

Pacific Financial Technical Assistance Center (PFTAC)

DRAFT Steering Committee Operational Guidelines

Purpose of these Guidelines

1. These operational guidelines bring together the governance provisions contained in the essential terms and conditions of the PFTAC Subaccount,¹ and the Program Document for Phase VI. The purpose is to present in a clear, concise, and transparent manner the governance arrangements for Phase VI of PFTAC.

Steering Committee (SC)

2. The SC provides strategic guidance and helps set PFTAC's priorities, including through endorsing work plans, and is a vehicle for feedback on the quality of PFTAC's interventions. The SC also approves the minutes of SC meetings, prepared by the PFTAC Center Director.

3. The SC comprises contributors to the PFTAC account, governmental institutions representing beneficiary countries, financially contributing development partners/donors, and the IMF.

4. Beneficiary countries and development partners may have more than one representative at the SC meeting, however they will have a single voice in decision-making.

5. PFTAC's SC meets in-person annually within two months of the start of the IMF fiscal year that begins May 1. Additional virtual update meetings will be scheduled at least once between annual meetings, and more as agreed. Every second year, the SC will take the form of a plenary (involving a maximum range of PFTAC beneficiaries, from financial, fiscal and statistical bodies). The frequency of meetings may be adjusted by the SC.

6. The venue and timing of the SC meetings will be proposed by the Center Director, in consultation with the Chair and the SC members.

7. Observers may be invited to participate in the SC meetings on a case-by-case basis, at the invitation of the SC. The SC will decide which observers may be invited, and in which specific part of the SC meeting the observer(s) will participate.

8. The SC may establish sub- or working groups on specific topics as needed.

¹ Established by the International Monetary Fund (the "IMF") on March 15, 2011 under the Instrument for the Framework Administered Account for Selected Fund Activities (the "SFA Framework Instrument"). **[VERIFY]**

9. The SC's decision-making process (excluding endorsement of the work plan) will be governed by consensus. If consensus is not possible, then a proposed decision may be postponed or withdrawn, or submitted for consideration on a lapse-of-time basis. The SC reserves the right to further define the decision-making process during the SC meetings.

10. In order to facilitate effectiveness of SC meetings, PFTAC beneficiary countries may organize into constituencies. **[Is this needed?]**

11. A quorum for the SC consists of representation of over 50 percent of contributors to the PFTAC Subaccount.

The Chair and Vice Chair

12. The PFTAC SC is chaired by a representative of PFTAC's beneficiary countries. Following consultation with the outgoing Chair and PFTAC beneficiaries, the Center Director will put forward a proposal to the Steering Committee. A Vice Chair will also be proposed.

13. The term of the Chair will be three years. When a Chair's term expires, the Vice Chair seated at that time becomes the Chair. The Chair and Vice Chair will be selected by consensus.

14. If the Chair is no longer able to fulfill his/her role, the Vice Chair will take over the responsibilities as Chair, beginning a new three-year term.

15. The Chair will be responsible for the preparation of the agenda for the SC, jointly with the Center Director. Together the Chair and Center Director will consult on potentially contentious issues before bringing them to the broader SC membership, and issues of urgency or controversy that arise during operations.

16. When decisions are required of the SC outside of the meetings, the Chair will be responsible for convening the decision of the SC, done by circulation of an email to SC members, with information and the notification of the decision making mechanism i.e., by non-objection. The Vice Chair takes over the role of Chair when the Chair is absent.

Work Plan

17. PFTAC's annual work plan is developed in consultation with member countries and within the context of the IMF's TA prioritization process, which takes into account each beneficiary country's macroeconomic reform strategy, and within the framework of PFTAC's Program Document.

18. PFTAC's annual work plan consists of member countries' TA programs (which may form part of broader regional projects), TA and training for eligible regional bodies or in

conjunction with regional associations,² in-country training, regional workshops and seminars, and attachments and internships. The Center Director seeks strategic guidance from SC members on the work plan, including by asking them to send their requests for TA needs, prior to seeking their formal endorsement.

19. At each SC meeting, the PFTAC Center Director will report on the progress of the activities outlined in the work plan and lays out, in consultation with the Chair, issues for SC discussion and/endorsement.

20. The work plan will be submitted to the SC for endorsement. A member or contributor may abstain from the endorsement process.

21. The Center Director will prepare an annual review of progress in the implementation of the work plan to the SC, noting deviations, lessons learned, and will prepare as necessary, a revised mid-year updated work plan seeking SC endorsement as necessary.

22. A mid-term independent review of the PFTAC program will be initiated no later than half-way point after the start of each PFTAC operational and funding phase.

PFTAC Program Director

23. The Center Director is a staff member of the IMF's Asia Pacific Department (APD). The Center Director is selected by APD in consultation with other IMF departments (capacity development providing departments and others), and the IMF's Institute for Capacity Development.

24. The Center Director reports to APD and endeavors to ensure that the work of the Center is consistent with the overall strategy of APD and the IMF, and reflects regional priorities and demands. The Director maintains constant contact with the Chair, SC members in the Center's beneficiary countries, and with APD and all relevant IMF capacity development departments, and the IMF's Institute for Capacity Development, to identify broad strategic priorities and emerging issues and needs for the Center.

PFTAC Beneficiaries

25. The beneficiaries of PFTAC are Cooks Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu, and Vanuatu. Additional beneficiary members of PFTAC may be added with the agreement of the IMF, and the concurrence of Contributors.

² The Pacific Island Forum Secretariat (PIFS) is an example of a regional body and the Pacific Islands Tax Administrators Association (PITAA) is an example of a regional association.