

---

**INTERNATIONAL MONETARY FUND**

**Joint Vienna Institute**

**Institute for Capacity Development**

**Course on Macroeconomic Management and Natural Resource Management (JV14.08)**

**Vienna, Austria**

**April 7-18, 2014**

**PROGRAM<sup>1</sup>**

---

***Monday, April 7***

---

8:30 a.m. – 9:45 a.m.

**Administrative Briefing and Opening Session**

*Administrative Briefing: Alexander Prostimkin, Joint Vienna Institute (JVI)*

*Opening Session: Norbert Funke, Director, Joint Vienna Institute (JVI), and Mr. Ray Brooks, Chief, European and Middle Eastern Division, Institute for Capacity Development (ICD)*

9:45 a.m. – 10:15 a.m.

**Opening Quiz to assess participants' knowledge**

10:30 a.m. – 12:15 p.m.

L-1

**The Political Economy of Natural Resource Management**

Lecture by Mr. Brooks

- How important are resource revenues in the region?
- Is there a resource curse?
- What is the influence of institutions and corruption in resource wealth management?
- Transparency and resource wealth management

2:00 p.m. – 3:30 p.m.

L-2

**Commodity Markets**

Lecture by Mr. Bertrand Candelon, Maastricht University

- A historical analysis of commodity markets
- Recent evolutions in commodity markets
- Outlook for global and regional energy markets

3:45 p.m. – 5:15 p.m.

W-1

**Workshop: Commodity Markets**

Facilitated by Messrs. Brooks, Candelon, and Mr. Maksym Ivanyna, Economist, JVI

---

<sup>1</sup>Unless otherwise stated, coffee breaks will be held from 10:30 a.m.–10:45 a.m. and from 3:30 p.m.–3:45 p.m.

---

***Tuesday, April 8***

---

- 9:00 a.m. – 12:15 p.m.      L-3    **Economic Growth and Natural Resources**  
Lecture by Mr. Ivanyna
- Theory of exogenous and endogenous growth
  - Role of natural, human, and social capital in growth
  - Sustainable development in resource-rich countries—Hartwick’s rule
  - Development stories in resource-rich and resource-poor countries
- 2:00 p.m. – 5:15 p.m.      W-2    **Workshop: Economic Growth and Natural Resources**  
Facilitated by Messrs. Brooks, Candelon, and Ivanyna
- 

***Wednesday, April 9***

---

- 9:00 a.m. – 10:30 a.m.      L-4    **Monetary and Exchange Rate Regimes in Resource-Rich Countries**  
Lecture by Mr. Candelon
- Explaining the real exchange rate concept
  - The role of capital flows in exchange rate determination
  - Which exchange rate regime should be used in natural resource-rich countries?
  - What is the Dutch disease?
- 10:45 a.m. – 12:15 p.m.      L-5    **Resource-Rich Countries—Resource Windfalls, Capital Flows, and Implications for Macro Policy**  
Lecture by Mr. Ivanyna
- Monetary and exchange rate policy (MERP) options to achieve stability in short run
  - Interaction of fiscal policy and MERP
  - External Balance Assessment for resource-rich countries
- 2:00 p.m. – 3:45 p.m.      W-3    **Workshop: Case Study on Coordination of Monetary Exchange Rate and Fiscal Policy**
- 3:45 p.m. – 5:15 p.m.      O-1    **Participants’ Debate**  
Facilitated by Messrs. Brooks, Candelon, and Ivanyna  
Participants split into eight teams to debate four issues related to macro management of natural resources
-

---

***Thursday, April 10***

---

- 9:00 a.m. – 12:15 p.m.      L-6    **Fiscal Regimes in Natural Resource-Rich Countries**  
Lecture by Mr. Thomas Lassourd, Revenue Watch Institute (RWI)
- Basic fiscal tools for extractive industries
  - Loopholes and pitfalls in fiscal regimes
  - Evaluating fiscal regimes and introduction to modeling
- 2:00 p.m. – 5:15 p.m.      W-4    **Workshop: Fiscal Terms for Resource Extraction**  
Facilitated by Messrs. Brooks, Candelon, Ivanyna and Lassourd
- 

***Friday, April 11***

---

- 9:00 a.m. – 12:15 p.m.      L-7    **Transparency in the Management of Natural Resource Revenues**  
Lecture by Mr. Lassourd
- What is Transparency? And why is it important?
  - Transparency along the value chain, contracts and revenues
  - When is transparency useful? Which tools can be used to promote it?
- 2:00 p.m. – 3:30 p.m.      L-8    **Natural Resources and Inclusive Growth: Perspective from the Region**  
Lecture by Mr. Candelon
- From growth to inclusive growth
  - How to measure inequality?
  - The labor market challenge
  - The role of industrial diversification
  - Other factors (gender, institutions,..) to promote inclusive growth
- 3:45 p.m. – 5:15 p.m.      O-1    **Participants' Debate (continued)**
-

---

***Monday, April 14***

---

- 9:00 a.m. – 10:30 a.m.      L-9      **How Much to Extract, Consume, and Save in Resource-Rich Countries?**  
Lecture by Mr. Brooks
- Rules on extraction
  - How much to consume and save out of resource revenue?
  - The permanent income and bird in hand approaches
- 10:45 a.m. – 12:15 p.m.      L-10      **Fiscal Frameworks in Resource-Rich Countries**  
Lecture by Mr. Brooks
- Limitations of the Permanent Income Hypothesis
  - The IMF’s new Fiscal Sustainability Framework
  - Fiscal rules to deal with volatile resource revenue
  - Scaling up investment to support development
- 2:00 p.m. – 3:30 p.m.      W-5      **Workshop: Fiscal Sustainability—the Permanent Income Hypothesis and various Extensions**  
Facilitated by Messrs. Brooks, Candelon, and Ivanyna
- 3:45 p.m. – 5:00 p.m.      O-2      **Visit to OPEC Headquarters in Vienna**
- 

***Tuesday, April 15***

---

- 9:00 a.m. – 10:30 a.m.      L-11      **Case Studies of Timor Leste, Norway, and Chile**  
Lecture by Mr. Ivanyna
- Timor Leste: example of permanent income hypothesis approach
  - Norway: example of bird-in-hand approach
  - Chile: example of fiscal rules to manage volatility
- 10:45 a.m. – 12:15 p.m.      W-5      **Workshop: Fiscal Sustainability—the Permanent Income Hypothesis and various Extensions (continued)**  
Facilitated by Messrs. Brooks, Candelon, and Ivanyna
- 2:00 p.m. – 3:30 p.m.      W-6      **Workshop: Fiscal Sustainability—Fiscal Rules to Manage Volatility**  
Facilitated by Messrs. Brooks, Candelon, and Ivanyna
- 3:45 p.m. – 5:15 p.m.      W-7      **Workshop on Case Study of Russia’s Fiscal Rules**  
Facilitated by Messrs. Brooks, Candelon, and Ivanyna
-

---

***Wednesday, April 16***

---

|                         |      |  |
|-------------------------|------|--|
| 9:00 a.m. – 10:30 a.m.  | L-12 | <b>Energy Subsidy Reform</b><br>Lecture by Mr. Brooks <ul style="list-style-type: none"><li>• How big are energy subsidies?</li><li>• What are the macroeconomic implications?</li><li>• What are the barriers to reform?</li><li>• How to design a successful reform?</li></ul> |
| 10:45 a.m. – 12:15 p.m. | O-2  | <b>Preparation of Participants' Presentations</b><br>Facilitated by Messrs. Brooks, Candelon, and Ivanyna  |
| 2:00 p.m. – 5:15 p.m.   | O-3  | <b>Preparation of Participants' Presentations</b><br>Facilitated by Messrs. Brooks, Candelon, and Ivanyna  |

---

***Thursday, April 17***

---

|                         |      |  |
|-------------------------|------|--|
| 9:00 a.m. – 10:30 a.m.  | L-13 | <b>Sovereign Wealth Fund Asset Allocation and Risk Management</b><br>Lecture by Mr. Candelon <ul style="list-style-type: none"><li>• Developing a framework for assessing foreign exchange reserve adequacy</li><li>• Sovereign Wealth Funds in resource-rich countries</li><li>• Asset allocation for Central Banks and Sovereign Wealth Funds in resource-rich countries</li></ul> |
| 10:45 a.m. – 12:15 p.m. | O-4  | <b>Preparation of Participants' Presentations</b><br>Facilitated by Messrs. Brooks, Candelon, and Ivanyna  |
| 2:00 p.m. – 5:15 p.m.   | O-5  | <b>Preparation of Participants' Presentations</b><br>Facilitated by Messrs. Brooks, Candelon, and Ivanyna  |

---

***Friday, April 18***

---

|                         |     |   |
|-------------------------|-----|---|
| 9:00 a.m. – 11:00 a.m.  | O-6 | <b>Participants' Presentations</b>                            |
| 11:15 a.m. – 12:00 p.m. |     | <b>Final Quiz</b><br><b>Course Evaluation by Participants</b> |
| 12:10 a.m. – 12:30 p.m. |     | <b>Concluding Session and Presentation of Certificates</b>    |

---