

FY22 Work Plan - May 2021 to April 2022: Palau - FINAL OUTTURN AT APRIL 2022

TA Area	Objective	Country	Outcome Targeted	Activity	May 2021 - April 2022 (in person-days)			Number of Missions/Activities	Updated Inputs at Oct 31, 2021 (in person-days)			Number of Missions/Activities	Updated Inputs at Apr 30, 2022 (in person-days)			Number of Missions/Activities	% delivered	Delivery Status	COVID Status	Milestones	Comments	Planned Date	Experts		
					PFTAC resident advisors	ST experts	Total		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.	SFEP - Regulatory Framework - Prudential Standards - Assist Palau FIC develop comprehensive suite of prudential standards -Follow-up	2	7	9	1	8	16	24	1	8	16	24	1	100%	Jul 12 - Nov 30, 2021 (remote)	2 - Indirectly COVID Related	Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.		Dec 3 - 9, 2021 (in-country)	Kumar/ Kacani		
	Implement a risk-based supervision (RBS) system and upgrade other supervisory processes		Strengthened institutional structure, operations, and procedures for RBS implementation	SFEP - Review of off-site financial risk analysis framework	6	7	13	1	-	-	-	-	-	-	-	-	-	0%	Shifted to FY23		Detailed Quarterly Financial Risk Report embedded	Continuation of SFEP	Apr 11 - 19, 2022 (in-country)	Kumar/ STX	
Government Finance Statistics	Strengthen compilation and dissemination of fiscal statistics	Palau	Data are compiled and disseminated using appropriate statistical techniques, including dealing with data sources, and/or assessment and validation of intermediate data and statistical outputs	Refine compilation techniques for using various administrative data sources to reduce statistical discrepancies	-	8	8	1	-	8	8	1	-	8	8	1	100%	Nov 15 - 19, 2021 (remote)	3 - Moderately COVID Related	<ul style="list-style-type: none"> <li>Investigate the detail and reconcile grants / transfers between levels of government</li> <li>Identify, reconcile and validate the loan transactions between general government units and its associated interest expense / revenue cost for elimination</li> <li>Record Covid-19 government policy interventions</li> </ul>	Improve data for GFS compilation and dissemination	Nov 8 - 12, 2021 (in-country)	Temes		
			Higher frequency data has been compiled and disseminated internally and/or to the public	Compile, review and disseminate data to the IMF Statistics Department.																<ul style="list-style-type: none"> <li>Compile and disseminate consolidated general government annual data</li> <li>Start incorporating state governments quarterly data at minimum Koror and Arai States</li> <li>Compile and disseminate general government debt data in the World Bank quarterly public sector debt statistics template for publication</li> <li>Compile and disseminate annual data for BCG FY 20</li> </ul>	GFS for general government operations are compiled and disseminated on an annual basis.				
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	10	-	10	1	-	-	-	-	-	-	-	-	0%	Shifted to FY23		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.	Nov 1 - 12, 2021 (in-country)	Scheiblecker		
Macroeconomic Programming and Analysis	Stronger analytical skills and better macroeconomic forecasting and policy analysis	Palau	Improve the quality and frequency of macroeconomic surveillance and policy/research available for policymaking.	Tax reform modelling	2	15	17	1	19	19	38	1	19	19	38	1	100%	Aug 2 - 20, 2021 (remote)	1 - Not COVID Related	Tax reform options are supported by estimated revenue impact		May 17 - Jun 4, 2021 (remote)	Beaumont/ Hartwich		
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	PEFA Assessment	24	32	56	1	-	-	-	-	-	-	-	-	0%	Shifted to FY23 (June)		PEFA Assessment completed	Postponed from FY21	Mar 7 - 18, 2022 (in-country)	Lavea/ Seeds/ Emery /Marzan/ PEFA		
Revenue Administration	Strengthened revenue administration management and governance arrangements	Palau	Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT	-	14	14	1	-	19	19	1	-	19	19	1	100%	May 24 - Jun 10, 2021 (remote)	3 - Moderately COVID Related	VAT implementation readiness by 12/31/22	Minister of Finance requested PFTAC assistance with implementation of VAT	May 24 - June 6, 2021 (remote)	Piper		
			Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	Assist with preparation for Tax Reform Implementation	-	12	12	1	-	15	15	1	-	15	15	1	100%	Sep 3 - 17, 2021 (remote)	3 - Moderately COVID Related	VAT implementation readiness by 12/31/22	Minister of Finance requested PFTAC assistance with implementation of VAT	Nov 8 - 19, 2021 (in-country)	Piper		
			Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT - 2	12	-	12	1	-	12	12	1	-	-	-	-	-	0%	Cancelled		VAT implementation readiness by 12/31/22	Minister of Finance requested PFTAC assistance with implementation of VAT	Feb 14 - 25, 2022 (in-country)	Piper	
			Support functions enable more effective delivery of strategy and reforms	Review ICT System and identify requirements to support tax reforms															100%	Oct 28 - Nov 14, 2021 (remote)	3 - Moderately COVID Related				Grant
			Organizational arrangements enable more effective delivery of strategy and reforms/ Effective implementation of a new tax or modernized legislation	Implementation of Tax Reforms															100%	Feb 28 - Apr 30, 2022 (remote)	3 - Moderately COVID Related				Piper
			Support functions enable more effective delivery of strategy and reforms	Develop user specifications for new tax systems															100%	Feb 21 - Apr 29, 2022 (remote)	3 - Moderately COVID Related				Grant
	Strengthened core tax administration functions			Taxpayer services initiatives to support voluntary compliance are strengthened	Improve taxpayer services, debt and returns management	-	8	8	1	-	8	8	1	-	-	-	-	0%	Cancelled		Taxpayer Services, on-time filing and payments operating at improved efficiency levels by 31/12/2020 and measured against TADAT dimensions.	TA assistance requested by the authorities to improve current taxpayer services as well as returns and payment compliance levels.	Aug 16 - 13, 2021 (remote)	Lawrence	
Legal			Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	Regulations for the PGST and business profit tax	-	14	14	2	-	2	2	1	-	2	2	1	100%	Sep 28 - 29, 2021 (remote)	2 - Indirectly COVID Related				Burns		
																	0%	Cancelled		Regulations of PGST and business profit tax finalized by 10/31/21	PFTAC is supporting a request by the authorities to modernize their tax laws.	Jul 5 - 18, 2021 (remote)	Burns		
<b>TOTAL</b>					<b>56</b>	<b>117</b>	<b>173</b>	<b>12</b>																	

Updated Mid-FY22 Workplan:	27	129	156	10
Delivered by Oct 31:	23	63	86	5
Percentage of Revised Plan:	85%	49%	55%	45%

Final Outturn at April 30, 2022:	27	145	172	9
Percentage of Mid-Year Revised Plan:	100%	112%	110%	90%
Percentage of Original Plan:	48%	124%	99%	75%

Debt Management	Establish efficient institutional framework for debt management	Palau		Develop high level debt management policy	5	-	5	1	5	-	5	1	10	14	24	1	100%	Feb 28 - Mar 15, 2022 (remote)					Ferguson/ Boman
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