PACIFIC FINANCIAL TECHNICAL ASSISTANCE CENTRE STEERING COMMITTEE MEETING

Virtual from Suva, Fiji

Thursday, December 2, 2021

Contents

Introduction:

David Kloeden welcomed the virtual PFTAC Steering Committee meeting for the mid-point of the 2022 fiscal year noting it is a busy time of the year, so it was greatly appreciated that participants had made their time available to meet and discuss a range of important issues needing the views and input from as many Steering Committee members and stakeholders as possible. He acknowledged the hosts of PFTAC, the Government of Fiji and particularly the Reserve Bank of Fiji and welcomed back the chairperson for the day as was the case in June and July, Deputy Governor Esala Masitabua. He then explained that IMF and PFTAC staff would present more than normally preferred as our aim is usually to have a better balance of stakeholder-led presentations. This is an unfortunate necessity given several of the agenda items, particularly with respect to sharing the Phase VI plans as well as to wrap-up the mid-term external evaluation of PFTAC's fifth phase with a presentation of the IMF's Action Plan. He encouraged interventions with questions, comments of support, or suggestions for improvement or consideration.

Over the course of 2021, PFTAC has benefited from the generosity of seven donors with all pledged contributions from the donor community for Phase V now received for which we are very grateful. Palau was welcomed as the 15th member country having recently signed a Letter of Understanding to financially contribute to Phase V operations.

Welcome Comments by Ms. Ann-Margret Westin, Deputy Chief of Global Partnership Division of IMF's Institute for Capacity Development (ICD)

Ms. Westin welcomed PFTAC Steering Committee members, observers, and IMF colleagues, noting it was a great pleasure to meet again virtually, explaining an intention to share some perspectives on recent developments related to the Fund's Capacity Development agenda.

The IMF is stepping up its engagement on new and existing areas in response to the new global environment. These areas include **climate change, digitalization, and gender and inclusion**. The Fund has already been active in each of these areas, particularly in our work in the Pacific.

Building on our work so far, we are now looking to identify and manage the macro-critical implications of these issues for all of our members, working closely with our partners. The goal is to ensure that the Fund's advice reflects a full range of relevant factors for our members in a changing world, while also working in partnership with other partners. Just to give some illustration of this, on **climate change** we are working together with our partners to assist members address the **macro-critical aspects of mitigation, transition to net zero, and adaptation**; on **digital money** we are supporting the membership to analyze and address the implications of digital money on macroeconomic and financial stability, including through the establishment of **Central Bank Digital Currencies.**

We are stepping up our work on **gende**r by supporting **mainstreaming of gender issues** in our country work, and on **inclusion**, we are expanding our capacity to **support fragile and conflict-affected states**, including through **reinforced field presence** and closer engagement with partners.

As the IMF scales up its overall work in these areas, we also expect our capacity development activities to increase in the coming years. In particular, the Fund has been working on a **budget proposal** to allocate additional resources to these three areas, including through more CD delivery via the regional centers. Also, the proposed allocation of more of the **IMF's own resources directly to the regional capacity development centers** is welcome, and reflects the Fund's increased focus on its field presence.

Partnerships are critical to the success of the IMF's Capacity Development and donor funding remains a critical pillar of this. More than half of our CD activities is externally funded, and demand is continuing to grow. We greatly value our partnerships with donors for Capacity Development, which foster **peer learning and information sharing on good practices** for our core work. In this context, we thank PFTAC partners for their generous support provided to PFTAC over the current phase.

We continue to explore how we can further strengthen our collaboration to maximize our impact and welcome feedback in this respect. Looking ahead, as PFTAC prepares for its **sixth phase**, we encourage PFTAC partners to consider renewing their support at the earliest opportunity, which would enable a seamless transition of our operations for the next phase.

Welcome Comments by Mr. Esala Masitabua, PFTAC Steering Committee Chairperson and Deputy Governor of the Reserve Bank of Fiji (RBF)

Thank you to David and everyone **on behalf of Fiji's Minister of Economy and the Permanent Secretary of Economy, and the Governor of the Reserve Bank.** Due to the challenges of meeting virtually, time, and connectivity in particular, expediency dictates a significant deferral to David to drive the agenda and discussions. So, besides the opening and closing remarks and soliciting and summarizing feedback from the members as required, the only other time I expect to figure prominently will probably be around the agenda item on the proposed steering committee governance arrangements.

It seems a long time ago since our last meeting in July. This is probably because a lot has happened since then. When we last met in July, Fiji was recording over a thousand COVID infections daily. Our medical resources were stretched and creaking under immense pressure. Our National Sporting facilities, including the National Stadium and the National Gymnasium were like something out of a war movie with tents and emergency medical facilities set up everywhere. And to cope with increasing infections, the outcomes we achieved arose from suppression with mitigation as vaccinations were ramped up, backed by a national mandate.

And over time, we've seen developed countries vaccinated and reopen with the challenges from a divergent situation shifting global circumstances, but we took this challenge head on. Developing countries seemed to have been plodding away in a dark tunnel. So, we are extremely grateful to the donor countries for their support, and many of them who are represented in the Steering Committee. And the multilateral agencies have assisted us in some of our darkest hours we have experienced as policy makers. **After months of hard work by various stakeholders, the private and public sector in Fiji was able to reach a position to begin opening our borders again from yesterday, the 1st of December.** This is despite the headwinds and a new COVID variant that we are tracking that has escalated over the past few days. But despite that, the economic prospects and the outlook has never been brighter since the onset of a pandemic in early 2020.

So, despite the sad developments in the Solomon Islands over recent weeks, I'm sure that **most of our member Pacific island countries are experiencing the same relative optimism around the prospects of improved economic and social fortunes for our citizens.**

Which brings me to our agenda this morning. it's quite a stacked program that David has alluded to and which is driven like most steering committees to evaluate our progress and plot our future. With those few words I wish you all well over the next two hours or so and I look forward to your active participation.

Review and Report of First Half of FY2022 - Mr. David Kloeden, PFTAC Director

Before providing the FY2022 mid-year update, Mr. Kloeden welcomed the newest staff member of PFTAC, Ms. Katrina Williams who joined the team on October 18th in a newly established position as the second resident revenue advisor. Katrina has 40 years of public sector experience, the last 24 years in Inland Revenue New Zealand. She brings expertise in the design and delivery of all core revenue functions, in strategic and multi-year planning, and in compliance-related intervention design. Katrina has an extensive background in organizational reform, revenue administration modernization, and change and innovation, and recently led New Zealand Inland Revenue's organizational design and change group. Her extensive experience will complement the work of the current advisor Georg Eysselein in taking the PFTAC revenue program to the next level.

In turning to an update of the PFTAC programs at the mid-point of FY2022, **CD delivery was noted as having become increasingly challenging** with missions taking longer and requiring more resources than was experienced during the same period a year earlier. Increasingly requests are made to defer delivery until travel can resume, and some planned activities cannot move forward because prerequisite steps have stalled. Some countries have understandably prioritized urgent actions to manage COVID-19 outbreaks over CD, but fatigue is emerging even in some COVID-free countries. Everyone is looking forward to a post-COVID world that allows a resumption of travel and in-person reengagement, but building on those practices that have worked well in a virtual world.

Compared to the mid-point of FY2021, there has been a slight decline in the number of missions delivered down from 55 to 50 by mid-FY2022, but conversely with a large increase in the number of TA days utilized up from 556 to 834.

The proposed adjusted FY2022 workplans now aim to deliver 158 missions and activities versus the original plan of 200, a reduction of 21 percent using 2,455 TA days, which is only a 9 percent reduction over the original plan, reflecting the longer duration and extra resources to continue virtual engagement. Measured against the adjusted plans, execution at mid-year is approximately one third.

On the training front, 8 of 18 planned events have been delivered, shown on slide 6. Despite the challenges, the share of CD to fragile states is up marginally from FY2021, but still short of the Phase V average of about 34 percent.

Two pie charts at slide 7 illustrate the number of days by country and program of direct TA delivery on missions and training events by the resident and short-term experts. In addition to these 834 TA days, the resident advisors worked another 557 days at PFTAC or their virtual office, amounting to 1,391 TA days for the six-month period.

Countries like **Tonga**, **Cook Islands**, **Solomon Islands**, and **Papua New Guinea** have continued to be the bigger users of PFTAC services, while the share by **Fiji** and **Samoa** that is traditionally sizable has temporarily declined given the COVID outbreak and change of government. Conversely, **Palau** has received substantial help towards the ambitious reform agenda of the new government, as well as a step-up in **Niue**.

Looking at activity by program, the Macro program has performed strongly moving to second place given expanded use of short-term experts responding to new demands on tax reform modeling, nontax revenue reform, training in financial programing and inflation forecasting, and increased work on medium-term frameworks including in collaboration with recently launched ICD programs.

The Statistics programs have delivered close to their workplans, but the financial sector supervision program has faced specific challenges in delivering an extremely ambitious workplan with many missions having to be postponed to FY2023.

Slide 8 shows the net effect of the proposed changes to the FY2022 workplans by country with the blue bars being the original plan versus the adjusted plan in the red bars. The green line against the right axis indicates the percentage of delivery against the adjusted workplan by country.

An important point noted was the workplan reductions mostly arise from a deferral of missions or activities until FY2023 when travel is hoped to restart. Other changes reflect some new activities as well as resource changes to existing activities. The full details were circulated to members before the meeting in workplans laid out by program and country that are now posted on the PFTAC website.

Overall, six countries (**Nauru**, **Niue**, **Marshall Islands**, **Solomon Islands**, **Tonga and Tuvalu**) **see increases in the volume of TA they will receive** along with regional TA delivery versus the original plan. Net declines are experienced across the other 10 PFTAC countries, that more than offset the increase. Of these 10 countries, **Fiji** and **Timor-Leste** account for the biggest reductions.

Hopefully participants were able to see the elaboration in the note circulated before the meeting as well as in the write-up in the recent Quarterly Report.

> ***Endorsement of the mid-year FY2022 workplan amendments was proposed by Cook Islands by Finance Secretary Garth Henderson, seconded by John Peterson on behalf of Nauru, and endorsed by consensus by the SC members.***

Moving to the second item for consideration and endorsement by members. In June, an extension of Phase V beyond the original end-date in April 2022 was endorsed for a minimum extension of six months, and most likely a full-year through April 2023 depending on expenditure projections.

Of the endorsed FY2022 budget of US$7.335 million inclusive of trust fund fee, a yearend outturn is projected to be within a range of $4 - $5 million, most likely around US$ 4.5 million. This would provide a robust balance that is projected between US$ 7.6 million and US$ 8.6 million on-hand in May 2022, with the most likely scenario around US$8.0 million.

A detailed full-year FY2023 workplan and budget will be developed and presented at the May 2022 meeting based on the actual FY2022 outturn. However, the funds expected to be on-hand will be sufficient to finance a work program on par or greater than any year of activity before COVID-19, including extensive travel and in-person training.

A proposal that could be considered in May is to accelerate some activities and resources planned for Phase VI if available funds exceed the cost of an ambitious but achievable work program to minimize the risk of remaining unspent Phase V balances at yearend. These options will also be presented in May subject to reactions to the proposed Phase VI program.

Eric Aelbers from the ADB inquired whether there was an option in carrying-forward funds beyond Phase V whether the share of any particular donor could be designated for immediate consumption in Phase VI to meet internal utilization donor rules. David Kloeden indicated that he believed the IMF had some such arrangement for prioritization of consumption and called upon **Ann-Margret Westin from ICD** who confirmed that agreement is possible to recognize priority consumption for a specific donor.

Endorsement of the extension of Phase V for a full year between May 1, 2022 through April 30, 2023 was proposed by ADB by Erik Aelbers, seconded by Marga Peeters from the European Union, and endorsed by consensus by the SC members.

Mr. Silas Rinehart – Director of the Palau Bureau of Revenue and Taxation

To conclude the segment focused on activities in the first half of fiscal year 2022, Mr. Kloeden called upon a representative of a member country to provide a short briefing on recent support they have been receiving from PFTAC. The director of the Palau Bureau of Revenue and Taxation, Mr. Rhinehart Silas was invited to talk about the ambitious reform package that the new Palau administration that came into office in January 2021 has been pursuing.

Mr. Silas began by noting that this is not the first time such tax reforms have been attempted, with latest efforts building on efforts over almost two decades. In early 2021 Palau renewed efforts to tackle tax reform again, including with assistance from PFTAC. The new government managed to get the Palau Congress to approve a new tax law after considerable effort, comprising primarily, **a Goods and Services Tax (GST) as well as a Business Profits Tax that are both planned to start from January 1, 2023.** We have been working hard on this in recent years, including drafting the legislation and identifying the needed resources. From PFTAC we have benefited from the legal drafting expertise of Professor Lee Burns and for tax administration planning and preparations, PFTAC expert David Piper.

Our GST will have a high threshold of $US 300,000 annual turnover for businesses to be required to register to keep the regime manageable, but smaller businesses may voluntarily register if they wish. We have a very ambitious work program ahead in the lead up to the January 1, 2023 start date, with many steps to complete over the next 10 – 12 months. This includes ensuring we have the best organizational structure for our tax administration, as well as having the human resources ready in terms of numbers and expertise. With the law now passed, there is a lot of additional work to prepare supporting regulations. We also have a challenge to ensure we have an adequate IT system in place for the reforms given we currently have two legacy systems, one for customs and the other for tax administration that were custom developed for Palau, but we now need to determine the best platform for the future. These can be very expensive investments that must be made and managed carefully. We are very grateful to PFTAC who had an IT expert recently evaluate the functionality and suitability of our IT systems that will help in our decision making.

Access to Climate Finance in Pacific Island Countries - Ms. Natalija Novata, IMF Asia Pacific Dept

In introducing the next speaker, David Kloeden noted that time had been allocated in the agenda to share the outcome of some very interesting and important research and findings about an issue of great concern to the Pacific. With COP26 just concluded, and the heightened attention to climate change that Pacific Islanders need no reminder, over recent years there have been promises of large sums of money for climate change mitigation and most importantly for the Pacific, adaptation. However, expectations have fallen short. The amounts available have been less than anticipated and the pathways for access have been complicated, frustrating many in the Pacific at both the national and regional level.

Given this, a group of IMF staff from the Asia Pacific Department and the Fiscal Affairs Department have completed a very insightful body of research that was recently published in a departmental paper that one of the authors, Ms. Natalija Novta will present and respond to any questions or comments.

This is very timely work that dovetails nicely with the stepped-up focus of PFTAC particularly in the Public Financial Management space through previously described examples such as the PEFA Climate assessment in Samoa, Climate Change Policy Assessments in Tonga and Micronesia, and work with the Pacific Island Forum Secretariat through a technical working group on PFM and Climate Finance.

Ms. Novata began by noting that the early work covered the track record of access to climate finance by the Pacific Island countries and the climate adaptation needs and the overall architecture that is available to Pacific Island countries. She now intended to present the latter part of the project which mostly looks at the access requirements, the successes and challenges so far, and the ways in which IMF capacity development tools can help countries overcome the challenges.

The Pacific Islands have a very large climate finance gap. On slide 2 of the presentation, the blue bar shows the estimated annual financing needs for climate adaptation for the Pacific based on country-by-country IMF estimates of existing infrastructure and exposure to climate risks. Pulling it all together, **the Pacific islands as a group need about a USD 1 billion annually for climate adaptation alone.** The GCF approved funds overall since it started operating in 2015 have been about half the annual needs and the disbursed funds have been about half that. Overall, there is generally a large gap between committed and disbursed funds, reflecting hurdles in accessing climate finance, particularly at the initial or accreditation stage, as well as at the later stages of project approval and project implementation.

To begin, what are the requirements to access climate finance and climate funds generally? They are focused heavily on public financial management provisions including fiduciary standards, transparency, and accountability provisions. They could include gender policies, environmental and social safeguards, as well as anti-money laundering provisions. These can be challenging to satisfy at the accreditation stage. When looking at the GCF as covered in detail in the paper, we see the rigor and requirements depend on various factors of which we identify four characteristics of importance.

The access modality that countries wish to pursue is important with different requirements for direct access or through international or regional entities. This also depends on the scale of intended activities and whether countries want to be accredited for micro projects up to USD 10 million or larger projects up to USD 250 million. Some countries start the accreditation process hoping to be accredited for larger projects, but end up only accredited for micro-size projects. It also depends on the nature of activities to be pursued, whether the accredited entity would also cover project management, grant management, or on lending. Access requirements also depend on the phase in the climate life cycle of the project and whether this covers accreditation or also project design, project development, and approval as well as implementation.

Access hurdles can occur across the climate finance life cycle whether at the accreditation phase or the project approval and implementation phases. For accreditation, there are differences whether a country seeks direct access through a nationally accredited entity, or works through a regional or international accredited entity. And then at the project approval and implementation phase, hurdles can be faced at each step in the process such as the project concept note, development project approval stage, project implementation, and when funds are disbursed.

Slide 7 draws on discussions with Pacific Island authorities, including some present. **Summarized are the successes and challenges from different countries at the accreditation stage and as shown in slide 8 at the project approval or implementation stage.** The types of challenges and successes vary by the type of access, whether direct access or regional or international access. Most discussion is focused on direct access as this is the stage where most countries are now, and this is where they have faced most challenges. **The biggest challenge has been the access requirements that are very complex with a**

lengthy accreditation process that then requires reaccreditation every 5 years. So, by the time some countries could finally achieve accreditation they immediately had to focus on reaccreditation.

Rather than focusing on developing and implementing projects, many Pacific countries have been dealing with accreditation. This has required significant resources**,** in many cases where capacity and resources are already very thin which creates opportunity costs. In terms of successes, there has been reciprocal recognition allowing for fast tracking for some countries, but the process is still lengthy. **Readiness funding grants have been usefully deployed, and the gap assessments that countries have received have been helpful.** For regional and international access, the challenges are similar given the demand is often beyond what the regional and international accredited entities can support. Some countries are left behind in tackling their national priority projects that may not match the priorities of possible international partners. It can sometimes be difficult to find an international partner for the types of projects sought by some countries. In the case of regional access, the constraint may be that the regional accredited entities can only support relatively small to medium size projects.

Projects in partnership with international accredited entities have been quite successful given the circumstances with relatively large amounts of funding made available even in low capacity countries, with implementation occurring earlier than what would have been possible under direct access. For the regional entities, some of the key successes so far have been with the GCF. After accreditation and in the project approval and implementation stages, the challenges faced by countries have been with insufficient human resources and technical skills to develop the projects and with delays with disbursement. There is also an overall recognition of difficulties to get funding for adaptation projects, harder than for mitigation projects. However, there are some successes with countries monitoring climate flows, in particular with climate budget tagging. Some countries have introduced climate units to coordinate common finance activities that seem to be helping make more strategic decisions regarding climate finance.

Many of the finance access requirements are PFM related which the detailed review identified hundreds. They have been categorized across seven core areas including strong control frameworks and accountability mechanisms, including many with respect to corporate governance as well as transparency plus internal and external audit. These requirements take time to develop. Not only do the countries need to have these policies in place and prove they exist, but demonstrate a track record of policy implementation which the GCF panel must deem as adequate – a difficult concept.

Slide 10 shows the **PFM requirements across the climate finance life cycle,** with the left column reflecting the possible access modalities, namely direct access, international access, and regional access through regionally credited entities. Next is the intended scale of activities and different access requirements, and the nature of the activities, whether project management, awarding grants, or on-lending. There are different requirements for the phases of life cycle accreditation or project development. Some basic requirements are listed including corporate governance, financial reporting, budget, audit, internal controls, procurement and transparency. And then there are public investment management requirements especially for project development, approval, and implementation.

The PFM tools available **include the CMAP, the climate macroeconomic assessment program; PEFA climate**, namely the public expenditure finance assessment with the new climate module, and the **PIMA or public investment management assessment that now includes a climate module.** Green budgeting can help with some of the basic standards. The PEFA assessment can help countries see where they are across the different categories of PFM, and the PIMA can help at the project management level and in terms of specialized standards at the various stages in project development approval and implementation. The CMAP tool can help overall with both the PFM foundations and the public investment management practices, making an assessment of the gaps in terms of country preparations for climate investment.

In terms of the key conclusions, the main point is that grant based instruments are needed to meet climate adaptation costs in small and fragile countries in the Pacific. While direct access has been the preferred pathway for Pacific island countries, progress has been too slow despite efforts by both the green climate fund and other funds to support countries. Third, international access to climate funds has been the most successful modality so far, but some countries may be left behind if the types of projects that they pursue as national priorities do not coincide with the priorities of the international organizations. Fourth, the GCF direct access requirements are very complex and take time for countries to be able to meet. Fifth, despite the difficulties, countries should continue to build public financial management and public investment management capacity, incorporating green budgeting into their reform plans. And six, and overall, a mix of access modalities is needed for the Pacific that should be strategically deployed without relying just on direct access that is likely to be insufficient alone, given the urgency of climate adaptation needs in the region it would be impossible to meet these needs with just direct access. On the other hand, pursuing direct access to allow realization of national priorities is important for some countries where international partners cannot provide that support.

In terms of the way forward, we looked at the three key stakeholders - the Pacific Island Countries, the Climate Funds, and the IMF.

For the Pacific island countries, dedicated climate finance units were observed as helping countries be more strategic to match climate project proposals for potential funding sources. They can choose between different international partners in approaching climate funds, or bilateral donors, depending on the type of project being pursued.

Following discussions with the GCF, **we recommend that climate funds further consider streamlining and prioritizing access requirements** with respect to which requirements are a priority and those that are recommended so that countries are not overwhelmed. Second, we recommend greater focus on ex post monitoring rather than all these ex ante requirements that delay access to climate funds by five years or more. And third, we recommend seeking other innovative ways to reduce the accreditation burden beyond fast tracking. For example, we are aware that the GCF is considering project specific accreditation, for example, so that if a country has a very large and important national priority project, they could be accredited for just that project individually.

And finally, regarding the role of the IMF, we will continue to help countries build capacity in public investment management. We are also working very hard to integrate climate change into our annual macroeconomic surveillance in a consistent analytical manner across our membership. Finally, we plan to continue using our convening power to discuss climate adaptation issues and issues of access to climate finance, including through different forums such as the Spring and Annual Meetings as we have done in the past.

The **European Union asked which international organizations** are referred to which Ms. Novata clarified include International Accredited Entities such as the multilateral agencies such as the World Bank, the ADB, and the UNDP who are authorized to access GCF funds. **Mr. Jean-Paul Penrose from the UK High Commission enquired how receptive the GCF was to change** that Ms. Novata explained the GCF themselves had analyzed the challenges that they were aware of and were looking to streamline and make access to financing more accessible, but within the limitations they face as an international institution.

Phase V Mid-Term External Evaluation Action Plan - Mr. James Yoo, IMF Institute for Capacity Development

We next invited James Yoo from the Global Partnerships division of the Institute Capacity Development to run through **IMF's Action Plan to PFTAC's Phase V mid-term external evaluation** which was presented in detail by the evaluators in June. At that time, we provided some preliminary responses to the evaluators' findings and recommendations that have now been pulled together in the Action Plan that James will now present.

James noted his intention to share perspectives on behalf of the IMF's committee that worked on the evaluation over many months with respect to the recommendations contained in the midterm evaluation report, including actions to address the issues raised. He thanked the Steering Committee members and IMF colleagues for participating in this exercise and for their valuable contributions.

Eight recommendations shown on Slide 14 cover operational and strategic issues, governance, delivery modalities, human resource issues, results based management, and strategic priorities, and their integration.

On the first recommendation relating to PFTAC governance, the report found that there was scope for more member country engagement through the steering committee. The report set out proposals for strengthening governance that are broadly accepted and member countries will continue to be encouraged to play an active role. In terms of next steps, PFTAC plans to hold additional virtual meetings between the annual steering committee meetings. Secondly, we have shared a draft guidance note to be discussed later today with some ideas and options on steering committee governance including proposals like defining tenure for the position of chairperson and establishing a new vice chair position, and possibly a new subcommittee. These ideas will be discussed with members over the coming months in the lead up to the next annual meeting, with the proposals considered in full consultation with members. Also, any steering committee reforms will take into account expected resource requirements and capacity as well.

Regarding the recommendation of a hybrid work model, we agree again with the recommendation on the adoption of the hybrid model in principle although the IMF is actively working on the issue through an IMF wide working group to examine all aspects of Fund operations. At this stage it is too early to say what the model will look like, but **there is a growing consensus that remote delivery has proven effective and there is a place for it in in the post COVID world, but it is not a substitute for in-person delivery,** but we will consider the most effective approaches for hybrid delivery. On capacity development, the outcome of this work will help inform the hybrid model for the future headquarters and field based operations with the right balance expected to evolve.

On the recommendation on addressing development gaps, we broadly agree with the recommendation. **PFTAC works with a large number of development partners and regional institutions and we seek to further build on these partnerships as many capacity issues cannot be addressed alone.** Specifically, it is recognized that this issue is primarily focused on national statistics offices (NSO) in fragile and small states. There is a possible approach being considered for the next phase for a dedicated expert to be assigned, recognizing that more resources and further support in this area would be beneficial and as mentioned earlier, the IMF is looking to do more.

There were two HR related recommendations highlighted in the report related to the provision of increased support to resident advisors. We agree with these recommendations and propose a number of actions to improve succession planning and on-boarding to reduce any potential disruption. Some adjustments in this direction would help strengthen staff transition. This requires consultation between CD departments and additionally discussions about steps to address HR practices with respect to local staff that are ongoing. For example, performance assessments have now been introduced for local staff, and there is more harmonization with headquarters with increased provision of training.

We agree on improving the use of Results Based Management with closer engagement with member countries with greater ownership. We would like to continue using steering committee meetings as in the past to discuss RBM expectations at a strategic level and to agree on strategic program objectives that are aligned to log frames. This type of discussion has been helpful in the past but to be truly effective needs to be conducted in person. And, lastly on the new CD-MAP system which has been implemented over the past year, we expect to provide additional opportunities to strengthen the RBM framework.

On the integration of priority themes, we believe that PFTAC has been highly responsive on cross cutting issues as has been described already on climate change and gender over phase 5 and we see opportunities to further support integrating these issues in our work programs where feasible to support sustainable and inclusive growth. As has been mentioned earlier, there is potential for further growth and integration of these areas into programs, subject to IMF management and board approval so that is considered in our Phase 6 thinking. And finally, we stress that this process should always be demand driven and that the beneficiaries are in the lead to be reflective of the priorities of the region.

Finally, on the last recommendation relating to the development of regional expertise and allocating more resources to engage and provide support to locally recruited experts, **we also agree and support the proposal for expanding a pool and pipeline of potential experts from the region.** We are conscious that this is a long term effort that takes time for results to materialize. In principle this is an area that we would like to work more on and explore how initiatives can be taken forward with initiative such as an internship program that has worked well in other centers. We also see some scope for continued collaboration with universities as well, and scope for more peer learning.

Chairperson Masitabua from Fiji questioned the meaning where recommendations of the evaluators produced IMF responses from the IMF as partially agreed. **James Yoo** noted that there was nothing major of substance that the IMF disagreed with the evaluators. **David Kloeden** noted that many of the recommendations were multipart, so Partial Agreement is reflective that the long-term reaction could include the evaluators advice or the preference of the Steering Committee. For example, the recommendation to create a Steering Committee sub-committee may be one of several governance enhancing options the Steering Committee may adopt, and the ultimate hybrid work model will need to be reflective of the IMF model adopted. **Finally, there is no recommendation by the evaluators that the IMF does not agree with.**

Jean-Paul Penrose from the UK High Commission indicated that the UK was considering supporting PFTAC in Phase VI and **questioned issues in the evaluation around measuring outcomes and impacts, and particularly addressing capacity constraints.** David Kloeden noted that the problem noted by the evaluators was particularly prevalent in the NSOs of small and fragile states and that stakeholders had been brainstorming different approaches to address the capacity constraints. He noted that the IMF is keen to do more in Phase VI but cannot do it alone and the member countries must also provide resources and commitment. On RBM, the IMF has become very active in this area over the course of Phase V while donors like the UK have used RBM methodologies for many years. The IMF and PFTAC has come a long way in this time and assembled a large body of data points indicating progress on outcomes and sustainability.

Phase VI Proposals - Mr. David Kloeden, PFTAC Director

Update of the Process

Turning to a key issue to bring members and observers up to date on the status of planning for the sixth phase of PFTAC operations and financing that was just confirmed will begin on May 1st, 2023. A note was circulated that outlines the Phase VI proposal that will be summarized beginning by positioning the planning within the current macroeconomic context that frames the medium-term horizon.

Phase VI is heavily influenced by the expected post-COVID recovery to address imbalances and capacity weaknesses exposed by the crisis like debt sustainability in a few PICs. Climate change and vulnerability to disasters similarly underpins the context, with heightened urgency for action and results post-COP26. Recovery is likely to be slow and divergent with some longstanding issues having worsened or come to the fore with COVID, such as rising debt, State Owned Enterprise contingent liabilities, rising non-performing loans, and the adequacy of PFM systems to unlock climate financing. Medium-term frameworks and capacity around modeling and forecasting will be crucial to plot and manage the way forward. In summary, the need for PFTAC is more essential than ever.

In explaining the process to-date it was noted that the internal IMF steps had taken longer than hoped, although the timeline had been very ambitious. Work is now underway to draft a Program Document. An aspiration to share an early even incomplete version with the Steering Committee could not be achieved, with the target for a first complete first draft of end-January 2022. The ongoing work on the draft Program Document or PD will benefit from feedback and discussions today.

The draft PD will be circulated for review and feedback on a Lapse of Time basis in early February with a goal to have a final version published by early April 2022, well before end-May SC meeting when we expect to receive the first donor pledges.

Outline of the Phase VI Programs and Resources

Inputs from the July meeting and the Virtual Working Groups recognized the ongoing need to retain all the existing PFTAC programs which is the starting point for the strategy. It is important to acknowledge that this was a stakeholder-led exercise that is reflected in the IMF's future planning. Not counting the Debt Management program financed by Japan, there have been an average of 7 resident advisors over Phase V. The Phase VI strategy proposes to increase this to 9, but more desirably 10.

One of the two additional advisors would see a return of the GFS program with the advisor having a widened responsibility for Public Sector Debt Statistics.

A second Macroeconomics advisor is proposed, differentiated from the current program and advisor backstopped by the Asia Pacific Department to be closely integrated but overseen by ICD, and titled the Macroeconomic Framework advisor. This would continue efforts begun this year using IMF funds around medium-term financial programming with the central banks of Samoa, PNG, Timor-Leste and Vanuatu. Also new innovative approaches such as nowcasting would be developed drawing on new sources of economic and other big data.

Then a third PFM advisor is proposed with an explicit focus on Climate Change fiscal issues, building on recent work by the PFTAC team but extending it even further. This responds to the clear message received from member countries and regional entities, and reflective of stepped-up efforts of partners, and corresponds to a heightened role the IMF is developing within the context of its macroeconomic mandate.

This third advisor would also provide space for the other two PFM advisors to do more in other topics such as gender and digitalization, as well as responding to the critical fiscal challenges of the region. The IMF uses language about mainstreaming climate change and these other topics into our future work, but it is important to understand what this means. It begins with a recognition of the macro criticality of the topic and then an increase in the Fund's analytical and research efforts that feeds into the policy dialogue with member countries. Over time, we expect to see this further expand into areas of Capacity Development including by centers like PFTAC. For some topics, it may initially be through webinars and other awareness generating events – we particularly see this around the hot topic of digital currencies. Eventually this may become mainstreamed into our CD programs such as we are proposing with climate change, although it is important to note that the new advisor's efforts will be primarily in the fiscal or PFM space even though there are climate change implications for all of the PFTAC programs that will need to bring these issues on board as well.

Finally, the IMF is looking to doing more, in fact much more, to address the challenges of fragile states, of which PFTAC has seven.

Phase VI Costs and Fund Raising

The fund-raising target for Phase VI is $US 40 million, of which $US 36 million is sought from donors and the 10 percent balance from member countries under the current contribution formula. This is over a 5-year period versus 6 ½ years of Phase V, so represents an increase of close to 25 percent in funding and outputs.

The IMF is expected to continue covering costs of at least $US 3 million over 5 years that may actually increase that could free up some of the $40 million to direct delivery.

Chairman Masitabua from Fiji noted that the macroeconomic context is very much derived from the COVID crisis and that the framing of Phase VI is largely member country demand driven from the efforts of the five Working Groups that were constituted ahead of the July Steering Committee meeting. He noted that there is a lot that the region needs to tackle that requires prioritization of demands to be clearly focused as needs are potentially endless. **Fiji notes that member contributions of 10 percent of the fund-raising target is consistent and reasonable for Phase VI**. **David Kloeden** responded that the proposed Phase VI is reasonably within the capacity constraints of members and the delivery constraints of PFTAC and the IMF.

Chris van Hooft from New Zealand MFAT asked about the design of Phase VI around the **flexibility and scalability of the programs**. She noted that the macro context is clear and is applicable not just to PFTAC but also to development partners who may face their own constraints in the coming years. In considering new or increasing topics such as climate change, has there been consideration of deprioritizing other activities to keep within the constraints of the small administrations of member countries? **David Kloeden** noted awareness of potential uncertainty about donor funding availability and that a diversification of funding sources is sensible while the generous contributions from major donors like New Zealand have been greatly appreciated. **On prioritizing CD programs and activity, the increase is not simply about additionality of new programs but mostly expansion of ongoing efforts.** For example, coming at PFM reforms from a climate change or gender lens will reinforce existing efforts rather than be completely new or unrelated efforts. In doing more, we must be cognizant of the absorptive capacity of member country institutions and not push more than can be taken on board. The growth of the revenue program is a good example in responding to a large amount of unmet demand for CD, demonstrating that if managed carefully and always in response to country needs, more support can be very effective if well managed and sequenced and provides a model for Phase VI scaling-up.

Marga Peeters from the European Union asked about the expansion of the number of advisors and coordination with other development partners, in particular in those SIDS where the Budget Support is coordinated and hence a regular policy dialogue re PFM reforms is taking place (Australia, NZ, ADB, WB, EU and the beneficiary), and the impact on administrative support within PFTAC. David Kloeden noted that the Program Document will fully articulate how PFTAC plans to collaborate with partners continuing the very effective past practices, and that even with ten resident advisors, the size of PFTAC operations will still be smaller than the largest IMF centers. Additional administrative support is anticipated perhaps with an extra local staff member for which provision will be included.

Steering Committee Reform Issues - Mr. David Kloeden, PFTAC Director

So why are Steering Committee reform ideas on the agenda, and what is the problem being addressed? It is not a new issue. The idea of introducing a term or tenure for the chair and having a charter or some sort of guiding document for the Steering Committee dates to the 2015 efforts that successfully developed and introduced the member country contribution model. Also as mentioned, both the 2015 and 2021 external evaluations have commented that the Steering Committee is not functioning to its full potential and that measures to enhance its effectiveness should be considered.

And as mentioned, and briefly outlined in July, the IMF has an interesting experience in the Caribbean that is reported to be working well. Two documents were circulated for discussion. The first is a 3 – 4 page note laying out the issues for consideration, plus an initial draft of some Operational Guidelines.

Turning to the draft Operational Guidelines, the suggested approach is to focus on various clauses to begin the discussion. Both the Chair and the PFTAC director see this is as the start of the process. If there is consensus on any particular issue, that would be good to note, whether for inclusion or exclusion. If members want more opportunity to think about and discuss the issues, that is fine, with the issues included for discussion at the in-person meeting in May.

Beginning with the tenure or term of the chairperson. Current arrangements are not articulated and have simply comprised a rotation each year to a representative of the country hosting the annual meeting. That has certainly worked during the first three years of Phase V, with meetings and chairpersons from the Solomon Islands, Tonga, and Papua New Guinea. This year Fiji kindly chaired even though meetings have been conducted virtually from Suva.

The starting question is whether this model is optimal? Do we get the continuity, commitment, and potential regional leadership with a rotation of the chair each year? Or would we stand to gain more by having a defined term for the chair? And if so, for how long? The 2015 suggestion was for two years, the Caribbean model is for three years which is about half of the center's average funding and operating cycle. Regardless of the chair's tenure, would there be merit in creating a Vice-Chair who would be the expected successor of the Chair, whether rotating annually or every second or third year?

Next is the frequency and timing of meetings. On timing, we are somewhat locked into the IMF budget and planning cycle that recently resulted in all centers being required to meet after the start of the fiscal year rather than beforehand. Instead of our tradition of late March, the meeting this year was held in late June. The suggested target is within two months of the new fiscal year that starts on May 1st.

Annual in-person meetings have been the tradition. We look forward to coming together in-person as soon as possible, hopefully in May in Niue. However, these recent virtual meetings seem to have also been worthwhile and probably merit retaining at least once between the annual in-person meetings. The evaluators suggested meeting every three months which may be too often, with perhaps once between annual meetings sufficient or more often if there is an explicit need. Also, for consideration could be to plan something different or special every second or third year.

Sub-committees and working groups can serve a valuable purpose whether ad-hoc such as was the case for the five virtual groups established for Phase VI planning. The evaluators proposed an Executive Committee that may be worthwhile with or without changes to the role and tenure of the chair.

A clause from the Caribbean model could be considered to allow for constituencies where two or more countries are represented by mutual agreement of one country. It is not clear whether this would be of interest or needed in the Pacific.

To ensure decision making and actions have a majority basis, a quorum could be specified covering the membership of countries, donors and the IMF.

Finally, the SC has always worked on a consensus basis that presumably would be preserved but with a mechanism to unblock a stalemate and to ensure annual workplans can similarly move forward given the complexity and multiple engagement points in their formulation.

Chairperson Masitabua from Fiji welcomed and supported the opportunities to improve effectiveness of the Steering Committee given the advice has come from an independent source as well as the IMF's own experience and ideas. There are always opportunities to do better that we should pursue, and that there is valuable experience on the Steering Committee. **The chairperson proposed these ideas are taken back by participants to national policy makers and that we reconvene in May to discuss in more detail with greater input and direction from national authorities.** Most countries have multiple agencies that interact with PFTAC, including central banks or financial regulators, finance ministries and statistical offices whose inputs need to be taken on board. Accordingly, the proposal is that each country representative engage thoroughly with their national constituencies as well as internally within donor organizations and be prepared for discussion and decision making in May 2022.

Member Country Contributions

Moving on to PFTAC financing and a quick recap of the member country contribution model that is spelt out in the note for endorsement item number 3. Before Phase V, PFTAC had only two financing sources, namely donors and the IMF. PFTAC was the very first IMF regional CD center established in 1993, and by 2015 when this issue was considered by PFTAC member countries, a dozen new centers had been established, all having a funding formula that included member country contributions. Given PFTAC was an outlier, a regional expert was tasked to develop options for the member country consideration to raise between 5 and 15 percent of the targeted Phase V budget envelope.

Considerable time and effort went into reaching a consensus agreement to a model that would potentially raise 10 percent of Phase V costs over a 5 ½ year period provided all 16 countries made their voluntary contributions. In this case, around $US 3.9 million was expected to be raised, of which almost $US 3 million has been received so far. Contributions can only be accepted by the IMF if the member country has signed a nonbinding Letter of Understanding, completed by all but one country.

There are three components to the contribution formula as seen in slide 21 and the explanatory note, with a 70 percent weighting going to the size of each members' economy measured by GDP, with two other weightings of 15 percent each for per capita income and the share of CD received by each country in Phase IV. Finally, a reasonableness test was applied to validate that the annual contribution to PFTAC would be within a range of 0.01 and 0.02 percent of each country's budget expenditure outturn. A calibration was applied to Papua New Guinea as an outlier to avoid an even more disproportionately sized contribution. Nevertheless, Papua New Guinea has fully contributed more than US$ 1 million in Phase V, which even exceeds the full contribution of one donor.

Dividing the target of $US 3.9 million over the expected 5 ½ years of Phase V produced an annual contribution target of $US 707,000. Countries were assigned to cohorts consistent with the funding formula giving rise to the annual contribution amounts shown, ranging from $US 250,000 for Papua New Guinea to $US 2,000 a year for Tokelau.

As noted in the Phase VI briefing, member countries are asked to continue contributing 10 percent of the costs which would be marginally more in Phase VI at $4 million up from $3.9 million in Phase V but over 5 rather than 5 ½ years. **This would mean $800,000 is targeted from member countries each year, up 13 percent from $707,000 annually, with individual country contributions similarly increased as can be seen in slide 26.**

Chairperson Masitabua speaking on behalf of Fiji stated that it is an important signal of member countries to support this funding model and to reflect the value we place on PFTAC and demonstrate financial 'skin in the game' committing our own resources and constraints in the PFTAC model. The voice of the region is clear for the ongoing need of PFTAC and with that comes a cost.

> ***Endorsement to retain the member country contribution model introduced in Phase V that would cover 10 percent of non-IMF financed expenses in Phase VI was proposed by Fiji by Chairperson Masitabua, seconded by Mr. Niatui from Tuvalu, and endorsed by consensus by the SC members.***

Final session

Concluding Remarks, Todd Schneider, Chief of the Pacific Islands Division, IMF Asia Pacific Department

Todd noted that he was asked to **provide some remarks on the macro economic priorities for the Pacific and how they relate to PFTAC's future work agenda.** The situation in the Pacific and globally has been well covered, not least in the note that was circulated and in comments from several speakers today, the impact of the crisis on the Pacific islands is fairly visible for us. In terms of the macroeconomic landscape, challenges that we face for the next 12 to 24 months will have a very significant impact on economic activity and possibly on potential output.

There has been quite a lot of stress on fiscal positions for a number of the Pacific islands particularly those reliant on tourism. There is a need to shift from fiscal support in the context of the pandemic to fiscal consolidation. The mirror image of that is the **increase of debt which is something we can see very clearly through the debt sustainability framework.** Existing vulnerabilities have either been amplified with a reduction of fiscal space, an expansion of gross financing needs and accelerated in the sense of medium term issues for the fiscal framework that have been come into a more near term horizon. There has been an **expansion of fiscal risk in a number of countries as a result of either**

expansion of government guarantees or weakening of state enterprises, but the full extent is yet to be fully uncovered. There has been a rise in financial sector risks which we see in the sense of nonperforming loans, but the full impact is yet to be known as it is a lagging indicator.

Finally, all of this is set in the context of continued vulnerabilities from natural disasters and climate change and the very large spending needs that Natalija spoke about with respect to climate adaptation and building resilience. Taken together these developments would seem to point to some very clear priorities on the surveillance side that are well represented in the CD agenda. For example, there is going to be a need for a **very clear focus on domestic revenue mobilization** that is a theme we hear often throughout country engagement. There will also be a focus on medium term macroeconomic and fiscal frameworks. For some countries working their way out of the difficulties encountered during the pandemic is going to take a decade or possibly even longer. **There needs to be a continued emphasis on improving public financial management, and certainly also heightening the efficiency of public investment, particularly with respect to green investment.**

Bolstering public debt management and transparency, especially through medium term debt management strategies will be a priority for surveillance, as well as bolstering financial sector supervision. Last, but not least, is to **improve national accounts and government financial statistics.** These are all very well represented in CD agenda and in that sense, they dovetail with surveillance activities that most of the country teams have in mind.

In addressing the issue that Chris from MFAT raised about the new areas that are coming to the fore and what they might mean in terms of scaling up or trade off since we had a meeting of the IMF Executive Board about these issues today. It is absolutely **critical from the Board's perspective that the new areas cited do not crowd out our traditional and core areas of our expertise** that are the nuts and bolts of what the IMF does in terms of surveillance. So, in that sense what we do in these new areas, whether it's climate change or inclusion, or gender must be very well targeted and rely on whatever comparative advantage the IMF has and must not replicate what other institutions are doing. In that sense, to respond to the question of Chris, the plans for Phase VI are scalable, and must be scalable.

Further feedback on the impact to the IMF institutionally coming from the Executive Board is that we all will need to adapt as this evolves. **The Executive Board has emphasized a push on transparency and governance issues,** not just with respect to public finances, but also for financial sector supervision and compliance. There has been a very heavy emphasis on climate change issues regularly raised in board sessions for Pacific islands. The Board has been very clear that the work that the IMF does really must fill a niche appropriate to our mandate and expertise and it must remain very demand driven.

Finally, on **digitalization and the introduction of digital currencies** including for small island states which relates to an area of work in the Pacific that is very important relating **to correspondent banking relationships.** We are trying to address this matter through the surveillance program work and engagement, but also through CD. Looking at how digitalization and digital currencies might help contribute to the problem of dwindling correspondent banking relationships. This illustrates some of the themes coming from the board and how our surveillance priorities match up with the CD agenda. Finally, to emphasize a point made by James earlier and picked up by others. **The selection of CD priorities really must remain demand driven for us to remain relevant to the region.** This is very clear, and it is certainly the way we approach it from the surveillance side as well. So, as we continue to integrate surveillance and CD activity, we must always emphasize that it is demand driven.

Chairman Masitabua final comments:

Thank you to the various speakers today for outlining the economic priorities, challenges, and vulnerabilities the region faces and the work that we have cut out for ourselves. With the assistance of the donors and partners, we look forward to tackling these priorities and challenges. I speak for most for all the member countries on welcoming the increasing goodwill and work on accessing funding to address the impact of climate change and we are thankful for the excellent presentation and for the work on unlocking climate financing. Thank you to the Steering Committee members and observers for your attendance and persevering through a packed agenda today and for endorsement of our work plan for the rest of 2022. We appreciate the endorsement of the affirmation of the Phase 5 extension and the agreement to retain the phase 5 funding model in phase 6, and we look forward to continuing shaping the Phase 6 work plan and budget. And hopefully, we can consult within our countries and come prepared for robust in-person discussions when we meet in May on the proposals to strengthen the effectiveness of the Steering Committee. Finally, we wish everyone including the PFTAC team a blessed Christmas and prosperous New Year.

Attached Supporting Documents:

1. Main PPT presentation of the December 2 Steering Committee Meeting
2. PPT Presentation on *'Access to Climate Financing in Pacific Island Countries'* by Natalija Novata
3. Notes and Endorsement Items for the December 2, 2021 Steering Committee Meeting
4. Notes and for Phase VI Briefing at the December 2, 2021 Steering Committee Meeting
5. Notes for Steering Committee Guidelines for the December 2, 2021 Steering Committee Meeting
6. PFTAC Draft Steering Committee Operational Guidelines

Annex: Participants List for December 2, 2021 PFTAC Steering Committee Meeting

Country/Organization	Member/ Observer	Name	Title/Organization
Cook Islands	M	Garth Henderson	Ministry of Finance
Fiji	Chair	Esala Masitabua Letila Tuiyalani	Deputy Governor, Reserve Bank of Fiji Fiji Revenue and Customs Service
Federated States of Micronesia (FSM)	M	Andrew Haigh	Ministry of FInance
Nauru	M	John Peterson	Ministry of Finance
Palau	M	Rhinehart Silas	Ministry of Finance
Papua New Guinea	M	Ellison Pidik Benita McGovern Pauline Bre	Asst Governor, Bank PNG Department of Treasury Internal Revenue Commission
Tokelau	M	Rosita Mauai-Matalavea	Ministry of Finance
Tonga	M	Pita Tuivai	Ministry of Finance
Tuvalu	M	Niuatui	CEO, Ministry of Finance
Vanuatu	M	Collins Gesa	Ministry of Finance
Asian Development Bank (ADB)	M	Erik Aelbers Joseph Mariasingham	ADB, Suva ADB, Manila
European Union (EU)	M	Michal Krejza Barbara Risken Marga Peeters Miroslav Skriecka	EU Suva, Head of Cooperation EU Suva Delegation EU Suva Delegation EU Suva Delegation
Australia	M	Melissa Tipping Keshwa Reddy	DFAT, Suva DFAT, Suva
New Zealand	M	Chris Van Hooft	MFAT, Wellington
United States	M	David Stack Paul Bauer	US Treasury, Washington DC US State Department, Washington DC
IMF	M	Todd Schneider Elena Loukoianova Sarah Zhou Ann-Margret Westin James Yoo Natan Epstein Paul Austin Barend de la Beer Vincent Koukpaizan Susan George Leni Hunter	Pacific Division Chief, Asia Pacific Department Asia Pacific Department Asia Pacific Department Institute for Capacity Development (ICD) ICD Global Partnerships Division ICD Resource Management Division Statistics Department Statistics Department Fiscal Affairs Department, Revenue Admin Monetary Capital Markets Dept, TA Division IMF Resident Representative, Suva
PFTAC	M	David Kloeden Paul Seeds Iulai Lavea Georg Eysselein Katrina Williams Marcus Scheiblecker Andrew Beaumont Rajinder Kumar Briar Ferguson	Director PFM Advisor PFM Advisor Revenue Advisor Revenue Advisor Real Sector Statistics Advisor Macro Programming Advisor Financial Sector Supervision Advisor Debt Management Advisor

Country/Organization	Member/ Observer	Name	Title/Organization
		Nina Samuela Shane Prasad Pretti Lata Kalara Raidruta	Office Manager Economic Analyst Administrative Assistant Administrative Assistant
Australian Bureau of Statistics (ABS)	O	Annette Bastaja	ABS
Australian Tax Office (ATO)	O	Gabrielle Jackson	ATO
World Bank	O	Bonnie Ann Sirous	Suva Office
Pacific Islands Forum Secretariat (PIFS)	O	Finau Soqo Salaseini Raiwalui	Economics Technical Advisor PFM Advisor
Secretariat of the Pacific Community (SPC)	O	Epeli Waqvonovono	Director, Statistics for Development
Pacific Association of Supreme Audit Institutions (PASAI)	O	Esther Lamekopoutoa	Chief Executive
United Kingdom High Commission Suva	O	Jean-Paul Penrose	DFCO, Development Counsellor
Pacific Islands Tax Administrators Association (PITAA)	O	Koni Ravono	Head of Secretariat
UN ESCAP	O	Sanjesh Naidu	Suva Office