

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

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	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 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			
								Amendments and redrafting of laws, regulations in line with BCP 11				
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS	RMI	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"> Investigate the detail and reconcile grants / transfers between levels of government Identify, reconcile and validate the loan transactions between general government units and its associated interest expense / revenue cost for elimination 	Improve data for GFS compilation and dissemination	Feb, 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"> Compile and disseminate annual data for budgetary central government, FY19 and start expanding the coverage to the general government. Compile and disseminate annual public sector debt statistics. Compile and disseminate consolidated general government quarterly data 	GFS for general government operations are compiled and disseminated on a annual basis.		
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 standard, including developing/improving statistical infrastructure, source data, serviceability and/or metadata.	RMI	1.9 Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of intermediate data and statistical outputs	Review progress in independent compilation of GDP(P)	9	-	9	1	Internal availability of a experimental independent compiled GDP(P) data set		Aug, 2020	Scheiblecker
			1.3 Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination	Training of new staff on GDP(P) compilation and national specifics of data sources					Two staff (existing plus one additional already employed by the NSO) trained on GDP(P) principles, sources and methods such that they can produce estimates independently			
Macroeconomic Programming and Analysis	Well functioning macroeconomic policy and institutions: improved macroeconomic policy advice to government	RMI	2. Ready public access to key monetary, fiscal and financial soundness information.	Assist with the compilation of a manual for the Marshall Islands Fiscal Model (MI-FM) and Medium Term Budget and Investment Framework (MTBIF).	5	-	5	1	(1) Documentation describing the MI-FM and MTBIF is prepared (Apr. 21). (2) Documentation describing the MI-FM and MTBIF is published (Apr. 22).	Documentation will be prepared with PFM. Assistance will be provided offsite. (Back to back with Fiscal Model mission)		Beaumont
			3. Sound medium-term macroeconomic framework	Support the use of the Marshall Islands Fiscal Model (MI-FM) and Medium Term Budget and Investment Framework (MTBIF) in budget preparations and policy analysis.	5	-	5	1	(1) The MI-FM continues to be used in budget preparations (Oct. 20). (2) Expenditure forecasting by ministries is developed (Apr. 21). (3) The MI-FM is used for policy analysis including to develop a medium-term fiscal framework (Apr. 22). (4) Advice on tax reform is empirically based (Apr. 22).	Back to back with MI-FM mission		Beaumont
Public Financial Management	2. Comprehensive, credible and policy based budget preparation	RMI	2.2 More credible medium term macro fiscal framework is included in budget documentation	Assist with the compilation of a manual for the Marshall Islands Fiscal Model (MI-FM) and Medium Term Budget and Investment Framework (MTBIF).	8	-	8	1	Improved budget document for the 20/21 budget		May 18 - 27, 2020	Neves
Revenue Administration	1. Strengthened revenue administration management and governance arrangements	Marshall Islands	1.5.1 - 1.5.4 Corporate priorities are better managed through effective risk management	Compliance Improvement Strategy	-	-	-	-	An effective CIS facilitating high levels of compliance implemented by 2/28/21	CIS developed to improve monitoring and evaluation of compliance risk mitigation	FY22	Piper
	2. Strengthened core functions evidenced by an accurate taxpayer base, taxpayer services		2.3 - 2.4 A larger proportion of taxpayers meet their filings and payments obligations as required by law	Improving tax arrears and returns management	-	-	-	-	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 returns and payment compliance levels.	FY22	Field

	supporting voluntary compliance, improvements in filing, payment and audit activities		2.5.1 Audit and other verification programs more effectively ensure accuracy of reporting	Strengthen tax audit function (challenges posed by cash economy)	-	-	-	-	The audit function operating at improved efficiency levels by 31/12/2020 and measured against TADAT dimensions.	The authorities have requested TA to assist in building audit function and capability.	FY22	Sutherland
			2.2.2 Taxpayer services initiatives to support voluntary compliance are strengthened	Improving taxpayer services	-	18	18	1	Improved delivery of taxpayer services by 31/12/2020 and measured against TADAT dimensions.	Assistance with improving taxpayer services requested by authorities	Aug 3 - 14, 2020	Fisher
			TOTAL		32	33	65	6				