



February 2017

Newsletter

FSVC Hosts Panel Discussion on Globalization, Populism and Emerging Market Countries



FSVC hosted a panel discussion and reception at the Yale Club of New York on October 13 for nearly 200 professionals from the financial, business and legal communities. The topic of the discussion was "Globalization, the Rise of Populism and the Central Role of Emerging Market Countries." The panel was moderated by Gillian Tett, U.S. Managing Editor at the *Financial Times*, and panelists included William J. Burns, President of the Carnegie Endowment for International Peace, former U.S.

Deputy Secretary of State and FSVC Board member; Saeb Eigner, Chairman of the Dubai Financial Services Authority; Njuguna Ndung'u, former Governor of the Central Bank of Kenya; John L. Thornton, Executive Chairman of Barrick Gold Corporation and FSVC Board member; and J. Andrew Spindler, FSVC President & CEO.

The panelists shared their thoughts on the tumultuous political and economic events of 2016, agreeing that globalization has had a largely positive impact on developing and

developed countries alike. Some of the topics addressed included the weakened domestic American support for U.S. leadership in the world, the pervasive problem of corruption, and the potential for greater migration from developing to advanced economies if the financial sectors and economies of the former are not strengthened. It was noted that FSVC's programs can play an important role in building the capacity of financial sectors to promote economic growth and job creation.

Also in this Issue:

- Welcome!
- Presentation of 2016 Volunteer of the Year Award
- Preventing Terrorist Financing in **Jordan**
- Improving Tax Collection in **Albania**
- Strengthening Budget Advocacy in **Tunisia**
- Mitigating Financial Risks in **Angola**
- Approval of New Grant for **Dubai** and **Jordan**
- Protecting Pensions in **East Africa**
- Upcoming Volunteer Opportunities
- Interview with FSVC Regional Director in **Tunisia**
- In Memoriam

Welcome!



Dear Friends of FSVC,

Thanks to your support and involvement, FSVC enters 2017 excellently positioned to continue vital work to promote healthy financial sectors in the developing and emerging market worlds. In this regard, FSVC has a unique role to play.

One of the most important underlying challenges that many emerging economies are currently facing is the need to create jobs for growing numbers of young people entering the labor force. Developing stronger access to finance for small and medium-sized enterprises (SMEs), key drivers of job creation, will be an important part of the answer. New financial technologies, sometimes known as FinTech and including crowd-funding platforms that connect potential borrowers and lenders, could provide innovative new means of providing this access. FSVC hopes to help explore FinTech's potential to expand financial access in East Africa and beyond as 2017 unfolds.

Among other programs, we will have important new programs underway in Moldova and Dubai, and we will be entering an important new phase of our ongoing work to strengthen the capacity of the Central Bank of Somalia.

I hope you enjoy reading about FSVC's most recent activities! Your continued interest and involvement are invaluable to our efforts.

Best regards,



J. Andrew Spindler, FSVC President & CEO

Jordan: Preventing Terrorist Financing in the Non-Profit Sector

During December 2016, FSVC conducted two workshops in Jordan with non-profit organization oversight staff from the Non-Profit Registry and the Ministry of Social Development on using a risk-based approach to supervise the non-profit sector for terrorist financing activity in northern and southern Jordan. The workshops are part of an ongoing technical assistance program implemented by FSVC to assist regulators, law enforcement agencies and prosecutors in strengthening their capacity to combat the financing of terrorism. As a result of the workshop, Jordanian authorities implemented the first step of Recommendation 8 from the Financial Action Task Force (FATF), which calls on governments to carry out targeted risk assessments of the non-profit sector and to focus supervision on high-risk non-profits.



Jordanian officials working on practical case studies; Irbid, Jordan, November 30, 2016

FSVC Presents 2016 Volunteer of the Year Award



From left: Bill Donaldson, FSVC Chairman; Amanda Hiller, NYSDTF Deputy Commissioner and Counsel; Nonie Manion, NYSDTF Acting Commissioner; Andrew Spindler, FSVC President & CEO; New York, October 13, 2016

At the close of FSVC's panel event on October 13, FSVC Chairman Bill Donaldson presented the FSVC *Volunteer of the Year Award* to New York State Department of Taxation and Finance (NYSDTF) Acting Commissioner Nonie Manion and Deputy Commissioner and Counsel Amanda Hiller for their outstanding commitment to civic and global service. Ms. Manion and Ms. Hiller served on three FSVC missions in 2016 to improve tax administration in Albania. Their work to promote more efficient tax collection will help to pay off Albania's public debt, and improve the overall quality of life for Albanian citizens through improved public services.



Albania: Improving Tax Collection to Support Growth

One of the key challenges identified in a 2016 FSVC assessment of the Albanian tax sector was the need to improve administration of large taxpayers by the Albanian General Directorate for Taxation (GDT). To help the Albanian government address this weakness, FSVC sent a volunteer expert, John Box, International Tax Consultant, to Albania in September 2016 to advise the GDT on conducting effective audits of large businesses. FSVC reviewed the GDT's organizational structure and provided practical recommendations on

how to increase effectiveness and improve tax collection. FSVC's recommendations will contribute to a significant increase in overall tax collection, as the 700 largest taxpayers account for a significant percentage of Albania's total tax collection. The reforms will help bring businesses into the formal sector, and the increased public revenues will help pay off Albania's public debt and fund much-needed public services to Albanian citizens.

Tunisia: Improving Budget Advocacy to Make Government More Accountable to Citizens



From left: David Lara, FSVC volunteer expert; Raja Lahmadi, Board of Financial Control, Tunisian Ministry of Finance; Moez Ali, President, Union of Independent Tunisians for Freedom (UTIL); New York, August 15, 2016

In August 2016, FSVC organized a study tour to the United States for representatives of Tunisian civil society organizations (CSOs). During the course of five days, the Tunisian delegation met with budget advocacy experts in New York and Washington, D.C., to learn first-hand effective advocacy methods. The various meetings addressed how to produce independent budget forecasts, communicate effectively with media, build trust and confidence with the government, and engage with citizens on budget matters. As a result, Tunisian participants gained practical insight and knowledge regarding the key roles that CSOs can play in holding their government accountable. Following the study tour, the Tunisian participants approached their Ministry of Finance to advocate for the reactivation of a Financial Transparency Joint Commission, a joint initiative between the Ministry of Finance and CSOs to promote greater transparency and accountability in the public sector. The commission has not organized a public-private meeting since 2013. At the meeting, the Tunisian delegation will present its recommendations to the Minister of Finance to improve fiscal transparency and accountability.



FSVC volunteer expertt Marian Botchway (standing), Portfolio Manager at the Export Import Bank of the United States, discusses financial risk analysis with GRA representatives; Luanda, Angola, October 3, 2016

Angola: Mitigating Financial Risks in the Public Sector

In October 2016, FSVC implemented a workshop in Luanda, Angola, for 17 representatives of the Government of the Republic of Angola (GRA) on how to manage macroeconomic risks such as price shocks and inflation, and make sound financial decisions to improve public sector governance. The workshop was part of an ongoing technical assistance program to improve public financial management in Angola. During the workshop, participants from 9 public institutions gained a better understanding of the standards, concepts and procedures for budget and financial risk analysis. The workshop strengthened their ability to make sound risk decisions, especially concerning the forecasting of revenues in the budget.

FSVC Awarded New Grant to Combat Terrorist Financing in Dubai and Jordan

In September 2016, the U.S. Department of State awarded FSVC a 2-year grant to help build the capacity of law enforcement, financial institutions and other relevant actors in Dubai and Jordan to combat money laundering and terrorist financing. FSVC's new program also will focus on strengthening regional cooperation on these topics.

East Africa: Strengthening Regional Social Security Administration

In September 2016, FSVC sent three volunteer experts with extensive experience managing retirement benefits to Zanzibar, Tanzania, to deliver a workshop to East Africa Community (EAC) pension fund managers and social security administrators on international best practices in corporate governance. The volunteer experts provided an overview of corporate governance structures, principles, policies and practices. They also discussed reporting standards for board activities, performance management, oversight of strategy and risk, independence, the role of a board and its mandate, and codes of conduct for board members.

Thanks to this project, the East and Central African Social Security Association (ECASSA) administrators have gained a stronger understanding of good corporate governance principles. This will help ensure that the pensions of people living in Burundi, Kenya, Rwanda, Tanzania, Uganda and Zambia are managed more prudently and effectively.



From left: Thomas Lee, FSVC volunteer expert; David Slifka, FSVC volunteer expert; Allen Anthony, FSVC volunteer expert; Amelye Nyembe, Zanzibar Social Security Fund; Zanzibar, Tanzania, September 29, 2016



FSVC Regional Director Moez Dalloua (right) is interviewed by Khmaies Boubtane, Reporter for National 1 on Tunisian TV, Tunis, 2014.

Spotlight on FSVC Regional Director based in Tunisia: Moez Dalloua

Q: How did you first encounter FSVC?

A: It was by coincidence actually. When I was working for a financial institution in Tunisia in 2010, I helped an FSVC staff member better understand the Tunisian financial sector and research the underlying issues to conceive a technical assistance program. When a grant was later awarded to FSVC, I was offered the opportunity to join the FSVC team. I have been enjoying it since the very first day!

Q: What is a typical day in the life of a Regional Director?

A: There is no routine or typical day actually! During a project, I spend more than 70% of my time

communicating with colleagues, funders, volunteer experts and counterparts. An in-country project also involves lots of research, logistical work, data collection and many surprises, so being flexible is key! Since 2011, I have overseen directly more than 90 technical assistance missions in the Maghreb.

Q: What is your favorite aspect of working for FSVC?

A: I am provided with a unique opportunity to learn new things every day. I have been involved in a wide array of projects in entrepreneurship, public financial management, anti-money laundering, open government, etc... and it has been a tremendous learning experience!

In Memoriam: Jim Fox



FSVC mourns the loss of H. James Fox, Jr., a beloved volunteer expert who passed away on July 21, 2016. Mr. Fox, or "Foxy" as he was affectionately called, was a respected Chicago attorney and philanthropist who dedicated his life to service. A retired Partner at the law firm of Quarles & Brady in Chicago, he represented a large number of banks and financial institutions throughout his career. Mr. Fox thoroughly enjoyed his involvement with FSVC, as it allowed him to share the extensive knowledge and experience he had achieved over the span of his impressive career. He served on FSVC missions to Morocco and Ukraine, helping to strengthen commercial banking sectors to support economic growth. We will miss him greatly.



Upcoming Volunteer Opportunities

Albania

- Consultations on Cooperation for Joint Supervision of Financial Institutions - 1Q17
- Consultations on Developing Recovery and Resolution Framework for Investment Funds - 1Q17
- Consultations to Help Albanian Tax Administration Develop a Call Center – 1Q17
- Enhancing Early Warning System and Developing a Macroprudential Risk Dashboard for Central Bank of Albania– 1Q17

East Africa

- Workshop on CFT Compliance for Foreign Exchange Bureaus (Tanzania) – 2Q17
- Regional Workshop on Best Practices in Information Exchange with Other Regulators (Tanzania) – 1Q17

Jordan

- Consultations on the Development of a Financial Crimes Course for Judges – 2Q17
- Consultations on Investigating CFT Cases – 2Q17

Tunisia

- Workshop on AML/CFT Supervision of Microfinance Institutions -1Q17



About Us

The Financial Services Volunteer Corps (FSVC) is a not-for-profit, public-private partnership that helps strengthen financial sectors in developing and emerging market countries. It does so with the ultimate aim of promoting job creation, economic growth and a better quality of life. FSVC structures practical, results-oriented technical assistance and training missions staffed by senior financial sector professionals who serve as unpaid volunteer experts. Over the past 26 years, more than 9,500 volunteer experts from the international financial, legal and regulatory communities have taken part in 3,000 missions, impacting millions of people in 60 countries.