Technical Assistance in Action

Technical assistance can improve lives in a variety of ways. In the next few pages we take a look at examples of how the IMF has helped governments build institutional capacity in Africa; meet internationally recognized standards for collecting and publishing financial data; combat money laundering and the financing of terrorism; and strengthen taxation systems and financial sectors. We also discuss how the IMF helps countries after an emergency or conflict; and the role of the IMF Institute in training government officials.

Capacity Building in Africa

The IMF launched its Africa Capacity-Building Initiative in 2002. It is part of the IMF's response to the urgent call by African leaders—including under the New Partnership for Africa's Development—to strengthen economic governance and the capacity of governments to carry out sound economic policies that contribute to reducing poverty.

> **"The center offers an opportunity for the member countries to work together, to share the substantial amount of technical resources within the region, and to exercise positive peer pressure on one another."**
>
> *Tanzanian President Benjamin William Mkapa at the opening of the East AFRITAC in Dar es Salaam*

As part of the Initiative, the IMF decided to establish several African Regional Technical Assistance Centers—known as AFRITACs—in sub-Saharan Africa. The AFRITAC idea is modeled on the existing Caribbean and Pacific centers, which have shown that a decentralized, regional approach to identifying and meeting technical assistance needs makes it easier for country authorities to have a voice in setting priorities. And that, in turn, both enhances country ownership and commitment and encourages an efficient use of technical assistance resources. Placing such resources directly in the region has the added advantages of increasing IMF staff's familiarity with the needs of the countries and allowing a more flexible and rapid response to capacity-building requirements. The AFRITAC initiative builds on efforts already under way in Africa, notably the Partnership for Capacity Building in Africa and its implementing agency, the African Capacity Building Foundation (ACBF), in which the IMF participates.

The IMF opened its first AFRITAC—the East AFRITAC—in Dar es Salaam in late 2002. The member countries of the East AFRITAC are Eritrea,

IMF Managing Director Horst Köhler with Tanzanian President Benjamin Mkapa at the opening of the East AFRITAC in 2002.

Ethiopia, Kenya, Rwanda, Tanzania, and Uganda. The East AFRITAC is staffed by a center coordinator and five resident experts. Their work is supplemented by short-term specialists. The Tanzanian government provides office space and logistical support for the Center.

Priorities for the Center in Dar es Salaam include:

- **Central banks:** Effective monetary policy management requires a sound and respected institution that is credibly dedicated to maintaining price and financial stability. The Center can help in this area, including development of more effective monetary policy instruments; more efficient markets in interbank money, foreign exchange, and treasury bills; and stronger banking system regulation and supervision to enable national authorities to manage financial risks more effectively.

- **Fiscal policy:** To help the countries of the region strengthen economic growth, reduce poverty, and increase their integration into the global economy, the Center gives priority to improving the capacity of governments to raise revenue and use public resources more efficiently and fairly. Its assistance is expected to help countries strengthen budget management, so that they can direct more resources to poverty reduction within a sustainable macroeconomic framework; ensure accountable public expenditure management; and improve revenue administration, while strengthening the tax base.
- **Decentralization:** It is critical for poverty reduction that sub-national levels of government develop the capacity to use public resources effectively—including for education, health, and other social services.
- **Statistics:** Timely and accurate economic, financial, and socio-demographic statistics are essential if countries are to formulate effective policies, monitor their implementation, and assess their impact. All of East AFRITAC's members either are participating in the IMF's General Data Dissemination System or have expressed a strong interest in doing so.

Developing the Initiative, IMF Management decided, with the cooperation of the Malian government, to set up the West AFRITAC temporarily in Bamako in May 2003. This center operates on the same model as the East AFRITAC and serves 10 countries in West Africa.

To enhance the technical assistance provided by the AFRITACs, the ACBF, in partnership with the IMF, will develop training programs responsive to the particular needs of the African countries concerned.

Meeting Internationally Recognized Standards

An important part of the IMF's technical assistance work is helping countries meet internationally recognized standards in a variety of areas relating to economic policymaking. The international community has attached increasing importance to the dissemination and implementation of standards and codes, particularly as a means of strengthening crisis prevention. The idea is that providing benchmarks of good practice, encouraging their implementation, and measuring progress against them will improve the quality of policymaking and investment decisions. The IMF and the World Bank have played leading roles in these efforts. They act as standard setters in their respective areas of expertise, assess member countries' observance of standards and codes, and help them make reforms where needed.

The work on standards and codes falls into three broad groups, covering the government, the financial, and the corporate sectors. Within those groups, the IMF and the World Bank have recognized 12 areas and associated standards as useful for their operational work. They comprise data; monetary and financial policy transparency; fiscal transparency; banking supervision; securities; insurance; payment systems; corporate governance; accounting; auditing; insolvency and creditor rights; and anti-money laundering and combating the financing of terrorism. Beyond their areas of responsibility, the IMF and the World Bank also cooperate with other standard-setting bodies in each of the 12 areas.

Statistics. The IMF's technical assistance to promote international best practices in statistics focuses on capacity building and improving data quality. It is offered in the areas of balance of payments, government finance, monetary and financial, and national accounts and price statistics. In all these areas, technical assistance is designed to improve the coverage, collection, compilation, accuracy, reliability, timeliness, and dissemination of official statistics. In addition to providing assessments of all these dimensions of statistical quality, technical assistance missions also often deliver on-the-job training, assist in designing reporting forms and spreadsheets to aid correct classification, and lay out short- and medium-term action plans for the improvement of statistical procedures.

Advisors may make frequent visits to countries to help them improve statistical quality. An alternative is the placement of long-term statistical advisors in countries most needing assistance. The latter approach has proven particularly effective in Africa, and in the transition countries, where there was an urgent need to build a statistical infrastructure that would buttress the move to market-oriented economic systems. In recent years, statistical advisors have served in Bosnia and Herzegovina, Cambodia, the Republic of Congo (Brazzaville), Timor Leste, Ukraine, and at the Caribbean, East African, and Pacific technical assistance centers. National accounts experts have also been active in Kuwait, Mongolia, and Uganda.

Strengthening financial systems. The IMF provides a considerable amount of technical assistance in support of the joint IMF-World Bank program to strengthen financial sectors, the Financial Sector Assessment Program (FSAP). Resilient, well-regulated financial systems are essential for macroeconomic and financial stability, especially in a world of large-scale capital flows. Supported by experts from a range of national agencies and standard-setting bodies, work under the program seeks to identify the strengths and vulnerabilities of a country's financial system; to determine how key sources of risk are being managed; to ascertain the sector's developmental and technical assistance needs; and to help prioritize policy responses. Detailed assessments of observance of relevant financial sector standards and codes, which give rise to Reports on Observance of Standards and Codes (ROSCs) as a by-product, are a key component of the program. Follow-up technical assistance is normally provided to help countries meet these codes.

A South African stockbroker checks share prices.

Combating Money Laundering and

Following the events of September 11, 2001, the IMF has expanded its technical assistance on anti-money laundering to include measures to combat the financing of terrorism. While the IMF is not a law enforcement agency, it is contributing to the global efforts to crack down on these two problems.

IMF technical assistance has helped countries that have requested assistance to bolster their financial systems and improve controls to prevent abuse by criminals. A major role of the IMF is to assess the legislation, institutions, and controls that are in place outside criminal law enforcement to see what improvements could be made to close potential loopholes. Technical assistance in this area can promote good governance

Box 2

Central Africa Taking Action

The initiatives taken by the Central African Economic and Monetary Union (CEMAC) are an interesting example of the global campaign to stop money laundering and the financing of terrorism. The IMF has been helping the leaders of this franc currency zone to introduce legislation and strengthen the institutions needed for combating financial crime.

Africa's increasing integration into the world economy, especially the franc zone, has meant greater capital mobility and the rapid development of modern payment methods associated with new information technologies. These developments have provided increasingly sophisticated tools for laundering the proceeds of crime while preserving the anonymity of transactions.

CEMAC leaders have created a task force to help coordinate action and introduce legislation and regulations across the community to support the fight against money laundering and the financing of terrorism. In early 2003, the IMF assigned an expert to the Bank of the Central African States to train officials and assist with putting in place relevant regulations.

and integrity in financial markets, and is an integral part of the IMF's efforts to help countries strengthen financial sector regulation and supervision, and reduce the incidence of financial crime.

The IMF and the World Bank have endorsed standards designed to curb money laundering and the financing of terrorism, based on the recommendations of an international task force, and have developed—in collaboration with other international bodies, including the United Nations—an agreed way for reviewing compliance. A pilot program of assessments was initiated in October 2002. The results of these assessments provide the IMF and other bodies with a sound basis for identifying technical assistance needs at the national and regional levels. As part of this work, the IMF is assisting in the following broad areas:

- formulating legislation that meets international standards and conventions;
- developing the legal and institutional framework for "financial intelligence units";
- strengthening regulatory and supervisory frameworks for financial sectors, with a focus on compliance and risk control, and preventive mechanisms for combating money laundering and the financing of terrorism; and
- capacity building, training, and awareness.

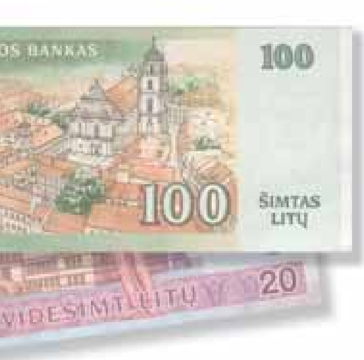
The IMF and World Bank have set up a joint database to help make best use of the scarce resources used to back this coordinated international effort. The database allows the regional bodies dedicated to combating money laundering and the financing of terrorism to enter technical assistance requests on behalf of their member countries and provides the donor community with a mechanism to learn about and respond to such requests swiftly. The coordination database became operational in December 2002.

Aiding Central Banks and Promotin

The IMF's technical assistance includes helping member countries promote sound and efficient banking and financial systems, and implement effective monetary and exchange rate policies. Essential to these ends is a strong central bank. An interesting example of technical assistance to a central bank linked to a change in an exchange rate arrangement is provided by Lithuania.

Lithuania: Shifting Pegs from the Dollar to the Euro

Following the introduction of its national currency, the litas, in 1994, Lithuania decided to operate a currency board regime—a strictly fixed exchange rate system—linked to the U.S. dollar.



After several years of operation, the currency board was credited with supporting economic stability, but the peg to the dollar increasingly threatened to undermine the country's emerging trade and economic integration with the European Union (EU). Lithuania being a candidate for membership in the EU, the authorities—supported by the IMF—decided to switch the peg for the litas from the dollar to the euro, while maintaining the currency board arrangement.

In March 2001 a technical assistance mission from the IMF's Monetary and Financial Systems Department visited Vilnius to help the authorities formulate a program to "repeg" the Lithuanian currency. The mission designed a comprehensive plan, including legal steps needed for the switch, adjustments in central bank operations, a time frame and supporting measures for the adjustment of private sector contracts, and a plan for reorienting the country's foreign exchange reserves policy. Given the unprecedented nature of this process—no modern currency board had previously attempted to "repeg" to a different currency—and the importance of reassuring the public about the safety of the plan, the mission also discussed public information strategies.

The authorities followed the mission's recommended plan of action, which covered the whole period from the mission's visit to the day of repegging. In the event, the switch—implemented on February 1, 2002—proceeded smoothly, with public support and no adverse market reaction. Lithuania's currency is now pegged to the euro—the currency of its major trading partner—and floats with it against the dollar.

Box 3

Modernizing the National Bank of Poland

Poland was among the first centrally planned economies to adopt market-oriented reforms, and IMF technical assistance played a significant role in the successful modernization of the National Bank of Poland (NBP), which served as a catalytic force in the overall financial sector reform in the course of the transition. The approach was innovative and dynamic, focused on delivering a comprehensive technical assistance program covering all operational areas of the NBP, while introducing regulatory procedures to improve existing structures.

The case was a good example of effective coordination of technical assistance from different sources, including the IMF, the World Bank, the European Union, and the European Bank for Reconstruction and Development. Central banks from Austria, France, Germany, Italy, the Netherlands, the United Kingdom, and the United States contributed experts to help with different aspects of the modernization program. These included banking supervision, monetary management and development of the money market, the setting up of research and analysis teams, central bank accounting and internal auditing, foreign exchange operations, and the modernization of the interbank payments system. The IMF coordinated the work of these experts in their different fields, managing an extensive program of assistance, and ensuring its overall consistency and relevance.

Helping Reform Taxation Around

No one likes to pay taxes. But without them governments could not deliver essential services. Given that taxes are necessary, governments should aim to ensure that tax systems are broad based, fair, efficient, and simple to administer. Such tax regimes promote revenue collection, while reducing opportunities for evasion. To help governments achieve these aims, the IMF advises countries on the design of tax policy and provides technical assistance to strengthen tax and customs administration. As a result, the revenue-raising capacity of governments in many countries has increased, which in turn has allowed more spending on important services.

IMF advice on tax systems and policy has helped countries around the world—from Russia and China to many countries in Latin America (including recently Argentina, Brazil, Honduras, and Peru) and Africa—to improve tax codes and reform tax structures to make them better suited to a modern economy. For example, IMF experts have helped many countries introduce a value-added tax (VAT), which tax specialists regard as an efficient way of taxing economic activities.

The staffs of the IMF, OECD, and World Bank are also working together to establish an "International Tax Dialogue." Its main purposes—to facilitate technical discussions and experience-sharing among government officials responsible for tax administration and policy, and to improve coordination among technical assistance providers—will benefit developing and developed countries alike.

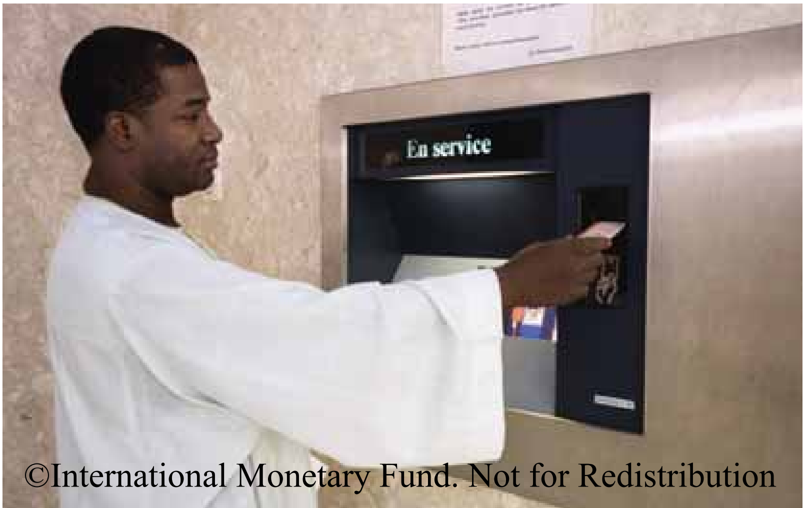
Harmonizing Tariffs and Taxes in West Africa

IMF technical assistance on harmonizing tariffs and taxes among the eight countries of the West African Economic and Monetary Union (WAEMU)—Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo—was launched in 1997. The assistance, which is continuing, has been delivered in a variety of ways, including missions and the assignment of experts to both member countries and the WAEMU commission, and the participation of officials in training activities.

Technical assistance to WAEMU has covered the implementation of a common external tariff, the harmonization of indirect taxes and of withholding taxes to strengthen the taxation of the informal sector, and the introduction of a common transparency code for public finance management. Major objectives have been to help member countries evaluate the potential revenue impact of adopting the external tariff and identify compensatory measures while further improving the efficiency of tax and customs administrations; and to advise the WAEMU commission on a strategy to harmonize indirect domestic taxation based on best international practices.

Regulations for VAT and the harmonization of excises were issued in December 1998; all tariff barriers among member countries were eliminated in January 2000; a common external tariff was introduced on the same date; and common legislation for petroleum taxation and withholding schemes were adopted in November 2001. Close coordination between the IMF and the World Bank, the European Commission, and the French Ministry of Foreign Affairs (General Directorate of Development) was critical in developing this vision and strategy.

Accessing an ATM in Mali.



Boosting Tax Efficiency in Guatemala

Improving tax yields was the main objective in Guatemala, where IMF technical assistance helped reform the tax system and its administration. A technical assistance mission, consisting of IMF experts in tax policy and administration, visited Guatemala in 1997. The team worked closely with officials from the Ministry of Finance, the tax administration, and representatives of the business and taxpayer communities to design a strategy to reform the tax system and its administration. Subsequently, the proposed reform strategy was implemented with the support of a technical assistance loan from the World Bank, which financed the assignment of a number of technical experts. These experts helped the Guatemalan authorities carry out specific aspects of the action plan. Close coordination between the IMF and the World Bank ensured that the project's execution was consistent with the reform strategy. This type of coordination is now being pursued in a systematic way throughout the region, including in Bolivia and Colombia.

Box 4

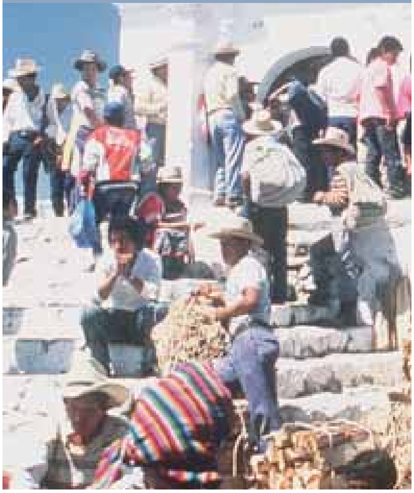
Aiding Decentralization

In several countries—such as Bosnia and Herzegovina, Croatia, Ethiopia, and Indonesia—the IMF has helped with government plans for fiscal decentralization, including both revenue collection and spending. IMF teams have focused on helping authorities design efficient systems of fiscal relations between the central and subnational governments. Issues have included the assignment of revenue and spending responsibilities at each level of government, the design of an effective system of grants from the center to the subnational level, the introduction of specific safeguards to allow local government borrowing without endangering macroeconomic stability, and the identification of administrative and technical requirements in budget reporting and budget preparation for subnational governments.

The strategy's main goal was to design a set of tax policy and administration measures that would raise the tax revenue-to-GDP ratio to about 12 percent of GDP from the historically low level of about 8 percent, and rationalize and simplify the tax system to enhance its efficiency. The achievement of the 12 percent tax ratio was an important goal established under the 1996 UN-sponsored Peace Accords because it would permit higher social spending in a sound fiscal framework.

"IMF technical assistance contributed greatly to the design of the tax reforms undertaken by the country in the recent past."

Eduardo Weyman
Guatemalan Finance Minister
January 2003



Initial progress was slow. Nonetheless, a key element of IMF advice on strengthening tax administration was implemented through the creation of the Tax Administration Agency in 1999, which incorporated the existing internal tax and customs revenue agencies. With new legislation improving procedures, tax evasion became effectively punishable under the law.

In July 2001, the Guatemalan legislature approved a tax reform that included an increase in the VAT rate from 10 percent to 12 percent, a doubling of the presumptive income tax rates, and a broadening of the tax base through the elimination of several exemptions. Tax administration is also being enhanced through the creation of a special unit for large tax payers, more frequent and in-depth tax audits, and sanctions for noncompliance. These measures helped raise tax revenue (to close to 11 percent of GDP in 2002), enabling the government to reduce the fiscal deficit while safeguarding social expenditures.

Strengthening Trade Policy

Integration into the world economy is an essential part of any strategy to raise living standards in low-income countries, but many of these countries need help in assessing the effects of lowering trade barriers and drawing up strategies to cope with problems.

To provide such help for the least-developed countries (LDCs) (as classified by the UN), the Integrated Framework for Trade-Related Technical Assistance was established in October 1997, by a High-Level the WTO Meeting. The framework aims to enhance the efficiency of trade-related technical assistance to the LDCs, including by improving coordination among donor agencies, and at making trade policy part of LDCs' poverty reduction strategies.

The framework is a cooperative effort among the IMF, UNCTAD, the UNDP, the WTO, and the World Bank, along with donor countries and the 49 countries being helped.

Under the framework, diagnostic trade integration studies—which review the trade environment and identify priority policy, technical assistance, and project needs—are used to integrate trade into countries' poverty reduction strategies. The IMF's inputs for these studies relate mainly to macroeconomic and competitiveness issues and to the external economic environment. As of March 2003, seven diagnostic studies had been completed; as many LDCs as feasible will be covered before the conclusion of the Doha round of WTO trade negotiations.*

The IMF's support of the framework includes follow-up technical assistance in its areas of expertise. For example, in Cambodia, the IMF has stationed a long-term expert on customs modernization and undertaken mission work on customs and tariff reform.

---

* By April 2003, studies had been completed for Cambodia, Lesotho, Madagascar, Malawi, Mauritania, Senegal, and Yemen. Work was under way for Burundi, Djibouti, Ethiopia, Guinea, Mali, and Nepal.

Setting Up Treasuries in Transition Economies

Technical assistance from the IMF has played a major role in helping the Baltic countries, Russia, and other countries of the former Soviet Union set up treasury operations to manage financial resources effectively. In most advanced economies, treasury systems, operated by the ministry of finance and using a network computer system, handle payment processing, accounting, reporting, and financial management services for the finance ministry, spending ministries, and spending units. Such systems may also include further modules for budget preparation, debt management, extrabudgetary fund management, and local government finances.

When the Soviet Union collapsed, such systems did not exist in its constituent countries. The new governments struggled to shift from a command to a market economy without the necessary institutions to run their budgets. In virtually all of the 15 countries of the former Soviet Union, IMF experts helped the governments set up from scratch new treasury systems that were critical for controlling public finances.

The extent of the IMF's involvement varied from country to country. In most cases technical assistance from the IMF had three elements—first, helping the national government develop an appropriate treasury *concept* for the economy; second, fine-tuning the concept into a country-specific *model*; and, third, assisting in the *implementation* of the systems. Each element was a major undertaking, fraught with problems and technical difficulties—not all dealt with successfully.

By the end of 2001, while much remained to be done, the basic goal of building treasury systems in the 15 countries had largely been met.

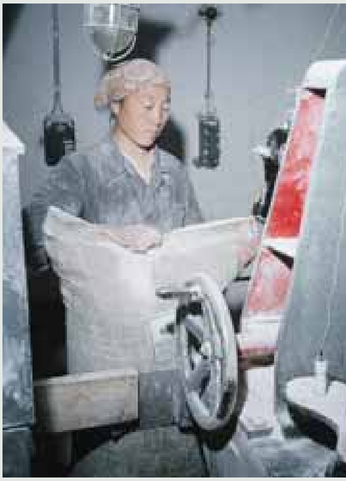
A good example of the process can be seen in Kazakhstan. Technical assistance was provided to Kazakhstan to improve budget management, including revenue and expenditure classification in accordance with international standards, commitment controls, a treasury single-account-and-ledger system, and the inclusion of extrabudgetary funds and off-budget accounts within the budget. IMF technical assistance to Kazakhstan began in 1994 and is continuing; it has been delivered by a resident advisor and through visits by a large number of IMF and other experts. Achievements have included a clear and transparent legal framework for the budget; clear institutional responsibilities and close collaboration across budget institutions; a chart of accounts that incorporates the budget classification; and the avoidance of significant extrabudgetary and off-budget activities. There are many reasons for this success, including a strong commitment to reform, a proactive use of IMF assistance, an emphasis on building strong stakeholder support, effective coordination among various technical assistance providers, and realistic timeframes. The progress of Kazakhstan's budget reform has extended beyond its frontiers, and other countries, such as Mongolia, are adopting similar reforms based on the "Kazakh model."

Space station in Kazakhstan.

Creating a Treasury Single Account in Mongolia

In Mongolia, the IMF gave advice to the government on how to introduce a treasury single-account system at the Bank of Mongolia, the country's central bank, to strengthen public expenditure management. Janis Platais, an IMF Budget and Treasury Advisor, writes about some of the difficulties he encountered in implementing the advice.

A woman closes sacks filled with flour at a mill in Ulaanbaatar.

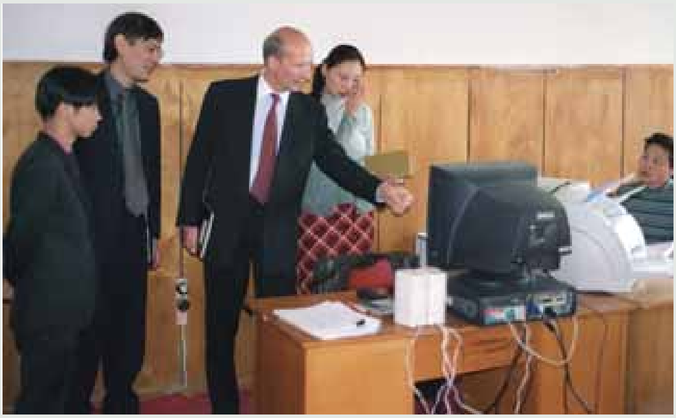


In 2000, Mongolia's expenditure management system was suffering from lax financial discipline and a lack of timely and reliable data on different aspects of budget management. Government balances were scattered all over the banking system. Introducing a treasury single account was a key component of a concessional loan program approved by the IMF's Executive Board in September 2001. But the small number of staff members in the accounting section of the Ministry of Finance and Economy and their need for training in up-to-date concepts of financial management required external assistance.

I traveled to Ulaanbaatar to help the government address the weaknesses in the public expenditure management system by establishing an efficient treasury single-account arrangement. Upon arrival, I faced a number of difficulties.

- The pilot project, begun in mid-2001 and involving ten ministries and agencies, had limited functionality and had failed to bring the benefits anticipated.
- Budget managers mistrusted the new arrangement, fearing loss of independence in executing their spending decisions.
- Important elements of the treasury single account still had to be developed and coordinated with key participants. These included finalizing the conceptual design, setting up the regulatory framework for the treasury

IMF Treasury advisor Janis Platais (center) demonstrates the use of the single-account network at a local government office in Mongolia. Japanese officials (left) and local staff look on.



operations, and drawing up a detailed plan for the transition, including training activities.

Working together, we overcame these difficulties. Drawing on lessons learned from other transition economies operating in similar circumstances, the Ministry of Finance and Economy secured the cabinet support needed to finalize the conceptual design of the new treasury arrangement.

To complete the arrangement on schedule, the ministry quickly hired additional staff, reorganized the structure of local governments to accommodate the new treasury service, and trained concerned staff. I helped draft treasury regulations, conducted numerous training sessions, and helped the ministry evaluate progress at the local government level.

The ministry and the governors of local governments found that the new arrangement provided a better way to implement their budgets, preventing budget units from running into the red and supplying much better information on the budgetary position of the various local governments.

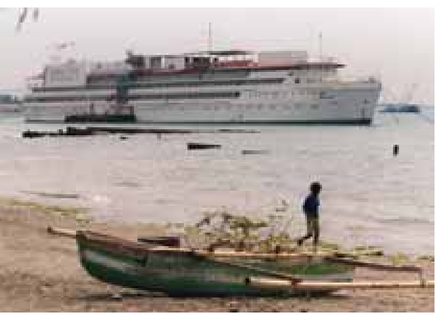
Helping After an Emergency or Conflict

When the IMF steps in to help meet the special needs of a country after an emergency or conflict, it does so as part of a concerted international effort, with different agencies and donors taking the lead roles in their respective fields of responsibility and expertise. The IMF's primary role in post-conflict countries is to help reestablish economic stability as an essential foundation for sustainable growth. Initially, this is done through technical assistance and policy advice to help rebuild the administrative and institutional capacity of the country. Once the situation has stabilized sufficiently, the IMF can make financial assistance available, which in turn usually triggers support from other creditors and donors.

An IMF team meets with a senior tax official and his staff in Kabul in 2002.

In the aftermath of two recent conflicts, in Kosovo and Timor Leste, the United Nations asked the IMF to provide immediate technical assistance to help establish rudimentary central banking and finance ministry operations. In both cases, the IMF's Monetary and Financial Systems Department undertook to set up banking and payment services, and to develop the basic institutional structure for a modern, market-based banking sector. The Fiscal Affairs Department advised on how to establish essential fiscal institutions virtually from scratch.

In Kosovo, IMF advisors prepared four basic draft laws (on the use of currencies, banking, the establishment of the Banking and Payments Authority of Kosovo, and payment transactions). The first three of these were adopted in late 1999. The IMF provided an expert to serve as the Managing Director of the Payments Authority. A number of additional short-term monetary and banking experts also contributed to the development of the Authority, which officially opened on May 19, 2000. Since then, it has licensed several commercial banks and has provided payment services in euros. Following the passage of enabling legislation, the central fiscal authority was established as a nascent Ministry of Finance. The IMF's Fiscal Affairs Department coordinated this effort with the World Bank, the EU, and bilateral donors, orchestrating assistance from different sources and guiding the work of the experts provided.



IMF staff stayed aboard this floating hotel in Dili harbor because accommodation in Timor Leste had been destroyed.

In Timor Leste, IMF staff assisted with the preparation of key financial legislation designed to restart the fledgling economy following its turbulent split with Indonesia in 1999. Regulations to establish a Central Payments Office, to designate the U.S. dollar