

FY20 PFTAC Work Plan - May 2019 to April 2020: Solomon Islands - MID-YEAR Update at 31Oct2019

TA Area	Objective	Country	Outcome Targeted	Activity	May 2019 - April 2020 (in person-days)			Number of Missions/ Activities	Updated inputs at Oct 31, 2019 (person-days - changes in red)			Number of Missions/ Activities	% of updated plan delivered at end-Oct	Delivery Status	Milestones	Comments	Planned Date	Experts	
					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total								
Financial Sector Supervision	1. Develop and strengthen banking regulations in line with international standards	Solomon Islands	1.1 Supervisors and regulators 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.	Develop a comprehensive suite of prudential standards	5	10	15	1	10	10	20		100%	Oct 14 - 25, 2019	To be established in CDPort		01-Nov-19	Stefanou/ De Bie	
	2. To implement a risk-based supervision (RBS) system and upgrade other supervisory processes		2.4 Strengthened institutional structure and operational procedures for RBS implementation	Assistance in developing a financial analysis process that effectively identifies risk	5	0	5	1	5	-	5	1	0%	Mar-20			01-Jul-19		
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making; compilation methodologies in line with international standards for GFS	Solomon Islands	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.	3	0	3	Remote	5	-	5		100%	Jul 10 - 12, 2019	• Compile and disseminate annual data for ICG FY2018. • Investigate statistical discrepancies and reconcile changes in cash balances. • Reconcile grants paid and received and compile GG consolidation FY2010-18. • Compile and disseminate annual public sector debt statistics. [RBM – GD – 12.3]	GFS for general government operations are compiled and disseminated on a annual basis.	Remote		Luis
Real Sector Statistics	1. Strengthen compilation and dissemination of data on macroeconomic and financial statistics for decision making according to the relevant internationally accepted statistical standards, including developing/improving statistical infrastructure, source data.	Solomon Islands	1.1 Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination	Staff trained further in analyzing and adjusting results											• Revised GDP estimates up to 2017 were finalized and published.	Mission only makes sense if more staff is allocated to economic statistics. Large backlog in publication. Still only drafted figures for 2018 available.			
			1.3 Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of disseminated data and statistical outputs.	Business survey imputation and processing review	12		12	1	12	-	12	1	0%	Apr 6 - 17, 2020	• Annual business survey imputation methods are documented and published • Existing two staff adequately trained on state-of-the-art business survey imputation methods.		Dec-19	Scheibecker	
Macroeconomic Management	1. Improved macroeconomic policy advice to government and central bank management	Solomon Islands	1.1 Improved quality and frequency of macroeconomic surveillance and policy/research available for policymaking	Review and enhance GDP forecasting	12	-	12	1	5	-	5	1	100%	Jul 5, 2019	(1) GDP forecasting methodology is reviewed and updated following the release of GDP (Apr. 20). (2) Economic and fiscal forecasts are consistent (Jul. 19).	Release of rebenchmarked GDP estimates has been delayed.	Jul-19	Cluis Expert	
			1.3 Sound medium-term macroeconomic framework	Complete the upgrades of the Solomon Islands' financial programming frameworks.	5	-	5	1	10	-	10	1	100%	Sep 2 - 13, 2019	(1) The Ministry of Finance's financial programming framework continues to be used in budget preparations (Dec. 19). (2) The Central Bank of Solomon Islands financial programming framework continues to be used in monetary policy settings (Apr. 20). (3) The frameworks are used to undertake sustainability		Feb-20	Cluis	
Public Financial Management	1. Improved laws and effective PFM institutions	Solomon Islands	1.2 MoF capacity can meet enacted PFM responsibilities	Join Article-IV mission - Strengthen Surveillance/ CFI integration					3	-	3	1	100%	Jun 12 - 14, 2019					Kubasta
	3. Improved Budget Execution and Control		2.1 Budget execution and controls are strengthened	Improve treasury operations and controls for non-salary expenditure	12	17	29	1	-	-	-	-	0%	Replaced below	Improvement in control over non-salary expenditure and account reconciliation.	STX days: 2 weeks in country; 1 weekend, 2 travel days; 3 pre-post mission days	Jun-19	Kubasta STX - TBD	
	4. Improve coverage and quality of fiscal reporting		4.2 Comprehensiveness and quality of fiscal reports is enhanced	Reporting on Fixed Assets						15	15	1	100%	Aug 9 - 16, 2019					
	4. Improve coverage and quality of fiscal reporting		4.2 Comprehensiveness and quality of fiscal reports is enhanced	Review of the 2018 Cash Basis IPSAS financial statements						5	5	5	0%	Dec 2 - 6, 2019		WAIH mission			Cavanaugh
Revenue Administration	1. Strengthened revenue administration management and governance arrangements	Solomon Islands	1.2.2. Organizational arrangements enable more effective delivery of strategy and reforms.	Facilitate further implementation of the large taxpayer office	0	7	7	1	-	16	16	2	50%	Jul 1 - 12, 2019/ Apr 27 - May 6, 2020	Design of large taxpayer office delivered by 31/12/2019	Authorities have requested assistance in the design of large taxpayer office as part of the reforms	Jul-19	Shrosbree	
			1.2.1. - 1.2.2. Organizational arrangements enable more effective delivery of strategy and reforms	Facilitate further implementation of function based structure	0	5	5		-	7	7		100%	Jul 1 - 12, 2019	Function based structure introduced by 20/6/2020	Visits included under 1.2.2. Function based structure currently being implemented to support overall reforms	Jul-19/ Mar-20	Shrosbree	
			1.1.2. Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	Facilitate design of MTRS	0	0	0		-	48	48	1	0%	Feb-20	Design and implementation of an MTRS by 6/30/2020.	The authorities have requested assistance in the design of an MTRS.	Oct-19	Shrosbree/ HQ	
			1.5.1. - 1.5.4. Corporate priorities are better managed through effective risk management	Facilitate renewal of compliance improvement strategy	0	32	32	2	-	16	16	1	0%	Nov 18 - 29, 2019	New generation CP designed and implemented	Current Compliance Improvement Plan is evaluated	May-19/ Feb-20	Home	
	2. Strengthened core functions evidenced by an accurate taxpayer base, taxpayer services supporting voluntary compliance, improvements in filing, payment and audit activities	1.8.1 Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT	0	18	18	1	-	-	-	-	0%	Shift to FY21	Successful implementation of VAT.	A decision to implement a VAT has been made with a request from the authorities to support implementation.	Sep-19/ Feb-20			
		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	12	12	2	-	12	12	2	50%	Sep 2 - 5, 2019/ Mar 9 - 12, 2020	On-time filing operating at improved efficiency levels by 31/12/2019 and measured against TADAT dimensions.	A PFTAC facilitated strategy has been introduced with some initial progress being made - additional TA requested by the authorities.	Jul-19/ Mar-20	Lawrence/ Field	
		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	20	20		-	20	20		50%	Sep 6 - 13, 2019/ Mar 13 - 20, 2020	On-time payment operating at improved efficiency levels by 31/12/2019 and measured against TADAT dimensions.	Visit included under 2.3.1 - 2.3.2. A PFTAC facilitated strategy has been introduced with some initial progress being made - additional TA requested by the authorities.	Jul-19/ Mar-20	Lawrence/ Field	
		2.5.1. - 2.5.2 Audit and other verification programs more effectively ensure accuracy of reporting	Develop audit strategy and operational plan		0	32	32	2	-	16	16	1	100%	Nov 4 - 15, 2019	Develop audit plan by 30/12/2019	TA requested to develop new generation audit plan	Jun-19/ Nov-19	Sutherland	
	2.2.1. Taxpayer services initiatives to support voluntary compliance are strengthened	Review progress and facilitate further improvements to taxpayer service function		0	8	8		-	8	8		0%	Apr 27 - May 5, 2020	Improved delivery of taxpayer services by 31/12/2020 and measured against TADAT dimensions.	Visit included under objective 1. The authorities have decided to undertake administrative reforms and requested PFTAC assistance to strengthen taxpayer services.	Jul-19/ Mar-20	Sutherland		
TOTAL					54	161	215	14	72	189	261	16							
Updated Plan Total Days									72	189	261	16							
Delivered by Oct 31:									43	73	116	8							
Percentage of Revised Plan:									60%	39%	44%	50%							