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**The CARTAC Steering Committee Welcomes the Center’s Contribution to Institutional Reforms in the Caribbean**

The Steering Committee of the International Monetary Fund’s (IMF’s) Caribbean Regional Technical Assistance Center (CARTAC) welcomed the progress made by the Center over the period November 2013 to April 2014 and endorsed the work program for the six-month period May – October 2014.

Members of the Steering Committee met in Kingston on 8 May, 2014, with Jamaica chairing, to review the implementation of the work program over the previous six months and approve the program of work for the next six months. The meeting was attended by representatives of eight member countries, regional institutions, donors which consist of Caribbean Development Bank, DFATD (Canada), DFID (UK), European Union (EU), as well as Inter-American Development Bank (IDB), the World Bank, and IMF staff, including Mr. Alejandro Werner, Director of the Western Hemisphere Department.

The Center almost doubled the number of persons trained over the last six months. Members of the Committee also noted that good progress continued to be made in achieving milestones and moving towards the outcomes that represent significant capacity improvement. CARTAC technical assistance (TA) focused on building capacity to strengthen public financial management (PFM) to support fiscal consolidation; deepening expertise in macroeconomic analysis; strengthening financial sector regulation and supervision, including through progress on Basel II implementation; and improving the quality and timeliness of economic statistics. Members noted that important challenges, however, remained.

At the end of the meeting, Governor Brian Wynter, Chairman of the CARTAC Steering Committee and Dr. Arnold McIntyre, Coordinator of CARTAC, made the following joint statement:

“The Steering Committee noted with satisfaction that technical assistance increased significantly over the period November 2013 to April 2014. It also welcomed the results obtained in member countries over the past six months with the assistance of the Center. These included: (i) greater commitment to implementing budget reforms confirmed by increased progress in a larger sample of countries and strengthened monitoring and oversight of state owned enterprises. Also, public expenditure and financial accountability assessments resulted in revamped PFM reform agendas in some countries. Strengthened PFM systems, together with stronger tax administration structures and improvements in customs administration, is supporting fiscal consolidation efforts; (ii) improved supervisory and regulatory frameworks in the financial sector (consistent with Basel II), supported by training to enhance technical expertise; greater priority being given to risk-based and consolidated supervision; (iii) increased efforts at improving macroeconomic analysis and policy formulation through TA support for establishing and maintaining medium-term macroeconomic frameworks; and (iv) positive strides in the timeliness and quality of economic statistics, together with the development of a TA program to support countries’ efforts to produce and improve international investment position statistics and balance of payments accounts, consistent with the most recent international standard.

“The Steering Committee endorsed the Center’s work program for the next six months. The program continues to be aimed at capacity building in the Caribbean to (1) initiate and successfully execute a program of fiscal consolidation; (2) deepen expertise in macroeconomic analysis; (3) strengthen financial sector regulation and supervision and promote financial stability; and (4) improve the quality and timeliness of economic statistics.

“Finally, the Steering Committee welcomed the update on the independent mid-term evaluation and looks forward to receiving the report in accordance with the stipulated timeline.”

The next meeting of the Committee will be held in November 2014 in The Bahamas.

**Background**

The Caribbean Regional Technical Assistance Center (CARTAC) is one of the nine IMF Regional Technical Assistance Centers (RTACs) located around the world in the Pacific, the Caribbean, Africa, the Middle East, and Central America. RTACs were created to help countries strengthen human and institutional capacity to design and implement sound macroeconomic policies that promote growth and reduce poverty.

The CARICOM Council of Ministers of Finance and Planning (COFAP) took the decision to establish CARTAC in September 1999 and it became operational in November 2001. Canada (DFATD) provides the largest share of CARTAC’s funding, which is complemented by contributions from Australia (AUSAID), the Caribbean Development Bank (CDB), the EU, the United Kingdom (DFID) and in-kind contributions from the IMF. The Government of Barbados finances the costs of office facilities while the other 19 beneficiary countries make annual financial contributions. Other contributors over the life of CARTAC included the IADB, Ireland, the United Nations Development Program (UNDP), the United States (USAID) and the World Bank.