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**INTERNATIONAL MONETARY FUND**  
**Joint Vienna Institute / Institute for Capacity Development**  
**Course on Fiscal Frameworks (JV17.06)**  
**March 20 – March 31, 2017**  
**Vienna, Austria**  
**PROGRAM**

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***Monday, March 20***

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8:30 a.m. – 9:00 a.m.		<b>Administrative briefing,</b> Mr. Alexander Prostimkin
9:00 a.m. – 9:30 a.m.		<b>Opening session</b> Mr. Martin Schindler, deputy director JVI, Mr. Francesco Luna, IMF ICD, course coordinator, Ms. Irina Bunda JVI, economist; Mr. Marco Cangiano, consultant
9:30 a.m. – 10:15 a.m.		<b>Initial Test</b>
10:30 a.m. – 12:00 p.m.	L-1	<b>The importance of fiscal frameworks</b> Mr. Luna <ul style="list-style-type: none"><li>• Role of government</li><li>• Fiscal policy: macro stability, allocation of resources for growth, and redistribution</li><li>• Institutions for fiscal policy effectiveness</li><li>• Course roadmap</li></ul>
2:00 p.m. – 5:00 p.m.	O-1	<b>Initial fiscal frameworks description and issues.</b> <b>Presentation on participants' countries</b> <ul style="list-style-type: none"><li>• Fiscal institutions</li><li>• Focus on levels, trajectories, ratios, and composition of public debt, and the composition of revenues and expenditures</li><li>• Identify factors that could represent a fiscal risk</li></ul>

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## *Tuesday, March 21*

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9:00 a.m. – 10:30 a.m.	L-2	<b>The role of fiscal institutions: general overview</b> Mr. Cangiano <ul style="list-style-type: none"><li>• Why market discipline does not work and the need for strong fiscal institutions</li><li>• The budget as a strategic policy formulation tool (medium-term objectives, etc)</li><li>• Efficient use of resources (budget execution, debt and cash management)</li><li>• Responsibility and transparency (data quality, accrual v/s cash accounting, reporting, auditing)</li></ul>
10:45 a.m. – 12:15 p.m.	L-3	<b>Coverage of fiscal statistics</b> Mr. Luna <ul style="list-style-type: none"><li>• Definition of public sector</li><li>• Debt statistics</li><li>• Non-debt liabilities, off-budget entities, quasi-fiscal activities, and PPPs</li></ul>
2:00 p.m. – 3:30 p.m.	W-1	<b>Workshop: Measuring debt</b> <ul style="list-style-type: none"><li>• Main concepts</li><li>• Measures of sovereign debt</li><li>• Manipulation of fiscal statistics</li></ul>
3:45 p.m. – 5:15 p.m.	L-4	<b>The deficit and procyclicality biases</b> Ms. Bunda <ul style="list-style-type: none"><li>• Causes of fiscal policy bias</li><li>• Risks of persistent bias</li><li>• Policies to address fiscal biases</li></ul>

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## *Wednesday, March 22*

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9:00 a.m. – 10:30 a.m.	L-5	<b>Executing a fiscal plan: critical elements</b> Mr. Cangiano <ul style="list-style-type: none"><li>• Expenditure controls</li><li>• Objectives and modalities of cash management and Treasury Single Account</li><li>• Links with debt management</li></ul>
10:45 a.m. – 12:15 p.m.	W-2	<b>Workshop: In-year expenditure control tool</b> <ul style="list-style-type: none"><li>• Analysis driven by historical comparison</li><li>• Automatic alarm signals</li></ul>

2:00 p.m. – 3:30 p.m.	L-6	<b>Fiscal transparency</b> Mr. Cangiano <ul style="list-style-type: none"> <li>• Benefits</li> <li>• Best practices</li> <li>• IMF Code on Fiscal transparency</li> </ul> International experience
3:45 p.m. – 5:15 p.m.	L-7	<b>Managing and disclosing fiscal risks</b> Ms. Bunda <ul style="list-style-type: none"> <li>• Types of fiscal risks</li> <li>• Analysis of risks</li> <li>• Disclosure</li> <li>• Examples of risk mitigation strategies</li> </ul>

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***Thursday, March 23***

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9:00 a.m. – 10:30 a.m.	L-8	<b>Fiscal rules: Design</b> Ms. Bunda <ul style="list-style-type: none"> <li>• Objectives and taxonomy of fiscal rules</li> <li>• Numerical targets</li> <li>• Strengths and limitations (rules versus discretion debate)</li> <li>• Fiscal responsibility frameworks</li> </ul>
10:45 a.m. 12:15 p.m.	L-8 (ctd)	<b>Fiscal rules: The role of Fiscal Councils</b> Mr. Luna <ul style="list-style-type: none"> <li>• Fiscal councils as a complement to transparency</li> <li>• Rationale and functions</li> <li>• Independence</li> <li>• Case studies</li> </ul>
2:00 p.m. – 5:15 p.m.	W-3	<b>Workshop: Fiscal rules</b> <ul style="list-style-type: none"> <li>• Structural balance and escape clauses</li> <li>• Debt brakes</li> <li>• Automatic correction mechanisms</li> </ul>

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## *Friday, March 24*

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9:00 a.m. – 10:30 a.m.	L-9	<b>Fiscal Rules in the EU</b> Mr. Luna <ul style="list-style-type: none"><li>• Fiscal operations in a monetary union</li><li>• Institutional arrangements for discipline</li><li>• Evolution of rules and lessons learned</li></ul>
10:45 a.m. 12:15 p.m.	L-10	<b>Recent macro trends and main fiscal challenges in the region. Mr. Alfred Katterl</b> <ul style="list-style-type: none"><li>• Recent macro trends</li><li>• Fiscal challenges</li><li>• Fiscal risks</li></ul>
2:00 p.m. – 5:15 p.m.	O-2	<b>Participants' debate.</b> <ul style="list-style-type: none"><li>• Review material from the week's lectures and workshops</li><li>• Prepare talking points for the debate</li><li>• Debate pro and cons on three issues</li></ul>

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## *Monday, March 27*

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9:00 a.m. – 10:30 a.m.	L-11	<b>Contingent liabilities</b> Mr. Cangiano <ul style="list-style-type: none"><li>• sources</li><li>• relevance and impact</li><li>• how to minimize their negative effects</li></ul>
10:45 a.m. – 12:15 p.m.	L-12	<b>Fiscal sustainability and Debt Management</b> Ms. Bunda <ul style="list-style-type: none"><li>• Fiscal sustainability mechanics</li><li>• Debt intolerance across countries and over time</li><li>• Debt Management: optimal and safe debt levels, interest rates</li></ul>
2:00 p.m. – 3:30 p.m.	W-4	<b>Workshop: Fiscal sustainability</b> <ul style="list-style-type: none"><li>• Implied debt dynamics</li><li>• Alternative scenarios</li><li>• Quantifying the role of key assumptions</li></ul>
3:45 p.m. – 5:15 p.m.	L-13	<b>Fiscal Federalism</b> Mr. Luna <ul style="list-style-type: none"><li>• Criteria for the allocation of responsibilities</li><li>• Rationale and Dangers from decentralization</li><li>• Case studies</li></ul>

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***Tuesday, March 28***

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9:00 a.m. – 10:30 a.m.	L-14	<b>Medium-term budget frameworks</b> Mr. Cangiano <ul style="list-style-type: none"><li>• Objectives</li><li>• Pre-requisites</li><li>• Forecasting</li></ul>
10:45 a.m. – 12:15 p.m.	L-14 (ctd)	<b>Medium-term budget frameworks</b> Mr. Cangiano <ul style="list-style-type: none"><li>• Key features</li><li>• Implementation</li></ul>
2:00 p.m. – 3:30 p.m.	W-5	<b>Workshop: Medium-term budget frameworks</b> <ul style="list-style-type: none"><li>• Agree on the needed budget adjustment</li><li>• Construct an aggregate expenditure ceiling</li><li>• Identify disaggregated constraints for line ministers</li></ul>
3:45 p.m. – 5:15 p.m.	O-3	<b>Participants' presentations: Applied topics from the course. Preparation</b>

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***Wednesday, March 29***

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9:00 a.m. – 10:30 a.m.	L-15	<b>How to Design a Fiscal Policy Package</b> Ms. Bunda <ul style="list-style-type: none"><li>• <b>Stimulus versus contractions</b></li><li>• Sector linkages and feedbacks</li><li>• Stabilization and structural reforms</li><li>• Asymmetric fiscal multipliers</li></ul>
10:45 a.m. – 3:30 p.m.	W-6	<b>Fiscal Policy Package</b> <ul style="list-style-type: none"><li>• Case study: Kyrgyzstan</li><li>• Historical background and assess budget proposal</li><li>• Form an alternative plan</li></ul>
3:45 p.m. – 5:15 p.m.	L-16	<b>Fiscal frameworks in resource rich countries</b> Mr. Luna <ul style="list-style-type: none"><li>• Fiscal policy under uncertainty caused by volatile commodity prices</li><li>• Trade-offs between how much to consume of their nonrenewable resource wealth and how much to save</li></ul>

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***Thursday, March 30***

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9:00 a.m. – 5:15 p.m.	O-3	<b>Participants' presentations: Applied topics from the course. Preparation</b>
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***Friday, March 31***

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9:00 a.m. – 11:00 a.m.	O-3	<b>Participants' presentations</b>
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11:15 a.m. – 12:30 p.m.		<b>Course evaluation, quiz, closing session, and presentation of certificates</b>
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