

**DEPARTMENT OF THE TREASURY  
INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE  
2012 REPORT TO CONGRESS**

Section 129 of the Foreign Assistance Act of 1961, as amended, authorizes the establishment of a Department of the Treasury program to provide technical assistance to governments and central banks of developing or transitional countries. This legislation also requires Treasury to prepare and submit this report on the conduct of the Treasury International Affairs Technical Assistance (TIATA) program by Treasury's Office of Technical Assistance (OTA).

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## **I. Introduction and Executive Summary**

This report provides an overview of the activities of the Department of the Treasury's Office of Technical Assistance (OTA) for calendar year 2012. The report provides information on program organization, funding, and the process for selecting and implementing projects, describes changes in the program's global footprint, and summarizes project-specific highlights.

Effective financial management is a core element of a well-functioning state. It enables a government to provide basic services for its citizens and supports broader goals such as economic growth, security, and good governance. By contrast, ineffective or corrupt management of public finance is frequently one of the root causes of failed states. For more than 20 years, OTA has helped finance ministries and central banks of developing countries to strengthen their capacity to manage public finances. OTA's cadre of globally-experienced advisors help developing countries strengthen institutions responsible for revenue, budget, debt, financial sector oversight, and combating economic crimes. OTA advisors work with their counterparts to translate international best practices into terms which are relevant to the laws and customs of developing countries.

In 2012, OTA's global footprint evolved in parallel with broader U.S. foreign policy priorities and in response to specific requests for technical assistance that seemed especially promising. OTA continued to strengthen its presence in Asia, with a quarter of the program's total projects now being executed in that region. A visit by senior Treasury officials to Burma in October 2012 pointed the way towards meeting Burmese requests for technical assistance to deepen economic reforms. In Latin America and Sub-Saharan Africa, OTA maintained a strong presence overall and strengthened its engagement in certain countries, such as El Salvador and Tanzania. In Arab Spring countries, OTA initiated engagements in Tunisia and Libya, but had to interrupt these projects because of security constraints. In line with the broader draw-down of U.S. engagement in Iraq and Afghanistan, OTA reduced its staffing in these countries.

In 2012, OTA's partnership-based approach had success. Countries with OTA assistance saw a bottom-line increase in revenues, strengthened the alignment between budget resources and development goals, built effective public-private partnerships, tapped international financial markets, and strengthened their anti-money laundering regimes. For example, in Nigeria, a tax evasion research project aided by OTA uncovered \$4.2 million in underpayments in just five cases by flagging returns for audit. The Nigerian government is well positioned to scale up these initial test cases. In Cambodia, a program budgeting project with OTA's guidance laid the groundwork for improved utilization of revenue. Cambodian ministries will be better able to prioritize and fund medium to long-term objectives in areas such as education and economic development. In Costa Rica, OTA support for public-private partnerships led to the opening of a new \$35 million airport terminal. In Guatemala, OTA advisors facilitated a successful 10-year, \$700 million Eurobond issue. In Ghana, authorities took steps, with OTA support,

to implement anti-money laundering requirements, which allowed local banks to maintain critical links with overseas banks.

## II. Program Organization and Principles

OTA is organized along functional lines, operating in five major disciplines:

- **Revenue Administration and Policy:** Creates more effective tax administrations that simplify procedures to encourage voluntary compliance on the part of taxpayers, effectively uncover tax evasion, and maintain high standards of fairness and transparency.
- **Budget and Financial Accountability:** Strengthens the effectiveness of ministries of finance, the readability and transparency of budget documents, and the management and expenditure of government resources.
- **Government Debt Issuance and Management:** Provides strategic and technical assistance to develop market-based means of public finance through the issuance of domestic government securities; increases the efficiency of government debt management; and implements comprehensive debt strategies that diversify sources of finance, reduce liability risk and lower debt service burdens.
- **Banking and Financial Services:** Supports the development of strong financial sectors in which institutions are well-regulated, stable and accessible, serve as efficient intermediaries between savers and investors, and are resistant to criminal activity.
- **Economic Crimes:** Assists the development and implementation of anti-money laundering and counter terrorist financing regimes that are compliant with international standards.

In providing technical assistance, OTA follows a number of guiding principles:

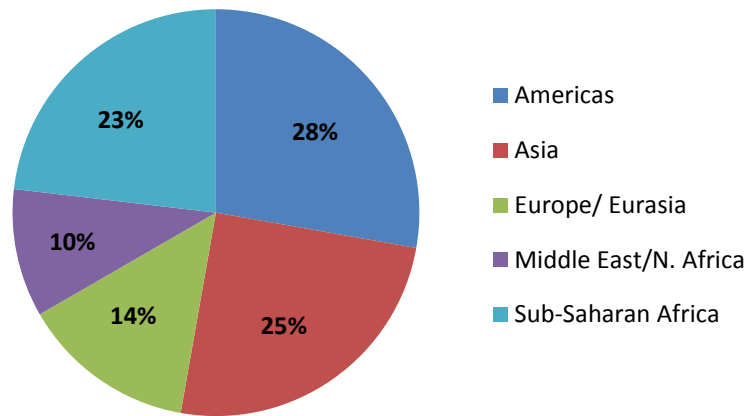
- **OTA supports self-reliance.** OTA provides countries with the knowledge and skills required to move towards financial self-sufficiency—including the capability to generate and better manage their own government finances—and to reduce dependence on international aid. OTA generally follows a three- to five-year project cycle that is aimed at creating maximum impact and exiting when local capacity has been created.
- **OTA is selective.** OTA works with governments that are committed to reform—reform that they design and own—and to using U.S. assistance effectively. Among U.S. agencies involved in foreign aid, OTA was singled out for praise in a report commissioned by the Department of State and USAID for supporting country ownership; achieving alignment with host country priorities; managing for development results; and fostering mutual accountability with host country officials. OTA does not engage with a country without a signed bilateral Terms of Reference agreement that sets out the high-level terms and aims of the engagement, followed by a tactical-level work plan specifying activities in support of those aims.
- **OTA works side-by-side with counterparts.** OTA engagements are based on close interaction between advisors and working-level partners, whether in a finance ministry, central bank, financial intelligence unit, tax administration, or other relevant

government agency. OTA advisors introduce sound practices in daily work routines through ongoing mentoring and on-the-job training.

### III. Project Allocation and Funding

As of the end of 2012, OTA had 108 projects in 53 countries. Twenty-eight percent of OTA’s total projects in 2012 were in the Americas, 25 percent in Asia, 23 percent in Sub-Saharan Africa, 14 percent in Europe and Eurasia, and 10 percent in the Middle East and North Africa (see chart below). While the specific number of projects and countries fluctuates from year to year, OTA has focused on providing more robust assistance to fewer countries. This selective approach recognizes the systemic nature of public financial management and the importance of engaging with a counterpart government in various disciplines—tax administration, budget execution, debt management, financial sector supervision, and anti-corruption—both simultaneously and in a coordinated way to achieve more convincing results and a stronger overall system.

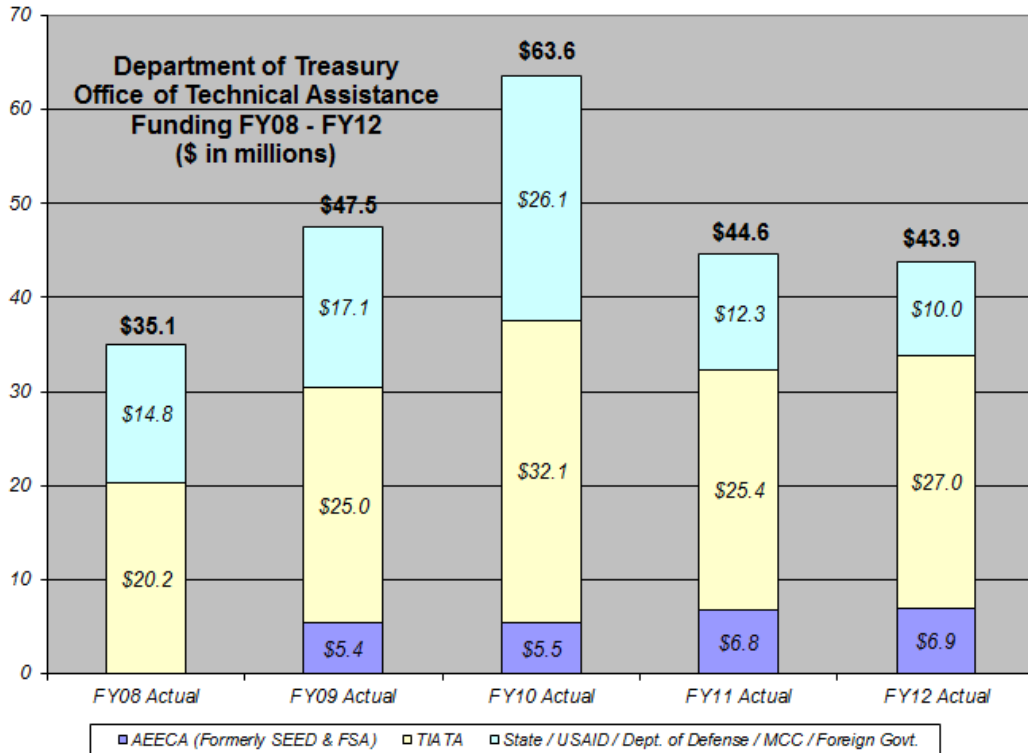
**Chart 1 - OTA Projects by Region**



Funding for OTA projects in 2012 totaled \$43.9 million. Seventy-six projects, with a combined budget of \$30.658 million, were financed either wholly or partly by OTA’s direct annual appropriation, formally known as “Treasury International Affairs Technical Assistance” or TIATA.

As the chart below indicates, TIATA is the single largest resource available to OTA for pursuing its mission. In addition to TIATA funding, OTA receives resources from the Department of State via Assistance for Europe, Eurasia and Central Asia (AEECA). AEECA resources have declined significantly over the last decade and have remained at a relatively low level in recent years as the countries in these regions become more self-sufficient and U.S. Government technical assistance is needed less.

**Chart 2 - OTA Funding by Source FY 2008-FY 2012**



**Notes**

1. FY08 funds for AECCA engagements not received by OTA from State until FY09.
2. FY10 TIATA figure includes \$7.1 million supplemental appropriation for assistance to Haiti.
3. FY10 figures include \$9.5 million in one-time supplemental Financial Crisis Rapid Response funding received by OTA from USAID.
4. FY11 and FY12 AECCA figures include multi-year funding for certain projects.
5. FY12 TIATA figure includes \$1.5 million Overseas Contingency Operations (OCO) funding.
6. Details may not add to totals due to rounding.

Occasionally, OTA has received funding through supplemental appropriations. In some cases, such as OTA’s work in Iraq and Afghanistan, supplemental funds are transferred to OTA from USAID and the Department of State. In other cases, supplemental funds may be appropriated directly to OTA, such as the 2010 supplemental TIATA appropriation (\$7.1 million), which was part of the U.S. Government’s post-earthquake assistance package for the Government of Haiti. Tables A and B at the end of this report provide additional data on OTA funding sources in 2012.

While relatively infrequent, as shown by Table A, TIATA funding has sometimes been used to co-fund projects with USAID and the Department of State’s Bureau of International Narcotics and Law Enforcement (INL). However, OTA has experienced significant decreases in transfers from other U.S. agencies. In 2012, funding received by OTA through interagency transfers declined by 23 percent compared to the average level of funds received in the preceding four years.

#### **IV. Project Identification and Structure**

*Receiving and Assessing Requests.* Requests for technical assistance and information regarding potential projects come from many sources, including U.S. embassies, USAID missions, other Department of the Treasury offices, foreign governments, international organizations such as the International Monetary Fund (IMF), and from OTA advisors already on the ground implementing other projects.

For promising requests that are determined to be within the OTA mandate, an on-the-ground assessment is carried out by our subject matter experts. Assessment results are shared with the partner government and the embassy. OTA looks to its host-country counterparts to define project goals in the first instance. In our experience, goals and objectives that are not “owned” by the counterpart are seldom achieved.

A project proposal based on the assessment is submitted by the manager of one of OTA’s five core disciplines. Decisions to begin new projects, or continue or terminate existing projects, are based on criteria and considerations that include: the need for technical assistance; evidence of counterpart commitment to reform and good use of assistance; whether the project would complement other projects in a particular country or region; the relation of the project to Treasury policy priorities and broader U.S. Government goals; and the availability of funding. In the course of assessing the prospects for a given project, OTA consults with other Treasury offices, and other partners and stakeholders such as the Department of State and USAID (both in the field, at the embassy level and at the headquarters level in Washington), the International Monetary Fund, and the World Bank.

*Project Delivery Models.* OTA carries out technical assistance through two basic delivery models: a resident advisor-based project and an intermittent advisor-based project. A resident advisor-based project is anchored by an expert advisor living in the counterpart country, typically for a period of several years, and working side-by-side with officials in the ministry of finance, central bank, tax administration authority or other government institution. Our experience has been that working directly with the counterpart over a sustained period of time is critical for transferring knowledge and strengthening systems, especially in countries where government capacity is very limited. A resident project frequently includes, in addition to a resident advisor, the participation of OTA experts in specialized areas who make short-term visits.

For an intermittent advisor-based project, a group of advisors typically spends a total of 30 to 45 weeks per year over several years, in periods of two to three weeks at a time, working with host-country counterparts. Between these multi-week direct engagements, the counterparts are expected to carry out planned activities that are directed toward the objectives stated in a mutually-agreed-upon work plan. Between trips, advisors and counterparts are in frequent contact by email and phone. OTA often hires a permanent, full-time program assistant in-country to support the intermittent project.

Whether a resident or intermittent project model is selected depends on the extent and nature of the problems to be solved, and the most practical solutions to those problems. Typically a resident advisor will be utilized to cover a single large subject area such as program budgeting or debt management that will require several years to complete. An intermittent advisor-based project will use several advisors to cover a multitude of specialized assistance topics, such as audits, arrears collection and strategic planning in tax administration, or financial crime investigation techniques and anti-money laundering regulations.

*Project Documents.* Once a resident or intermittent project is selected for funding, Terms of Reference (TOR) are worked out with the counterpart agency and signed. The TOR describe the broad goals of the project and represent a bilateral understanding at the policy level between the U.S. Treasury and the host institution. Within a short period (normally six to eight weeks) after signing the TOR, a detailed work plan is agreed upon between the advisor assigned to the project and the working-level counterpart. This plan specifies objectives and planned completion dates, and is the primary basis for regular monthly progress reports to Treasury headquarters.

The monthly reports are shared with counterpart institutions, U.S. Embassy staff, other bureaus and offices in Treasury, and other interested partners such as USAID, the Millennium Challenge Corporation (MCC), and the relevant International Financial Institutions (IFIs). The reports are used as a management tool to oversee the progress of the project and to make any necessary changes. The reports also form the information base for responses to project queries from U.S. Government officials. In addition, supervising officials conduct field visits to meet counterparts and advisors, and review the project's progress, generally on an annual basis.

*Project Cost Sharing.* OTA covers the cost of advisor salary, travel and personal support, and pays for office equipment and a local program assistant. The host institution must provide office space for the advisor in its own headquarters building and adequate phone and internet communications.

OTA's small administrative staff in Washington, D.C., is focused on supporting projects in the field, such as providing project oversight and program management, arranging travel, and performing other administrative functions.

## **V. Country Achievements**

In 2012, OTA partner countries made significant achievements across all five areas of public financial management and financial sector strengthening in which OTA is involved. Notable accomplishments include the following:

### **Revenue Administration and Policy**

**Afghanistan Increases Airport Revenue.** OTA assisted the Afghan Government in designing a series of controls and transparency measures to manage air transportation



fees, which resulted in more than \$8 million in additional revenue. Two key measures were to standardize and then publicize fees for airport services, and eliminate cash payments in favor of electronic transactions.

**Nigeria Uncovers Tax Evasion.** In Nigeria, a tax evasion research project supported by OTA uncovered \$4.2 million in underpayments in just five cases by flagging returns for audit using objective and transparent criteria. Service customers are supposed to withhold a certain portion of payments to service providers and remit these portions to the government as withholding tax. Based on techniques taught by OTA, auditors then trace the withholding payments from the customers to the tax returns of the service providers, ensuring that all income is reported. Other research projects undertaken by the Nigerian Federal Inland Revenue Service with OTA assistance focus on obtaining real estate and banking transaction data to compare with income reported on tax returns.

### **Budget and Financial Accountability**

**Cambodia Implements Improved Budgeting.** Since October 2009, a Budget Advisor has worked in the Ministry of Economy and Finance to improve the comprehensiveness and transparency of public budgeting systems. Having a predictable, stable, and executable budget is vital for the Government to address national concerns such as reducing poverty and providing stable and dependable public services. Significant advances include the approval of the framework for a new budget classification, the completion of manuals, provision of extensive staff training to support further implementation of program budgeting, and development of strategies for automating budget systems.

**Philippines Modernizes Payroll Processing.** OTA is advising the Government of the Philippines on a multi-year process of modernizing and centralizing the payroll system for 1.7 million state employees. Under the guidance of the OTA advisor, teams are working on functional requirements, redesigning business processes, harmonizing payroll policies, and reviewing software packages. Once fully implemented, streamlined administration for disbursing salaries will result in an estimated savings of 10% of payroll or approximately \$1.6 billion.

### **Government Debt Issuance and Management**

**Guatemala Diversifies Funding Sources.** Guatemala utilized strategic advice from OTA in preparing for its \$700 million, 10 year Eurobond issue in May 2012. Approximately 94% of the issuance was sold to U.S. and European investors, fulfilling the main objective, which was to diversify funding sources and tap a new investor pool outside the country. The bond will act as a benchmark, facilitating the issuance of debt by Guatemalan companies, and is large enough to qualify for placement on emerging markets bond indices, further raising the country's profile among international investors. OTA provided technical assistance throughout the process, from drafting the Request for Proposal letter to final issue placement.

## **Banking and Financial Services**

**Nigeria Improves Problem Bank Resolution Capability.** The Nigerian Deposit Insurance Corporation (NDIC) has taken steps to improve its ability to monitor and manage risk to the deposit insurance fund, close insolvent banks, pay insured deposits quickly and dispose of failed bank assets. OTA is providing assistance in bank supervision capacity building and the development of a secondary market that will enhance the NDIC's ability to dispose of non-performing assets. In addition, OTA uncovered a major problem involving a large unpaid tax liability of the NDIC, based on the tax imposed by the Nigerian government on deposit insurance premiums. With our assistance, NDIC senior management has come to understand the tax issue and how it had been mishandled internally, leading to payment of the liability. OTA is now assisting the NDIC in the development of new policies that will rectify how premiums will be treated for tax purposes in the future.

**Guatemala Supports Microfinance Institutions.** A new law to provide for the future growth of the burgeoning microfinance sector is out for public comment in Guatemala. The innovative law, drafted with OTA assistance, allows each microfinance institution (MFI) to choose between two regulatory paths according to its capacities, vision and mission. It is expected that about a dozen larger MFIs will immediately opt to create supervised entities under the commercial code while hundreds of smaller MFIs will remain as non-governmental organizations for a longer period of time. Previous attempts at a microfinance law were stymied due to opposition from the formal banking sector. OTA played a key role in garnering input from a cross-section of stakeholder groups.

## **Economic Crimes**

**Ghana Fulfills Anti-Money Laundering Standards.** Ghana was removed from an international blacklist after taking active steps to improve strategic deficiencies in its anti-money laundering/countering the financing of terrorism (AML/CFT) standards. Among the improvements identified by the Financial Action Task Force, the international body focused on AML-CFT issues, are areas in which OTA worked intensively with Ghanaian authorities, such as improving AML/CFT bank supervision and compliance, and enhancing the effectiveness of the financial intelligence unit.

**Costa Rica Prosecutes Major Contraband Case.** Following a two-week trial in August 2012, the Costa Rican Attorney General's Office successfully prosecuted an individual for laundering \$26 million in proceeds from the sale of contraband cigarettes in the United States. OTA provided considerable technical assistance in building the capacity necessary for the investigation and prosecution of the case, which represents the first sophisticated money laundering conviction in Costa Rica. Among other activities, OTA provided consultation on trial strategy and techniques, developed protocols for international cooperation, and provided training on the management of seized assets.

## **VI. Global Initiatives**

While most of its projects operate on a bilateral basis, OTA has several initiatives that operate globally. This section focuses on three of those initiatives: recovery of criminally-acquired assets, infrastructure finance, and natural resource revenue transparency.

### **A. Fighting Financial Crimes Through Asset Recovery**

Over the past four years, more than \$120 million in assets traceable to criminal activity have been seized or forfeited by law enforcement authorities in Latin America and the Caribbean as a result of technical assistance provided by OTA.

OTA encourages counterparts to recognize the importance of asset recovery as an integral component of criminal prosecutions and convictions. Many police and prosecutors have traditionally focused on obtaining convictions and putting offenders in prison, without devoting sufficient attention to taking away a criminal's assets—which strikes at the heart of the profit motive of crime. Using asset recovery as a tool to combat crime is an international practice enshrined in United Nations conventions and in the standards of the FATF.

In Honduras, OTA facilitated the creation of a financial crimes task force comprised of various law enforcement agencies that pools distinct authorities and skills to develop a more comprehensive criminal case, including the identification of assets that might be recovered.

OTA also works with judicial officials to develop the specialized expertise necessary to oversee cases involving the potential recovery of assets. Over the past four years, Haiti reports that it has confiscated more than \$90 million in assets from convicted narcotics traffickers. In recent months, Guatemalan authorities have forfeited more than \$250,000 in cash from a narcotics trafficker, as well as a ranch used to store narcotics in transit from Colombia to the United States.

OTA also provides assistance in the management of assets once they are recovered. In Haiti, for example, many government buildings were destroyed in the 2010 earthquake, but agencies were able to continue their work in properties that were confiscated from drug dealers. In Honduras, a seized plot of land was transferred to the bureau of prisons to build a new correctional facility. OTA can assist countries in developing plans and strategies to transparently and effectively manage such assets.

### **B. Harnessing Infrastructure Finance for Economic Development**

Basic infrastructure, such as facilities for transportation, waste management, and energy, is critical both to the quality of life in a given country and to economic development. Given the fiscal challenges faced by developing countries, many turn to public-private partnerships (PPPs) to design, fund, build and operate their infrastructure projects when outright procurement is not advantageous or impossible.

PPP projects can be difficult for a government to execute. These complex, high-stakes projects require expertise across a number of fields such as finance, engineering, and law, combined with cultural and political sensitivity. OTA's Infrastructure Finance Team (IFT) helps governments build capacity to prioritize financially viable infrastructure projects and market those projects to prospective investors, creditors, and concessionaires. IFT assistance enables counterpart officials to advance a project from the feasibility study stage to the tender stage, refining the project's technical specifications and financial structure so that objective, relevant criteria determine the auction winner. Competitive offers by prospective concessionaires provide real value to the country by satisfying the primary need of the public sector -- the delivery of beneficial public services.

OTA assistance in this area is provided on a regional basis in Central America and the East African Community. Important support for IFT work comes from the State Department-sponsored Pathways to Prosperity initiative, which supports the resident advisor in Costa Rica and his work throughout Central America. IFT works in close cooperation with another State Department program, Partnership for Growth, to improve infrastructure in El Salvador and Tanzania.

The most notable success for IFT in 2012 was the opening in January of the \$35 million terminal at Daniel Oduber International Airport in the tourist gateway of Liberia, Costa Rica. OTA provided particular assistance in the phase after most of the construction was completed but before the terminal was approved for operation. The concessionaire was eager to open the terminal while the government wanted to ensure all contractual terms were met. The team helped the government and the concessionaire appreciate the other's concerns, stay focused on the issues, and work towards an equitable, technical and non-political resolution within the framework of the existing contract.

In El Salvador, the most important infrastructure need is the modernization and expansion of its principal airport. IFT is providing intensive intermittent support to expedite a two-year project to staff a modern project office, update a master plan for future development, and begin a long-overdue expansion. OTA is providing high-level consultation to officials to help them understand the results of feasibility studies, review airport revenue and expense forecasts, and assess and recommend options for funding.

### **C. Improving Natural Resource Revenue Transparency**

In 2012, OTA continued its assistance in improving transparency in natural resource revenue in two ways—clarifying and harmonizing general tax legislation with extractive industry production sharing agreements, and assisting countries in standing up audit units with the specialized expertise needed to examine complex oil, gas, and mineral tax returns. In Colombia, OTA assisted the hydrocarbon audit unit in developing a manual of standardized procedure. OTA also consulted with revenue officials on treatment of tax issues specific to the extractive industry, such as the deductibility of royalty payments and environmental research and expenses. In Cambodia, OTA conducted a five day workshop covering basic petroleum auditing techniques for 50 staff from the tax administration and national petroleum agency. In Mongolia, OTA participated in a

public-private task force drafting a new general tax law, with significant impact on the mining industry, and provided advice on transfer pricing issues, which involve complex transactions between related subsidiaries of international corporations.

## **VII. Program Evaluation and Monitoring**

OTA evaluates its projects using a variety of methods, including on-site evaluations by OTA managers and written monthly reports prepared by advisors that describe progress against work plan objectives. In 2012, OTA placed a renewed emphasis on evaluating the outcome of concluded engagements through end-of-project reports. These reports are independent – undertaken by someone in OTA other than the project implementer – and are conducted typically within three to six months following the end of OTA’s assistance activities. The purpose is to better understand the program’s longer-term impact. OTA completed 17 end-of-project reports in 2012.

OTA also utilizes two other tools that offer additional perspectives on program performance. The first is a formal evaluation that focuses on the level of “traction” (the degree to which changes in behavior occur—e.g., officials take an active and participative role in pursuing change, interim deliverables are on or ahead of schedule), and “impact” (the extent to which the objectives are actually achieved) for each technical assistance project. The level of traction and impact is measured by OTA advisors and headquarters staff according to specific indicators that are relevant to each of the five OTA financial disciplines (revenue, budget, debt, banking, and economic crimes). Revenue team indicators, for example, include adoption of modern functional processes and procedures, and adequacy of investigation and adjudication of internal/conduct matters by the tax agency.

For 2012, the baseline targets for OTA’s traction and impact were set on a 5-point scale (with 5 representing the highest possible traction and impact) at 3.6 and 3.1, respectively. OTA’s performance goals were exceeded or met with actual scores of 3.9 for traction, and 3.1 for impact, which are consistent with the program’s historical averages. The setting of annual baseline targets and measuring results against those targets are done in accordance with Office of Management and Budget (OMB) guidance on program evaluations.

In addition to the traction and impact evaluation, OTA surveys country counterparts (policy and working-level counterparts in the host country) and other stakeholders (e.g. U.S. Embassy, other donor partners, local interest groups) who have worked first-hand with OTA advisors. The survey is valuable as it provides direct feedback from those outside of the program who have an interest in receiving high quality technical assistance, and who in many cases have a basis for comparing assistance programs. In 2012, OTA received 30 survey reports covering 19 projects. The results indicate that, within the respondent countries, project objectives are being met and assistance is making an important contribution to strengthening institutional capacity.

**STRATEGIC PLAN 2011-2015**  
**U.S. DEPARTMENT OF THE TREASURY**  
**OFFICE OF TECHNICAL ASSISTANCE**

***Mission.*** The mission of the Treasury Department’s technical assistance program, managed by the Office of Technical Assistance (OTA), is to support the development of strong financial sectors and sound public financial management in countries where assistance is needed and there is a strong commitment to reform.

OTA pursues this mission in support of the Treasury Department’s overall mission “to promote the conditions for prosperity and stability in the United States and encourage prosperity and stability in the rest of the world” as well as broader U.S. Government international objectives, such as increasing transparency and accountability, reducing corruption, and strengthening the development of market-based policies and practices.

***Vision.*** OTA aims to build upon its reputation as a high-quality provider of financial sector technical assistance and policy advice. It aims to be recognized as the provider of choice wherever its multi-disciplinary assistance model best addresses country needs and U.S. Government objectives.

The foundation of OTA’s program will continue to reside in five core disciplines— Revenue Administration and Policy, Budget and Financial Accountability, Government Debt Issuance and Management, Banking and Financial Services, and Economic Crimes, complemented by the ability to support other aspects of financial sector strengthening.

***Values***

- OTA will continue to place the highest priority on capacity building and developing country self-sufficiency.
- OTA exits countries when project objectives are accomplished or if country commitment to reform is not sustained.
- OTA program engagements are distinguished by flexibility, selectivity and responsiveness.
- OTA recognizes that its core strength lies in the dedication, adaptability and expertise of its advisors.

***Programmatic Goals***

- Encourage depth of engagement and an integrated, multi-discipline approach. Where circumstances warrant, deeper, stronger, more comprehensive engagements may improve the prospects for material impact.
- Encourage an approach that targets geographic regions and common financial or economic problems. Look for opportunities to place advisors in countries with common needs by virtue of location, financial structure (e.g. significant dependence upon donor revenue), or dislocations (e.g. highly affected by extractive industry income).

- Provide specialized multi-discipline programs and rapid response teams to support key U.S. Government priorities.
- Recruit, retain and support a cadre of advisors that manifests OTA's tradition of excellence.
- Continue to strengthen OTA coordination within Treasury and with other parts of the U.S. Government.
- Enhance awareness of Treasury's technical assistance program.
- Ensure that OTA's management systems fully support the achievement of our mission.

**Table A****2012 Budget Execution Plan**

Projects Funded By FY 2012 Treasury International Affairs Technical Assistance (TIATA) Appropriation

	<u>Team</u>	<u>Advisor Category</u>	<u>Co-Financing</u>	<u>TIATA</u>	<u>Total</u>
<b><u>LATIN AMERICA AND CARRIBBEAN</u></b>					
1	Colombia	TAX	Project Coordinator + Intermittents	\$ -	\$ 448,416
2	Costa Rica	ECRIMES	Resident	\$ 62,052	\$ 542,955
3	Dominican Republic	GDIM	Intermittent	\$ -	\$ 152,462
4	El Salvador	GDIM	Resident	\$ -	\$ 522,005
5	El Salvador	BANK	Intermittent	\$ -	\$ 150,000
6	Guatemala	BUD	Resident	\$ -	\$ 473,487
7	Guatemala	GDIM	Resident	\$ -	\$ 578,053
8	Guatemala	TAX	Project Coordinator + Intermittents	\$ -	\$ 290,673
9	Guatemala	ECRIMES	Resident/Intermittent	\$ 63,251	\$ 404,885
10	Honduras	BUD	Resident	\$ -	\$ 502,805
11	Honduras	GDIM	Resident	\$ -	\$ 563,552
12	Honduras	TAX	Project Coordinator + Intermittents	\$ -	\$ 240,838
13	Honduras	ECRIMES	Resident/Intermittent	\$ 361,962	\$ 449,147
14	Infrastructure Finance Team	GDIM	Intermittent	\$ 29,028	\$ 453,566
15	Peru (Infrastructure Finance)	GDIM	Intermittent	\$ -	\$ 43,529
16	Regional LACFII	BANK	Resident/Regional	\$ -	\$ 705,130
17	Uruguay	GDIM	Intermittent	\$ -	\$ 58,576
18	Uruguay	BANK	Intermittent	\$ -	\$ 215,908
<b>Subtotal Latin America and Caribbean</b>			<b>\$ 516,293</b>	<b>\$ 6,795,987</b>	<b>\$ 7,312,280</b>



	<u>Team</u>	<u>Advisor Category</u>	<u>Co-Financing</u>	<u>TIATA</u>	<u>Total</u>
<b><u>ASIA</u></b>					
19	Cambodia	BUD	Resident	\$ - \$ 582,635	\$ 582,635
20	Cambodia	BANK	Intermittent	\$ - \$ 426,243	\$ 426,243
21	Cambodia	TAX	Project Coordinator + Intermittents	\$ - \$ 490,069	\$ 490,069
22	India	BUD	Intermittent	\$ - \$ 202,382	\$ 202,382
23	India-US Economic and Financial Partnership	GDIM	Intermittent	\$ - \$ 145,000	\$ 145,000
24	Indonesia	BANK	Intermittent	\$ - \$ 210,926	\$ 210,926
25	Indonesia	GDIM	Resident	\$ - \$ 514,996	\$ 514,996
26	RegANE (Mekong Regional)	ECRIMES	Resident	\$ - \$ 566,312	\$ 566,312
27	Mongolia	TAX	Project Coordinator + Intermittents	\$ - \$ 611,198	\$ 611,198
28	Mongolia	GDIM	Resident	\$ - \$ 599,685	\$ 599,685
29	Nepal	BANK	Intermittent	\$ - \$ 215,972	\$ 215,972
30	Philippines	BUD	Resident	\$ - \$ 749,461	\$ 749,461
31	Thailand	BANK	Intermittent	\$ - \$ 109,912	\$ 109,912
32	Vietnam (Accounting)	BUD	Resident	\$ - \$ 670,720	\$ 670,720
33	Vietnam	GDIM	Intermittent	\$ - \$ 142,126	\$ 142,126
34	Vietnam	TAX	Project Coordinator + Intermittents	\$ - \$ 434,000	\$ 434,000
35	Vietnam	BANK	Resident + Intermittent	\$ - \$ 776,332	\$ 776,332
<b>Subtotal Asia</b>				<b>\$ - \$ 7,447,969</b>	<b>\$ 7,447,969</b>

	<u>Team</u>	<u>Advisor Category</u>	<u>Co-Financing</u>	<u>TIATA</u>	<u>Total</u>
<b><u>MIDDLE EAST AND NORTH AFRICA</u></b>					
36	Libya	BANK	Intermittent	\$ - \$ 294,118	\$ 294,118
37	Libya	BUD	Intermittent	\$ - \$ 294,118	\$ 294,118
38	Morocco	ECRIMES	Resident	\$ - \$ 590,897	\$ 590,897
39	Palestinian Authority	ECRIMES	Resident	\$ - \$ 971,449	\$ 971,449
40	Yemen	BANK	Intermittent	\$ - \$ 117,647	\$ 117,647
<b>Subtotal Middle East and North Africa</b>				<b>\$ - \$ 2,268,228</b>	<b>\$ 2,268,228</b>

	<u>Team</u>	<u>Advisor Category</u>	<u>Co-Financing</u>	<u>TIATA</u>	<u>Total</u>	
<b><u>SUB-SAHARAN AFRICA</u></b>						
41	Angola	GDIM	Resident	\$ 270,000	\$ 651,408	\$ 921,408
42	Botswana	ECRIMES	Resident	\$ -	\$ 554,861	\$ 554,861
43	Djibouti	BUD	Intermittent	\$ -	\$ 136,000	\$ 136,000
44	Ghana	ECRIMES	Resident + Intermittent	\$ 234,135	\$ 528,743	\$ 762,878
45	Ghana	BUD	Resident	\$ 299,867	\$ 244,434	\$ 544,301
46	Ghana	TAX	Project Coordinator + Intermittents	\$ -	\$ 371,348	\$ 371,348
47	Lesotho	BUD	Resident	\$ -	\$ 131,256	\$ 131,256
48	Lesotho	TAX	Project Coordinator + Intermittents	\$ -	\$ 241,195	\$ 241,195
49	Liberia	TAX	Project Coordinator + Intermittents	\$ 95,000	\$ 289,834	\$ 384,834
50	Regional East Africa (Kenya, Uganda, Rwanda, Burundi)	BANK	Resident	\$ -	\$ 564,246	\$ 564,246
51	Regional East Africa (Kenya, Rwanda, Burundi)	GDIM	Resident	\$ -	\$ 644,882	\$ 644,882
52	Regional East Africa EAC IFT Initiative (Kenya)	GDIM	Resident	\$ -	\$ 569,914	\$ 569,914
53	Niger	TAX	Project Coordinator + Intermittents	\$ -	\$ 374,102	\$ 374,102
54	Nigeria	TAX	Resident + Intermittent	\$ -	\$ 390,105	\$ 390,105
55	Nigeria	BANK	Resident	\$ 115,444	\$ 672,959	\$ 788,403
56	Rwanda	BANK	Resident + Intermittent	\$ -	\$ 548,494	\$ 548,494
57	Senegal	GDIM	Resident	\$ -	\$ 661,576	\$ 661,576
58	South Africa	BUD	Intermittent	\$ -	\$ 96,303	\$ 96,303
59	Tanzania	GDIM	Resident	\$ -	\$ 555,931	\$ 555,931
60	Tanzania - Infrastructure	GDIM	Intermittent	\$ -	\$ 256,471	\$ 256,471
61	Uganda	GDIM	Resident	\$ -	\$ 436,492	\$ 436,492
62	Uganda	TAX	Intermittent	\$ 120,000	\$ 133,370	\$ 253,370
63	Zambia	TAX	Project Coordinator + Intermittents	\$ -	\$ 501,456	\$ 501,456
64	Zambia	BUD	Resident	\$ -	\$ 644,163	\$ 644,163
<b>Subtotal Sub-Saharan Africa</b>				<b>\$ 1,134,446</b>	<b>\$ 10,199,543</b>	<b>\$ 11,333,989</b>

	<u>Team</u>	<u>Advisor Category</u>	<u>Co-Financing</u>	<u>TIATA</u>	<u>Total</u>
<b><u>SENIOR ADVISORS</u></b>					
65	Senior Advisor	BANK	\$ -	\$ 253,200	\$ 253,200
66	Senior Advisor	TAX	\$ -	\$ 480,478	\$ 480,478
67	Senior Advisor: Africa/Middle East	ECRIMES	\$ -	\$ 362,756	\$ 362,756
68	Senior Advisor: EurAsia	ECRIMES	\$ -	\$ 342,686	\$ 342,686
69	Senior Advisor: LAC	ECRIMES	\$ -	\$ 294,513	\$ 294,513
70	Senior Advisor	BUD	\$ -	\$ 546,421	\$ 546,421
71	Senior Advisor	GDIM	\$ -	\$ 312,908	\$ 312,908
72	Senior Advisor	BANK	\$ -	\$ 401,415	\$ 401,415
<b>Subtotal Senior Advisors</b>			<b>\$ -</b>	<b>\$ 2,994,377</b>	<b>\$ 2,994,377</b>
<b><u>OTHER FUNDED ACTIVITIES</u></b>					
	<u>Team</u>	<u>Advisor Category</u>	<u>Co-Financing</u>	<u>TIATA</u>	<u>Total</u>
73	Cash Management	BUD/GDIM	Full-time TDY	\$ 360,665	\$ 360,665
74	Deposit Insurance	BANK	Intermittent	\$ 120,491	\$ 120,491
75	Global Petroleum Audit	TAX	Full-time TDY	\$ 257,952	\$ 257,952
76	Global FIU Development	ECRIMES	Full-time TDY	\$ 213,382	\$ 213,382
<b>Subtotal Other Funded Activities</b>			<b>\$ -</b>	<b>\$ 952,490</b>	<b>\$ 952,490</b>
<b>GRAND TOTAL</b>			<b>\$ 1,650,739</b>	<b>\$ 30,658,594</b>	<b>\$ 32,309,333</b>

Notes

1. TIATA figures include carryover of prior year TIATA funds.
2. Libya and Yemen projects funded by FY 2012 Overseas Contingency Operations appropriation.
3. OTA Team abbreviations: BUD = Budget and Financial Accountability; ENF = Economic Crimes; FIT = Banking and Financial Services; GDIM = Government Debt Issuance and Management; TAX = Revenue Administration and Policy.

Table B

**2012 Non-TIATA Sources of Funding**

Treasury International Affairs Technical Assistance (TIATA)

<u>Purpose</u>	<u>Source</u>	<u>Transfer Category</u>	<u>Amount</u>
Assistance for Europe, Eurasia and Central Asia (AEECA)	State	632(a)	\$6,863,109
Technical Assistance to Government of Iraq	State Economic Support Fund & INL	632(b)	\$3,200,245
Energy Governance Capacity Initiative	USAID	632(b)	\$1,514,200
Central America Regional AML	State/INL	632(b)	\$1,500,000
Caribbean Basin Security Initiative	State/INL	632(b)	\$1,150,000
Technical Assistance to Government of Tunisia	USAID	632(a)	\$700,000
Technical Assistance to Government of Libya	USAID	632(a)	\$390,000
Technical Assistance to Government of Dominican Republic	USAID	632(b)	\$325,000
Technical Assistance to Government of Ghana	USAID	632(b)	\$299,890
Technical Assistance to Government of Saudi Arabia	Office of Program Management - Ministry of Interior (OPM-MOI)	632(b)	\$261,212
Technical Assistance to Government of Ghana	State/INL	632(b)	\$234,135
Technical Assistance to Government of Guinea	USAID	632(b)	\$171,374
Technical Assistance to Government of Armenia	State/INL	632(b)	\$111,301
Technical Assistance to Government of Tanzania	USAID	632(b)	\$89,000
Technical Assistance to Government of Cambodia	Center for Disease Control	632(b)	\$34,623
Technical Assistance to Government of Ghana	MCC	632(b)	\$26,000
<b>TOTAL</b>			<b>\$16,870,089</b>

## Notes

1. TIATA figures include carryover of prior year TIATA funds.