
IMF – Joint Vienna Institute (JVI)
Course on Fiscal Frameworks (JV18.01)

Vienna

January 15 – 26, 2018

PROGRAM

Monday, January 15

8:30 a.m. – 9:00 a.m.		Administrative briefing,
9:00 a.m. – 9:30 a.m.		Opening session Mr. Holger Flörkemeier , Deputy Director Joint Vienna Institute, Mr. Francesco Luna, IMF ICD, course coordinator, Messrs. Xavier Debrun, IMF RES, and Matthew Simmonds, Consultant
9:30 a.m. 10:15 a.m.		Initial Test
10:30 a.m. 12:00 p.m.	L-1	The importance of fiscal frameworks Mr. Luna <ul style="list-style-type: none">• Role of government• Fiscal policy: macro stability, allocation of resources for growth, and redistribution• Institutions for fiscal policy effectiveness• Course roadmap
2:00 p.m. – 5:15 p.m.	O-1	Initial fiscal frameworks description and issues. Presentation on participants' countries <ul style="list-style-type: none">• Fiscal institutions• Focus on levels, trajectories, ratios, and composition of public debt, and the composition of revenues and expenditures• Identify factors that could represent a fiscal risk

Tuesday, January 16

9:00 a.m. – 10:30 a.m.	L-2	The role of fiscal institutions: general overview Mr. Matthew Simmonds, Consultant <ul style="list-style-type: none">• Why market discipline does not work and the need for strong fiscal institutions• The budget as a strategic policy formulation tool• Efficient use of resources• Fiscal responsibility and transparency
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10:45 a.m. 12:15 p.m.	L-3	Coverage of fiscal statistics Mr. Luna <ul style="list-style-type: none"> • Definition of public sector • Debt statistics • Non-debt liabilities, off-budget entities, quasi-fiscal activities, and PPPs
2:00 p.m. – 3:30 p.m.	W-1	Workshop: Measuring debt <ul style="list-style-type: none"> • Main concepts • Measures of sovereign debt • Manipulation of fiscal statistics
3:45 p.m. – 5:15 p.m.	L-4	Executing a fiscal plan: critical elements Mr. Luna <ul style="list-style-type: none"> • Expenditure controls • Objectives and modalities of cash management and Treasury Single Account • Links with debt management

Wednesday, January 17

9:00 a.m. – 10:30 a.m.	W-2	Workshop: In-year expenditure control tool <ul style="list-style-type: none"> • Analysis driven by historical comparison • Automatic alarm signals
10:45 a.m. 12:15 p.m.	L-5	The deficit and procyclicality biases Mr. Xavier DeBrun, IMF RES <ul style="list-style-type: none"> • Causes of fiscal policy bias • Risks of persistent bias • Policies to address fiscal biases
2:00 p.m. – 3:30 p.m.	W-3	Workshop: Cyclically adjusted budget: Kyrgyz Republic <ul style="list-style-type: none"> • Cyclically adjusted budget • Fiscal stance • Fiscal stimulus
3:45 p.m. – 5:15 p.m.	L-6	Fiscal rules: Design Mr. Debrun <ul style="list-style-type: none"> • Objectives and taxonomy of fiscal rules • Numerical targets • Strengths and limitations (rules versus discretion debate) • Fiscal responsibility frameworks

Thursday, January 18

9:00 a.m. – 12:15 p.m.	W-4	Workshop: Fiscal rules <ul style="list-style-type: none"> • Structural balance and escape clauses • Debt brakes • Automatic correction mechanisms
2:00 p.m. – 3:30 p.m.	L-7 (ctd)	Fiscal rules: The role of Fiscal Councils Mr. Luna <ul style="list-style-type: none"> • Fiscal councils as a complement to transparency • Rationale and functions • Independence • Case studies
3:45 p.m. – 5:15 p.m.	L-8	Fiscal Rules in the EU Mr. Debrun <ul style="list-style-type: none"> • Fiscal operations in a monetary union • Institutional arrangements for discipline • Evolution of rules and lessons learned

Friday, January 19

9:00 a.m. – 10:30 a.m.	L-9	Fiscal transparency Mr. Simmonds <ul style="list-style-type: none"> • Benefits • IMF Code on Fiscal transparency • International experience
10:45 a.m. 12:15 p.m.	L-10	Fiscal and monetary policy coordination in the region. Ms. Nerlich, European Central Bank <ul style="list-style-type: none"> • Recent macro trends • Fiscal challenges • Fiscal risks
2:00 p.m. – 5:15 p.m.	O-2	Participants' debate. <ul style="list-style-type: none"> • Review material from the week's lectures and workshops • Prepare talking points for the debate • Debate pro and cons on three issues

Monday, January 22

9:00 a.m. – 10:30 a.m.	O-3	Q & A session: where are we so far? Mr. Luna <ul style="list-style-type: none"> • Analysis of risks • Disclosure • Examples of risk mitigation strategies
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10:45 a.m. 12:15 p.m.	L-11	Managing fiscal risks: Contingent liabilities Mr. Luna <ul style="list-style-type: none"> • Types and sources of fiscal risks • Disclosure • Relevance and impact • How to minimize their negative effects
2:00 p.m. – 3:30 p.m.	L-12	Fiscal Federalism Mr. Debrun <ul style="list-style-type: none"> • Criteria for the allocation of responsibilities • Rationale and Dangers from decentralization Case studies
3:45 p.m. – 5:15 p.m.	L-13	Fiscal sustainability and Debt Management Mr. Debrun <ul style="list-style-type: none"> • Fiscal sustainability mechanics • Debt intolerance across countries and over time • Debt Management: optimal and safe debt levels, interest rates

Tuesday, January 23

9:00 a.m. – 10:30 a.m.	W-5	Workshop: Debt Management <ul style="list-style-type: none"> • Mexico success story • Institutional build up • External favorable conditions
10:45 a.m. 12:15 p.m.	L-14	How to Design a Fiscal Policy Package Mr. Simmonds <ul style="list-style-type: none"> • Sector linkages and feedbacks • Stabilization and structural reforms • Asymmetric fiscal multipliers
2:00 p.m. – 5:15 p.m.	W-6	Workshop Fiscal Policy Package <ul style="list-style-type: none"> • Case study: Kyrgyzstan • Historical background and assess budget proposal • Form an alternative plan

Wednesday, January 24

9:00 a.m. – 10:30 p.m.	L-15	Medium-term budget frameworks Mr. Simmonds <ul style="list-style-type: none"> • Objectives • Pre-requisites • Forecasting
10:45 a.m. 12:15 p.m.	L-16 (ctd)	Medium-term budget frameworks Mr. Simmonds <ul style="list-style-type: none"> • Key features • Implementation

2:00 p.m. – 3:30 p.m.	W-7	Workshop: Medium-term budget frameworks <ul style="list-style-type: none"> • Agree on the needed budget adjustment • Construct an aggregate expenditure ceiling • Identify disaggregated constraints for line ministers
3:45 p.m. – 5:15 p.m.	L-17	Fiscal frameworks in resource rich countries Mr. Luna <ul style="list-style-type: none"> • Fiscal policy under uncertainty caused by volatile commodity prices • Trade-offs between how much to consume of their nonrenewable resource wealth and how much to save

Thursday, January 25

9:00 a.m. – 5:15 p.m.	O-3	Participants' presentations: Applied topics from the course. Preparation (continued)
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Friday, January 26

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