

FY20 Proposed PFTAC Work Plan - May 2019 to April 2020: Papua New Guinea (PNG)

TA Area	Objective	Country	Outcome Targeted	Activity	May 2019 - April 2020 (in person-days)			Number of Missions/ Activities	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total					
Financial Sector Supervision	1. Develop and strengthen banking regulations in line with international standards	PNG	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	Develop a comprehensive suite of prudential standards	5	10	15	1	To be established in CDPort		1-Nov-19	TBC
			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.									
	2. To implement a risk-based supervision (RBS) system and upgrade other supervisory processes		2.4 Strengthened institutional structure and operational and procedures for RBS implementation	Supervision Framework Enhancement Program - on-site examination - finalize reform	12	20	32	1	Supervision Framework Enhancement project - On-site examination reform embedded	Use follow up market and liquidity risk examination assistance to finalize reform	1-May-19	Tijs de Bie
			2.4 Strengthened institutional structure and operational and procedures for RBS implementation									
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS	PNG	1.12 Higher frequency data has been compiled and disseminated internally and/or to the public.	Assist in the verification and revisions of the COA mapping and associated compilation procedures for quarterly reporting.	12	0	12	1	<ul style="list-style-type: none"> •Compilation process for completing quarterly GFS reports and provisions for regular revisions to be completed. • GFS for BCG operations are compiled and disseminated on a quarterly basis. [RBM – GO – 12.1] 	GFS for budgetary central government operations are compiled and disseminated on a monthly (or quarterly) basis.	Nov-19	LTX
			1.15 Macroeconomic data sets used by policy-makers have been made more intersectorally consistent (reduced discrepancies).	Prepare a reconciliation and include data for the financial balance sheet and public sector data to the monetary statistics and balance of payments.					<ul style="list-style-type: none"> • Consistent reporting of financial assets and liabilities data (financial balance sheet) for consolidation with GFS on a annual and quarterly basis for general government. • Refine and improve the process for collecting debt and foreign aid data. • Collect and compile accounts receivable and payable (arears) information for at least 1 completed fiscal year and continue to produce the data. [RBM – GO – 15.3 and 15.14] 	GFS and debt are consistent or reconcilable with monetary and financial statistics and external sector debt statistics.		
			1.18 A new data set has been compiled and disseminated internally and/or to the public.	Assist in the verification and revisions of data compiled for GFS.					<ul style="list-style-type: none"> • Annual GFS are compiled and disseminated for the BCG FY2018. • Annual GFS are compiled and disseminated for the GG FY2019. [RBM – GO – 18.1] 	A new set of GFS are compiled and disseminated for the general government as recommended by the GFSM 2014 guidelines. The institutional table need to be updated to in parallel to cover all statutory bodies.		
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 meta-data.	PNG	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	24	0	24	2	<ul style="list-style-type: none"> • 2 Staff members trained to edit, process and validate tax data. • 2 Staff members trained on the spectrum of application and usability of Corporate Income Tax. 		Oct-19/ Jan-20	Scheiblecker
			1.4 Data are compiled and disseminated using the concepts and definitions of the latest manual/guide	Further review of the GDP by production system; update road map, including rebasing								
Macroeconomic Management	1. Improved macroeconomic policy advice to government and central bank management	PNG	1.3 Sound medium-term macroeconomic framework	Support the use of the PNG Monetary and Fiscal Forecasting (MFF) Model.	10	0	10	1	(1) The MFF Model is used in monetary policy settings (Apr. 20). (2) The MFF Model is used in budget preparations (Dec 19). (3) The MFF Model is used for sustainability analysis (Apr. 20). (4) The fiscal sector is reported in GFS for general government (Apr. 20).		Jan-20	Claus/Expert
Public Financial Management	1. Improved laws and effective PFM institutions	PNG	1.2 MoF capacity can meet enacted PFM responsibilities	PEFA Assessment	24	36	60	2	PEFA report checked by PEFA Secretariat and Finalized.	STX Days: 2 STX - 12 Days in country; 2 days travel; 1 pre mission day and 3 post mission days. Initially one Mission, back up mission to cover off on extras that may be needed, but could be used for the development of the PFM roadmap.	May-19	Neves/ Kubasta/ Laves /Jluinaceva Note : WB and UNDP to provide subject experts as well and also will include 1 Fiji MoE Representative
TOTAL					87	66	153	8				