

<p><b>Palau</b></p> <p><b>Table A. Comprehensive Framework</b></p> <p><b>Fiscal Sector</b></p>
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**CORE FRAMEWORK:** Central Government Operations  
 National Descriptor:  
*(if different, please indicate)*

**ENCOURAGED EXTENSIONS:** General government and/or public sector operations  
 (as applicable)  
 National Descriptor:  
*(if different, please indicate)*

**Information applies to:** Core Framework only  
*(select from drop down list)*

**National Methodological Publication:**  
*(as applicable, including information on how it may be obtained)*

**CONTACT PERSON(S):**  
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 Date : November 2002

**DATE METADATA UPDATED:** November 2002

## **I. Analytical Framework, Concepts, Definitions, and Classifications**

*Describe the analytic framework used, identifying the main components that are published; the classification systems used; and any disparity (e.g., in scope or procedure) between data of different periodicity. If an international (or regional) statistical guideline is used, state in which respects the guideline is followed and in which respects national modifications are made. Major modifications should be particularly noted.*

### **Analytical Framework, Concepts and Definitions:**

Annual data on actual outcomes of budgetary central government operations are compiled and disseminated by the **Office Statistics**. Monthly, quarterly and annual fiscal data are also compiled (but not disseminated) by the **Bureau of Budget and Planning** and are available upon request.

#### **A. Annual Data:**

(1) GFS data are compiled by the Office of Planning and Statistics (OPS) and published in the annual "Statistical Yearbook". Data are generally consistent with the framework outlined in the International Monetary Fund's "Government Finance Statistics Manual" (GFSM86). Published data cover a five year period and are classified as follows:

- 1) Schedule of Revenues by Fund Types
- 2) Statement of Revenues, Expenditures, and Changes in Fund Balance
- 3) Statement of Appropriations and Expenditures
- 4) Type of Revenue by Appropriate Revenues, Collections and Percentages
- 5) Compact of Free Association Investment Income for the last fiscal year

(2) Annual data compiled by the **Bureau of Budget and Planning** to include reports on Revenue Analysis, Expenditure Analysis, Budget History, and Sources and Uses of Funds. Data include provisional data for the preceding fiscal year and budget projections for the next fiscal year and are presented as follows:

- (a) Revenue and grants (disaggregated into tax and non-tax, local trust fund revenue, investment income from Compact of Free Association (Compact), grants from Compact current operations, U.S. Department of Interior (DOI) grants for operations, DOI grants for CIP, Non-DOI capital project grants, US Federal grants, and grants from multilateral organizations, such as the United Nations and other International Organizations.
- (b) Expenditure, classified into current and capital expenditure.
- (c) Net domestic and net foreign financing. Data on financing are based on the overall balance, minus net long-term borrowing and increasing financial assets.
- (d) Deficit/Surplus ("Net Deficit" derived as revenue plus grants, minus expenditure inclusive of interest payments).

**B. Quarterly Data:** Data are compiled by the **Bureau of Budget & Planning** and are available upon request four to five months after the end of the reference quarter. Data include:

- (1) Revenue and Grants broken down by: Taxes, Licenses & Fees, Postal Revenues, Court Fines & Fees, and Services, such as interest earnings (Non-Compact), Refunds & Reimbursements, and others, and Compact Funds;
- (2) Expenditure broken down into Executive Branch (by Ministry) and Boards & Commissions, OEK Congress, Independent Agencies, Judicial Branch, State Block Grants, Airport and Hospital Trust Fund, Educational Assistance, Other appropriations & activities,

Debt service, and State & National Capital Improvement Projects.

**C. Monthly Data:** The **Bureau of Budget & Planning** produces revenue and expenditure analysis reports. The Revenue Analysis Report indicates the appropriation, year to date figures, percentage of appropriation, balance to collect, current projection, and receipts as percentage of projection. The Expenditure Analysis Report presents the budgeted data for the relevant fiscal year, expended monthly data for the year to date, percentage of actual against budgeted, current balance, and estimated available balance. Revenue data are disaggregated by: utilities collection, taxes, licenses & fees, postal revenues, court fines & fees, services, Restricted Funds revenue, Compact of Free Association Fund. Expenditure data are shown by ministry, bureau, agency, and capital improvement projects (including National and State CIP). Data are compiled no later than 2 weeks after the end of the month.

**Classification System:**

See Analytical Framework, Concepts and Definitions above.

**II. Scope of the Data**

*Identify the coverage of institutional units, transactions, and geographic areas about which data are disseminated. Note any major departures from international guidelines (e.g., national accounts exclude units engaged in informal activities, central government excludes social security funds). Identify periodicity and timeliness of the data.*

**Unit Coverage:**

Data cover the operations of budgetary central government units. Activities of the Palau Pension Fund and the Social Security Fund are not included. **The Palau Pension Fund and the Social Security Office have their own governing boards and maintain their own books. The Office of Statistics has access to their financial reports throughout the year if needed. And both funds are audited by the same independent auditing firm that audit the central government operations at the end of each fiscal year and therefore their financial data are published along with the central government operations data.**

**Transaction Coverage:**

**All central government operations.**

**Geographic Coverage:**

**All the Republic's central government operations covered.**

**Unrecorded Activity (as relevant):**

None.

**Periodicity:**

*Identify the frequency of compilation and dissemination of the data (e.g., monthly, quarterly, annual)*  
Annual data are published in the OPS "Statistical Yearbook". Monthly and quarterly data are available upon request. **Palau central government operations are also audited by a United States based independent auditor, namely Deloitte Touche/ Tohmatsu. Audit result are finalized and published 3-6 months after the reference period (September 30).**

**Timeliness:**

*Identify the lapse of time between the end of a reference period (or a reference date) and the dissemination of the data.*

9 months for the "Statistical Yearbook" & **6 months for the audited reports by Deloitte Touche/ Tohmatsu.**

**III. Accounting Conventions**

*The time of recording (cash, accrual, or other (specify)), valuation methods, and other accounting*

*conventions should be specified.*

**Accounting basis**

All data are recorded on a cash basis. Payments are recorded at the time checks are issued, and receipts are recorded at the time checks paid out.

**Valuation**

The US dollar (US \$) is the official currency of Palau.

Foreign currency transactions are converted to US dollars at mid market rates.

**IV. Nature of the Basic Data Sources**

*For the main components disseminated, indicate whether data are compiled from administrative records, surveys, censuses, or combinations of these. Briefly describe the means of data collection; where sampling is used, the sampling methods should be briefly described.*

The data are compiled using the actual revenue and expenditure records of government maintained by the **Bureau of Budget and Planning**, Bureau of National Treasury (BNT). Data on grants are compiled from the DILOG 240 Report as compiled by the BNT.

**V. Compilation Practices**

*Describe any adjustments made to the basic data sources (censuses, surveys, or administrative records). Include, as appropriate, a description of procedures for estimating missing values, grossing-up samples, consolidating data, cross-checking data sources, and reconciling alternative estimates. For price-adjusted measures, describe the general approach used.*

**Adjustment for grossing and netting of transactions:**

Principal repayments are included under expenditures.

**VI. Other Aspects**

*Briefly describe any other aspects considered important, such as seasonal adjustment, base years, reference years, and disclosure control procedures.*

Data cover the fiscal year, which begins October 1.

**VII. Plans for Improvement**

*Describe short-term (in the next year) and medium-term (2-5 years) plans for making improvements in the comprehensive framework and note any improvements that have been implemented in the past two years. Technical or other assistance needs that may be required for implementing these plans should also be noted, if applicable. If it has been determined that there are no shortcomings that need to be addressed, this determination should be explicitly stated.*

**Recent Improvements:**

**Short-Term Plans:**

None.

**Medium-Term Plans:**

None.

**Technical Assistance/Financing Needs/Other Prerequisites:**

**Short-Term:**

**Medium-Term:**

