

FY20 PFTAC Work Plan - May 2019 to April 2020: Palau - FINAL OUTTURN AS AT APRIL 2020

TA Area	Objective	Country	Outcome Targeted	Activity	May 2019 - April 2020 (in person-days)			Number of Missions/ Activities	Updated Inputs at Oct 31, 2019 (person-days - changes in red)			Number of Missions/ Activities	% of updated plan delivered at end-Oct	Updated Inputs at Apr 30, 2020 (person-days - changes in red)			Number of Missions/ Activities	% of updated plan delivered at end-Apr	Delivery Status	Milestones	Comments	Planned Date	Experts	
					PFTAC resident advisors	ST experts	Total		PFTAC resident advisors	ST experts	Total			PFTAC resident advisors	ST experts	Total								
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS	Palau	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	0	5	1	7	-	7	1	100%	7	-	7	1	100%	Oct 7 - 11, 2019	• Compile and disseminate annual data for budgetary central government, FY18 and start expanding the coverage to the general government. • Compile and disseminate annual public sector debt statistics. [RBM - GO - 12.3]	GFS for general government operations are compiled and disseminated on an annual basis.	Oct-19	Luis	
Macroeconomic Management	1. Improved macroeconomic policy advice to government and central bank management	Palau	1.1 Improved quality and frequency of macroeconomic surveillance and policy/research available for policymaking	Develop GDP forecasting methodology.	12	0	12	1	-	-	-	-	0%	-	-	-	-	0%	Authorities have moved forward with the initiative.	(1) An economic indicator database is set up and maintained (Apr. 20). (2) GDP forecasts are independently produced (Apr. 21). (3) Economic and fiscal forecasts are consistent (Apr. 21).	Technical assistance will be supplemented with attachments.	Jun-19	Claus	
Public Financial Management	1. Improved laws and effective PFM institutions	Palau	1.2 MoF capacity can meet enacted PFM responsibilities	PEFA Self Assessment	12	17	29	2	12	32	44	1	0%	-	-	-	-	0%	Shift to FY21.		STX Days: 10 days in country, 5 pre and post mission days, 2 travel days.	Nov-19	Neves/ Narube or Joshi	
Revenue Administration	1. Strengthened revenue administration management and governance arrangements	Palau	1.2.1 - 1.2.2 Organizational arrangements enable more effective delivery of strategy and reforms	Review implementation of functional structure	0	11	11	1	-	8	8	1	0%	-	-	-	-	0%	Cancelled	Organizational structure in place and suitably staffed by 12/31/2020.	Palau has accepted PFTAC recommendations by implementing a function bases structure.	Aug-19	TBA	
			1.8.1 Effective implementation of a new tax or modernized legislation	Facilitate implementation of VAT	0	18	18	1	-	-	-	-	-	-	0%	-	-	-	0%	Cancelled	VAT system implemented on scheduled date.	A new tax system is necessary to combat reducing grants received under the Compact arrangement.	May-19	Piper
			1.1. - 1.7. Strengthen revenue administration management and governance arrangements	Review reform progress and status of PFTAC Recommendations	2	0	2	1	1	-	1	1	1	100%	1	-	1	1	100%	May 17, 2019	Successful implementation of a reform strategy and governance framework to manage reforms.	PFTAC has provided TA across objective 1 that need to be reviewed	Nov-19	Eysselein
	2. Strengthened core functions evidenced by an accurate taxpayer base, taxpayer services supporting voluntary compliance, improvements in filing, payment and audit activities		2.3.1 - 2.3.2 A larger proportion of taxpayers meet their filing obligations as required by law	Improve on-time filing and management of outstanding tax returns	0	7	7	1	-	4	4	1	100%	-	4	4	1	100%	Sep 6 - 9, 2019	On-time filing operating at improved efficiency levels by 31/12/2020 and measured against TADAT dimensions.	A new function based structure has been introduced but more TA is needed to support implementation and new ways of work.	Jun-19	Piper	
			2.4.1 - 2.4.3 A larger proportion of taxpayers meet their payment obligations as required by law	Improve on time payment and management of tax arrears	0	10	10	1	-	4	4	1	100%	-	4	4	1	100%	Sep 10 - 13, 2019	On-time payment operating at improved efficiency levels by 31/12/2020 and measured against TADAT dimensions.	Visit included under 2.3.1, - 2.3.2. A new function based structure has been introduced but more TA is needed to support implementation and new ways of work.	Jun-19	Piper	
			2.2.1. Taxpayer services initiatives to support voluntary compliance are strengthened	Review progress and facilitate further improvements to taxpayer service	0	7	7	1	-	4	4	1	0%	-	-	-	-	-	0%	Cancelled	Improved delivery of taxpayer services by 31/12/2020 and measured against TADAT dimensions.	Visit included under objective 1 A new function based structure has been introduced but more TA is needed to support implementation and associated new ways of work.	Aug-19	McNeill
			2.1. - 2.5. Strengthened core tax administration functions	Review reform progress and status of PFTAC Recommendations	3	0	3	1	-	-	-	-	0%	-	-	-	-	-	0%	Cancelled	Successful implementation of a reform strategy and governance framework to manage reforms.	Visit included under objective 1 PFTAC has provided TA across objective 2 that need to be reviewed	Sep-19	Eysselein
<b>TOTAL</b>					<b>34</b>	<b>70</b>	<b>104</b>	<b>8</b>																

Updated Plan Total Days	20	52	72	5
Delivered by Oct 31:	8	8	16	3
Percentage of Revised Plan:	40%	15%	22%	60%

Financial Sector Supervision	Legal	Palau	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	Second Follow-up mission from the Regional Workshop on Banking Legislation and Prudential Standards	0	12	12	1	-	-	-	-	0%	-	-	-	-	0%	Shift to FY21	Finalize revised draft legislation, for internal stakeholder and industry consultation	Workshop to review and establish revision plan for banking legislation and prudential standards held in July 2017. First Follow up bilateral mission held in May 2018. Second follow-up.	1-Jun-19	TBC LEG
			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.																				
<b>TOTAL</b>					<b>0</b>	<b>12</b>	<b>12</b>	<b>1</b>															

Updated Plan Total Days	0	0	0	0
Delivered by Oct 31:	0	0	0	0
Percentage of Revised Plan:	0%	0%	0%	0%

<b>TOTAL</b>	<b>34</b>	<b>82</b>	<b>116</b>	<b>9</b>
Updated Plan Total Days	20	52	72	5
Delivered by Oct 31:	8	8	16	3
Percentage of Revised Plan:	40%	15%	22%	60%

Actual Outturn at April 30, 2020:	8	8	16	3
Percentage of Mid-Year Revised Plan:	40%	15%	22%	60%
Percentage of Original Plan:	24%	10%	14%	33%