| FV20 PFTAC Work Plan | n - May 2019 to Anril 2020: F | enublic of the Marchall Islands (RM | I) - FINAL OUTTURN AS AT APRIL 2020 |
|----------------------|-------------------------------|-------------------------------------|-------------------------------------|

| . IZO FFIAC | Work Plan - May 2019 to April 2020: | public 01 | |) - FINAL OUTTORN AS AT API | May 2019 - April 2020 | | | | Updated Inputs at Oct 31, 2019 | | | | | Updated Inputs at Apr 30, 2020 | | | | | | | | | |
|--|---|---|--|---|-----------------------|------------------|-------|------------------------|--------------------------------|--------------------------------|-------------------|------------------------|--------------------------------|--------------------------------|-----------------------------|-------|------------|------------------------------------|--|---|--|----------------|--------------|
| TA Area | Objective | Country | Outcome Targeted | Activity | PFTAC resident | (in person-days) | | Number of Missions/ | (pers | (person-days - changes in red) | | Number of Missions/ | % of updated plan delivered | (perso | rson-days - changes in red) | | | % of updated plan delivered | Delivery Status | Milestones | Comments | Planned Date | Experts |
| | | | | | advisors | ST experts | Total | Activities | advisors | ST experts | Total | Activities | at end-Oct | advisors | ST experts | Total | Activities | at end-Apr | | | | | |
| Financial Sector Supervision | To implement a risk-based supervision (RBS) system and upgrade other supervisory processes | RMI | 2.4 Strengthened institutional structure and operational and procedures for RBS implementation | Diagnostic of Marshall Islands Development Bank | | | | | - | 12 | 12 | 1 | 100% | - | 12 | 12 | 1 | 100% | Aug 12 - 22, 2019 | | | 1-Jun-19 | Henderson |
| Government Finance Statistics | Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS | RMI | 1.12 Higher frequency data has been compiled and disseminated internally and/or to the public. | Compile, review and disseminate data to the IMF Statistics Department. | 5 | 0 | 5 | 1 | 7 | - | 7 | 1 | 100% | 7 | | 7 | 1 | 100% | Oct 21 - 25, 2019 | Compile and disseminate annual data for budgetary central government, FY18 and start expanding the coverage to the general government. Compile and disseminate annual public sector debt statistics. [R8M – GO – 12.3] | GFS for general government operations are compiled and disseminated on a annual basis. | Oct-19 | Luis |
| | RMI/PLW | 1.3 Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination 1.18 A new data set has been compiled and | TA mission/workshop — Further train local staff to produce independent estimates of GDP | cal staff to produce independent timates of GDP 12 | 12 | 24 | 1 | - | e e | - | - | 0% | - | - | - | - | 0% | Split into separate missions | 2 Staff members of each country were trained on implementing survey and administrative data for compiling NA. | Improvement of imputation for mission source data points according to a state-of-the art approach is urgently needed in order to improve GDP quality on the most recent time margin. | Jun-19 | Scheiblecker | |
| | Strengthen compilation and dissemination of data on macroeconomic and financial statistics for decision making acording to the relevant internationally accepted statistical standard, including developin/(mproying statistical infrastructure, source data, serviceability and/or metadata. | | disseminated internally and/or to the public | Improvements to web dissemination practices | | | | | | | | | | | | | | | | GDP(P) estimates to be compiled independently conforming to 2008 SNA | First time independent estimates of EPPSO (RMI) and OPS (Palau) are to be reviewed | | |
| | | RMI | 1.3 Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination | Build independent compilation capacity | | | | | | | | | | | | | | | | | | | |
| metau | | | 1.4 Data are compiled and disseminated using the concepts and definitions of the latest manual/guide. 1.18 A new data set has been compiled and | Assist with benchmarking and rebasing d | | | | | 12 | - | 12 | 1 | 100% | 12 | - | 12 | 1 | 100% | Sep 4 - 17, 2019 | , | | | Scheiblecker |
| | | disseminated internally and/or to the public | latest GDP estimates | | | | | | | | | | | | | | | | | | | | |
| Macroeconomic | Inproved macroeconomic policy advice to | RMI | 1.1 Improved quality and frequency of macroeconomic surveillance and policy/research available for policymaking | Support empirical analysis of tax reform. | 10 | 17 | 27 | 2 | - | - | - | - | 0% | - | - | - | - | 0% | FY21 | (1) Advice on tax reform is empirically based (Apr. 20). (2) Analysis of tax reform options is published (Apr. 20). | | Oct-19/ Apr-20 | Claus/Expert |
| Management | government and central bank management | | 1 3 Sound medium-term macroeconomic | Support the use of the Marshall Islands Fiscal Model (MI-FM) in budget | 12 | - | 12 | 1 | 15 | 0 | 15 | 1 | 100% | 15 | 0 | 15 | 1 | 100% | Sep 23-Oct 7, 2019 | (1) The MI-FM continues to be used in budget preparations (Oct 19). (2) The MI-FM is used for policy analysis including to | Assistance will be provided jointly with the PFM | May-19 | Claus |
| | | | framework | preparations and policy analysis and document the model. | | | | | 13 | 17 | 30 | 1 | 0% | 12 | 0 | 12 | 1 | 100% | Feb 3 - 14, 2020 | develop a medium-term fiscal framework (Apr. 21). (3) Quarterly GFS and outturns compared to forecasts are reported on (Apr. 22). | Advisor. | | Claus |
| Public Financial Management | Strengthen budget preparation towards more comprehensive, credible, and policy oriented budget. | RMI | 2.3 More credible medium-term budget framework is integrated in annual budget process | Further developing budget process development tools to automate the process and improve budget documentation | 12 | 0 | 12 | 1 | - | - | - | - | 0% | - | - | - | - | 0% | Shift to FY21 | 2019/20 Budget document is improved in terms of presentation and development process of the budget is improved. | Working with the Macro Advisor to enable improved budget presentation. Assisting the MoF to utilize improved budgeting development tools across government | May-19 | Neves |
| | Strengthened revenue administration management and governance arrangements | | 1.5.1 1.5.4 Corporate priorities are better managed through effective risk management | Review compliance improvement strategy | 0 | 16 | 16 | 1 | - | 6 | 6 | | 0% | - | 3 | 3 | | 100% | Sep 5 - 6, 2019 | An effective CIS facilitating high levels of compliance. | PFTAC has assisted in the development of a CIS approach. A review will be carried out to measure its effectiveness and suggestions for its further improvement. | Jul-19 | Piper |
| accurate taxpayer base, taxpayer service | | | 1.1 1.7. Strengthen revenue administration management and | Review reform progress and status of PFTAC Recommendations | 1 | 0 | 1 | 1 | 1 | - | 1 | 1 | 100% | 1 | - | 1 | 1 | 100% | Sep 9 - 11, 2019 | Review overall reform progress and status of PFTAC recommendation | PFTAC has provided TA across objective 1 that need to be reviewed | Sep-19 | Eysselein |
| | | | governance arrangements 2.1.1 The integrity of the taxpayer base is strengthened | Review current registration processes | 0 | 6 | 6 | 2 | - | 4 | 4 | | | - | 2 | 2 | | | Aug 26 - 27, 2019 | Data base kept up to date and accurate | A cleansed and accurately maintained taxpayer data base | Oct-19/ Apr-20 | Piper |
| | | RMI | 2.2.1. Taxpayer services initiatives to support voluntary compliance are strengthened | Review and further enhance taxpayer service function | 0 | 6 | 6 | | - | 4 | 4 | 2 | 50% | - | 2 | 2 | 1 | 100% | Aug 28 - 29, 2019 | Improved delivery of taxpayer services by 31/12/2019 and measured against TADAT dimensions. | Visits included under 2.1.1 A taxpayer services plan is in place but more TA is needed to institutionalize the concept. | Oct-19/ Apr-20 | Piper |
| | Strengthened core functions evidenced by an accurate taxpayer base, taxpayer services supporting voluntary compliance, improvements in filing, payment and audit activities | | 2.3.1 2.3.2 A larger proportion of taxpayers meet their filing obligations as required by law | Review progress and facilitate further improvements on-time filing and management of outstanding tax returns | 0 | 14 | 14 | | - | 6 | 6 | | 50% | - | 3 | 3 | | 100% | | On-time filing operating at improved efficiency levels by 31/12/2019 and measured against TADAT dimensions. | Visits included under 2.1.1 PFTAC has assisted in setting up new processes to improve efficiency levels but more work is needed to take performance to the next level. | Oct-19/ Apr-20 | Piper |
| | | | 2.4.1 - 2.4.3 A larger proportion of taxpayers meet their payment obligations as required by law | Review progress and facilitate further improvements on time payment and management of tax arrears | 0 | 10 | 10 | | - | 6 | 6 | | 50% | - | 3 | 3 | | 100% | Sep 2 - 4, 2019 | On-time payment operating at improved efficiency levels by 31/12/2019 and measured against TADAT dimensions. | Visits included under 2.1.1 PFTAC has assisted in setting up new processes to improve efficiency levels but more work is needed to take performance to the next level. Visits included under 2.1.1 | Oct-19/ Apr-20 | Piper |
| | | | 2.1 2.5. Strengthened core tax administration functions | Review reform progress and status of PFTAC Recommendations | 2 | 0 | 2 | | 2 | - | 2 | | 100% | 2 | - | 2 | | 100% | Sep 9 - 11, 2019 | Review overall reform progress and status of PFTAC recommendation | PFTAC has provided TA across objective 1 that needs to be reviewed | Sep-19 | Eysselein |
| | | | | TOTAL Updated Plan Total Days | 54 | 81 | 135 | 10 | 50 | 55 | 105 | 8 | 1 | | | | | | | | | | |
| | | | | Delivered by Oct 31: Percentage of Revised Plan: | | | | | 37 74% | 22 40% | 59 56% | 6 75% | • | | | | | | | | | | |
| Financial Sector Supervision | Legal | RMI | 1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile | Second Follow-up mission from the Regional Workshop on Banking | 0 | 12 | 12 | 1 | | ÷ | - | | O% | _ | | | | 0% | Shift to FY21 | Finalize revised draft legislation, for internal stakeholder and industry consultation | Workshop to review and establish revision plan for banking legislation and prudential standards held in July 2017. Eirst Follow un bilateral | i 1-Jun-19 | TBC LEG |
| | | | 1.2 Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment. | Legislation and Prudential Standards | | | | | | | | | | | | | | | | Finalize revised draft prudential standards, for internal stakeholder and industry consultation | held in July 2017. First Follow up bilateral mission held in June 2018. Second follow-up. | | |
| | | | | TOTAL Updated Plan Total Days | 0 | 12 | 12 | 1 | 0 | 0 | 0 | 0 | 1 | | | | | | | | | | |
| | | | | Delivered by Oct 31: Percentage of Revised Plan: | | | | | - 0% | - 0% | - 0% | - 0% | 1 | | | | | | | | | | |
| | | TOTAL | 54 | 93 | 147 | 11 | 1 | | | | | | | | | | | | | | | | |
| | | | | Updated Plan Total Days | | | | | 50 | 55 | 105 | 8 |] | | | | | | | | | | |
| | | | | Delivered by Oct 31: | | | | | 37 | 22 | 59 | 6 | | | | | | | | | | | |
| | | | Percentage of Revised Plan: | | | | | 74% | 40% | 56% | 75% | | | | | | | | | | | | |
| | | | | | | | | | | Actual Outturn a | t April 30, 2020: | | | 49 | 25 | 74 | 7 | 1 | | | | | |

 Actual Outturn at April 30, 2020:
 49
 25

 Percentage of Mid-Year Revised Plan:
 98%
 45%

 Percentage of Original Plan:
 91%
 27%