

Annex 3: PFTAC Work plan FY2018 by Country: May 2017 - April 2018

FY18 Work Plan - May 2017 to April 2018: Cook Islands												
TA Area	Objective	Country	Outcome Targeted	Activity	May 2017 - April 2018 (in person-days)			Number of Missions/Activities	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total					
Financial Sector Supervision	2. To implement a risk-based supervision (RBS) system and upgrade other supervisory processes	Cook Islands	2.4 Strengthened institutional structure and operational and procedures for RBS implementation	RBS framework enhancement program. Second follow-up mission. Develop more in-depth and risk-based on-site examination assessment.	7	16	23	1	i) Risk rating model, including impact index, is developed and implemented. October 2018 ii) Risk-based supervisory action planning process developed and implemented. October 2018	Assisting with documenting on-site examination framework, on-the-job training and technical training in assessment of key bank risk areas.	April 2018	Stefanou/Expert
Financial Sector Supervision	1. Develop and strengthen banking regulations in line with international standards	Cook Islands	1.1 Supervisors and regulations require banks to apply sound policies and processes to identify, measure, monitor and control their financial risks on a timely basis and assess their capital adequacy in relation to their risk profile 1.2 Supervisors and regulations require banks to have robust governance policies and processes covering among others effective board and senior management oversight and sound control environment.	RBS framework enhancement program. First follow-up mission. Develop a comprehensive suite of prudential statements.	7	16	23	1	i) Applicable guidelines and regulations are drafted by April 2018 (ii) Applicable guidelines and regulations are finalised and formally issued. April 2019 ii) Applicable guidelines and regulations are drafted by April 2018 (ii) Applicable guidelines and regulations are finalised and formally issued. April 2019	RBS enhancement program was initiated in FY2017. The program will provide technical assistance in key components of RBS framework – regulations; risk identification and assessment; risk rating; and supervisory action planning.	June 2017	Stefanou/Expert
Government Finance Statistics	1. Strengthened macroeconomic and financial statistics compilation and dissemination for decision making: compilation methodologies in line with international standards for GFS	Cook Islands	1.9 Data are compiled and disseminated using appropriate statistical techniques, including to deal with data sources, and/or assessment and validation of intermediate data and statistical outputs.	Refine compilation techniques for using various administrative data sources to reduce statistical discrepancies.	5	-	5	1	Cook Islands National Statistics Office (CINSO) and Crown Accounts Divisions (CAD) to work with departments to reconcile discrepancies for the flows recorded in the accounting system and the asset registers. • The CINSO and CAD to reconcile discrepancies that may exist in the financial balance sheet, the changes in cash balances. [RBM –GO –9.8] by December 2017.	Improved data for GFS compilation and dissemination.	July 2017	DeLaBeer
			1.12 Higher frequency data has been compiled and disseminated internally and/or to the public.	Compile, review and disseminate data to the IMF Statistics Department.	-	-	-	1	• The CINSO to compile and disseminate consolidated public sector annual data, at least three-year time series. • The CINSO to produce and disseminate quarterly data for the <i>International Financial Statistics (IFS)</i> by December 2017. [RBM –GO –12.3]	GFS for general government / public sector operations are compiled and disseminated on an annual/quarterly basis.		
Macroeconomic Management	1. Improved macroeconomic policy advice to government and central bank management	Cook Islands	1.2 Sound medium-term macroeconomic framework	Support the use of the Cook Islands macroeconomic and fiscal framework.	5	-	5	1	1) Assistance is provided as required to ensure sustained use of the Cook Islands macroeconomic and fiscal framework in budget preparations (Apr. 18).		October 2017	
Real Sector Statistics	1. Strengthen 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.	Cook Islands	1.3 Staff capacity increased through training, especially on developing source data, compilation methods, and dissemination	Improve capacity on rebasing principles and industry-specific methods	-	21	21	1	Relative to the baseline, the number of staff trained to compile and/or disseminate these statistics is adequate [RBM NA 3.1] by March 2018	• Staff trained in compiling and disseminating rebased GDP estimates (March 2018)	March 2018	STX (tbc)
			1.4 Data are compiled and disseminated using the concepts and definitions of the latest manual/guide.	Assist with rebasing GDP by production using latest benchmark information	-	-	-	1	Relative to the baseline, deviations from 2008 SNA are reduced and/or eliminated [RBM NA 4.1] by March 2018	• GDP system calculations updated to reflect new base year of 2012 (March 2018) • Rebased AGDP estimates (base year 2012) compiled (March 2018)		
			1.12 Higher frequency data has been compiled and disseminated internally and/or to the public	Assist in refining the compilation process for QGDP; improve dissemination practices	-	-	-	1	Frequency of national accounts compilation and/or dissemination improves from annual to quarterly, or from quarterly to monthly [RBM NA 12.1] by June 2017	• New QNA estimates are compiled within 6 months of the reference period (March 2018)		
<b>Cook Islands Totals:</b>					<b>24</b>	<b>53</b>	<b>77</b>	<b>5</b>				