

FY24 Work Plan - May 2023 to April 2024: Timor-Leste - MID-YEAR Update at 31Oct2023

TA Area	Objective	Country	Outcome Targeted	Activity	May 2023 - April 2024 (in person-days)			Number of Missions/ Activities	Updated Inputs at Oct 31, 2023 (in person-days)			Number of Missions/ Activities	% Delivery	Delivery Status	Milestones	Comments	Planned Date	Experts		
					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total									
Financial Sector Supervision	Develop/strengthen banking regulations and supervision frameworks	Timor-Leste	Legal and regulations empower and equip supervisors with adequate range of corrective measures.	Diagnostic Mission on Implementation of Basel III Standards and enhancements to RBS	5	-	5	1	-	-	-	-	0%	Shift to FY25	PFTAC complete diagnostic of implementation of Basel III and enhancements to RBS	PFTAC Budget	Aug 7 - 11, 2023	Kumar		
Macroeconomic Programming and Analysis	Stronger analytical skills and better macroeconomic forecasting and policy analysis	Timor-Leste	Sound medium-term macroeconomic framework (inclusive of GDP and inflation, commodity prices, the external and monetary sectors, and fiscal aggregates)	Support for Financial Programming	5	-	5	1	5	-	5	1	100%	Jun 26 - 30, 2023 (in-country)	Greater sophistication in macroeconomic policy making		Jul 3 - 7, 2023	Beaumont		
					5	-	5	1	-	-	-	-	0%	Shift to FY25	Greater sophistication in macroeconomic policy making		Oct 2 - 6, 2023	Beaumont		
					5	-	5	1	-	-	-	-	0%	Cancelled	Greater sophistication in macroeconomic policy making		Jan 8 - 12, 2024	Beaumont		
Macroeconomic Frameworks (MF)	Phase-II: Finalizing Implementation of Phase-I, embedding of processes as a regular cycle of work	Timor-Leste	Rescoping and agreement on objective/outcomes, refresh on the use of the macroeconomic projections tool	Financial Programming and Policies Analysis tool refresh, re-scope and agreement on work programme	5	5	10	1	5	-	5	1	100%	Jun 26 - 30, 2023 (in-country)	Opportunities for improvement identified and authorities and the IMF team agree on the workplan and key outcomes (tbc).		Jul 3 - 7, 2023	Nield/ Beaumont/ HQX		
			In depth understanding of shock transmission mechanisms and macroeconomic outcomes of policy options	Financial Programming and Policies analysis, options and outcomes to support decision making	12	12	24	1	12	-	12	1	0%	Feb 12 - 23, 2024 (in-country)	TBC	With Ministry of Finance	Oct 2 - 13, 2023	Nield/ Beaumont/ HQX		
			Tailoring the output of the macroeconomic projections tool to feed into policy decision making	Financial Programming and Policies analysis, options and outcomes to support decision making - discussion of appropriate decision support tools (e.g., tables, graphs, "what-ifs")	5	5	10	1	-	-	-	-	0%	Virtual Meetings	TBC		Jan 8 - 12, 2024	Nield/ Beaumont/ HQX		
Public Financial Management	Comprehensive, credible, and policy-based budget preparation	Timor-Leste	A more credible medium-term budget framework is integrated with the annual budget process	Budgeting practices and budget documentation - follow-up	12	15	27	1	12	15	27	1	0%	Jan 22 - Feb 2, 2024 (in-country)	Budget ceilings are published and binding		Nov 13 - 24, 2023	Seeds/ Emery		
	Strengthened identification, monitoring, and management of fiscal risks		Analysis, disclosure and fiscal oversight of public corporation risks are strengthened	Strengthening SOE fiscal risk oversight	-	15	15	1	-	16	16	1	0%	Mar 4 - 15, 2024 (in-country)	Training on good practice for SOE fiscal oversight delivered			STX		
Revenue Administration	Strengthened revenue administration management and governance arrangements	Timor-Leste	Transparency and accountability are more effectively supported by independent external oversight and internal controls	Develop an Internal Audit Strategy	-	-	-	-	-	-	-	-	0%	Cancelled				Piper		
			Organizational arrangements enable more effective delivery of strategy and reforms	Review organization structure	-	-	-	-	-	-	-	-	-	-	0%	FY25	Fit for purpose structure approved for implementation	Structure needs to be fit for a modern revenue administration	FY25	Williams/ Vivian
			Organizational arrangements enable more effective delivery of strategy and reforms	Business case support to return registration function to TLTA control	-	10	10	1	-	11	11	1	100%	Oct 16 - 20, 2023 (in-country/ remote)	Registration function established in TLTA by end of April 2023	Tracking to road map from diagnostic 5 remote days	Jun 26 - Jul 7, 2023 (remote)	Shrosbree		
			Organizational arrangements enable more effective delivery of strategy and reforms	Redefine and modify approach to Large Taxpayers	-	10	10	1	-	-	-	-	0%	FY25	Plan developed and endorsed for implementation	One of top 11 priorities identified by TLTA	Jun 26 - Jul 7, 2023 (remote)	Vivian		
			Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT#1	-	13	13	1	-	-	-	-	0%	Cancelled	Project plan approved and first steering committee takes place	Reform plan to design and implement a VAT	Jun 26 - Jul 7, 2023	Piper		
			Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT#2	-	10	10	1	-	-	-	-	0%	Cancelled	Project plan progress assessed and remedial action implemented where necessary	Reform plan to design and implement a VAT	Aug 28 - Sep 9, 2023 (remote)	Piper		
			Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT#3	-	13	13	1	-	21	21	1	0%	Jan 29 - Feb 16, 2024 (in-country)	Project plan progress assessed and remedial action implemented where necessary	Reform plan to design and implement a VAT	Nov 27 - Dec 8, 2023	Ledua		
			Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT#4	-	10	10	1	-	-	-	-	0%	Cancelled	Project plan progress assessed and remedial action implemented where necessary	Reform plan to design and implement a VAT	Mar 25 - Apr 5, 2024 (remote)	Piper		
			Organizational arrangements enable more effective delivery of strategy and reforms	Develop a planning, design and monitoring function	10	10	20	1	-	-	-	-	0%	FY25	TLTA ability to plan and report effectively improves	One of top 11 priorities identified by TLTA. May be delivered stand alone or as part of review of organization structure. Urgent need for a function that plans, monitors and reports, and ensures the right mix of activities to optimize resources and revenue	Jul 10 - 21, 2023 (remote)	Vivian/ Williams		
			Support functions enable more effective delivery of strategy and reforms	Develop Internal Audit Plan and Training	-	-	-	-	-	17	17	1	0%	Nov 28 - Dec 8, 2023 (in-country)				Story		
			Effective implementation of a new tax or modernized legislation	VAT Implementation Plan and Resources	-	-	-	-	8	-	8	1	100%	Sep 20 - 27, 2023 (in-country)				Williams		
			Strengthen core tax functions	Redesign/refine the Tax Clearance process in collaboration with Customs	-	10	10	1	-	12	12	1	0%	Mar 4 - 15, 2024 (remote)	An end to end process is developed and implemented	Tax clearance process not optimized	Jun 19 - 30, 2023 (remote)	Ledua		
	Strengthened core tax	Audit and other verification programs more effectively ensure accuracy of reporting	Deliver Audit training #1	-	15	15	1	-	16	16	1	0%	Feb 5 - 16, 2024 (in-country)	Improvement in audit staff capability	Once SOPs finalized and TNA complete; Pre and post training capability assessments required	Aug 7 -18, 2023	Bell			
Audit and other verification programs more effectively ensure accuracy of reporting		Deliver Audit training #2	-	-	-	-	-	-	-	0%	FY25	Post training evaluation shows improvement in Auditors knowledge	Follow-up to Audit training #1	FY25	Bell					

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					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total							
						administration functions			A larger proportion of taxpayers meet their filing obligations as required by law / A larger proportion of taxpayers meet their payment obligations as required by law	Develop debt and return management strategy Progress Debt and Return Improvements	-							
			Taxpayer services initiatives to support voluntary compliance are strengthened	Develop Taxpayer Services Strategy	-	-	-	-	-	17	17	1	100%	Oct 2 - 13, 2023 (in-country)				Shrosbree
	Legal		Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	Draft VAT and TAA laws	-	10	10	1	-	-	-	-	0%	Cancelled	Draft TAA laws finalized by end of February 2023: VAT by February 2024	PFTAC is supporting a request by the authorities to modernize their tax laws	Oct 16 - 27, 2023 (remote)	Aw
TOTAL					64	173	237	20										

Updated Mid-FY24 Workplan:	42	125	167	12
Delivered by Oct 31:	18	28	46	5
Percentage of Revised Plan:	43%	22%	28%	42%

Debt Management	Establish efficient institutional framework for debt management	Timor-Leste	Improved institutional structure for debt management	Develop and implement debt management organizational structure	10	16	26	1	-	32	32	1	0%	Nov 11 - 28, 2023 (in-country)	The debt management entity is adequately resourced and staffed; The debt management entity is aligned on a front-middle-back office basis; Debt management staff have specific job roles, tasks, and training plans		Aug 21 - Sep 1, 2023	Horman/ Vilanova
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