

FY22 Work Plan - May 2021 to April 2022: Cook Islands

TA Area	Objective	Country	Outcome Targeted	Activity	May 2021 - April 2022 (in person-days)			Number of Missions/ Activities	COVID Status	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total						
Financial Sector Supervision	Develop/strengthen banking regulations and prudential norms	Cook Islands	Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Aligning Cook Island FSC's Regulation on Definition of Capital with Basel III Definition of Capital- Assisting authorities to draft revised capital adequacy regulation	2	4	6	1	2 - Indirectly COVID Related	Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.	Nov 1 - 4, 2021 (in-country)	Kumar/ STX	
			Legal and regulatory framework equips supervisors to bring about timely corrective actions for banks' problems and weaknesses.	Aligning Cook Island FSC's Regulation on Definition of Capital with Basel III Definition of Capital- Assisting authorities to finalize the draft revised capital adequacy regulation, conduct impact study and issue draft for industry consultation	2	4	6	1	2 - Indirectly COVID Related	Authorities issue the draft regulation for industry consultation.	Apr 4 - 7, 2022 (in-country)	Kumar	
	Implement a risk-based supervision (RBS) system and upgrade other supervisory processes		Supervisors have sufficient infrastructure/systems in place to improve credit risk monitoring and strengthen banking supervision processes.	To review the draft supervisory manual prepared by the CI-FSC	3	7	10	1	1 - Not COVID Related	The supervisory manual is finalized and adopted by the FSC	May 10 - 16, 2021 (remote)	Kumar/ STX	
Real Sector Statistics	Strengthen compilation and dissemination of real sector statistics- national accounts	Cook Islands	Internal consistency within a macroeconomic or financial dataset has improved (reduced discrepancies)	Decrease discrepancy between GDP(P) and GDP(E) estimates and finalize and publish adjusted ESS estimates	10	10	20	1	1 - Not COVID Related	Decrease discrepancy between GDP(P) and GDP(E) estimates and finalize and publish adjusted ESS estimates	Aug 9 - 20, 2021 (remote)	Andrews	
			Higher frequency data has been compiled and disseminated internally and/or to the public	Review seasonal adjusted GDP(P) and provide training on techniques.	10	-	10	1	2 - Indirectly COVID Related	Staff is trained on QNA seasonal adjustment	Jun 7 - 18, 2021 (remote)	Scheiblecker	
Public Financial Management	Improved PFM laws and effective institutions	Cook Islands	The capacity of ministry of finance to plan, implement and sustain PFM reforms is enhanced	Roadmap development	12	12	24	1	2 - Indirectly COVID Related	PFM roadmap prepared and approved	Jul 12 - 23, 2021 (remote)	Lavea	
	Improved Public Investment Management		The capacity to plan, implement and sustain infrastructure governance reforms is enhanced	Conduct a PIMA	24	28	52	1	1 - Not COVID Related	PIMA completed	Feb 28 - Mar 11, 2022 (in-country)	Lavea/ Seeds/ STX	
Revenue Administration	Strengthened revenue administration management and governance arrangements	Cook Islands	Organizational arrangements enable more effective delivery of strategy and reforms	Implementation of organizational structure	-	12	12	1	2 - Indirectly COVID Related	Function based structure introduced by 12/31/2020	Function based structure part of business case for modernization developed with PFTAC assistance to be approved at high level	Aug 9 - 20, 2020 (remote)	Shrosbree
			Effective implementation of a new tax or modernized legislation	Assistance with implementation of Tax Admin Act, including development of project/implementation plan	-	24	24	2	3 - Moderately COVID Related	Tax administration act implemented by 4/30/22	Training to be included for implementation of tax administration act.	Nov 8 - 19, 2020 (remote)/ Mar 7 - 18, 2021 (in-country)	Field
			Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations	Review reform progress	10	-	10	1	2 - Indirectly COVID Related	Review overall reform progress and status of PFTAC recommendation	PFTAC has provided TA across objective 1 & 2 that needs to be reviewed	Mar 14 - 18, 2022 (in-country)	Eysselein/ LTX
	Strengthened core tax administration functions	Cook Islands	A larger proportion of taxpayers meet their filing obligations as required by law / A larger proportion of taxpayers meet their payment obligations as required by law	Strengthen Debt and Returns management	-	12	12	1	3 - Moderately COVID Related	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 returns and payment compliance levels.	May 24 - Jun 4, 2021 (remote)	Field
			Strengthen core tax functions	Developing Standard Operating procedures for core tax functions	-	32	32	1	1 - Not COVID Related	SOP's approved and implemented	RMD does not have standardized core tax procedures in place	Jun 28 - Jul 13, 2021 (remote)	Shrosbree/Williams
	Audit and other verification programs more effectively ensure accuracy of reporting	Cook Islands	Audit and other verification programs more effectively ensure accuracy of reporting	Audit skill development	-	24	24	1	2 - Indirectly COVID Related	Audit skills development program completed	Auditor skill level low	Sep 13 - 24, 2021 (remote)	Bell/Matthews
			Audit and other verification programs more effectively ensure accuracy of reporting	Strengthen audit function	-	16	16	1	3 - Moderately COVID Related	The audit function operating at improved efficiency levels by 30/4/2022 and measured against TADAT dimensions.	The authorities have requested TA to assist in building audit function and capability.	Jan 31 - Feb 11, 2022 (in-country)	Home
Legal	Cook Islands	Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	Finalization and assistance with implementation of Tax Admin Act, including training	-	20	20	2	2 - Indirectly COVID Related	Tax Administration Act finalized by 12/31/22	PFTAC is supporting a request by the authorities to modernize their tax laws.	May 24 - Jun 2, 2021 (remote)/ Jul 5 - 14, 2021 (remote)	Burns	
TOTAL					73	205	278	17					