

FY23 Work Plan - May 2022 to April 2023: Timor-Leste - FINAL OUTTURN AT APRIL 2023

TA Area	Objective	Country	Outcome Targeted	Activity	May 2022 - April 2023 (in person-days)			Number of Missions/ Activities	Updated inputs at Oct 31, 2022 (in person-days)			Number of Missions/ Activities	Updated inputs at Apr 30, 2023 (in person-days)			Number of Missions/ Activities	% delivered	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	Strengthen compilation and dissemination of fiscal statistics	Timor-Leste	Higher frequency data has been compiled and disseminated internally and/or to the public.	Refine compilation techniques for using various administrative data sources to reduce statistical discrepancies.	-	15	15	1	-	-	-	-	-	-	-	0%	Delivered by HQ under D4D	<ul style="list-style-type: none"> <li>• Compile and disseminate general government (Public Sector) debt data in the World Bank quarterly public sector debt statistics template for publication.</li> <li>• Revise quarterly and annual compilation processes to reflect results of cash balance reconciliation.</li> <li>• Resume compilation and dissemination of the quarterly GFS data and fiscal bulletin.</li> <li>• Compile and disseminate annual GG for FY19.</li> <li>• Compile and disseminate annual GG for FY20.</li> <li>• Compile and disseminate annual GG for FY21.</li> </ul>	Address General Government (GG) coverage and statistical discrepancies. Encourage submission of GG debt data to the World Bank Quarterly Public Sector Debt Database (QPSD).	Oct 24 - Nov 4, 2022 (in-country)	STX		
			Data are compiled and disseminated using appropriate statistical techniques, including to deal with data sources, and/or assessment and validation of intermediate data and statistical outputs.	Investigate statistical discrepancies and other potential indicators of problems in statistical outputs.	-	-	-	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> <li>• Update the National Chart of Accounts in ProClarity to facilitate GFS compilation, and resolve discrepancies between ProClarity and the Government Reporting program.</li> <li>• A process be initiated to reconcile currency and deposits in ProClarity to what is reported by the Central Bank of Timor-Leste in its monetary statistics</li> <li>• Finalize institutional sectorization enabling complete coverage for GFS compilation.</li> <li>• Collaborate with the Budget Division to update the budget format, and adopt an international reporting standard (i.e. GFSM2014), and release these on the Mof website.</li> </ul>		Investigate all data sources, in particular between the Government Reporting Program and ProClarity to narrow down inconsistencies and improve data quality.					
			Business processes documentation for compilation and dissemination of macroeconomic and financial statistics is stored, accessed and regularly updated.	Establish business process documentation to inform compilation and dissemination procedures.	-	-	-	-	-	-	-	-	-	-	-	<ul style="list-style-type: none"> <li>• Compilation procedures are designed to minimize processing errors, such as coding, editing, and tabulation errors.</li> </ul>		Enhanced metadata and compilation guidelines are produced and disseminated.					
Macroeconomic Programming and Analysis	Stronger analytical skills and better macroeconomic forecasting and policy analysis	Timor-Leste	Sound medium-term macroeconomic framework (inclusive of GDP and inflation, commodity prices, the external and monetary sectors, and fiscal aggregates).	Financial Programming Training 2.0	30	-	30	3	49	-	49	3	52	-	52	4	100%	May 23 - Jun 3, 2022 (remote) Oct 3 - 14, 2022 (in-country) Nov 29 - Dec 6, 2022 (remote) Feb 21 - 24, 2023 (in-country)	Enhanced understanding of economic interlinkages	10 days 10 days	May 23 - Jun 3, 2022 Oct 3 - 14, 2022 Nov 28 - Dec 9, 2022	Beaumont	
Public Financial Management	Comprehensive, credible, and policy-based budget preparation	Timor-Leste	A more credible medium-term budget framework is integrated with the annual budget process	Strengthening Top-Down Approaches to Budgeting	12	-	12	1	12	-	12	1	-	18	18	1	100%	Apr 19 - 28, 2023 (in-country)	Budget documents (including the Budget Strategy Paper) reflect binding ceilings over the medium term	postponed from FY22	Nov 7 - 18, 2022 (in-country)	Emery	
	Strengthened identification, monitoring, and management of fiscal risks		Analysis, disclosure and fiscal oversight of public corporation risks are strengthened	Strengthening SOE fiscal risk oversight	-	16	16	1	-	-	-	-	-	-	-	-	0%	Shift to FY24	Training on good practice for SOE fiscal oversight delivered		Nov 7 - 18, 2022 (in-country)	STX	
Revenue Administration	Strengthened revenue administration management and governance arrangements	Timor-Leste	Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT	-	16	16	1	-	18	18	1	-	21	21	1	100%	Oct 11 - 25, 2022 (in-country)	Implementation strategies and plans for VAT finalized by 12/31/21.	A decision to implement a VAT has been made with a request from the authorities to support implementation.	Mar 20 - 31, 2023 (in-country)	Vivian/ Piper	
			Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	Develop Strategic Plan	-	5	5	1	-	13	13	1	-	13	13	1	100%	May 4 - Jun 7, 2022 (remote)	Strategic plan finalized and approved	Tracking to road map from diagnostic	May 2, 2022 (remote)	Storj/ O'Keefe/ Vivian	
			Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	Implementation of Strategic Plan	-	-	-	-	-	12	12	1	-	-	-	-	-	0%	Shifted to FY24	Roadmap for implementation developed and approved	Building block to establish core pillars of compliance in TL		STX
			Organizational arrangements enable more effective delivery of strategy and reforms	Administration Support for return registration function to sole TLTA control	-	15	15	1	-	-	-	-	-	-	-	-	-	0%	FY24	Registration function established in TLTA by end of April 2023	Tracking to road map from diagnostic	Nov 28 - Dec 16, 2022 (remote)	Topping
			Organizational arrangements enable more effective delivery of strategy and reforms	Redefine and modify approach to Large Taxpayers	-	12	12	1	-	16	16	1	-	-	-	-	-	0%	Shifted to FY24	New Large Taxpayer approach and action plans finalized and approved by end of February 2023	Tracking to road map from diagnostic	Oct 10 - 21, 2022 (remote)	Vivian
			Support functions enable more effective delivery of strategy and reforms	Review/update staff distribution in Accounting, Collections, Enforcement and Audit	-	16	16	1	-	12	12	1	-	-	-	-	-	0%	Shifted to FY24	Staff distribution updated and implemented by June 2023	Tracking to road map from diagnostic	Jan 16 - Feb 4, 2023 (in-country)	Reardon
			Organizational arrangements enable more effective delivery of strategy and reforms	Develop planning, design and monitoring (head office) function	-	16	16	1	-	16	16	1	-	-	-	-	-	0%	Shifted to FY24	Head office functions approved and implemented by June 2023	Tracking to road map from diagnostic	Apr 3 - 14, 2023 (in-country)	Vivian
			Effective implementation of a new tax or modernized legislation	Support implementation of VAT	-	16	16	1	-	-	-	-	-	24	24	1	100%	Jan 31 - Feb 14, 2023 (in-country)	VAT successfully implemented by date as per new tax legislation	Tracking to road map from diagnostic	Sep 26 - Oct 7, 2022 (in-country)	Vivian/ Piper	
			Support functions enable more effective delivery of strategy and reforms	Develop Internal Audit Strategy	-	-	-	-	-	16	16	1	-	-	-	-	-	0%	Shifted to FY24	Mechanisms in place to provide assurance to Commissioner	Tracking to road map from diagnostic		STX
			Support functions enable more effective delivery of strategy and reforms	Provide IT Training and Development	-	-	-	-	-	16	16	1	-	-	-	-	-	0%	Cancelled	Staff able to optimize the IT systems available to them	Additional request following recent CD in-country		Grant
			Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations	Reform Progress Check	-	-	-	-	9	9	1	3	-	3	1	100%	Apr 23 - 28, 2023 (remote)	Relationship and way of working established and understood	TL is new to PETAC CD environment and time is needed to build a relationship of trust			Williams	
			Strengthened core tax administration functions	Strengthen core tax functions	Timor-Leste	Redesign/refine the Tax Clearance process in collaboration with Customs	Strengthen core tax functions	-	16	16	1	-	-	-	-	-	-	-	0%	FY24	An end to end process is developed and implemented	Tax clearance process not optimized	Jun 6 - 17, 2022 (remote)
A larger proportion of taxpayers meet their filing obligations as required by law	Improve filing and tax arrears management	-				21	21	1	-	16	16	1	-	-	-	-	0%	Cancelled	Filing and payment timeliness improves	TA assistance requested by the authorities to improve current returns and payment compliance levels.	Jul 18 - Aug 3, 2022 (remote)	Lawrence	
Strengthen core tax functions	Audit, Accounting and Collections – redesign processes and develop SOPs	-				43	43	1	-	15	15	1	-	19	19	1	100%	Oct 15 - 25, 2022 (in-country)	SOP's finalized and approved by end of April 2023	Authorities requested assistance with developing SOP's	Feb 6 - 25, 2023 (in-country)	Bell/Lawrence/ Vivian	
Audit and other verification programs more effectively ensure accuracy of reporting	Redesign audit business processes/ job instructions	-				-	-	-	-	15	15	1	-	19	19	1	100%	Oct 15 - 25, 2022 (in-country)	Audit staff capability improves	Recommended through diagnostic assessment		Bell	
Audit and other verification programs more effectively ensure accuracy of reporting	Redesign audit business processes/ job instructions #2	-	-	-	-	-	16	16	1	-	12	12	1	100%	Feb 7 - Mar 10, 2023 (remote)	Audit staff capability improves	Recommended through diagnostic assessment		Bell				

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Legal	A larger proportion of taxpayers meet their filing obligations as required by law		Collections and Payments #2		-	-	-	-	-	16	16	1	-	18	18	1	100%	Feb 27 - Mar 10, 2023 (in-country)	Collections and payments staff capability improves and taxpayers compliance improves	Recommended through diagnostic assessment		Vivian
				Taxpayer services initiatives to support voluntary compliance are strengthened	Taxpayer Services Strategy	-	-	-	-	-	16	16	1	-	-	-	-	0%	Shifted to FY24	TPS strategy approved and roadmap for delivery developed	Recommended through diagnostic assessment	
	Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols		Draft VAT and TAA laws	-	21	21	1	-	-	-	-	-	-	-	-	0%	FY24	Draft VAT and TAA laws finalized by end of February 2023	PFTAC is supporting a request by the authorities to modernize their tax laws.	Nov 14 - 30, 2022 (remote)	Aw	
	Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols		Legal Support for return registration function to sole TLTA control	-	10	10	1	-	-	-	-	-	-	-	-	0%	Cancelled	Legal support provided to support business case	PFTAC is supporting a request by the authorities to modernize their tax laws.	Jun 13 - 22, 2022 (remote)	Aw	
<b>TOTAL</b>					<b>42</b>	<b>238</b>	<b>280</b>	<b>18</b>														

Updated Mid-FY23 Workplan:	70	213	283	19
Delivered by Oct 31:	32	61	93	6
Percentage of Revised Plan:	46%	29%	33%	32%

Final Outturn at April 30, 2023:	55	144	199	13
Percentage of Mid-Year Revised Plan:	79%	66%	70%	68%
Percentage of Original Plan:	131%	61%	71%	72%

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Debt Management	Establish efficient institutional framework for debt management	Timor-Leste	Improved institutional structure for debt management	Review of organizational structure for debt management	-	28	28	1	12	16	28	1	-	-	-	0%	Cancelled	The debt management entity is adequately resourced and staffed; The debt management entity is signed on a front-middle back office basis; Debt management staff have specific job roles, tasks, and training plans		Oct, 2022	STX
	Develop/strengthen processes for accurate debt recording, reporting, and monitoring		Improved staff capacity for debt recording, reporting, and monitoring	Strengthening debt reporting capacity	-	14	14	1	5	-	5	1	5	-	5	1	100%	Nov 7 - 11, 2022 (in-country)	Staff show competency in debt recording, reporting, and monitoring through presentations, discussions, or exercises; Regular publication of a debt bulletin covering central government debt, debt operations, and guarantees; Debt bulletin also covers portfolio composition, risk indicators, guarantee performance		Jul, 2022