

# PFTAC Steering Committee

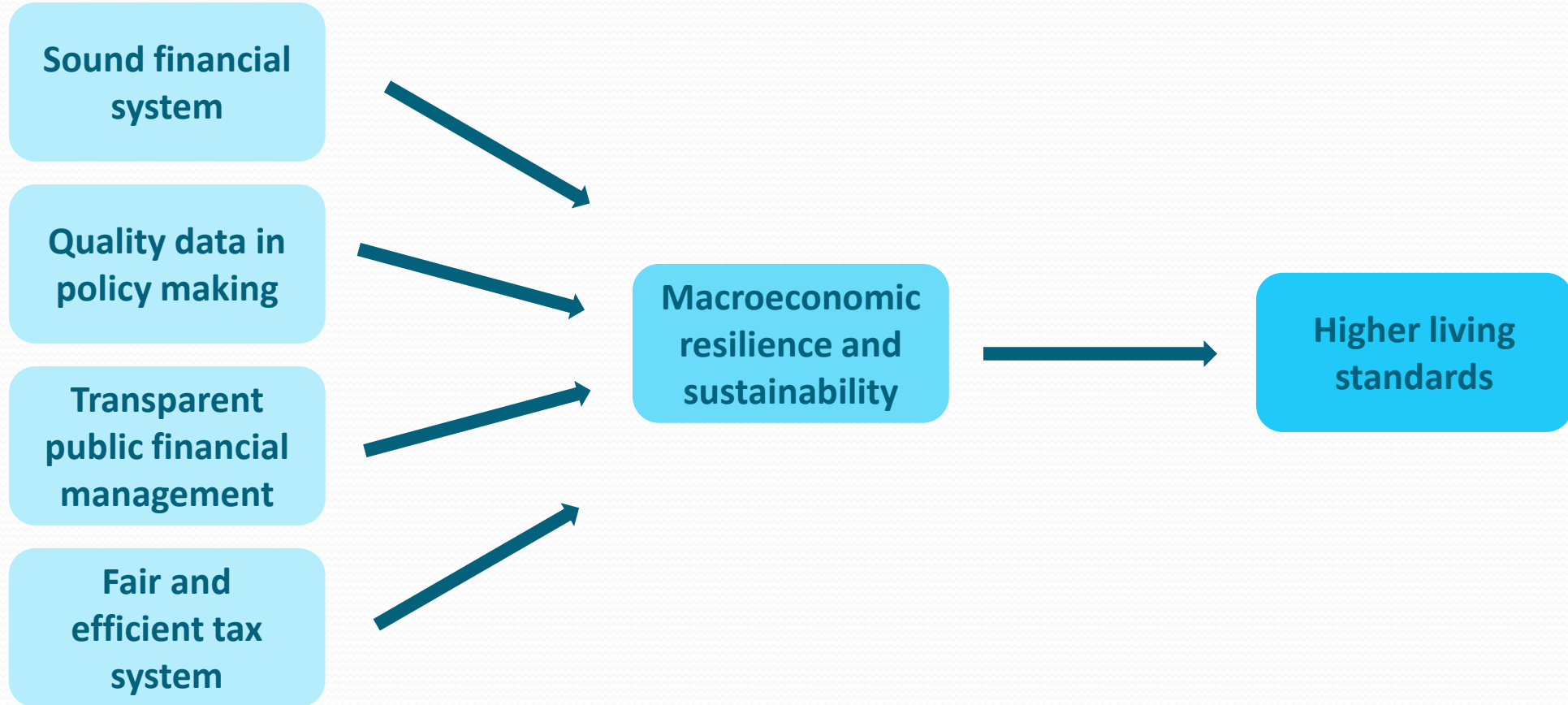
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Macroeconomic Programming and Analysis

Iris Claus



# Higher living standards



# Macroeconomic Prog & Analysis - FY2018 Program

Activity Type	Planned (adj. mid-year)	Outturn	Outturn vs planned	Outturn vs FY17
Missions	15	13	87%	163%
Regional events	5	5	100%	83%
TA mission days	144	137	95%	84%
LTX	130	137	105%	84%
STX	14	0	0%	0%
Local Budget	\$ 390k	\$ 193k +100 LTX backstop days	49%	----

# Macroeconomic Prog & Analysis - FY2018 Program Results

- **Cook Islands** produces GDP forecasts by expenditure and production.
- **Fiji** hosted attachments from the Samoa Macroeconomic Committee to share experiences about producing and publishing economic forecasts.
- **Palau** developed tools to assess the impact of Compact grants terminating, reduced fishing revenue as a result of the Palau National Marine Sanctuary Act, and population ageing, and to analyze fiscal reform options.
- The **PNG** macroeconomic and fiscal framework is the first in the region to forecast the revenue impact of tax expenditures.
- **RMI** continues to develop a medium-term fiscal framework, budget documentation, and medium-term budgeting.



# Macroeconomic Prog & Analysis - FY2018 Program Results

- The **Samoa** Economic and Revenue Forecasting (SERF) Model is the first in the region to forecast employment and wages. It is now used for debt sustainability analysis.
- **Solomon Islands** will co-host the first PFTAC / ICD / STI Pacific course.
- The IMF Article IV Mission Chief commented on **Tonga's** budget statement:  
“(T)he MFNP team (...) produced high quality gross domestic product (GDP) projections for FY2017/18 and the medium term that were very realistic and well thought through.”
- **Tuvalu** is developing GPD forecasting to enhance the medium-term fiscal framework and cash forecasting.

**Vanuatu** is the first country to forecast revenue collection by industries.



# Macroeconomic Prog & Analysis - FY2018 Program Results

- **Regional events:** (i) compiling and forecasting GDP, (ii) expenditure planning for sustainable development, (iii) fishing revenue forecasting and management, (iv) GDP, government finance statistics and fiscal projections (in April).
- The expenditure workshop was organized with UNESCAP and included a session on inclusive budgeting. It was co-hosted by Samoa and attended by sector experts from Samoan ministries.
- The fishing workshop was co-hosted by the RMI government.
- One participant commented in the evaluation:  
“This is the best workshop I ever attended.”
- The event also achieved good coverage in social media and the local newspaper.



# Macroeconomic Prog & Analysis - FY2019 Plans & Priorities

- 21 missions; 3 regional events; 203 TA days: 140 LTX days & 63 STX days
  - vs FY18 outturn: +8 missions; -2 events; +66 TA days; +3 LTX days & +63 STX days
- Cook Islands, Fiji, Palau, PNG, RMI, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu now have macroeconomic and fiscal frameworks.
  - Support use and further development of the frameworks (enhance fishing revenue forecasts, incorporate population projections and sustainability analysis)
  - Support development of medium-term fiscal frameworks (with PFM)
  - Enhance economic and fiscal forecasting, reporting and monitoring, and budget documentation (with PFM and Statistics)



# Macroeconomic Prog & Analysis - FY2019 Plans & Priorities

- South-south learning:
  - Staff attachments between Fiji, Samoa, and Tonga
- Regional events:
  - Workshop on “Gross domestic product, gross national income, and the budget” (with PFM and Statistics)
  - Workshop on “Cash forecasting” (with PFM)
  - Pacific macroeconomics course (co-hosted by Solomon Islands, with the IMF Institute for Capacity Development and Singapore Training Institute)
- Prepare hand-over to incoming macroeconomics advisor



Australian Government  
Department of Foreign Affairs and Trade

