS for general government operations are compiled and disseminated on a quarterly basis by December 2020.	3.0	2.0	5.0
Assess data gaps on source data to expand institutional coverage and improve GFS annual publication.	General government annual GFS are compiled, and datasets include partial data on stocks.	GFS for general government operations are compiled and disseminated annually including partial data on stocks.	GFS for general government operations and main SOE's are not regularly disseminated and do not include data on stocks.	Relative to the baseline, GFS for general government operations are compiled and disseminated annually by December 2020. Relative to the baseline, annual data disseminated to the IMF GFSY is improved, including partial data on stocks.	2.0	3.0	5.0
Expand the coverage of the compilation of public debt statistics, and the reconciliation with other statistical systems.	Quarterly PSDS on general government are compiled.	PSDS for general government operations are compiled and disseminated on a quarterly basis.	There are discrepancies between PSDS published by different institutions and coverage is restricted to central government.	Relative to the baseline, PSDS expand coverage to general government, and include at least partial data on other accounts payable by April 2021.	3.0	2.0	5.0
<b>Total Dominican Republic</b>					<b>8.0</b>	<b>7.0</b>	<b>15.0</b>
<b>Total Countries</b>					<b>32.0</b>	<b>67.0</b>	<b>99.0</b>
<b>Total Region</b>					<b>13.0</b>	<b>10.0</b>	<b>23.0</b>
<b>Total Budget</b>					<b>45.0</b>	<b>77.0</b>	<b>122.0</b>
<b>Proposed overall budget for all areas (excluding central banking<sup>1</sup>)</b>					<b>270.0</b>	<b>484.0</b>	<b>754.0</b>

<sup>1</sup>Including central banking, the proposed person-weeks will rise to 874 weeks.





**CAPTAC-DR**

7A Avenida 22-01, Zona 1  
Edificio Banco de Guatemala, Piso 15  
Ciudad de Guatemala, Guatemala 01001  
T. +(502) 2390.6020  
[informacion@captac-dr.org](mailto:informacion@captac-dr.org)  
[captac-dr.org](http://captac-dr.org)

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**INTERNATIONAL MONETARY FUND**

Institute for Capacity Development  
Global Partnerships Division

700 19th Street, NW  
Washington, DC 20431 USA  
T. +(1) 202.623.7000  
F. +(1) 202.623.7106  
[GlobalPartnerships@IMF.org](mailto:GlobalPartnerships@IMF.org)