

MICRONESIA : FY18 Work Plan - May 2017 to April 2018 MID-YEAR UPDATE

TA Area	Objective	Country	Outcome Targeted	Activity	Planned Inputs (in person-days)			#	Updated Inputs at Nov 1 (person-days - changes in red)			#	% of updated plan delivered at end-Oct	Delivery Status	Milestones	Comments	Experts
					LTX	STX	Total		PFTAC resident advisors	ST experts	Total						
Financial Sector Supervision	1. Develop and strengthen banking regulations in line with international standards	FSM	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile	Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards - Postponed until FY19	5	12	17	1	-	-	-	-	0%	Postponed until FY19 May 2018	i) Applicable guidelines and regulations are drafted. April 2018	Workshop to review and establish revision plan for banking legislation and prudential standards, held in July 2017. Follow up with bilateral missions to each country to follow-up on and progress reform. First follow-up.	Stefanou/Expert
			1.2 Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment.														
Financial Sector Supervision	2. To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	FSM	2.6 Supervisors have sufficient capacity to effectively implement risk-based supervision and other supervisory processes.	Provide training to supervisors on supervision and assessment of banking key risk areas - Postponed until FY19	-	12	12	1	-	-	-	-	0%	Postponed until FY19 May 2018	1. A training program is designed and delivered to supervisors	Training is the assessment of credit risk, operational risk, liquidity risk, market risk and investment risk. Training mission to be followed up in 2019 with on-site examination on-the-job training.	Expert
Real Sector Statistics	1. Strengthen compilation and dissemination of data on macroeconomic and financial statistics for decision making according to the relevant internationally accepted statistical standard, including developing/improving statistical infrastructure, source data, serviceability and/or metadata	FSM	1.3 Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination	Train local staff to produce independent estimates of GDP	7	-	7	1	5	-	5	1	0%	April 2018	Relative to the baseline, the number of staff trained to compile and/or disseminate these statistics is adequate [RBM NA 3.1] by April 2019	(Back-to-back with Northern Pacific Workshop) • Staff trained in running/processing an annual business survey (April 2018) • Staff further trained/rehearsed in existing system operations (April 2018)	Wild
			1.21 Business processes documentation for compilation and/or dissemination of macroeconomic and financial statistics is stored, accessed and regularly updated	Review and update previous BPD in line with latest system's operation											Relative to the baseline, business processes documentation has been improved by becoming adequate, stored, accessible, and/or regularly updated by April 2018	• Existing documentation is reviewed by PFTAC, explained further to staff (April 2018)	
			1.15 Improved Timeliness of data made available internally and/or to the public	Improve BOP coverage and methodology	-	21	21	1	-	21	21	1	0%	December 2017	The BOP and/or IIP are consistent or reconcilable with the national accounts [RBM BP 15.1] by December 2017		
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS	FSM	1.12 Higher frequency data has been compiled and disseminated internally and/or to the public.	Compile, review and disseminate data to the IMF Statistics Department.	5	-	5	1	5	-	5	-	100%	Remote	• Compile and disseminate annual data for budgetary central government and state governments for FY16 by November 2017. • Investigate general government elimination entries in preparation for consolidation by April 2018. [RBM – GO – 12.3]	GFS for general government operations are compiled and disseminated on a annual basis.	DeLaBeer
Revenue Administration	1. Strengthened revenue administration management and governance arrangements	FSM	1.1 Reform strategy and implementation governance framework adopted and institutionalized	Strategy and governance arrangements in place to support reform initiatives.	5	-	5	1	5	-	5	1	100%	May 2017	Reform strategy and governance framework designed by and agreed to by 12/31/2018.	Review overall reform progress and support the development of a more structured approach to reforms.	Shrosbree
Revenue Administration	2. Strengthened core functions evidenced by an accurate taxpayer base, taxpayer services supporting voluntary compliance, improvements in filing, payment and audit activities	FSM	2.3 Larger proportion of taxpayers meet their filing obligations as required by law	Improve on-time filing ratios over time.	-	9	9	1	-	6	6	1	100%	Oct 23 - Nov 3	On-time filing operating at improved efficiency levels in line with TADAT dimensions by 12/31/2019.	An environmental scan shows potential to improve on-time filing.	Lawrence
			2.4 Larger proportion of taxpayers meet their payment obligations as required by the law	On-time payment compliance and management of arrears improves over time.	-	9	9		-	6	6		100%		On-time payment operating at improved efficiency levels in line with TADAT dimensions by 12/31/2019.	An environmental scan shows potential to improve on-time payment of taxes.	
			2.2 Taxpayer Services Initiatives to support voluntary compliance strengthened	Strengthen the taxpayer services function	-	14	14		-	7	7		100%		Taxpayer services strategy in place and operating at improved efficiency rates in line with TADAT dimensions by 30/06/2018.	A new taxpayer services function has been established but needs to be developed.	
Original Plan Total Days:					22	77	99	7									
Updated Plan Total Days:									15	40	55	4					
Delivered by Oct 31:									10	19	29	2					
Percentage of Revised Plan:									67%	48%	53%	50%					