

FY21 PFTAC Work Plan - May 2020 to April 2021: Palau

TA Area	Objective	Country	Outcome Targeted	Activity	May 2020 - April 2021 (in person-days)			Number of Missions/ Activities	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total					
Financial Sector Supervision	1. Develop and strengthen banking regulations in line with international standards	Palau	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 Legislation and Prudential Standards - review revised draft banking law and regulations and propose final amendments	-	15	15	1	Applicable guidelines and regulations are sent to industry for consultation	Continuation of the Banking Regulatory Reform project.		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.						Applicable guidelines and regulations are finalized and formally issued			
	2. To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	2.4 Strengthened institutional structure and operational and procedures for RBS implementation	Financial analysis and risk rating	-	10	10	1	Detailed Quarterly Financial Risk Report embedded	Commencement of supervision CD for Palau. Reference SFEP.			
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS	Palau	1.9 Data are compiled and disseminated using appropriate statistical techniques, including to deal with data sources, and/or assessment and validation of intermediate data and statistical outputs.	Refine compilation techniques for using various administrative data sources to reduce statistical discrepancies	5	-	5	1	<ul style="list-style-type: none"> <li>Investigate the detail and reconcile grants / transfers between levels of government</li> <li>Identify, reconcile and validate the loan transactions between general government units and its associated interest expense / revenue cost for elimination</li> </ul>	Improve data for GFS compilation and dissemination	Jan, 2021	Temes
			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.					<ul style="list-style-type: none"> <li>Compile and disseminate consolidated general government annual data</li> <li>Start incorporating state governments quarterly data at minimum Koror and Arai States</li> <li>Compile and disseminate general government debt data in the World Bank quarterly public sector debt statistics template for publication</li> <li>Compile and disseminate annual data for BCG FY 19</li> </ul>	GFS for general government operations are compiled and disseminated on a annual basis.		
Public Financial Management	1. Improved laws and effective PFM institutions	Palau	1.2 MoF capacity can meet enacted PFM responsibilities	PEFA Assessment	12	16	28	1	Data and evidence provided for Agile PEFA and draft report reviewed by government.		Aug, 2020	Neves/Marzan
Revenue Administration	2. Strengthened core functions evidenced by an accurate taxpayer base, taxpayer services supporting voluntary compliance, improvements in filing, payment and audit activities	Palau	2.2 Taxpayer service initiatives to support voluntary compliance are strengthened 2.3 - 2.4 A larger proportion of taxpayers meet their filings and payments obligations as required by law	Improve taxpayer services, debt and returns management	-	-	-	-	Taxpayer Services, on-time filing and payments operating at improved efficiency levels by 31/12/2020 and measured against TADAT dimensions.	TA assistance requested by the authorities to improve current taxpayer services as well as returns and payment compliance levels.	FY22	Lawrence
<b>TOTAL</b>					<b>17</b>	<b>41</b>	<b>58</b>	<b>4</b>				