

FY22 Work Plan - May 2021 to April 2022: Palau

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	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	2 - Indirectly COVID Related	Authorities complete the drafting of the regulation as recommended by the PFTAC Mission.		Dec 3 - 9, 2021 (in-country)	Kumar/ STX
	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	2 - Indirectly COVID Related	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	3 - Moderately COVID Related	<ul style="list-style-type: none"> Investigate the detail and reconcile grants / transfers between levels of government Identify, reconcile and validate the loan transactions between general government units and its associated interest expense / revenue cost for elimination Record Covid-19 government policy interventions 	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"> Compile and disseminate consolidated general government annual data Start incorporating state governments quarterly data at minimum Koror and Arai States Compile and disseminate general government debt data in the World Bank quarterly public sector debt statistics template for publication Compile and disseminate annual data for BCG FY 20 	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	1 - Not COVID Related	Review of methods and data sources used for output and value added estimations.	The Graduate School USA completes 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	1 - Not COVID Related	Tax reform options are supported by estimated revenue impact		May 17 - Jun 4, 2021 (remote)	Beaumont/ Preston
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	3 - Moderately COVID Related	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	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)	STX
					-	12	12	1	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)	STX
					12	-	12	1	3 - Moderately COVID Related	VAT implementation readiness by 12/31/22	Minister of Finance requested PFTAC assistance with implementation of VAT	Feb 14 - 25, 2022 (in-country)	LTX
	Strengthened core tax administration functions	Taxpayer services initiatives to support voluntary compliance are strengthened	Improve taxpayer services, debt and returns management	-	8	8	1	3 - Moderately COVID Related	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 - Indirectly COVID Related	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		
TOTAL					56	117	173	12					