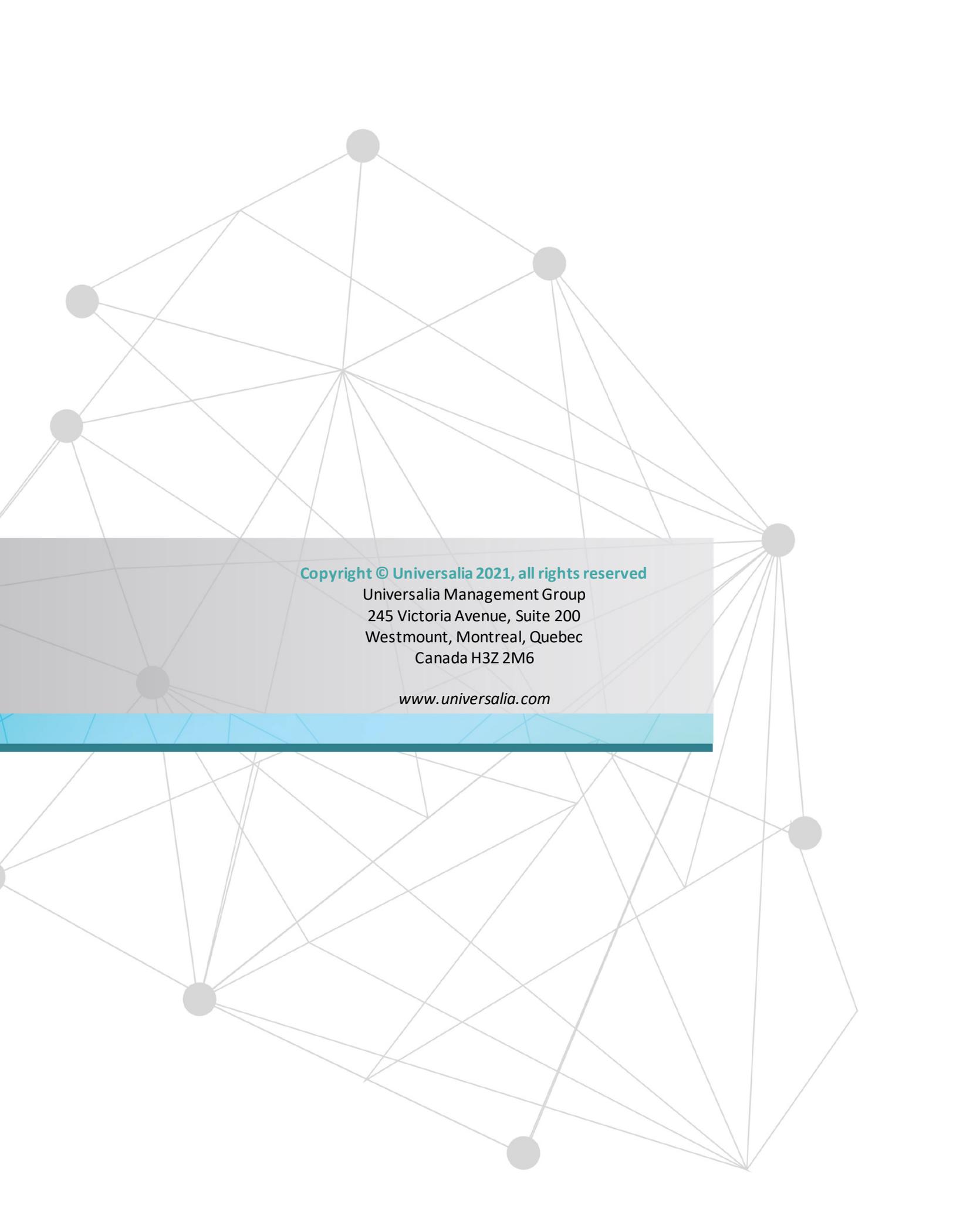


# Mid-Term Evaluation of Phase V of the IMF Pacific Financial Technical Assistance Center (PFTAC)

FINAL REPORT | SEPTEMBER 2021



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# Executive Summary

The Pacific Financial Technical Assistance Center (PFTAC) is an International Monetary Fund (IMF) program whose purpose is to assist 16 member Pacific Island countries in strengthening their macroeconomic, financial and statistical policies and processes. PFTAC helps member countries implement policy reforms through six capacity development (CD) programs or work streams: (i) Public Financial Management (PFM), (ii) Revenue Policy Administration (RPA), (iii) Macroeconomic Programming, (iv) Financial Sector Supervision (FSS), (v) Government Finance Statistics (GFS) and (vi) Real Sector Statistics (RSS). PFTAC Phase V began in November 2016 and is scheduled to end in April 2022. The original Phase V budget was USD 39.7 million.

This Phase V mid-term evaluation covers the period November 2016 to April 2019. The evaluation assessed the relevance, effectiveness, efficiency, sustainability and impact of 74 of its 91 projects in six programs. It provides recommendations to improve performance and guide the future direction of the program. The evaluation was constrained by the global pandemic and limitations in data collection and analysis.

## Main Findings

PFTAC Phase V programs and objectives are aligned with, and supportive of, member countries' national priorities. PFTAC responded effectively and in a timely manner to member countries' needs in most program areas and countries over the review period. However, competing priorities in countries frequently interrupted or delayed progress on PFTAC program targets. All programs experienced gaps or discrepancies between stated government priorities and government actions on these priorities, such as enacting legislation, which diminished the relevance and effectiveness of these programs.

PFTAC CD objectives are consistent with, and in some programs actively support, IMF Article IV engagements in the Pacific region. Four programs have collaborated with IMF HQ to support integration of CD and surveillance activities. Among them, the GFS and RSS programs are integral support mechanisms for Article IV team activities. The PFTAC program provides essential capacity supplementation services to five member countries in GFS and RSS, compiling GDP estimates to support IMF and development partner engagement.

The PFTAC Program Document identifies climate change, gender, and financial inclusion as priority thematic areas. While climate change

is more fully mainstreamed in program design than the other areas, PFTAC has not prepared guidance on mainstreaming thematic priorities, and they are not reflected in the IMF's RBM Catalog.

### Capacity in Fragile States

Seven PFTAC member countries are classified as fragile states: Tuvalu, Federated States of Micronesia, Kiribati, Papua New Guinea (PNG), Republic of the Marshall Islands, Solomon Islands and Timor Leste. Fragile states are defined as having weak institutional capacity and/or experience of conflict. Systemic HR capacity constraints in fragile states (PNG is an exception) severely hampered their ability to sustain improvements achieved with program assistance. The average ratings of CD criteria in micro-states are only slightly lower than regional averages, but the ratings are much lower in fragile states. The evaluation has highlighted the need for individualized CD approaches in accordance with the culture, operational capacity, and learning needs of each state. PFTAC has responded to selected micro-states and fragile states with capacity supplementation in the GFS, RSS, and, to a lesser degree, Macroeconomic programs. However, PFTAC has not taken a country-program approach to prioritizing and sequencing of CD interventions or developed a strategic position with regard to capacity supplementation in the program.

All stakeholders agreed that PFTAC provided excellent overall value for money, offering high-quality technical assistance (TA) and training in specialized topics on a cost-effective basis. Long-term expert (LTX) advisors performed well overall, were highly skilled and central to program success. PFTAC has strong systems in place to design and monitor the quality of CD products and services provided to member countries. The program relied primarily on TA and training as modalities of knowledge transfer, and some programs integrated new/alternative learning modalities such as attachments and peer-to-peer learning. PFTAC made extensive use of remote TA activities during the pandemic. Generally, PFTAC's successful experience with a range of modalities increases its CD design options, especially for more learner-centered modalities.

PFTAC effectiveness varied considerably by program area and jurisdiction. Across all programs, PFTAC CD projects realized, on average, 55 percent of planned milestones for the evaluation period. PFTAC projects contributed to changes and improvements in organizations in member countries, such as the production of data and analysis to inform decision making; the reduction of risk through improved oversight; and strengthened fiscal positions of some countries due to advancements in tax administration. A majority of these achievements were attributable to PFTAC CD and most of these improvements can be considered concrete steps toward expected outcomes of project log frames. In the smallest countries, PFTAC engagement likely prevented statistics offices, ministries of finance and tax administration agencies from regressing over the review period. PFTAC has provided micro-states with capacity supplementation in selected programs but has not developed a strategic position with regard to capacity supplementation as a pervasive programming issue affecting CD effectiveness and sustainability.

The most effective PFTAC programs (GFS, PFM and Macroeconomics) were supported by country commitment to change, appropriateness of PFTAC advice, and level of assistance. The effectiveness of individual PFTAC programs was enhanced by synergies among programs, while project effectiveness was enhanced by strong trust relationships among CD providers, country authorities and counterparts. Project progress was sometimes constrained by limited public administration and policy support in member countries for some CD objectives; the absorptive capacity in member countries; the availability, capability and management of human resources; and the initiative and buy-in of counterparts.

Limitations to PFTAC's own performance measurement activities limit the analysis of program performance. PFTAC does not monitor the achievement of expected outcomes or impacts using indicators. The Revenue program provides examples of impact and higher-level benefits to countries and Pacific Island States have increased the tax-to-GDP ratio well above average relative to comparators. More often, the long-term impacts of the program are difficult to quantify and measure.

PFTAC programs used several approaches, systems and tools that increased program efficiency such as multi-year CD plans; regional activities to identify needs and raise awareness of best practices; promotion of common frameworks and approaches across jurisdictions; adjustments to TA plans in response to challenges and emerging needs; use of experts with knowledge and experience in the region; and use of alternative CD delivery methods including remote TA and attachments. In addition, close collaboration among PFTAC programs helped to address inter-program dependencies and training needs.

There have been notable improvements in PFTAC - development partner coordination during Phase V. While PFTAC has played an important role in developing regional networks, there are opportunities for PFTAC to increase its support and use of local and regional experts in the program.

PFTAC programs have supported reforms and data improvements that are likely to be sustained in almost half of the projects in the sample, reflecting varying country contexts. While safeguards were put in place to improve the likelihood of continued use of knowledge acquired, systemic human resource capacity

constraints and resource constraints severely hamper the ability of countries to sustain improvements achieved with the assistance of PFTAC.

The PFTAC Steering Committee is intended to provide strategic guidance to the program, help set priorities, and provide feedback on the quality of CD programs to PFTAC. It has been only partly effective in these roles, especially in terms of providing guidance and oversight.

PFTAC has made use of the IMF's RBM system across the CD cycle. It collects information on milestone progress; however, there is limited emphasis on measurement of outcomes and impacts. This is partly due to inconsistencies in how departments design RBM Catalogs and use the RBM system. More broadly, PFTAC design focuses on the project level, which could blur effectiveness at the country and program levels.

## Recommendations

The evaluation has made eight recommendations to PFTAC,<sup>1</sup> the IMF, and PFTAC stakeholders, based on findings and lessons learned in the Phase V mid-term evaluation. The recommendations for Phases V and VI are:

- The PFTAC Steering Committee should encourage and support member countries in playing a more active role in PFTAC governance.
- In Phase VI, the IMF and PFTAC should consider adopting a hybrid in-person/remote model for PFTAC TA delivery as well other modalities and initiatives that will enhance member countries' engagement and role in CD delivery.
- PFTAC and the IMF should work together with development partners and other regional partners to develop long-term, sustainable, Pacific-centric solutions to address pervasive gaps in states requiring capacity supplementation in PFTAC program areas.
- PFTAC and the IMF should improve HR practices with respect to LTXs.
- PFTAC should improve its support to advisors from Center staff.
- PFTAC should improve its use of RBM in the design and delivery of CD to support a program-based approach to country prioritization of needs and resource use and sequencing of CD delivery to member countries within country programs.
- PFTAC and the IMF should better integrate priority thematic areas into PFTAC programs.
- PFTAC should allocate resources to develop regional expertise for engagement and use in the program.

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<sup>1</sup> Recommendations to PFTAC are directed to the PFTAC Secretariat, as opposed to the PFTAC program.

# Acronyms

ABS	Australian Bureau of Statistics
ADB	Asian Development Bank
AFSPC	Association of Financial Supervisors of Pacific Countries
APD	Asia and Pacific Department
APRA	Australian Prudential Regulation Authority
BPNG	Bank of Papua New Guinea
CAMELS	Capital Adequacy, Asset quality, Management capacity, Earnings, Liquidity, Sensitivity
CC	Center Coordinator
CD	Capacity Development
CD-PORT	Capacity Development Projects Outputs and Results Tracking
COA	Chart of Accounts
COAT	Country-Level Objective Assessment Tool
COVID	Coronavirus Disease
CRM	Compliance Risk-Management
DAC	OECD's Development Assistance Committee
DFAT	Department of Foreign Affairs and Trade (Australia)
ESS	External Sector Statistics
EU	European Union
FEMM	Forum Economic Ministers Meeting
FMIS	Financial Management Information System
FSM	Federated States of Micronesia
FSS	Financial Sector Supervision
FY	Fiscal Year
GAC	Global Affairs Canada
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GFSM	Government Finance Statistics Manual
GNI	Gross National Income
GP	Global Partnerships
HIES	Household Income Expenditure Surveys
HR	Human Resources

HQ	IMF Headquarters
ICD	Institute for Capacity Development
ICDSE	ICD Strategy and Evaluation
IFS	International Financial Statistics
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
LFAT	Log Frame Assessment Tool
LTX	Long-term Advisors
MFAT	Ministry of Foreign Affairs and Trade (New Zealand)
M&E	Monitoring & Evaluation
NSO	National Statistical Office
NZ	New Zealand
OECD	Organisation for Economic Cooperation and Development
PACER	Pacific Agreement on Closer Economic Relations
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PFTAC	Pacific Financial Technical Assistance Center
PIC	Pacific Island Country
PIFS	Pacific Islands Forum Secretariat
PITAA	Pacific Islands Tax Administrators Association
PNG	Papua New Guinea
PSSC	Pacific Statistics Steering Committee
QA	Quality Assurance
RAMSI	Regional Assistance Mission to Solomon Islands
RBM	Results-based Management
RBS	Risk-based Supervision
RMI	Republic of the Marshall Islands
RPA	Revenue Policy Administration
RSS	Real Sector Statistics
RTAC	Regional Technical Assistance Center
SBS	Samoa Bureau of Statistics
SC	Steering Committee

SERF	Samoa Economic & Revenue Forecasting
SIDS	Small Island Developing States
SPC	Secretariat of the Pacific Community
STX	Short-Term Advisor
TA	Technical Assistance
TADAT	Tax Administration Diagnostic Assessment Tool
TOR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNECLAC	United Nations Economic Commission for Latin America and the Caribbean
USD	United States Dollar
WB	World Bank

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# Glossary of Terms

<b>Capacity</b>	Skills and knowledge of authorities and counterparts, and their ability to act on TA recommendations
<b>Capacity Development</b>	Developing the skills, knowledge and ability of authorities and counterparts where such capacity does not exist
<b>Capacity Supplementation</b>	Completing tasks on behalf of authorities and counterparts, where capacity does not exist in-country to complete the tasks
<b>CD-PORT</b>	Software used by the IMF to manage RBM information on its CD projects delivered through its RTACs worldwide.
<b>Effectiveness</b>	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance (OECD)
<b>Efficiency</b>	How economically resources and inputs, such as funds, expertise, and time, are converted to results (OECD)
<b>Fragile States</b>	Countries defined as having weak institutional capacity (as defined by the World Bank's Country Policy and Institutional Assessment [CPIA] score) and/or experience of conflict. Seven PFTAC member countries are classified as fragile states: Federated States of Micronesia, Kiribati, Papua New Guinea (PNG), Republic of the Marshall Islands, Solomon Islands and Timor Leste. All but PNG are small island states.
<b>Indicators</b>	Measures used for the achievement of CD outcomes
<b>Impact</b>	Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended (OECD)
<b>Inputs</b>	The resources, particularly money and staff time, that is provided to deliver CD activities
<b>Microstates</b>	Island countries having populations below 200,000
<b>Milestones</b>	Interim, time-bound steps toward the achievement of outcomes or higher-level results
<b>Objectives</b>	High-level goals that the authorities are trying to achieve over a specific timeframe
<b>Outcomes</b>	Outcomes are measurable changes in, and benefits to, the authorities, which are steps forward in the CD process when the authorities act on TA recommendations
<b>Outcome Indicators</b>	Measures included in log frames used to measure relative progress toward the achievement of expected outcomes

<b>Outputs</b>	The deliverables of the Fund in CD projects, including advice, templates, reports, workshops, etc.
<b>Program-based Approach</b>	Approach to CD design, delivery and monitoring that takes into account a larger set of activities to achieve longer-term goals at a country, sector, thematic, or system level
<b>RBM Catalog</b>	Catalog of results developed by CD departments for 16 workstreams, covering over 70 objectives, 320 outcomes, and 720 indicators
<b>Relevance</b>	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies (OECD)
<b>Small Island State</b>	Island countries with populations under 1.5 million
<b>Sustainability</b>	The continuation of benefits from a development intervention after major development assistance has been completed (OECD)

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# 1. Introduction

Universalia Management Group is pleased to present to the International Monetary Fund (IMF) this revised report on the mid-term evaluation of Phase V of the Pacific Financial Technical Assistance Center (PFTAC). This version reflects PFTAC stakeholder feedback on earlier report drafts received between January and June 2021.

The terms and conditions governing the multi-donor trust fund for PFTAC require the IMF to carry out an independent evaluation ‘no later than 40 months after the activities...have begun.’<sup>2</sup> In November 2019, Universalia was contracted to carry out the evaluation by the IMF Institute for Capacity Development (ICD). The evaluation assesses the performance of six PFTAC capacity development (CD) programs, selected country-level objectives of the CD, and PFTAC processes and governance, for the period November 2016 to April 2019. The program reviews focus on the objectives of PFTAC’s six programs as described in the IMF’s CD-PORT system, and assess the relevance, effectiveness, efficiency, and sustainability and impact of PFTAC’s CD activities. The evaluation provides lessons learned and recommendations to improve CD effectiveness and guide the strategic direction of the program for the future. See Appendix I for the evaluation terms of reference (TOR).

Following this introduction, Section 2 describes the PFTAC context and assesses program performance, Section 3 examines PFTAC governance and management and Section 4 presents lessons learned and recommendations. Appendices provide the evaluation terms of reference, methodology, data sources, and supportive evaluation analysis.

## Profile of PFTAC

The IMF launched PFTAC in 1993 to serve the Pacific Region. PFTAC assists its 16 member countries to strengthen management of their macroeconomic, financial, and statistical policies and processes through capacity development (CD) programs. PFTAC Phase V began in November 2016 and is scheduled to end in April 2022. Table 1.1 presents an overview.

**Table 1.1** PFTAC Phase V Profile

ELEMENT	DESCRIPTION
<b>Purpose and objectives</b>	<p>Purpose: to assist member countries to strengthen their management of macroeconomic, financial, and statistical policies and processes.</p> <p>Objectives of Phase V: (1) strengthening the resilience of Pacific Island Country (PIC) economies and finances to volatility related to natural disasters and economic shocks; (2) ensuring that public finances are sustainable over the medium and long-term in order to avoid fiscal or balance of payments crises; and (3) promoting inclusive economic growth.<sup>3</sup></p>
<b>Geographic Scope</b>	PFTAC delivers CD to 16 countries: Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia (FSM), Nauru, Niue, Palau, Papua New Guinea (PNG), Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu and Vanuatu. All but PNG are small island states.
<b>Funding</b>	PFTAC is funded by contributions from its member countries, the IMF, and bilateral and multilateral donors. Donors include Australia, Canada, the European Union (EU), Korea, New

<sup>2</sup> TOR, p. 4.

<sup>3</sup> IMF, PFTAC Phase V – Program Document, November 2016, p. 4.

ELEMENT	DESCRIPTION
	Zealand and the Asian Development Bank (ADB). PFTAC's budget over the 5.5-year funding cycle is USD 39.7 million if all expected fund-raising and member contributions are realized.
<b>Program Areas or Workstreams</b>	PFTAC helps member countries implement policy reforms in six programs: (i) Public Financial Management (PFM), (ii) Revenue Policy Administration (RPA), (iii) Macroeconomic Programming, (iv) Financial Sector Supervision (FSS), (v) Government Finance Statistics (GFS) <sup>4</sup> and (vi) Real Sector Statistics (RSS). The objectives of each program are identified in the IMF's RBM Catalog, with the exception of the Macro program. <sup>5</sup> There are country-level objectives for projects.
<b>PFTAC Steering Committee (SC)</b>	SC consists of representatives of member countries, donor partners and the IMF. It "provides strategic guidance and helps set PFTAC's priorities, including through endorsing work plans, and is a vehicle for feedback on CD quality." <sup>6</sup> The SC is meant to strengthen member-country ownership of the CD program, while ensuring the program addresses country priorities.
<b>PFTAC</b>	PFTAC, located in Suva, Fiji, has a Coordinator responsible for managing the program, resident advisors who are long-term experts (LTX) supported by short-term experts (STX), who provide TA and training in program areas, and office support personnel.
<b>Development Partners</b>	The Coordinator and LTXs collaborate with regional and bilateral organizations that fund and/or deliver CD to member states, to coordinate CD activities and avoid overburdening CD recipients.
<b>IMF HQ Departments</b>	IMF area and functional departments at headquarters (HQ) provide strategic inputs, oversight and quality control to the program. They select the LTXs, maintain a roster of STXs, provide technical support to CD activities, backstop LTXs and STXs, and review advisors' reports.

## Evaluation Methodology

The evaluation commenced in November 2019 with an Inception Phase that extended to May 2020 due to the COVID-19 pandemic. An evaluation framework (see Appendix II) guided data collection. The mid-term assessment included: 1) an in-depth review of all PFTAC programs and related country-level objectives in four countries (Fiji, Kiribati, PNG, Samoa); 2) a light review of four program areas (PFM, RPA, FSS, RSS) in the remaining 12 PFTAC member countries; and 3) a review of PFTAC management and governance. The evaluation included virtual interviews with 108 stakeholders, five online surveys of authorities, counterparts, and Steering Committee members, and ratings of 74 of PFTAC's 91 CD projects. See

### Rating CD projects

The evaluators developed a Country-level Objective Assessment Tool to assess the performance of CD projects and gathered information from interviews, surveys and documents to answer evaluation questions. They used a 4-point scale to rate the relevance, effectiveness, efficiency, and sustainability of CD projects. Impacts were not rated because 1) there was no clear basis to identify such achievements and 2) many PFTAC projects were in relatively early stages of development. See Section 2.3.3.

Appendix III for the evaluation methodology, Appendix IV for a list of stakeholders consulted, and Appendix V for a list of documents reviewed. The evaluation was limited by: low survey response rates, difficulty

<sup>4</sup> PFTAC TA for the GFS program area only began in Phase V, following the completion of a three-year capacity building project funded by the Japanese government (IMF, PFTAC Annual Report 2017, p. 30).

<sup>5</sup> This gap is being addressed with the implementation of CD-MAP.

<sup>6</sup> IMF, PFTAC Phase V – Program Document, November 2016, p.87

securing interviews with national authorities and counterparts, and inconsistencies in how IMF programs use the RBM system.

## 2. Program Performance

### 2.1 Overview

The section begins with a summary of the key factors in PFTAC programming contexts affecting PFTAC performance over the review period. It then presents the main findings on the performance of six PFTAC programs according to OECD DAC criteria, in keeping with the reporting format prescribed by ICD Strategy and Evaluation (ICDSE) during the Inception Phase.

### 2.2 Program Context

**PFTAC is the first IMF Regional Technical Assistance Center (RTAC), commencing operations in 1993.** This long tenure has culminated in a mature program with well-established delivery capacity and a reputation for high quality CD services.

**PFTAC member countries face a unique set of challenges.** They form part of the Small Island Developing States (SIDS) group of countries which face challenges to growth and sustainable development. They experience elevated social, economic and environmental vulnerabilities exacerbated by remoteness, limited resources, risk of natural disasters, susceptibility to external shocks, low fiscal and human resources capacity, high turnover of personnel, restricted opportunities for economic development, and small (but growing) populations. There is limited domestic expertise in most areas of the PFTAC program.

**Member countries are a diverse group and require individualized CD approaches.** CD is individualized in accordance with the culture, operational capacity, and learning needs of each state. Technical assistance (TA) and training support build on the existing capacity of public servants, although in some countries and program areas this capacity is limited in size and quality and requires supplementation.

**Member countries have targeted legal and institutional reforms that require longer-term horizons for results achievement.** The political and human resources capital investments required to operationalize such reforms are significant and necessitate longer-term interventions to achieve and sustain results.

**The IMF closely integrates CD services and surveillance operations.** The Fund recognizes the need to realize potential synergies among its capacity development, lending, and surveillance activities. Strengthening the integration of CD with IMF's policy advice is intended to increase the impact of CD.

**The IMF launched its inaugural RBM system and tools at the beginning of Phase V.** The RBM system, which the IMF developed in response to longstanding requests from funding partners, was relatively early in its development during Phase V.

**Development partners provide funding as well as bilateral CD services, often through other regional organizations, to PFTAC member states.** Coordination structures exist in each PFTAC program and range from active engagement, to bifurcate CD responsibility in a country/topic, to informing development partners of activities undertaken by PFTAC exclusively. There is significant risk of inefficiency, conflicting advice, and beneficiary country CD fatigue in the absence of close coordination, but considerable potential upside if effectively managed.

**The COVID-19 pandemic is affecting current and future PFTAC operations.** The immediate impact of the pandemic on country economic and fiscal positions is diverting the attention of country officials, CD providers, and development partners alike. Many sources of income for PFTAC member countries – tourism in particular – are being reduced or eroded.

## 2.3 PFTAC Program Performance

This section presents the main findings on the performance of six PFTAC programs according to OECD DAC criteria. These criteria include the relevance and importance of the CD provided, effectiveness in attaining CD objectives, the changes or impact attributable to the CD provided, the value of program benefits compared to costs, and the likelihood that impacts will continue. Project criteria were rated using a 4-point scale (see sidebar); program ratings for criteria were averages of the project-level ratings. See Appendix VI.

### Guide to rating system

4= the criterion was fully satisfied

3= the criterion was significantly satisfied

2= the criterion was partially satisfied

1= the criterion was not satisfied

### 2.3.1 Relevance

The evaluation assessed the extent to which PFTAC programs responded to the demand for CD, were aligned with countries' priorities, and were appropriate in the operating context of each country. It also assessed alignment and benefits of PFTAC CD to development partners' and other IMF activities.

**Finding 1: PFTAC Phase V country-level objectives in the six programs/work streams are highly relevant to member countries. PFTAC programs are aligned with, and supportive of, member countries' national priorities.**

PFTAC capacity development services were found to be highly relevant. All PFTAC stakeholders interviewed – national authorities, technical counterparts, development partners and IMF stakeholders – viewed the objectives of PFTAC programs and projects as important and relevant to member countries. The CD assistance provided by all six programs was found to be in alignment with national priorities as shown in Table 2.1. Every program was evaluated at 3.0 or higher on a 4-point scale across jurisdictions. The single outlier was the FSS program in Kiribati where there has been limited country engagement and no evidence of alignment of country priorities and program objectives.

### Relevance ratings by program (out of 4)

RPA: 3.81

PFM: 3.75

Macro: 3.62

FSS: 3.55

GFS: 3.48

RSS: 3.43

**Table 2.1** *Alignment of CD Objectives with Stated National Priorities of PFTAC Members States*

PROGRAM	EVIDENCE OF ALIGNMENT
PFM	Clear alignment with national development strategies, stated medium term plans of Ministries of Finance/Economy/Treasury in all 11 countries (26 projects) CD provided in line with findings of most recent Public Expenditure and Financial Accountability (PEFA) findings/roadmap
RPA	In 9 of 14 projects the revenue program was clearly aligned with country priorities expressed in national development plans and/or published plans and strategies of revenue agencies or finance ministries
FSS	Clear alignment with national development strategies, financial sector development strategies, or published reports and strategic plans of 8 Central Banks among 14 jurisdictions receiving FSS TA
RSS	12 of 15 projects aligned with national development strategies or national statistical development strategies
GFS	Clear alignment with national development strategies, budget policy documents, or strategic plans of statistical agencies in all four countries
Macro	Clear alignment with national development strategies, budget policy documents, or strategic plans of central banks in three countries with active Macro projects.

**Finding 2:** PFTAC support is responsive to country requests. In the view of country authorities and counterparts, the CD provided is appropriate to regional and country contexts in almost all cases.

In Phase V, PFTAC was generally agile in responding to member countries' priorities, and all programs focused on relevant selected issues and areas within the results framework of higher-level objectives and outcomes provided by the RBM Catalog. PFTAC CD has been provided in response to country requests for assistance and is in alignment with assessments of country needs, such as the PEFA. The program has responded to member country priorities linked to external conditions such as climate change (see also Finding 24). Agility in response to CD demand from countries was evident in all programs. See Appendix VII for examples of PFTAC program alignment with member country priorities.

PFTAC and the IMF provide member countries with opportunities for dialogue that helps ensure the overall relevance of PFTAC program objectives. These include opportunities for priority listing in: Steering Committee (SC) meetings and discussions leading to PFTAC fielding TA missions; Annual and Spring meetings of the IMF and World Bank with governments; ongoing bilateral discussions between countries and IMF and PFTAC; regional meetings of the Forum Economic Ministers Meeting (FEMM), Pacific Islands Tax Administrators Association (PITAA), and the Pacific Statistics Steering Committee (PSSC); regional workshops offered by IMF and other development partners; and in venues such as Australian Bureau of Statistics/Secretariat of the Pacific Community (SPC) leadership workshops.

PFTAC stakeholders highlighted gaps in program content and delivery mechanisms as shown in Table 2.2. Some of these long-standing gaps are addressed on an ad hoc basis by experts, but this work is not reflected in the RBM framework or in formal mission documentation. Despite the validity of these needs, some program stakeholders questioned whether they should be addressed by PFTAC or by other programs or development partners. If PFTAC is not in a position to address these needs, it would be helpful if it identified collaborating partners to assist.

**Table 2.2** *Identified Gaps in PFTAC Program Content and Delivery Mechanisms*

IDENTIFIED GAP	PROGRAMS AFFECTED
Foundational skills training (excel, data analysis, report writing, dissemination)	All
Intermediate skills training (data analysis to inform policy making, supervisory skills, human resources [HR] management)	All
Advanced skills training (data analysis to inform policy making, supervisory skills, HR management)	PFM, RPA, FSS, GFS, RSS
Senior decision maker training (data analysis for policy making, PFM essentials, foundational economic theory, organizational management (e.g., independent internal audit, strategies for staff recruitment and retention, budget proposals and advocacy).	PFM
Alternative modalities to deliver services (remote CD, partnerships with regional enterprises such as the University of the South Pacific [USP], peer-to-peer learning, attachments)	All
South-south learning and peer support for Secretaries of Finance (akin to PITAA work for Revenue Administrators)	PFM

**Finding 3: Gaps between stated government priorities and actions taken have reduced the relevance of some PFTAC CD interventions.**

Across all projects assessed, relevance ratings were negatively affected by gaps between stated government priorities (in national development plans and strategies) and government actions. In several instances, stated project plans and priorities were not actual government priorities as evidenced by government budgetary allocations and priorities and actions on laws, for example.

National development plans are generally viewed by CD providers as more aspirational in nature with stated timelines often being overly ambitious given: the lack of capacity within government organizations responsible for the implementation of reforms; failure to implement organizational reforms; and an absence of key policy decision-making essential to support reforms.

Further, competing priorities frequently interrupt or delay progress on PFTAC program targets (see sidebar for examples).

**Examples of gaps between stated government priorities and actions**

In PFM, ministries of finance/economy/treasury were not properly resourced during the review period to focus on country stated priority areas – internal audit and cash management programs were impeded as a result.

Chronic under-resourcing of statistical compilation agencies contributed to high staff turnover and undermined both the GFS and RSS programs as the limited staff were redeployed to address other, higher priority statistical (and, in some cases, non-statistical) projects.

Relevance ratings for the Macro program were depressed by a lack of ownership by country authorities as it pertained to the production of timely and appropriate source data.

A gap in Fiji's fiscal (GFS) data impeded further progress on the requested improvements to their Macro framework.

In FSS, PFM, and RPA, challenges in enacting new or revised laws and regulations (due to short timeframes and/or overly optimistic objectives) were evident – reducing relevance and other DAC ratings.

**Finding 4: PFTAC CD objectives are consistent with, and in some programs actively support, IMF Article IV engagements in the Pacific region.**

Four PFTAC programs – GFS, RSS, PFM, and Macro – have collaborated with IMF HQ to support the integration of CD and surveillance activities. The PFTAC Coordinator also participated in three surveillance missions during the period. This collaboration has increased the relevance of CD services provided by PFTAC programs by targeting CD resources (when requested by the authorities) to address economic and fiscal management weaknesses identified by Article IV missions. Priority reforms for FSS, PFM, and RPA are also informed by IMF Article IV assessments.

The Macro program supports IMF surveillance activities by enhancing evidenced-based policymaking and supporting informed discussions between country authorities and Article IV teams. In PNG and Samoa, the Macro program supported and enhanced, coherent Gross Domestic Product (GDP) forecasting, helping the respective government counterparts to collaborate on a single forecasting methodology and eliminate persistent discrepancies which negatively impacted IMF surveillance.

The GFS and RSS programs are integral support mechanisms for IMF Article IV team activities, including surveillance, lending, and program monitoring. These programs support the provision of essential statistical data that would otherwise be unavailable. The program provides essential capacity supplementation services to five PFTAC members – compiling GDP estimates to support IMF and development partner engagement. Four members currently receive supplementation assistance from other CD providers, while PFTAC GFS and RSS programs in these countries provide related regional training and technical advisory services. During the March 2019 SC meeting, PFTAC members made a priority of extending the GFS program rather than switch to External Sector Statistics. In interviews with the evaluation team, the Asia Pacific Department of the IMF highlighted the importance of the GFS data in supporting surveillance activities and the monitoring of fiscal risks – stressing that a wind down of the GFS program would increase both surveillance and fiscal management risks in PFTAC member countries.

Communication among backstoppers, LTXs and Asia and Pacific Department (APD) was identified as a key enabling factor in the PFTAC CD support for surveillance. Backstoppers interviewed noted improved proactive engagement with APD during Phase IV in support of the IMF's CD-Surveillance integration policy.

In some cases, IMF and development partners' priorities have shaped the selection of activities and measures of success within the program. The GFS program, for example, uses *the submission of data to the IMF for dissemination in the International Financial Statistics (IFS) or to the World Bank for inclusion in the WB Debt Database* as an indicator of success and often a milestone. These measures are not as useful to member countries as, say, the integration of these fiscal statistics in the general policy making of a country (as noted in success cases of PNG and Samoa).

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### 2.3.2 Effectiveness

The evaluation assessed the extent to which PFTAC programs achieved objectives relying primary on progress made in the delivery of milestones as described in project log frames. As noted, the evaluation did not have access to data related to indicators for objectives/outcomes in log frames, but instead relied on interview data for assessing performance at this level. The evaluation also identified factors affecting performance and ratings of effectiveness. See Appendix VI – Summary of Project Ratings – for a list of PFTAC program objectives.

**Finding 5:** During the period reviewed, PFTAC effectiveness varied considerably by program area and jurisdiction. The program has helped increase decision-making capacities, reduce risks and strengthen financial positions in many countries.

PFTAC has responded effectively and in a timely manner to member countries' needs in most program areas and countries over the review period.

The progress toward the achievement of CD objectives is measured in the achievement of milestones in projects. Across all program areas, PFTAC projects completed, on average, 55 percent of planned milestones for the evaluation period as defined in project log frames. The average rating of the effectiveness of CD projects was lowest among the OECD criteria used by evaluators in the assessment (see sidebar).

PFTAC's member countries are responsible for the milestones in the log frames.<sup>7</sup> Milestones can be achieved by technical counterparts, authorities (i.e., Secretary, Governor, or Government Statistician) or governments via legislative, regulatory, policy, or budgetary changes. Projects were more likely to achieve shorter-term milestones, such as the development of plans, tools, data, and processes by counterparts, than longer-term milestones, such as issuing of standards or guidelines by authorities or the enactment of new regulations or laws by legislatures and governments.

The evaluators observed that PFTAC CD projects in member countries, even when incomplete, have contributed to some organizational outcomes, such as the production of data and analysis to inform economic, policy, and organizational management decision making; the reduction of risk through improved fiscal and financial sector oversight; and strengthened fiscal positions of some countries due to advancements in tax administration.

Several stakeholders suggested that a significant majority of these achievements were largely attributable to PFTAC involvement. PFTAC was either the only CD provider or the provider of a defined subset of activities within a program coordinated with other development partners, as in the case of PFM and RSS. PFTAC is the only active supplier of GFS CD in the region, and the major provider, sometimes the only provider, of TA for financial stability work in member jurisdictions.

The variability in program effectiveness presents some challenges for PFTAC. Program effectiveness depends heavily on the degree of country engagement/ownership of reforms and their capacity to absorb CD. This raises questions of how PFTAC and the IMF should respond. Some argue that PFTAC should provide TA where it is most likely to be used effectively; this would tend to favor countries with strong political commitment, good governance, and good capacity. On the other hand, the Fund is committed to providing extra attention to fragile states, which suggests that PFTAC should focus on the countries where TA effectiveness is low. PFTAC has the ongoing challenge to manage these trade-offs.

PFTAC effectiveness and improvements are described by program below.

**GFS:** The GFS program was highly effective in supporting three of the four country projects reviewed. Clear progress towards milestones was evident in Samoa and Papua New Guinea (PNG) where significant methodology and data compilation/dissemination improvements were realized. Both of these countries benefited from strong commitment of the authorities. This high level of country commitment was

<sup>7</sup> IMF, Results-based Management (RBM) – A Short Primer, p.2. (undated)

#### Effectiveness ratings by program (out of 4)

GFS: 3.13

Macro: 3.12

PFM: 3.06

RSS: 2.93

RPA: 2.33

FSS: 2.11

complemented by a high level of engagement by counterparts in CD design and delivery (i.e., requesting in-country training) as well as implementation of TA recommendations and improvements in inter-agency collaboration. Progress in Kiribati is measured in the ability of the authorities to produce GFS in an environment where resources are particularly scarce. The accomplishments in Kiribati have been supported through the provision of Technical Assistance, both remote and in-country, by an expert with knowledge of the local culture, government structure and operations. CD provided was less effective in Fiji due to a combination of factors: a lack of reliable and timely source data required to facilitate the compilation of general government data, as well as competing organizational priorities within the Fiji Bureau of Statistics and the Ministry of Economy.

Significant improvements were noted in countries where senior officials made formal commitment to improving fiscal statistics. For example, in PNG, the government committed to transforming its fiscal data presentation to *Government Finance Statistics Manual (GFSM) 2014*. During the review period, considerable strides were made, with the transformation of PNG's Budget books into a *GFSM 2014* presentation. Importantly, these advancements integrated GFS concepts into the fiscal monitoring and management of the country. Similarly, strong gains were noted in Samoa with the migration from *GFSM 2001* to *GFSM 2014* as well as advancements in its debt data compilation and dissemination, which have supported improved fiscal risk monitoring. In both PNG and Samoa, a key success factor was the appropriate resourcing of the compiling entities which followed the public commitment to fiscal data improvements by the respective governments.

**Macroeconomic Analysis and Forecasting:** The Macro program has been effective in supporting countries to realize improvements throughout the review period. In Fiji, key assistance supported the training of new staff and sustaining organizational capacity to run and analyze the results of the macro model. In Samoa, the assistance supported enhancements in scenario analysis as well as the revival of the Macroeconomic Committee – key aspects of high functioning macroeconomic management within a country. The facilitation of south-south peer learning also enhanced effectiveness ratings. The facilitation of an attachment for Samoan officials to Fiji, as well as the integration of PNG data into regional training tools, were noted as highly effective initiatives of the Macro program.

The improvements identified by stakeholders include increases in evidenced-based policy making, deepened policy discussions with IMF surveillance teams, and enhanced intra-government collaboration on data sharing and analysis in Fiji, Samoa, and PNG. Increased organizational confidence in using and analyzing the results of the Samoa Economic & Revenue Forecasting (SERF) model – gained with the support of the Macro program – enabled counterparts to present the SERF model to stakeholders across the Samoan government, creating a broad-based understanding of data uses and impacts on policy making and budget formulation. Similarly, PNG data (facilitated by improvements realized by Bank of Papua New Guinea (BPNG) with the assistance of the Macro program) was used in Regional training to provide a clear, region-specific example for PFTAC countries to emulate. Progress observed in the Macro program arose due to high commitment and performance of country officials, combined with the support of PFTAC CD.

For the Macro program – as well as PFM and statistics programs – “fire-fighting” to deal with immediate needs is the default approach due to lack of overall programming resources.

**PFM:** The PFM program made progress in 9 of 11 countries, particularly with the completion of PEFA assessments and the development of PFM Roadmaps. Country progress in the adoption of PFM-related laws, regulations, and frameworks (including endorsement of PFM Roadmaps) was limited in during the review period though considerable progress was observed in the post review period (e.g., Samoa issued Internal Audit Regulations in June 2020). CD assistance began late in the review period for three countries which reduced their effectiveness ratings. In the Solomon Islands, progress against PFM reform objectives stagnated during 2017/2018 but rebounded in early 2019. Interviewees noted that in some instances

sample laws were overly burdensome and did not appropriately consider country-specific conditions. In these cases, the countries engaged with other development partners to essentially redo the work completed by PFTAC. CD on risk-based auditing was highlighted as particularly effective during Phase V, where previous attempts at improvement failed due to expert advice that was not country/culturally/capacity appropriate. The facilitation of south-south peer learning through attachments also enhanced effectiveness ratings.

As the regional leader in the conduct of PEFA assessments and development of PFM Roadmaps, PFTAC has had a significant effect on the guidance and prioritization of PFM reforms within the Region. Development partners rely on the PFM Roadmaps to inform the focus of their PFM development work as well as their budget support engagement with member states. Additionally, the high level of coordination undertaken by the PFTAC LTXs and Center Coordinator enabled efficient and effective use of PFTAC resources, which in turn increased the results and reach of PFTAC PFM CD overall. Improvements in financial reporting and internal audit (realized with the assistance of PFTAC) have increased transparency and accountability and reduced operational risk in both Fiji and Samoa.

**RSS:** The RSS program was effective in assisting the most capacity constrained PFTAC member countries in compiling GDP through capacity supplementation. Countries with active commitment to improvements, such as Cook Islands and Samoa, completed data periodicity and methodology improvements, incorporating new source data to update GDP within the planned timeframes. Effectiveness ratings were depressed by slower than expected progress towards milestones targeting quarterly GDP compilation, rebasing activities, and expansion of staff capacity across 13 of 15 countries reviewed. Progress on rebasing activities in other countries has been impeded by a combination of factors – lack of source data (Household Income Expenditure Surveys [HIES] incomplete), acute capacity constraints, and competing organizational priorities such as population census, health/education/climate/tourism data compilation, and Sustainable Development Goals (SDG) monitoring. In the case of both Fiji and the Solomon Islands, the rebase was achieved subsequent to the review period.

As a result of CD supplementation in Nauru, Niue, Tokelau, and Tuvalu, GDP data are produced to support and enable economic management, medium-term budget forecasting, and IMF surveillance activities. Enhancements to data periodicity and overall quality (through methodology improvements on deflation and incorporation of new source data through rebase activities) have supported improved economic assessments and management. These improvements enable timelier (in-year) policy analysis and formulation by Central Banks and Governments in the Cook Islands, Samoa, Fiji, and Solomon Islands. In cases where there is active engagement of other CD partners, PFTAC assistance is not the sole contributor to the changes achieved, though it continues to provide essential technical advice and actively engages with the capacity development providers in these countries. Notably in PNG, close collaboration between the National Statistical Office (NSO), Australian Bureau of Statistics (ABS), and PFTAC supports ongoing production of GDP and significant coherence improvements in the data. This has improved data reliability and usability for policy analysis and formulation by the Treasury and Central Bank.

**RPA:** The Revenue program generally did not include milestones linked to laws or regulations—only in Palau was the implementation of a new value-added tax a specific milestone. In Niue, three missions were fielded in 2018 to support a new Income Tax Act and Tax Administration Act, but there were no outcomes or milestones in CD-PORT for this TA supporting revision of legislation. In other cases, such as the absence of new legislation in Vanuatu, the lack of policy action appears to have diluted the impetus for reform. This likely contributed to reduced effectiveness, even though the RPA program milestones focused on strengthening tax administration within the existing legal frameworks.

Overall, the RPA program assisted countries to improve collection efficiency (collecting more tax revenue per dollar of tax administration costs) and increase tax revenues, as a percent of GDP. Adoption of a

functional organizational structure to support a compliance risk-management approach is in large part attributable to PFTAC CD following on from Phase IV initiatives. Compliance improvement programs and enhanced taxpayer services functions were introduced or enhanced in most RPA program countries, although in some cases implementation has lagged. The IT deficiencies in a number of jurisdictions would require acquisition of new or updated revenue management systems, which is not an activity funded by PFTAC.

**FSS:** In the FSS program, effectiveness varied significantly across jurisdictions and objectives. The process of implementing risk-based supervision and introducing legal reforms are long-term endeavors. The FSS program was generally effective across jurisdictions in the provision of supervisory tools, introduction of risk-based processes, and drafting of laws and regulation. Effectiveness in achieving the objective of upgrading regulatory frameworks in line with international standards was hampered by limited progress with legal reforms. In eight of 10 countries with milestones for new or revised laws or prudential standards, progress was much slower than was expected at project design. In these countries, the evaluation observed delays at various points in the completion process, including circulation of drafts for industry comment, review and revision of drafts after industry comment, and promulgation of laws and regulations. The exceptions were the Cook Islands, where revised regulations were promulgated, and Samoa, where regulations were brought to industry consultation, in both cases after the evaluation period. The effectiveness ratings for these countries reflect this progress.

Financial sector priorities in a number of countries limited PFTAC involvement because their priorities included financial inclusion or AML/CFT, which are not PFTAC core competencies. In some cases, the failure to establish the necessary legal foundation, for example cyber risk regulations, hampered progress toward milestones within the control of central banks – fully implementing supervisory policies, processes, and tools – which would otherwise have been achievable. The CD enabled supervisors to identify and assess such risks, but they will be unable to establish binding standards that banks are required to meet without a legal foundation.

The FSS program had a positive impact in all jurisdictions except Kiribati where TA recommendations have yet to gain traction. Progress was slower than anticipated with relatively few objectives fully met, but the achievements are largely attributable to PFTAC involvement. With PFTAC's support, several countries strengthened legal and regulatory frameworks, while others introduced risk-based supervision with PFTAC TA. Risk-based supervision will, over time, result in better financial stability by prioritizing supervisory resources on higher risks.

**Finding 6:** A range of factors internal to member countries and organizations have affected progress made toward CD objectives. The most effective PFTAC programs were supported by country commitment to change, appropriateness of advice, and level of assistance provided. Effectiveness is also predicated on a trust relationship among CD providers, country authorities and counterparts.

The key factors impacting project effectiveness include: (1) the degree of political, public administration and policy support in member countries for CD objectives; (2) the absorptive capacity in member countries; (3) the availability, capability and management of human resources; and (4) the initiative and buy-in of counterparts. These factors also affect sustainability of project results (see Section 2.2.5).

**Political and public administration support for reform.** Affecting organizational change is a significant challenge to achieving program objectives as it requires political and public servant support for reform. Where domestic leadership has been strong – PNG GFS and Macro improvements, Cook Islands quarterly GDP production, Fiji RPA and Internal Audit improvements, Samoa financial reporting (IPSAS Cash adoption)

and Internal Audit – countries have made good progress. In these instances, there has been demonstrated commitment to improvements from political and senior public servant levels which has translated into results achievement.

In 32 of 74 projects in the evaluation sample, there was strong or sufficient political and public servant support to achieve project objectives. In GFS, organizational priorities in two of four countries supported the production of reliable and timely source data required to facilitate the compilation of data. In RSS, 60 percent of projects had senior-level commitment to planned data improvements, while in four countries, the implementation of risk-based supervision was impeded by the absence of strong senior champions, turnover in leadership positions, and limited commitment to reform by key leaders. Similarly, in RPA, political consensus for major policy decisions and the commitment of senior leadership to implement reforms were facilitating factors in numerous countries (including two countries starting to make progress after recent changes in senior management). However, in some countries the implementation of reforms has been slowed in the absence of strong leadership and commitment to reform by key leaders, leading to under-performance against expectations.

**Absorptive capacity** is the extent to which countries and counterparts can ‘absorb,’ use and benefit from CD. The limited absorptive capacity observed in PFTAC member states negatively impacted the effectiveness of CD interventions. Across all programs, the progress

#### Absorptive capacity in NSOs

The evaluation found that, with the exception of Fiji and Samoa, National Statistics Offices (NSOs) had 4 or fewer staff to compile economic statistics during the review period. As a comparison, the Samoa Bureau of Statistics (SBS) has a team of 3 whose primary responsibility is to compile quarterly and annual GFS and Public Sector Debt data and an additional team of 5 to compile RSS.

made towards milestones in the in-depth review countries was largely dependent on the availability of scarce resources. In GFS, two countries made solid progress during the review period, but two others experienced delays as scarce resources were reallocated to activities deemed a higher priority by country officials. In the RSS program, effectiveness ratings fell with slower than expected progress towards milestones targeting quarterly GDP compilation, rebasing activities, and expansion of staff capacity. Progress on rebasing activities was slowed by a lack of source data, acute capacity constraints, and competing organizational priorities. Among the in-depth review countries, Kiribati and Fiji saw NSO resources diverted away from planned GFS and RSS work to other priority areas.

**HR availability, capabilities and management.** Counterparts and national authorities possess a wide range of skills and capabilities which impact both the effectiveness of CD interventions and the pace of change. Interviewees noted gaps across programs ranging from skills in Excel, to economic management fundamentals, to essential reporting to support policy proposals.

Some counterparts have achieved notable progress while experiencing significant resource constraints – the Cook Islands NSO produced quarterly GDP data, and Samoa, Tuvalu, and Vanuatu achieved notable progress in RPA reforms. More often the resource constraints and capacity gaps at NSOs were identified as having several negative downstream impacts. For example, informal arrangements for statistical compilation have arisen in some countries where decision makers place a high emphasis on access to timely, frequent and accurate economic statistics, but where the responsible agency is non-performing. Resource constraints also hampered progress in RPA and FSS programs.

Building capacity in many PFTAC member states will require significant, repeated investments to counteract the impacts of high staff turnover.

**Initiative of counterparts.** The level of buy-in of counterparts, their availability and initiative, often built on trust, are factors affecting effectiveness. Stakeholders interviewed all emphasized that PFTAC effectiveness is greatly enhanced by engaging experts with knowledge and experience within the region and country. Progress achieved with the Macro program during Phase V has been facilitated by the trust-relationship established between the LTX and country officials.

**Finding 7: Authorities and counterparts indicated that CD delivery is responsive and tailored to their needs. They also noted that in some instances the short duration of missions was a limitation to effectiveness.**

In most programs, the PFTAC model of support is a series of targeted TA missions that follows a diagnostic or assessment mission. Authorities and counterparts indicate that the model was well suited to the specific circumstances of member countries by tailoring recommendations and work-plans to the constraints faced by small states. They noted the effectiveness of regional activities – such as PFTAC training events and PFTAC support for the Association of Financial Supervisors of Pacific Countries (AFSPC), PITAA, Pacific Islands Forum Secretariat (PIFS), and the PSSC – in identifying needs, building demand for PFTAC TA, and creating buy-in for the CD. Country demand for FSS TA in insurance and cyber-risk supervision originated from regional workshops.

Stakeholders highlighted the short duration of missions and limited ability of the LTX/STX to consistently engage with counterparts between in-country missions as a weakness in the PFTAC model. Counterparts in three in-depth countries suggested longer missions would, in some instances, be more effective for learning, indicating that two weeks may be insufficient for full review and internalization of TA recommendations and necessary steps for implementation of especially complex subjects. CD providers

#### Mitigating HR constraints through capacity supplementation

Some PFTAC programs (GFS, RSS, Macro) provide capacity supplementation services to member countries. Capacity supplementation is defined as completing tasks on behalf of country counterparts/authorities, in addition to (or as opposed to) developing skills and knowledge of counterparts to complete this work. The extent and value of capacity supplementation is recognized by counterparts, development partners, LTXs, and the IMF's Asia Pacific Department – both for supporting IMF surveillance and lending activities, as well as supporting economic and fiscal management of countries themselves.

In both GFS and RSS, the capacity supplementation services range from complete data compilation in some micro-states to quality assurance reviews of compiled data in the more advanced countries. Counterparts in Fiji, Samoa and PNG all emphasized the utility of this remote "quality review" service provided by the GFS and RSS programs.

In the Macro program, supplementation services include quality review, data coherence analysis, and troubleshooting technical issues with models.

(LTX/STX) similarly noted mission duration as a limitation. Counterparts noted that sustained, consistent intervention by the same expert via in-country and regularly scheduled (monthly and/or quarterly) remote follow-up would better support and maintain reform momentum. When used as a complement to in-country missions, virtual missions allow more timely and effective tracking of progress, troubleshooting, planning, and resource prioritization within a program-based approach for countries.

Counterparts said that being provided with tools, templates and models made projects more effective and efficient in achieving objectives. In the FSS program, for example, counterparts viewed the cyber-risk regulation project as successful because the draft regulation was tailored to the specifics of Pacific Island countries, in line with their expectations, and involved the participation of national authorities in the development and drafting process.

The high level of cooperation and coordination between regional capacity development providers and PFTAC supports PFTAC's effectiveness. For example, counterparts in PNG highlighted the effectiveness of the collaboration between PFTAC and the Australian Bureau of Statistics (ABS) in re-establishing the production of GDP data by the NSO.

Performance against milestones illustrates a general over-optimism with respect to the timeframe required to complete legal reforms. This may reflect a desire to demonstrate tangible progress within the term of the LTX and the PFTAC Phase; however, it does not necessarily align with the extended timeframes required to realize longer-term objectives. Similarly, the level of capacity supplementation undertaken by the RSS program is not fully reflected in the RBM system, which can result in a negative bias in assessing results – primarily because the milestones/outcomes do not accurately reflect the on-the-ground reality of the supplementation work being undertaken. Instead, the milestones focus on staff capacity building in institutions (such as Nauru, Niue, Tokelau, and Tuvalu) where independent compilation ability is not a realistic goal.

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### 2.3.3 Impact

In the IMF's RBM Primer, impacts flow from the achievement of expected outcomes. Impacts could include, for example, improved tax revenues and compliance. The evaluation could not identify PFTAC impacts for several reasons. First, a program's impacts build on its effectiveness; given PFTAC's modest performance in realizing outcomes to date (see Section 2.3.2), there was no clear basis to identify achievements that "flowed" from outcomes. Second, as many PFTAC projects are in relatively early stages of development (i.e., milestone realization), it was premature to expect significant impacts. For these reasons, the evaluation team's recommendation to not rate impacts was approved by IMF. There is, however, some evidence of impact as discussed below.

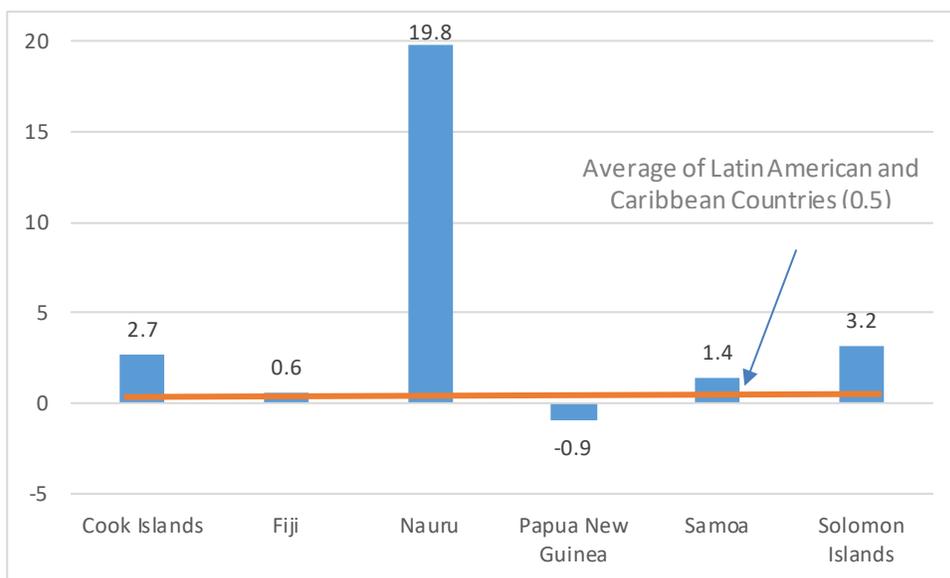
**Finding 8: There is strong evidence that PFTAC's Revenue program is having important measurable impacts in several countries.**

Change, effect and improvements in countries that are attributable to PFTAC CD are in most cases observable as concrete steps toward expected outcomes. As such, some of these achievements are listed in the Effectiveness section above.

Long-term impacts – those that would flow from the achievement of outcomes selected for log frames – are often difficult to quantify and estimate. The value of having timely, reliable GFS, GDP or Macro data is difficult to measure. However, the Revenue program provides examples of impact and value of impacts based on the inputs provided. OECD data published in 2020 describes the impact of improved tax administration in terms of tax revenue increases relative to GDP, which was a measure readily available for

a significant number of PFTAC countries. As illustrated in Figure 2.1, the Pacific Island States have increased the tax-to-GDP ratio well above average relative to comparators. This continues the progress noted in the May 2017 Fiscal Affairs Department (FAD) report *Pacific Island countries: Review of Tax Reforms in Selected Countries*. Value-for-money provided by the Revenue program is evident in examples. The cost to deliver TA to the Cook Islands during the review period equates to 0.5 percent of the prospective increase in tax revenues. In Fiji, 2018 tax revenues grew at three times the rate of GDP growth—about USD 80 million more than if revenue had increased in line with GDP. A mission to Tuvalu restored the functionality of the Revenue Management System with a simple refresh at less than a fifth of the cost of an upgrade to a new version.

**Figure 2.1** Change in Total Tax Revenue 2016-2018 (percent of GDP)



Source: Revenue Statistics in Asian and Pacific Economies 2020 <https://stat.link/6xzq2i>

**Finding 9:** In most programs, the impact and effect of PFTAC CD is also represented by the counterfactual – the performance of authorities and counterparts that is seen or expected in the absence of PFTAC programs.

Stakeholders are of the view that PFTAC programs have more impact than what is captured by the RBM system. Without capacity supplementation in the GFS and RSS programs, the production of or improvements to statistical data would likely not occur. Capacity supplementation supports IMF surveillance and lending activities, as well as economic and fiscal management of countries themselves. The impact of ongoing PFTAC engagement, particularly in the smallest countries, is that statistics offices, ministries of finance,<sup>8</sup> and tax administrations do not regress in their work but continue to produce value.

The impact and effect of PFTAC CD, and its value, is also seen in the counterfactual – what happens when these things don't exist?

- During the review period, the evaluation noted the degradation of the PFM environment in the Solomon Islands due to policy changes undertaken by the government of the day which led to worsening PFM and debt sustainability for the country.

<sup>8</sup> PFM for budget formulation, financial reporting standards adoption, cash management, and Macro forecasting.

- Similarly, several countries in the region have suffered from substandard cash management practices; the lack of timely and accurate cash on hand data, combined with uncertainties around cash requirements have led to the build-up of arrears.
- Reliable GFS, RSS, and Macro data inform budget formulation, monetary policy formulation, fiscal risk identification and monitoring, debt sustainability assessments, economic assessments by development partners and potential investors, as well as IMF surveillance activities. An absence of such data significantly impedes the ability of a country to effectively manage its economy and fiscal position. The end result of such weaknesses can result (and has resulted in previous evaluation periods) in countries requiring financial assistance from the IMF, World Bank, and other development partners and lenders.

### 2.3.4 Efficiency

The evaluation assessed the value of the program to key stakeholders and examined the ways that efficiencies have been created or have been limited in the programs.

**Finding 10: PFTAC used several approaches, systems and tools that have increased overall program efficiency.**

PFTAC programs were economical (in DAC terms) at converting inputs and resources into results in most programs as shown in the sidebar. The ratings are based on efficiencies created in CD design features and planning and implementation approaches and systems as well as the estimated value of the program and the CD to member countries.

PFTAC programs have used multiple approaches, systems and tools that increased efficiencies in the planning and implementation of CD. The following paragraphs highlight some of the economical ways that PFTAC converted resources into results during the review period.

#### Noted highlights

**Using multi-year plans for CD to underpin the delivery of a series of targeted TA missions.** The PFTAC model of support for FSS, PFM, and RPA

is typically informed by a series of targeted TA missions that follow a diagnostic mission or formal stock-taking on the status of previous reforms which culminate in a multi-year plan for counterparts. The plan facilitates appropriate sequencing and provision of TA targeted to specific topics. Authorities and counterparts reported that the model was well suited to the specific circumstances of member countries, particularly through the tailoring of recommendations and work-plans to the constraints faced by small states. GFS, Macro, and RSS are less discrete in their operations, with ongoing improvements moving along a continuum. Given that these three programs support ever changing realities (government structure, economic structure, endogenous and exogenous shocks), the use of diagnostic missions was deemed less relevant.

**Using regional activities to identify needs and raise awareness of best practices.** Consulted authorities and counterparts noted that regional activities, such as PFTAC training events and support for the PITAA, were effective in identifying needs, building demand for PFTAC TA, and creating buy-in for the CD. PFTAC has used regional activities as a means of raising awareness of best practices efficiently across members. In FSS, the regional workshops have focused on implementation of risk-based supervision based on common

#### Efficiency ratings by program (out of 4)

Macro: 3.75

PFM: 3.55

GFS: 3.48

RSS: 3.41

RPA: 3.27

FSS: 2.91

frameworks, raised awareness of cyber risks and best practices in insurance supervision, and conducted self-assessments during the workshops. These led to multiple countries requesting additional TA to follow-up on identified weaknesses. Additional support for legislative reform, possibly through providing more country-specific drafting support, could further advance legal frameworks. However, some counterparts noted that there can be a division during regional events between a small number of relatively larger and better-resourced countries (whose participants tend to dominate), and participants from smaller jurisdictions who may lack the experience to fully benefit from the discussions.

**Promoting common frameworks (such as supervisory frameworks) across member jurisdictions.**

Counterparts report that PFTAC's provision of tools, templates and examples made projects more efficient in achieving objectives. The general PFTAC approach of using the Australian Prudential Regulation Authority (APRA) risk-based supervision framework to underpin the TA in most member jurisdictions offers several efficiencies. For example, in the banking sector, there will be general commonality in the approach of home (Australia) and host (member countries) supervisory authorities overseeing the Pacific operations of Australian banks, facilitating supervisory coordination and cooperation. Commonality in approach also facilitates regional training and drawing on APRA resources when available. Similar efficiencies have been realized through the use of US supervisory processes and the CAMELS (Capital adequacy, Asset quality, Management capacity, Earnings, Liquidity, Sensitivity to market risk) rating system to underpin the TA for the Compact of Free Association countries,<sup>9</sup> which have close ties to the US banking system.

**Making adjustments to the CD plan.** PFTAC has made adjustments to TA plans in response to implementation challenges and emerging needs of member states. In FSS, for example, PFTAC provided training on liquidity and market risk when skill deficiencies were identified that made TA less effective. PFTAC has provided hands-on support by assisting directly with supervisory processes—offsite analysis, on-site examinations and individual coaching to support learning-by-doing. In RSS, the need for improved External Sector Statistics (ESS) and Gross National Income (GNI) data to support the OECD's analysis of Cook Islands was an emerging priority of the authorities which PFTAC addressed. In interviews and surveys, counterparts indicated that the plans align with country expectations, and that PFTAC was generally responsive on a timely basis to unanticipated requests.

**Engaging experts with knowledge and experience in the region.** Across programs, stakeholders interviewed all emphasized that the effectiveness of CD provided is greatly enhanced by engaging experts with knowledge and experience within the region and country – eliminating the cultural, regional, and country-specific learning curves that were highlighted as a frequent impediment to program efficiency. Repeated use of the same cadre of STXs brings benefits in terms of their knowledge of the region, development of long-term relationships, and implementation of similar approaches in various countries. The latter facilitates peer-to-peer contact to address common issues and enhances the value of regional training activities. Revenue program counterparts experienced these benefits since most tax administrations in the region have undertaken similar reforms. In RSS, stakeholders interviewed all emphasized that the effectiveness of CD provided is greatly enhanced by engaging experts with knowledge and experience within the region and country. The engagement of an LTX with considerable experience in the region improved the efficiency of the GFS program overall in the opinion of counterparts. Some counterparts highlighted inefficient CD outcomes from PFTAC when experts had limited/no knowledge of the country. This was particularly evident in legislative reform CD activities. Some example laws, such as the insurance example law provided to Fiji, Samoa and Tonga, were described as not relevant, too complex, and/or not reflective of the needs of the country and their legal traditions.

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<sup>9</sup> An international agreement establishing and governing the relationships of free association between the United States and the Federated States of Micronesia, the Republic of the Marshall Islands (RMI), and the Republic of Palau.

**Using alternative CD delivery models including remote assistance and attachments.** The Macro program was a leader in proactive mission planning combined with agile and country-appropriate tailored CD solutions. The practice of following up in-country visits with consistent and regular remote assistance enhanced the efficiency rating of the program. Counterparts noted that the LTX was very responsive to requests. Further, the close collaboration with other PFTAC programs (RSS, GFS, PFM) to realize synergies across programs, support inter-program dependencies as well as cohost training events greatly increased the efficiency of the Macro program in both budgetary and outcome results. Similarly, remote assistance (quality assurance review) provided by both the GFS and RSS programs were highlighted by counterparts as a highly efficient use of CD resources. Counterparts further noted the benefits of PFM and Macro attachments in supporting peer-to-peer learning and the development of regional expertise.

### Noted shortcomings

Some elements of PFTAC's delivery approach negatively affected the ratings of efficiency.

**Stakeholders highlighted the short duration of missions and limited ability of the LTX/STX to consistently engage with counterparts between in-country missions as a weakness in the PFTAC model.** See Finding 8. While PFTAC staff do not share this view, authorities interviewed in two countries stated that there were, on occasion, delays in fielding requested RPA missions. Similarly, PFM missions suffered from timeliness gaps with counterparts indicating that such delays underpinned country decisions to seek assistance from other capacity development providers. The evaluators noted that in Vanuatu the critical issue of a non-functioning Revenue Management System was not resolved until the appropriate IT STX could be fielded 11 months after the problem was flagged. Issues with availability of legal experts for PFM engagements were also identified as an impediment to timely CD delivery in limited circumstances. As discussed in Finding 7, hybrid TA missions and other strategies can be used to complement in-person missions and address some of these concerns.

**PFTAC's model for in-country CD delivery is limited in reach when programs rely on a limited number of LTX and STX resources** to deliver TA in sufficient quantities to meet the needs of authorities and counterparts in 16 member countries. Counterparts interviewed noted that sustained, consistent intervention by the same expert via in-country and regularly scheduled remote follow-up (monthly and/or quarterly) would better support and maintain reform momentum – improving efficiency and value for money.

**Finding 11: Inter-program collaboration has enhanced program effectiveness and efficiency, bringing benefits to member countries.**

The evaluation noted several positive instances of PFTAC inter-program collaboration, which has resulted in benefits for member countries while raising efficiency ratings.

- **GFS** program achievements, particularly outturn monitoring and medium-term fiscal forecasting, are essential to results achievement in the Macro program and elements of the PFM program. Five countries produced sub annual GFS data for economic and fiscal management, thus providing key interim fiscal measurement tools. Samoa and PNG integrated these fiscal data into the Macro models developed and/or refined during the review period. Central bank counterparts in PNG and Samoa noted the utility of GFS data in economic surveillance and monetary policy setting activities.
- The **Macro** workstream leveraged RSS and GFS program activities and results to support outcomes achievement, including the integration of rebased GDP data into the Samoa Economic & Revenue Forecasting (SERF) model and General Government GFS data in PNG's macro model.

- **PFM** reforms have improved the timeliness, quality, and availability of key source data for GFS compilation. These reforms include the implementation of a new Chart of Accounts or Financial Information Management System, improvements to cash management, and financial reporting reforms for State Owned Enterprises.
- **RPA** Administrative tax data, such as Value Added Tax data, are a key data source for RSS. Improvements undertaken by countries with PFTAC assistance in these areas support important downstream improvements in statistical data reliability, accuracy, timelines and/or periodicity.

The evaluation team also noted how limited progress in one reform area could affect progress in another. For example, delays in key PFM reforms – such as Chart of Accounts (COA) redesign and Financial Management Information System (FMIS) implementation – reduced the effectiveness of GFS CD activities by limiting the extent of improvements possible during the review period.

**Finding 12: Country authorities, counterparts, and development partners ascribe a high value to PFTAC CD services.**

The evaluators asked interviewees to share their views on the value of PFTAC programs. All stakeholders reported that PFTAC provided good overall value for money, offering high-quality TA and training in specialized areas, delivered at a cost that no donor or country could access for better value. The IMF brand, quality control mechanisms, and reputation in core areas provide additional value to the PFTAC program. Authorities and counterparts universally ascribe high value to PFTAC TA, citing how CD is tailored to the capacities of PFTAC members. Country stakeholders also noted that most countries in the Region would not be able to sustain the Macro, RSS, and GFS work without continued PFTAC assistance.

National authorities and counterparts value both regional and in-country training. Regional training is viewed as an excellent opportunity for countries to engage in peer-to-peer learning. During the review period, regional training activities were successful in raising awareness of key frameworks, gaps and practices, and efficient in generating requests for TA on specific topics.

- In the case of FSS, these events led directly to the regional projects on insurance law reform and cyber-risk supervision. In-country training is viewed as invaluable to the development of broad-based financial, economic, statistical, and analytical skills across government stakeholders.
- Fiji, Samoa, and PNG counterparts and stakeholders all noted the inter-agency collaborative benefits of having key stakeholders across government engage directly with the LTX. They also noted that, from their view, it is much more cost effective to have an LTX/STX deliver training in-country to many officials, than to send those same officials off-island for training.
- In PNG and Samoa, the ability to leverage in-country training to engage with, and encourage collaboration of, key source data suppliers and GFS data compilers was a success factor and provided high value for money.
- In Fiji, counterparts noted the collaborative benefits of having key stakeholders across government benefit from training. Officials also noted that without such types of CD interventions, the pace of progress would be significantly impeded. Counterparts further noted the benefits of PFM attachments in supporting peer-to-peer learning and the development of regional PFM expertise.

PFTAC programs do not collect information to estimate the value of outcomes or impacts attributable to the CD, possibly due to difficulties in quantifying the value, for example, in having timely, reliable GFS, GDP or Macroeconomics data.

### 2.3.5 Sustainability

In assessing sustainability, the evaluators looked at support for changes in national bureaucracy and institutional structure, including legal and regulatory frameworks, absorptive capacity of countries, use of knowledge transfer mechanisms, use of knowledge and skills acquired by counterparts, and PFTAC efforts to ensure sustainability.

**Finding 13: Changes are likely to be sustained in almost half of the reviewed CD projects. Challenges to the sustainability of results include staff turnover and the absence of political support and senior leadership and commitment.**

PFTAC programs have been somewhat successful at supporting sustainable reforms and data improvements. The project ratings shown in the sidebar are based on sustainability factors in CD design features, planning and implementation approaches and systems, and the assessed likelihood of changes being maintained in the medium and longer term by member countries.

The impacts are likely to be sustained in almost half of PFTAC projects in the sample (47 percent). Across programs and countries, four factors in countries can have positive effects on CD effectiveness, impact, and likelihood of sustainability: (1) political consensus for major policy decisions; (2) evidence of senior leadership and commitment to implement reforms; (3) adequacy of human and information technology resources; and (4) stability in staffing. The paragraphs below highlight the impact of the first two of these factors on programs. The other two factors are discussed in the next finding.

#### Sustainability ratings by Program (out of 4)

Macro: 3.50

PFM: 2.85

RPA: 2.84

GFS: 2.66

FSS: 2.61

RSS: 1.71

**GFS:** The support of leadership and the institution is essential for sustainable impact and the continuation of changes. In the GFS program, Samoa and PNG received very high sustainability ratings because senior government officials (Secretary, Minister) made strong commitments to support the compilation of fiscal statistics, GFS compilation units are adequately resourced, and domestic demand from key stakeholders (Central Bank, academics, and development partners) is high. In Fiji and Kiribati, the level of institutional support for timely, improved fiscal data was less evident, reducing sustainability ratings.

**RSS:** Four countries with active RSS projects received high average project ratings of sustainability because similar conditions for sustainability were present: commitment of senior government officials, domestic demand from key stakeholders, and appropriate resourcing for National Accounts compilation (in Samoa in particular). The Cook Islands team leveraged limited institutional resources to produce timely, reliable and frequent GDP estimates. In Fiji and Vanuatu, the level of institutional support<sup>10</sup> for quarterly national accounts data was low, although other institutional factors supported higher-than-average ratings of sustainability in RSS for the two countries.

**Macro:** The high level of assessed sustainability in the Macro program is underpinned by strong commitment by senior country officials and domestic demand for the timely and reliable macroeconomic analysis and forecasting from key stakeholders (Central Bank, Ministries of Finance/Treasury/Economy,

<sup>10</sup> Institutional support is reflective of allocation of resources within the NSO for quarterly production, sufficient financial resources to staff appropriately, and the uptake of offered CD on quarterly basis.

academics, and development partners). Regular reporting (Monthly, Quarterly, and Annual Economic Reviews, Monetary Policy statements) and use of information produced by the Macroeconomic Committees and Monetary Policy committees further enhanced the sustainability proposition by maintaining and growing demand for analysis and forecasting information by stakeholders. This support has been further evidenced by appropriate resourcing for Macroeconomic forecasting teams and collaborative engagement across respective governments. Counterparts noted that the documentation and timely, consistent remote assistance provided by PFTAC further supported sustainability.

**PFM:** Sustainability in program achievements is underpinned by stronger commitment by senior country officials and demand from key country partners (financing) for improvements to PFM overall. This support has been further evidenced by appropriate resourcing for Ministry of Finance staffing and systems in Fiji, Samoa, and Tonga. However, the political will to undertake often unpopular fiscal transparency improvements which in turn reduces opportunities for budget leakage is difficult to maintain. Change in political leadership can, and has, led to policy changes which reduce the sustainability of PFM improvements and/or slow the pace of improvements overall. During 2017 and 2018, the Solomon Islands' PFM environment significantly degraded due to policy changes undertaken by the government – which led to worsening PFM and debt sustainability for the country and undid some good work which the country had accomplished during and post Regional Assistance Mission to Solomon Islands (RAMSI).

**Finding 14: Systemic human resource capacity constraints severely hampered the ability of countries to sustain improvements achieved with the assistance of PFTAC.**

Statistical compilation units are, with few exceptions, chronically under resourced. The on-the-ground reality in many PFTAC member states is that governments will never have the necessary resources freely available to appropriately resource a National Statistical Office (NSO). While PFTAC objectives are relevant and aligned with the priorities of authorities and counterparts in member states, competing organizational and government priorities stretch already critically thin resources and result in a reprioritization of projects which impedes the pace of progress as well as sustainability of GFS and RSS outcomes. In Fiji, for example, the authorities reprioritized the efforts to complete compilation of Supply Use Tables to support a planned rebase, which has delayed progress on achievement of quarterly GDP estimates into the second half of PFTAC Phase V. These resource limitations also undermine the sustainability of achievements in the Macro program where timely, accurate and frequent statistical data is required to properly support a robust macroeconomic analysis and forecasting model.

HR capacity ranges widely across PFTAC member countries. The majority of countries lack counterparts in sufficient numbers and with required skills and capabilities to deliver and sustain outcomes. Fully 50 percent of PFTAC's member countries need capacity supplementation in statistics compilation and dissemination, as well as other core areas such as Macro and some elements of PFM. The need for capacity supplementation was evidenced in the GFS, RSS, and PFM programs in member countries that are micro-states and/or fragile states. Some micro-states (and the IMF's Asia Pacific Department) rely on PFTAC experts to complete GFS and RSS data compilation to support surveillance activities; these countries rely on other development partners to sustain improvements in PFM systems realized with the assistance of PFTAC (e.g., production of financial statements in adherence with IPSAS cash, improving budget documentation, implementing improved COAs). Five countries benefitted from significant interventions from other CD providers to support ongoing statistical data compilation and dissemination. The average ratings of sustainability of the nine countries relying on capacity supplementation to support data compilation and dissemination was 1.1. Even for countries where progress has been notable – such as the Cook Islands, PNG, Samoa, and the Solomon Islands – PFTAC's RSS and GFS programs continue to play vital quality assurance functions by reviewing data prior to publication and/or assisting to resolve technical

issues as they arise. Capacity supplementation will be needed at points in the future to support infrequent activities for data improvement, such as a rebase. The conditions in many states limit the opportunity for capacity development and for building sustainability into counterpart institutions.

The evaluation found that across programs, turnover is a high risk to sustainability. This is largely due to resource restricted environments, and the inability of PFTAC member states to implement a back-up model (having multiple people appropriately trained to complete Cash Management activities, as an example). Further, individual counterparts who prove highly capable are frequently required to manage multiple ad hoc requests, and are often quickly promoted/assigned to other priorities without having the time to transfer their knowledge. Counterparts in the GFS, Macro, PFM, and RSS programs noted that they have business process documentation and hold their own internal training/peer learning seminars to help mitigate against this risk. However, continued assistance from PFTAC programs is and will continue to be required to train new staff and support sustainability into the future.

In the **Revenue** program, weak leadership, staff constraints and inadequate information technology are significant risks, particularly in six jurisdictions assessed as having the greatest risk to sustainability. PFTAC advisors helped tax authorities make the business case for more resources (i.e., that investment in tax administration yields higher tax revenues), but were otherwise limited in their ability to address resource constraints. Modernizing tax administration (by adopting a functional structure and adopting a compliance risk-management [CRM] approach) provides the foundation for more efficiency in tax collection. The countries demonstrating the most progress, and the fewest concerns over sustainability, are generally much further in their journey to a modern tax administration and make better use of the knowledge and tools provided through PFTAC TA.

In **FSS**, the transition to risk-based supervision progressed well in multiple jurisdictions. PFTAC provided concepts and tools that are in use in supervisory authorities across the region, though further progress is needed. Supervisory processes will be sustainable once well embedded, but the transition from a compliance-based approach to a risk-based approach has been difficult. In some jurisdictions, elements of the previous compliance focus remain despite the adoption of risk-based supervisory approaches. In some small countries, counterparts lack familiarity with basic supervision concepts and lack knowledge in key risk areas, while in others the loss of trained staff through turnover is an acute and ongoing problem.

**Finding 15:** To improve the likelihood of sustainability, PFTAC has relied on updating business process documentation and providing alternative learning opportunities for authorities and counterparts.

Through PFTAC TA and training, authorities and counterparts in PFTAC member countries can acquire knowledge tools and practices needed to achieve their reform objectives. As described above, the conditions and practices in member countries can facilitate realization of planned CD objectives by aligning TA with national priorities and managing corporate knowledge. The PFTAC program has implemented various measures to continue the use of knowledge by counterparts and countries between CD missions and after projects end. The measures to capitalize acquired knowledge include: the use of country-focused learning activities; the development of regional networks in some programs like RPA through PITAA; the development of guides, manuals and other knowledge products to retain corporate knowledge; and the coordination of PFTAC resources with those of other development partners.

During the review period, the PFTAC program integrated new/alternative delivery modalities into CD design in all programs, such as peer-to-peer learning, which is likely to increase the likelihood of sustainability of knowledge and skills. These were used with success in the GFS, Macro and PFM programs in support of region-specific skills training and the development of networks of regional experts. The program supported

work attachments in the Macro and PFM programs, providing opportunities for regional experts to engage with other PFTAC members and learn from each other's experiences.

PFTAC advisors, authorities and counterparts provided few examples of formal succession planning, training or sustainability plans being developed for knowledge transfer and retention. However, they provided numerous examples of counterparts in some countries keeping manuals up to date or backing up knowledge systems. PFTAC has supported the development and use of business process documentation and tools to facilitate knowledge transfer, use, and retention when staff leave (turnover) as illustrated below:

- In the GFS program, each in-country mission includes updating business process documentation, such as compilation guide with basic procedures.
- The FSS program provided documented supervisory processes, which when fully embedded sustain the practice of risk-based supervision.
- The RPA program supported adoption of functional organizational structures and a compliance risk-management approach for tax administrations, which help to sustain progress with improved on-time filing and payment, and enhanced taxpayer services.
- The PFM program supported countries in updating their user manuals and process documents as changes are being made. The program provides examples of guides and helps counterparts to customize as business documentation.

Some member countries have developed tools to transfer and make use of knowledge and skills acquired. Notably, the Samoa Bureau of Statistics (SBS) implemented a matrix structure which enables cross-pollination of skills and knowledge between the GFS and RSS teams. This provides both teams with surge capacity in times of high work volume and supports the sustainability of statistical compilation over the medium and longer term.

Sustainability of results is a strategic issue for PFTAC and an opportunity for the program. The IMF has taken initiative by developing online training modules that should support knowledge retention. The program has supported and encouraged increased frequency of interactions with member countries through remote access, which should also support knowledge use and retention. The program could consider additional approaches in the development of local expertise, such as train-the-trainer, mentoring and coaching, which would all contribute to the sustainability of acquired knowledge. It could also identify/support local/regional organizations providing basic training in skills underlying counterparts' access to the knowledge transfer. In statistics, this would include working knowledge of mathematics and proficiency in Excel.

## 3. PFTAC Governance and Management

This section examines how the PFTAC program is governed and managed. It begins with a review of the status of the recommendations of the Phase IV evaluation, and then examines PFTAC roles and systems.

### 3.1 Status of Phase IV Evaluation Recommendations

**Finding 16:** Overall, PFTAC and the IMF made noteworthy progress in addressing management and governance issues raised in the Phase IV evaluation.

One recommendation was fully implemented, three were significantly implemented, four were partially implemented, and one recommendation (donors should consolidate their TA in the Pacific in the IMF core areas under the PFTAC umbrella) has not been implemented, however, this is outside the control of the IMF. (See status of recommendations in Appendix VIII). Work is underway to implement five of the recommendations, including the development and use of CD-PORT, CD-Map and PFTAC's knowledge management systems, the strengthening the SC, and efforts to increase sustainability.

### 3.2 PFTAC Roles

This section examines the effectiveness of the PFTAC SC, PFTAC and IMF departments in fulfilling their roles.

**Finding 17:** The PFTAC Steering Committee is designed to provide strategic guidance to the program, help set priorities, and provide feedback on the quality of CD programs. It has been partly effective in these roles.

Most stakeholders indicated that the Steering Committee (SC) was only somewhat effective in performing its three roles. They expressed concerns with decision making, accountability arrangements, and engagement of member states in discussions of strategic issues and their guidance to the program at SC meetings. IMF sources and donor respondents to the evaluation survey suggested that priority setting by the SC could be strengthened. Some stakeholders identified member countries' limited engagement as a key weakness in the performance of the SC. This issue was also highlighted in the Phase IV evaluation. At the same time, accountability arrangements between the IMF and PFTAC make it more difficult for member countries to play their roles. See Appendix IX for further discussion of the effectiveness of the PFTAC SC in its roles.

**Finding 18:** IMF departments are generally effective in their roles in PFTAC, including designing and resourcing CD, exercising quality control of CD delivered, and providing guidance and oversight of the program.

IMF departments exercise general oversight of the program and strong quality control of CD provided. IMF functional departments select and hire LTXs, facilitate recruitment of STXs, and provide advisors with technical support (backstopping) to maintain quality and consistency of advice. IMF departments are engaged in preparing PFTAC's annual work plan, provide strategic guidance and quality assurance to PFTAC,

and exercise authority in the TA program. A few SC members raised concerns that IMF backstopping services are time-consuming and overly centralized.

IMF HQ provides administrative and logistical support to LTXs and STXs and most interviewed advisors were satisfied with these services. PFTAC's engagement in processes such as LTX recruitment and performance assessment is somewhat limited and a constraint to the Center playing a strong role in quality assurance of its program.

**Finding 19: PFTAC plays an effective role supporting the SC with secretariat services. It has made changes to improve the engagement of member countries in the functioning of the SC, but more is needed to increase its effectiveness.**

PFTAC provides support services to the Steering Committee and provides secretariat services to the SC meeting. In Phase V, PFTAC introduced changes that helped the SC improve its functioning and engagement of voting members. The Center Coordinator was praised by authorities and development partners for being accessible, facilitating the flow of information at SC meetings. PFTAC's documentation and knowledge products provided to the SC are high quality without exception. In Phase V, PFTAC improved its ability to demonstrate milestone achievement using RBM. The support and secretariat services meet quality assurance standards; however, stakeholders suggested that PFTAC needs to do more to engage authorities in the functioning of the SC and governance of PFTAC. It could, for example, establish an executive committee for the SC, define the roles and responsibilities of SC members more clearly, and support SC members in these roles.

### 3.3 PFTAC Management Systems

This section examines management systems identified in the Terms of Reference as evaluation priorities.

**Finding 20: PFTAC has strong systems in place to design and monitor the quality of CD services provided to member countries. Member countries' demands for TA exceed PFTAC supply, highlighting the need for alternative delivery mechanisms.**

PFTAC's model for CD relies on experienced LTXs to deliver TA, supported by STXs and backstopped by IMF HQ departments. The approach is effective but emphasizes quality over quantity of TA, leaving some member countries with unmet demand for CD missions and TA. PFTAC has only so much capacity to meet demand for TA through in-country assistance; during the pandemic, a hybrid model of remote and in-person TA delivery has been successful and appreciated in mitigating COVID-19 travel restrictions. Remote TA delivery is seen as a potentially valuable and cost-effective complement to future in-country missions. Successful cases included the PFM program in Fiji (in internal audit) and Samoa (in cash management), and the Macro program in PNG and Samoa.

**Finding 21: During Phase V, PFTAC improved management systems to strengthen its corporate memory and improve administrative support to PFTAC advisors.**

In Phase V, PFTAC improved document management, prepared a procedures manual, increased its use of RBM at the milestone level, and reinforced support arrangements for advisors.

CD-PORT, a project management software, has supported the retention of organizational memory. The RBM Catalog provides PFTAC advisors and member countries with a model to use in planning and

monitoring CD progress. CD-MAP will facilitate a program-based approach by integrating management information systems and improving the RBM framework.

PFTAC and the IMF have sought to manage turnover of advisors. Stakeholders indicated that PFTAC had made improvements in managing the turnover and handover of advisors in Phase V by improving access to documentation for example.

PFTAC provides administrative and logistical support to LTXs and STXs. In Phase V, PFTAC addressed concerns with the support provided by staff. PFTAC now has an office manager, a procedures manual helpful for new advisors, and staff capacity building. The Center has also improved the support arrangements between PFTAC staff and advisors. However, many advisors interviewed in the evaluation raised issues with the quality of PFTAC support and the delays in office services, such as processing STX invoices.

**Finding 22: PFTAC has made use of the IMF's RBM system across the CD cycle for CD design, planning, monitoring, reporting and assessment.**

PFTAC has earned a reputation as a leading example in the use of RBM among the IMF's Regional Technical Assistance Centers (RTACs). The Coordinator is seen as a champion of RBM, with a sound understanding and track record in using RBM in CD management. PFTAC and its advisors have used CD-PORT RBM systems to develop log frames for projects. These were found to be of high quality, realistic and achievable, with the notable exception of overly optimistic timelines for new and/or revised laws and regulations. Counterparts generally have minimal involvement in the selection of milestones, although some do validate the selection and agreed on timelines for completion. More broadly, PFTAC program has not defined approaches that measure effectiveness at the country or program levels. See Appendix X for the full assessment of log frames.

**Finding 23: The evaluation was impeded by inconsistencies in how IMF programs designed their RBM catalogs and used the RBM system for the PFTAC program.**

PFTAC design focuses on the project level, but programs varied considerably in how they defined project objectives and indicators of objective achievement; how they used indicators to measure objectives; and how they defined project milestones and proposed to measure milestone achievement. Programs use CD-PORT to monitor milestone progress in projects, but not to monitor and measure a project's performance at the outcome level. Generally, programs did not use the IMF risk information and project commentary tools in the RBM system (CD-PORT). As a result, the evaluation experienced limitations in the availability and comparability of performance data for the assessment using the OECD criteria.

The evaluation notes that the IMF/PFTAC has begun to update RBM catalogs, establish and implement consistent business practices across all CD departments, and enable these improvements with CD-MAP.

**Finding 24: There have been notable improvements in coordination of PFTAC and development partner activities during Phase V.**

The Phase IV evaluation recommended that donor agencies in the Pacific consolidate their TA to governments in IMF core areas as much as possible under the PFTAC umbrella in order to support "collective impact." While the recommendation was not implemented by donor agencies, PFTAC is endeavoring to coordinate with CD partners across all programs. The level of coordination effort required is commensurate with the number of CD partners active in a given program area. PFTAC engages heavily in coordination in programs such as PFM where there are several active CD providers engaged. Stakeholders noted that

coordination has been “really effective” in the PFM program area during Phase V. See Appendix XI on PFTAC coordination with CD partners.

**Finding 25: Climate change is more fully mainstreamed in the PFTAC program design and operations than financial inclusion or gender concerns.**

The PFTAC Program Document identifies climate change, gender, and financial inclusion as priority thematic areas for the program. Climate change is more fully mainstreamed in program design than financial inclusion or gender concerns. PFTAC has not prepared guidance on the mainstreaming of these thematic priorities in the program, and the themes are not reflected in the IMF’s RBM Catalog or in reviewed project log frames. Some IMF stakeholders referred to the priority areas as “non-traditional areas” for IMF CD. Some bilateral development partners, including Australia, New Zealand and Canada place greater emphasis on gender as a priority than does the IMF as expressed in the PFTAC Program Document, RBM design and CD delivery. None of the PFTAC workstreams have taken financial inclusion dimensions into account, reportedly because other donors have projects supporting financial inclusion.

**Finding 26: PFTAC has struggled to utilize local and regional experts, while recognizing the value of this expertise to the program. There are opportunities for PFTAC to increase its support and use of local and regional experts in the program.**

National authorities, counterparts, development partners, and PFTAC and IMF staff interviewed all said they preferred the use of local and regional experts in LTX and STX positions, often because of their knowledge of the region and key stakeholders. However, the region has shortages of such experts. During Phase V, less than half of LTXs were regional experts from Australia, New Zealand or a member country; the others were mostly from Europe and the United States. About two-thirds of STX regional experts were from Australia and New Zealand.

While the PFTAC program has played an important role in developing regional networks such as PITAA and AFSPC, it has struggled to make use of local and regional experts in TA delivery. The PFTAC program is missing a formal strategy to identify, develop and optimize the use of local and regional expertise. The IMF’s leading role in HR recruitment should facilitate efforts by PFTAC to invest in and make strategic use of networks of local experts in the region.

**Finding 27: PFTAC has responded to micro-states, including some in fragile situations, with capacity supplementation in selected programs. However, it has not developed a strategic position with regard to capacity supplementation as a pervasive programming issue affecting CD effectiveness and sustainability.**

In the evaluation period, the program responded to conditions in micro-states and fragile states with measures such as capacity supplementation in the GFS, RSS, and, to a lesser degree, Macro programs. This has in part ensured that countries have maintained gains previously achieved. The average ratings of CD criteria in micro-states are only slightly lower than regional averages, although ratings are much lower in fragile states. However, PFTAC has not responded to member states’ chronic resource shortages and other constraints to effectiveness and efficiency with program- or country-level plans to determine the priorities and objectives for addressing these fragilities. While PFTAC is not a “first responder” in natural disasters, it has demonstrated agility in facilitating changes to plans and priorities as well as CD service delivery during times of crisis.

## 4. Lessons Learned and Recommendations

This chapter describes lessons learned on PFTAC program effectiveness and makes recommendations to improve the design, delivery, management and governance of the CD program.

### 4.1 Lessons Learned

The evaluators have identified nine lessons learned on the effectiveness of the PFTAC CD program. These lessons provide opportunities for improvements to CD design through the use of country-focused learning modalities such as remote CD delivery, peer-to-peer learning, and a program-based approach to priority setting and the sequencing of CD interventions in countries. The lessons highlight the necessity and importance of CD programming that is responsive to country contexts and needs.

**Lesson 1: In capacity development projects, remote TA can be an effective and efficient complement to in-person TA.**

The pandemic has provided useful lessons to PFTAC CD design. Most notably, remote CD can be delivered to member countries in ways that meet more of the demand for CD in the 16 countries across all programs. The in-country/remote hybrid model (used by Macro and to a more limited extent by the GFS, PFM and RSS programs during the review period) was successful and valued. Interviewed counterparts and authorities underscored the remote assistance provided in combination with in-country missions as a good practice which should be more broadly and systematically adopted across PFTAC programs. It was deemed effective for sustaining TA reform momentum and the utilization of skills acquired during in-country missions/training. The use of remote missions was a success factor in the effectiveness of the TA. See Finding 11.

**Lesson 2: Country contexts play a critical role in determining the effectiveness of CD and sustainability of planned outcomes.**

PFTAC member states face challenges to growth and sustainable development due to their unique circumstances. These conditions require appropriate, country-specific responses from PFTAC with regard to CD design, prioritization of resources, development and use of regional advisors, coordination with other TA providers, and engagement of member countries in the program. A country-program approach to prioritizing and sequencing of CD interventions is needed. Encouraging authorities to undertake significant concurrent reforms should be avoided so that these resource-constrained countries may make the most efficient use of the assistance provided and their own staff – without overburdening either or impeding progress. Sequencing of reforms should take into account country-specific resource constraints and intra-program dependencies (e.g., complete PFM COA reforms before focusing efforts on enhancing reporting or GFS coverage). Pacific-appropriate TA recommendations were key in supporting success in all but a few cases. See Finding 6.

**Lesson 3: Insufficient capacity and skills shortages in countries will decrease the effectiveness and sustainability of planned outcomes.**

PFTAC member states face several long-standing gaps in the underlying capacity needed for CD delivery and results. These gaps include shortages in skills such as using Excel, data analysis, report writing, and HR

management and work supervision. PFTAC experts have addressed some of these gaps on an ad hoc basis but strategic and concerted approaches aimed at building foundational skills are needed. These skills areas are not reflected in the RBM framework, mission documentation, or IMF thinking about their ‘core areas,’ even though they are necessary for the achievement of milestones and progress toward outcomes. See Findings 6 and 14.

**Lesson 4: Countries that are active in their governance roles have a better chance of having their priorities met than those not engaged.**

Member country engagement helped the program to maintain its focus on the priorities and needs of member countries. Countries that were vocal in identifying their priorities were more likely to see their priorities met. They were also more likely to seize peer-to-peer learning and development opportunities for countries. Going forward into Phase VI, the pandemic will impact member country priorities and the countries most engaged in their governance roles will be more likely to see their priorities met. See Finding 17.

**Lesson 5: Country-focused learning modalities can increase the relevance and effectiveness of CD delivery.**

Various modalities for knowledge transfer are available to PFTAC programs, including TA, training, and a range of learner-centered and peer-to-peer activities. In Phase V, PFTAC program used 8 or 10 modalities to varying degrees in programs (see sidebar).

The evaluation noted the use of country-focused learning modalities that had a positive impact on the engagement of countries and the effectiveness of CD in Phase V. Some good practices include the use of multi-year plans for CD delivery, peer-to-peer learning, work attachments, remote CD delivery, and regional activities to support countries’ diagnostic work and

**Knowledge Transfer Modalities Available to and Used in PFTAC**

Various modalities for knowledge transfer are available to PFTAC programs. They include: (1) TA missions, both in-country and remote; (2) Training, both regional and in-country; (3) work attachments, (4) mentoring, (5) coaching, (6) sharing of good practices, (7) preparing business process documentation, and (8) developing training programs. The use of IT provides opportunities for pre-mission and post-mission virtual engagement of counterparts as well as their self-directed learning.

needs analysis. PFTAC has also used regional activities to strengthen regional networks of experts with the aim of increasing their use in CD delivery. The lesson to draw from Findings 10, 14, and 20, is that country-focused learning activities are necessary for program effectiveness and an opportunity for tailoring CD delivery to needs and resource availability in member countries.

**Lesson 6: Inter-program collaboration can make CD programs more effective, efficient, and impactful.**

The evaluation noted several positive instances of PFTAC cross-program collaboration resulting in benefits for member countries. For example, the Macroeconomics program has leveraged RSS and GFS program activities and results to support outcome achievement, while PFM reforms have improved the timeliness, quality, and availability of key source data for GFS compilation. Cash management imperatives in PFM and downstream effects in Macro modelling were explored with country counterparts and authorities. Recognizing that progress in some program areas will affect progress in others, expanding inter-program collaboration will increase the range of improvements possible and the efficiency of resource use in CD delivery. Enhanced collaborative CD and training delivery served to deliver the PFTAC program overall at a lower cost, while also improving sequencing of reforms and the ability of counterparts to analyze their own data. See Finding 11.

**Lesson 7: The combined programming resources of development partners can be used more efficiently when the partners actively coordinate their efforts.**

Program coordination is necessary, especially in some program areas and countries. Significant numbers of development partners, including PFTAC, provide TA in PFM and RSS program areas to countries in the region. PFTAC can draw lessons from the coordination efforts in these areas. Development partners can strengthen engagement and coordination to increase efficiency of resource usage. PFTAC and its development partners provide capacity supplementation to a majority of PFTAC members. Other development partners can better serve needs where longer-term assistance is required, while PFTAC has an important coordination and targeted expertise role to play in collaboration with longer term engagement by others. See Finding 24.

**Lesson 8: In capacity development programs, effective human resources management (HRM) plays a critical role in program effectiveness.**

PFTAC resident advisors, with support of STXs, are central to the achievement of CD objectives in the PFTAC program. In addition to their technical expertise, their experience and knowledge of the region and their ability to engage national authorities in reform are key success factors affecting most OECD criteria in the program. HRM is a strategic matter for PFTAC with regard to program performance. Effective management of experts, including the development of local and regional networks of experts, makes the program more effective. See Finding 14.

**Lesson 9: The quality of evidence of program performance is largely shaped by the quality of the systems developed and used to design, monitor and report on the program.**

The decisions made in the design of CD projects – the selection of objectives, outcomes and indicators, the design and phrasing of milestones – will enable or constrain performance measurement during CD implementation. Selecting the ‘wrong’ indicators, or not measuring the indicators selected, will diminish the assessment and its use by programs. Performance measures needed to be monitored and updated periodically as needed to stay useful to the users of the RBM system. See Finding 23.

## 4.2 Recommendations

The evaluators made eight recommendations to improve the design, delivery management and governance of the CD program. In Phase VI, priority setting in the program will become more necessary and critical as revenues decrease and governments are forced to reset funding priorities. In this context, PFTAC and Steering Committee members should seek opportunities to increase the engagement of member countries in PFTAC governance roles and to deliver country-focused CD. The recommendations, proposed implementation suggestions, and their relative priority and sequencing, are listed below.

**Recommendation 1: The PFTAC Steering Committee should encourage and support member countries in playing a more active role in PFTAC governance.**

PFTAC stakeholders identified shortcomings with member country engagement in providing strategic guidance and oversight to the program. It also identified missed opportunities for more active engagement by member countries in SC meetings. To strengthen member countries’ engagement in the SC, the PFTAC Steering Committee, with the support of PFTAC, should:

- Establish an Executive Committee for the SC that will a) permit more regular engagement of SC members in PFTAC program and governance, and b) provide more regular guidance to the Center

Coordinator on the program. The Executive Committee could include deputy governors and assistant CEOs as members.

- Develop a guiding document that formally updates and defines: a) the role of the Steering Committee in PFTAC governance, b) the responsibilities of SC members, and c) the responsibilities of an Executive Committee for the SC
- Conduct remote SC meetings quarterly in addition to the annual in-person SC meeting in order to support more regular engagement of SC members in PFTAC governance
- Support SC members in: a) learning about their governance responsibilities, b) playing active roles in program priority setting and making resource allocation decisions, and c) playing an oversight role in program implementation.

This recommendation is also relevant to IMF RTAC governance and would aim to harmonize guidance and processes at this level.

**Priority:** High

**Timing/Sequencing:** Phase V to inform Phase VI Program Document (budget)

**Deliverables:** Guiding document, Coaching, information about SC

**Recommendation 2: In Phase VI, the IMF and PFTAC should consider adopting a hybrid in-person/remote model for PFTAC TA delivery as well other modalities and initiatives that will enhance member countries' engagement and role in CD delivery.**

During the COVID-19 pandemic, the PFTAC program adopted new modalities for the delivery of TA including remote engagement of counterparts. The IMF and PFTAC should consider: a) continuing and increasing the use of new modalities of CD, especially those that are counterpart-focused, targeted, and priority-based; b) using hybrid models of CD delivery that combine in-country assistance with scheduled (and budgeted) remote follow-up by experts to support reform momentum and address questions/issues in a timelier manner; and c) allowing more flexibility in mission length beyond the standard 2 weeks when the authorities need additional time for certain topics and objectives.

The IMF and PFTAC should:

- Develop a strategy for the use of the hybrid model of TA delivery and other modalities in programs, retaining LTX/STX field missions as the core of the model
- Supplement field missions with additional virtual pre-mission and post-mission virtual engagement, providing continuing STX engagement and implementation support
- Ensure timelines for CD are realistic, especially in fragile states
- Promote south-south, peer-to-peer learning through expanded use and frequency of attachments and exclusive use of PFTAC member data in training events (as was done with PNG Macro model)
- Develop a manager's module in PFTAC programs to support the engagement of senior country officials, develop skills for managing programs under their purview, and promoting and implementing reform programs in their country
- Provide training in the use of the manager's module.

**Priority:** High

**Timing/Sequencing:** Phase V to inform Phase VI Program Document (budget)

**Deliverables:** Strategy paper, manager's module, remote and regional training

**Recommendation 3: PFTAC and the IMF should work together with development partners and other regional partners to develop long-term, sustainable, Pacific-centric solutions to pervasive gaps in states requiring capacity supplementation in PFTAC program areas.**

PFTAC and other regional partners are providing capacity supplementation to a majority of PFTAC member countries. The capacity gaps affecting some program areas especially are pervasive. PFTAC should:

- Examine the extent of capacity supplementation required for PFTAC members, the TA programs and providers, and the gaps between supply and demand
- Examine the resources needed for addressing the capacity gaps, including the human resources needed of PFTAC member countries
- Develop long-term, sustainable, Pacific-centric solutions to address the capacity gaps.

**Priority:** High

**Timing/Sequencing:** Phase V to inform Phase VI Program Document (budget)

**Deliverables:** Review/strategy paper

**Recommendation 4: PFTAC and the IMF should improve HR practices with respect to LTXs.**

Turnover and handover of long-term advisors are stages in HR management where PFTAC and its member countries are at risk of disruptions in the provision or quality of TA services in a program area. PFTAC and IMF Functional Departments should implement measures to ensure a well-planned recruitment of and smooth transition between advisors.

- Develop HR plan for use of LTXs in all programs for medium-term planning horizon
- Select replacements well in advance of the end of the incumbent's contract
- Ensure a formal overlap period of at least two months, including at least one TA mission
- Develop standardized hand-over/transition procedures to maintain institutional knowledge
- Expand on-boarding training to close identified gaps in support for LTX transitions.

**Priority:** High

**Timing/Sequencing:** Develop HR plan after Phase VI Program Document is approved

**Deliverables:** Regional training activity

**Recommendation 5: PFTAC should improve its support to advisors from Center staff.**

PFTAC has improved its support to advisors in Phase V, and capacity building to deliver logistical support and administrative services to a quality standard should be continued in Phase VI. PFTAC should:

- Set service delivery standards for logistical and administrative support services, including lead time requirements for requests from advisors for support
- Design and implement standardized training for support staff, which should include regular support and training from IMF HQ for HQ-owned systems and processes (at a minimum semi-annual), and annual "reminder" training for some elements of the standardized training (e.g., respectful workplace, information security, etc.), during which time improvements to processes can be relayed and launched
- Implement annual and mid-year performance reporting for support staff, including a formal learning plan, and 360-feedback from subordinates, peers, LTXs, and supervisor(s)

- Establish and implement a formal back-up matrix for all key administrative support service activities to ensure business continuity and mitigate risks of planned and unforeseen staff absences.

**Priority:** High

**Timing/Sequencing:** Continue in Phase V and Phase VI

**Deliverables:** Performance standards, staff training activity, back-up matrix

**Recommendation 6: PFTAC should improve its use of RBM in the design and delivery of CD to support a program-based approach to country prioritization of needs and resource use, and sequencing of CD delivery to member countries within country programs.**

PFTAC has made general use of IMF's RBM system across the CD cycle. In Phase VI, PFTAC could use RBM more effectively in CD design and planning by: strengthening the links between planned outcomes and CD activities, developing log frames for regional and thematic initiatives, and improving the design and use of measurement tools and approaches in programs to ensure they provide timely feedback on achievement of outcomes. The Center should also strengthen the links between RBM reporting, learning and innovation in the RBM cycle with an emphasis on identifying and making use of effective practices in member countries.

A program-based approach would take into account synergies and dependencies across PFTAC programs.

PFTAC should use and leverage RBM to support program-based approaches, especially for member countries. A country-program approach would aim to assist with the prioritization of CD needs and resource use by authorities, medium-term planning for CD, CD delivery/implementation scheduling and sequencing, taking into account all CD from PFTAC, particularly where dependencies and synergies exist (e.g., better GFS data is essential for improved Macro models). These parameters could be strengthened in the elaboration of country charters, which would reinforce PFTAC accountability to its members.

In Phase VI, PFTAC and its advisors should engage member countries more directly in the RBM approach and its potential benefits. PFTAC should:

- Deliver RBM training to SC members and country counterparts
- Engage member countries in the design and use of RBM log frames and information
- Leverage RBM to take a country-program approach to planning and resource use
- Engage member countries in the elaboration of country charters/programs addressing their priorities for CD assistance and activities over medium-term period, with RBM measures and targets for improvements.

**Priority:** Medium

**Timing/Sequencing:** Ongoing in Phase VI, dependent on updates to RBM system

**Deliverables:** Regional training activity

**Recommendation 7: PFTAC and the IMF should better integrate priority thematic areas into PFTAC programs.**

PFTAC's support to the priority thematic areas in Phase V (gender, climate change and financial inclusion) should be elaborated in a strategy and resourced to achieve targeted results. PFTAC and the IMF should:

- Prepare guidance on the mainstreaming of gender, climate change, and financial inclusion thematic priorities in PFTAC activities
- Prepare guidance on the integration of thematic priorities into the CD design and implementation in each PFTAC program area

- Incorporate elements relevant to gender, climate change, and financial inclusion in the IMF's RBM Catalog
- Include regional expertise in priority thematic areas in roster of STXs for use in program areas.

**Priority:** Medium

**Timing/Sequencing:** Guidance prepared to begin Phase VI, dependent on IMF updates to RBM system

**Deliverables:** Guidance, Integration with IMF HQ activities

**Recommendation 8: PFTAC should allocate resources to develop regional expertise for engagement and use in the program.**

There are opportunities for PFTAC to increase its support and engagement of local and regional experts in the program. The program has used local authorities as resource persons for regional workshops, which should be continued and expanded where possible. PFTAC should find opportunities to increase its use of local and regional experts in a strategic approach comprising focused efforts to develop promising staff from member country ministries and agencies for engagement as STXs. PFTAC should:

- Develop and resource a strategy for supporting the development of local and regional expertise and the use of experts from the region in all PFTAC programs
- Develop a performance measurement framework for the strategy
- Identify promising officials from member ministries as potential STXs and provide them opportunities to participate in missions as training opportunities
- Support train-the-trainer, mentoring, and coaching of regional experts
- Expand the use of regional counterparts as resource persons for training across all programs
- Develop strategic partnerships to deliver training in foundational elements of PFM, Statistics and Macro programs, such as the use of Excel, economic forecasting principles, data analysis principles and integration in policy formulation.

**Priority:** Medium

**Timing/Sequencing:** Begin in Phase VI, continue over the medium term and long term

**Deliverables:** Strategy paper, development activities



# Appendix I Terms of Reference

**Terms of Reference for the  
External Mid-Term Evaluation of the  
Pacific Financial Technical Assistance Center (PFTAC)**

August 2019



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## 1. BACKGROUND AND OBJECTIVES OF THE EVALUATION

### Background

The IMF Pacific Financial Regional Technical Assistance Center (PFTAC) was established in 1993 in Fiji to serve the Pacific region. PFTAC's primary purpose is to assist member countries with strengthening their management of macroeconomic, financial, and statistical policies and processes. This involves providing assistance with assessing existing capacity; design of measures to address weaknesses; provision of advice on implementation of reform plans; and providing staff with knowledge and training to implement policy reforms and improved techniques, decision-making processes, and administrative procedures.

Through PFTAC, the IMF has been able to substantially increase its capacity development (CD) to PFTAC member countries. PFTAC serves the following sixteen countries: Cook Islands, Fiji, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu and Vanuatu over a five-year cycle. The fifth and current 5.5-year cycle started in November 2016 and will end April 2022. PFTAC operations are funded by contributions from its member countries for the first time, the IMF and bilateral and multilateral development partners. The total program document budget of PFTAC over the current 5.5-year funding cycle is USD 39.7 million.

Operations are guided by the PFTAC Phase V Program Document and laid out in a rolling annual work plan within the results-based management (RBM) framework. This approach aims at ensuring that activities are efficiently and effectively planned and implemented as an integral part of the overall IMF CD program, on the basis of beneficiary countries' needs and are complementary to other forms of IMF CD and other CD providers in the region. PFTAC is guided by a Steering Committee (SC), composed of representatives from member countries, donors and the IMF. SC members and observers (such as other development partners) meet annually to discuss the Center's strategic direction, review progress against its work plan and discuss and endorse a work plan for the following year and (where provided) the medium term. Interaction of SC members also occasionally takes place through emails. A Center Coordinator oversees the day-to-day operations of the Center and helps in setting the strategy for the center including the preparation of the work plan in close collaboration with IMF HQ and member countries. This model allows for the needs and priorities of member countries to be reflected in the center's work allows PFTAC to respond to changing priorities as they emerge and enables collaboration across development partners to avoid duplication of effort.

PFTAC CD is largely delivered by resident advisors and short-term experts and also leverages resources through close collaboration with other CD providers, including ADB, EU, PASAI, UNESCAP, etc. Resident advisors, who are based in the host country, travel throughout the region, which allows them to develop close relations with country authorities and familiarity with national and regional CD needs. The skill mix of the advisors reflects the needs and priorities of the member countries. The resident advisors work under the technical supervision of the relevant functional department. In addition, headquarter (HQ)-led missions provide strategic and policy advice to the member countries while PFTAC also deploys short-term experts to deliver targeted CD to complement the work of resident advisors. PFTAC also provides seminars and workshops at the national and regional levels.

PFTAC's CD is demand-driven and determined through consultations with member countries, based on an assessment of CD needs, priorities of member countries, and the IMF's CD strategy for the region and individual countries. Quality control of activities is ensured by IMF HQ-based backstoppers and the Center Coordinator.

## Objectives of the Mid-Term Evaluation

The Terms and Conditions governing the establishment and operation of the multi-donor trust fund for PFTAC specify that “no later than 40 months after the activities financed under the Subaccount with respect to each funding cycle have begun, an independent evaluation of the activities financed under the Subaccount will be initiated.” Specifically, the PFTAC Program Document foresees that an independent evaluation will be carried out by a team of independent experts around three years into the program phase. The period covered by this evaluation is the fifth phase. The overall objective of the evaluation is to assess the extent to which PFTAC is achieving its objectives, assessing the relevance, effectiveness, efficiency, sustainability, and impact of its activities. Studies or reports of PFTAC efforts since the last external evaluation should be considered, such as the 2017 review of revenue reforms that noted revenue mobilization and sustained reform achievements over the previous decade through PFTAC contributions as well as a similarly intentioned review of PFM reforms launched in mid-2019.

## Content of the Evaluation

The evaluation will have two sections: (1) evaluation of CD activities delivered by PFTAC, which is the common, comparable core for all IMF CD evaluations regardless of the delivery vehicle, and (2) evaluation of entity-level processes and governance. In the first section, the evaluation will address the degree to which the projects identified have achieved their objectives according to the Organisation for Economic Cooperation and Development-Development Assistance Committee (OECD-DAC) criteria of relevance, efficiency, effectiveness, sustainability, and impact. The Common Evaluation Framework (CEF) of the IMF provides further detail about how these criteria are defined in IMF CD evaluations (also see Table 1 below for a more developed version to be used in this evaluation). The findings of the evaluators should also be used to guide future strategic issues of PFTAC, including implications for future direction and size. The second section will include entity-level questions (specified in Section III), for which the evaluators are not expected to apply the OECD-DAC criteria but simply present their findings on these questions.

The CD projects evaluation component should strictly adhere to the definitions of the OECD-DAC criteria adopted in the Common Evaluation Framework (see Table below) to preserve the comparability of evaluation findings across both contemporaneous and future IMF CD evaluations.

The evaluator will also consider the extent to which the relevant lessons learned or recommendations from the previous evaluation have been taken on board.

The evaluation should report on any significant lessons, also from the past evaluation and recommendations, that can be drawn from the experience of PFTAC and other Regional Capacity Development Centers (RCDCs). It will assess possible unintended effects that may have been generated as well as the coherence/value added having regard to other donor interventions. It will provide costed recommendations (quantitatively, where feasible, or qualitatively) for changes that would enhance the ability of PFTAC’s CD projects to achieve their objectives according to the OECD- DAC criteria.

COMMON DEFINITIONS FOR THE OECD-DAC CRITERIA AND EXAMPLE QUESTIONS	
DAC CRITERIA	KEY EVALUATION QUESTIONS
<p><b>Relevance</b></p> <p>An assessment of the importance of the objectives of the CD.</p>	<ul style="list-style-type: none"> <li>Do the national authorities consider the objectives important? How high do they rank them on their list of priorities?</li> <li>Provide your own assessment of the importance of these objectives.</li> <li>To what extent were the objectives of the CD derived from capacity gaps identified by national authorities?</li> </ul>

COMMON DEFINITIONS FOR THE OECD-DAC CRITERIA AND EXAMPLE QUESTIONS	
DAC CRITERIA	KEY EVALUATION QUESTIONS
	<ul style="list-style-type: none"> <li>To what extent were the objectives of the CD derived from capacity gaps identified by others (e.g., country teams) or international standards?</li> <li>To what extent did the objectives of the CD come from priorities identified in surveillance or an IMF program for the country?</li> </ul>
<p><b>Effectiveness</b></p> <p>The extent to which the objectives of the CD were attained.</p>	<ul style="list-style-type: none"> <li>To what extent were the objectives of the CD achieved or are likely to be achieved (refer to the ratings of milestones, outcomes, and objectives in the IMF's RBM framework and validate these ratings)?</li> <li>Did the government agency effectively implement the actions (e.g., passing laws) required to achieve the objectives?</li> </ul>
<p><b>Impact</b></p> <p>What changes were attributable to the CD?</p> <p>The positive and negative changes brought about by the CD, directly or indirectly, intended or unintended.</p>	<ul style="list-style-type: none"> <li>Refer to the achievements under the effectiveness section and assess further the extent to which these were attributable to (i.e., happened as a result of) the CD.</li> <li>List all changes that can be attributed to the CD, intended or not.</li> <li>List the reasonably clear cases in which either the outcomes/objectives would very likely not have occurred in the absence of the CD or would have likely occurred in the absence of the CD. For the cases that do not fall under either category, discuss briefly any relevant information.</li> </ul>
<p><b>Efficiency</b></p> <p>The value of the impacts attributable to the CD compared to the costs.</p> <p>Measures the monetary value of the outcomes or benefits of the CD compared to the monetary value of the inputs or costs incurred to achieve them.</p>	<ul style="list-style-type: none"> <li>Benchmark the costs of the CD against similar CD in the past (including in other countries), while taking into account country-specificities, with reasonable adjustments for inflation, etc.</li> <li>In light of what was concluded above under impacts, estimate the value of those impacts (quantitatively, if feasible, or qualitatively) and compare them to the costs incurred, if possible.</li> <li>If no estimates can be provided for monetary value of impacts, assess the extent to which objectives were achieved at minimum cost, as assessed by: <ul style="list-style-type: none"> <li>Comparison of costs with other similar activity; or</li> <li>Examination of the process and implementation, including evidence of excessive staff turnover, unnecessary delays, inefficient organization, etc.</li> </ul> </li> </ul>
<p><b>Sustainability</b></p> <p>To what extent are changes brought about by the CD likely to continue?</p>	<ul style="list-style-type: none"> <li>To what extent are achievements of the CD supported within the bureaucracy and the institutional structure, thus likely to continue?</li> <li>To what extent does continuation of the achievements of the project hinge on continuation of CD?</li> <li>To what extent is any transfer of knowledge likely to be retained and/or further disseminated?</li> <li>If the objective of the CD project was to change behavior, assess the extent to which any achieved behavioral change will persist.</li> <li>If the objective of the CD project was to support new policies or laws, assess the extent to which the development and implementation of legislative frameworks, regulations, processes, and institutional structures and mechanisms are likely to last.</li> </ul>

## 2. Evaluation of CD interventions delivered by PFTAC

### Scope

The evaluation will cover CD activities (with a corresponding set of country-objectives), provided from the commencement of Phase V activities in November 2016 through April 2019. It may be impractical to evaluate all country-objectives.<sup>11</sup> Therefore, before applying the DAC criteria, the evaluation should select a representative sample of country-objectives to evaluate, ensuring adequate representation of countries and workstreams. For a more informative evaluation, the sample should be weighed toward country-objectives that gained sufficient traction and at least a year since delivery of the first CD. The evaluators should consider other completed or ongoing evaluations of PFTAC programs since the Phase IV external evaluation.

The evaluators will be expected to visit Fiji and other two or three countries for an in-depth field investigation of the selected CD to supplement desk review. The countries to be visited will be discussed and agreed during the Inception Phase and outlined in the Inception Note.

### Objectives and the results chain (log frames)

The evaluators are expected to use the ex-ante log frames in projects, which will be made available to them prior to the evaluation.<sup>12</sup> For some projects, particularly those started before the introduction of the RBM catalog in May 2016, the evaluator may need to take into account the internal learning period during the roll-out of the enhanced RBM framework through FY2018 and complement analysis with information from the RBM catalog and/or interviews with staff who supervised the CD activity. In all cases, the evaluator could suggest changes to the log frames for the future along with justifications.

### Assessing the objectives using the OECD-DAC criteria

The evaluators are expected to assess the degree to which the CD projects (those selected in (A) above) have achieved or are on track to achieving their objectives according to all five DAC criteria, unless there seems, ex ante, good reason why some criteria are not applicable. In applying the DAC criteria, the evaluators will pose the following questions for each objective: (i) Was the objective relevant? (ii) Did the intervention achieve the objective? (a) Effectively? (b) With impact? (c) Efficiently? (d) Sustainably? This sequence of questions should be repeated for every objective in the representative evaluation sample. Table 1 above provides further guidance on how the DAC criteria are defined and the kinds of questions the evaluator might ask to evaluate whether the criteria were met.

If the evaluators have little to say about some of the DAC criteria, the evaluation report should note that and explain why the criteria was not applied (e.g., lack of information/evidence) for that project. If the project is incomplete and at the implementation phase, the evaluation will focus on both relevance and whether the project is on track to achieve these objectives effectively, with impact, efficiently and sustainably. As mentioned above, the evaluators will avoid including in the sample objectives that are far from completion. In the case that such an objective has been included in the sample, the focus will be on whether the project is relevant.

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<sup>11</sup> According to the IMF's RBM terminology, in most cases, the achievement of CD objectives will be synonymous with successful outcomes, which are the main focus of the RBM system and refer to concrete, measurable steps forward in capacity development achieved when the authorities act on CD recommendations. Because CD can be a long and involved process, many outcomes will be about making relative, not absolute, achievements. It is then important to assess, given country circumstances, what constitutes an appropriately ambitious improvement in an outcome.

<sup>12</sup> IMF CD providers are required to specify standardized log frames that draw on the Fund's RBM catalog.

RBM ratings entered in the Capacity Development Projects, Outputs and Results Tracking system (CD-PORT) are a key source of information specifically on effectiveness (the ratings for achievement of objectives derived from the verifiable indicators on the achievement of outcomes). Evaluators are expected to provide ratings of their own, using the CD-PORT ratings as one of many inputs. The evaluator should ensure that IMF CD evaluations are based on a common understanding of the issues and a common definition of terms.

### ***Ratings and Aggregation***

A quantitative rating scheme should be used to record the assessment by the evaluator. Each of the DAC criterion for which there is sufficient information to make a judgment will be scored on a 1–4 scale.<sup>13</sup> In assessing the DAC criteria, the evaluator is expected to take into consideration information and evidence collected from a range of sources to triangulate their assessment (see below). When it is desired to calculate a single, composite rating for the project across all DAC criteria, the starting point is to assign equal weights to each DAC criterion unless justified otherwise by the evaluator.

***Aggregate over objectives to evaluate a project.*** For each selected project, the evaluator is expected to provide an overall performance rating for each DAC criterion reflecting a weighted average rating over the objectives/outcomes of the project. This will require forming a judgment about the relative importance of the various objectives. The evaluator is encouraged to make these judgments explicit by providing weights for objectives of each project that add up to one. In some cases, where the CD provider has specified weights in the RBM system, the evaluator should use these weights as a starting point. The evaluator should provide justification for the weights (explicit or implicit) that s/he adopts.

***Aggregate over projects to evaluate the entity.*** For an evaluation of an overall performance of the entity, the evaluation would focus on the degree to which all the selected projects funded by the subaccount achieved their objectives according to the DAC criteria. The performance of the subaccount would be the aggregation of all these assessments. Unless justified otherwise by the evaluator, the expectation is to assign equal weights to projects.

### **Analysis of Results**

The evaluation will summarize the key findings from the analysis and draw the key conclusions and lessons to help improve future CD outcomes, mindful of the variability in data quality especially for earlier projects. This requires examining two related questions:

- a) Why was the achievement of the DAC criteria low/high and what factors explain it?
- b) What alternative interventions, if any, might have provided better results and why/how?

These questions will be examined at the project level (presented in the project evaluation annex of the evaluation report). Moreover, the evaluators are expected to synthesize their project-level assessments and findings and present a summary pointing to patterns across groups (e.g., specific patterns observed by CD topics, countries or country groups) as well as general patterns affecting all projects in the main text of the report.

The first question asks the evaluator for a narrative of what happened, informed by the assessment in (C), but not tied to any structure or formula. This sub-section is the place to bring out considerations that are not already covered.

Moreover, the evaluator will assess the extent to which projects adequately identified risks and established adequate risk mitigation strategies. However, recommendations of alternate interventions should be

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<sup>13</sup> The ratings will have the following interpretation: 1=poor, 2=modest, 3=good, and 4=excellent.

accompanied by supporting evidence and should be costed (quantitatively, if feasible, or at least qualitatively). Moreover, when making recommendations the evaluator should consider the implications on all five criteria rather than focusing only on one criterion. Alternative interventions that improve some of the DAC criteria, (e.g., effectiveness) at great cost (which would fail the efficiency criterion) are not practical recommendations.

The evaluator could also assess the quality of the log frames, particularly the clarity, measurability, verifiability, and ambition of objectives and outcomes.

### 3. Entity-level Questions

In addition to the core questions, evaluators should assess:

- (i) whether the SC is effective in providing strategic guidance and oversight of PFTAC activities<sup>14</sup> and contributing to setting priorities;
- (ii) to what degree the Center's systems and institutional set-up allow for retention of organizational memory (e.g., to facilitate follow-up as needed, avoid duplication of efforts, ensuring information exchange and smooth handovers between resident advisors, etc.) adequacy/quality of administrative/operational support provided to advisors including by their backstopping departments;
- (iii) what contribution the Center has made to building a robust network of local experts in the region, challenges and constraints faced, and to systematically identify and optimize the use of local and regional expertise;
- (iv) to what extent PFTAC activities are effectively coordinated with the work of development partners operating in the same sectors, to what level is the coordination with country representations of the partners;
- (v) How PFTAC has coped with conflict and fragilities in a number of its members, and whether there have been other important exogenous events that may have undermined the ability of PFTAC to achieve its objectives, and if so, whether PFTAC's response has been adequate; the evaluation might look at the backstopping processes in place to ensure quality of CD services;
- (vi) to what extent and when relevant to the core expertise of the Fund, climate change, gender, and financial inclusion dimensions have been taken into account in the program design of CD services; and
- (vii) to what extent PFTAC has built sustainability of the training provided by implementing measures to capitalize the acquired knowledge and developing of training plans after providing CD.

Evaluators should base their assessment on document and data analysis, interviews, surveys and/or case studies (see section V for details) and relate their findings to the results of the last evaluation.

### 4. Steering Arrangements for the Mid-Term Evaluation

The IMF Institute for Capacity Development's Global Partnerships Division (ICDGP) will serve as secretariat of the evaluation, overseeing the procurement process, supporting information-gathering for the evaluation, and keeping the evaluation process on track. While the evaluation report will be addressed to

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<sup>14</sup> It is important that such activities include those outside the responsibilities of the agencies that SC members represent (e.g., activities supporting statistics work).

the entire SC, an Evaluation Sub-Committee (ESC) has been established to guide the evaluation. The creation of ESCs is part of the IMF's evaluation practice and allows SCs to actively participate in the evaluation process. ICDGP will also serve as secretariat of the ESC.

The role of the ESC is to provide strategic guidance and orientation along OECD-DAC principles and to ensure that the evaluation takes into account issues relevant to stakeholders. The ESC will (a) review and advise on the Inception Note prepared by evaluators; and (b) review and comment on the draft evaluation report. Whilst the ESC will guide the evaluation and provide comments on draft outputs, it will have no power to determine the content of the report, and the evaluators will remain free to reach their own conclusions. However, formal responses from the IMF will be annexed to the final report. Moreover, the ESC could request for a revision of the report, if it does not comply with the requirements of this Terms of Reference, including page limits and the strict application of the OECD-DAC criteria as defined in the Common Evaluation Framework (CEF).

The ESC is chaired by a representative from a member country who is selected by the ESC in consultation with the Chairperson of the SC. The ESC is proposed to comprise representatives from:

- Member countries (3)
- Development partners (3)
- The IMF (Area Department (1); relevant CD departments including ICD in its CD-delivery function (1 each, with a total of 3 or 4); ICD in its governance function (1 from ICDGP and 1 from Institute for Capacity Development's Strategy and Evaluation Division (ICDSE)).

## 5. Information Sources

The Fund's RBM framework will be a primary source of data to evaluate the achievement of objectives and outcomes. The evaluator is expected to collect complementary information with respect to the assessment of the counterfactual, five DAC criteria, and step 4 of the CEF through surveys, interviews, focus groups, other indicators, and Fund documents. The evaluation will draw on information from a range of sources, particularly IMF documents and data (Appendix); interviews and case studies. Each evaluation criterion should be assessed using at least three different information sources.

- **Log frame.** The evaluator is expected to use the RBM log frames as the source for the objectives, outcomes, milestones, indicators, and RBM ratings.<sup>15</sup>
- **Document and data analysis:** Evaluators will be expected to analyze all relevant materials, such as project and program documents, work plans, assessments etc. The evaluator will have access to information from various IMF sources, including information from the RBM framework, CD reports (TA reports or mission briefs, work plans), back-to-office reports (BTOs) of CD missions, IMF country reports (e.g., Article IV reports, program documents), Regional Strategy Notes (RSNs), any self-assessments by CD providers. The data that is collected and monitored as part of the IMF's CD activities include indicator variables that are used to verify outcomes, RBM ratings, and the risk

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<sup>15</sup> During FY17 the Fund rolled out a new integrated project management system to enhance prioritization, efficiency and monitoring of Fund-wide capacity development activities through wider use of an RBM framework. By end-2017, all new and ongoing TA Projects use the RBM framework. IMF training is also covered by RBM.

analysis framework for the project.<sup>16</sup> Financial information will also be provided. Evaluators will also be expected to analyze SC minutes and SC member comments in the context of written consultations.

- **Interviews:** Evaluators will conduct semi-structured interviews with relevant partner representatives both at HQ (ideally by phone or mail) and locally, country authorities, SC members, IMF representatives (i.e., relevant IMF staff, Center Coordinator, Resident Advisors, etc.), and development partners. While all interviewees will be given the opportunity to comment across the full scope of the evaluation, interviews with country authorities are expected to cover in particular the appropriateness and responsiveness of CD provided by the Center and explore and document any specific results. Evaluators can propose to meet and interview those who served as counterparts when the CD was delivered and who may now be in other positions. Evaluators will also be expected to meet with staff from IMF TA departments, the Asia Pacific Department (APD) and ICD in Washington.
- **Survey:** Evaluators should conduct a survey to consult a wider range of individuals in member countries, beneficiary countries and the SC. Potential partners as well as other CD providers should also be consulted. CVent is the Fund-approved online survey tool, and it is managed by the IMF.
- **Case studies:** To provide deeper analysis and illustrate successes, challenges and gaps, evaluators will draw up case studies. Evaluators will propose a diverse and representative set of CD activities delivered for the case studies.

## 6. Timing and Deliverables

### Timing

The evaluation is expected to begin in October 2019, and field work is expected to commence in February 2020, with the draft report disseminated to the SC by July 2020. Evaluators will be contracted for a maximum of 130 person-working days including travel during that period. The evaluation process will be carried out in three phases: a desk phase, a field phase, and a synthesis phase.

- **Desk Phase:** Within four weeks after signing the contract and before the field phase begins, evaluators will (i) conduct a desk review of documents; (ii) visit IMF HQ to interview staff in ICD, TA departments, and APD; conduct a video teleconference (VTC) meeting with the Center Coordinator; and (iii) prepare an Inception Note, to be finalized in consultation with the ESC. Before embarking on the field phase, evaluators will hold a briefing for IMF staff. Total estimated work time: about 50 person-days.
- **Field Phase:** Evaluators will visit PFTAC and three member countries (one of which will be Fiji, the Center's host country). These field visits should be targeted to precede and coincide with the 2020 Steering Committee that will be held in Niue on April 1 and 2, 2020. They will ensure adequate consultation with, and involvement of, a variety of stakeholders, including government authorities and agencies, and where relevant, development partner offices. This will take place through face-to-face interviews, survey, phone and email exchanges. PFTAC will cooperate in providing contact details, where requested, and will provide official documentation explaining its support for the

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<sup>16</sup> The RBM framework monitors variables associated with increased risk and assumptions that affect the probability of achieving results. Risk related variables are classified into five categories: political support, management and technical staff's support and commitment, resource adequacy, external conditions, and other. A baseline assessment of risks records expectations at the time the project was initiated.

evaluation that will help to ensure collaboration from member countries and other stakeholders. Total estimated work time: up to 30 person-days including travel.

- **Synthesis Phase:** This phase is devoted to drafting the report and any follow-up interviews. Evaluators will ensure that their assessment is objective and balanced and recommendations realistic, practical, implementable, and prioritized. Evaluators will draft a report presenting the main findings, lessons learned, and recommendations, accompanied by a summary of the information gathered. After receiving IMF and SC comments on the draft, the evaluation team will finalize the report in November 2020. The final report with comments incorporated should be delivered by December 2020. Total estimated work time: up to 50 person-days, including the SC briefing and associated travel.

### Deliverables

The evaluation team will provide the following deliverables in English: the draft Inception Note, the final Inception Note, the draft Evaluation Report, and the final Evaluation Report. The draft Inception Note will be disseminated to the ESC and the final version will be endorsed by the ESC. The draft Evaluation Report will be disseminated to the entire SC for comments and will be presented at the SC meeting. Once discussed by the SC and finalized, the IMF will make the final Evaluation Report available on PFTAC's website.

The content and the format of the deliverables should be as follows:

- **Inception Note:** The Inception Note will set out the methodology for data collection and analysis, including criteria for selection of samples or case studies and project/objectives to be assessed; draft interview and survey instruments; a detailed work plan for data collection; a list of potential interviewees; and an outline of the draft evaluation report. This note should not exceed 10 pages, excluding annexes. Evaluators are also expected to outline the quality controls they will put in place to ensure the quality of all deliverables.
- **Evaluation Report (draft and final).** The report should focus on presenting evidence and assessing whether the objectives of interventions were relevant and to what extent the interventions achieved their objectives effectively, with impact, efficiently, and sustainably. It may express an opinion on the effectiveness of the RBM process. It may also elaborate on the complementarity with IMF HQ technical assistance as well as with IMF country programs. The report should describe the CD projects succinctly: discussing the channels through which projects were expected to achieve objectives. The evaluation report should avoid giving too detailed and lengthy descriptions of the CD provided. The IMF will provide a template for the evaluation report at the inception report phase to convey the standardized, concise format focusing on key issues of the evaluation. The draft and final reports will present the main findings, lessons learned, and recommendations taking into account the scope and objectives of the evaluation, with all interviews and meetings listed in an appendix. To sharpen the focus, the Evaluation Report should have an executive summary (1-2 pages) and not exceed 25-30 pages (excluding annexes). Moreover, the report should clearly and concisely convey the evaluation recommendations and provide their evidence-based rationale and implications.<sup>17</sup> The report should contain no more than 10 recommendations (with not too many sub-recommendations) and they should be:
  - Prioritized, in terms of urgency and timing, and sequenced

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<sup>17</sup> In offering recommendations, the evaluator is expected to be mindful of the DAC criteria as a group rather than a la carte. Suggested interventions that improve some of the DAC criteria, (achieving effectiveness for example) but fail on others (efficiency, for example due to high costs) are not viable recommendations.

- Actionable (under the control of the IMF), feasible, and reflecting an understanding of potential constraints to implementation
- Accounting for the least costly alternative to achieve the objectives and whether the benefits resulting from recommendations exceed the likely cost of implementation, based on existing evidence or the literature.

Following is the evaluation suggested timeline, with the main deliverables:

Desk work, HQ visit, and draft Inception Note	Oct - Dec 2019
Fieldwork and preparation of Draft Evaluation Report	February - April 2020
Revised draft Evaluation Report sent to SC	July 2020
Presentation of Findings and Recommendations	November 2020
Final Evaluation Report	December 2020

## 7. Evaluator Qualifications

The external evaluation team should have proven expertise and experience in conducting evaluations. The evaluation team should also demonstrate macroeconomic competence along with the following qualifications:

- Extensive knowledge of the issues covered by IMF CD, and expertise in the delivery and review of CD. The evaluation team should have members with expertise in the CD areas covered by the evaluation. Strong macroeconomic background, some experience in macroeconomic policy-making are desirable.
- Knowledge of the work of development partners in the region and their approaches.
- Experience in the region and countries served by PFTAC.
- Experience with the application of OECD-DAC criteria.
- Ability to work effectively in English.

Evaluators are also expected to outline the quality controls they will put in place to ensure the quality of all deliverables. In particular, bidders should lay out in their proposals how they will ensure independence and manage risk of bias, use of a full range of data, etc.

## 8. APPENDIX

### List of Documents to be Provided by the IMF

The following documents will be publicly available:

- Program Document
- Work plans
- Annual reports
- Periodic newsletters
- Website, social media outreach
- RTAC Handbook
- CD Strategy review

- Partnerships Strategy
- CD chapter in the IMF Annual Report
- Common Evaluation Framework

The following to be provided onsite or through a secure website:

- Minutes of Steering Committee meetings
- The list of TA activities and any associated RBM log frames
- Annual budgets
- Project/mission TORs
- Project reports
- APD Regional Strategy Notes
- Country Strategy Notes for PFTAC members
- Previous PFTAC evaluation
- Summary on feedback from regional workshops PFTAC conducts

**Box 1. Why achievement of the DAC criteria was low/high; what factors explain it?**

- 1.** This box presents lists that give possible explanations under two categories: (i) the quality of the CD intervention and (ii) exogenous events to be included in the analysis of results section.
- 2. In case of low ratings,** explanatory factors related to the quality of the CD intervention might include:
  - The original rationale for the intervention was poorly conceived.
  - Delivery or execution was below standard.
  - The CD activity was not sufficiently tailored to the absorptive capacity of the recipient.
  - The activity was not sufficiently comprehensive (e.g., more training of staff was required).
  - Other interventions were required to achieve the objective but were not attempted or accomplished.Explanations related to exogenous events might include:
  - Background conditions required for success were not sufficiently in place (e.g., lack of political support, weak ownership).
  - Unforeseen exogenous factors changed and undermined the success of the project.
  - An assumption for an exogenous variable (e.g., GDP growth) made before the TA project started turned out to be worse than anticipated.
  - Other parts of the government passed legislation that counteracted the impact of the TA.
- 3. In case of high ratings,** explanatory factors related to the quality of the CD intervention might include:
  - The intervention was based on a sound diagnosis of the critical problem.
  - The mode of delivery was appropriately tailored to the absorptive capacity of the recipient.
  - TA was supported with training or vice versa.Explanations related to exogenous events might include:
  - Unforeseen favorable exogenous factors occurred.
  - Background conditions required for success were implemented simultaneously (e.g., strong political support and country ownership).

## Appendix II Evaluation Framework

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
<b>CD Performance</b>					
Relevance	1. How responsive are the objectives of the CD to country or institutional needs and priorities?	1.1 To what extent are the selected country-level objectives aligned with the objectives of national authorities? Does the CD address weaknesses that the countries have identified?	<p>Degree of national ownership of CD objectives in visited countries</p> <p>Extent to which CD objectives are rated highly among national priorities in visited countries</p> <p>Identification of CD as need in countries' documents</p>	<p><u>People:</u></p> <p>Steering Committee (SC)</p> <p>Counterparts (C)</p> <p>Development Partners (DP)</p> <p>IMF HQ Divisions (TD)</p> <p>Backstoppers (B)</p> <p>Resident Advisors (RA)</p> <p>Center Coordinator (CC)</p> <p>IMF Mission Chiefs</p> <p><u>Documents:</u></p> <p>PFTAC Program Document</p> <p>National development plans and priorities</p> <p>Country Strategy Notes for PFTAC Members</p>	<p>Country Objective Assessment Tool (COAT)</p> <p>Interview Guide SC</p> <p>Interview Guide C</p> <p>Interview Guide DP</p> <p>Interview Guide TD</p> <p>Interview Guide B</p> <p>Interview Guide RA</p> <p>Interview Guide CC</p> <p>Survey C</p> <p>Survey SC</p>
		1.2 Are the objectives of the CD appropriate and responsive to the country's unique context?	<p>Degree of counterparts' ownership of reviewed CD objectives</p> <p>Extent to which CD project objectives reflect counterparts' capacity gaps</p>	<p><u>People:</u></p> <p>Resident Advisors</p> <p>Counterparts</p> <p>Development Partners</p> <p><u>Documents:</u></p> <p>Program Document</p> <p>Project Reports</p>	<p>COAT</p> <p>Interview Guide RA</p> <p>Interview Guide C</p> <p>Interview Guide DP</p> <p>Survey C</p>

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
				Surveillance International Standards Country Strategy Notes for PFTAC Members CD Strategy Review	
		1.3 To what extent are the CD objectives consistent with development partners' objectives? Does the CD address weaknesses that partners have identified?	Extent to which CD objectives align with partners' objectives for the country Identification of CD as need in partners' documents	<u>People:</u> National Authorities Resident Advisors Development Partners <u>Documents:</u> Partners' country program strategies	COAT Interview Guide RA Interview Guide DP Interview Guide NA
		1.4 To what extent are the CD objectives consistent with other IMF engagement (surveillance/lending) in the country?	Extent to which CD objectives align with IMF priorities for the country	<u>People:</u> National Authorities Development Partners Resident Advisors Center Coordinator IMF HQ Divisions IMF Mission Chiefs <u>Documents:</u> Program Document CD Strategy Review PFTAC Work Plans CSN for PFTAC Members APD Regional Strategy Notes (RSN)	COAT Interview Guide RA Interview Guide CC Interview Guide TD Interview Guide NA Interview Guide DP

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
				IMF country reports (AIV surveillance and program)	
Effectiveness	2. Were the objectives of the CD achieved?	2.1 To what extent were the objectives of CD achieved or are likely to be achieved?	% of predefined milestones completed % of objectives/ outcomes achieved % of objectives on track and likely to achieve	<u>People:</u> Counterparts Resident Advisors Center Coordinator IMF HQ divisions Development partners IMF Mission Chiefs <u>Documents:</u> PFTAC Annual Reports Project Reports CD Outputs RBM ratings in CD-PORT CD reports Back-to-office reports IMF country reports Financial Sector Assessment Program (FSAP) reports APD RSN	COAT Interview Guide C Interview Guide RA Interview Guide CC Interview Guide TD Interview Guide DP Survey C
		2.2 What are the reasons for over or under achievement of objectives?	Trends in reasons for under or over achievement of objectives of the CD		
Impact	3. What changes were attributable to the CD?	3.1 To what extent were the achievement of objectives attributed to/ contributed by the CD?	% of respondents who link achievements with the CD Notable trends in the reasons for achievements to be linked/not linked to CD	<u>People:</u> Counterparts Resident Advisors Center Coordinator IMF HQ divisions Development partners	COAT Interview Guide C Interview Guide RA Interview Guide CC Interview Guide TD Interview Guide DP

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
				<u>Documents:</u> PFTAC Work Plans PFTAC Annual Reports Project Reports List of TA activities	Survey C
		3.2 What are the positive or negative, intended or unintended impacts of the CD?	Number and types of positive and negative changes brought about by the CD, directly or indirectly	<u>People:</u> Counterparts Resident Advisors IMF Mission Chiefs <u>Documents:</u> PFTAC Work Plans PFTAC Annual Reports Project Reports List of TA activities	COAT Interview Guide C Interview Guide RA Survey C
Efficiency	4. To what extent were the objectives of the CD achieved at reasonable cost?	4.1 How do the costs of the CD in the sample compare with each other?	Degree of variation in the costs of CD activities by program in the same country, and across countries if relevant	<u>People:</u> Counterparts Center Coordinator Resident Advisors IMF HQ divisions IMF financial staff (FIN) <u>Documents:</u> PFTAC financial data IMF HR data PFTAC work plans PFTAC annual reports Project reports	COAT Interview Guide C Interview Guide CC Interview Guide RA Interview Guide TD Interview Guide FIN Survey C
		4.2 To what extent was the planning and implementation of CD efficient?	% of CD activities that adhered to schedules and implementation plans Evidence of staff turnover affecting implementation Evidence of unnecessary delays in implementation Trends in respondents' feedback on the strengths		

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
			and areas for improvement in PFTAC support	Risk Assessment Matrix	
Sustainability	5. To what extent are changes brought about by the CD likely to continue?	5.1 To what extent are the outcomes or impacts of the CD supported or are likely to be supported within the national bureaucracy and the institutional structure?	Evidence of sufficient political, social, economic, technological support needed to sustain changes within the counterpart organizations	<u>People:</u> Counterparts Resident Advisors Center Coordinator IMF HQ divisions (TD) Development partners <u>Documents:</u> CD Strategy Review Previous PFTAC Evaluation PFTAC Annual Reports RSN CSN	COAT Interview Guide C Interview Guide RA Interview Guide CC Interview Guide TD Interview Guide DP Survey C
		5.2 To what extent are any changes in counterparts' behaviours likely to persist?	% of counterparts who use knowledge to perform core functions at work % of counterparts who provide examples of colleagues using knowledge % of counterparts who say their organizations have new policies, systems or procedures to reinforce use of the knowledge	<u>People:</u> Counterparts Resident Advisors <u>Documents:</u> CD Strategy Review PFTAC Annual Reports Project Reports List of TA activities	COAT Interview Guide C Interview Guide RA Survey C

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
<b>PFTAC Programs/Work Streams</b>					
Work Stream Performance	6. To what extent are PFTAC programs relevant, effective, having impacts, efficient, and generating sustainable results?	6.1 To what extent are the six programs relevant and important to member countries? Which ones are most relevant and important? Are there any notable needs or gaps that should be considered by IMF in the future?	<p>Degree of national ownership of program objectives</p> <p>Extent to which CD objectives are rated highly among national priorities</p> <p>Identification of CD as need in countries' documents</p> <p>Ranking of programs in terms of relevance</p> <p>Identification of opportunities for future CD programs</p>	<p><u>People:</u></p> <p>Steering Committee (SC)</p> <p>National Authorities (NA)</p> <p>Development Partners (DP)</p> <p>IMF HQ Divisions (TD)</p> <p>Backstoppers (B)</p> <p>Resident Advisors (RA)</p> <p>Center Coordinator (CC)</p> <p><u>Documents:</u></p> <p>PFTAC Program Document</p> <p>National development plans and priorities</p> <p>Country Strategy Notes for PFTAC Members</p> <p>Development Partner Reporting/Strategies</p>	<p>COAT</p> <p>Interview Guide SC</p> <p>Interview Guide NA</p> <p>Interview Guide DP</p> <p>Interview Guide TD</p> <p>Interview Guide B</p> <p>Interview Guide RA</p> <p>Interview Guide CC</p> <p>Survey C</p> <p>Survey SC</p>
		6.2 To what extent were the objectives of six PFTAC programs achieved? Which programs were most and least effective in achieving objectives and why?	<p>% of planned deliverables realized for each program</p> <p>Ranking of programs in terms of effectiveness</p>	<p><u>People:</u></p> <p>Steering Committee (SC)</p> <p>Counterparts</p> <p>National Authorities</p> <p>Development Partners</p> <p>IMF HQ Divisions</p> <p>Backstoppers</p> <p>Resident Advisors</p> <p>Center Coordinator</p>	<p>COAT</p> <p>Interview Guide C</p> <p>Interview Guide NA</p> <p>Interview Guide DP</p> <p>Interview Guide TD</p> <p>Interview Guide B</p> <p>Interview Guide RA</p> <p>Interview Guide CC</p> <p>Survey C</p>
		6.3 To what extent were impacts achieved in the six programs? Which	<p>% of planned outcomes realized for each program</p>		

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
		programs were most or least impactful and why?	Ranking of programs in terms of impact	<u>Documents:</u> PFTAC Annual Reports PFTAC Member States Publications	Survey SC
		6.4 To what extent were the outcomes achieved at reasonable cost in the six programs? Which programs provided the best and least value and why?	Degree of variation in the costs of CD activities by program Ranking of programs in term of costs Ranking of programs in terms of value of impact	<u>People:</u> National Authorities Resident Advisors Development Partners <u>Documents:</u> PFTAC Annual Reports	COAT Interview Guide NA Interview Guide RA Interview Guide DP
		6.5 To what extent are changes brought about through the six programs likely to continue? Which programs are most and least likely to sustain their achievements and why?	Ranking of programs in terms of providing examples of use of knowledge Ranking of programs in terms of changes to reinforce use of knowledge	<u>People:</u> Steering Committee (SC) Counterparts National Authorities Resident Advisors Center Coordinator IMF HQ Departments (TD)	COAT Interview Guide C Interview Guide NA Interview Guide RA Interview Guide CC Interview Guide TD Survey SC
<b>PFTAC Governance and Management</b>					
Risks and Exogenous Events	7. How effective is PFTAC in responding to risks and exogenous events?	7.1 What important risks and exogenous events have affected the ability of PFTAC to respond to the priorities and needs of its members?	Trends in types of risks exogenous events that have affected PFTAC's ability to respond to members' needs and priorities Frequency with which risks and exogenous factors	<u>People:</u> Steering Committee Counterparts Resident Advisors Center Coordinator IMF HQ divisions	COAT Interview Guide SC Interview Guide C Interview Guide RA Interview Guide CC Interview Guide TD

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
			have impeded or supported PFTAC in responding to members' needs and priorities	Development Partners <u>Documents:</u> Program Document Annual Reports Project Reports Project/mission TOR Periodic newsletters	Interview Guide DP Survey C Survey SC
		7.2 To what extent has PFTAC's response to these events been adequate?	% of stakeholders who say PFTAC responds effectively and efficiently to risks and exogenous events  Evidence that PFTAC has backstopping processes in place to respond to risks and exogenous events  Examples of measures taken by PFTAC to respond to risks and exogenous events (e.g. disaster risk management)		
		7.3 How effectively has PFTAC coped with conflict and fragilities in its members?	% of PFTAC stakeholders who say PFTAC is effective in its response to conflict and fragilities of members  Examples of measures taken by PFTAC to respond to conflict and fragilities of members		
PFTAC Roles		8.1 How effective is the SC in fulfilling its strategic role?	Extent to which SC members received adequate support from the IMF/PFTAC to fulfill their role on the SC	<u>People:</u> Steering Committee Counterparts Center Coordinator	COAT Interview Guide SC Interview Guide C Interview Guide CC

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
	8. How effective are the Steering Committee, Center Coordinator, and IMF departments at headquarters in fulfilling their strategic roles?		<p>% of respondents who say the SC has been 'effective' in its role, in terms of: (i) providing strategic guidance on PFTAC activities; (ii) providing oversight of PFTAC activities; (iii) setting of priorities for PFTAC; and (iv) strengthening country ownership of PFTAC CD</p> <p>Trends in identified strengths and areas for improvement by the SC in fulfilling its role</p>	<p>IMF HQ divisions</p> <p><u>Documents:</u></p> <p>Annual Reports</p> <p>Social media outreach</p> <p>Minutes of SC meetings</p> <p>Project reports</p>	<p>Interview Guide TD</p> <p>Survey SC</p>
		8.2 How effective is the Center Coordinator in fulfilling its role?	<p>% of respondents who say the Center Coordinator has been 'effective' in the management of PFTAC operations, including supporting the SC to fulfill its governance role</p> <p>Trends in identified strengths and areas for improvement by the SC in setting priorities</p>		
		8.3 How effective are IMF departments at headquarters in fulfilling their roles?	<p>% of respondents who say IMF departments at headquarters have been 'effective' in supporting PFTAC operations,</p>		

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
			including in selecting long-term resident advisors in a timely manner		
PFTAC Systems	9. What are the strengths and weaknesses of PFTAC systems for the design, monitoring and implementation of CD?	9.1 To what degree do PFTAC systems and institutional set up allow for the retention of organizational memory?	Extent to which turnover of PFTAC staff, advisors, backstoppers, others, has affected PFTAC organizational memory Extent to which PFTAC has codified procedures and systems and kept them up to date and accessible Extent to which PFTAC has developed training programs, manuals and tools to support its activities	<u>People:</u> Center Coordinator Resident Advisors IMF HQ divisions <u>Documents:</u> PFTAC Phase IV evaluation report PFTAC Program Document PFTAC annual reports PFTAC risk assessment reports	COAT Interview Guide CC Interview Guide RA Interview Guide TD
		9.2 How effective is the administrative and operational support provided to advisors including by their backstopping departments?	% of PFTAC advisors who say administrative and operational support provided was effective	<u>People:</u> Center Coordinator Resident Advisors IMF HQ divisions <u>Documents:</u> PFTAC Program Document PFTAC annual reports PFTAC risk assessment reports	COAT Interview Guide CC Interview Guide RA Interview Guide TD
		9.3 Were lessons and recommendations of the previous PFTAC evaluation adequately	% of lessons and recommendations that were addressed	<u>People:</u> Counterparts Center Coordinator	COAT Interview Guide C Interview Guide CC

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
		incorporated into design and the monitoring & evaluation (M&E) of the CD?	Frequency and reasons for exceptions	Resident Advisors IMF HQ divisions Backstoppers <u>Documents:</u> PFTAC Phase IV evaluation report PFTAC Program Document PFTAC annual reports PFTAC risk assessment reports	Interview Guide RA Interview Guide TD Interview Guide B
		9.4 What is the quality of project log frames in the sample?	% of log frames that are clear (clarity) % of log frames with realistic objectives % of log frames developed with inputs from counterparts % of log frames with measurability % of log frames with verifiability	<u>People:</u> Counterparts Resident Advisors IMF HQ divisions IMF RBM staff <u>Documents:</u> Log frames RBM system documents	COAT Interview Guide C Interview Guide RA Interview Guide TD Interview Guide RBM Log frame COAT (LFAT)
		9.5 Were risks identified and risk mitigation strategies established during the design and implementation of the CD?	Extent to which risks, causes of risks, risk rating, risk response actions, responsibility were identified % of respondents who say the most important risks were identified	<u>People:</u> Steering Committee Counterparts Resident Advisors IMF HQ divisions IMF RBM staff	COAT Interview Guide SC Interview Guide C Interview Guide RA Interview Guide TD Survey C Survey SC

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
			Extent to which risk and mitigation strategies were reviewed and updated over time	<u>Documents:</u> RBM system documents Log frames	
		9.6 Were climate change, gender, and financial inclusion dimensions adequately incorporated into the design, M&E and management of the CD?	Frequency of missed opportunities to reflect climate change, gender, and /or financial inclusion in CD program and project design	<u>People:</u> Steering Committee Counterparts Center Coordinator Resident Advisors IMF HQ divisions Development partners <u>Documents:</u> Program Document CSN PFTAC work plans PFTAC annual reports List of TA activities	COAT Interview Guide SC Interview Guide C Interview Guide CC Interview Guide RA Interview Guide TD Interview Guide DP Survey C Survey SC
Coordination	10. How well are PFTAC activities coordinated with its development partners' activities?	10.1 To what extent are PFTAC activities being effectively coordinated with the work of development partners operating in the same sectors?	Extent to which PFTAC works with partners in the same sectors effectively  Evidence that PFTAC collaboration with other donors has positive benefits  Trends in types of benefits	<u>People:</u> Resident Advisors Center Coordinator Development Partners <u>Documents:</u> Annual Reports	COAT Interview Guide RA Interview Guide CC Interview Guide DP

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
		10.2 To what extent is PFTAC coordinating with country representatives of partners effectively?	Extent to which PFTAC works with development partners in the same country effectively		
Local and Regional Expertise	11. How effective is PFTAC in building local expertise?	11.1 What contribution has PFTAC made to building a network of local experts in the region? What challenges has PFTAC faced in building the network?	Existence of data bases of experts at national, regional and international levels Frequency and types of expertise gaps reported by CD clients and Authorities Distribution of available experts by geographic location (national, regional, international)	<u>People:</u> Counterparts Center Coordinator Resident Advisors Development Partners <u>Documents:</u>	COAT Interview Guide C Interview Guide CC Interview Guide RA Interview Guide DP Survey C
		11.2 How well has it used local and regional expertise?	Extent to which PFTAC works with local or regional experts in the same sectors effectively	<u>People:</u> Counterparts Center Coordinator Resident Advisors Development Partners	COAT Interview Guide C Interview Guide CC Interview Guide RA Interview Guide DP Survey C
Sustainability	12. To what extent has acquired knowledge been retained, used and/or disseminated?	12.1 To what extent has PFTAC implemented measures (e.g. develop training plans) to capitalize	Proportion of CD projects that have developed training plans, manuals, guide or taken other measures to retain and disseminate acquired knowledge	<u>People:</u> Resident Advisors Counterparts <u>Documents:</u> PFTAC Annual Reports Project reports	Interview Guide RA Interview Guide C Survey C

FOCI	KEY QUESTIONS	SUB-QUESTIONS	ILLUSTRATIVE INDICATORS	SOURCES OF DATA	DATA COLLECTION AND ANALYSIS
		the acquired knowledge?	<p>% of counterparts who report that they have transferred or disseminated acquired knowledge</p> <p>Extent to which reviewed CD projects have realistic exit and sustainability plans in place and use them</p> <p>Trends in types of changes identified by counterparts that would increase sustainability</p>		

## Appendix III Methodology

The evaluation commenced in November 2019 with an Inception Phase that extended to May 2020 due to the effect of COVID-19 on the original evaluation design. The Inception Phase culminated in an approved evaluation methodology. The evaluation used an evaluation framework to guide data collection and analysis of the performance of CD country-level objectives, programs, and governance and management. The table below outlines the key evaluation questions. See Appendix II for the evaluation framework.

### Summary of Key Evaluation Questions

FOCUS	KEY QUESTIONS
Assessing performance of CD country objectives	<p><b>Relevance:</b> How responsive are the objectives of the CD to country or institutional needs and priorities?</p> <p><b>Effectiveness:</b> Were the objectives of the CD achieved?</p> <p><b>Impact:</b> What changes were attributable to the CD?</p> <p><b>Efficiency:</b> To what extent were the objectives of the CD achieved at reasonable cost?</p> <p><b>Sustainability:</b> To what extent are the changes brought about by the CD likely to continue?</p>
Assessing performance of PFTAC programs	<p><b>Program Performance:</b> To what extent are PFTAC programs relevant, effective, having impacts, efficient, and generating sustainable results?</p>
Assessing PFTAC governance and management	<p><b>Risks and exogenous events:</b> How effective is PFTAC in responding to risks and exogenous events?</p> <p><b>PFTAC roles:</b> How effective are the Steering Committee (SC), Center Coordinator, and IMF departments at headquarters in their strategic roles?</p> <p><b>PFTAC systems:</b> What are the strengths and weaknesses of PFTAC systems for the design, monitoring and implementation of CD?</p> <p><b>Coordination:</b> How well are PFTAC activities coordinated with its development partners' activities?</p> <p><b>Local and regional expertise:</b> How effective is PFTAC in building local expertise?</p> <p><b>Sustainability:</b> To what extent has acquired knowledge been retained, used and/or disseminated?</p>

### Sources of Data

There were three main data sources: a document review, interviews and surveys.

**Document review:** The evaluators reviewed relevant documents to answer evaluation questions about the performance of PFTAC projects, programs and the PFTAC entity. Key categories of documents reviewed included: PFTAC technical assistance (TA) mission reports, Article IV reports published during the 2016-2019 period, PFTAC Annual and Quarterly reports, and the IMF's recently published study on public financial management (PFM) for Pacific Island Countries. See Appendix V for the full list of documents consulted.

**Interviews:** Stakeholder interviews were conducted virtually through WebEx and Zoom. The evaluators interviewed a total of 108 stakeholders, of which 48 were women (see sidebar). See also Appendix IV for the full list of stakeholders consulted.

**Surveys:** The evaluators developed four program-specific survey questionnaires (PFM, RPA, RSS and FSS) aimed at national authorities and CD counterparts in the 12 ‘light review’ countries, as well as one survey with questions on PFTAC program- and entity- level performance aimed at SC members. The surveys were administered and sent to these stakeholders by the IMF. Program-specific surveys were not sent to national authorities and CD counterparts in the four ‘in-depth review’ countries.

### Program Assessments

The assessment of PFTAC’s six programs included: (i) an in-depth review of all PFTAC programs and related country-level objectives in four countries (Fiji, Kiribati, Papua New Guinea [PNG], and Samoa); and (ii) a light assessment of four program areas (PFM, RPA, FSS, RSS) in the remaining 12 PFTAC member countries.<sup>18</sup> Country selection for the in-depth reviews was made following consultations with IMF staff in March 2020.

The evaluators conducted a document review related to programs in all 16 countries, interviewed national authorities and counterparts in the four ‘in-depth review’ countries, and surveyed authorities and counterparts in the 12 ‘light review’ countries. In addition, the evaluation team undertook qualitative assessment of regional activities based on stakeholder interviews, qualitative comments in surveys, and PFTAC quarterly and annual reports. Findings on program-level performance are built on assessments made by the evaluators of 32 projects (country-level objectives) in the four countries selected for in-depth review and 42 projects in the 12 light-review countries.

The aggregate ratings for OECD DAC criteria by program are presented in the following table.

PROGRAM	RELEVANCE	EFFECTIVENESS	IMPACT <sup>19</sup>	EFFICIENCY	SUSTAINABILITY
Public Financial Management	3.75	3.06	Not rated	3.55	2.85
Revenue	3.81	2.33	Not rated	3.27	2.84
Financial Sector Supervision	3.55	2.11	Not rated	2.91	2.61

<sup>18</sup> The Cook Islands, Marshall Islands, Federated States of Micronesia (FSM), Nauru, Niue, Palau, Solomon Islands, Timor-Leste, Tokelau, Tonga, Tuvalu and Vanuatu.

<sup>19</sup> Impacts were not rated because 1) there was no clear basis to identify such achievements and 2) many PFTAC projects were in relatively early stages of development. See Section 2.3.3.

#### Consulted Stakeholders

##### Total: 108 (48 women)

National authorities and counterparts: 41 in total

- Samoa: 16
- Fiji: 12
- PNG: 12
- Kiribati: 1

Development partners: 12

PFTAC staff members: 4

PFTAC TA advisors: 18 in total

- LTXs: 10
- STXs: 8

IMF HQ personnel: 33

PROGRAM	RELEVANCE	EFFECTIVENESS	IMPACT <sup>19</sup>	EFFICIENCY	SUSTAINABILITY
<b>Real Sector Statistics</b>	3.43	2.93	Not rated	3.41	1.71
<b>Government Finance Statistics</b>	3.48	3.13	Not rated	3.75	3.50
<b>Macroeconomic</b>	3.62	3.21	Not rated	3.75	3.50

## Project Assessments

The evaluators developed and used two tools to guide the reviews of PFTAC projects: The Country-Level Assessment Tool (COAT) and the Log Frame Assessment Tool (LFAT). COATs were used in assessing the performance of each PFTAC country-level objective according to OECD DAC criteria, while the LFAT was used to assess the quality of log frames for countries and programs included in the in-depth review sample. The evaluation assessed 74 projects, rating four OECD criteria for each project, asking 6-8 sub-questions for each criterion from the perspective of all major sources (i.e., authorities/counterparts, IMF, PFTAC advisors, development partners). The evaluators generated and entered into the 74 COATs over 10,000 data items in making project assessments.

### Four point rating scale

The evaluators developed a four-point rating scale to assess the performance of each project for 4 of the 5 OECD DAC criteria (impacts were excluded). Ratings were based on the answers to 6 or 7 sub-questions per criterion, drawing evidence from documents and interviews.

The evaluation assessed 74 projects, rating four OECD criteria for each project, asking 6-8 sub-questions for each criterion from the perspective of all major sources (i.e., authorities/counterparts, IMF, PFTAC advisors, development partners). The evaluators generated and entered into the 74 COATs over 10,000 data items in making project assessments.

The evaluators carried out three types of ‘reasonableness’ checks on the accuracy of the project assessments: (1) ratings of individual projects were compared with ratings of sets of projects, within and across programs and countries, in order to flag and review any outlying assessments; (2) evaluator’s ratings were compared with CD-Port ratings, to flag and review any inconsistencies in assessment; and (3) evaluator’s ratings were compared with PFTAC reports for consistency in the identification of key results and progress in achievement of milestones.

## Limitations

Due to COVID-19 and related travel restrictions, the evaluators were unable to conduct in-person interviews and field visits to the four countries (Fiji, PNG, Samoa and Kiribati) selected for in-depth reviews. The evaluation team experienced multiple challenges in scheduling and conducting interviews with national authorities and counterparts. As a consequence, their views may be under-represented in this evaluation as compared to other respondents (IMF, development partners and PFTAC).<sup>20</sup> This was the case for all but three countries – namely, Fiji, PNG and Samoa.

<sup>20</sup> Forty-one national authorities and counterparts from Samoa, Fiji, Kiribati and PNG were consulted, compared to 77 in total individuals from PFTAC (staff and TA advisors), IMF HQ, and development partners.

Overall, the response to the surveys was extremely low (approximately 14.9 percent response rate overall). As such, the full survey results were not utilized by the evaluators. Only respondents' written feedback and comments were used as a source of information.

Due to noted shortcomings with the program surveys as well as challenges in interviewing Kiribati representatives<sup>21</sup>, the countries included in the light review do not include the same level of detail as the assessments of Fiji, Papua New Guinea and Samoa. Further, the

decision to examine only four programs (PFM, RSS, FSS, and Revenue) across all PFTAC members – while examining the other two programs (GFS and Macroeconomics) in only four countries – limited the comparisons of programs that could be made.

Two other data sets needed to respond to evaluation questions on effectiveness and efficiency were unavailable:

- In assessing project effectiveness, the evaluation relied on data on milestones because data on the indicators used to measure outcome achievement were not available.
- In assessing project efficiency, the evaluation relied on data on the use of approaches, systems, and tools as well as the perceived value of PFTAC CD to stakeholders. Data on costs and on return-on-investment were not available, which limited the assessment made on the return on investment in PFM Road Maps, for example, and in the production and use of data in the Macroeconomics program.

#### Evaluation Surveys:

Across all five surveys, there were 34 responses, out of a total of 228 individuals to whom surveys were sent. 17 individuals responded to the entity survey, 5 responded to the FSS survey, 6 to the PFM survey, 4 to the RPA survey and 2 to the RSS survey.

Response rates for individual surveys is as follows:

- RPA: 8% (4 responses out of 50 survey requests sent)
- FSS: 17% (5 responses out of 29 requests sent)
- PFM: 13% (6 responses out of 45 requests sent)
- RSS: 5% (2 responses out of 39 requests sent)
- Entity: 24.3% (17 responses out of 70 requests sent)

<sup>21</sup> The team was successful in interviewing only one stakeholder from Kiribati, due to a soft response to interviews requests.

## Appendix IV List of Stakeholders Consulted

The following PFTAC stakeholders were interviewed by the evaluators:

### IMF HQ Departments

NAME	POSITION	DIVISION	GENDER (M/F)
<b>ICD</b>			
Ann-Margret Westin	Deputy Division Chief	Global Partnerships (GP) Division	F
Constantin von Alvensleben	Technical Assistance Officer	GP Division	M
Felicia Ge	Technical Assistance Officer – Budget	GP Division	F
Norbert Funke	Division Chief	Asian Division	M
Evan Tanner	Senior Economist	Asian Division	M
Anna Bordon	Deputy Division Chief	Strategy and Evaluation Division	F
Yasemin Bal Gunduz	Senior Economist	Strategy and Evaluation Division	F
Brian Olden	Division Chief	RBM	M
Eva Jenker	Deputy Division Chief	RBM	F
Miguel Alves	Deputy Division Chief	Strategy and Evaluation Division	M
<b>Fiscal Affairs</b>			
Manal Fouad	Division Chief	PFM Division	F
Laura Doherty	Technical Assistance Advisor	PFM Division	F
Richard Allen	Senior Economist	PFM Division	M
Margaret Cotton	Deputy Division Chief	Revenue Administration Division	F
Charles Jenkins	Senior Economist	Revenue Administration Division	M
Elika Pedastsaar	Senior Economist	PFM Division	F
Majdeline El Rayess	Senior Economist	PFM Division	F
<b>APD Department</b>			
Todd Schneider	Division Chief	Small States Division	M
Scott Roger	Deputy Division Chief	Small States Division	M
Alison Margaret Stuart	Former Division Chief	Small States Division	F

NAME	POSITION	DIVISION	GENDER (M/F)
Kenichiro Kashiwase	Mission Chief – Samoa, Senior Economist		M
Tsegereda (Reda) Mulatu	Technical Assistance Officer	MCM	F
Leni Hunter	Resident Representative for Pacific Islands		F

#### Statistics

Greg Legoff	Senior Economist	Real Sector Statistics	M
Jim Tebrake	Assistant Director	Real Sector Statistics	M
Stephanie Medina Cas	Division Chief	Resource Management Division	F
Richard Wild	Senior Economist	Real Sector Statistics	M
Barend de la Beer	Senior Economist	GFS	M

#### Monetary and Capital Markets

Chon Hee Kyong	Division Chief	Financial Supervision and Regulation	F
Fabiana Melo	Deputy Division Chief	Financial Supervision and Regulation	F
Naomi Griffin	Deputy Division Chief	FSS	F
Susan George	Senior Economist	TA Division	F
Peter Windsor	Senior Financial Expert	Financial Supervision and Regulation	M

#### PFTAC Staff and Advisors

NAME	POSITION	DIVISION	GENDER (M/F)
<b>Center Coordinator and staff</b>			
David Kloeden	Center Coordinator	PFTAC	M
Elenoa Bogiwalu	Senior Administrative Assistance (IT/Operations)	PFTAC	F
Maria Nina Samuela	Office Manager	PFTAC	F
Shane Prasad	Economist	PFTAC	F
<b>LTXs and STXs</b>			
Richard Neves	LTX	PFM Division	M
Celeste Kubasta	Former LTX		F

NAME	POSITION	DIVISION	GENDER (M/F)
George Eysselein	LTX	Revenue Administration Division	M
Iris Claus	Former LTX	PFTAC	F
Andrew Minto	Revenue LTX	FAD Resident advisor based in PNG	M
Luis Temes	LTX	GFS	M
Marcus Scheiblecker	LTX	RSS	M
Stan Shrosbree	Former LTX	RPA	M
Ben Stefanou	LTX	FSS	M
Andrew Beaumont	LTX	APD	M
Hendrik Tillman-Zorn	STX	GFS	M
Russel Freeman	STX	RSS	M
Mark Silins	STX	PFM	M
Susan Morrison	STX	PFM	F
Joel Hefty	STX	FSS	M
Robert Claxton	STX	FSS	M
Martin Scott	STX	RPA	M
Mark Bell	STX	RPA	M

### National Authorities and CD Counterparts

NAME	POSITION	ORGANIZATION	GENDER (M/F)
<b>Samoa</b>			
Karras Harre Lui	Manager	Economics Dept., Central Bank of Samoa	M
Aiulu Tolovaa	Assistant Manager	Economics Dept., Central Bank of Samoa	F
Tapusina Asalele	Manager	Supervision Dept., Central Bank of Samoa	F
Siavata Nofoga	Assistant Manager – Insurance	Financial Supervision & Regulation Dept., Central Bank of Samoa	F
Fimanu Ienu Sheppard	ACEO – Audit & Investigations	Ministry of Revenue	F
Matafeo Avalisa Viali	Chief Executive Officer	Ministry of Revenue	F
Leasiosio Oscar Malielegaoi	Chief Executive Officer	Ministry of Finance	M

NAME	POSITION	ORGANIZATION	GENDER (M/F)
Iulai Lavea	Former Chief Executive Officer	Ministry of Finance	M
Baby Tavita	Research Officer Finance Statistics	Samoa Bureau of Statistics	F
Lilianetalani Hennemann	Principal Statistician, National Accounts and Finance Statistics Division	Samoa Bureau of Statistics	F
Suameli S. Chan Boon	Senior Statistician, National Accounts and Finance Statistics Division	Samoa Bureau of Statistics	F
Leota (Ali) Aliielua Salani	Assistant CEO	Samoa Bureau of Statistics	M
Marlon Tiumalu	Assistant CEO - Audit & Investigation	Ministry of Revenue	M
Silia Falanai	Principal Audit & Investigation Officer – Special Files	Ministry of Revenue	F
George Mariner	Principal Audit & Investigation Officer – SME	Ministry of Revenue	M
Theresa Kyoto Aмоса	ACEO PPI	Ministry of Revenue	F
<b>Fiji</b>			
Esala Masitabua	Deputy Governor	Reserve Bank of Fiji	M
Savaira Manoa	Manager Statistics	Reserve Bank of Fiji	F
Sailasa Vadiga	Manager Policy & Research	Reserve Bank of Fiji	M
Vilimaina Dakai	Chief Manager - Risk Management & Communications	Reserve Bank of Fiji	F
Seci Taleniwesi	Manager - Statistics and Macprudential Analysis	Reserve Bank of Fiji	M
Bilmlesh Krishna	Chief Statistician	FBoS	M
Artika Devi	Senior Statistician	FBoS	F
Aisake Tabuadua	Assistant Statistician	FBoS	M
Emosi Dovibua	Head of Internal Audit and Good Governance (IAGG)	Ministry of Economy	M

NAME	POSITION	ORGANIZATION	GENDER (M/F)
Tomasi Raqina	Deputy Head of Internal Audit and Good Governance (IAGG)	Ministry of Economy	M
Emily Yalimawai	Chief Information Officer	Revenue & Customs Service	F
Momina Razia Beg	Chief Assessor – Customer Services	Revenue & Customs Service	F
<b>Papua New Guinea</b>			
Sam Loi Bakani	Governor	Bank of PNG	M
Ellison Pidik	Assistant Governor	Bank of Papua New Guinea	M
Tanu Irau	Manager - Financial System Policy Unit	Bank of Papua New Guinea	M
John Heni	Director SME Audit	PNG Inland Revenue Commission	M
Andrew Oaeke	First Assistant Secretary	Department of Treasury	M
Peter Mondoro	Assistant Secretary	Department of Treasury- Macroeconomic Policy Division	M
Kamal Chand	IFMS/GFS Advisor	Department of Treasury- Macroeconomic Policy Division	M
Swartz Buff	GFS Compiler	Department of Treasury	M
Jeffrey Yabom	Manager - Research Department	Bank of PNG	M
Willamina Hubert	Research Department	Bank of PNG	F
Cheyenne Parascos	Research Department	Bank of PNG	F
Natasha Bipi	Research Department	Bank of PNG	F
<b>Kiribati</b>			
Finau Soqo	Director of Budget and Planning	Ministry of Finance and Economic Development	F

### Development Partners

NAME	ORGANIZATION	POSITION	GENDER (M/F)
Erik Aelbers	ADB	Head of Economics and Programming Unit	M
Pamela Wyatt	ADB	Principal Public Management Specialist (Governance)	F
Marga Peeters	European Union (EU)	Programme Officer Budget Support	F

NAME	ORGANIZATION	POSITION	GENDER (M/F)
Dylan Roux	DFAT	Assistant Director, office of the Pacific	M
Keshwa Reddy	DFAT	Programme Manager	M
Alex Shahryar-Davies	NZMFAT	Manager, Governance and Economic Unit	M
Christine van Hooft	NZMFAT	Senior Economic Advisor	F
Vinayak (Vinny) Nagaraj	World Bank	Senior Country Economist - Uzbekistan	M
David Abbott	SPC	Manager, Data Analysis & Dissemination	M
Andrew Knott	Australian Bureau of Statistics (ABS)	Internal Relations	M
Laurie Nitschke	ABS	Statistical Analyst	M
Jessica Merrett	ABS		F

# Appendix V List of Documents Consulted

## **Mission Documentation Reviewed**

### **Public Financial Management**

#### *Cook Islands*

- Kubasta, "Chart of Accounts" -- July 2018

#### *Federated States of Micronesia*

- Marzan, Neves, Narube, "PEFA Self-Assessment and PFM Roadmap" -- November 2016

#### *Fiji*

- Silins, Marzan, "Chart of Accounts" -- February 2017
- Marzan, "Strengthening Fiscal Oversight of Public Enterprises and Statutory Authorities" -- May 2017
- Morrison, "Strengthening Internal Audit" -- June 2017
- Silins, "Improve Chart of Accounts" -- June 2017
- Silins, "Improving Chart of Accounts" -- July 2017
- Silins, "Improving Chart of Accounts, Follow-up Mission" -- August 2017
- Marzan, "Development of Government Accounting and Non-Financial Assets" -- May 2017
- Morrison, "IA Assessment Framework" -- October 2017
- Morrison, "Internal Audit - Development of a Risk Assessment Framework" -- April 2018
- Marzan, "Instructions to Ministries on Financial Reporting" -- December 2017
- Marzan, "Regulations/Guidelines on Financial Reporting by Line Ministries" -- January 2018
- Kubasta, Silins, "Chart of Accounts" -- August 2018
- Morrison, "Risk Based Auditing of Payroll" -- November 2018
- Silins, "Finalize Economic Classification of Chart of Accounts" -- January 2019
- Kubasta, McKenzie, "Revision of Financial Legislation" -- December 2018
- Shand, "Analysis of SOE Fiscal Risks" -- February 2019
- Kauffman, "Drafting Reporting Inst. to Small Public Enterprises & Statutory Auth." -- June 2019

#### *Kiribati*

- Neves, Narube, "PEFA Self-Assessment" -- August 2017
- Dougherty, Neves, Kubasta, Emery, Estagarriba, "Public Investment Management Assessment (PIMA) Mission" -- May 2018

#### *Nauru*

- Mayes, "Financial Instructions - Phase 2" -- November 2016
- Uluinaceva, "Improving Financial Reporting based on IPSAS Cash" -- February 2019

#### *Papua New Guinea*

- Morrison, "Internal Audit" -- October 2017

- Mayes, "Government Accounting (IPSAS) and Financial Reporting" -- February 2018
- Neves, "Pre-PEFA Preparations" -- November 2018

#### *Samoa*

- Narube, "Improve Fiscal Oversight of Public Bodies" -- July 2017
- Silins, "Strengthen Cash Management" -- July 2017
- Marzan, "Strengthening Accounting and Financial Frameworks" -- September 2017
- Neves, Kubasta, Uluinaceva, Eke, "Public Expenditure Financial Accountability (PEFA) Assessment" -- August 2018
- Neves, Kubasta, de la Beer, Uluinaceva, Eke, "PEFA" -- August 2018
- Colvin, "SOE Oversight and Monitoring" -- September 2018
- Kubasta, "Accounting Reporting" -- September 2018
- Kubasta, "Financial Reporting: Asset Accounting and Improved Reporting" -- February 2019
- Neves, "Improving Budget Documentation" -- February 2019
- Morrison, "Develop Strategic Plan and Conduct Training for Internal Auditors" -- April 2019
- Silins, "Establish a Revised Warrant System" -- April 2019

#### *Solomon Islands*

- Silins, Marzan, "Improve Cash Management" -- November 2016
- Silins, "Cash Management and IPSAS Implementation" -- May 2017
- Neves, Doherty, Kauffmann, Colmer, "Stronger PFM Laws and Institutions" -- April 2018
- Silins, "Cash Management and Forecasting and IPSAS" -- March 2018
- Neves, "PFM reform review with Article IV Missions" -- July 2018
- Silins, "Cash Management" -- October 2018

#### *Tokelau*

- Neves, Uluinaceva, "PEFA Self-Assessment" -- August 2017
- Neves, "Development of a PFM Roadmap (in Samoa)" -- December 2019

#### *Tonga*

- Marzan, "Improving Accounting and Reporting Framework" -- August 2017
- Silins, "Chart of Accounts" -- August 2018
- Prceovich, "Improving Internal Audit Framework and Practices" -- November 2018
- Kubasta "Financial Reporting" -- November 2018

#### *Vanuatu*

- Prceovich, "Risk Based Auditing" -- November 2016
- Marzan, Uluinaceva, "Capacity Development on Accounting and Reporting Scoping Mission" -- July 2017
- Uluinaceva, "Development of Accounting Manual" -- November 2017
- Marzan and Uluinaceva, "Accounting and Financial Reporting Regulations" -- November 2017

- Prceovich, "Strengthening Internal Audit" -- November 2017
- Kubasta, Uluinaceva, "Improving Financial Reporting" -- March 2019

### **Financial Sector Supervision**

#### *Cook Islands*

- Stefanou, Algier, "Supervision Framework Enhancement - Update of Prudential Standards" -- July 2017
- Henderson, ""Supervision Framework Enhancement - On-site Examination"" -- February 2018
- Stefanou, "Financial Supervision Framework Enhancement" -- June 2018

#### *Fiji*

- Claxton, "Insurance Legislation (remote TA also covering Samoa and Tonga)" -- November 2018

#### *Kiribati*

- Henderson, "Supervision Framework Enhancement - On-site Examination" -- November 2017

#### *Marshall Islands*

- Hefty, "On-site Examination" -- July 2017
- Anvari, "Banking Regulatory Reform" -- July 2018

#### *Palau*

- Anvari, Hefty, "Banking Regulation Reform" -- May 2018

#### *Papua New Guinea*

- Stefanou, Jackson, "Supervision Framework Enhancement Program" -- June 2017
- Stefanou, Mitchell, "Savings and Loans Sector Accounting" -- March 2017
- de Bie, "Supervision Framework Enhancement" -- July 2018
- Stefanou, Jackson, de Bie, "Supervision Framework Enhancement Program-off site analysis" -- January 2019

#### *Samoa*

- Stefanou, Algie, "Regulatory Reform - Prudential Standards" -- April 2017
- Claxton, "Insurance Legislation (remote TA also covering Fiji and Tonga)" -- November 2018
- Rush, "Prudential Standards" -- November 2018

#### *Solomon Islands*

- Stefanou, Henderson, "Strengthen RBS Framework" -- September 2017
- Stefanou, "Financial Supervision Framework Enhancement" -- July 2018
- De Bie, "Supervision Framework Enhancement Program" -- June 2019

#### *Timor-Leste*

- Stefanou, Edwards, "Training and Implementation of IFRS9" -- April 2018
- Edwards, "IFRS Reform Assistance- Credit Risk Management Regulation" -- October 2018

#### *Tonga*

- Claxton, "Insurance Legislation (remote TA also covering Fiji and Samoa)" -- November 2018
- Rush, "Prudential Standards" -- November 2018

*Tuvalu*

- Stefanou, Algier, "Supervision Development Program- on site examination- Credit and Operational Risk" -- November 2018

*Vanuatu*

- Stefanou, Jackson, "Supervision Framework Enhancement Program" -- May 2017
- Stefanou, Jackson, "Regulatory Reform of Credit Union and Cooperative Financial Sectors" -- April 2018
- Stefanou, "Financial Supervision Framework Enhancement" -- June 2018

**Government Finance Statistics***Cook Islands*

- De La Beer, "GFS" -- July 2017
- De La Beer, "Government Finance Statistics" -- July 2018

*Fiji*

- De La Beer, "GFS" -- April 2017
- De La Beer, "Government Finance Statistics" -- January 2018
- De La Beer, "Facilitate compilation of extrabudgetary central government GFS" -- January 2019

*Kiribati*

- Tillman-Zorn, "Government Finance Statistics" -- August 2017
- Tillman-Zorn, "Government Finance Statistics (in Nadi after regional workshop)" -- August 2018

*Nauru*

- De La Beer, "Government Finance Statistics" -- October 2017

*Papua New Guinea*

- De La Beer, "Government Finance Statistics" -- October 2017
- De La Beer, "Government Finance Statistics" -- September 2018

*Samoa*

- De La Beer, "Government Finance Statistics" -- September 2017
- De La Beer, "Government Finance Statistics (overlap and join PEFA)" -- August 2018

*Solomon Islands*

- De La Beer, "Government Finance Statistics" -- March 2018
- Rideout, "Compile, review and disseminate data to IMF Statistics Department" -- July 2020

*Timor-Leste*

- De La Beer, "Government Finance Statistics" -- February 2017
- Youngberry, "Government Finance Statistics" -- April 2018

*Tonga*

- De La Beer, "GFS" -- June 2017
- De La Beer, "Complete the Institutional Unit table for the Public Sector and Investigate source data for GFS compilation purposes" -- February 2019

*Tuvalu*

- De La Beer, "Government Finance Statistics" -- March 2018

*Vanuatu*

- Janse Van Rensburg, "Government Finance Statistics" -- November 2017
- Youngberry, "Government Finance Statistics" -- June 2018

**Macroeconomic Programming***Cook Islands*

- Claus, "Economic and Revenue Contribution of the International Financial Services Industry" -- November 2018

*Palau*

- Claus, "Modeling of Tax Reform Options" -- June 2018

*Papua New Guinea*

- Claus, "Macro-Fiscal Framework" -- August 2017
- Claus, "Review of the Papua New Guinea Monetary and Fiscal Forecasting (MFF) model" -- June 2018
- Claus, "Macroeconomic and Fiscal Framework" -- September 2018
- Claus, "Department of Treasury Workshop on Economic and Fiscal Forecasting" -- February 2019
- Claus, "Economic and Fiscal Forecasting" -- February 2019
- Claus, "Economic and Fiscal Forecasting" -- February 2019

*Samoa*

- Claus, "Samoa Economic and Revenue Forecasting Model" -- November 2017
- Claus, "Expansion of the Samoa Economic and Forecasting (SERF) Model" -- November 2017

*Tuvalu*

- Claus, "Develop GDP Forecasting Methodology" -- September 2017

**Real Sector Statistics***Cook Islands*

- Andrews, "National Accounts" -- March 2017
- Andrews, "National Accounts and External Sector Statistics" -- April 2018
- Robertson, "External Sector Statistics" -- September 2017

*Federated States of Micronesia*

- Wild, "National Accounts" -- April 2018
- Fitzgibbon, "External Sector Statistics" -- April 2018

*Fiji*

- Wild, "National Accounts" -- April 2017
- Wild, "Quarterly GDP" -- June 2017
- Wild, "National Accounts" -- November 2017
- Scheiblecker, "National Accounts- Rebasing GDP" -- November 2018

*Kiribati*

- Wild, "National Accounts" -- November 2016
- McAllister, "National Accounts" -- September 2017
- Ivanyk, "Balance of Payments" -- March 2019

*Marshall Islands*

- Freeman, "National Accounts" -- October 2017
- Scheiblecker, "Further train local staff to produce independent estimates of GDP" -- February 2019

*Nauru*

- Wild, "National Accounts" -- September 2017
- Wild, "National Accounts" -- July 2018
- Scheiblecker, "Build independent Compilation Capacity" -- July 2019

*Niue*

- Freeman, "National Accounts" -- February 2017
- Freeman, "National Accounts/Ext Sector Statistics" -- February 2018
- Freeman, "Build Independent Compilation Activity" -- March 2019

*Palau*

- Freeman, "National Accounts" -- October 2017

*Papua New Guinea*

- Wild, "National Accounts" -- February 2017
- Rayyan, "External Sector Statistics" -- February 2017
- Wild, "National Accounts" -- February 2018
- Wild, "National Accounts" -- December 2017
- Rayyan, "Balance of Payments" -- February 2017
- Scheiblecker, "Train local staff to produce independent estimates of GDP" -- November 2019

*Samoa*

- Wild, "National Accounts" -- November 2016
- Wild, "National Accounts" -- June 2017
- Wild, "Assist with GDP Rebasing" -- October 2017
- Scheiblecker, "National Accounts" -- January 2019

*Solomon Islands*

- Wild, "National Accounts" -- March 2017
- Wild, "National Accounts" -- March 2018
- Antropova-Allds, "External Sector Statistics" -- April 2018
- Andrews, "National Accounts" -- December 2018

*Tokelau*

- Andrews, "National Accounts" -- February 2017

#### *Tonga*

- Wild, "National Accounts" -- January 2017
- McAllister, "National Accounts" -- March 2018
- McAllister, "Principles and Techniques for Benchmarking and Rebasing" -- March 2019

#### *Tuvalu*

- Andrews, "National Accounts" -- February 2017
- Wild, "National Accounts Statistics" -- February 2017
- Andrews, "National Accounts" -- February 2020

#### *Vanuatu*

- Wild, "National Accounts" -- August 2017
- Scheiblecker, "National Accounts" -- November 2018

### **Revenue and Policy Administration**

#### *Cook Islands*

- Eysselein, Shrosbree, "High Level Diagnostic" -- November 2018
- McGregor, "Arrears and Returns Management" -- January 2019
- McNeill, "Strategic Planning" -- March 2019
- Home, "Strengthening Audit" -- May 2019

#### *Federated States of Micronesia*

- Shrosbree, "Review of Reform Progress" -- April 2017
- Lawrence, "Strengthen Taxpayer Services" -- November 2017
- Lawrence, "Improve on-time filing, on-time payments and taxpayer services" -- February 2019

#### *Fiji*

- Middleton, "Public and Private Rulings Regime" -- January 2017
- Aslett, "Strengthening Compliance Mgmt" -- February 2017
- Shrosbree, "Strengthening Review of Tax Policy Admin Reforms" -- February 2017
- Scott, "Strengthening Taxpayer Services" -- April 2017
- Teed, "Strengthen Audit Function and High Net Worth Strategy" -- January 2017
- Dark, "Review specs of new IT System and provide guidance on project governance and mgmt" -- September 2017
- Dean, "Strengthen Arrears and Returns Management" -- March 2018
- Teed, "Strengthening Audit Capacity" -- November 2017
- Aslett, "Compliance Improvement Strategy" -- January 2018
- McNeill, "Expanding Self-Assessment " -- February 2018
- McNeill, "Introducing Self-Assessment" -- June 2018

- Middleton, "Develop Rulings Program" -- August 2018
- Burns, "Modernize VAT and Stamp Duty Act" -- October 2018
- Piper, "Strengthen Compliance in the High Net Worth Individuals Segment" -- November 2018
- Lawrence, "Improve on-time filing and payment and the management of tax arrears and outstanding returns" -- December 2018
- Menhard, "NTIS Quality Review" -- February 2019
- McNeill, "Expand Self-Assessment" -- February 2019
- Eysselein, Shrosbree, "Review reform progress and conduct Study on Effectiveness of FRCS Compliance Improvement Strategy (CIS)" -- March 2019
- Aslett, "Review of NTIS Risk Management Specification" -- March 2019

#### *Kiribati*

- Shrosbree, "Strategic Review of Tax Policy and Admin Reforms" -- February 2017
- Leano, "Strengthen the Audit Function" -- April 2017
- Scott, "Function-based Structure" -- October 2017
- Scott, "Compliance Improvement Strategy" -- September 2017
- Scott, "High-Level Reform Implementation Plan" -- October 2017
- Scott, "Review Reform Implementation and Strengthen Taxpayer Registration" -- March 2018
- Leano, "Strengthening VAT Audit" -- March 2018
- Haigh, "Improve VAT Audit Methods" -- September 2018
- Scott, "Review Modernization Project Plan and improve on-time filing and on-time payment of taxes" -  
- December 2018
- Haigh, "Review Audit Methods" -- February 2019
- Burns, "Taxation of Seabed Mining" -- March 2019

#### *Marshall Islands*

- Lawrence, "Strengthen Returns and Arrears Mgmt and Taxpayer Services Strategy" -- January 2017
- Shrosbree, "Tax Policy and Reform Proposals" -- May 2017
- Lawrence, "Strengthen On-time Filing, On-time Payment and Taxpayer Services" -- November 2018

#### *Nauru*

- Fisher, "Review tax administration reforms" -- August 2019

#### *Niue*

- Shrosbree, "Strengthening Core Tax Functions" -- November 2017
- Burns, "Modernizing the Income Tax Act" -- March 2018

#### *Palau*

- McNeil, "New Org Structure and Taxpayer Services Strategy" -- May 2017
- Shrosbree, "Tax Policy and Admin Reforms" -- May 2017

- Piper, "Understanding VAT" -- December 2017
- Piper, "Support VAT Operational Implementation" -- April 2018
- Mullins, "VAT and other Tax Policy" -- June 2018
- McNeill, "Strengthen taxpayer service functions and implementation of function-based structure" -- March 2019
- Lawrence, "Strengthen on-time filing and on-time payment of taxes" -- March 2019

#### *Papua New Guinea*

- Shrosbree, "Review of Core Tax Functions" -- March 2017
- McNeil, "Strategy and Governance Arrangements for Reform" -- July 2017
- Shrosbree, "HQ Diagnostic Revenue Admin Mission" -- August 2017
- Dark, "Information Technology Strategic Plan" -- December 2017
- McNeill, "2018-2022 Corporate Plan" -- December 2017
- Shrosbree, "Discuss MTRS framework and review progress of PFTAC facilitated tax administration reforms" -- June 2018
- McNeill, "Review current state and implementation progress of MTRS" -- September 2018

#### *Samoa*

- Teed, "Strengthen Audit Function" -- April 2017
- Shrosbree, "Industry Partnership to Improve Compliance" -- September 2017
- Scott, "Strengthening Arrears and Returns Management" -- November 2017
- Teed, "Strengthening Tax Audit " -- November 2017
- Sutherland, "Strengthen Audit Capability" -- January 2019
- Sutherland, "Strengthening Audit" -- May 2018

#### *Solomon Islands*

- Lawrence, "Strengthen Arrears and Returns Mgmt" -- April 2017
- Lawrence, "Strengthening Arrears and Returns Management" -- February 2018
- Lawrence, "Strengthen Tax Return and Arrears Management" -- June 2018
- Shrosbree, "High Level Tax Admin Diagnostic" -- July 2018
- McNeill, "Review the Revenue Strategic and Business Plans" -- July 2018
- Scott, "Design Modernization Strategy" -- November 2018
- Sutherland, "Develop Audit Plan" -- February 2019

#### *Tonga*

- Teed, "Strengthen Audit Capability" -- August 2017
- Shrosbree, "Review reform progress and future technical assistance needs" -- May 2018
- Bell, "Strengthen Audit Capability" -- October 2018
- Sutherland, "Design Strategy to expand Large Taxpayer Office (LTO)" -- November 2018

- Bell, "Strengthen the Audit Function" -- December 2018
- Shrosbree, "Develop an Industry Partnership – Tourism Industry" -- March 2019
- Scott, "Improve on-time filing, on-time payment of taxes" -- March 2019
- Sutherland, "Strategy to expand the LTO" -- March 2019
- Eysselein, Jenkins, Liu, "PACER Palau's Tax Policy and Revenue Administration Diagnostic Mission" -- March 2019

#### *Tuvalu*

- Scott, "Review core tax functions, modernization plan and CIS" -- June 2018
- Lester, "Developing IT Strategy" -- January 2020

#### *Vanuatu*

- Shrosbree, "Review of Implementation Reforms" -- May 2016
- Dark, "Conduct due diligence for IT upgrade" -- November 2016
- Shrosbree, "Review Implementation of Reforms and Compliance Improvement Strategy" -- July 2017
- McNeill, "Update Modernization Project Plan" -- August 2017
- McNeill, "Review functional structure and governance" -- August 2018
- Shrosbree, Eysselein, "Design new generation compliance plan" -- February 2019
- McGregor, "Improve on-time filing and on-time payments" -- February 2019

#### **Article IV reports**

- Fiji, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Fiji 2017, 2018 and 2019
- Kiribati, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Kiribati 2016, 2017, 2018
- Marshall Islands, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Republic of Marshall Islands 2016, 2018
- Federated States of Micronesia, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for the Federated States of Micronesia 2017, 2019
- Nauru, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for the Republic of Nauru 2017, 2019
- Palau, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for the Republic of Palau 2016, 2018
- Papua New Guinea, Article IV Consultation – Press Release; and Staff Report, 2016
- Papua New Guinea, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Papua New Guinea 2017, 2018
- Samoa, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Samoa 2017, 2018, 2019

- Solomon Islands, Article IV Consultation and Fifth and Sixth Reviews under the Extended Credit Facility Arrangement – Press Release; Staff Report; and Statement by the Executive Director for Solomon Islands 2016
- Solomon Islands, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Solomon Islands 2017, 2018, 2019
- Timor-Leste, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Timor-Leste 2016, 2017, 2019
- Tonga, Article IV Consultation – Press Release; and Staff Report for Tonga 2015, 2017
- Tonga, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Tonga 2016
- Tuvalu, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Tuvalu 2016, 2018
- Vanuatu, Article IV Consultation – Press Release; Staff Report; and Statement by the Executive Director for Vanuatu 2016, 2018, 2019

### **PFM Study**

- Allen et al., IMF Working Paper -- Review of the Public Financial Management Reform Strategy for Pacific Island Countries, 2010-2020, July 2020.

### **PFTAC Reporting**

#### *Annual Reports*

- PFTAC, Annual Report 2015
- PFTAC, Annual Report 2016
- PFTAC, Annual Report 2017
- PFTAC, Annual Report 2018
- PFTAC, Annual Report 2019
- PFTAC, Annual Report 2020

#### *Quarterly Reports*

- PFTAC, Quarterly Report, September 2016
- PFTAC, Quarterly Report, December 2016
- PFTAC, Quarterly Report, May 2017
- PFTAC, Quarterly Report, August 2017
- PFTAC, Quarterly Report, November 2017
- PFTAC, Quarterly Report, August 2018
- PFTAC, Quarterly Report, November 2018
- PFTAC, Quarterly Report, February 2019
- PFTAC, Quarterly Report, May 2019

*Steering Committee Minutes*

- PFTAC 2018 Steering Committee Minutes, March 2018
- PFTAC 2019 Steering Committee Minutes, March 2019

**Other PFTAC Documents**

- IMF, Program Document – Pacific Financial Technical Assistance Center (PFTAC), November 2016.
- PFTAC, Capacity Development RBM Tracking 2019 [Fiji, Vanuatu, Tonga, Solomon Islands, Samoa, Timor-Leste, Papua New Guinea, Palau, Nauru, Tuvalu, FSM, Kiribati, Cook Islands]
- PFTAC, Capacity Development RBM Tracking 2020 [Fiji, Vanuatu, Tonga, Solomon Islands, Samoa, Papua New Guinea, Nauru, Tuvalu, FSM, Kiribati]
- PFTAC, Independent External Mid-Term Evaluation of Phase IV of PFTAC, June 2015.
- PFTAC, Mid-Term Evaluation of Phase IV Response and Implementation Plan.

**Other IMF Documents**

- IMF, New Common Evaluation Framework for IMF Capacity Development, April 2017.
- IMF, RTAC Handbook, October 2019.
- Results Based Management (RBM) – A Short Primer.

**CD recipient country government websites****Cook Islands**

- Financial Supervisory Commission <https://www.fsc.gov.ck/cookislandsFscApp/content/home>
- Ministry of Finance & Economic Management -- <http://www.mfem.gov.ck/>

**Federated States of Micronesia**

- Department of Finance & Administration -- <https://dofa.gov.fm/>
- Federated States of Micronesia Environment Data Portal -- <https://fsm-data.sprep.org/dataset/fsm-strategic-development-plan-2004-2023>
- FSM Statistics -- <https://www.fsmstatistics.fm/economics/banking-statistics/national-accounts/>

**Fiji**

- Fijian Government -- <https://www.fiji.gov.fj/Home>
- Ministry of Economy -- <https://www.economy.gov.fj/>
- The Laws of Fiji -- <https://www.laws.gov.fj/LawsAsMade>
- Fiji Bureau of Statistics -- <https://www.statsfiji.gov.fj/index.php>

**Kiribati**

- Ministry of Finance & Economic Development -- <http://www.mfed.gov.ki/>

**Nauru**

- The Government of the Republic of Nauru: Department of Finance -- <http://www.naurugov.nr/government/departments/department-of-finance/links-to-nauru-financial-year-information.aspx>

- Nauru Bureau of Statistics: Ministry of Finance -- <https://nauru.prism.spc.int/economic/national-accounts/gdp-table>

#### Niue

- Statistics Niue: National Accounts -- <https://niue.prism.spc.int/category/economic/national-accounts/>

#### Palau

- Palau National Government: National Accounts -- <https://www.palau.gov.pw/executive-branch/ministries/finance/budgetandplanning/national-accounts/>

#### Papua New Guinea

- Papua New Guinea Data Portal: Medium Term Development Plan III (2018-2022) -- <https://png-data.sprep.org/dataset/medium-term-development-plan-volume-1/resource/c05d5d92-e86a-490b-a418-ca250259664b>
- Papua New Guinea Department of Treasury -- <https://www.treasury.gov.pg/index.html>
- Papua New Guinea Department of Finance -- <https://www.finance.gov.pg/>

#### Samoa

- Samoa Bureau of Statistics -- <https://www.sbs.gov.ws/>
- Central Bank of Samoa -- <https://www.cbs.gov.ws/index.php/>
- Ministry for Public Enterprises -- <https://www.mpe.gov.ws/publications/>

#### Solomon Islands

- Solomon Islands Government -- <https://solomons.gov.sb/>
- Solomon Islands National Statistics Office -- <https://www.statistics.gov.sb/>

#### Tokelau

- Government of Tokelau: Tokelau National Strategic Plan 2016-2020 -- <https://www.tokelau.org.nz/site/tokelau/files/2016Docs/TNSP%202016-2020%20Companion%20ENGLISH.pdf>
- Government of Tokelau: Tokelau National Statistics Office -- <https://www.tokelau.org.nz/Stats.html>
- National Statistics Office and PARIS21: Roadmap for Tokelau's National Strategy for the Development of Statistics, December 2015 -- [http://prdrse4all.spc.int/sites/default/files/tokelau\\_nsd\\_s\\_roadmap.pdf](http://prdrse4all.spc.int/sites/default/files/tokelau_nsd_s_roadmap.pdf)

#### Tonga

- Ministry of Finance -- <http://www.finance.gov.to/>
- Tonga Statistics Department: Economic Statistics -- <https://tongastats.gov.to/statistics/economics/>

#### Vanuatu

- Government of Vanuatu -- <https://www.gov.vu/>
  - National Planning Framework -- <https://www.gov.vu/images/publications/NPF%20with%20CP%20GuidelinesAnnex.pdf>
  - National Sustainable Development Plan 2016 – 2030 Monitoring and Evaluation Framework -- <https://www.gov.vu/images/publications/NSDP%20M&E%20Framework.pdf>

### **Development Partner Websites**

#### Asian Development Bank (ADB)

- Country web pages

- Cook Islands -- <https://www.adb.org/countries/cook-islands/main>
- FSM -- <https://www.adb.org/countries/micronesia/main>
- Fiji -- <https://www.adb.org/countries/fiji/main>
- Kiribati -- <https://www.adb.org/countries/kiribati/main>
- Marshall Islands -- <https://www.adb.org/countries/marshall-islands/main>
- Nauru -- <https://www.adb.org/countries/nauru/main>
- Niue -- <https://www.adb.org/countries/niue/main>
- Palau -- <https://www.adb.org/countries/palau/main>
- PNG -- <https://www.adb.org/countries/papua-new-guinea/main>
- Samoa -- <https://www.adb.org/countries/samoa/main>
- Solomon Islands -- <https://www.adb.org/countries/solomon-islands/main>
- Timor-Leste -- <https://www.adb.org/countries/timor-leste/main>
- Tuvalu -- <https://www.adb.org/countries/tuvalu/main>
- Vanuatu -- <https://www.adb.org/countries/vanuatu/main>

#### Australia

- DFAT Country webpages
  - Cook Islands -- <https://www.dfat.gov.au/geo/cook-islands/Pages/cook-islands>
  - FSM -- <https://www.dfat.gov.au/geo/federated-states-of-micronesia>
  - Fiji -- <https://www.dfat.gov.au/geo/fiji/Pages/fiji>
  - Kiribati -- <https://www.dfat.gov.au/geo/kiribati/Pages/kiribati>
  - Nauru -- <https://www.dfat.gov.au/geo/nauru>
  - Niue -- <https://www.dfat.gov.au/geo/niue/Pages/niue>
  - Palau -- <https://www.dfat.gov.au/geo/republic-of-palau>
  - Marshall Islands -- <https://www.dfat.gov.au/geo/republic-of-the-marshall-islands>
  - Solomon Islands -- <https://www.dfat.gov.au/geo/solomon-islands/Pages/solomon-islands>
  - Timor-Leste -- <https://www.dfat.gov.au/geo/timor-leste/timor-leste>
  - Tokelau -- <https://www.dfat.gov.au/geo/tokelau/Pages/tokelau>
  - Tonga -- <https://www.dfat.gov.au/geo/tonga/Pages/tonga>
  - Tuvalu -- <https://www.dfat.gov.au/geo/tuvalu/Pages/tuvalu>
  - Vanuatu -- <https://www.dfat.gov.au/geo/vanuatu/Pages/vanuatu>

#### European Union

- European Commission – International Cooperation and Development – Where we work: The Pacific -- [https://ec.europa.eu/international-partnerships/where-we-work/pacific\\_en#countries-in-region](https://ec.europa.eu/international-partnerships/where-we-work/pacific_en#countries-in-region)
  - Fiji -- [https://ec.europa.eu/international-partnerships/where-we-work/fiji\\_en](https://ec.europa.eu/international-partnerships/where-we-work/fiji_en)
  - Papua New Guinea -- [https://ec.europa.eu/international-partnerships/where-we-work/papua-new-guinea\\_en](https://ec.europa.eu/international-partnerships/where-we-work/papua-new-guinea_en)
  - Timor-Leste -- [https://ec.europa.eu/international-partnerships/where-we-work/east-timor\\_en](https://ec.europa.eu/international-partnerships/where-we-work/east-timor_en)

#### Japan

- Embassy of Japan in Kiribati -- <https://www.fj.emb-japan.go.jp/jointad/ki/en/index.html>
- Japan International Cooperation Agency (JICA): List of project by country web pages
  - Papua New Guinea -- <https://www.jica.go.jp/project/english/area/oceania/png.html>
  - Samoa -- <https://www.jica.go.jp/project/english/area/oceania/samoa.html>
  - Tuvalu -- <https://www.jica.go.jp/project/english/area/oceania/tuvalu.html>
  - Vanuatu -- <https://www.jica.go.jp/project/english/area/oceania/vanuatu.html>

### New Zealand

- NZ Foreign Affairs & Trade – Aid & Development Country web pages
  - Cook Islands -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/cook-islands/>
  - FSM -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/federated-states-of-micronesia/>
  - Fiji -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/fiji/>
  - Kiribati -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/kiribati/>
  - Marshall Islands -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/marshall-islands/>
  - Nauru -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/nauru/>
  - Niue -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/niue/>
  - Palau -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/palau/>
  - Papua New Guinea -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/papua-new-guinea/>
  - Samoa -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/samoa/>
  - Tokelau -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/tokelau/>
  - Tonga -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/tonga/>
  - Tuvalu -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/tuvalu/>
  - Vanuatu -- <https://www.mfat.govt.nz/en/countries-and-regions/pacific/vanuatu/>

### SPC

- Pacific Community, Coordination Paper on Technical Assistance on Pacific Core Set of Economic Statistics for the Pacific Island Countries and Territories, Revision 1, April 2018
- Pacific Community resource center webpage -- <https://www.spc.int/resource-centre>

### World Bank

- ‘The World Bank in Pacific Islands’ -- <https://www.worldbank.org/en/country/pacificislands>
- Development project listing webpages (by country)
  - Kiribati -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=KI](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=KI)
  - Marshall Islands -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=MH](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=MH)
  - Papua New Guinea -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=PG](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=PG)
  - Solomon Islands -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=SB](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=SB)

- Tonga -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=TO](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=TO)
- Fiji -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=FJ](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=FJ)
- Tuvalu -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=TV](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=TV)
- FSM -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=FM](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=FM)
- Palau -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=PW](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=PW)
- Samoa -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=WS](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=WS)
- Vanuatu -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=VU](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=VU)
- Timor-Leste -- [https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode\\_exact=TP](https://projects.worldbank.org/en/projects-operations/projects-summary?countrycode_exact=TP)

## Appendix VI Summary of Project Ratings

Note: Impact was not rated (NR) because 1) there was no clear basis to identify such achievements and 2) many PFTAC projects were in relatively early stages of development. See Section 2.3.3.

### In-Depth Reviews

#### Revenue Policy Administration

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
<b>Papua New Guinea</b>	Strengthened revenue administration management and governance arrangements	3.40	3.00	NR	3.67	3.20
<b>Fiji</b>	Strengthened revenue administration management and governance arrangements	4.00	4.00	NR	4.00	4.00
	Strengthened core tax administration functions	4.00	4.00	NR	4.00	4.00
<b>Kiribati</b>	Strengthened revenue administration management and governance arrangements	4.00	3.00	NR	3.83	2.80
	Strengthened core tax administration functions	4.00	3.00	NR	3.83	2.80
<b>Samoa</b>	Strengthened revenue administration management and governance arrangements	4.00	3.00	NR	2.83	3.20
	Strengthened core tax administration functions	4.00	3.00	NR	2.83	3.20

**Financial Sector Supervision**

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Papua New Guinea	Develop / strengthen banking regulations and prudential norms	4.00	3.00	NR	3.83	3.60
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	4.00	3.00	NR	3.83	3.60
Fiji	Develop / strengthen banking regulations and prudential norms	3.80	2.00	NR	3.17	3.00
Kiribati	Develop / strengthen banking regulations and prudential norms	2.50	0.00	NR	1.25	0.40
Samoa	Develop / strengthen banking regulations and prudential norms	3.67	2.00	NR	2.60	1.80

**Government Finance Statistics**

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Papua New Guinea	Member/economy strengthens its 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 metadata	3.92	3.43	NR	3.83	3.65
Fiji		3.08	2.31	NR	3.31	1.96
Kiribati		3.21	3.00	NR	3.00	1.51
Samoa		3.71	3.75	NR	3.75	3.50

**Public Financial Management**

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
<b>Papua New Guinea</b>	1. Improved PFM laws and effective institutions	3.83	4.00	NR	3.86	3.31
	3. Better budget execution and control	3.64	2.5	NR	3.69	1.93
	4. Improved coverage and quality of Fiscal Reporting	3.78	2.00	NR	3.86	1.50
<b>Fiji</b>	1. Improved PFM laws and effective institutions	3.83	2.50	NR	2.98	1.88
	3. Better budget execution and control	3.88	3.50	NR	3.81	3.71
	4. Improved coverage and quality of Fiscal Reporting	3.83	3.13	NR	3.34	3.24
	6. Strengthened identification, monitoring, and management of fiscal risks	3.52	2.63	NR	2.63	2.53
<b>Kiribati</b>	1. Improved PFM laws and effective institutions	3.52	2.63	NR	2.63	2.53
<b>Samoa</b>	1. Improved PFM laws and effective institutions	4.00	4.00	NR	3.92	3.90
	3. Better budget execution and control	3.88	3.13	NR	3.79	3.24
	4. Improved coverage and quality of Fiscal Reporting	3.98	4.00	NR	3.75	3.70
	5. Improved asset and liability management	3.58	3.13	NR	3.61	3.16

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
	6. Strengthened identification, monitoring, and management of fiscal risks	3.70	3.25	NR	3.70	3.00

### Real Sector Statistics

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Papua New Guinea	Member / economy strengthens its compilation and dissemination of data on [topic] according to the relevant internationally accepted statistical standard, including developing/ improving statistical infrastructure, source data, serviceability and/or metadata	3.48	2.5-	NR	3.75	0.55
Fiji		3.31	2.75	NR	3.41	2.18
Kiribati		3.33	2.13	NR	3.08	0.55
Samoa		3.71	4.00	NR	3.85	3.83

### Government Financial Statistics

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Fiji	Member/economy strengthens its 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 metadata	3.08	2.31	NR	3.31	1.96
Kiribati		3.21	3.00	NR	3.01	1.51
Papua New Guinea		3.92	3.44	NR	3.83	3.65
Samoa		3.71	3.75	NR	3.75	3.50

**Macroeconomic**

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
<b>Fiji</b>	Well-functioning macroeconomic policy and institutions and improved macroeconomic policy advice to governments	3.34	2.75	NR	3.75	3.50
<b>Papua New Guinea</b>		3.71	3.50	NR	3.75	3.50
<b>Samoa</b>		3.81	3.40	NR	3.75	3.50

**Light Reviews****Revenue Policy Administration**

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
<b>Cook Islands</b>	Strengthened revenue administration management and governance arrangements	3.75	2.00	NR	4.00	3.00
	Strengthened core tax administration functions	3.75	2.00	NR	4.00	3.00
<b>FSM</b>	Strengthened revenue administration management and governance arrangements	2.83	0.00	NR	2.33	1.40
	Strengthened core tax administration functions	2.83	0.00	NR	2.33	1.40
<b>Tuvalu</b>	Strengthened revenue administration management and governance arrangements	4.00	2.00	NR	3.17	3.40
	Strengthened core tax administration functions	4.00	2.00	NR	3.17	3.40

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Nauru	Strengthened revenue administration management and governance arrangements	3.80	2.00	NR	No evidence	Unable to rate
	Strengthened core tax administration functions	3.80	2.00	NR	No evidence	Unable to rate
Niue	Strengthened revenue administration management and governance arrangements	4.00	2.00	NR	2.75	2.40
	Strengthened core tax administration functions	4.00	2.00	NR	2.75	2.40
Palau	Strengthened revenue administration management and governance arrangements	3.80	2.00	NR	Unable to rate	2.33
	Strengthened core tax administration functions	3.80	2.00	NR	Unable to rate	2.33
Marshall Islands	Strengthened revenue administration management and governance arrangements	3.67	2.00	NR	2.67	2.20
	Strengthened core tax administration functions	3.67	2.00	NR	2.67	2.20
Tonga	Strengthened revenue administration management and governance arrangements	4.00	3.00	NR	3.67	3.40
	Strengthened core tax administration functions	4.00	3.00	NR	3.67	3.40
Solomon Islands	Strengthened revenue administration management and governance arrangements	3.83	2.00	NR	3.17	2.60

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
	Strengthened core tax administration functions	3.83	2.00	NR	3.17	2.60
Vanuatu	Strengthened revenue administration management and governance arrangements	4.00	3.00	NR	3.33	3.20
	Strengthened core tax administration functions	4.00	3.00	NR	3.33	3.20

### Financial Sector Supervision

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Cook Islands	Develop / strengthen banking regulations and prudential norms	3.50	3.00	NR	2.33	2.80
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	3.50	3.00	NR	2.33	2.80
Tuvalu	Develop / strengthen banking regulations and prudential norms	4.00	3.00	NR	3.50	3.60
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	4.00	3.00	NR	3.50	3.60
Palau	Develop / strengthen banking regulations and prudential norms	3.60	1.00	NR	2.20	1.60
Marshall Islands	Develop / strengthen banking regulations and prudential norms	3.67	2.00	NR	3.50	3.20

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	3.67	2.00	NR	3.50	3.20
<b>Timor-Leste</b>	Develop / strengthen banking regulations and prudential norms	2.80	1.00	NR	2.33	2.00
<b>Tonga</b>	Develop / strengthen banking regulations and prudential norms	3.80	2.00	NR	3.17	2.40
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	3.80	2.00	NR	3.17	2.40
<b>Solomon Islands</b>	Develop / strengthen banking regulations and prudential norms	3.20	2.00	NR	3.20	2.40
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	3.20	2.00	NR	3.20	2.40
<b>Vanuatu</b>	Develop / strengthen banking regulations and prudential norms	3.40	2.00	NR	2.33	2.40
	To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	3.40	2.00	NR	2.33	2.40

**Public Financial Management**

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
<b>Cook Islands</b>	4. Improved coverage and quality of Fiscal Reporting	3.95	3.50	NR	3.69	3.13
<b>FSM</b>	1. Improved PFM laws and effective institutions	3.94	4.00	NR	3.69	3.48
<b>Nauru</b>	1. Improved PFM laws and effective institutions	3.69	3.50	NR	3.69	2.75
	2. Comprehensive, credible, and policy-based budget preparation	3.53	3.25	NR	3.19	2.68
<b>Solomon Islands</b>	1. Improved PFM laws and effective institutions	3.44	2.75	NR	3.64	2.77
	4. Improved coverage and quality of Fiscal Reporting	3.32	1.00	NR	3.19	1.88
	5. Improved asset and liability management	3.53	2.85	NR	3.35	2.38
<b>Tokelau</b>	1. Improved PFM laws and effective institutions	3.95	3.25	NR	3.69	2.98
<b>Tonga</b>	1. Improved PFM laws and effective institutions	3.88	3.25	NR	3.52	3.00
	3. Better budget execution and control	3.71	2.25	NR	3.35	2.73
	4. Improved coverage and quality of Fiscal Reporting	3.83	3.25	NR	3.69	3.23
<b>Vanuatu</b>	3. Better budget execution and control	3.78	2.75	NR	3.40	2.88

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
	4. Improved coverage and quality of Fiscal Reporting	3.94	3.25	NR	3.69	3.09

### Real Sector Statistics

COUNTRY	OBJECTIVES	EVALUATOR'S RATING OF PROJECT BY DAC CRITERIA				
		RELEVANCE	EFFECTIVENESS	IMPACT	EFFICIENCY	SUSTAINABILITY
Cook Islands	Member / economy strengthens its compilation and dissemination of data on [topic] according to the relevant internationally accepted statistical standard, including developing/ improving statistical infrastructure, source data, serviceability and/or metadata	3.50	4.00	NR	3.71	3.50
Nauru		3.50	2.75	NR	3.50	0.00
Niue		3.10	2.75	NR	3.50	1.10
FSM		3.25	3.50	NR	2.92	1.50
Palau		3.42	2.50	NR	3.00	2.10
Marshall Islands		3.00	2.00	NR	2.60	0.00
Solomon Islands		3.33	3.25	NR	3.58	2.30
Tokelau		3.60	4.00	NR	3.63	2.00
Tonga		3.66	3.00	NR	3.58	2.40
Tuvalu		3.50	2.75	NR	3.50	0.80
Vanuatu		3.75	2.75	NR	3.54	2.80

## Appendix VII Examples of PFTAC Program Alignment with Member Country Priorities

PROGRAM	EVIDENCE OF ALIGNMENT
PFM	<p>The PFM program contributed to the development and/or piloting of new PEFA modalities and modules which are more suited to the operating environment of Pacific Island Countries (i.e., Agile PEFA, Gender module, Climate module), while also refocusing efforts towards more Pacific-relevant solutions, such as International Public Sector Accounting Standards-Cash (IPSAS-Cash) rather than IPSAS-Accrual financial reporting standards.</p> <p>In 2010, the Forum Economic Ministers Meeting (FEMM) set the agenda for PFM, which created priorities for PFTAC and impacted the Phase IC budget. A recent working paper reviewing the PFM strategy in the Pacific region completed for the IMF found that the PEFA and PFM Roadmap activities, undertaken in response to the FEMM agenda, have helped to raise the overall awareness of PFM development requirements in the region and establish baselines against which progress can be measured. However, the Roadmaps were not sufficiently tailored to the unique operating contexts of Pacific Island nations; they were too broad, and included advanced international best practices, whereas most PFTAC members require assistance with foundational PFM functions. This Phase V evaluation also noted some limited instances of conflicting advice provided by different CD providers, which reduced the relevance of some PFTAC activities.</p>
RPA	<p>The RPA program was expanded to respond to unmet demand for generalized revenue mobilization CD and more specifically to address the emerging risks associated with the impending implementation of Pacific Agreement on Closer Economic Relations (PACER) Plus.</p>
FSS	<p>The FSS program fielded TA missions in insurance supervision and cyber risk supervision in response to specific country requests arising from discussions at meetings of the Association of Financial Supervisors of Pacific Countries and the South Pacific Central Bank Governors.</p> <p>Refocusing the FSS program on bank supervision and regulation in Phase V was built on a foundation of diagnostic missions in five countries resulting in the development of country-specific, multi-year plans (Supervision Framework Enhancement Plans) with identified TA support.</p> <p>The milestones in the FSS program reflect priorities in insurance supervision, cyber risk supervision, and bank supervision, which stem from member country requests for assistance in this case.</p>
RSS	<p>The RSS program is aligned with national development strategies or published reports and strategic plans of statistical agencies. The program provides essential capacity supplementation services to five PFTAC members – compiling GDP estimates to support IMF and development partner engagement.</p>
GFS	<p>The GFS program was extended beyond the planned FY19 wind-down at the request of the membership.</p> <p>Central Banks in PNG and Samoa highlighted the utility of newly available/improved GFS data in their economic surveillance and monetary policy setting activities. Relevance ratings were supported by the general approach of demand-driven CD, and, in the case of the Macro and GFS programs, provision of remote TA.</p>
Macro	<p>Counterparts in Fiji, PNG, and Samoa all highlighted the relevance of the Macro program in maintaining and/or improving the capacity with their respective central banks to complete effective</p>

PROGRAM	EVIDENCE OF ALIGNMENT
	<p>macroeconomic assessments of their economies. This is particularly relevant for PFTAC member countries where turnover risk remains high.</p> <p>Interviewees emphasized the highly relevant nature of the assistance provided by the Macro program, namely country-specific, appropriately tailored in-country and remote assistance throughout the review period. This included facilitating a peer-to-peer attachment by Samoan officials to observe and learn about the functioning and benefits of Fiji's Macroeconomic Committee.</p>

## Appendix VIII Status of PFTAC Phase IV Evaluation Recommendations

The PFTAC Phase IV mid-term evaluation (2014) made recommendations aimed at improving the governance and management of the program. This section examines the status of recommendations using a 4-point rating scale (see sidebar).

### Guide to rating system

4= the recommendation was fully implemented

3= the recommendation was significantly implemented

2= the recommendation was partially implemented

1= the recommendation was not implemented

RECOMMENDATION	RATING	EVIDENCE
Rec 1: PFTAC needs to be larger than it was in the first three years of Phase 4 to be an adequate response to member countries' needs and to operate efficiently	Fully Implemented Rating: 4	Phase V program was larger than the Phase IV program in their respective initial three years. The budget increased \$12,453,531 <sup>22</sup> to \$22,163,101. PFTAC added a new donor (Canada), scaled up the Revenue and FSS programs through increased use of STX resources, replaced one RSS advisor with a GFS advisor, and added an economist in the Center. However, feedback from authorities and counterparts suggested that the program could grow to meet more of their needs, including for more frequent missions and inputs between missions.
Rec 2: Donors and the IMF should act vigorously to ensure that the level of Center activity does not contract sharply during the transition	Partially Implemented Rating: 2	Activities slowed significantly in the transition between phases for all programs except GFS – which increased activities between FY16 and FY17; the other programs decreased 26% in activity level on average. Donor resources were not available, and the Fund does not engage in obligations for which funding is not guaranteed.  The IMF partially implemented the recommendation by developing CD-Map and a more programmatic approach based on a three-year planning cycle, which once fully implemented will provide more opportunity for managing the transition effectively and avoiding the risk without causing the negative development impacts of withdrawing services.
Rec 3: While remaining responsive to members' demands for TA and training, PFTAC should accelerate its movement towards a program-based approach	Significantly Implemented Rating: 3	In Phase V, PFTAC moved toward a programmatic approach through various initiatives, including by developing: CD-Map for integration of management information; CD-Port which provides programmatic frameworks for CD design; use of medium-term planning for CD activities; and use of results-based, programmatic reporting on activities in the period. However, results monitoring and assessment in PFTAC remains focused on projects, rather than programs at the country or regional levels. See Finding 23.
Rec 4: Allocate a budget to the IMF Area	Partially implemented	The budget for the program of multi-disciplinary and thematic work has not been allocated. However, PFTAC Phase V budget includes a

<sup>22</sup> Phase IV budget for FY12 to FY14, taken from PFTAC, Phase IV Mid-Term Evaluation, 2015, p. 86.

RECOMMENDATION	RATING	EVIDENCE
Department (APD) for a program of multi-disciplinary and thematic work lead by the Coordinator	Rating: 2	contingency amount under control of the Coordinator to address unfunded priorities. PFTAC programs have delivered or supported cross-disciplinary activities that involve cost-sharing among programs or with development partners (such as the United Nations Economic Commission for Latin America and the Caribbean (UNECLAC), ADB and United Nations Development Program (UNDP)). However, these efforts would not constitute “a program of multi-disciplinary and thematic work” as recommended in Phase IV. See Finding 25.
Rec 5: Clarify and strengthen the role of the Steering Committee	Partially implemented Rating: 2	In Phase V, PFTAC introduced changes to the SC that helped improve its functioning and engagement of voting members, such as an annual rotation of SC chairpersonship and stronger links among immediate past, current, and future chairs to reinforce consistency of focus over a medium-term planning horizon for the program. However, the role and status of the Steering Committee has not been clarified or changed in terms of matters on which the SC members would vote. The SC still has a weak voice in resource allocation and strategic decisions. See Finding 17.
Rec 6: Make a strong effort to implement results-based management in Phase V	Significantly Implemented Rating: 3	In Phase V, the PFTAC Coordinator, LTXs and administrative staff have implemented RBM across the CD cycle, including for CD design, planning, monitoring, reporting and assessment. PFTAC has prepared log frames for its projects and improved its RBM reporting during the reporting period. However, the IMF’s RBM system is still in development and improvements are needed in its use by PFTAC, particularly with regards to milestone selection and the implementation of outcome measurement activities. See Findings 22 and 23.
Rec 7: PFTAC should pay more attention to inclusiveness and sustainability	Partially implemented Rating: 2	In Phase V, the program has mainstreamed climate change and gender dimensions in PEFA assessments. However, it has not integrated these dimensions into core CD design tools such as RBM frameworks. Further, the program budget referred to in Rec. 4 above was to help implement this recommendation on inclusiveness. The program focuses on the development of business process documentation and peer-based learning approaches for sustainability. See Findings 15 and 25.
Rec 8: PFTAC should improve its corporate memory and knowledge management	Significantly Implemented Rating: 3	In Phase V, PFTAC strengthened its corporate memory by improving documents management, preparing a procedures manual, increasing its use of RBM, and reinforcing support arrangements for advisors. See Finding 21.
Rec 9: Donors should consolidate their aid to TA in the Pacific in the IMF core areas as much as possible under the PFTAC umbrella.	Not implemented Rating: 1	This finding was not implemented as such by donors, although coordination of PFTACCD with the TA of other providers and partners for collective impact has remained a priority for PFTAC and its development partners as evidenced in the PFM program support to the FEMM agenda for TA support to the area. See Finding 24.

## Appendix IX Assessment of PFTAC Steering Committee Effectiveness

This appendix examines the effectiveness of PFTAC Steering Committee in its roles providing strategic guidance, oversight and priority setting in the program.

PFTAC Steering Committee is designed to provide strategic guidance to the program, help set priorities, and provide feedback on the quality of CD programs. The SC has been partly effective in these roles.

The Phase IV evaluation described the SC as an advisory group that sometimes expresses its advice by voting. It recommended that PFTAC clarify and strengthen the role of the SC in contributing to priority setting, providing oversight, and providing strategic guidance to the program. As noted above, this recommendation was only partially implemented in Phase V.

The Phase V Program Document indicates that the Steering Committee is comprised of “representatives from member countries, donor partners, and the IMF. The SC provides strategic guidance and helps set PFTAC’s priorities, including through endorsing work plans, and is a vehicle for feedback on CD quality.” (p.87). Although this role did not change between Phase IV and Phase V, the document indicates that as members agreed at the February 2016 SC meeting, to contribute funding to Phase V on the order of 10 percent of the Phase V Program Document Budget. All but two members had made their contribution by the end of the evaluation period. Further, “a core objective of PFTAC [is] that the activities of the Center reflect the ownership and commitment of its members.” Toward this end, “PFTAC SC provides an additional forum for accountability. Member countries can provide immediate feedback and recommendations of CD delivery.”<sup>23</sup>

Most SC stakeholders indicated that the SC was only somewhat effective in performing its three roles. They expressed concerns with decision making,

accountability arrangements and engagement of member states in discussions of strategic issues and their guidance to the program at SC meetings. IMF sources and donor respondents to the evaluation survey suggested that priority setting by the SC could be strengthened. Some stakeholders identified member countries’ engagement and effectiveness as a key weakness in the performance of the Steering Committee. At the same time, accountability arrangements between PFTAC and the IMF make it more difficult for member countries to play their roles.

**Strategic guidance:** The diverse range of conditions, capacities, needs and priorities of 16 member countries only heightens the importance and urgency of representation and participation in PFTAC governance. In the SC, national authorities are meant to play the important role of making their needs and priorities known to PFTAC, the IMF and development partners on the SC. However, getting the right sort of guidance in SC meetings from the member countries has been challenging for the program. In interviews, most

### SC Member Categories

Voting members: Member country governments represented in 7 of 16 countries by Central Bank Governors or their delegates. The other 9 countries are often represented by attendees from the Finance ministry or another agency.

Observers: Donors and IMF

<sup>23</sup> PFTAC Phase V Program Document pp. 87-89.

stakeholders reported that member countries were “generally silent at the SC,” not making their needs known. However, a few PFTAC and IMF stakeholders indicated that some country representatives were more inclined to comment in bilateral and small group meetings scheduled over the two-day SC gathering than in the plenary sessions.

**Oversight:** The Steering Committee meets annually for its representatives to perform its role. The SC meeting serves important regional and social purposes and serves a valuable program management function as much as a guiding function in the program. In practice, the SC meeting is a venue where PFTAC and IMF can present PFTAC annual plan, share information and analysis (report) and consult with PFTAC membership and donors as well as where senior officials from member countries meet with each other, donors and PFTAC to discuss their contexts, concerns and needs. In the reporting period, member states received and endorsed PFTAC Program Document and annual plans prepared by PFTAC and IMF functional departments without critical discussion or guidance from member countries. This was noted by counterparts in four in-depth review countries as well as PFTAC’s development partners (donors).

Numerous authorities and development partners indicated that PFTAC’s annual and quarterly reports on the program satisfied their own institutional needs for program information, with the noted exception of PFTAC reporting on gender. In Phase V, PFTAC annual and quarterly reports made more use of RBM metrics to communicate progress and results of TA and training in program areas. The IMF’s policy on data publication and confidentiality places some constraints on PFTAC reporting, but overall PFTAC is sharing a good amount of information with the SC in its annual reports.

Notwithstanding, PFTAC member countries lack an equally strong voice in PFTAC’s governance. Currently, the IMF functional and area departments play more central roles than the SC in guiding PFTAC entity and program. The IMF provides accountability for PFTAC on behalf of other shareholders.

IMF departments are also central to the supply of TA services in PFTAC, and the deployment of advisors and resources. They employ PFTAC Coordinator and select and contract the advisors. They also charge overheads and fees for services.

**Priority setting:** SC observers reported that the SC is more effective at providing oversight and advice than at engaging in priority

#### Examples of IMF and donor priorities in PFTAC Program

The number of countries submitting data to the IMF for dissemination in the IFS is cited as an indicator of success in the GFS program (and indeed it is frequently included as a milestone). While important for researchers and economists, the measure is less useful to countries than one focused on the integration of fiscal statistics in the general policymaking of a country (as noted in the success cases of PNG and Samoa).

The milestone most often cited in the RSS program is the compilation and dissemination of annual and/or quarterly GDP figures (essential to support surveillance activities of the IMF). The analysis of this information to inform economic developments and potential policy responses was perhaps not broadly considered.

The scale up of the RPA program in 2018 was in response to the emerging revenue stability risk for countries implementing PACER PLUS. This risk, while identified by some of the membership in bilateral discussions outside of PFTAC SC, was raised and emphasized as a high priority by donors to the IMF and PFTAC.

setting in the program.<sup>24</sup> Priority setting for planning and budgeting in annual work plans is largely done by the IMF and PFTAC with member countries consulted in the process. There are opportunities for countries to define the focus of the CD received through earlier milestones (such as PFM roadmaps) and advocacy. Authorities have successfully advocated for the extension of the GFS program, scaling-up of the RPA program to meet unmet demand for revenue mobilization CD and respond to revenue reforms arising from PACER Plus, the expansion of PFM to support countries' quest for climate financing, the attention to correspondent banking relationships and impact on remittances, and for an emerging program focus on debt management in the region. The lesson from the positive example of the GFS program extension is that country authorities have a stronger voice as they coordinate and unify on issues of importance to them.

In some cases, activities (and measures of success of country projects) were biased towards the priorities of the IMF and development partners (see sidebar). This may be unavoidable with the integration of CD delivered by PFTAC with the surveillance and lending priorities of the Fund.

In some cases, donors have underwritten the development of expensive new systems, such as Financial Management Information Systems, which has overshadowed or crowded out other necessary concurrent reforms, such as improved cash management, expansion of GFS data coverage, and compilation of quarterly or rebased GDP data. PFTAC leverage is muted when the priorities of the development partner who financed the investment dominate.

Going forward, the program will need to find ways to improve oversight, priority setting and member country engagement in the SC. In the future, prioritization in the use of resources will become even more important to member countries facing economic and health impacts of the pandemic. The program needs to increase SC effectiveness by strengthening member countries' role in prioritization, oversight and provision of strategic guidance on resource use and fostering sustainability of impact and reform.

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<sup>24</sup> Entity survey

## Appendix X Assessment of PFTAC Log Frames

The evaluators examined the quality of a sample of PFTAC log frames in terms of being clear, realistic or achievable, measurable, verifiable, and prepared with the involvement of counterparts. Using these five criteria, the 34 log frames were rated highest in terms of being realistic and achievable with average rating of 3.5 out of 4 (see table below). PFTAC log frames were rated highly for clarity (3.2) and for measurement being verifiable (3.3). They were rated lowest in terms of being developed with inputs from counterparts (2.4) based on interview sources.

In terms of program areas, 65 percent of log frames in the sample described PFM and Revenue projects, while 35 percent described FSS, GFS and RSS projects. The Macroeconomics program did not complete and enter into CD-Port log frames for its inventions in Phase V. The five programs are weighted evenly in the totals in the table below.

### Quality of PFTAC Log Frames by Program Area

RATING CRITERIA	PFTAC PROGRAMS					
	PFM	FSS	GFS	RSS	RPA	AVE.
Clarity	3.08	3.00	4.00	4.00	2.50	3.15
Realistic	3.46	3.60	3.75	4.00	3.17	3.47
Measurable	3.54	2.00	2.75	2.50	2.33	2.79
Verifiable	3.77	2.40	4.00	3.50	2.67	3.29
Developed with input from counterparts	2.69	2.40	2.50	2.24	2.17	2.44
Overall assessment	3.23	3.00	3.75	3.75	2.50	3.14

In 4 of 5 assessment criteria, the log frames displayed more positive features than drawbacks.

**Clear and realistic.** Overall, the CD objectives, outcomes and milestones were clearly stated and distinct from each other in their log frames. They expressed a clear and sound development logic or results chain. (The objectives and outcomes are from the RBM Catalog.) As stated in ICD's *Results-based Management – A Short Primer*, "Outcomes are the main focus of the RBM system and refer to concrete measurable steps forward in CD achieved when authorities act on TA recommendations...many outcomes will be about making relative, not absolute, progress—e.g., moving toward some agreed international good practice." However, numerous log frames contained too few milestones as stepping-stones to outcome achievement. Some log frames in programs such as RPA and FSS, were overly ambitious in terms of the timeframe required to achieve legislative reforms. This reduced the ratings of log frames being realistic.

**Measurable and verifiable.** The PFM program uses PEFA assessment exercises in measurement of outcomes. In this case, data collection for RBM is a

The RBM primer states that "*Milestones* are time-bound steps toward achieving an outcome. They will typically involve the authorities achieving interim progress on an outcome by a date specified in the work plan and should be related to the chosen indicators."

valuable CD activity engaging advisors and counterparts, with use of the assessment tool allowing for improved targeting, results focus and prioritization, and milestone selection. The RPA program incorporates Tax Administration Diagnostic Assessment Tool (TADAT) indicators as milestones, however in most cases, there has not been a full TADAT assessment to establish baselines. TADAT concepts provide a useful and consistent framework, but more could be done to quantify targets and the measurement of progress. Indicators selected in other programs (GFS, FSS) would not measure the change expressed in outcomes should change take place. They do not serve the purpose suggested for performance measures in the RBM primer. The use of milestones is another element of the log frames with positive features and drawbacks.

Milestones, which are owned by authorities, are sometimes inappropriate measures of program performance. Some milestones as phrased would be difficult to measure and verify. This would include milestones about the “adoption” or “implementation” of frameworks, which could be open to interpretation and therefore require indicators to measure.

**Involvement of counterparts.** Counterparts were not sufficiently involved in the selection of outcomes and milestones, although some could have validated the selection of project milestones, which certainly reflect their needs and would require action by authorities or governments in some cases.

## Appendix XI PFTAC Coordination with CD Partners

The Phase IV evaluation recommended that donor agencies in the Pacific consolidate their TA to governments in IMF core areas as much as possible under PFTAC umbrella in order to support “collective impact.” While the recommendation was not implemented by donor agencies, PFTAC is endeavoring to coordinate with CD partners across all programs and the level of coordination effort required is commensurate with the number of CD partners active in a given program area as demonstrated below.

**PFM:** PFTAC engages heavily in coordination in programs such as PFM where there are several active CD providers engaged. At least 10 countries and/or regional and international organizations provide regional and bilateral CD programs in the PFM space, in addition to PFTAC.<sup>25</sup> PFTAC PFM program has a good reputation among stakeholders for high quality CD services, but PFTAC is a minor player in terms of volume of PFM CD provided to members. Stakeholders noted that coordination has been “really effective” in the PFM program area during Phase V, although PFTAC does not collect data to measure effectiveness of its coordination efforts. This effective coordination among active PFM CD providers requires considerable input by the PFM program – reportedly consuming a minimum of 30 percent of one advisor’s time annually – in addition to country-specific coordination which occurs at the project level. This level of effort is essential to support the effective and efficient use of scarce resources, while also mitigating the risk of CD overload for beneficiary countries. Capacity constraints in most PFTAC member countries restrict domestic leadership in coordinating CD interventions.

Stakeholders highlighted several improvements in coordination between Phases IV and V in the PFM program. Participation by PFTAC advisors in the quarterly PFM meetings held in Suva was noted as a key coordination mechanism during Phase V. The CD-RBM mapping completed as a pilot for Fiji was also highlighted as a useful tool to assist development partners to collectively identify gaps in CD provision and which could be expanded upon during Phase VI.

Counter to these successes, coordination is less effective when significant reforms, such as FMIS implementation, are undertaken without due consideration of the entire suite of PFM reform needs in a given country. The acute capacity constraints facing members severely limits the number of reforms which can be undertaken simultaneously. Large reforms will crowd out other, sometimes more important foundational PFM improvements such as cash management and controls.

Development partners also identified opportunities to improve coordination in the PFM program. For example, PFTAC is not part of in-country donor groups providing budget support although the associated policy matrices and performance requirements are primarily PFM-focused. PFTAC PFM LTXs could be integrated into these budget support donor groups, which meet monthly, to improve communication, provide consistency in advice to country authorities, and avoid or resolve disputes among CD providers. The Coordinator and PFM advisors do participate in the annual Friends of Pacific Budget Support meetings hosted by the World Bank, but not the monthly meetings. Further, country authorities interviewed noted that the policy matrices associated with budget support, including the prioritization of PFM Roadmap reforms, could be improved to better support medium- and long-term PFM reforms with the PFM program’s involvement.

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<sup>25</sup> They include the ADB, Australia, New Zealand, EU, JICA, OECD, UNDP, World Bank, Pacific Islands Forum Secretariat, Pacific Region Infrastructure Facility, and PFTAC programs.

Stakeholders suggested that coordination be streamlined through the implementation of a CD matrix by country, in which CD engagement by development partner is identified and agreed upon by all stakeholders (development partners, PFTAC, and country authorities). Such a matrix would also benefit member countries by providing an active CD management tool.

**GFS and RSS:** Fewer CD providers are active in GFS and RSS program areas in the Region, which reduces the level of effort required to effectively coordinate CD activities and programs. PFTAC statistics programs coordinate primarily with the Secretariat of the Pacific Community (SPC), while more bilateral coordination is needed with the other active CD partners (including Australia, New Zealand and USGS experts). Regional statistical plans and priorities are managed for collaboration among countries via the Pacific Standing Statistics Committee. Stakeholders interviewed emphasized that PFTAC membership is a diverse group of countries with diverse needs, making a single coherent plan and priority list difficult if not impossible to establish. Counterparts in PNG highlighted the effectiveness of the collaboration between PFTAC and the Australian Bureau of Statistics (ABS) in re-establishing the production of GDP data by the NSO.

**Other PFTAC programs:** The Macro program is providing exclusive CD services, and there are few other CD providers in the FSS program area (aside from financial inclusion). Despite some recent scaling up by the OECD and ADB, there are relatively few other CD providers in the RPA area. Consequently, coordination activities tend to focus more on information sharing than on active CD intervention prioritization/responsibility agreement amongst development partners. There is a strong presence of other providers in the financial inclusion space, such as Alliance for Financial Inclusion/Countering Financing of Terrorism (AFI/CFT), the UN, and to some extent Anti Money Laundering/Countering Financing of Terrorism (AML/CFT). The OECD has increased its Pacific engagement since 2018, and more recently the ADB has announced a larger engagement.