

PACIFIC FINANCIAL TECHNICAL ASSISTANCE CENTRE

QUARTERLY REPORT

August 2020



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I. Introduction¹

This report covers the first quarter of the 2021 Fiscal Year (FY2021/Q1) for the period May 1 to July 31, 2020. This comprised the first full quarter of PFTAC operations delivered entirely by remote means – a continuation of the shut-down that began in March 2020 with the spread of the COVID-19 pandemic. Despite the challenges, the equivalent of 25 remote technical assistance (TA) missions were delivered to ten of the 16 PFTAC member countries during the quarter across all of the PFTAC programs, plus four short financial sector focused webinars. TA was delivered remotely from Fiji (initially by three of the resident advisors until one evacuated in July where he now works remotely from Spain); Australia (advisors for Macroeconomic Analysis, Public Financial Management (PFM), and Financial Sector Supervision (FSS)); and Hawaii, where the PFM advisor worked until her PFTAC assignment ended on May 31, 2020. Meanwhile two new resident advisors (PFM and FSS) have been recruited and have begun their contribution from Samoa and Albania respectively.

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II. News

COVID-19 Developments

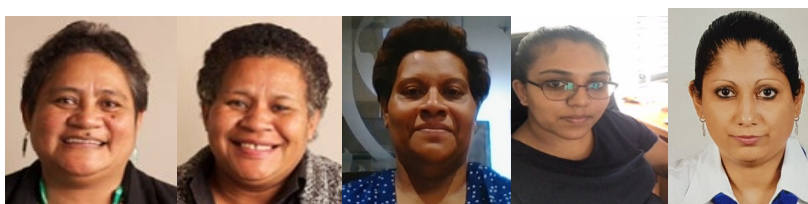
While the region has mostly escaped infections (with 13 of 16 PFTAC member countries remaining COVID-19 free as at August 1) the economic impact has been severe. By shutting borders, allowing few if any flights, and requiring strict quarantine for passengers who do arrive, most Pacific nations have stopped the virus from arriving, or have successfully contained its impact such as in [Fiji](#) and [Timor Leste](#) where each have recorded fewer than 30 cases with no recent local transmission. Tourism dependent economies have been severely hit from the near closure of the industry beyond very limited domestic activity, with several countries exploring the possibility of ‘travel bubbles’ to facilitate a carefully controlled resumption of tourist traffic from low-risk countries. Development partners have stepped up their support to Pacific nations, and [Papua New Guinea](#) along with [Samoa](#) and [Solomon Islands](#) have received financial support under the IMF’s Rapid Credit Facility (RCF) or Rapid Financing Instrument (RFI).

PFTAC staff have worked remotely since late March, whether in Suva or from evacuated locations. With COVID-19 contained in Fiji with no community transmission for several months, most government office operations have resumed. Business activity has similarly resumed although is significantly lower from the economic downturn. Work from home requirements and shutdowns mandated by other Pacific nations have

¹ PFTAC is generously funded by Australia, Korea, New Zealand, and the Asian Development Bank (ADB) and the European Union, and from November 2019, the Government of Canada. From the start of Phase V in November 2016, member countries have also agreed to financially contribute to PFTAC costs. The IMF covers the salaries for the coordinator and local administrative staff, as well as various administrative costs.

now mostly been lifted in the absence of local infection, while retaining strict border and quarantine controls. Approval from IMF headquarters has been sought for a graduated and cautious restart of physical operations at the PFTAC offices in Suva and for the return of evacuated staff as well as the arrival of newly appointed staff. Travel to Fiji will be dependent on flight availability, travel restrictions imposed by the departing and transit locations, and requirements on arrival in Fiji.

Perspectives on the impact of COVID-19 in Fiji from the PFTAC local team



(Written by the PFTAC team pictured above – Nina Samuela, Elenoa Bogiwalu, Kalara Raidruta, Shane Prasad, and Pretti Lata)

In late March 2020, the team of five PFTAC local staff was advised by the Center Coordinator (David Kloeden) and IMF Headquarters in Washington that we had to work remotely from home for our own safety and well-being given concerns about the rapid spread of Coronavirus around the world, including emerging concerns in Fiji. We had been preparing ourselves as a team by downloading various remote tools such as WhatsApp for our mobile phones for daily staff check-ins and communications, testing and rapidly becoming familiar with the WebEx remote meeting platform, and ensuring that every staff member had internet connectivity at home to connect through the Fund's secure virtual private network (VPN) using Pulse Secure or Citrix. These efforts helped ensure continuity of work during our physical absence from the office.

In April, Suva was locked down because several citizens who returned from abroad had contracted COVID-19. Quarantine centers were set up, roadblocks were installed and manned by police, and curfew hours implemented to contain the spread of the virus. Those found breaking the curfew hours were strictly dealt with. All schools were closed, and school children had to stay home which proved challenging for parents and guardians to ensure their children were productively occupied. A new way of remote learning was introduced by the Ministry of Education to ensure school children were not disadvantaged. Social gatherings were limited to 20 people and places of worship closed. It was a disconcerting experience overall with people starting to panic buy groceries. Despite these events, the Government and medical services (doctors, nurses, the police and the army) managed to contain the situation and calm the fears of the nation with Fiji now a COVID contained country having registered less than 30 confirmed cases.

Tourism being the main source of income for Fiji was severely affected with airports closed and flights stopped. Hotels were closed and workers sent home, some business houses put their staff on reduced working hours and helped assist their workers to provide food on the table for their families. The world and Fiji were indeed in a crisis. Families and our economy are severely affected, however, a positive thing to emerge is that people have turned to farm the fertile land including back-yard gardening for fruit and vegetables and more people are fishing to supplement their diets. While unemployment is extremely high, and family incomes are severely stretched, some return to normal is emerging with most government and businesses having now returned to their office operations and schools recently restarting. The borders however remain closed with no foreign tourists arriving, normally a mainstay of the Fijian economy.

Remote TA delivery creates both challenges and opportunities but is not an entirely new experience.

A limited volume of TA had previously been delivered remotely, particularly around development of legislation or regulation, and often with follow-up engagement and work after in-country missions. Experience with remote TA delivery over the past five months has been mostly favorable, in some cases surprisingly positive. The picture to the right is a screenshot of a PFM mission being delivered remotely with Tongan Finance Ministry officials who convened together in their ministry facilities to interact with the PFM advisors in Australia and Hawaii. Adequate connectivity is an important prerequisite for success, but innovation and multiple communication channels can help keep the engagement active from email, to WhatsApp messaging and conversations, to Zoom and WebEx video conferencing.



Some missions can be delivered in the usual one- or two-week timeframe, while others may need to be extended over a longer period, with shorter interactions either daily or every few days. Flexibility is key. An advisor may now have two remote missions running concurrently. Engagement is enhanced by the strong relationships already developed between the resident and short-term advisors and their country counterparts, particularly with ongoing reform efforts. Opportunities for greater collaboration across the IMF have been leveraged. Other than coping with time zone differences, virtual meetings, training, and other engagements now often include staff in Washington and in other centers such as the financial sector webinars with staff of the Monetary and Capital Markets (MCM) department and the Singapore Training Institute (STI).

It can be more challenging but not necessarily insurmountable to tackle new topics or engage with new counterparts or undertake diagnostic assessments. Some such activities in the workplan have been deferred in anticipation of travel resuming in the second half of FY2021 to allow for in-country missions, but this will need to be rethought if travel remains shut until FY2022.

The COVID-19 crisis did not interfere with PFTAC's long-standing guest lecture support to the University of the South Pacific (USP) governance program PFM course. In the first semester of each academic year, PFTAC resident advisors have delivered guest lectures to this graduate class. The first few topics in Macroeconomic Statistics and PFM were delivered in-person at the Laucala Bay campus in Suva before the March mid-semester break. Following a delayed resumption of remote classes, the PFTAC coordinator and Revenue, Macro, and FSS advisors all delivered their lecture programs using the WebEx platform, with the recorded session available for students to subsequently watch. Each session included a lively round of questions and answers with students.

Staff Updates

The PFTAC team of resident advisors now includes a Public Financial Management (PFM) expert recruited from the region with a wealth of knowledge and experience from the Pacific and beyond. **Mr. Iulai Lavea**, a Samoan national was selected from a highly experienced pool of candidates to replace Ms. Celeste Kubasta who left PFTAC in June. Iulai was the Chief Executive Officer for the Ministry of Finance of the Government of Samoa for nine years until December 2018. Prior to that, he was the Deputy Chief Executive Officer (Policy Management) for many years. He joined the World Bank Constituency Office representing the Pacific and was based in Washington DC as the Adviser to the Executive Director during 2006 to 2009. He



also had a brief stint as the Planning Adviser to the Government of Nauru in 2005/06, and earlier in his career worked at the Pacific Islands Forum Secretariat in Suva during the period 1991 – 96. Starting on a short-term PFTAC contract on July 8, Iulai was appointed as resident PFM advisor in mid-August and has been working remotely from Samoa until he is able to travel to Fiji with his family.



Following an internationally competitive selection process, we are pleased to announce the appointment of **Mr. Rajinder Kumar**, an Indian national who succeeded Mr. Stefanou from August 1 as the Financial Sector Supervision (FSS) resident advisor. Rajinder joined PFTAC from Albania where he has just completed a multi-topic three-year assignment as an IMF advisor on banking regulation, supervision, and financial stability to the Bank of Albania. He brings with him extensive experience in financial sector regulation, banking supervision, and macro prudential policies, which he gained through his 28-year long career with the Reserve Bank of India. Rajinder also worked for three years with the Bank for International Settlements at Basel where he supported the Basel Committee's Regulatory Consistency Assessment Program and a few of the Basel Committee's technical policy making groups. In Albania, Rajinder has helped the Bank of Albania introduce Basel III reforms and complete implementation of Pillar 2 of the Basel capital adequacy framework. Rajinder holds an MBA in Financial Management and FRM certification from GARP. He will be coming to Fiji with his wife as soon it is possible to travel, but in the meantime will be performing his PFTAC duties remotely.

Steering Committee and Governance Issues

A virtual briefing session for Steering Committee (SC) members and observers is scheduled for August 20 following the interest and success of the April briefing. Given that the FY2021 workplans and budget endorsed by the SC in April were mostly formulated for a pre-COVID world, the PFTAC team consulted during June and July with country authorities, technical counterparts, development partners, and Washington based country teams and mission chiefs to recast the FY2021 workplans on the basis of (i) the most important COVID related priorities; (ii) the experience and expectations with remote TA delivery; and (iii) the relevant delivery and absorptive capacity constraints. These revisions will be ready for discussion on August 20. Preliminary expectations still envisage delivery of an ambitious program, with only moderate scaling-back of activity and mission deliverables and budget utilization other than for sharper declines in the program travel and in-person training budget outturns.

How are the PFTAC programs responding to the COVID-19 crisis? In attempting to answer this recently raised question, the PFTAC team has reviewed each activity in the FY2021 workplan (the original and the version currently being updated) and classified them somewhat subjectively under four broad categories:

1. *Not COVID-19 related*
2. *Indirectly COVID-19 related* – while the objective of the TA is unrelated to responding to the COVID-19 crisis, indirect benefits to the response may result.
3. *Moderately COVID-19 related* – while the original objective of the TA is unrelated, the impact and benefits are more directly related to responding to the crisis.
4. *Predominantly COVID-19 related* – possibly in direct response to a request from the authorities, or existing work that is already strongly correlated to the crisis response or is after some recalibration.

With strong caveats that our proposed classification categories and initial ratings may be contestable, early indications suggest about 30 percent of activities would be respectively indirectly or moderately COVID-19 related (classification 2 and 3), and slightly more than 20 percent unrelated (classification 1), and the balance predominantly related (classification 4).

The external evaluation is underway. The updated and recently approved Inception Note for the external evaluation provides for two distinct but interrelated analyses. Most significantly, all PFTAC programs will be reviewed in detail in four focus countries, namely **Fiji, Kiribati, Papua New Guinea, and Samoa**. The evaluators will shortly be seeking survey and interview inputs from the counterpart agencies and other stakeholders for these countries. Additionally, the PFM, Revenue, FSS, and Real Sector Statistics (RSS) program efforts in the other 12 PFTAC member countries have been subject to a ‘lighter’ desk review of available documentation including TA Reports and Results Based Management (RBM) LogFrame details. Some initial and preliminary observations based exclusively on a documentation review are currently being discussed. The external evaluators will provide an update of their program and processes at the August 20 SC briefing.

III. PFTAC Developments

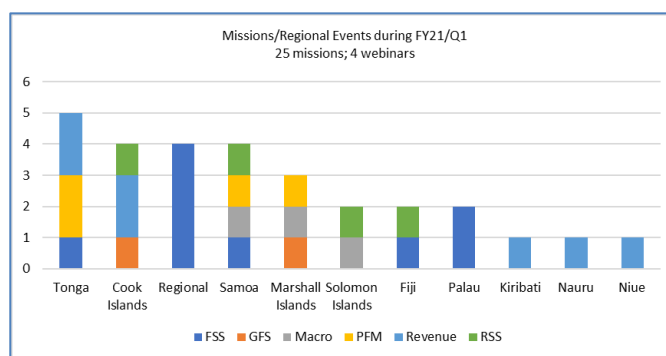
FY2021/Q1 Activity – by country and program

Activity – by program

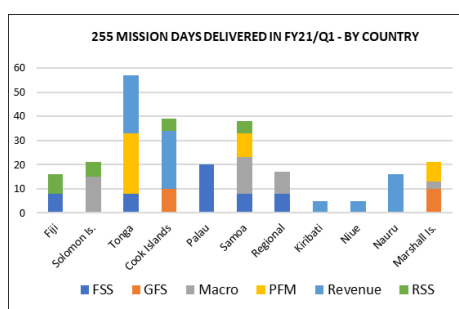
Program	Delivered in FY2021/Q1			
	LTX Days	STX Days	Total Days	Missions
Public Financial Management	16	27	43	4
Financial Sector Supervision	25	27	52	9
Government Finance Statistics	20	0	20	2
Real Sector Statistics	24	0	24	4
Revenue Administration	0	64	64	5
Legal/Tax Policy	0	10	10	2
Macroeconomic Programming and Analysis	42	0	42	3
Total	127	128	255	29

There were 255 days of TA and training delivered over 29² distinct missions or activities during the first quarter of FY2021 (May – August 2020). With travel completely suspended, all activities were delivered remotely from a variety of locations. Overall, the equivalent of 25 missions were delivered remotely plus four short on-line webinars on

financial supervision topics. In the absence of any travel, none of the more traditional training events such as in-person workshops were held during the quarter, although the first remote and hybrid delivered events are planned in the second quarter. Ten of the 16 PFTAC member countries benefited from these 25 remotely delivered missions, with five separate missions provided to **Samoa**; four missions each to **Cook Islands, Marshall Islands, and Tonga**; two missions each to **Fiji, Palau, and Solomon Islands**; and a single mission each to **Kiribati, Nauru, and Niue**.



² Counting as a single mission any with more than one expert all working on the same issues and Terms of Reference

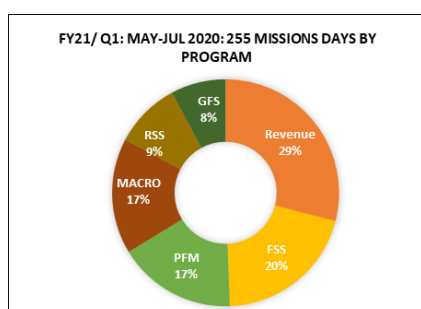


The FSS program was particularly busy during the period, with the outgoing advisor striving to deliver a number of activities that were delayed and carried forward from the prior quarter, including the use of some innovative approaches to delivering training aspects of these missions.

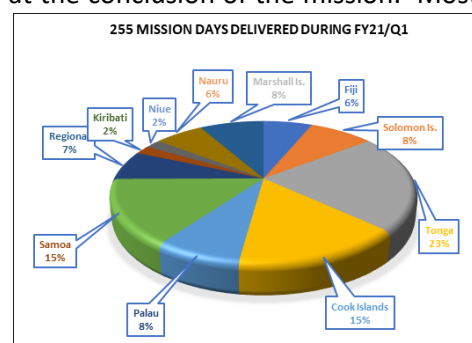
The workplan that the SC endorsed for

Program	Percent of Updated Plan Delivered by July 31			
	LTX Days	STX Days	Total Days	Missions
Public Financial Management	8%	10%	9%	11%
Financial Sector Supervision	20%	12%	15%	25%
Government Finance Statistics	20%	0%	15%	15%
Real Sector Statistics	18%	0%	10%	19%
Revenue Administration	0%	8%	8%	9%
Legal/Tax Policy	0%	15%	15%	29%
Macroeconomic Programming and Analysis	27%	0%	21%	16%
Total	16%	8%	11%	16%

FY2021 was very ambitious even for a pre-COVID setting with no constraints on international travel. As noted, these workplans are currently being reviewed and recalibrated. An early unfinalized version envisages the mission/activity count to remain unchanged in aggregate but with a minor reduction in TA field days, albeit with a moderate shift between STX and LTX days. As a proportion of the emerging updated workplans, TA delivery in the first quarter was quite modest, but proportionally comparable to the previous quarter (FY2020/Q4) with approximately 16 percent of the planned number of missions and 11 percent of the planned TA Field days delivered in FY2021/Q1.

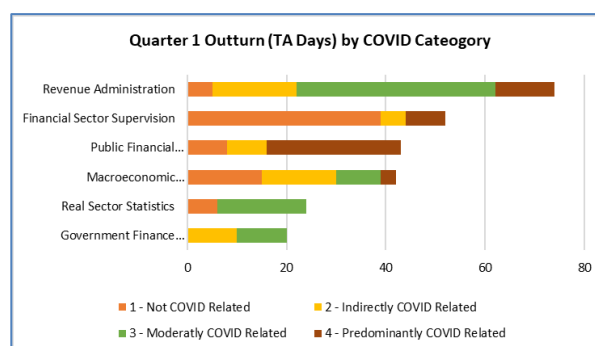


Remote missions were delivered by every PFTAC program during the quarter. We have refined our definition of TA field days to be inclusive of both LTX and STX time spent delivering missions regardless of the location of the advisor, provided the work has been formally developed and documented with a Briefing Paper before the start of the mission and a Back-to-Office report is prepared at the conclusion of the mission. Most, but not all missions produce a TA Report that is delivered to the authorities after internal review



and finalization. Previously we only counted TA days spent in the field on mission for LTX although we did include remote STX TA days. On this updated definition, the fiscal programs (Revenue and PFM) totaled just under half of the TA delivery, a modest proportionate decline from recent activity levels, primarily from stepped-up remote delivery effort of the FSS and Macro programs during the quarter.

Of the 255 days of TA delivery, approximately 70 percent can be considered to have either an indirect or direct relevance to COVID-19 priorities of the beneficiary countries (recognizing the caveats noted above). The Revenue, PFM, and RSS programs activities have a higher proportion of COVID-19 focus which is unsurprising given topics covered such as preserving taxpayer compliance during and after the crisis, bolstering cash management capacity and systems, and supporting more frequent statistical indicators to more timely track the impact of the crisis to better inform policy responses.



Financial Report

Table: Phase V Member and Donor Contributions to PFTAC Funding			
	Proposed Contributions for Phase V (US\$)	Contributions Received	LoU Status
Member Countries			
Fiji	\$ 687,500	\$ 500,000	v
Cook Islands	\$ 110,000	\$ 80,000	v
Nauru	\$ 82,500	\$ 82,026	v
Tokelau	\$ 11,000	\$ 11,000	v
Vanuatu	\$ 165,000	\$ 150,000	v
Kiribati	\$ 82,500	\$ 65,905	v
Tonga	\$ 110,000	\$ 49,921	v
Samoa	\$ 165,000	\$ 165,000	v
Tuvalu	\$ 27,500	\$ 17,500	v
Niue	\$ 27,500	\$ 9,950	v
Solomon Islands	\$ 165,000	\$ 165,000	v
PNG	\$ 1,375,000	\$ 875,000	v
Marshall Islands (RMI)	\$ 110,000	\$ 50,000	v
Palau	\$ 110,000	\$ -	Pending
Federated States of Micronesia	\$ 110,000	\$ 40,000	v
Timor-Leste	\$ 550,000	\$ -	Pending
Sub-Total Member:	\$ 3,888,500	\$ 2,261,302	
Donors			
ADB	\$ 800,000	\$ 800,000	v
Korea	\$ 2,500,000	\$ 1,500,000	v
New Zealand	\$ 12,145,192	\$ 12,145,192	v
Australia	\$ 9,004,929	\$ 7,488,820	v
Canada	\$ 1,136,191	\$ 1,136,191	v
EU	\$ 6,829,713	\$ 6,829,713	v
Sub-Total Donors:	\$ 32,416,025	\$ 29,899,916	
Total	\$ 36,304,525	\$ 32,161,218	

The fund-raising situation remains unchanged. No new or pending contributions were received during the quarter, and there is no change in the status of the pending Letters of Understanding from two remaining members.

Given the unprecedented COVID-19 situation, we are however following a more flexible approach regarding financial contributions from PFTAC member countries to the center, although still expect receipt of the limited remaining donor contributions. For now, PFTAC will not actively seek members to make their remaining installments. Members are given the opportunity to (i) hold off, (ii) make contributions at a later stage, or (iii) make smaller contributions than originally envisaged, if necessary. While we are not actively soliciting contributions, we still welcome and appreciate receiving member contributions - provided the contributing country has the ability to pay. After all, PFTAC relies also on member funding, and since the start of Phase V, these contributions have been an important indicator of the ownership and value the members place on the benefits that PFTAC provides.

The final expenditure outturn for FY2020 has been confirmed at US\$ 6.28 million (including management fee), or 74 percent of the US\$ 8.5 million budget. This is almost US\$ 1 million less than the outturn projected of US\$ 7.26 million (85 percent of the budget), reflecting an even bigger impact of COVID-19 in the final months of FY2020, and an even further decline from the pre-COVID projected expenditure outturn of 90 percent. The FY2020 Annual Report is currently being updated to reflect the actual expenditure and workplan outturns and is expected to be published before the end of August 2020.

Financial resources through the remainder of Phase V appear sufficient. This is predicated on receipt of remaining donor and member contributions, although the additional FY2020 savings will provide a buffer in the event these do not fully materialize.

IV. Report on Program Activities and Achievements

Public Financial Management (PFM)

Marshall Islands: a remote mission was launched by Richard Neves to assist the Marshall Islands publish a document to accompany the 2020/21 Budget. Working with the Ministry of Finance (MoF), a document that will meet appropriate standards will be developed and published to better inform all stakeholders on the proposed budget.

Samoa: The remote mission by STX Mark Silins in May reviewed the implementation of recommendations of the April 2019 cash management mission and provided guidance on managing government cash flows during the pandemic. While there have been good cash management advances, recent staff changes and the health crises (first the measles epidemic followed by COVID-19) have created significant challenges.

This mission assisted the new staff of the cash management unit and reviewed recommendations of the 2019 mission related to (i) the *FinanceOne* software system; (ii) consolidation of cash balances and banking arrangements; (iii) the cash flow forecasting model and reporting; and (iv) warrant and commitment control of the total cashflows. The mission recommended the authorities extend coverage to include these payments.

Tonga benefits from Remotely Delivered PFM Technical Assistance



A Public Expenditure and Financial Accountability (PEFA) assessment was undertaken by PFTAC in November 2019 and the PEFA report was finalized in January 2020. The Tonga Ministry of Finance requested a further mission to prepare a **Public Financial Management Action Plan (PFMAP)** based on the PEFA assessment report. The mission piloted Vol. IV of the PEFA Handbook on use of PEFA to support PFM action planning.

Celeste Kubasta and Richard Neves (both PFTAC resident advisors), Kris Kauffmann, STX, with a staff member of the PEFA Secretariat, Martin Bowen conducted the mission from May 6 to June 3, 2020. Due to COVID-19 travel restrictions, the mission was conducted remotely utilizing email and video conferencing.

Through a series of individual working meetings with the respective Finance Ministry departments, the mission assisted with the drafting of action plans for the various departments' areas of responsibility. Following a review of each draft plan, each division or agency presented their work plans during a plenary workshop that facilitated the first draft of an integrated Tonga PFM action plan.

The key next step is for the Government of Tonga to finalize and formalize the PFMAP and embed the management of the plans within its organizational architecture. The PFTAC experts (resident advisor Celeste Kubasta pictured during a remote connection with Tonga) acknowledged the excellent remote engagement of the Tongan authorities throughout the mission and anticipates continued PFTAC support in the finalization and endorsement of the PFM reform plan.

Tonga: Through remote interactions, PFTAC continued to support Tongan government officials to develop the PFM reform program. In November 2019, the PFTAC PFM advisors, together with staff from the PEFA Secretariat and an expert consultant conducted the Agile PEFA and Gender Responsive PEFA assessments. A remote mission in April 2020 by STX Kris Kauffmann began work with the authorities to update the PFM improvement plan based on the PEFA findings and other related reform efforts. This work continued into the

new financial year throughout May. The PFM reform plan will be finalized and endorsed in the upcoming months after a review of the draft plan and related technical assistance report by the government.

During a second mission, **STX Kris Kauffmann worked remotely with government officials to identify reforms needed to comply with Cash IPSAS and work on the roadmap to provide accruals data in the notes.** The mission prepared a briefing note to educate stakeholders on the background, purpose, and benefits of the transition and outlined a plan for the implementation of IPSAS cash basis financial reporting.

Revenue Policy and Administration

Assistance to Cook Islands to tackle COVID-19 Revenue Challenges

The COVID-19 crisis has led to unprecedented tax administration challenges. In response, the IMF has issued a series of short technical notes to provide guidance on how revenue administrations can support the crisis response of their governments. Drawing on these notes, PFTAC assisted the Cook Islands Revenue Management Division (RMD) with their tax compliance strategies to take full account of the current COVID-19 induced economic crisis. As the Cook Islands has remained COVID-19 free, RMD has fortunately been able to operate in a normal working environment without the extraordinary precautions of remote work and staff and taxpayer health and safety measures required by countries with confirmed COVID-19 cases.

However, the pandemic has wreaked severe economic impact from a shutdown of the tourism industry with a resulting significant decline in tax revenues. In developing the new compliance strategies, the key operational risks were identified and developed to reflect COVID-19 mitigation strategies. The compliance improvement strategy focuses on: (a) registration risks; (b) outreach and education; (c) outstanding tax returns; (d) tax arrears; (e) audit; (f) large taxpayers; and (g) the tourism sector. The tourism sector is particularly hard hit by the crisis with crucial challenges to contain non-compliance while avoiding the closure of taxpayer businesses if avoidable.

The existing compliance improvement plans that many tax administrations have implemented may not be able to meet the challenges of the crisis. Compliance strategies that address COVID-19 must assist revenue administrations to safeguard tax revenue and protect financing of significant government spending needs to address the crisis, including maintaining and expanding government social protection programs. Furthermore, restoring compliance levels in the post-crisis period will be crucial when the focus on raising revenue will need to be renewed.

PFTAC also assisted the RMD with the development of a Business Continuity Plan (BCP) to mitigate revenue administration risks emerging from the pandemic. The BCP balances a set of initiatives to: (a) contain expected increases in non-compliance due to decreased economic activity by boosting services and communication; (b) supporting the implementation of the Cook Island Government's Economic Response Package (ERP); and (c) readjusting core tax functions to recognize those taxpayers affected by the crisis and those lesser affected.

Cook Islands: Revenue STX, Stan Shrosbree provided remote assistance (due to COVID-19 restrictions) to the Cook Islands Revenue Management Division (RMD) on the Compliance Improvement Strategy (CIS) and Business Continuity Plan (BCP). The Ministry of Finance and Economic Management (MFEM) has continued to support RMD's modernization program throughout the COVID-19 crisis. PFTAC CD helped with finalization of the CIS document by identifying key operational risks and mitigation strategies, particularly taking account of

new and heightened risks relating to COVID-19. **With PFTAC assistance, RMD has also developed a Business Continuity Plan (BCP) to mitigate revenue administration risks emerging from the pandemic.**

During July 2020, STX Peter Mullins remotely delivered a mission to **review the Cook Islands tax policy regime**. In taking account of regional and international tax policy trends, the mission reviewed the existing direct and indirect tax regimes to advise on possible tax policy modernization options for consideration of the Cook Islands authorities. Meetings were held with the Minister of Finance, the Financial Secretary, and the RMD Director to identify potential TA requirements to support the implementation of policy options.

Kiribati: legal expert, **STX Lee Burns remotely delivered a mission to Kiribati in June to finalize the tax law amendments for seabed mining (SBM)**. The remote work assisted the Kiribati Tax Department (KTD) and Ministry of Fisheries and Marine Resource Development (MFMRD) with stakeholder consultations and revisions of the draft SBM tax legislation and technical notes. These steps assist in advancing the legislation for submission to Parliament and to allow the MFMRD to issue SBM exploration licenses to minimize fiscal stability issues.

Nauru: In response to a request from the Secretary of Finance, **a remote mission by STX Peter Mullins reviewed the tax regime in Nauru identifying potential reform options**. Nauru is facing significant fiscal challenges due to the scaling down of the Regional Processing Centre (RPC) funded by Australia, declining phosphate royalties, and the loss of trade tax revenues resulting from PACER Plus trade agreement obligations.

The mission recommended that lost import duty revenues from PACER Plus be replaced with excises on a limited range of goods. Other recommended indirect tax reforms could include expanding the taxation of services and removing the discretionary granting of exemptions for import duties, with the revenue forgone from exemptions being published each year. In the medium to longer term, the possibility of introducing a broad-based consumption tax, such as a VAT could be considered with income tax reforms to broaden the personal income tax (PIT) base that is very narrow from very high tax-free thresholds.

Niue: at the request of the Treasury, PFTAC provided further assistance to Niue to finalize the Tax Administration and Income Tax Bills. The ongoing work is part of a project to modernize the Niue income tax law and the legal framework for tax procedures. Earlier missions recommended a rewrite of the Income Tax Bill and a separate Tax Administration Act. **The remote assignment prepared a final draft of the Tax Administration Bill ready for submission to Parliament and as well as a first draft of Tax Administration Regulations.**

Tonga: As part of Ministry of Revenue and Customs (MoRC) compliance risk management approach, PFTAC was requested to assist in the design of an Industry Partnership (IP) Strategy to: (a) gain a better understanding of the tourism sector through data analytics; and (b) develop a risk management framework that involves a structured approach in identifying, assessing, prioritizing, and mitigating tourism tax risks. **The authorities have progressed with the implementation of recommendations and requested a follow up mission to review the current project status and further guide the implementation of Industry Partnership arrangements.** STX Stan Shrosbree remotely assisted the authorities in July 2020.

This overlapped with a second remote mission in July 2020 by STX John Mathews **to assist the MoRC in the design of a desk audit program to address inaccurate reporting in the tourism Whale Watching Sector (WWS)**. The PFTAC expert worked with MoRC audit staff to (a) review the risk analysis conducted by MoRC on the WWS sector and agreed on a suite of cases to be targeted; and (b) facilitate the drafting of desk audit letters that identifies questionable income and expenditure and engaging with the taxpayers.

Tonga Ministry of Revenue and Customs: Establishment of Large Taxpayer Office



Well done to the Tonga Ministry of Revenue and Customs and Revenue (MoRC) with the establishment of the Large Taxpayer Office (LTO) at the beginning of July 2020. The establishment of the LTO, incorporating the existing Heilala tax system, supports the ongoing commitment to modernize the MoRC and improve compliance in the large taxpayer group that is consistent with best practice in other leading revenue authorities. Pictured left is the LTO team including

Chief Executive Officer Kelemete Vahe.

The LTO incorporates the 15 members of the Heilala group and a further 38 taxpayers have been included based on revenue turnover. Seven staff are responsible for debt and return collection, processing, audit and risk management with a further two staff members providing specialized services to the high-compliance Heilala Tax System members. A draft Compliance Improvement Strategy forms the basis for the LTO. This strategy will underpin the operations of the LTO and provide the measurements for reporting.

Financial Sector Supervision

INSURANCE REGULATORY REFORM – LEGISLATION

In May 2018, PFTAC and the Financial Regulation Division of the IMF's Monetary and Capital Markets Department (MCM) conducted a regional workshop on insurance regulatory reform. Training was provided on international good practices on insurance legislation and prudential standards, and facilitated participant country self-assessments of current insurance regulation frameworks.

Following the workshop, PFTAC and MCM initiated the Insurance Regulatory Reform project with the Reserve Bank of Fiji (RBF), Central Bank of Samoa (CBS), and National Reserve Bank of Tonga (NRBT). The first mission in the project developed with the three central banks a draft example insurance law and for the CBS and NRBT, a suite of draft example insurance prudential standards.

The next step in the project, planned for April 2020, was for PFTAC to provide training to the central banks on both the draft example insurance law and prudential standards, and assist with stakeholder engagement. This work was postponed to FY2021 due to the COVID-19 pandemic.

The missions finally progressed in July with back to back remote delivery by PFTAC FSS advisor Ben Stefanou, STX Robert Claxton, and STX David Rush (funded directly by IMF/MCM) to **Fiji, Samoa, and Tonga**. **The experts developed training materials covering key components of the draft example insurance law and prudential standards.** The training was delivered via recorded video. **The missions continue to progress the insurance regulatory reform in Fiji, Samoa, and Tonga by assisting the central banks to develop a modern comprehensive insurance law and suite of prudential standards.**

Financial Sector Regulation Webinars

COVID-19 is taking a toll on economies and banking systems across the world. Teleworking arrangements, remote access, and cloud-based storage present cybersecurity risks. Central banks are intervening to alleviate tighter liquidity conditions with risks to the insurance sector and on insurers' investment. In response to this, PFTAC and the Monetary and Capital Markets (MCM) department of the IMF hosted a series of online roundtable discussions on supervision and regulation, central bank operations, and cybersecurity, focusing on current issues related to the COVID-19 pandemic.

The roundtables introduced the MCM Special Series COVID-19 Notes that provide an overview of global supervisory/regulatory responses and international good practices and IMF/MCM guidance. The notes (with links below) also detail the question and answers pertaining to financial sector considerations and sequencing of policies and reforms during the pandemic. The session also provided opportunities for supervisors to discuss their country practices, supervisory responses, regulatory treatments, and operational challenges.

1. [The COVID-19 pandemic and banking supervision \(May 13\)](#)
2. [Cybersecurity of Remote Work during the Pandemic Risk \(June 10\)](#)
3. [Central Bank Support to Financial Markets \(June 24\)](#)
4. [Regulatory/Supervisory Response to address the Coronavirus Impact on the Insurance Sector \(July 15\)](#)

Financial supervisors from all PFTAC member country attended the roundtable discussions via Webex with an average of 25 participants for the first three events while the fourth insurance roundtable had seven countries with 15 participants.

Palau: FSS advisor Stefanou and STX Tijs De Bie **provided remote training to the Palau Financial Institutions Commission (FIC) on the operation of risk-based supervision (RBS) frameworks and key areas of banking risk management (credit risk, operational risk, liquidity risk and market risk).** PFTAC has been working with FIC for several years on banking regulatory reform. This work is continuing and is planned to be completed by the end of FY2021, with finalization of a redrafted banking law and suite of regulations. The mission team developed training material that included a PowerPoint presentation for each of the training subject areas (RBS operations, credit risk, operational risk, liquidity risk, and market risk) and delivered via recorded Webex video. After the authorities undertake the training, a bilateral Question & Answer session will be held followed by a written summary of Q&A sessions.

In July 2020, legal expert, Cornelia Van Heerden remotely assisted the Palau FIC to review the proposed amendments to the Financial Institutions Act (FIA) of Palau. The mission reviewed the draft amendments to (i) assess their alignment with international good practices and (ii) determine whether and how earlier LEG TA recommendations had been incorporated.

Real Sector Statistics (RSS)

Cook Islands and Samoa: Only these two PFTAC member countries compile Quarterly National Accounts (QNA) statistics. **In order to increase the usability of those statistics, LTX Marcus Scheiblecker assisted the Cook Islands Statistics Office (CISO) and the Samoa Bureau of Statistics (SBS) with adjusting the data for seasonal and calendar variations.** Results were sent to the countries and are to be discussed within their macroeconomic committees before endorsement.



Better targeting crises related economic needs by faster national accounts data

The adverse impact of the COVID-19 pandemic on countries' economic development has considerably increased the demand for a faster publication of National Accounts data. Currently, the majority of the Pacific Island nations just publish annual National Accounts with a substantial delay. The lack of recent information makes it difficult for economic policy to implement targeted, tailor-made reactions.

In response to this, the **IMF's Statistics department shifted the focus of its work to the provision of Quarterly National Accounts support to its PFTAC member countries.** While **Fiji** is currently working on such a program assisted by PFTAC, feasibility studies for **Vanuatu** and **Tonga** have been completed recently. As staff capacity in many member countries currently do not allow for such a program, PFTAC is about to compile a preliminary crude set of data for them remotely as a first step. For those few countries which already compile Quarterly National Accounts (**Samoa** and the **Cook Islands**), the PFTAC RSS advisor assisted with compiling seasonal and calendar adjusted data.

Solomon Islands: In response to a request from the Solomon Islands Statistics Office (SISO), the LTX advisor Scheiblecker provided remote training on GDP rebasing and benchmarking. The mission was challenged by low internet bandwidth problems at the statistical office and part of the training had to be shifted to weekend timeslots. Pictured right are the Solomon Islands officials during the remote training session.

Government Finance Statistics (GFS)

The GFS program has adapted to the challenging and unprecedented times caused by the COVID-19 pandemic with Technical Assistance (TA) moving to a remote delivery modality. **Cook Islands** was the first recipient of a remote TA mission during June 1 – 12. **The GFS adviser worked remotely from Suva to assist in the compilation and dissemination of general government GFS for fiscal year (FY) 2019 and the revision of the time series FY 2015-2018.** The mission also assisted in the compilation and a very first transmission of the quarterly general government GFS time series for FY 2014Q1-2020Q2, which will facilitate analysis and policy making as well as to better understand fiscal developments. Due to the COVID-19 pandemic, high frequency statistics will be more important in order to track the depth of the recession and the pace and shape of the recovery.

The Cook Islands officials and the mission agreed on having up to three meetings daily, communicating through a mix of WebEx and email exchanges. Due to the time difference between Fiji and the Cook Islands (22 hours), meeting scheduling was at times challenging. However, communication was fluid and precise. The authorities of the Cook Islands understood the mission as an in-country mission and provided all the source data needed,

ensuring progress throughout the mission. **The GFS adviser left with the authorities a satisfaction survey, with very positive feedback from the counterpart with useful comments how to improve the way future remote missions are conducted.**

Marshall Islands: In response to a request from the Marshallese authorities and with support of the IMF's Asia Pacific Department (APD), a remote TA mission was conducted from Madrid, Spain, during July 13 – 24, 2020 by LTX Luis Temes. **The mission assisted the Economic Policy, Planning and Statistics Office (EPPSO) with the compilation and dissemination of GFS and public sector debt statistics (PSDS).** Additionally, the mission reviewed the recommendation of the October 2019 mission on identifying consolidation flows between BCG and other parts of GG and submitting a consolidated GFS time series to the IMF annual GFS database, mapping of the economic and functional segment for the new CoA, and update of the GFS quarterly time series on EPPSO website.

Macroeconomic Analysis and Programming

Republic of Marshall Islands: The PFTAC Macroeconomics advisor, Andrew Beaumont assisted the RMI Ministry of Finance during May 2020 to update its medium-term fiscal model to inform the development of the 2020/21 budget. These forecasts will then be provided in the proposed budget document to be published.

Samoa: the Samoan Ministry of Finance, on behalf of the Samoa International Finance Authority, requested PFTAC assistance to assess the contribution of Samoa's external financial sector to its economy. **In July, the Macroeconomic Adviser, Andrew Beaumont began remote assistance to the authorities through information gathering to facilitate analysis and modelling (including the contribution of the international financial sector to the Samoan economy, particularly in relation to different measures of GDP as well as to GNI).** The work is ongoing and will ultimately result in a report detailing the contribution of the external financial sector to the overall Samoan economy.

Solomon Islands: during July and August, the Macroeconomic advisor provided remote assistance on inflation forecasting. The Central Bank of the Solomon Islands (CBSI) as well as Solomon Islands Ministry of Finance staff were trained on appropriate inflation forecasting techniques. **These techniques will be used to develop an inflation forecast for the Solomon Islands that will ultimately be used for monetary policy setting by the Central Bank.**

Correspondent Banking Relationship (CBR) Initiative: PFTAC is continuing to provide support toward strengthening vital remittance flows in the Pacific. The Macroeconomic Adviser is contributing to this effort with several Pacific central banks (including the Reserve Banks of Australia (RBA) and New Zealand (RBNZ)) to reduce Anti Money-Laundering/Countering Terrorist Financing (AML/CTF) risks as well as the costs involved in remitting money in the Pacific, in particular from Australian and New Zealand to Pacific countries.

V. Planned TA Activities FY21/Q2: August – October 2020

August 2020 Planned Activities

Country	Program	Description	Advisor/s	Dates
FSM	GFS	GFS for general government operations (remote from Spain)	LTX –Temes	Aug 31 – Sep 10
Marshall Islands	RSS	Review progress in independent compilation of GDP(P) (remote from Fiji)	LTX – Scheiblecker	Aug 17 – 28
Niue	PFM	Finalizing PFM Legislation (remote from New Zealand)	STX – McKenzie	During August
Palau	GFS	GFS for General Government Operations (remote from Spain)	LTX – Temes	Aug 10 – 21
PFM		Workshop – Budget Documentation and Report Writing jointly with the UNDP (hybrid remote delivery combined with in-country attendance at USP campus facilities)	LTX – Neves LTX – Lavea UNDP – Destrez UNDP – Giuliani	During August
Regional	Macro	Ongoing support to Correspondent Banking Relationship (CBR) Initiative (remote from Australia)	LTX – Beaumont	During August
	Macro	COVID-19 Impact Webinar (remote delivery from Australia and Singapore with STI)	LTX – Beaumont STI – Yoke Wang Tok	Aug 6 – 7
Samoa	Macro	Assessment of the International Finance Sector (remote mission from Australia)	LTX – Beaumont	During August
	PFM	Strengthen Risk Framework (remote delivery)	STX – Colvin	Aug – Sep
	Revenue	Strengthen audit and support for TIMS implementation	STX - Sutherland	Aug 17 – Sept 4
Solomon Islands	Macro	Support for Inflation Forecasting (remote mission from Australia)	LTX – Beaumont	During August
Vanuatu	Revenue	Review of reforms (remote from Fiji)	LTX – Eysselein	Aug 24 – 28

September 2020 Planned Activities

Country	Program	Description	Advisor/s	Dates
Fiji	Revenue	Further assistance with the Industry Partnership approach (remote from New Zealand)	STX – Shrosbree	Sep 28 – Oct 9
	Revenue	Strengthen Audit Function (remote from NZ)	STX – Matthews	Sep 28 – Oct 10
Kiribati	Revenue	Further support on taxpayer services, tax arrears and returns collections (remote delivery)	STX – Scott	Sep 7 – 18
Marshall Islands	FSS	Risk Based Supervision Training (remote delivery)	LTX – Kumar STX – de Bie	Sept 1 – 4
	Revenue	Improving taxpayer services (remote from Australia)	STX – Piper	Sep 21 – Oct 2
Nauru	PFM	Follow-up on IPSAS Cash Reporting (remote from Fiji)	STX – Uluinaceva	During Sept
	Macro	Macro Forecasting, National Accounts and Economic Models (remote from Australia)	LTX – Beaumont	Sep 21 – 25
Papua New Guinea	PFM	Developing PNG PFM Roadmap (remote from Australia and Samoa)	LTX – Neves LTX - Lavea	Sep – Oct
Regional	Macro	Ongoing support to Correspondent Banking Relationship (CBR) Initiative (remote from Australia)	LTX – Beaumont	During Sept
	RSS	Workshop on Quarterly National Accounts & Seasonable Adjustment (remote from Fiji)	LTX – Scheiblecker	Sept 14 – 25
Samoa	Revenue	Review and renewal of Compliance Improvement Strategy (remote from New Zealand)	STX – Matthews STX - Shrosbree	Sep 7 – 18
Tonga	PFM	Streamline processes for financial reporting and budget execution to comply with IPSAS Cash (remote from Australia)	STX – Kauffmann	Sep – Dec
Tuvalu	Revenue	CIS Enhancement focused on large taxpayers and improving taxpayer services (remote delivery from Canada)	STX – Fisher	Sept 21 – 30
Vanuatu	FSS	SFEP – Regulatory Framework Prudential Standards (remote from Fiji)	LTX – Kumar STX – TBD	Sept 7 – 18
	Revenue	Management of Debt and Arrears (remote)	STX – Field	Sep 21 – Oct 2
	RSS	Higher frequency + Source data are adequate (remote from Fiji)	LTX – Scheiblecker	Sep 7 – 25

October 2020 Planned Activities

Country	Program	Description	Advisor/s	Dates
Cook Islands	Revenue	Strengthen Debt and Returns management (remote from Australia)	STX – Piper	Oct 12 – 23
	PFM	PEFA Assessment	LTX – Neves LTX – Lavea STX – TBD	During October
Fiji	Revenue	Strengthen Debt and Returns management (remote)	STX – Lawrence	Oct 5 – 16
Kiribati	PFM	Development of PFM Legal Framework (remote)	STX – Neves PEFA	During October
Nauru	Revenue	Compliance Improvement Strategy, Large Taxpayers, and Design & Monitoring Unit (remote delivery from Canada)	STX – Fisher	Oct 5 – 16
Papua New Guinea	FSS	SFEP – Regulatory Framework Prudential Standards (remote from Fiji)	LTX – Kumar	Oct 5 – 16
	FSS	SFEP – Finalize off-site financial risk analysis reform (remote from Fiji)	LTX – Kumar	Oct 18 – 22
	RSS	Compilation of Quarterly National Accounts (remote delivery from Fiji)	LTX – Scheiblecker	Oct 5 – 16
Regional	Macro	Ongoing support to Correspondent Banking Relationship (CBR) Initiative (remote from Fiji)	LTX – Beaumont	During October
	Revenue	Managing Large Taxpayer Workshop with PITAA (remote from Fiji and New Zealand)	LTX – Eysselein STX – Scott STX – Shrosbree	During October
Samoa	PFM	Review of risk based internal audit functions and improving framework (remote delivery from Australia)	STX – Morrison	During October
	Revenue	Compliance Improvement in COVID-19 climate and Business Continuity Plan	STX - Shrosbree	Oct 26 – Nov 6
Solomon Islands	Revenue	Strengthen tax audit (remote)	STX – Sutherland	Oct 1 – 13
	Revenue	Establish large taxpayer office and functional structure (remote from NZ)	STX – Shrosbree	Oct 12 – 23
	RSS	Implementing Quarterly National Accounts data (remote from Fiji)	LTX – Scheiblecker	Oct 19 – 31
Tonga	Macro	Use of the Macroeconomic Programming Framework for Budget Preparations (remote delivery)	LTX – Beaumont	Oct 12 – 16
	Revenue	Assist with tax auditor training framework and development (remote)	STX – Bell	Oct 26 – Nov 6
	Revenue	Review reform progress (remote from Fiji)	LTX – Eysselein	Oct 26 – 30

Tuvalu	FSS	Supervision Framework Development	LTX – Kumar	Oct 19 – 23
Vanuatu	Revenue	Strengthening audit, Implementation of the VAT audit toolkit (remote)	STX - Home	Oct 1 – 13
	Revenue	Develop Strategic Plan (remote)	STX – Russell	Oct 19 – 30

Outturn of TA Activities FY2021/Q1: May – July 2020

May 2020 Delivered Activities

Country	Program	Description	Advisor/s	Dates
Cook Islands	Revenue	Compliance Improvement Strategy (remotely delivered from New Zealand)	STX - Shrosbree	May 18 – Jun 5
Fiji	RSS	Quarterly National Accounts (hybrid remote and in-country delivery)	LTX – Scheiblecker	May 11 – 22
Marshall Islands	Macro	Economic Forecast COVID19 Update	LTX – Beaumont	May
Regional	FSS	PFTAC-MCM Online Roundtable Discussion on Banking and Regulation Supervision during the COVID-19 Pandemic (remote from Australia and Washington)	LTX – Stefanou HQ - MCM	May 13
	Macro	Ongoing support to Correspondent Banking Relationship (CBR) Initiative (remote from Fiji)	LTX – Beaumont	May
Samoa	PFM	Cash Management (remotely delivered from Australia)	STX – Silins	May 11 – 23
Tonga	PFM	Developing PFM Roadmap (remotely delivered from Australia)	STX – Kauffmann	May 11 – 19
	PFM	Cash Basis IPSAS Financial Statements (remotely delivered from Australia)	STX – Kauffmann	May 20 – 27

June 2020 Delivered Activities

Country	Program	Description	Advisor/s	Dates
Cook Islands	GFS	Improve Data for GFS Compilation and Dissemination (remotely delivered from Fiji)	LTX – Temes	Jun 1 – 12
	RSS	Seasonal Adjustment of QNA Data (remotely delivered from Fiji)	LTX – Scheiblecker	Jun 2 – 5
Kiribati	Revenue	Legal support on Seabed Mining (SBM) legislation (remotely delivered from Australia)	STX – Burns	Jun 8 – 12
Nauru	Revenue	PACER Plus Tax Policy Review (remotely delivered from Australia)	STX – Mullins	Jun 18 – Jul 3
Palau	FSS	Risk Based Supervision Training (remotely delivered from Australia and the Netherlands)	LTX – Stefanou STX – de Bie	June 15 – 28
Regional	FSS	PFTAC-MCM Online Roundtable Discussion on Cyber Risks of Remote Work during the COVID-19 Pandemic (remote from Australia and Washington)	LTX – Stefanou HQ - MCM	Jun 10
	FSS	PFTAC-MCM Online Roundtable Discussion on Central Bank Support to the Financial Markets during the COVID-19 Pandemic (remote from Australia and Washington)	LTX – Stefanou HQ -	Jun 24
	Macro	Ongoing support to Correspondent Banking Relationship (CBR) Initiative (remote from Fiji)	LTX – Beaumont	Jun
Samoa	RSS	Seasonal Adjustment of QNA Data (remote from Fiji)	LTX – Scheiblecker	Jun 16 – 19
Solomon Islands	RSS	GDP Rebased Training (remote from Fiji)	LTX – Scheiblecker	Jun 8 – 13

July 2020 Delivered Activities

Country	Program	Description	Advisor/s	Dates
Fiji	FSS	Insurance Regulatory Reform Project - Development of Insurance Law – training (remotely delivered from Australia)	LTX – Stefanou STX – Claxton	July 13 – 16
Cook Islands	Revenue	Tax Policy Review (remotely delivered from Australia)	STX – Mullins	July 6 – 24
Marshall Islands	GFS	Improve Data for GFS Compilation and Dissemination (remotely delivered from Spain)	LTX – Temes	July 13 – 24
	PFM	Medium Term Budget and Investment Framework (MTBIF) in Budget Documentation (remote from Australia)	LTX – Neves	During July
Niue	Revenue	Finalize renewal of Income Tax and Tax Administration Act (remotely delivered from Australia)	STX – Burns	July 6 – 10
Palau	FSS	Banking Regulatory Reform – review draft amendments to banking law (remotely delivered)	STX – Heerden (LEG)	July 13-17
Regional	FSS	PFTAC-MCM Online Roundtable Discussion on Insurance Regulatory and Supervisory Responses During the COVID-19 Pandemic (remote from Australia and Washington)	LTX – Stefanou HQ - MCM	July 15
	Macro	Ongoing support to Correspondent Banking Relationship (CBR) Initiative (remote from Fiji)	LTX – Beaumont	Jun
Samoa	FSS	Insurance Regulatory Reform Project Training (remotely delivered from Australia)	LTX – Stefanou STX – Claxton	July 2 – 6
	Macro	International Financial Sector Assessment (remotely delivered from Australia)	LTX – Beaumont	July 9 – Aug 31
Solomon Islands	Macro	Inflation Forecasting (remotely delivered from Australia)	LTX – Beaumont	July 9 – Aug 31
Tonga	FSS	Insurance Regulatory Reform Project Training (remotely delivered from Australia)	LTX – Stefanou STX – Claxton	July 7 – 11
	Revenue	Audit Support for Industry Partnership Strategy implementation (remotely delivered from New Zealand)	STX – Matthews	July 20 – 31
	Revenue	Implementing Industry Partnership Strategy (remotely delivered from New Zealand)	STX – Shrosbree	July 20 – Aug 7

Meetings, Seminars, and Training

May – July 2020

TA Sector	Description	Location	Advisor	Mission Days	Participants		Month
					F	M	
Financial Sector Supervision (FSS)	PFTAC-MCM Online Roundtable Discussion on Banking and Regulation Supervision during the COVID-19 Pandemic	Webinar	LTX – Stefanou	1	10	17	May 13, 2020
	PFTAC-MCM Online Roundtable Discussion on Cyber Risks of Remote Work during the COVID-19 Pandemic	Webinar	LTX – Stefanou	1	10	17	June 10, 2020
	PFTAC-MCM Online Roundtable Discussion on Central Bank Support to the Financial Markets during the COVID-19 Pandemic	Webinar	LTX – Stefanou	1	**	**	June 24, 2020
	PFTAC-MCM Online Roundtable Discussion on Insurance Regulatory and Supervisory Responses During the COVID-19 Pandemic	Webinar	LTX – Stefanou	1	**	**	July 15, 2020

TA Reports Transmitted to Country Authorities & Pending Finalization

May – July 2020

TA Sector	Country	Title of Report	Author	Mission Month	Transmittal Letter Date
Public Financial Management (PFM)	Marshall Islands	Medium Term Budget and Investment Framework	Neves	May-20	Not Finalized
	Papua New Guinea	Operational Plan for transitioning to IPSAS Cash	Mayes	Feb-19	Not Finalized
	Papua New Guinea	PEFA Assessment	Kubasta, Neves, Lavea, Uluinaceva	July-19	August 10, 2020
	Samoa	Cash Management	Silins	May-20	Not Finalized
	Tonga	Developing PFM Roadmap	Kauffmann	July-20	Not Finalized
	Tonga	Cash Basis IPSAS Financial Statements	Kauffmann	May-20	Not Finalized
Macroeconomic Analysis and Forecasting	Cook Islands	Macroeconomic, Financial, and Structural Policies	Bannister, Claus	Apr-19	June 23, 2020
	Marshall Islands	Towards a Medium-term Fiscal Framework	Claus	Oct-19	Not Finalized
	Samoa	International Financial Sector Assessment	Beaumont	July-20	Not Finalized
	Solomon Islands	Inflation Forecasting	Beaumont	July-20	Not Finalized
Revenue Administration	Cook Islands	Procurement and Specification of New IT System	Norkunas	Feb-20	Not Finalized
	Cook Islands	Improve Ontime Filing and Payment	Piper	Feb-20	Not Finalized
	Cook Islands	Compliance Improvement Strategy	Shrosbree	May-20	July 7, 2020
	Cook Islands	Tax Policy Review	Mullins	July-20	Not Finalized
	Nauru	PACER Plus Tax Policy Review	Mullins	June-20	Not Finalized
	Solomon Islands	Renew the Compliance Improvement Strategy	Home	Nov-19	July 24, 2020
	Solomon Islands	Review progress and further improve the audit function	Sutherland	Nov-19	June 5, 2020
	Tonga	Industry Partnership Agreement	Shrosbree	Sep-19	May 8 , 2020
	Tonga	Renew the Compliance Improvement Strategy	Home	Mar-20	June 5, 2020
	Tonga	Improve Ontime Filing and Ontime Payment of Taxes	Scott	Apr-20	June 5, 2020
	Tonga	Auditor Development and Training	Bell	Apr-20	July 8, 2020
Tonga	Implementing Industry Partnership Strategy	Shrosbree	July-20	Not Finalized	

	Tonga	Tax Audit support for the Industry Partnership Strategy implementation	Matthews	Jul-20	Not Finalized
	Vanuatu	Review the Audit Function	Home	Dec-19	June 22, 2020
Financial Sector Supervision	FSM	Banking Regulatory Reform	Hefty	June-19	Not Finalized
	FSM	Banking Legislation and Prudential Standards	Carvalho	Apr-20	Not Finalized
	Solomon Islands	Prudential Standards	Stefanou/ De Bie	Oct-19	Not Finalized
	Solomon Islands	SFEP – Risk Rating and Supervisory Action follow-up	De-Bie	Mar-20	Not Finalized
	Vanuatu	Credit Union Regulatory Reform	Henderson	Feb-20	June 3, 2020
	Vanuatu	SFEP – Risk Rating and Supervisory Action follow-up	De-Bie	Mar-20	Not Finalized
Macroeconomic Statistics	Cook Islands	Investigate Improved Methodologies for Tourism Related Activities	Andrews	Feb-20	Not Finalized
	Cook Islands	Improve Data for GFS Compilation and Dissemination	Temes	June-20	Not Finalized
	Cook Islands	Seasonal Adjustment of QNA Data	Scheiblecker	June-20	Not Finalized
	Fiji	Quarterly National Accounts	Scheiblecker	May-20	Not Finalized
	Marshall Islands	Government Finance Statistics	Temes	July-20	Not Finalized
	Papua New Guinea	GDP Rebasing	Scheiblecker	Oct-19	Not Finalized
	Papua New Guinea	Improving Granularity of GDP	Scheiblecker	Feb-20	Not Finalized
	Samoa	National Accounts	Scheiblecker	Jan-19	May 27, 2020
	Samoa	National Accounts	Scheiblecker, Freeman	July-19	May 27, 2020
Samoa	Seasonal Adjustment of QNA Data	Scheiblecker	June-20	Not Finalized	