

FY23 Work Plan - May 2022 to April 2023: Palau - MID-YEAR Update at 31Oct2022

TA Area	Objective	Country	Outcome Targeted	Activity	May 2022 - April 2023 (in person-days)			Number of Missions/Activities	Updated Inputs at Oct 31, 2022 (in person-days)			Number of Missions/Activities	% delivered	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 prudential norms	Palau	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Review of Prudential Standards	5	44	49	1	-	-	-	0%	FY24	PFTAC reviews the draft legislation and prudential standards		Aug 22 - Sep 30, 2022 (remote)	Kumar/ STX		
Government Finance Statistics	Strengthen compilation and dissemination of fiscal statistics	Palau	Higher frequency data has been compiled and disseminated internally and/or to the public.	Expand coverage to public nonfinancial corporations and for public sector debt statistics (PSDS).	8	-	8	1	7	-	7	1	0%	Jan 16 - 20, 2023 (in-country)	*Compile and disseminate annual general government FY2021. *Compile and disseminate general government debt data in the World Bank quarterly public sector debt statistics template for publication. *Compile and disseminate public sector debt data quarterly with the World Bank.	Encourage PSDS compilation and dissemination to the World Bank Quarterly Public Sector Debt Database (QPSD).	Jan 16 - 20, 2023 (in-country)	Moskalenko	
Real Sector Statistics	Strengthen compilation and dissemination of real sector statistics- national accounts	Palau	Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination	Assist independent GDP calculation explore the possibility of GDP(E) compilation	7	-	7	1	-	-	-	0%	Cancelled	Review of methods and data sources used for output and value added estimations.	The Graduate School USA compiles annual GDP but no training is provided to staff. (back to back with FSM)	Mar 20 - 24, 2023 (in-country)	Powell		
				A new data set has been compiled and disseminated internally and/or to the public	GDP Deflators/ PPI	-	-	-	-	8	16	24	1	0%	Nov 14 - 18, 2022 (in-country)/ Dec, 2022 Apr, 2023	STX may overlap with Matthew subject to arrangements STX mission under Prices Project		Powell/ Draper	
Macroeconomic Programming and Analysis	Stronger analytical skills and better macroeconomic forecasting and policy analysis	Palau	Sound medium-term macroeconomic framework (inclusive of GDP and inflation, commodity prices, the external and monetary sectors, and fiscal aggregates).	Macro-Fiscal Modelling	15	-	15	1	-	-	-	0%	Shift to FY24	Enhanced understanding of the medium term macro-fiscal outlook		Oct 17 - Nov 4, 2022 (remote)	Beaumont		
Public Financial Management	Improved PFM laws and effective institutions	Palau	The capacity of ministry of finance to plan, implement and sustain PFM reforms is enhanced	Agle PEFA Assessment	24	32	56	1	24	32	56	1	0%	Nov 7 - 18, 2022 (in-country)	PEFA Assessment completed	Postponed from FY21/FY22	Jun 6 - 17, 2022 (in-country)	Seeds/ Lavea/ Emery/ Marzan/ PASAI	
				Develop PFM Roadmap	12	-	12	1	-	-	-	-	0%	Shift to FY24	PFM Roadmap formulated		Jan 23 - Feb 3, 2023 (in-country)	Seeds	
Revenue Administration	Strengthened revenue administration management and governance arrangements	Palau	Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations	Review Tax Reform Implementation Progress	-	20	20	1	-	-	-	0%	Cancelled	Implementation plans are being actioned	In-country support required to ensure plans are being implemented in readiness for implementation of new legislation	Jul 1 - 29, 2022 (remote)	Piper		
				Support functions enable more effective delivery of strategy and reforms	ITC support for new taxes	-	20	20	1	-	-	-	0%	Cancelled	ICT modules for new taxes to be operational by end November 2022	Coordination with ATO required	Jun 20 - Jul 22, 2022 (remote)	Grant	
				Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations	Review of Tax Administration Reform Progress	7	-	7	1	8	-	8	1	0%	Dec 5 - 12, 2022 (in-country)	CD provided is adding value to the reform process and Palau is ready for new legislation go-live in January 2023	Significant CD investment remotely provided to Palau. This mission will review progress and assess readiness.	Feb 20 - 24, 2023 (in-country)	Williams/ McAlister
				Organizational arrangements enable more effective delivery of strategy and reforms/ Strengthen core tax functions	Implementation of tax reforms #2	-	16	16	1	-	35	35	1	100%	Jun 3 - Jul 4, 2022 (in-country)	Implementation plans are being actioned	In-country support required to ensure plans are being implemented in readiness for implementation of new legislation	Sep 12 - 23, 2022 (in-country)	Piper
				Organizational arrangements enable more effective delivery of strategy and reforms/ Strengthen core tax functions	Implementation of tax reforms #3	-	16	16	1	-	-	-	-	0%	Cancelled	Tax reforms successfully implemented by end of December 2022	See above	Nov 14 - 25, 2022 (in-country)	Piper
	Organizational arrangements enable more effective delivery of strategy and reforms/ Strengthen core tax functions	Implementation readiness for tax reforms	-	16	16	1	-	16	16	1	0%	Nov 28 - Dec 9, 2022 (in-country)	Recommendations of enhancements based on review of effectiveness of systems, processes and procedures for new taxes implemented by end of February 2023	New taxes implemented	Jan 16 - 27, 2023 (in-country)	Piper			
Legal			Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	Tax Reform Bill Regulations	-	12	12	1	-	5	5	1	100%	Jul 25 - 29, 2022 (remote)	New legislation implemented in January 2023	PFTAC is supporting a request by the authorities to modernize their tax laws.	May 2 - 13, 2022 (remote)	Burns	
TOTAL					78	176	254	13											

Updated Mid-FY23 Workplan:				47	104	151	7
Delivered by Oct 31:				0	40	40	2
Percentage of Revised Plan:				0%	38%	26%	29%

Debt Management	Establish efficient institutional Framework for debt management	Palau	Improved institutional structure for debt management	Develop and implement debt management organizational structure	10	14	24	1	-	-	-	0%	FY24	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		Jul, 2022	Ferguson/ STX
	Develop/ strengthen processes for accurate debt recording, reporting, and monitoring		Improved staff capacity for debt recording, reporting, and monitoring/ Debt reported regularly to the public and relevant authorities	Strengthening debt reporting capacity	5	7	12	1	-	-	-	0%	FY24	Staff show competency in debt recording, reporting, and monitoring through presentations, discussions, or exercises; Regular publication of a debt bulletin covering central government debt, debt operations, and guarantees; Debt bulletin also covers portfolio composition, risk indicators, guarantee performance		Dec, 2022	Ferguson/ STX
	Develop capacity and improve knowledge and skills on latest developments in international standards and best practices in debt management		Participants exchanged/acquired knowledge and skills in training/workshops	Fundamentals of Public Debt Management training	-	-	-	-	5	7	12	1	0%	Mar 13 - 24, 2023 (in-country)			Ferguson/ STX