

# PFTAC Steering Committee

## March 27, 2018

FY2019 Plans

PFTAC Coordinator: David Kloeden



# AGENDA OF COORDINATOR'S PRESENTATION

## FY19 PLANS

Program focus areas

Steps and consultation in preparation of the workplan

Resource allocation

Planned training events

Planned TA inputs by country

Finalization of the workplan



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# FY19 PROGRAM FOCUS AREAS

## Public Financial Management (PFM):

- *Implementing PFM Reforms* based on PFM roadmaps/PEFAs, with stronger legal frameworks.
- *Supporting stronger budget preparation*, more integrated planning and budgeting, improved budget transparency and execution, and strengthened debt, asset, and risk management
- *Helping to strengthen budget monitoring, reporting, and accountability*

## Revenue Administration

- *Building stronger core functions in:* (1) taxpayer registration; (2) taxpayer services; (3) on-time return filing; (4) timely tax payment and arrears management; and (5) stronger audit capacity
- *Supporting better management and governance through:* (1) reform strategies and frameworks; (2) more effective organization structures; and (3) better compliance and risk management



# FY19 PROGRAM FOCUS AREAS

## Financial Sector Supervision (FSS):

- *Implementing enhanced bank supervision frameworks:* building on recent diagnosis and development efforts, moving to implementation, embedding risk rating processes, supervisory action plans, and enhanced financial risk analysis
- *Banking regulatory reform in the Northern Pacific,* support supervision capacity in Tuvalu
- *Regional initiatives* under AFSPC auspices on insurance regulatory frameworks and on-line prudential reporting

## Macroeconomics

- *Ongoing strengthening of macro frameworks* and forecasting capabilities, including expanded regional training in conjunction with ICD/STI, and facilitating more peer-to-peer initiatives



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# FY19 PROGRAM FOCUS AREAS

## Macroeconomic Statistics:

- *Assisting compilation* and improvement in National Accounts statistics, focused on: (1) rebasing constant price estimates, noting more countries are now overdue for rebasing; (2) further work to develop additional GDP measures using recent censuses and HIES; (3) improving methodologies
- *Assisting compilation* and improvement in GFS statistics, focused on: (1) adoption of current GFS concepts and definitions per *GFSM 2014*; (2) broadening GFS coverage to General Government; and (3) facilitating integration of GFS data into fiscal and debt sustainability frameworks
- *Strengthening dissemination* of National Accounts and GFS data more widely for policy analysis within government and externally, urging greater effort and resources to ensure vitally needed statistics are readily available in a timely manner.



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# FY19 WORKPLAN: THE DEVELOPMENT PROCESS

Consultation with  
Member Countries

Consistency with Fund  
priorities (APD, TA  
Depts.)

Ongoing interaction  
with donors, bilateral  
projects and forums

LTX ongoing interaction  
with counterparts



# FY19 WORKPLAN: THE DEVELOPMENT PROCESS

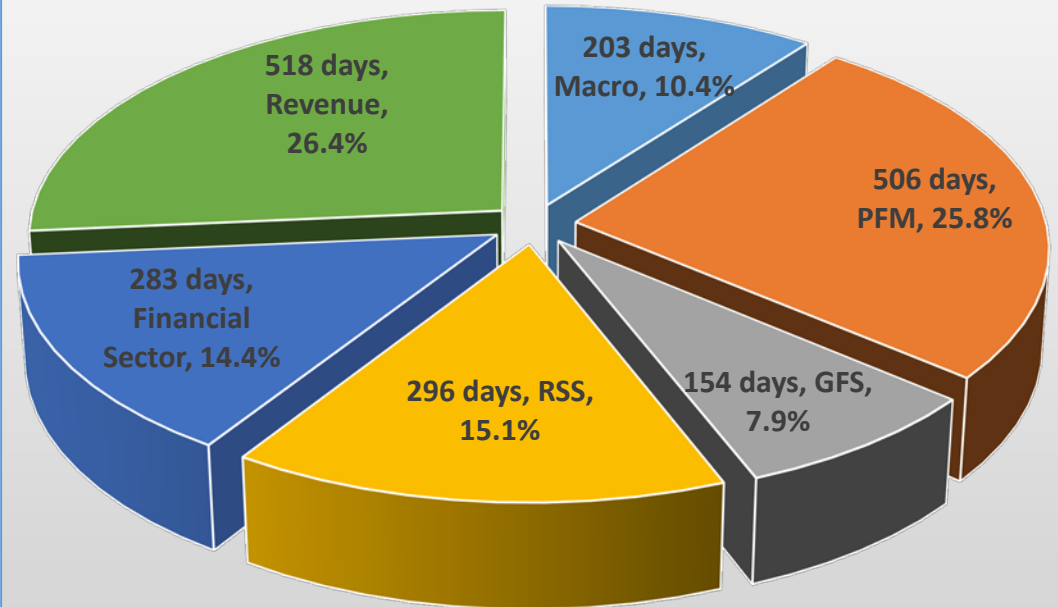
Consultation with Member Countries

Consistency with Fund priorities (APD, TA Depts.)

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LTX ongoing interaction with counterparts

FY19: Total 1,969 Mission Days by Program



# PROPOSED FY19 WORKPLAN AND BUDGET

- **Financial: Budget \$6.19 m, 18 % more than projected FY18 Outturn \$5.35 m:**
  - Resident Advisors (LTX): budget \$2.25 m, 7 % more than est. FY18 outturn of \$2.10 m
  - Short-Term Experts (STX): budget \$1.49 m, 2 % more than est. FY18 outturn of \$1.46 m
  - LTX Travel: budget \$0.39 m, 14 % more than FY18 outturn of \$0.34 m
  - Workshops/seminars/training: budget \$1.21 m, 36 % more than est. FY18 outturn of \$0.89 m
  - Other costs: budget \$0.69, 115 % more than est. FY18 outturn \$0.32m
- **Activity (LTX/STX field person days, excluding approx. 700 LTX days at PFTAC):**
  - **Planned 1,960 days, 7% more than projected FY18 Outturn of 1,830 days**
  - Of which, PFM: 506 days up from 504; Revenue: 518 days up from 482 (+7%); FSS 283 days up from 255 (+11%); RSS 296 days up from 289 days; GFS 154 days down from 163 days; Macro 203 days up from 137 days (+48%)





# FY19 WORK PLAN: REGIONAL WORKSHOPS/TRAINING

Table X. PFTAC FY19 Proposed Regional Workshop/Training Events

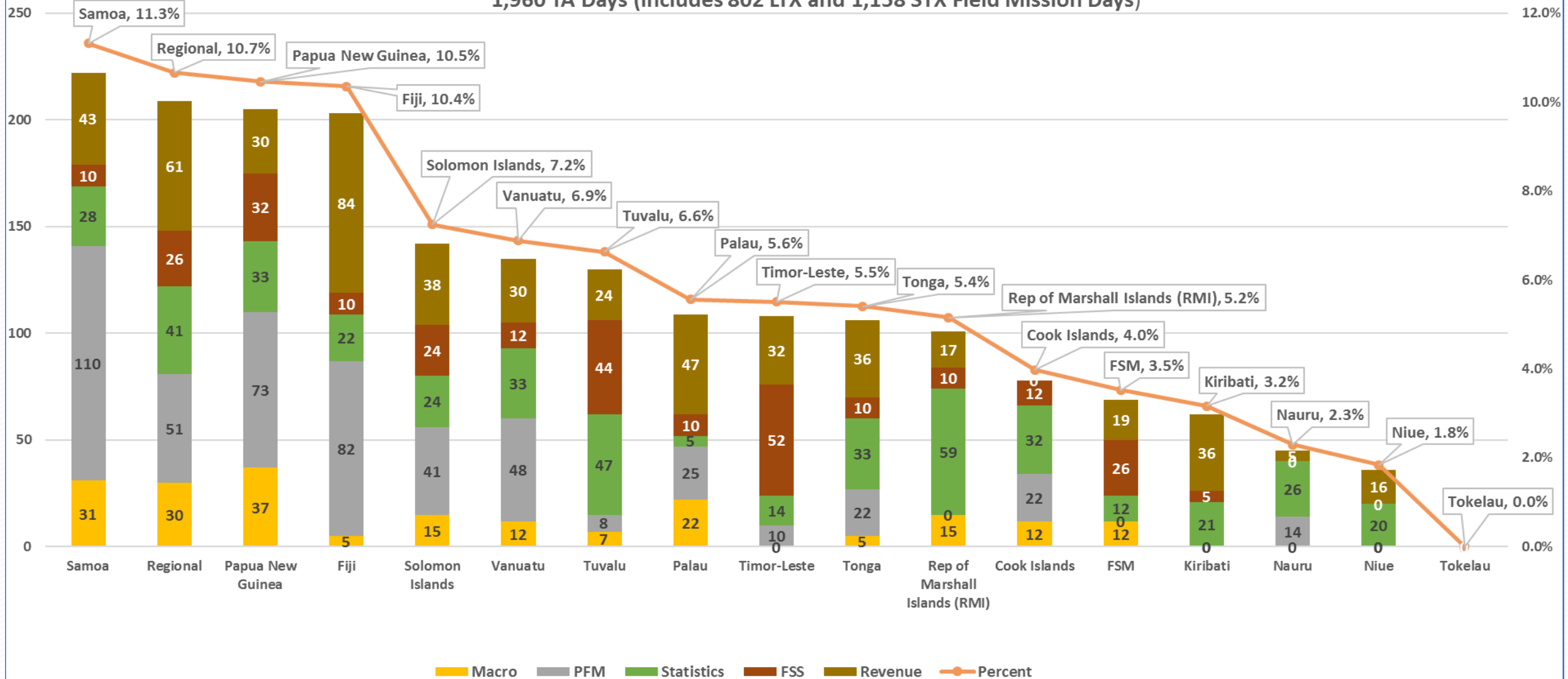
Sector	Partner	Possible Location	Topic	Est Date	Likely Duration
PFTAC	IMF APD/ICD	Nadi, Fiji	PFTAC 25th Anniversary - Pacific Growth	Dec 2018	3
Revenue	CARTAC/FAD	Washington	Joint Caribbean/Pacific Workshop on Revenue Reforms	June 2018	5
Revenue	PITAA	Nadi, Fiji	Managing Change in Modern Tax Administration	Aug 2018	5
Revenue	PITAA	Nadi, Fiji	Annual PITAA Heads Meeting: Overview of Regional Reforms	Sept 2018	3
Revenue	PITAA	Nadi, Fiji	Improving Tax Audit Management Expertise	Oct 2018	5
Revenue	PITAA	Nadi, Fiji	Improving Tax Return and Debt Management Capabilities	Jan 2019	5
FSS		Suva, Fiji	Insurance Regulation	May 2018	5
FSS	AFSPC	Port Vila, Vanuatu	Annual AFSPC Meeting and Joint Workshop	Aug 2018	5
FSS	APRA		Information Technology Risk Assessment & Supervision	July 2018	5
Statistics/GFS		Nadi, Fiji	Government Finance Statistics Training	Aug 2018	5
Statistics/GFS		Northern Pacific	Government Finance Statistics Training	Feb 2019	5
Macro/Statistics		Fiji	GDP, GNI and the Budget	Oct 2018	5
Statistics/RSS		Northern Pacific	Training for Northern Pacific Statistical Compilers	April 2019	5
Macro	IMF/ICD	Solomon Islands	Macroeconomics Course	July 2018	5
PFM	ADB/PRIF	Fiji	Infrastructure Planning and Investment	Oct 2018	5
PFM	PIFS	Suva, Fiji	PFM Leadership Conference	Sep 2018	3
PFM/Macro		Fiji	Cash Management	April 2019	5
PFM/ Macro	UN/ESCAP		Follow-up Budget and Planning Workshop	Nov 2018	5

- 25 % more events planned (up from 14 to 18) in FY19 vs. FY18

### Expert Mission Field Days from Workplan

FY19: May 2018 - April 2019

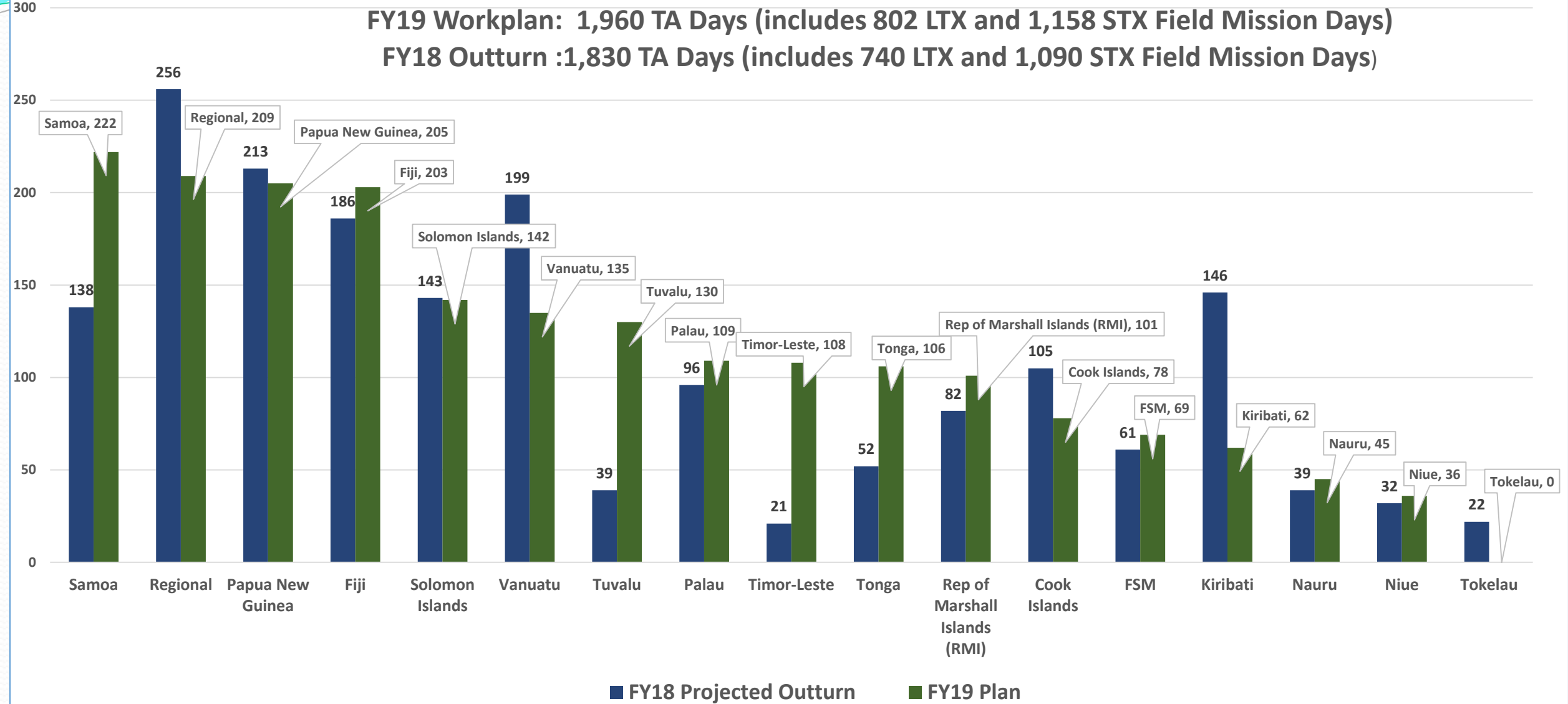
1,960 TA Days (includes 802 LTX and 1,158 STX Field Mission Days)



## Expert Mission Field Days Delivering TA - FY19 vs FY18

FY19 Workplan: 1,960 TA Days (includes 802 LTX and 1,158 STX Field Mission Days)

FY18 Outturn :1,830 TA Days (includes 740 LTX and 1,090 STX Field Mission Days)



# PROPOSED FY19 WORKPLAN BY COUNTRY

- Major beneficiaries (above 10 percent of resources):
  1. Samoa: 222 days planned, up from 138 (#6 FY18) – all programs, big PFM increase, 11.3 % of resources
  2. PNG: 205 days planned, down slightly from 213 days (#1 FY18), all programs, 10.5 % of resources
  3. Fiji: 203 days planned, up from 186 days (#3 FY18), all programs active, 10.4 % of resources
- Moderate beneficiaries (5 < 10 percent of resources):
  4. Solomon Islands: 142 days, steady from 143 (#5 FY18), all programs active, 7.2% of resources
  5. Vanuatu: 135 days, down from 199 (#2 FY18), all programs active, 6.9% of resources
  6. Tuvalu: 130 days, up from 39 (#13 FY18), all programs big increase in RSS & FSS, 6.6% of resources
  7. Palau: 109 days, up from 96 (#8FY17), driven by tax reform and PEFA, 5.6% of resources
  8. Timor-Leste: 108 days, up from 21 (#16 FY18), big increase in FSS & Revenue, 5.5% of resources



# PROPOSED FY19 WORKPLAN BY COUNTRY

- Moderate beneficiaries continued (5 < 10 percent of resources):
  9. Tonga: 106 days, up from 52 (#11 FY18), all programs active, 5.4% of resources
  10. RMI: 82 days, down from 101 (#9 FY18), RSS/ESS, 5.2% of resources
- Targeted TA Users:
  11. Cook Islands: 78 days planned, down from 105 (#7 FY18), all but tax – 4.0% of resources
  12. FSM: 61 days planned, down from 69 days (#10 FY18), all but PFM, 3.5 % of resources
  13. Kiribati: 62 days planned, down up from 146 days (#4 FY18), 3.2 % of resources
  14. Nauru: 45 days planned, up from 39 days (#12 FY18), fiscal & statistics, 2.3 % of resources
  15. Niue: 36 days planned, up from 32 days (#14 FY18), revenue and RSS, 1.8 % of resources
  16. Tokelau: 0 days planned, down from 22 days (#15 FY18)



# FINALIZATION AND EVOLUTION OF FY19 WORKPLAN

- The FY2019 workplan has been developed with extensive consultation with all stakeholders – beneficiary countries, development partners, IMF TA Departments and the Asia Pacific Department
- ***The presented work plan is subject to change***, but unlikely more than at the margin:
  - Process at IMF Headquarters only concludes in late April that could lead to late adjustments from reprioritization discussions between Asia Pacific Department and TA Departments
  - Unplanned needs identified during SC consultations may be accommodated in mid-year update subject to resource constraints and concurrence of all parties, or earlier if urgent.
  - Close monitoring of cost and resource utilization may identify space for earlier change or rescheduling.
- ***As in FY18, execution of the Workplan will be closely monitored:***
  - Progress execution updates with Quarterly Reports
  - Mid-Year review and updated plan circulated in November 2018



# FORMAL ENDORSEMENT OF THE FY19 WORKPLAN & BUDGET

*The workplan and budget for FY2019 is presented for formal endorsement by the Steering Committee...*



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**Thankyou.**