

## Minutes of the XVI Meeting of the Steering Committee Meeting of CAPTAC-DR

June 27th, 2024

1. The discussion focused on the following issues: (i) the IMF priorities in Capacity Development (CD); (ii) main CD outcomes and budget execution for fiscal year 2024 (FY24), and proposed work program and budget for FY25; (iii) major achievements during Phase III; and (iv) the capacity development strategy, program, and budget and financing for Phase IV.
2. **Committee members learned about the Review of the IMF 2024 CD Strategy to enhance the value of CD.** The Review sets out a vision based on flexibility to support members addressing changing economic challenges; integration of CD with surveillance and lending; and tailoring to ensure CD is adapted to country circumstances and absorption capacity. Also, the CD Strategy Review proposes to strengthen prioritization and integration of CD; develop a funding model that is flexible and sustainable; enhance impact of CD; modernize delivery by leveraging new technologies; enhance field presence; and strengthen human resources policies to recruit and retain the best talent. It was stated that the IMF remains agile to respond to changing events and circumstances; yet a more flexible approach is being seek, particularly in the financing, to mitigate risks.
3. **CD during FY24 focused on medium-term priorities defined in the Program Document for Phase III.** In this vein, the CD work program focused on strengthening revenue administration and public financial management (PFM); modernizing the operational framework of monetary policy and financial supervision and regulation; improving the quality of macroeconomic statistics; and integrating transformational, cross-cutting issues in workplans. Also, CD supported the implementation of financial agreements with the IMF in the region. FY24 resumed “normality” after the pandemic, and in-person provision of CD was delivered throughout the year, while maintaining virtual delivery.
4. **The Committee was informed about CD progress during FY24.** The execution rate of the FY24 workplan, measured in expert-weeks, was 80 percent, slightly higher than that of the previous FY. The milestone score was the same as the previous year with 3.5 out of 4.0, but with a smaller number of milestones compared to FY23 due to smaller workplan. During FY24, the Center provided CD on developing and adopting compliance improvement plans and training tax administration managers; risk portfolio management; cybersecurity and fintech; development of quantitative tools; adoption of international standards in government finance statistics (GFS); and updating high frequency statistics and consumer price index in line with best international practices.
5. **The Steering Committee endorsed the FY25 workplan and budget.** FY25 is a transition year, and workplans were adjusted considering the absorption capacity and in preparation for the next Phase. Still, the workplan contains a number of expert-weeks higher than that executed in FY24. Themes of the FY25 workplan include international taxation, electronic invoicing, and updating the ERGIRA; improving efficient liquidity management; effective banking supervision; quantitative tools for monetary policy decision-making; and coverage of GFS and developing social and climate change fiscal indicators. The

budget execution reached 85 percent in FY24, considerably higher than the previous year. The FY25 budget of around \$7.5 million (not including in-kind contributions; \$8.3 million with in-kind contributions) is fully funded and somewhat lower than last year's approved budget, owing to the smaller workplan.

**6. The Committee was informed on Phase III's financial situation.** Disbursements from member countries and financial partners and savings generated in previous years, have allowed the Center to maintain a solid financial position and enabled the extension of the current Phase by one FY. At the close of FY24, financial commitments totaled around US\$34 million, with a disbursement by one development partner still to be transferred to the Center.

**7. Members were presented with the major achievements during Phase III.** Members learned that the Center has contributed to various achievements at a regional and national levels. Highlighted examples include reduction of tax evasion and increase in the tax revenue ratio; modernization of customs administrations; modernization of treasury management, budget management, and fiscal risks analysis; operationalization of consolidated and cross-border financial supervision; stronger operational frameworks of monetary policy and development of quantitative tools; and improved quality of macroeconomic statistics. Progress made on the integration of transformational, cross-cutting issues (digitalization, gender, governance, and climate change) into the CD work was also highlighted. In this context, members also learned about the mid-term external evaluation of the Center—both in terms of positive aspects of the Center's work identified by the evaluators and recommendations made by them.

**8. The Steering Committee approved the proposed CD program and budget for Phase IV.** The strategic objectives of Phase IV will be to continue supporting macroeconomic and financial stability and promoting sustainable and inclusive economic growth. Phase IV will aim to bring institutions and policy frameworks closer to international best practices and further increase transformational issues into CD work and policymaking. It was highlighted that Phase IV will introduce a new workstream on expenditure policy, in response to increased demand for CD in the area by member countries. At the same time, it will close the workstream on real sector statistics, an area where the region has made substantial progress over the years. The size of the Center will thus remain unchanged. Key objectives of CD work in Phase IV will be rebuilding fiscal buffers to create space for productivity-enhancing public investment; narrowing the gap with best international practices in the financial sector; continue improving monetary policy frameworks; and adopt international standards in GFS. The Center will also work with countries to further integrate transformational, cross-cutting issues into CD work and economic policies. The proposed budget approved by the Committee stands on US\$51.8 million, up from US\$40 million for Phase III, mainly to compensate for cumulative inflation. Early disbursement of commitments from financial partners and member countries would ensure a smooth transition into the new phase and the continuity of the Center's operations.

**9. Steering Committee members and regional councils voiced their appreciation for the work of the Center and highlighted some priorities for Phase IV.** It was recognized that the work by the Center is well aligned with the priorities of the institutions by addressing relevant and topical issues. Priorities identified in the discussion for future CD were related to monetary and fiscal policy, financial supervision and regulation, macroeconomic statistics, and work on climate change.

This minute and the material discussed during the meeting will be posted on the Center's website ([www.captac-dr.org](http://www.captac-dr.org)).

*Lisandro Abrego*

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CAPTAC-DR Director and Steering Committee Secretary

Chair			
No.	Name	Role	Country/Institution
1	Douglas Pablo Rodríguez Fuentes	President of the Central Reserve Bank of El Salvador	El Salvador
Representatives of Member Countries			
2	Luis Antonio Molina Chacón	Vice Minister of Expenses, Ministry of Finance of Costa Rica	Costa Rica
3	Alonso Alfaro	Chief Economist, Central Bank of Costa Rica	Costa Rica
4	Hazel Mireya González de Sánchez	Vice President of the Central Reserve Bank of El Salvador	El Salvador
5	Álvaro González Ricci	President of the Central Bank of Guatemala	Guatemala
6	José Alfredo Blanco	Vice President of the Central Bank of Guatemala	Guatemala
7	Jorge Vinicio Cáceres Dávila	General Manager of the Central Bank of Guatemala	Guatemala
8	Patricia Joachin Godínez	Vice Minister of Revenue and Fiscal Evaluation, Minister of Finance of Guatemala	Guatemala
9	Raimundo Rodas Anleu	Deputy Director of Economic Analysis of the Ministry of Finance of Guatemala	Guatemala
10	Horacio Armando Laínez Pineda	Manager, a.i., Central Bank of Honduras	Honduras
11	Juan Adolfo Matamoros Galo	Deputy Manager of Economic Studies of the Central Bank of Honduras	Honduras
12	Magaly Sáenz Ulloa	General Manager of the Central Bank of Nicaragua	Nicaragua
13	Marcia Lorena Alvarado	Office Coordinator of the Ministry of Finance and Public Credit of Nicaragua	Nicaragua
14	Carlos González Miranda	vice Minister of Economy of the Ministry of Economy and Finance of Panama	Panama
15	Camila Hernández Villaman	Director, General Directorate of Fiscal Analysis and Policy, Ministry of Finance of the Dominican Republic	Dominican Republic
16	Julio Gabriel Andújar Scheker	Economic Advisor to the Governor's Office of the Central Bank of the Dominican Republic	Dominican Republic
Representatives of Financial Partners			
17	Miguel Medina	Senior Economist	CABEI
18	Luz Seoane	IMF and G20 Relations Officer, Ministry of Economy, Trade and Entrepreneurship	Spain
19	Marie-Anne Prum	Attaché of the Delegation, Ministry of European and Foreign Affairs	Luxembourg
20	Miguel Adrián Ramírez Viguera	Deputy Director of Financial Cooperation with Latin America, the Caribbean and Mexico, Ministry of Finance	Mexico
21	Fredrik Berglien Werring	Senior Advisor, Human Development Department, NORAD	Norway
22	Julia Baumeister	Attaché at the European Delegation in Costa Rica	European Union
Secretary of the Steering Committee			
23	Lisandro Ábrego	Steering Committee Secretary and CAPTAC-DR Director	CAPTAC-DR
Permanent Observers: Executive Secretaries of the Regional Councils			
24	Karina Velásquez	Executive Secretary	CCSBSO
25	Jacqueline Barahona	Advisor to the Superintendent of the Financial System of El Salvador	El Salvador
26	Ralph Reichlin	Research assistant	CCSBSO
27	Odalís Francisco Marte	Executive Secretary	CMCA
28	Jorge Madrigal	Coordinator of the Monetary Policy Committee and the Managers Forum	CMCA
29	Joaquín Alberto Pinto Medrano	Deputy Executive Secretary	CMCA
30	Juan Fernando Izaguirre Silva	Coordinator of the National Accounts and Balance of Payments Group	CMCA

31	Alfredo Ibrahim Flores Sarria	Executive Secretary	COSEFIN
32	Kenny Mendoza	Technical Advisor	COSEFIN
33	Álvaro Morán	Communications officer	COSEFIN
<b>Other Observers</b>			
34	Monica Calijuri	Lead Sector Specialist in Tax Administration	IDB
35	Sofia Lalinde	External, Executive Relations Office	CAF
36	Luyen Tran	Deputy Assistant Secretary of the U.S. Department of the Treasury	EE.UU.
37	Michelle Bahk	Management and Program Analyst	USAID
<b>FMI/CAPTAC-DR</b>			
38	Alfonso Guerra	Executive Director, OEDCE	FMI
39	Pablo de Ramón-Laca Clausen	Alternate Executive Director, OEDCE	FMI
40	Valerie Ann Lankester Campos	Advisor to Executive Director, OEDCE	FMI
41	María José Posadas	Advisor to Executive Director, OEDCE	FMI
42	Manuel Coronel	Advisor to Executive Director, OEDBR	FMI
43	Frank Fuentes	Advisor to Executive Director, OEDBR	FMI
44	Eloy Fisher	Advisor to Executive Director, OEDBR	FMI
45	Bas Bakker	Division Chief, WHD	FMI
46	Ding Ding	Division Chief, WHD	FMI
47	Ari Aisen	Incoming Director CAPTAC-DR, WHD	FMI
48	Gerardo Peraza	Resident Representative Guatemala, WHD	FMI
49	Santiago Acosta Ormaechea	Resident Representative Costa Rica, WHD	FMI
50	Franck Bousquet	Deputy Director, ICD	FMI
51	James Yoo	Senior Technical Assistance Officer, ICD	FMI
52	Oladipo Oloyede	Finance Analyst, ICD	FMI
53	Rodrigo Cerda	Division Chief, FAD	FMI
54	Ramon Hurtado	Senior Economist, FAD	FMI
55	Valentina Paskalova	Technical Assistance Officer, FAD	FMI
56	Juan Redondo	Technical Assistance Advisor, FAD	FMI
57	José Effio	Senior Financial Sector Expert, MCM	FMI
58	Cecilia Melo Fernández	Financial Sector Expert, MCM	FMI
59	Michael Stanger	Deputy Division Chief, STA	FMI
60	Claudia Mariel	Technical Assistance Officer, STA	FMI
61	Bruno Rocha	Senior Economist, STA	FMI
62	Alfredo Tijerina	Expert in Tax Administration	CAPTAC-DR
63	Enio Motta Jr.	Resident Expert in Customs Administration	CAPTAC-DR
64	Marta Cubillo	Resident Expert in Public Financial Management	CAPTAC-DR
65	Jorge Álvarez	Resident Expert in Monetary and Exchange Operations	CAPTAC-DR
66	Raúl Real	Resident Expert in Financial Supervision and Regulation	CAPTAC-DR
67	Jovana Palacios	Resident Expert in Real Sector Statistics	CAPTAC-DR
68	Mario Silva	Resident Expert in Public Finance Statistics	CAPTAC-DR
69	Andrés Navas	Project Manager	CAPTAC-DR
70	José Castañeda	Office Manager	CAPTAC-DR
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73	María Eugenia Mejía	Administrative Assistant	CAPTAC-DR
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