

FY23 Work Plan - May 2022 to April 2023: Timor-Leste

TA Area	Objective	Country	Outcome Targeted	Activity	May 2022 - April 2023 (in person-days)			Number of Missions/ Activities	Milestones	Comments	Planned Date	Experts
					PFTAC resident advisors	ST experts	Total					
Government Finance Statistics	Strengthen compilation and dissemination of fiscal statistics	Timor-Leste	Higher frequency data has been compiled and disseminated internally and/or to the public.	Refine compilation techniques for using various administrative data sources to reduce statistical discrepancies.	-	15	15	1	<ul style="list-style-type: none"> • Compile and disseminate general government (Public Sector) debt data in the World Bank quarterly public sector debt statistics template for publication. •Revise quarterly and annual compilation processes to reflect results of cash balance reconciliation. •Resume compilation and dissemination of the quarterly GFS data and fiscal bulletin. •Compile and disseminate annual GG for FY19. • Compile and disseminate annual GG for FY20. • Compile and disseminate annual GG for FY21. 	Address General Government (GG) coverage and statistical discrepancies. Encourage submission of GG debt data to the World Bank Quarterly Public Sector Debt Database (QPSD).	Oct 24 - Nov 4, 2022 (in-country)	STX
			Data are compiled and disseminated using appropriate statistical techniques, including to deal with data sources, and/or assessment and validation of intermediate data and statistical outputs.	Investigate statistical discrepancies and other potential indicators of problems in statistical outputs.					<ul style="list-style-type: none"> •Update the National Chart of Accounts in ProClarity to facilitate GFS compilation, and resolve discrepancies between ProClarity and the Government Reporting program. •A process be initiated to reconcile currency and deposits in ProClarity to what is reported by the Central Bank of Timor-Leste in its monetary statistics •Finalize institutional sectorization enabling complete coverage for GFS compilation. •Collaborate with the Budget Division to update the budget format, and adopt an international reporting standard (i.e. GFSM2014), and release these on the MoF website. 	Investigate all data sources, in particular between the Government Reporting Program and ProClarity to narrow down inconsistencies and improve data quality.		
			Business processes documentation for compilation and dissemination of macroeconomic and financial statistics is stored, accessed and regularly updated.	Establish business process documentation to inform compilation and dissemination procedures.					<ul style="list-style-type: none"> •Compilation procedures are designed to minimize processing errors, such as coding, editing, and tabulation errors. 	Enhanced metadata and compilation guidelines are produced and disseminated.		
Macroeconomic Programming and Analysis	Stronger analytical skills and better macroeconomic forecasting and policy analysis	Timor-Leste	Sound medium-term macroeconomic framework (inclusive of GDP and inflation, commodity prices, the external and monetary sectors, and fiscal aggregates).	Financial Programming Training 2.0	30	-	30	3	Enhanced understanding of economic interlinkages	10 days 10 days 10 days	May 23 - Jun 3, 2022 Oct 3 - 14, 2022 Nov 28 - Dec 9, 2022	Beaumont
Public Financial Management	Comprehensive, credible, and policy-based budget preparation	Timor-Leste	A more credible medium-term budget framework is integrated with the annual budget process	Strengthening Top-Down Approaches to Budgeting	12	-	12	1	Budget documents (including the Budget Strategy Paper) reflect binding ceilings over the medium term	postponed from FY22	Nov 7 - 18, 2022 (in-country)	Seeds/ HQ
	Strengthened identification, monitoring, and management of fiscal risks		Analysis, disclosure and fiscal oversight of public corporation risks are strengthened	Strengthening SOE fiscal risk oversight	-	16	16	1	Training on good practice for SOE fiscal oversight delivered		Nov 7 - 18, 2022 (in-country)	STX
Revenue Administration	Strengthened revenue administration management and governance arrangements	Timor-Leste	Effective implementation of a new tax or modernized legislation	Assist with implementation of VAT	-	16	16	1	Implementation strategies and plans for VAT finalized by 12/31/21.	A decision to implement a VAT has been made with a request from the authorities to support implementation.	Mar 20 - 31, 2023 (in-country)	Vivian
			Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	Develop Strategic Plan	-	5	5	1	Strategic plan finalized and approved	Tracking to road map from diagnostic	May 2, 2022 (remote)	Story
			Organizational arrangements enable more effective delivery of strategy and reforms	Administration Support for return registration function to sole TLTA control	-	15	15	1	Registration function established in TLTA by end of April 2023	Tracking to road map from diagnostic	Nov 28 - Dec 16, 2022 (remote)	Topping
			Organizational arrangements enable more effective delivery of strategy and reforms	Redefine and modify approach to Large Taxpayers	-	12	12	1	New Large Taxpayer approach and action plans finalized and approved by end of February 2023	Tracking to road map from diagnostic	Oct 10 - 21, 2022 (remote)	Vivian
			Support functions enable more effective delivery of strategy and reforms	Review/update staff distribution in Accounting, Collections, Enforcement and Audit	-	16	16	1	Staff distribution updated and implemented by June 2023	Tracking to road map from diagnostic	Jan 16 - Feb 4, 2023 (in-country)	Reardon
			Organizational arrangements enable more effective delivery of strategy and reforms	Develop planning, design and monitoring (head office) function	-	16	16	1	Head office functions approved and implemented by June 2023	Tracking to road map from diagnostic	Apr 3 - 14, 2023 (in-country)	Vivian
			Effective implementation of a new tax or modernized legislation	Support implementation of VAT	-	16	16	1	VAT successfully implemented by date as per new tax legislation	Tracking to road map from diagnostic	Sep 26 - Oct 7, 2022 (in-country)	Vivian
	Strengthen core tax functions		Redesign/refine the Tax Clearance process in collaboration with Customs	-	16	16	1	An end to end process is developed and implemented	Tax clearance process not optimized	Jun 6 - 17, 2022 (remote)	Strong	

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	Strengthened core tax administration functions		A larger proportion of taxpayers meet their filing obligations as required by law	Improve filing and tax arrears management	-	21	21	1	Filing and payment timeliness improves	TA assistance requested by the authorities to improve current returns and payment compliance levels.	Jul 18 - Aug 3, 2022 (remote)	Lawrence
			Strengthen core tax functions	Audit, Accounting and Collections – redesign processes and develop SOPs	-	43	43	1	SOP's finalized and approved by end of April 2023	Authorities requested assistance with developing SOP's	Feb 6 - 25, 2023 (in-country)	Bell/ Lawrence
	Legal		Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	Draft VAT and TAA laws	-	21	21	1	Draft VAT and TAA laws finalized by end of February 2023	PFTAC is supporting a request by the authorities to modernize their tax laws.	Nov 14 - 30, 2022 (remote)	Aw
			Tax and/or customs laws are updated, simplified, and better aligned with modern standards and international protocols	Legal Support for return registration function to sole TLTA control	-	10	10	1	Legal support provided to support business case	PFTAC is supporting a request by the authorities to modernize their tax laws.	Jun 13 - 22, 2022 (remote)	Aw
TOTAL					42	238	280	18				

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