Regional Training Workshop on
"Beyond Inflation Targeting:
Policy Options and Instruments
For Managing Equitable Growth and Human Development"

19-22 December, 2011
Pan Pacific Sonargaon Hotel, Dhaka, Bangladesh

**WORKSHOP REPORT**[1]

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## *1.0 BACKGROUND OF THE WORKSHOP*

Developing economies of South and South East Asia are confronting a twin challenge of slower economic growth and higher levels of inflation. As net food and energy importers, many of these economies are burdened with increased cost of imports, putting upward pressures on CPI. While crude oil prices increased by more than 161 per cent between December 2008 and July 2011, the food price index also increased dramatically during the same period. In July 2011, the global food index remained higher than the level it reached in July 2008.

The previous price surge in 2008 followed a period of high growth, while the current inflation comes after a global recession and a period of modest growth in many Asian economies. For example, the newly industrialized Asian economies registered an average growth rate of 5.49% during the three years (2005-2007) before they confronted high price levels in 2008. In contrast, these economies grew at an average of 3.11% during the past three years (2008-2010) prior to facing high inflation in 2011. The developing Asia as a whole grew at an average rate of 10.42% three years before the last price shock, while the growth rate during the past three years (2008-2010) slowed down to 8.13%. A sustained period of economic gloom, characterized by low growth and high inflation, is no longer a distant possibility for many Asian economies. The economic slowdown, if not averted, will pose formidable challenges to employment generation and human development, potentially reversing the trends in poverty reduction and MDG achievements in the region.

In confronting the inflationary pressure in their economies, a majority of central banks in South and South Asia raised policy rates during 2011. This followed a period of expansionary monetary policies that they pursued during the recession of 2008-2009. The recession had also encouraged many governments in the region to undertake timely fiscal expansions, which helped them avert the worst of the economic crisis. Exports from these economies rebounded quickly and growth came back, albeit at a slower pace than the growth rates they registered prior to the crisis. While the growth performance of these economies remains fragile and tentative, a large number of central banks quickly shifted gear and adopted contractionary policies even when these policies proved ineffective in containing the largely imported food and energy prices.

It is argued premature and pre-emptive contractionary monetary policies will undermine the growth prospects of many economies in the region. The standard policy response to contain inflation often requires raising interest rates, which can negatively impact investment and growth. Higher interest rates can attract short-term capital, especially in economies with open capital accounts, further exacerbating the inflationary pressures. In addition to increasing instability in the financial system, such capital flows can lead to an appreciation of the real exchange rate, which can hurt exports and lower productivity growth through misallocation of resources. Short-term capital flows can also trigger asset price bubbles, which may further exacerbate inflation. Many economists believe that instead of focusing too narrowly on inflation, central banks in the region could steer their policies to sustain and accelerate growth and avoid the possibility of a double-dip recession.

Economists also argue that when inflation is a predominantly supply-side phenomenon monetary policy responses can often be inadequate and ineffective. A well-designed fiscal policy response, augmenting public sector investments in infrastructure development and productivity growth, can help reduce the cost of production and reduce inflationary pressure. These investments can also protect jobs and generate new employment. Other fiscal policy response such as adjustments in tax rates, allowing tax cushions to absorb part of the shocks to food and energy prices can help moderate inflation and facilitate growth.

Against this background, the United Nations Department of Economic and Social Affairs (UNDESA) in partnership with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and Bangladesh Bank organized the Regional Training Workshop, "Beyond Inflation Targeting: Policy Options and Instruments For Managing Equitable Growth and Human Development". The workshop was held in Dhaka, Bangladesh on 19-22 December 2011. The purpose of the workshop was to train mid-level officials from central banks and ministries of finance in South and South East Asia on how to design and implement monetary and fiscal policy tools that promote growth and at the same time keep inflation within a reasonable level. The workshop provided participants the opportunity to understand why the focus of monetary policies should be broadened beyond narrow inflation targeting to generate employment and growth. The four-day training workshop was conducted by a group of renowned economists, with strong expertise in fiscal and monetary policy issues. They used lectures, presentations and stimulated discussions and debates to generate a lively learning experience, allowing the participants to learn from the experts as well as from their peers.

The workshop covered the following topics: a. state of inflation in the Asia Pacific region; b. central banking challenges in Bangladesh - inflation, monetary and exchange rate policies and their developmental implications; c. the theory, empirical evidence and the state of policy debate on inflation targeting and trade-offs and the impact on the poor and MDGs; d. sources of inflation and appropriate policy options in dealing with current challenges of food and energy price inflation and capital inflows; e. co-ordinating fiscal, monetary and exchange rate policies to attain reasonable price stability, sustain growth and create productive jobs; f. managing capital flows and exchange rate with evidence from recent experiences; g. prudential regulations in the context of balancing the needs for promoting financial sector stability and growth. A field trip was organized to learn about various initiatives of Bangladesh Bank to promote financial inclusion.

A total of 37 officials from central banks and ministries of finance of 16 countries, including Afghanistan, Bangladesh, Bhutan, Cambodia, China, India, Indonesia, Lao PDR, Myanmar, Nepal, Philippines, Singapore, Sri Lanka, Tajikistan, Thailand and Vietnam, and officials UNESCAP, UNDP and UNDESA participated in the workshop.

Of the 37 participants, 26 participants (70%) were male while 11 (30 %) were female. The age of participants ranged from 22 years to 55 years with an average age of 38.18 and a standard deviation of 8.42. There were 20 central bankers (54%) with an average of 11.7 years of central banking experience while 17 participants (46%) were from Ministries of Finance with an average of 6.92 years of experience in Finance Ministry. Educational qualifications of participants included 3 PhDs, 28 Masters Degree and 6 Bachelors Degree holders, with 11 from Western/Australian universities and 2 from universities in Singapore.

## *2.0 OPENING SESSION:*

### *2.1 Welcome Address by Mr. Ziaul Hasan Siddiqui, Deputy Governor, Bangladesh Bank*

The Deputy Governor warmly welcomed all participants and outlined the objectives of the workshop. He also provided a brief overview of Bangladesh's monetary policy challenges related to inflation and financial inclusion initiatives.

### *2.2 Statement by Mr. Stefan Priesner, UNDP Country Director, Bangladesh*

In his statement the Country Director of UNDP in Bangladesh highlighted the importance of macroeconomic policy, and specifically monetary policy, in securing macroeconomic stability, competiveness, achieving structural change, and long term economic development. While recognizing that macroeconomic stability is a necessary condition for sustainable economic growth, he pointed out that it was vital that national governments have the flexibility and tools, to respond to macroeconomic challenges in their own development contexts, to achieve broader development objectives.

He commended UNDESA for facilitating an open dialogue on macroeconomic policy-making and emphasized that it was vital that initiatives like this are grounded in national policy frameworks and supported in-country. Mr. Priesner said that UNDP looked forward to a partnership with Government, and with global and regional UN system partners for designing and implementing future interventions to support pro-poor macroeconomic policymaking.

### *2.3 Statement by Dr. Aynul Hasan, Representative of UN-ESCAP*

The Representative of UN-ESCAP underscored that the region is coping with rising inflation and deteriorating economic prospects against the backdrop of a possible global double dip recession. He highlighted that current levels of high commodity prices severely affected the poorest segments of society and threatened to slowdown economic growth, poverty reduction, achievement of MDGs and inclusive development in some Asian countries. To stabilize food prices, he called for stronger regional and sub-regional cooperation on food reserves and trade in agricultural products. He called for strengthening social protection measures through distribution of food vouchers among the needy or targeted income transfer schemes to minimize the adverse impact on the poor.

The UN-ESCAP Representative reminded that inflation matters, but employment, growth and sustainable development matters even more. Policy makers must therefore take into account the trade-offs between inflation and growth and strike a balance between short-term concerns for price stability and long-term imperatives of development. This calls for monetary and exchange-rate policy tools that promote growth while keeping inflation within acceptable levels.

### *2.4 Statement by Professor John Loxley, University of Manitoba, Canada*

Professor Loxley stressed that the topic of the workshop was an extremely important one. He explained that the workshop would examine, among other issues, the possibility and desirability of recasting monetary policy away from a very narrow focus on achieving and maintaining low levels of inflation, regardless of the cost of doing this and its impact on other important variables such as employment, poverty reduction, overall development and even fiscal balances. He explained that such an approach to monetary policy is often presented as "TINA" (there is no alternative) and has been a mantra of the IMF in its approach to economic policy advice across the globe. He reminded that there are costs and benefits of different approaches to economic policy and pointed out that there are always alternatives. Alternatives do exist and may often be more appropriate. He hoped that the workshop would help shed new light on the technical and possibly political costs and benefits of alternative approaches to economic policy formulation, drawing on the rich diversity of the Asian experience.

### *2.5 Statement by the H.E. Mr Abul Maal Abdul Muhith, Minister of Finance of Bangladesh*

The Minister of Finance highlighted that high inflation has become a pressing problem for Bangladesh. He explained that the high inflation in Bangladesh was not simply induced by global inflation but was also because of certain domestic policies. He noted that while Bangladesh maintained good macro economic fundamentals over the last 15 years, the country continues to face serious challenges in economic management, which included low savings rates, very low FDI and low public expenditure. Despite all these limitations he hoped that the economy will continue to grow like the past. He noted the topic of the workshop, focusing on policy instruments to promote inclusive economic growth and sustainable development would also highlight the importance of coordination between monetary and fiscal policies in achieving this goal.

### *2.6 Statement by Dr. Atiur Rahman, Governor, Bangladesh Bank*

The Bangladesh Bank Governor reminded that the prevalent approach of most central banks to pursue inflation targets as their sole objectives was loosing ground as the simplistic approaches to monetary tightening or loosening to attain specified inflation targets had become sources of instability and volatility in output and employment. He noted that with the global financial crisis, monetary and fiscal authorities in developed economies had resorted to ‘quantitative easing’ and other unorthodox measures. He pointed out that not all central banks in all advanced economies embraced inflation targeting as their sole monetary policy objective, and cited the US Federal Reserves as among those.

He emphasized that central banks in developing economies had a crucial role to play in supporting inclusive growth by equitably opening up advancement opportunities for the disadvantaged groups. He stressed that monetary and credit policies in these countries needed to be geared to support broad-based output growth, besides aiming at price stability. He pointed out that policy steps were needed to engage credit markets in better meeting the financing needs of all productive undertakings, which entails proper co-ordination and dovetailing of monetary and fiscal policies.

## 3. WORKSHOP PROCEEDINGS

Day 1: The morning session included two presentations: Dr. Aynul Hasan covered the presentation on the “State of Inflation in the Asia Pacific” (session 1a) and Dr. Salehuddin Ahmed made a presentation on “Central banking challenges – Inflation, monetary and exchange rate policy responsibilities and developmental implications” (session 1b). In the afternoon, Prof. Anis Chowdhury made a presentation and led the discussions on “Inflation targeting and trade-offs, impact on the poor, the most vulnerable and MDGs – The theory, empirical evidence and the state of policy debate” (session 2). The day concluded with an official dinner and cultural program hosted by Bangladesh Bank.

Day 2: In the morning, Prof. Anis Chowdhury led the discussions on “Sources of inflation and policy suitability – Dealing with current challenges – food and energy price inflation; capital inflows” (session 3). In the afternoon, Professor Gerald Epstein made a presentation on “Co-ordinating fiscal, monetary and exchange rate policies for attaining reasonable price stability, sustaining growth and creating productive jobs” (session 4).

Day 3: Participants were taken on a field trip to Gazipur in the outskirt of Dhaka to learn, firsthand, about the Bangladesh Bank initiatives on financial inclusion. The field trip included visits to, and interaction with farmers, of bio-gas projects financed by Trust Bank and Sharecroppers Project managed by BRAC –supported and re-financed by Bangladesh Bank.

Day 4: In the morning, Ms. Latifah Merican led the session on “Managing capital flows and the exchange rate – available instruments and how they work: evidence from recent experiences” (session 5) while in the afternoon, Ms. Usha Thorat and Professor John Loxley made presentations on “Prudential regulation: balancing the needs for promoting financial sector growth and stability – the role of development bank and specialized institutions” (sessions 6a and session 6b respectively). .

The workshop concluded on Day 4 with presentation of certificates of participation to participants and closing remarks made by Dr. Abdul Momen, Permanent Representative of Bangladesh to the United Nations in New York and Dr. Atiur Rahman, Governor of Bangladesh Bank, and Dr. Hamid Rashid, Senior Advisor of UNDESA. Evaluations of trainers were conducted daily immediately after each session. A final overall evaluation was conducted on the last day of the workshop.

Dr. Hamid Rashid, Senior Advisor of UN-DESA, facilitated the workshop sessions and moderated discussions.

### 3.1 State of Inflation in the Asia Pacific (Dr. Aynul Hasan – session 1a)

The presentation identified the following long and short-term drivers of inflationary pressures in the Asia Pacific region:

- The current boom in commodity prices is not unprecedented. The rise of the Western Europe in the 18$^{th}$ century in the midst of the first globalization also triggered a commodity price boom. High GDP growth rates in larger Asian economies have increased the demand for commodities, particularly for food grains and fuel.

- Global population has increased from 5.3 billion people in 1990 to 6.8 billion people in 2010. Growing population and increased GDP per capita have boosted consumption of food. Not only there are more people to feed but they are also living longer, demanding and consuming more food over time.

- Rising oil prices have made bio-fuels a viable alternative source of energy, displacing production of food-crops in many countries. Mandatory blend and utilization targets to boost bio-fuel use are expected to further increase the demand for bio-fuel production in coming years and adversely impact the production and supply of food grains.

- During 2010-2011, droughts and floods in Asian countries and associated supply-side shocks contributed to the increases in global food prices. The threats of climate change exacerbate supply uncertainties and countries in South Asian region stand to be among the worst affected given their high exposure to floods and tropical cyclones. Areas currently used for food production may become unsuitable for agriculture or may require large investments (e.g. irrigation, weather-resistant seed varieties, etc) to retain productivity, which could pose a threat to the food security of these countries.

- In 2010, export restrictions by large food exporting countries adversely affected global food supplies. When surplus food-producing countries impose restrictions on exports, global markets became shallower and more volatile, quickly pushing up international food prices.

Higher prices of staple food affect the poor depending on their status as net sellers or net buyers of food. Increases in prices of staple food usually increase the income of households that are net sellers but add to the hardship of poor households that are net buyers. ESCAP estimated that additional 19.4 million people in the Asia-Pacific region remained in poverty due to increased food and energy prices in 2010. The adverse impact of high food prices is not limited to resource-poor countries. The poor and the most vulnerable in countries that have greatly benefited from the boom in commodity prices - Mongolia, Uzbekistan and Turkmenistan - have also been badly affected by high food prices.

Given that inflationary pressures in net commodity importing countries in the Asia-Pacific region is largely caused by increases in international food prices and represent a supply side phenomenon, the use of monetary policy as the main tool to combat inflation may not be appropriate or adequate. The session identified and recommended the following policy measures:

- Countries with low urbanization rate, large labor surplus in the agricultural sector, and large share of agricultural employment, should continue to diversify their economies and to increase the productivity of their agricultural sector with various policy measures. Vast gaps exist in agricultural productivity in terms of crop yields across countries and regions in the world. These gaps can be reduced through South-South and triangular cooperation on knowledge and technology transfer.

- Buffer stocks of food grains at the national level should be established and utilized in a counter-cyclical manner to reduce volatility in food prices. However, establishment and management of national food stocks can be very costly, especially for small countries. For this reason, establishment of food stocks at the sub-regional and regional levels for managing price shocks can be a better option. The South Asian Association for Regional Cooperation (SAARC) Food Bank is a positive regional initiative, which would maintain food reserves and support national as well as regional food security through collective action among the SAARC member countries.

- Social protection should be strengthened through distribution of food vouchers or targeted income transfer schemes to minimize the adverse impact of higher food prices on the poor who usually have higher expenditure on food. Moreover, public distribution systems should be strengthened to protect the vulnerable sections of population from rising prices of food items.

- Given the seriousness of the problem, national or regional measures to contain inflationary pressures may not be sufficient. Regulation of commodity markets should be stepped up to curb speculation. The trading of commodity-based financial derivatives should be more closely supervised so that speculative bubbles do not develop. There should be global measures through the United Nations or G20, to impose position limits and ban proprietary trading by financial institutions that are involved in hedging the transactions of their clients (UNCTAD, 2011). The G20 could also agree on regulations concerning the conversion of cereals into bio-fuels, implementing the so-called L'Aquila Food Security Initiative, which includes provisions for financing mechanisms to assist developing countries to attain food security.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Session1a.pdf

***3.2 Central banking challenges – Inflation, monetary and exchange rate policy responsibilities and developmental implications (Dr. Salehuddin Ahmed – session 1b)***

The presentation covered various aspects of monetary policy and provided insights to the challenges that developing country central banks encounter, with special reference to Bangladesh.

- In Bangladesh, like in many other countries, the objectives of monetary policy are mainly price stability, high levels of employment and high level of economic growth. Monetary policy largely relies on the management of reserve money and broad money and the main instruments are the policy rate, cash reserve ratio, statutory liquidity ratio, open market operations and moral suasion. The major challenges of monetary policy generally revolve around inflation rate, exchange rate and money supply (M2).

- The evolution of monetary policy in developing countries marks the challenge of striking a balance between the Keynesian expansionary policies and the "Orthodox" or neo-liberal policies sometimes promoted by the IMF and World Bank in the form of stabilization and structural adjustment programs.

- Changes in monetary policy raises difficult questions about how it affects inflation, output and exchange rates. With the emergence of floating exchange rate, many emerging economies, including Bangladesh, have chosen inflation rate as a nominal anchor for monetary policy. The commitment to a national anchor like inflation rate itself says nothing about what economic variables are best suited to influence the anchor.

- Inflation has accelerated, led by food prices, and has reached double digits in Bangladesh in recent months. Non-food prices have also moved upward to double digits. The main causes have been the rise in global prices of food commodities as well as fuel, raw materials and intermediate goods for the manufacturing sector.

- Growth of reserve money, broad money, credit to the private sector and to the government has been on the high side vis-à-vis growth and inflation rates of the economy. Government borrowings from the banking sector and the Bangladesh Bank are alarmingly high. This has not only crowded out private sector investments but has also created inflationary pressure because government borrowing typically does not help "real sectors".

- Although the current monetary policy stance of Bangladesh Bank aims to reduce inflation, it may not be compatible with the objectives of macroeconomic stability, sustained growth and pro-poor outcomes. Rather it may stifle growth, transfer incomes to the rich and may contradict the processes for pro-poor fiscal policy and development programmes as evidences from countries like Indonesia, Malaysia and Tanzania show that monetary tightening has a larger adverse impact on small and medium enterprises than it does on larger firms and can adversely affect growth and employment.

- A sound monetary policy can influence productive activities and therefore employment generation and income as well as distribution of income and asset. Monetary policy can support pro-poor development strategy, avoiding excessively low/high or rapidly accelerating inflation, stabilizing balance of payments and the real exchange rate, improving resource allocation by providing credit to priority sectors and managing country's capital controls and promoting financial inclusion for the poor.

The discussions concluded that developing countries should move beyond the conventional approach to monetary policy by adopting a heterodox policy that is country-specific. The introduction of non-conventional pro-poor monetary policy in developing countries is a challenging task, not because of scarcity of resources or lack of institutional capacity, but most importantly for the lack of political will.

***3.3 Inflation targeting and trade-offs, impact on the poor, the most vulnerable and MDGs – The theory, empirical evidence and the state of policy debate (Prof. Anisuzzaman Chowdury – session 2)***

The presentation began by providing an overview of the relationships between inflation and growth, as summarized below:

- Inflation matters, but growth and employment matters more. Even the IMF, while supporting the use of single digit inflation targets, has cautioned that pushing inflation too low (below 5 percent) may entail a loss of output and seigniorage revenue. This underscores a need for caution in setting very low inflation targets in low-income countries to avoid the risks of an unintended contractionary monetary policy stance.

- There is no tangible evidence to suggest that inflation harms growth. All possible combinations have occurred: inflation with and without growth as well as no inflation with and without growth. The empirical evidence from 40 developing countries is inconclusive as to whether inflation is bad for growth. According to IEO, even the IMF policy research acknowledges that the empirical literature on the inflation-growth relationship is inconclusive. On the other hand, some studies show a mild positive relation between inflation and growth up to 20% of inflation. Experiences of countries also show that while an inflation rate greater than 5% does not hurt growth, trying to keep inflation at low single digit level may actually harm growth.

- The impact of inflation on the poor depends on the price of food and other essentials, real wage and employment effects as well as wealth and net debt effects.

- Policy responses to contain inflation largely depend on the inflation history and institutional arrangements in each country. The experience of most developing countries suggests that different countries have different thresholds of tolerance for inflation and as such, they require different approaches to address the challenge. IMF's Article IV points out that each member state shall endeavor to direct its economic and financial policies toward the objective of fostering orderly economic growth with reasonable price stability, with due regard to its circumstances.

In conclusion, the trade offs of inflation targeting and limitations of the Taylor rule were discussed, as summarized below:

- A very low inflation target reduces fiscal space. Higher interest rates result in higher government borrowing costs and increase deficits, even without new spending and lower private investments.

- The Taylor rule is simple but difficult to implement. There is no precise basis for the choice of coefficients. Actual variables, such as equilibrium real interest rate and potential output, that are required for implementation are not observable and must be inferred from other information. Given this uncertainty, central banks tend to be cautious in interpreting economic data and to smoothen interest rate paths. Its rigidity limits policy options due to sole reliance on interest rates and could be costly. It can encourage unhelpful market speculation or prevent a central bank from dealing promptly with a crisis.

- The Taylor Rule type response to contain inflation requires central banks to raise interest rates, which can attract short-term capital flows and push up exchange rate resulting in loss of competitiveness and increased financial sector fragility.

- Interest rate response of banks is generally asymmetric because lending rates rise with a rise in policy rate but do not fall when the policy rate falls. This typically results in higher borrowing costs and it fosters oligopolistic banking. The premium of reduced inflation is mostly captured by big banks and not passed on to borrowers.

- Exchange rate effects include shorter lag of pass through from imported inflation, longer lag of aggregate demand effects, and frequent adjustments of exchange rate to achieve inflation target.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Sessions2and3.pdf

***3.4 Sources of inflation and policy suitability – Dealing with current challenges – food and energy price inflation; capital inflows, "Dutch disease and asset price inflation (Prof. Anisuzzaman Chowdhury – session 3)***

The presentation emphasized that the sources of inflation matters in choosing the right macroeconomic policy response to supply-side shocks. It highlighted alternative policy options such as rationing and public distribution, provision of social wage, non-inflationary wage adjustments, and expanded fiscal space to deal with supply-side shocks caused by high food prices.

Prior to the current global economic crisis, mainstream economists and policy makers largely considered inflation as the sole target for monetary policy and the policy rate as the sole instrument to achieve that target.  A key lesson from the global crisis is that this approach did not hold ground as there are many policy targets and many instruments to pursue those targets.The discussions emphasized the imperative of avoiding stabilisation trap, recognizing that there are clear trade-off between inflation and unemployment.  It was argued that participatory policy-making was essential to monitor asset price inflation, curb unproductive lending and ensure more effective use of other instruments such as reserve requirement and directed credit to promote productive investment and ensure coordination with fiscal policy side to stabilize food prices.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Sessions2and3.pdf

***3.5 Co-ordinating fiscal, monetary and exchange rate policies for attaining reasonable price stability, sustaining growth and creating productive (Prof. Gerard Epstein – session 4)***

The presentation identified the constraints of inflation targeting as a singular and dominant policy goal and argued:

- Price Stability does not automatically generate employment, reduce poverty and stimulate growth. A single-minded focus on keeping inflation in low single digits may encourage central banks to ignore their responsibilities to contribute more broadly to employment generation and poverty reduction. This may result in lack of cooperation or coordination with other agencies of government trying to generate employment or reduce poverty. Assignment problems arise when central banks decide to focus only on inflation and other branches of the government focus on employment generation and poverty reduction. Without coordination, de-centralized activities can lead to instability and too low (or high) inflation can undermine the ability of other agencies to promote employment and more rapid and sustainable economic growth. Employment generation, poverty reduction and economic development need a more coordinated set of policies among the macroeconomic policy authorities of the government. While central banks need sufficient autonomy to maintain inflation at moderate levels, they also need to pursue employment generation and poverty reduction as critical policy objectives.

The presentation discussed the historical evolution in central banking:

- Following the neo-liberal approach, central banks switched from direct instruments, such as credit allocation, to indirect instruments, primarily short term interest rates as the main tool of monetary policy. Financial liberalization also reduced central bank's leverage quantitative controls over the financial system. The implicit assumption in the neo-liberal approach is that inflation rates above the low single digits are harmful to economic growth and since financial markets allocate savings efficiently, there is no need for central bank directed-credit and since international capital flows are allocated efficiently, there is no need for capital account management, and since the economy automatically reaches full employment, there is no need for central bank to target employment.

- Central Banks historically have used many monetary policy tools to achieve multiple objectives: including credit allocation to develop dynamic industries or support social sectors of the economy or capital management techniques to manage inflows and outflows of international capital. Capital management techniques during post WWII period usually accompanied these credit allocation techniques to prevent capital from avoiding regulations and to ensure that central bank policy was part of general government apparatus for industrial planning. Examples of developed countries include the United States implementing Savings and Loans scheme specialized in housing finance during the post-WW II period, France providing directed subsidized credit to key industries, and Japan pursuing industrial policy to generate employment and growth.

- Experiences of China, India, Indonesia, South Korea, Malaysia, Taiwan and Thailand in Asia; Argentina, Brazil, Chile and Mexico in Latin America; and Turkey in the Middle East show that central banks usually played a critical role in managing and supplying credit to the private sector. Central bank policies in these countries also maintained competitive exchange rates, supported by appropriate capital management techniques.

The presentation shared key findings from "The International Project on Alternatives to Inflation Targeting", a research project undertaken by PERI (University of Massachusetts Amherst) that developed country-specific targets and instruments for central banks and related institutions to contribute more to employment generation, poverty reduction and other important economic and social goals. These are summarized below:

- Central Bank policy and inflation-targeting in particular must be broadened or replaced to include other important social goals such as employment generation, stable and competitive real exchange rate, investment promotion, and reduce the gender bias impacts of contractionary monetary policy. One main target for all central banks may not be appropriate and as such central banks with more targets need to have more instruments.

- Central banks faced the problem of "Tri-lemma" as policy makers can pick at most two from among three goals of fixed exchange rates, free capital mobility and independent monetary policy.

- Capital Management Techniques that help control de-stabilizing inflows and outflows of capital can be critical for countries so that they can maintain stable and competitive real exchange rates while moderating inflation and pursuing more expansionary monetary policy.

- Employment Targeting can bring about structural transformation by shifting more workers to productive employment outside of agriculture, and raising productivity and incomes within and outside agriculture. This can be achieved through complementary strategies of enhancing domestic linkages by using credit and enhancing productivity through improved access to credit for small businesses and building infrastructure in key sectors. Commercial banks have significant capital but are often reluctant to deploy it and central banks can create tools to motivate banks to play bigger and better role in allocating funds for employment generation and structural transformation.

- A central bank's financial sector strategies can include Asset Based Reserve Requirements, Loan Guarantees, and direct on-lending by Central Banks or other government institutions to financial institutions to support decent employment generation.

- Central bank policies must also prevent asset price bubbles with asset based reserve requirements, progressive/countercyclical capital requirements, liquidity provisioning, capital requirements, limits on leverage, restrictions on maturity mismatches, restrictions on foreign exchange mismatches, prohibition on opaque and dangerous instruments or creating counterparty risk.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Session4.pdf

***3.6 Managing capital flows and the exchange rate – available instruments and how they work: evidence from recent experiences (Ms. Ms. Latifah Merican – session 5)***

The presentation began by discussing the rationale and differing views on the use of exchange and capital controls.

- In the past, capital controls were used mainly for restoring balance of payment and in economies with less developed financial sector. The views on capital controls have witnessed significant shifts. Controls on inflows are seen to be more effective than on outflows and controls to restore monetary and financial stability are gaining favor as a policy tool. Capital controls generally aim to curb outflows through controls on short-term inflows, influencing the composition of capital inflows, limiting the volume of short-term flows and converting short-term into longer-term flows.

The presentation shared the Malaysian experience with capital controls:

- Since the floating of Malaysian Ringgit (RM) in 1973, exchange controls were used as prudential and development-oriented policy instruments to support growth and promote stability.

- The main objectives of the controls were to develop and deepen foreign exchange markets, requiring: a. repatriation of export earnings; b. approval for foreign borrowing by residents to reduce strain on national reserves; and c. approval for large foreign outflows to encourage domestic investment. They also included temporary use of selective exchange controls to mitigate volatile short-term flows without affecting trade and FDI.

- Controls were used only as short-term measures to restore stability under extreme situations and were never considered as substitutes of sound macroeconomic policy. For instance, controls were imposed for management of short-term flows when other measures prove inadequate to restore BOP position and not as a solution to the fundamental problems in BOP. They were used to reduce vulnerability to destabilizing external shocks during periods of structural reforms; and as safeguard against imperfect markets or "hostile capital".

- Malaysia introduced capital controls in 1993-1994 to address large speculative inflows into RM-denominated assets, which destabilized asset prices and exchange rate. There were limited monetary instruments and controls complemented the use of interest rates to contain effects of inflows on exchange rates and restore monetary balance to support growth and contain asset inflation. Specific measures included:

    - The liabilities for computing Statutory Reserve Ratio (SRR) was revised to include all inflows from abroad;
    - Limits were introduced on non-trade related net external liabilities of banking institutions;
    - Restrictions on the sale of short term monetary instruments were imposed, requiring the RM funds of foreign banking institutions to be placed with the central bank held in non-interest bearing Vostro accounts;
    - Commercial banks were prohibited from undertaking non-trade related swaps and outright forward transactions with foreign customers.

- Malaysia used capital controls again during the Asian Crisis of 1997-1998 to address speculative attack on its currency and prevent contagion. The destabilizing depreciation of RM was not reflective of economic fundamentals and increasing interest rates was not effective in containing speculation. Taking into account that financial and economic instability heightened the risks of prolonged contraction, controls were introduced as part of a comprehensive macro-economic policy package to:

    - address inflation and current account deficits, along the lines proposed by IMF;
    - stabilize markets through policy easing and bank restructuring that resulted in reduced inflation, marking a departure from the IMF approach, to restore current account surplus and address the collapse of aggregate demand;
    - prevent currency speculation through controls and a fixed exchange rate, followed by aggressive policy easing and structural reforms

- The controls during 1997-98 specifically aimed to reduce destabilizing impact of offshore trade in RM, and restrict portfolio flows and did not cover trade flows and FDI. These measures were temporary and removed once markets stabilized:

    - Restriction on external account transactions;
    - Tightened rules on overseas investments;
    - Settlement of all trades in foreign currencies;
    - Restrictions on export and import of ringgit;
    - Limits on foreign currency held by Malaysian travelers;
    - Demonetization of large RM notes;
    - A fixed exchange rate to curb the internationalization of RM;
    - Use of authorized depositories for all securities transaction;
    - Minimum one year for all investments in RM financial assets.

Impacts of the measures were also reviewed and are summarized below:

- No impact on residents, except when travelling abroad as they were free to undertake foreign exchange transactions with filing of relevant forms. There was also no impact on long term investors as they were free to repatriate interests, dividends, profits and capital assets upon divestment as well as make payments in foreign exchange, which required only filling of relevant forms.Malaysian traders were, however, not allowed to settle overseas trade in RM as this was necessary to prevent speculative attacks on RM.

- The measures did not result in financial repression and allowed greater monetary autonomy. Domestic interest rates were lowered aggressively during the implementation of controls. Controls contained speculative activities and allowed rapid interest rate cuts; restored confidence among residents, stimulated private sector activity and orderly growth in consumption. Furthermore, rapid cut in interest rates in Malaysia reduced the magnitude of monetary easing, relative to other regional economies.

- The control measures effectively contributed to recovery without adverse effects as evident from the reinstatement of MSE (Malaysian Stock Exchange) in MSCI Index in June 2000. It is further evident from the reversal of portfolio inflows soon after controls were lifted and from the fact that MSE outperformed most other regional bourses in 2004.

- On FDI, the measures were neutral as the measures targeted only short-term flows and were carefully designed to exclude FDI. Gross FDI flows were sustained and increasingly diversified into high value-added services and knowledge-based activities.

- There were temporary setbacks on access to finance when controls were imposed. While there was no access problem *per se*, interest spreads rose significantly but eventually narrowed to below pre-crisis levels. On the balance, the controls had helped to restore exchange rate stability, lower interest rates, introduce financial sector reform, restore investor confidence and prevent adverse social and employment outcomes. The controls delivered the expected outcomes partly because sstructural adjustment in the financial sector was in place prior to the introduction of controls and monetary independence was preserved to stimulate domestic economic activity to protect employment.

- Controls were focused and distinguished between long and short term flows, and were implemented efficiently without raising costs of business. Strong fundamentals such as a favorable balance of payments, satisfactory level of reserves and low reliance on external funding existed as enabling conditions for the success of controls. Policies were pragmatic and well designed as they were specific and targeted. A clear implementation mechanism with daily high level coordination sessions to review events of the day and address issues/take specific actions on the various aspects of policy package contributed to the success of the controls.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Session5.pdf

***3.7 Prudential regulation: balancing the needs for promoting financial sector growth and stability – the role of development bank and specialized institutions (Ms. Usha Thorat – session 6a)***

The presentation explained that prudential regulations were designed to protect banking system from failure. Traditionally, these included monitoring of transactions (e.g. adequate collateral for loans), regulations concerning self-dealing, capital requirements, and entry restrictions, sectoral restrictions on lending, e.g. real estate lending, interest rate restrictions and capital Controls, provision of deposit insurance and central banks as lenders of the last resort to prevent bank runs. Since the 1990s, prudential regulations have evolved, putting greater emphasis on monitoring banks' risk management systems and less on monitoring individual transactions. Furthermore, financial market liberalization had led to de-regulation of interest rates and easing of restrictions on bank entry, asset choices and capital controls. Furthermore, there was greater emphasis on capital requirements, using BIS Basel Accord standards.

The distinction between micro and macro-prudential regulations and changes in the latter was explained as following:

- Micro-prudential regulation focuses on the stability of the component parts of a financial system and is concerned with sound banking practice and the protection of depositors at the level of individual banks.

- Macro-prudential policy pursues the explicit objective of promoting stability of the financial system as a whole and takes into account problems that affect the financial market in its entirety as distinct from effects on individual banks, and which may not be obvious at the micro-prudential level. The specific focus of macro-prudential policy changed overtime due to excessive lending to developing countries in 1980s, the impact of financial innovation and development of capital markets in 1980s to late 1990s, the influence of regulation on the pro-cyclicality of the financial system from 2000 onwards, and the failure of systemically significant institutions ("too big to fail") since the outset of the current crisis. Consequently, macro-prudential regulations have become more important due to various forms of financial liberalization.

The regulation versus liberalization debate was summarized as following:

- Neo-liberals viewed state regulation as financial repressions and counterproductive. They argued that financial liberalization was essential for growth and stability, with total liberalization pursued as the ultimate goal. The counter argument has been that domestic financial liberalization frequently failed, fuelling speculative activities, currency and banking crises, and increasing income and political inequalities and financial fragility.

- It is recognized that the success of financial market liberalization requires a well-established financial and regulatory infrastructure which takes time to develop. There should be sufficient institutional capacities to track the sources of finance and instruments to bridge the mismatches in expectations among savers and investors with regard to maturity, liquidity and interest rates risks. Government should liberalize when the institutions are sufficiently developed and when benefits are unambiguous and there are no other sensible alternatives. Liberalization initiatives should, however, restrict integration with highly fluid and volatile global capital markets and also restrict the pace of financial innovation, especially financial instruments such as derivatives. More importantly, liberalization programs must protect specialized lending agencies, such as development banks.

- The session discussed policy alternatives such as inclusion of sustainable, stable, equitable development as goals of financial regulation to support development. This requires pricing and allocation of credit to key sectors, specialized lending institutions for women, micro or small scale credit, etc. and asset based reserve requirements held at central bank. The creation of development banks was highlighted as a particularly important policy alternative. Development banks can ease capital shortages for productive investments and facilitate investments in the infrastructure sector, which is characterised most often by lumpy investments, long lags, higher risk and lower monetary returns. Investment in infrastructure can offer "economy-wide externalities" and maximize social returns. With development banks, governments can ensure adequate credit at favourable interest rates for investments in frontline technologies and internationally competitive scales of production. In the absence of well-developed equity markets, development banks are a viable alternative as they lend and are especially important after a crisis, when commercial banks are unwilling or unable to lend. They can leverage lending to influence investment decisions and the performance of borrowers. Development banks undertake entrepreneurial functions such as determining the scale of investment, choice of technology and markets to be targeted and they offer extension functions, such as technical support.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Session6a.pdf

***3.8 Prudential regulation: balancing the needs for promoting financial sector growth and stability – the role of development bank and specialized institutions (Prof. John Loxley – session 6b)***

The presentation began with an overview of the evolution in global banking since the 1980s, starting with a period when deregulation and market-based approach was the focus to encourage financial innovation. This resulted in excessive "financialisation" and the financial sector became a major source of instability and cause of global economic crisis. Consequently, focus shifted to stability and through stability, growth and equity. The market-based approach typically argues that finance supports growth of world trade, investment and output. It is further argued that finance and financialisation can positively affect equity, with the provision of safety net calamities-.insurance and guarantees to dis-advantaged groups and un-banked population. Financialisation can also offer diversification benefit and promote financial inclusion through ICT innovation, branchless banking, proportional regulation, credit records and credit bureaus.

The session discussed the linkages between prudential regulation with macro economic policy and international financial architecture, highlighting the challenges related to: a. Reserve currency and global imbalances; b. role of IMF as the lender of last resort; c. the role and credibility of credit rating agencies; d. international banks and the capacity constraints of national regulators and e. the political economy of regulation.

The session discussed the critical role developmental financial institutions or development banks to create physical infrastructures and facilitate growth. Development banks play catalytic role, providing venture capital, routing subsidies for credit, supporting microfinance, building capacities and enhancing professional and entrepreneual skills and facilitating access to market. Development banks can promote sustainability – green technology and energy efficiency and can ensure that credit is counter-cyclical to reduce the impact of economic downturn.

The detailed presentation of this session may be accessed at: RTWFinalReport.Links\Session6b.pdf

### *4.0 EVALUATION AND OUTCOME*

This section summarizes the evaluation of the Regional Training Workshop, "Beyond Inflation Targeting: Policy Options and Instruments for Managing Equitable Growth and Human Development". To collect a set of evaluation data for the workshop, daily evaluation of Trainers were administered at the close of each session and a Final Evaluation survey administered at the end of the workshop.

#### *4.1 Daily Evaluation of Trainers/Sessions*

Participants were asked to rate each of the eight sessions/presentations on a scale of 1= low to 5=very high on 11 questions covering i) relevance, ii) technical knowledge of the trainer, iii) structure and logic of presentations, iv) practicality of presentation, v) trainer's ability to communicate effectively, vi) coverage of concrete examples/case studies, vii) coverage of new materials, viii) responsiveness of the trainer to questions, ix) degree of interaction and learning from peers, x) time management by the trainer and xi) overall usefulness of the session/presentation. For details of this survey see Annex- 4.

*4.1.2 Summary of the overall average score of the 10 questions for each session:*

| **Session 1a** | **Session 1b** | **Session 2** | **Session 3** | **Session 4** | **Session 5** | **Session 6a** | **Session 6b** |
|---|---|---|---|---|---|---|---|
| 4.03 | 4.12 | 4.13 | 4.21 | 4.45 | 4.43 | 4.57 | 4.31 |

*4.1.3 Summary of the weighted average score to the question on the overall usefulness of each session (weights: 1= not useful and 5 = very useful) :*

| **Session 1a** | **Session 1b** | **Session 2** | **Session 3** | **Session 4** | **Session 5** | **Session 6a** | **Session 6b** |
|---|---|---|---|---|---|---|---|
| 4.03 | 4.19 | 3.97 | 4.28 | 4.44 | 4.53 | 4.61 | 4.30 |

#### *4.2 Final Evaluation Part A*

This survey covered 5 questions on i) overall quality of sessions, ii) self assessment of knowledge and skills before and after training, iii) impact and usefulness of the workshop in key policy areas, iv) changes that participant would make and any comments to strengthen the workshop.

*4.2.1 Overall Content*

Participants were asked to rate the Overall Content of Training Workshop, PowerPoint Slides, Participant Manual, Presentation of Materials by Trainers, and Facilitation of Interactive Discussions as Excellent (5), Very Good (4), Good (3), Fair (2), or Poor (1). For details of this survey see Annex -5. The following is a summary of their responses:

- Overall Content of Training Workshop: 16 (44%) participants rated it as excellent, 15 (42%) as very good and 5 (14%) as good. None of the participants rated it less than good.

- PowerPoint Slides: 12 (33%) participants rated them as excellent, 13 (36%) as very good, 10 (28%) as good, and 1(3%) as fair. None rated it poor.

- Participant Manual: 11 (31%) participants rated excellent, 16 (44%) as very good, 6 (17%) as good, 2 (6%) as fair, and 1(2%) as poor.

- Presentation of Materials by Trainers: 14 (39%) participants rated it excellent, 16 (44%) as very good, 6 (17%) as good. None rated it less than good.

- Workshop facilitation by the moderator: 18 (50%) participants ranked it as excellent, 15 (42%) as very good, 2 (6%) as good and 1 (3%) as fair. None ranked it poor.

*4.2.2 Knowledge and Skills Before and After Training*

Participants were asked to think about what they already knew and what they learnt during the workshop and then evaluate their knowledge in the seven topics/areas covered during the training workshop with the ratings 1 = No knowledge or skills, 3=Some knowledge or skills, 5= A lot of knowledge or skills. For details of this survey see Annex-6. The following is a summary of the responses on self assessment of knowledge and skills before and after training:

- State of Inflation in the Asia Pacific region: Before training 26 (79%) participants rated their knowledge and skills at 3 or less and 7 (21%) participants at 4 or more. After training 33 (92%) participants rated their knowledge and skills at 4 or more with only 3 (8%) participants rated at 3 and none rated less than 3.

- Central-banking, policy goals, tools and challenges: Before training 18 (54%) participants rated their knowledge and skills at 3 or less and 15 (46%) at 4 or more. After training 33 (92%) participants rated their knowledge and skills at 4 or more while only 3 (8%) participants at 3 and none rated less than 3.

- Inflation targeting policies and trade-offs: Before training 18 (54%) participants rated their knowledge and skills at 3 or less and 15 (46%) at 4 or more. After training 33 (92%) participants rated their knowledge and skills at 4 or more while only 3 (8%) at 3 and none rated less than 3.

- Sources of inflation and policy suitability and appropriateness: Before training 16 (48%) participants rated their knowledge and skills at 3 or less and 17 (52%) at 4 or more. After training 34 (95%) participants rated their knowledge and skills at 4 or more while only 2 (5%) at 3 and none rated less than 3.

- Alternative Instruments and Coordinating fiscal, monetary and exchange rate policies: Before training 19 (57%) participants rated their knowledge and skills at 3 or less and 14 (43%) at 4 or more. After training 33 (95%) participants rated their knowledge and skills at 4 or more while only 2 (5%) participants at 3 and none rated less than 3.

- Managing capital flows and the exchange rate: Before training 22 (67%) participants rated their knowledge and skills at 3 or less and 11 (33%) at 4 or more. After training 33 (92%) participants rated their knowledge and skills at 4 or more while only 3 (8%) participants at 3 and none rated less than 3.

- Prudential regulation - balancing the needs for promoting financial sector growth and stability: Before training 22 (67%) participants rated their knowledge and skills at 3 or less and 11 (33%) at 4 or more. After training 31 (86%) participants rated their knowledge and skills at 4 or more while only 5 (14%) participants at 3 and none rated less than 3.

*4.2.3 Impact and usefulness in four core areas of function*

Participants were asked to rate the course in terms of its impact and usefulness on a scale of 1= Not at all and 5=Very much. For details of this survey see Annex-7. The summary of their response on the impact and usefulness of the course is as follows

- On whether the workshop strengthened their capacity to engage in policy debates in office and outside, 30 participants (83%) responded with a score of 4 or 5, and 6 (17 %) participants with a score of 3. None of the participants gave a score less than 3.

- On whether the workshop enhanced their ability to persuade others to consider and apply alternative policy instruments 28 (78%) participants responded with a score of 4 or 5, and 8 (22%) participants with a score of 3or 2.

- On whether the workshop encouraged them to analyze the trade-offs of various policy options and take into account the impacts on employment, growth, poverty and inequality 28 (78%) participants responded with a score of 4 or 5 and 8 (22%) participants with a score of 3. None of the participants scored less than 3.

- On whether the workshop empowered then to challenge the standard "one size fits all" approach in monetary policy 30 (83%) participants responded with a score of 4 or 5, and 6 (17%) participants with a score of 3. None of the participants scored less than 3.

*4.2.4 Redesign of workshop/Comments to strengthen or improve the training workshop*

When asked the question that given the task of redesigning the workshop, what they would change, the following responses were given[2]:

- More data, country level case studies, and quantitative analysis in presentations. More examples from less developing and developing economies, especially factors that trigger high prices and instruments which could mitigate those inflationary pressures (7).
- No need to change anything. The workshop was excellent (5).
- Group work rather than discussions. Presentation from participants in 5-6 smaller groups. Short country presentations on monetary and fiscal policy arrangements would help contextualize the discussions and allow participants to know more of other countries practices (3).
- Change the sitting arrangements and set up (3).
- More deliberations on monetary policy. Need to discuss fiscal policy in greater details to facilitate coordination (2).
- Increase duration/workshop should be at least one week (2).
- The focus was too much on central bank policy and mandate. It would be good to include more from the Finance Ministry/Fiscal Policy perspective (2).
- Include Officials from IMF and other lending agencies so that the key message of "prudential deregulation" etc. can be better discussed (2)
- Agenda is skewed in favour of the South Asia perspective and inclusion of South-east Asia/East Asian experience could enhance balance.
- The field trip could be on the first day to allow participants to know one another facilitating experience/information sharing between countries better.
- Some practical hands-on training on spreadsheets.
- Financial incentive is insufficient.
- Provide specific policy recommendations.
- Distribute documents earlier and make smaller groups.
- Different views of international organizations such as IMF, World Bank and UN on the central bank objectives and instruments may confuse policy makers. Need to improve coordination between such organizations for effectiveness of such policy recommendations.

[2] The number in parenthesis indicates how many participants made/raised the same point.

### *4.3 Final Evaluation Part B*

This survey covered 14 questions on organizational and logistics of the training workshop. Participants were asked to rate them as poor (1), fair (2), good (3), very good (4), and excellent (5). For details of this survey see Annex-8. A summary of the responses is as follows:

*4.3.1* *On the timely receipt of invitation letter and follow-up communications from the organizers:* 30 (86%) participants rated it as Very Good or Excellent, 4 (11%) participants rated it as Fair or Good, and 1 (3%) participant rated it as poor.

*4.3.2* *Clarity and promptness in pre-workshop communications from organizers:* 28 (80%) participants rated it as Very Good or Excellent, 5 (14%) participants rated it as Fair or Good, and 2 (6%) participant rated it as poor.

*4.3.3* *Support received from local UN office with regard to air-ticket and DSA:* 20 (63%) participants rated it as Very Good or Excellent, 9 (30%) participants rated it as Fair or Good, and 1 (3%) participant rated it as poor.

*4.3.4* *Visa support received from the organizer:* 19 (76%) participants rated it as Very Good or Excellent, 6 (24%) participants rated it as Fair or Good, and none of the participants rated it as poor.

*4.3.5* *Attention to details and adjustments made to make participation easier for participants: 3*0 (88%) participants rated it as Very Good or Excellent, 3 (9%) participants rated it as Fair or Good, and 1 (3%) participant rated it as poor.

*4.3.6* *Quality and usefulness of participant Manual and pre-workshop information:*23 (70 %) participants rated it as Very Good or Excellent, 9 (27 %) participants rated it as Fair or Good, and 1 (3%) participant rated it as poor.

*4.3.7* *Airport reception and protocol assistance at the airport: 24* (68%) participants rated it as Very Good or Excellent, 10 (29%) participants rated it as Fair or Good, and 1 (3%) participant rated it as poor.

*4.3.8* *Transportation arrangements:*20 (67%) participants rated it as Very Good or Excellent, 9 (30%) participants rated it as Fair or Good, and 1 (3%) participant rated it as poor.

*4.3.9* *Quality of hotel accommodation and meals:*27 (73%) participants rated it as Very Good or Excellent, 10 (27%) participants rated it as Fair or Good, and none rated it as poor.

*4.3.10* *Ease of registration: 31*(94%) participants rated it as Very Good or Excellent, 10 (6%) participants rated it as Fair or Good, and none rated it as poor.

*4.3.11* *Quality of workshop bag and other materials: 30* (86%) participants rated it as Very Good or Excellent, 5 (14%) participants rated it as Fair or Good, and none rated it as poor.

*4.3.12* *Quality of conference facilities: 32*(91%) participants rated it as Very Good or Excellent, 3 (9%) participants rated it as Fair or Good, and none rate it poor.

*4.3.13* *Quality of cultural program: 33* (94%) participants rated it as Very Good or Excellent, 2 (6%) participants rated it as Good, and none rated it as poor.

*4.3.14* Arrangements for the field trip*:32*(94%) participants rated it as Very Good or Excellent, 2 (6%) participants rated it as Fair or Good, and none rated it as poor.

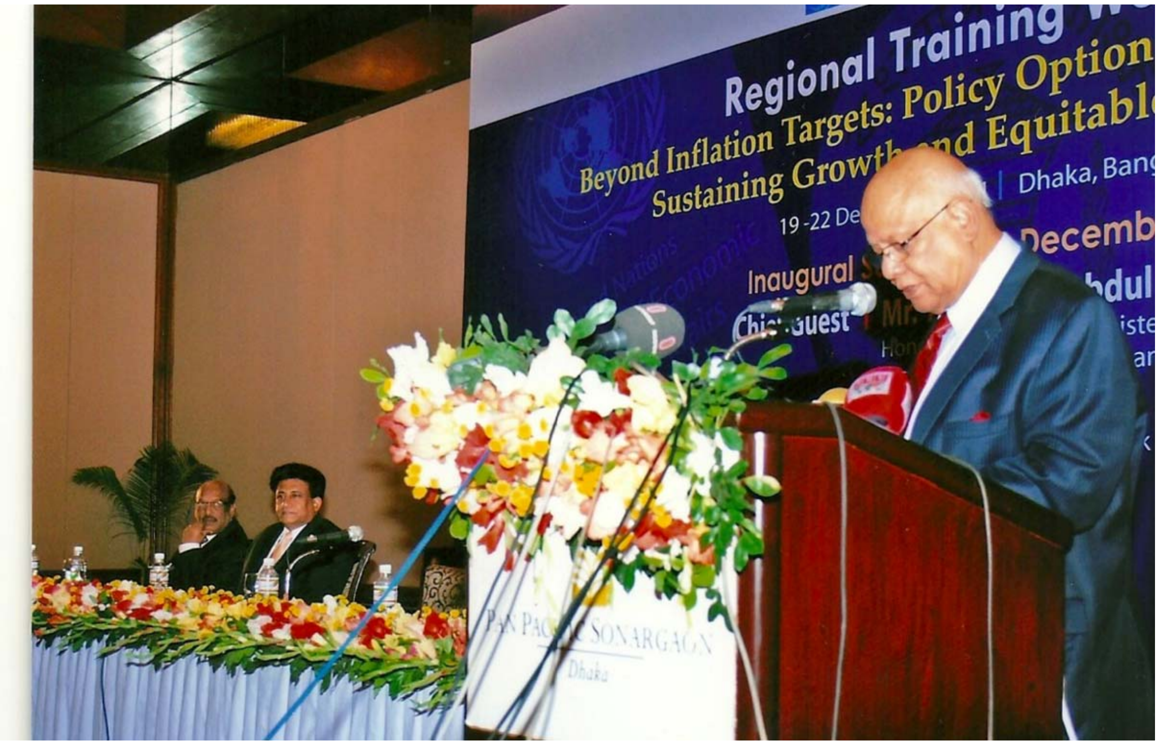
**Annex-1**

## Agenda of the Workshop

| Date | Time | Sessions & Speakers |
|---|---|---|
| 19 December | 9:-00 am - 10:00 am<br>(Grand Ballroom) | **Opening session:**<br>Welcome by Mr. Ziaul Hasan, Deputy Governor, Bangladesh Bank<br>Statement by Mr. Stefan Priesner, UNDP Country Director<br>Statement by Dr. Aynul Hasan, Representative of UN-ESCAP<br>Statement by Professor John Loxley, University of Manitoba, Canada<br>Statement by H.E. Mr. Abul Maal Abdul Muhith, Minister of Finance of Bangladesh<br>Statement by Dr. Atiur Rahman, Governor, Bangladesh Bank |
| | 10.00 am-10:30 am | Coffee break |
| | 10:30 am - 1:00 pm | **Session 1a:** State of Inflation in the Asia Pacific. ( Dr. Aynul Hasan.)<br>**Session 1b:** Central banking challenges – Inflation, monetary and exchange rate policy responsibilities and developmental implications. (Dr. Salehuddin Ahmed.)<br>Discussants: Mr. Allah Malik Kazemi, and Prof. John Loxley. |
| | 1:00 pm-2:00 pm | Lunch |
| | 2:00 pm – 5.00 pm | **Session 2:** Inflation targeting and trade-offs, impact on the poor, the most vulnerable and MDGs – The theory, empirical evidence and the state of policy debate. (Prof. Anis Chowdhury.)<br>Discussants: Dr Ahsan Mansur, Dr. S.M. Nuruzzaman and Prof. Jerry Epstein |
| | 7:00 pm<br>(Grand Ballroom) | Workshop dinner and cultural program |
| 20 December | 10:00 am – 1:00 pm | **Session 3:** Sources of inflation and policy suitability –<br>Dealing with current challenges – food and energy price inflation; capital inflows, “Dutch disease and asset price inflation. (Prof. Anis Chowdhury) |
| | 11.30 am - 11.45 am | Coffee break |
| | 1:00 pm-2:00 pm | Lunch |
| | 2:00 pm - 05:00 pm | **Session 4:** Co-ordinating fiscal, monetary and exchange rate policies for attaining reasonable price stability, sustaining growth and creating productive jobs. (Prof. Jerry Epstein)<br>Discussants: Dr Hassan Zaman |
| 21 December | Field trip | Bangladesh Bank initiatives on Financial Inclusion policies and supply-side considerations |
| 22 December | 10:00 am – 1:00 pm | **Session 5:** Managing capital flows and the exchange rate – available instruments and how they work: evidence from recent experiences. (Ms. Latifah Merican-Cheong)<br>Discussant: Ms. Usha Thorat |
| | 11.30 am - 11.45 am | Coffee break |
| | 1:00 pm-2:00 pm | Lunch |
| | 2:00 pm - 4:30 pm | **Session 6a:** Prudential regulation: balancing the needs for promoting financial sector growth and stability – the role of development bank and specialized institutions. (Ms. Usha Thorat)<br>**Session 6b:** Prudential regulation: balancing the needs for promoting financial sector growth and stability – the role of development bank and specialized institutions. (Prof. John Loxley)<br>Discussant: Ms. Latifah Merican-Cheong |
| | 4:30 pm – 5:30 pm | **Closing session:**<br>Lessons learnt and evaluation<br>Closing Remarks by:<br>Dr. Abdul Momen, Permanent Representative of Bangladesh to the United Nations in New York<br>Dr. Atiur Rahman, Governor, Bangladesh bank<br>Dr. Hamid Rashid, Senior Adviser, UN-DESA |

**Annex-2**

## Training Session Photos.




*H.E. Mr. Abul Maal Abdul Muhith, Minister of Finance of Bangladesh making his opening statement during the inaugural session of the Regional Training Workshop.*

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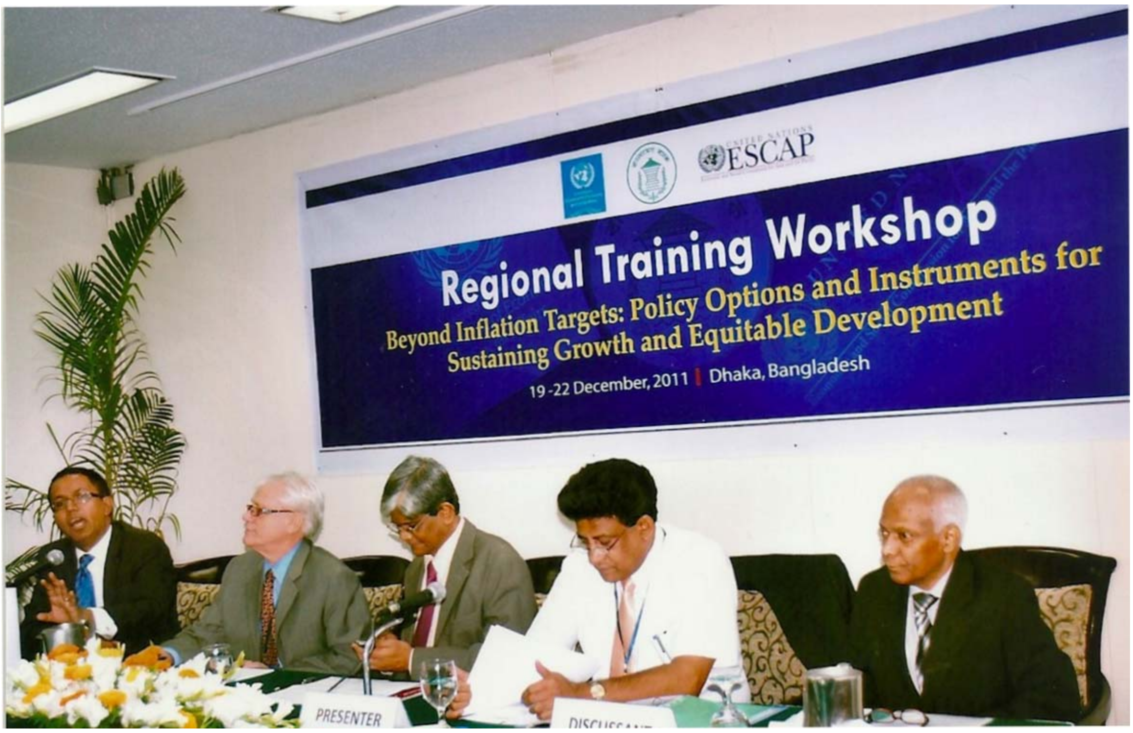
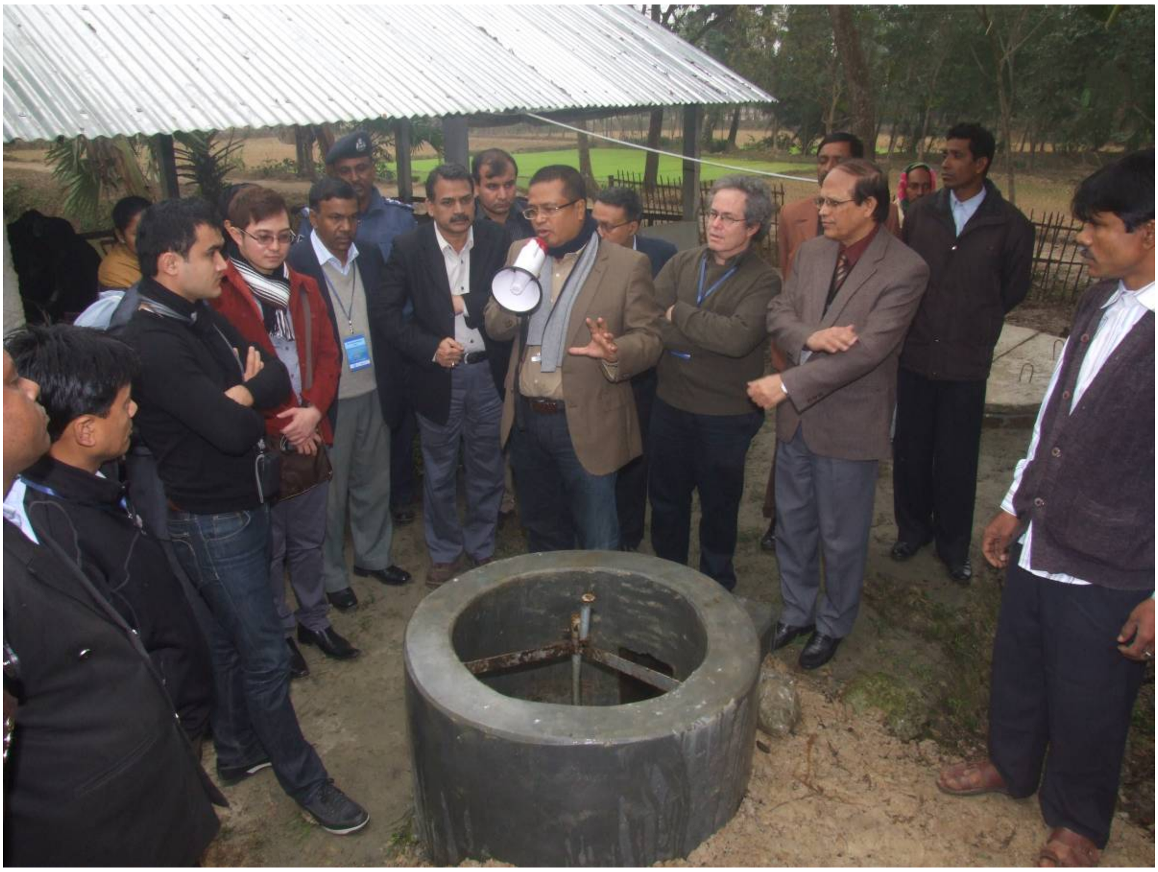
*Group Photo of Participants.*

*Participants during a session presentation.*



*Resource persons and discussants holding an interactive session with participants.*



*Field Trip to Gazipur to learn about financial inclusion initiatives of the Bangladesh Bank.*


*Presentation of Certificates of Participation to Participants.*

**Annex-3**

## List of participants

| No. | Name | Designation | Organization | COUNTRY |
|---|---|---|---|---|
| 1 | Mr. Mafadullah Muhtat | Staff Officer | Ministry of Finance | Afghanistan |
| 2 | Mr. Aimal Hashoor | Director General | Da Afghanistan Bank | Afghanistan |
| 3 | Mr. Sonam Tenzin | Sr. Planning Officer | Ministry of Finance | Bhutan |
| 4 | Ms. Pema Dechan Dorjee | Director General | Royal Monetary Authority | Bhutan |
| 5 | Mr. Kim Phalla | Director | Ministry of Finance | Cambodia |
| 6 | Mr. VONG Suvychet | Staff Officer | National Bank of Cambodia | Cambodia |
| 7 | Mr. Chen Kewen, | Director | Ministry of Finance | China |
| 8 | Mr. Gajendra Bhujbal | Economic Adviser, | Ministry of Finance | India |
| 9 | Mr. Haridwar Yadav, | Assistant Adviser | Reserve Bank of India | India |
| 10 | Dr. Ferry Irawan (Mr) | Deputy Director | Ministry of Finance | Indonesia |
| 11 | Mr. Akhis R. Hutabarat, | Head of Division, | Bank Indonesia | Indonesia |
| 12 | Mr. Amphon Southiphonh | Technical Staff | Ministry of Finance | Lao PDR |
| 13 | Ms. Fongchinda Sengsulivong, | Division Chief | Bank of the Lao PDR | Lao PDR |
| 14 | Ms. Theingi Oo | Deputy Director | Ministry of Finance | Myanmar |
| 15 | Mrs. Moe Moe Thein | Senior Staff Officer, | Central Bank of Myanmar | Myanmar |
| 16 | Mr. Basu Dev Poudel | Section Officer | Ministry of Finance | Nepal |
| 17 | Mr. Kirti Bikram Dahal, | Assistant Director | Nepal Rastra Bank | Nepal |
| 18 | Ms. Ma. Jesusa Avila-Bato, | Sr. Economist | Department of Finance | Philippines |
| 19 | Mr. Christopher John F. Cruz, | Bank Officer II | Bangko Sentral ng Pilipinas | Philippines |
| 20 | Mr. Soh Yong Seng | Associate | Ministry of Finance | Singapore |
| 21 | Ms. M.T.I.V. Amarasekera | Dy. Director | Ministry of Finance | Sri Lanka |
| 22 | Mrs. S Gunaratne, | Additional Director | Central Bank of Sri Lanka | Sri Lanka |
| 23 | Mr. Aziz Kholboboev, | Specialist | Ministry of Finance | Tajikistan |
| 24 | Mr. Tashrifov Mahmadyusuf, | Director | National Bank of Tajikistan | Tajikistan |
| 25 | Ms. Kongkwan Sila, | Economist | Ministry of Finance | Thailand |
| 26 | Ms. Utumporn Jitsutthiphakorn, | Economist | Bank of Thailand | Thailand |
| 27 | Mr. Le Quang Phong | Analyst | State Bank of Vietnam | Vietnam |
| 28 | Mr. Md Abdul Kayum | Dy. General Manager | Bangladesh Bank | Bangladesh |
| 29 | Mr. Sontosh Kumar Chowdhury | Dy. General Manager | Bangladesh Bank | Bangladesh |
| 30 | Ms. Luthfe Ara Begum | Dy. General Manager | Bangladesh Bank | Bangladesh |
| 31 | Mr. Md. Wahiduzzaman | Jt. Director | Bangladesh Bank | Bangladesh |
| 32 | Dr. Sayera Younus | Dy. General Manager | Bangladesh Bank | Bangladesh |
| 33 | Mr. Habibour Rahman | Joint Director | Bangladesh Bank | Bangladesh |
| 34 | Mr. Shohel Ahammed | Dy. Director | Bangladesh Bank | Bangladesh |
| 35 | Mr. Md Moniruzzaman | Sr. Assistant Secretary | Ministry of Finance | Bangladesh |
| 36 | Mr. Mohammad Rafiqul Karim | Sr. Assistant Secretary | Ministry of Finance | Bangladesh |
| 37 | Mr. Newaz Hossain Chowdhury | Sr. Assistant Secretary | Ministry of Finance | Bangladesh |

**Annex-4**

## Short Biographies of the Resource Persons and the Moderator

**Salehuddin Ahmed,** former Governor of Bangladesh Bank, is currently Professor at the North South University in Dhaka, Bangladesh. He started his career as a lecturer in Economics at Dhaka University in 1970. Joining the erstwhile Civil Service of Pakistan (CSP), he served in various capacities in field of administration in the government of Bangladesh. He worked in the Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP), a regional inter-governmental organization with its headquarters in Dhaka. Dr. Ahmed was the Director General of Bangladesh Academy for Rural Development (BARD), Comilla and also Director General of the NGO Affairs Bureau of the Office of the Prime Minister. During 1996-2005 Dr. Salehuddin Ahmed was the Managing Director of Palli Karma Sahayak Foundation (PKSF), the apex funding agency of macro credit operations in Bangladesh. He earned his master degrees from Dhaka University and McMaster University in 1969 and 1974 respectively and obtained his Ph.D. in Economics from McMaster University, Canada in 1978. Dr. Ahmed has authored more than 60 books, reports and journal articles which have been published at home and abroad. He is on advisory bodies of several government and non-government agencies in Bangladesh.

**Anis Chowdhury** obtained Ph.D. in 1983 from the University of Manitoba, Canada and has been a professor of Economics, University of Western Sydney (Australia) since 2001. Joined UN-DESA as Senior Economic Affairs Officer in the Office of the Under Secretary General in October 2008. Contributed significantly to the *Report on the World Social Situation (RWSS 2010): Rethinking Poverty* and *Report on the World Social Situation (RWSS 2011): The Global Social Crisis*. Founder Managing Editor of the *Journal of the Asia Pacific Economy*. Co-authored 14 books and over 50 articles in leading journals on East and Southeast Asia and macro-development issues. Regular contributor to voxeu.org (Development and Crisis debate). Taught at the University of Manitoba, National University of Singapore, and the University of New England (Australia). Has been consultant to UNDP, ILO, the Commonwealth Secretariat, and the Islamic Development Bank. Visiting fellow at UNU-WIDER, Reserve Bank of San Francisco and the Institute of Southeast Asian Studies (Singapore). Team member preparing *Indonesia National Human Development Report 2001: Towards a New Consensus: Democracy and Human Development in Indonesia* and *Indonesia National Human Development Report 2004: The Economics of Democracy: Financing Human Development in Indonesia*.

**Gerald Epstein** is Professor of Economics and a founding Co-Director of the Political Economy Research Institute (PERI) at the University of Massachusetts, Amherst. He received his PhD in Economics from Princeton University in 1981. Epstein has written articles on numerous topics including financial regulation, alternative approaches to central banking for employment generation and poverty reduction, and capital account management and capital flows. He has worked with numerous UN organizations, including the United Nations Development Program and the International Labor Organization in the areas of Pro-Poor Macroeconomic Policy and Human Development Impact Assessments of Trade Policies in Madagascar, South Africa, Ghana, Cambodia and Mongolia, and with UN-DESA on developing alternatives to inflation targeting monetary policy. Most recently his research has focused on the impacts of financialization (Gerald Epstein, ed. *Financialization and the World Economy*, Elgar Press, 2005), alternatives to inflation targeting (Gerald Epstein and Erinc Yeldan, eds. *Beyond Inflation Targeting: Assessing the Impacts and Policy Alternatives*, Elgar Press, 2009.) and financial reform.

**Aynul Hasan** is the Director a..i. of the Macroeconomic Policy and Development Division (MPDD) in UN-Economic and Social Commission for Asia and Pacific (ESCAP) in Bangkok.

**John Loxley** is a professor in, and for thirteen years was Head of, the Department of Economics, University of Manitoba. He specializes in International Money and Finance, International Development and Community Economic Development and has published extensively in these areas. He has served as an economic advisor on macro-economic reform to a number of overseas governments, such as the in-coming Mandela government of South Africa, as well as to several international institutions. In 1998 he was a member of the Expert Group on Protecting Countries Against Destabilizing Effects of Volatile Capital Flows, appointed by the Commonwealth Secretariat to advise Commonwealth Finance Ministers. His previous appointments include chief economist to the national commercial banking system of Tanzania, the founding Director of the Institute for Finance Management, Tanzania and the Secretary of the Resource and Economic Development Committee of Cabinet, Province of Manitoba. He was also Chair of the Board of the North-South Institute, Ottawa. Dr. Loxley has served as an Economic Advisor to the Department of Finance, Manitoba. In 2005 he was elected to the Royal Society of Canada. In May 2008 he was the recipient of the Distinguished Academic Award granted by the Canadian Association of University Teachers. He was the recipient of the Galbraith Prize in Economics and Social Justice, awarded by the Progressive Economists' Forum, May, 2010.

**Latifah Merican-Cheong** is Advisor, Chairman's Office, Securities Commission of Malaysia, providing advisory services on new issues and initiatives to build strength in the capital market and its institutions that leverage her vast experience in central banking and financial sector management. Ms. Merican-Cheong was Head of the Banking Sector Restructuring Unit as well as the Program Director of the Financial Market Integrity Unit of the World Bank in 2004-2008, following early retirement from the position of Assistant Governor at the Central Bank of Malaysia (Bank Negara Malaysia). At the World Bank, Ms. Merican-Cheong supervised a team of legal and regulatory experts in product development, including the methodology for review of bank corporate governance, bank assessment models and insolvency regimes. She also led the World Bank work on policies, compliance assessment and technical assistance on anti-money laundering regimes and combating terrorism financing. At Bank Negara Malaysia, she had direct responsibility on macro-economic management, and led several teams involved in policy design and implementation in the services sector and in financial sector development. Other experiences include leading work on implementation of stability-oriented exchange control policies in addition to the macro-economic stability package during the Asian crisis, institutional and structural reforms, leading financial services trade negotiations, financial sector product and infrastructure development and international financial relations. Ms. Merican Cheong studied at University Malaya and Vanderbilt University, Tennessee, USA.

**Usha Thorat**, former Deputy Governor, Reserve Bank of India, took over as Director of the Centre for Advanced Financial Research and Learning (CAFRAL) in January 2011. CAFRAL is promoted by Reserve Bank of India as a centre of excellence for research and learning in the field of banking and finance. As Deputy Governor, Mrs. Thorat's specific responsibilities included banking regulation and supervision, rural and urban cooperative banks and currency management. She was also responsible for the developmental role of the RBI for facilitating inclusive growth, especially in regard to rural credit, SME and financial inclusion. Prior to her elevation as Deputy Governor, Mrs. Thorat was the Executive Director of the Reserve Bank (since April 2003). As Executive Director, she represented RBI on the BIS Committee on Global Financial Systems (CGFS).Mrs. Thorat has a Master's degree in Economics from the Delhi School of Economics. She has played a key role in training and capacity building, both in the RBI and banks, as Chairperson of the College of Agricultural Banking and the Reserve Bank's Staff College, besides serving as a Member of Faculty at the latter.

**Hamid Rashid** (Moderator) is a Senior Adviser for Macroeconomic Policy in the Development Policy Analysis Division (DPAD), Department of Economic and Social Affairs (DESA) of the United Nations. Dr. Rashid is coordinating a new UN initiative to provide alternative and credible policy advice to the Member States on fiscal, monetary and exchange rate related issues. Prior to joining the United Nations, Dr. Rashid served as the Director General for Multilateral Economic Affairs at the Ministry of Foreign Affairs in Bangladesh. He was responsible for conceptualizing, coordinating and representing Bangladesh's positions on various economic issues – financing for development, special and differential market access for the least developed countries, international migration and climate change - at the UN and other multilateral forums. Dr. Rashid earned his Ph.D. in Finance and Economics from Columbia University in New York, working under his advisor and mentor, Professor Joseph Stiglitz - the winner of the 2001 Nobel Prize in Economics. He obtained his MPA from Columbia University and a Bachelor of Science degree from the University of Texas. His research interest includes international finance, macro-economic policies, financial market liberalization and their impact on economic growth and development.

## Annex-5

# Evaluation of Trainers

| Q.No. | Questions | Weighted Average Score of Each Question by Session | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Session 1a | Session 1b | Session 2 | Session 3 | Session 4 | Session 5 | Session 6a | Session 6b |
| Q1 | Was the topic covered in the session relevant for your work? | 4.08 | 4.31 | 4.17 | 4.39 | 4.59 | 4.50 | 4.76 | 4.39 |
| | *Not relevant = 1; Highly Relevant = 5* | | | | | | | | |
| Q2 | Did the resource person demonstrate necessary technical knowledge of the topic? | 4.03 | 4.28 | 4.40 | 4.33 | 4.44 | 4.53 | 4.70 | 4.45 |
| | *Low knowledge = 1; High knowledge = 5* | | | | | | | | |
| Q3 | Was the presentation structured and logical? | 4.14 | 4.06 | 4.14 | 4.06 | 4.55 | 4.52 | 4.58 | 4.32 |
| | *Not structured = 1; Well-structured = 5* | | | | | | | | |
| Q4 | Was the presentation theoretical? | 3.81 | 3.75 | 3.86 | 3.94 | 4.23 | 4.25 | 4.36 | 4.15 |
| | *Too theoretical =1; Very practical = 5* | | | | | | | | |
| Q5 | Did the resource person manage to clearly and effectively communicate the learning | 4.03 | 4.14 | 4.23 | 4.14 | 4.44 | 4.56 | 4.55 | 4.36 |
| | *Not at all =1; Communicated very well = 5* | | | | | | | | |
| Q6 | Did the resource person provide concrete examples or use country case studies? | 4.03 | 4.06 | 4.00 | 4.22 | 4.52 | 4.50 | 4.55 | 4.18 |
| | *Not at all = 1, Yes, ample examples = 5* | | | | | | | | |
| Q7 | Did the session cover materials that are new to you? | 3.89 | 3.89 | 3.86 | 4.00 | 4.16 | 4.14 | 4.34 | 4.13 |
| | *Not at all = 1; Yes, ample new materials = 5* | | | | | | | | |
| Q8 | Was the resource person responsive to participant questions? | 4.17 | 4.25 | 4.26 | 4.39 | 4.50 | 4.54 | 4.67 | 4.30 |
| | *Not responsive =1; Very Responsive = 5* | | | | | | | | |
| Q9 | Was the session interactive, allowing you to learn from your peers as well? | 4.03 | 4.06 | 4.11 | 4.33 | 4.47 | 4.19 | 4.48 | 4.30 |
| | *Not interactive = 1, Very Interactive = 5* | | | | | | | | |
| Q10 | How will you rate time management by the resource person? | 4.14 | 4.42 | 4.26 | 4.31 | 4.56 | 4.56 | 4.67 | 4.52 |
| | *Very Poor = 1; Very well = 5* | | | | | | | | |
| Q11 | Please rate overall usefulness of the session? | 4.03 | 4.19 | 3.97 | 4.28 | 4.44 | 4.53 | 4.61 | 4.30 |
| | *Not useful = 1; Very useful = 5* | | | | | | | | |
| **Average for Q1 through Q10** | | **4.03** | **4.12** | **4.13** | **4.21** | **4.45** | **4.43** | **4.57** | **4.31** |

## Annex-6

# Final Evaluation - Overall and Self Assessment

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **FINAL EVALUATION** | | | | | | | |
| **PART A: Overall and Self Assessment** | | | | | | | |
| **1.Please complete the following by checking the column of your choice.** | | | | | | | |
| | | | | | | | |
| ***Please rate the quality of the following*** | | **Poor** | **Fair** | **Good** | **Very Good** | **Excellent** | **Total respondents** |
| Overall Content of Training Workshop | Nos. | 0 | 0 | 5 | 15 | 16 | 36 |
| | As % | 0% | 0% | 14% | 42% | 44% | |
| PowerPoint Slides | Nos. | 0 | 1 | 10 | 13 | 12 | 36 |
| | As % | 0% | 3% | 28% | 36% | 33% | |
| Participant Manual | Nos. | 1 | 2 | 6 | 16 | 11 | 36 |
| | As % | 3% | 6% | 17% | 44% | 31% | |
| Presentation of Materials by Trainers | Nos. | 0 | 0 | 6 | 16 | 14 | 36 |
| | As % | 0% | 0% | 17% | 44% | 39% | |
| Facilitation of Interactive Discussions | Nos. | 0 | 1 | 2 | 15 | 18 | 36 |
| | As % | 0% | 3% | 6% | 42% | 50% | |

**Annex- 7**

## Final Evaluation - Overall and Self Assessment

| FINAL EVALUATION. PART A: Overall and Self Assessment | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2. Think about what you already knew and what you learned during this training and then | | | | | | | | | | | |
| Total respondents Before | | | | | 33 | Total respondents After Training | 36 | | | | |
| 1 = No knowledge or skills 3=Some knowledge or skills 5= A lot of knowledge or skills | | | | | | | | | | | |
| Before Training | | | | | | *Self-assessment of Your Knowledge & Skills Related To:* | After Training | | | | |
| | **1** | **2** | **3** | **4** | **5** | **State of Inflation in the Asia Pacific region** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 1 | 6 | 19 | 6 | 1 | | 0 | 0 | 3 | 19 | 14 |
| As % | 3% | 18% | 58% | 18% | 3% | | 0% | 0% | 8% | 53% | 39% |
| | **1** | **2** | **3** | **4** | **5** | **Central-banking, policy goals, tools and challenges** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 0 | 4 | 14 | 13 | 2 | | 0 | 0 | 3 | 19 | 14 |
| As% | 0% | 12% | 42% | 39% | 6% | | 0% | 0% | 8% | 53% | 39% |
| | **1** | **2** | **3** | **4** | **5** | **Inflation targeting policies and trade-offs** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 0 | 6 | 12 | 14 | 1 | | 0 | 0 | 3 | 19 | 14 |
| As % | 0% | 18% | 36% | 42% | 3% | | 0% | 0% | 8% | 53% | 39% |
| | **1** | **2** | **3** | **4** | **5** | **Sources of inflation and policy suitability and appropriateness** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 0 | 5 | 11 | 14 | 3 | | 0 | 0 | 2 | 15 | 19 |
| As % | 0% | 15% | 33% | 42% | 9% | | 0% | 0% | 6% | 42% | 53% |
| | **1** | **2** | **3** | **4** | **5** | **Alternative Instruments and Coordinating fiscal, monetary and exchange rate policies** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 0 | 8 | 11 | 12 | 2 | | 0 | 0 | 3 | 19 | 14 |
| As % | 0% | 24% | 33% | 36% | 6% | | 0% | 0% | 8% | 53% | 39% |
| | **1** | **2** | **3** | **4** | **5** | **Managing capital flows and the exchange rate** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 1 | 6 | 15 | 10 | 1 | | 0 | 0 | 3 | 22 | 11 |
| As % | 3% | 18% | 45% | 30% | 3% | | 0% | 0% | 8% | 61% | 31% |
| | **1** | **2** | **3** | **4** | **5** | **Prudential regulation: balancing the needs for promoting financial sector growth and stability** | **1** | **2** | **3** | **4** | **5** |
| Nos. | 2 | 3 | 17 | 8 | 3 | | 0 | 0 | 5 | 19 | 12 |
| As % | 6% | 9% | 52% | 24% | 9% | | 0% | 0% | 14% | 53% | 33% |

**Annex-8**

## Final Evaluation - Overall and Self Assessment

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **FINAL EVALUATION** | | | | | | | |
| **PART A: Overall and Self Assessment** | | | | | | | |
| **3. Please rate the course in terms of its impact and usefulness in the following areas, using the** | | | | | | | |
| | **1 = Not at all** | | | | **5 = Very Much So** | | |
| **Area ( include sessions covered and overall objectives)** | | **1** | **2** | **3** | **4** | **5** | Total |
| Strengthen my capacity to engage in policy debates in my office and outside | Nos | 0 | 0 | 6 | 20 | 10 | 36 |
| | As % | 0% | 0% | 17% | 56% | 28% | |
| Enhance my ability to persuade others to consider and apply alternative policy instruments | Nos | 0 | 1 | 7 | 22 | 6 | 36 |
| | As % | 0% | 3% | 19% | 61% | 17% | |
| Encourage me to analyze the trade-offs of various policy options and take into account the impacts on employment, growth, poverty and inequality | Nos | 0 | 0 | 8 | 18 | 10 | 36 |
| | As % | 0% | 0% | 22% | 50% | 28% | |
| Embolden/empower me to challenge the standard “one size fits all” approach in monetary policy | Nos | 0 | 0 | 6 | 20 | 10 | 36 |
| | As % | 0% | 0% | 17% | 56% | 28% | |

## Annex-9

# Final Evaluation – Organizational and Logistics

| FINAL EVALUATION | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Part B: Organizational and Logistics** | | | | | | | |
| *PLEASE RATE THE QUALITY OF THE FOLLOWING* | | **Poor** | **Fair** | **Good** | **Very Good** | **Excellent** | **Total Respondents** |
| Timely receipt of invitation letter and follow-up communications from the organizers | Nos | 1 | 2 | 2 | 16 | 14 | 35 |
| | As % | 3% | 6% | 6% | 46% | 40% | |
| Clarity and promptness in pre-workshop communications from organizers | Nos | 2 | 1 | 4 | 14 | 14 | 35 |
| | As % | 6% | 3% | 11% | 40% | 40% | |
| Support received from local UN office with regard to air-ticket and DSA | Nos | 1 | 3 | 6 | 7 | 13 | 30 |
| | As % | 3% | 10% | 20% | 23% | 43% | |
| Visa support received from the organizer | Nos | 0 | 1 | 5 | 8 | 11 | 25 |
| | As % | 0% | 4% | 20% | 32% | 44% | |
| Attention to details and adjustments made to make participation easier for participants | Nos | 1 | 1 | 2 | 13 | 17 | 34 |
| | As % | 3% | 3% | 6% | 38% | 50% | |
| Quality and usefulness of participant Manual and pre-workshop information provided by the organizers | Nos | 1 | 3 | 6 | 12 | 11 | 33 |
| | As % | 3% | 9% | 18% | 36% | 33% | |
| Airport reception and protocol assistance at the airport | Nos | 1 | 3 | 0 | 7 | 17 | 28 |
| | As % | 4% | 11% | 0% | 25% | 61% | |
| Transportation arrangements | Nos | 1 | 3 | 4 | 7 | 13 | 28 |
| | As % | 4% | 11% | 14% | 25% | 46% | |
| Quality of hotel accommodation and meals | Nos | 0 | 2 | 3 | 10 | 17 | 32 |
| | As % | 0% | 6% | 9% | 31% | 53% | |
| Ease of registration | Nos | 0 | 0 | 2 | 8 | 23 | 33 |
| | As % | 0% | 0% | 6% | 24% | 70% | |
| Quality of workshop bag and other materials | Nos | 0 | 0 | 5 | 13 | 17 | 35 |
| | As % | 0% | 0% | 14% | 37% | 49% | |
| Quality of conference facilities | Nos | 0 | 1 | 2 | 13 | 19 | 35 |
| | As % | 0% | 3% | 6% | 37% | 54% | |
| Quality of cultural program | Nos | 0 | 0 | 2 | 12 | 21 | 35 |
| | As % | 0% | 0% | 6% | 34% | 60% | |
| Arrangements for the field trip | Nos | 0 | 1 | 1 | 11 | 21 | 34 |
| | As % | 0% | 3% | 3% | 32% | 62% | |