



MINISTRY OF FINANCE & TREASURY

2010– 2012 CORPORATE PLAN





Minister's Forward

I have the honour as the Minister responsible for financial matters to launch the 2010 - 2012 Corporate Plan for the Ministry of Finance and Treasury. The 2010 - 2012 Corporate Plan highlights the mission, key policy and organisational priorities to be progressed during the period. The key theme for the Corporate Plan 2010 – 2012 is *'Building Relationships Across Government And With Development Partners'*.

The Ministry of Finance and Treasury plays a central role in assisting the Government to improve and enrich the lives of the people of the Solomon Islands. The Ministry strives to maintain a sustainable fiscal position, apply tax law fairly and efficiently and to promote spending discipline across the Public Service. It also provides advice on key finance and economic reforms as well as strategies and measures to curb financial and economic shocks.

The 2010-2012 Corporate Plan provides a clear map of what the Ministry seeks to achieve and how it plans to do it. In particular, it links activities to the expected outcomes and strategies detailed in the Coalition for National Unity and Rural Advancement Government's Policy Statements and Translation and Implementation Document.

I wish to sincerely acknowledge the dedication and effort of all staff under the leadership of the Permanent Secretary for the Ministry in the formulation of the 2010-2012 Corporate Plan.

Hon. Snyder Rini
Minister for Finance and Treasury

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Cover photo: Customs, FEDU and ERU meet with the IMF



Permanent Secretary's Overview

The Ministry of Finance and Treasury's Corporate Plan 2010-2012 sets out the Ministry's mission, policy and organisational priorities and how the various Divisions of the Ministry will contribute to achieving them. It is recognized that good and harmonious relations are essential to improve government operations. In this respect the key theme for the Corporate Plan 2010 – 2012 is '*Building Relationships across Government and With Development Partners*'.

This Plan identifies a clear work program for 2010 and sketches the direction for 2011 and 2012. The first year – 2010 - is an election year and the Ministry will need to be responsive to any changes of policy or priority that emerge from the democratic process.

The Ministry's outputs and strategies set out in the Corporate Plan are clearly linked to the CNURA Government's policy priorities. A number of the key CNURA policy goals are outlined below. These policies are in turn influenced by international agreements such as the United Nations Millennium Declaration which established the Millennium Development Goals.

Events such as the global economic crises have required the Ministry to revise its plans and forecasts and to provide advice to minimise the impact of the crises on ordinary Solomon Islanders. This work will continue into 2010 -2012.

Over recent years the Ministry has put considerable effort into developing its internal capability, strengthening functions and modernizing systems. While this capacity building work is continuing it is now appropriate for the Ministry to take a more outward focus and proactively build relationships across the public service to improve the quality of government spending and services.

As well as our traditional work with other agencies on legislative reform and SOEs this focus will include work to re-establish the Solomon Islands Government Accounting Service (SIGAS); strengthen internal audit; further enhance the ICT network and policies; improve public financial management and co-ordinate development partner support programs.

Key CNURA policy priorities

1. Implement Tax/duty reforms (Inland Revenue and Customs and Excise) that support economic growth, and are efficient and fair;
2. Continue an Economic Reform Program which improves the business environment and reforms SOEs;
3. Maintain a stable government fiscal position by continuation of fully funded budgets and regularisation of debt

4. Develop and gain Government and donor agreement to a medium term fiscal strategy.
5. Strengthen the Statistics Office so as to re-invigorate the collection of key economic and social statistics;
6. Improve the Budget development process and presentation so as to better support government decision making and the transparency of spending decisions.

The Ministry has also identified a number of organisational priorities, these priorities reflect the continuing requirement to strengthen internal capacity while reflecting the external focus outlined above.

Key organisational priorities for 2010 - 2012

1. Build capacity by developing and implementing structured capacity development plans
2. Assist ministries to improve the quality of their expenditure and strengthen governance around the use of public resources
3. Co-ordinate economic recovery and development support programs
4. Improve organisational support by strengthening the Corporate Services Section
5. Grow capacity and professional skills by the continuation of a structured graduates program and by targeted recruitment to priority areas
6. Strengthen Internal Audit to improve governance in MoFT and across SIG
7. Work with the Ministry of Public Service to re-establish the Solomon Islands Government Accounting Service;
8. Continue to enhance revenue collection and administration via tax and customs modernisation programs;
9. Modernise financial rules and regulations to facilitate fast, efficient and accountable delivery of government services
10. Develop and implement HR and organisational policies appropriate to a professional public service organisation

The activities supporting these key policy and organisational priorities are contained in this document. Performance indicators and milestones are included so that success can be measured and reported on in our Annual Report.

May I take this opportunity to thank all staff of the Ministry of Finance and Treasury for their contribution and commitment thus far and to encourage you to continue your good work.

Shadrach Fanega
Permanent Secretary for Finance & Treasury

Overview and Mission Statement

The Ministry of Finance and Treasury is responsible for facilitating the provision of sound advice on monetary, budget and fiscal policy to the Solomon Islands Government (SIG). Ministry services include statistics and economic management to support Government decision making processes and the implementation of good governance practice. The core tasks of the Ministry include financial reporting, revenue collection, border protection, government payments, preparing and managing the Annual Solomon Islands recurrent budget and advising the Government on a range of financial policies including economic reforms.

The mission of the Ministry of Finance and Treasury is to provide leadership to the Solomon Islands Community in financial matters and deliver high quality, professional financial and economic services to the Minister for Finance and Treasury, the Government, and other Ministries and the wider community.

Structure of the Ministry

To achieve its mission the Ministry of Finance and Treasury delivers services through its Divisions and Sections. These are:

Executive Management: The Permanent Secretary is responsible for providing leadership to enable each Division to facilitate effective customer service delivery and support the Government through the Minister and Cabinet on fiscal and economic matters. Three Under Secretaries assist the Permanent Secretary.

Economic Reform Unit: The Economic Reform Unit is responsible for providing advice to key stakeholders on developing and implementing economic reforms.

Statistics Division: The Statistics Division is responsible for providing national statistics for the government.

Debt Management Unit: The Debt Management Unit is responsible for managing and servicing Government's debt obligations, both domestic and external.

Budget Unit: The Budget Unit is responsible for developing and managing the Annual Government Recurrent Budget, which detail planned expenditure and revenue in each year.

Internal Audit: The Internal Audit Division's role is to provide the Minister of Finance, Permanent Secretary Finance and Treasury, and public sector management with an opinion on risk management, internal control and good governance practices.

Treasury Division: The Accountant General heads the Treasury which is responsible for maintaining the accounting records of the Government, financial reporting, processing of payments to suppliers and SIG payroll on behalf of Ministries and managing the consolidated fund bank accounts and maintaining the financial instructions.

Information and Communication Technology Support Unit: The Information and Communication Technology Support Unit provides for the overall management of development, support and maintenance of all Solomon Island Government (SIG)

networks, applications software, and associated equipment and facilities in an effective and efficient manner consistent with SIG's corporate and operational plans and to ensure that these are aligned with SIG strategic plans

Inland Revenue Division: The Commissioner of Inland Revenue heads the Division, which is responsible for collecting income, sales and goods and services taxes. The Inland Revenue Division provides policy development and advice and supports compliance and investigation.

Customs and Excise Division: The Comptroller of Customs and Excise heads the Division that is responsible for collecting import and export duties and administering border related laws and trade facilitation and industry assistance programs.

Financial and Economic Reform Unit: FEDU's role is to develop, process, co-ordinate and assist to manage the implementation of development partner support programs and related initiatives.

Corporate Services: Corporate Services assists Divisions to undertake their administrative responsibilities. Functions provided include financial management, procurement, recruitment, records management, payroll and payments and supporting corporate planning and reporting.

The management and reporting structure of the Ministry of Finance and Treasury is presented in Figure 1 overleaf: *Structure of the Ministry of Finance and Treasury*.

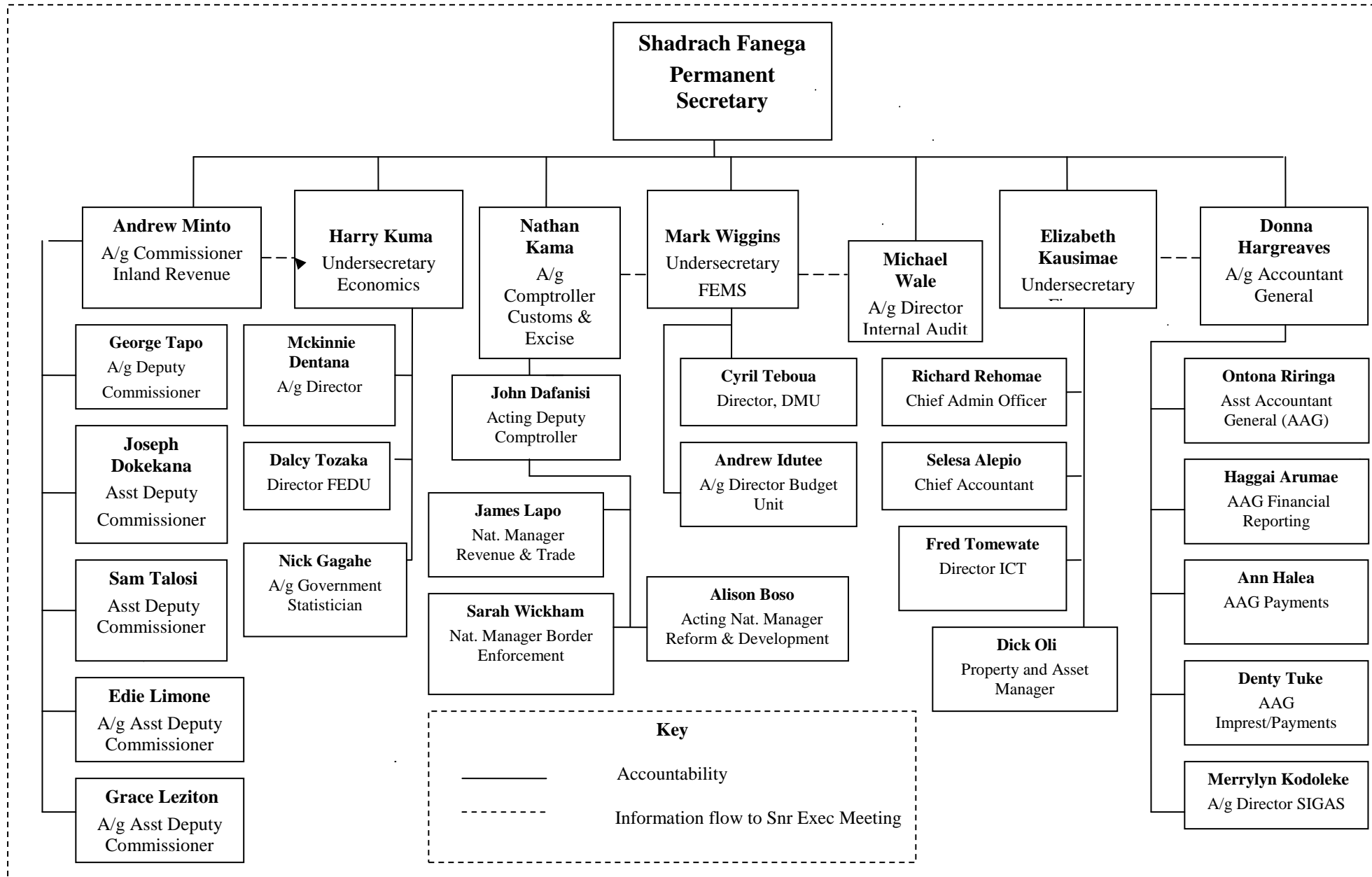
Resources and Management System

The Ministry of Finance and Treasury seeks to make best use of its resources, both its financial resources and its people. The Ministry recruited more staff in 2008 and 2009 and has introduced new information technology systems in a number of areas which will facilitate the provision of improved services. The theme for the Ministry during 2010- 12 is '*building relationships across government and with development partners*' this is supported internally by an increased emphasis on capacity development.

The role of technical advisors is increasingly shifting from providing services to developing the systems and skills which will permit the Ministry to provide advice and services without significant external assistance. The introduction of a number of major new IT systems such as PC Trade, the Aurion payroll system, the new Budget system and in 2010 the Maximise financial system upgrade and the IRD review of its Accounts systems, are major steps along this path. The development and implementation of Capacity Development Plans in all Division will also be important in achieving this aim.

The Ministry's management system is based around the development and monitoring of work plans. Plans are developed to reflect SIG and organisational priorities and progress is reviewed by Under Secretaries at monthly management meetings with Heads of Division. Twice a month the Under Secretaries meet with the Permanent Secretary to discuss overall progress, risks and strategic issues and once a month Heads of Divisions, Under Secretaries and the Permanent Secretary meet.

Figure 1: 2010 Structure of the Ministry of Finance and Treasury



CNURA Government Policy Priorities - MoFT Strategies and Outputs to meet

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
4.1 Improved corporate structure and services of the Ministry			
4.1.1 Corporate Plan 2010 and Annual report 2009 completed in a timely manner.	<ul style="list-style-type: none"> Documents follow Cabinet Office Guidelines and reflect Government policy objectives. 	<ul style="list-style-type: none"> Corporate Plan by end February 2010 Annual Report by end February 2010 	CSS to coordinate all Divisions
4.1.2 Strengthen Internal Audit Division structure and services to provide improved governance for the MOFT and other public sector agencies	<ul style="list-style-type: none"> New structure approved and implemented by end of the year. 	<ul style="list-style-type: none"> Dec 2010 	IAD
4.2 Improved professional skills of officers and the management			
4.2.1. HoDs, with assistance from Advisors, complete and implement Capacity Development plans.	<ul style="list-style-type: none"> Capacity development plans prepared by Divisions and implemented CSS develops and co-ordinates an organisation wide staff training/development plan based on CD plans 	<ul style="list-style-type: none"> Plans drafted by end February 2010. MoFT Training and Development plan completed by end April 	All Divisions supported by CSS.
4.2.2 Strengthen the capacity of local staff to deliver high quality macroeconomic outcomes and policy advice, fiscal sustainability, and effective economic reforms.	<ul style="list-style-type: none"> ERU staff able to provide basic forecasting and policy analysis to assist Ministers in making economic decisions. 	<ul style="list-style-type: none"> 2009-2013 	ERU/CSS
4.2.3 Internal Audit Technical advisor engaged to train auditors to international standards.	<ul style="list-style-type: none"> Capacity Development Plan for 2010 completed and implemented. 	<ul style="list-style-type: none"> 2010 	IAD

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
4.2.4 Internal Audit Division to use these additional skills to advise other public sector managers on better professional standards and management practices.	<ul style="list-style-type: none"> • Number and quality of advice requests made by public sector managers 		IAD
4.2.5 Build budgeting capacity of SIG staff	<ul style="list-style-type: none"> • Develop and implement a Capacity Development Plan for the Unit • Complete training on use of Budget System. • Develop training packages on costings, forward estimates and business case development for Budget Unit and key staff from all Ministries. • Delivery training packages 	<ul style="list-style-type: none"> • Feb-March 2010 • Feb 2010 • March 2010 • May 2010 	Budget
4.3 Upgraded financial management systems in conjunction with improvements to IT systems.			
4.3.1 Aurion is operational and work is continuing on data quality and data integrity.	<ul style="list-style-type: none"> • Payroll Section continues to work with other ministries to provide measurable improvements to data quality (numbers of incorrect data items), and data integrity (matching incumbents to positions, and allowance eligibility issues to ensure legislative compliance and consistency of application across the public sector). 	<ul style="list-style-type: none"> • 2010 	Treasury
4.3.2 Implement Aurion workforce planning module to assist with HR management.	<ul style="list-style-type: none"> • Workforce planning module implemented and users trained in time to deploy the application to support 2011 budget preparation. 	<ul style="list-style-type: none"> • August 2010 	Treasury
4.3.3 FMIS application Transformation (Maximize)	<ul style="list-style-type: none"> • The Maximize transformation project is initiated, the project structure and business case defined, project scope and module implementation sequence agreed with stakeholders, supplier/contract evaluation completed, contracts let, and is achieving progress against agreed stages/milestones. 	<ul style="list-style-type: none"> • 2010 	Treasury

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
	<ul style="list-style-type: none"> Transformation project rollout sequence complete, quality plan and change management plan objectives achieved. Project closeout activities complete with all stakeholders 	<ul style="list-style-type: none"> Early 2011 Early 2011 	ICT
4.3.4 Secure all Treasury IT systems and put in place appropriate measures to protect business critical systems.	<ul style="list-style-type: none"> A plan for securing all Ministry of Finance and Treasury IT applications is developed, including disaster recovery, hardware and software replacement processes tested. Full-scale disaster recovery plan tested and verified. 	<ul style="list-style-type: none"> Late 2010 	Treasury and ICT
4.3.5. Enhancement and increased utilisation of Commonwealth Secretariat Debt Recording and Management System (CSDRMS)	<ul style="list-style-type: none"> Resolution of known CSDRMS recording errors Transfer of primary CSDRMS site to DMU 	<ul style="list-style-type: none"> 2010 2010-2011 	DMU
4.4 The collection and publication of key economic and social statistics			
4.4.1 Census 2009: Finish processing and begin dissemination of results.	<ul style="list-style-type: none"> Statistical Bulletin with provisional results Basic Census Tables released Dissemination of results and workshops Analytical reports released 	<ul style="list-style-type: none"> End April 2010 End July 2010 November 2010 2011 	Statistics
4.4.2 Household Income and Expenditure Report (HIES)	<ul style="list-style-type: none"> HIES planned and sample selected HIES Questionnaire developed Data collection 	<ul style="list-style-type: none"> June 2010 End Aug 2010 Oct 2010 –March 2011 	Statistics
4.4.3 CPI	<ul style="list-style-type: none"> Release monthly bulletins in 2010 	<ul style="list-style-type: none"> monthly 	Statistics
4.4.4 GDP	<ul style="list-style-type: none"> Release estimate of 2007 real and nominal GDP Prepare and release estimates of 2008 and 2009 	<ul style="list-style-type: none"> February 2010 By December 2010 	Statistics

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
	GDP		
4.4.5 Trade Bulletins	<ul style="list-style-type: none"> Release 1st; 3rd and 4th quarter 2009 Trade Statistics Complete and release 2nd quarter 2009 	<ul style="list-style-type: none"> By end Feb 2010 By end March 2010 	Statistics
4.4.6. Education Statistics	<ul style="list-style-type: none"> Release 2009 Education Statistics 	<ul style="list-style-type: none"> End May 2010 	Statistics
4.4.7. Tracking and reporting of the stock of SIG debt and repayments (including guarantees and contingent liabilities)	<ul style="list-style-type: none"> Timely production of monthly reporting and publication of quarterly statistical bulletin on CBSI website. 	<ul style="list-style-type: none"> Ongoing 	DMU
4.5 A functioning Solomon Islands Government Accounting Service.			
4.5.1 Ensure adequate staffing, training and systems are available to establish the cadre and enable its members to provide quality essential financial and accounting services to SIG.	<ul style="list-style-type: none"> Establishment of finance cadre and associated workplan improves financial and accounting services within the Solomon Islands Government. 	<ul style="list-style-type: none"> 2010-12 	Treasury
4.5.2. Internal Audit Division to participate and contribute to SIGAS improvement initiatives.	<ul style="list-style-type: none"> At least one training session provided by IAD in 2010 	<ul style="list-style-type: none"> Dec 2010 	IAD
4.6 Improved Budget processes, presentation and economic forecasting.			
4.6.1 Strengthen accountability around output delivery performance	<ul style="list-style-type: none"> Options developed for Cabinet to consider undertaking a Public Expenditure Review (PER) Commence reviews of key ministry budgets and performance. 	<ul style="list-style-type: none"> Early 2010 End 2010 	Budget

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
	<ul style="list-style-type: none"> • Complete reviews of key ministries. • 2011 Budget documents expanded to detail output delivery targets • Annual reports to detail output and delivery performance 	<ul style="list-style-type: none"> • Mid 2011 • 2011 Budget • Early 2012 	
4.6.2. Strengthen resource allocation processes	<ul style="list-style-type: none"> • Cabinet requires MoFT to cost and brief on all Budget Bids and Cabinet Submissions. • Papers and process developed to support a strategy meeting of Cabinet to set spending priorities, and budget envelopes. • Recurrent allocations sustainable over the medium term. • Extension of the Budget System to accommodate the Development Budget. 	<ul style="list-style-type: none"> • 2011 Budget • Commencement of 2011 Budget process • 2012 • Commencement of the 2011 Budget Process 	Budget
4.6.3 Reduce structural weaknesses in Budget	<ul style="list-style-type: none"> • Develop a strategy to implement forward estimates • Forward estimates of revenue and expenditure developed and ready for reporting. • Provision made in the Recurrent Budget for the cost of maintaining and operating capital. 	<ul style="list-style-type: none"> • 2011 Budget • 2012 Budget • 2012 Budget 	Budget
4.6.4 Achieve aggregate fiscal discipline	<ul style="list-style-type: none"> • Budget provides for fiscal consolidation including adherence to the Honiara Club agreement, balance budget or overall surplus on a GFS basis, a target government debt to GDP ratio of 30%, no overall increase in arrears, liquid assets of 1 month of Government funded expenditure. • Budget restrains payroll charges as ratio to GDP at no more than the 2009 ratio. 	<ul style="list-style-type: none"> • 2011 Budget • 2011 Budget 	Budget

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
4.6.5 Empower people through rural advancement strategies	<ul style="list-style-type: none"> The 2011 and 2012 Recurrent Budgets protects to the extent feasible the delivery of core social services (especially basic education, rural health and rural transport services) 	<ul style="list-style-type: none"> 2011 and 2012 Budgets 	Budget
4.6.6 Central Bank of Solomon Islands, National Statistics Office and Economic Reform Unit to develop more sophisticated economic forecasting methods	<ul style="list-style-type: none"> SIMEM macroeconomic model to be aligned where possible with CBSI modelling and utilised throughout MoFT forecasting and policy analysis. 	<ul style="list-style-type: none"> Ongoing 	ERU
4.7 Modernized government financial rules and regulations to facilitate, fast, efficient and accountable delivery of government services.			
4.7.1 Revise and update financial instructions.	<ul style="list-style-type: none"> Modernised Finance Instructions are introduced that strike an appropriate balance between facilitating financial management and business processes while retaining a robust compliance and control environment to provide assurance over the use of public money. 	<ul style="list-style-type: none"> Early 2010 	Treasury
4.7.2 Project to strengthen Internal Audit scoped and commenced	<ul style="list-style-type: none"> Internal Audit Division Strategic Development Plan approved and implemented. 	<ul style="list-style-type: none"> June 2010 	IAD
4.7.3 Cabinet endorsed strategy to strengthen internal audit function and audit committee creation.	<ul style="list-style-type: none"> Creation of an Audit Committee for MOFT. Planning commenced for Audit options for other key Ministries. 	<ul style="list-style-type: none"> June 2010 Dec 2010 	IAD
4. 8 Improved economic opportunities and services available to provincial and rural areas			
4.8.1 Review existing financial services policies and advise Government on way forward.	<ul style="list-style-type: none"> Proposal for continued or new assistance agreed. 	<ul style="list-style-type: none"> 2010 	ERU

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
4.9 Improved revenue collection with Tax reforms (including Inland Revenue, Customs and Excise policies) that support economic growth, and are more efficient and fairer.			
4.9.1a Revenue collection is maximised (IRD)	<ul style="list-style-type: none"> Revenue collected achieves the 2010 Inland Revenue budget forecast of \$1.018b Revenue reporting to management, Government and the community is timely and comprehensive Targets for compliance and enforcement activity are established and reported annually 	<ul style="list-style-type: none"> 2010 Ongoing 	IRD
4.9.1b Revenue collection is maximised (Customs)	<ul style="list-style-type: none"> The forecast amount of Customs revenue is collected: \$433m Revenue collected is deposited on time Statistics and reporting are accurate and timely 	<ul style="list-style-type: none"> 2010 ongoing 	Customs
<p>4.9.2 Provide taxpayers with effective education products and services.</p> <p>Develop and implement an enforcement strategy</p>	<ul style="list-style-type: none"> Over time compliance indicators (taxpayer registration, lodgement, debt, audit and payment statistics) have improved. Targets for compliance and enforcement activity are established and reported annually. The development of an IR Internet site has been evaluated A programme of taxpayer education advisory events has been established and delivered A small business education kit and brochures has been developed A survey of taxpayers has been undertaken. 	<ul style="list-style-type: none"> Ongoing Ongoing 2nd quarter 2010 2010 2010 2010 	IRD
4.9.3 Improve the management of exemptions processes and guidelines	<ul style="list-style-type: none"> Legislation is in place that guides the administration of the exemption process. Where appropriate exemption work in Customs 	<ul style="list-style-type: none"> 2011 2011 	ERU assisted by Customs and IRD.

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
	and IR is harmonised.		IRD and Customs
4.9.4 Update determined value for log export duty to align values used for taxation and royalties with the true value on international markets.	<ul style="list-style-type: none"> Determined Value is regularly updated to reflect international market prices 	<ul style="list-style-type: none"> Ongoing 	ERU
4.9.5 Review the existing Customs legislation to increase revenue and compliance.	<ul style="list-style-type: none"> Secure funding for the review Secure Technical Assistance Establish high level Steering Committee to oversee review New act passed by Parliament 	<ul style="list-style-type: none"> Feb 2010 2010 2010 2011 	Customs ERU
4.9.6 Implement Customs Valuation and Offence legislation which has already been passed by the Solomon Islands Parliament	<ul style="list-style-type: none"> Amendment of the legislation is submitted and passed in Parliament An implementation plan is developed Refresher training is conducted Legislation is implemented 	<ul style="list-style-type: none"> March 2010 session By implementation date 2010 	Customs
4.9.7 PC Trade IT system: Implement the improvements identified and recommended in the current review. Research replacement system	<ul style="list-style-type: none"> An improvement plan is developed and prioritised Funding is secured where needed Priority changes are introduced Replacement for PC Trade when life span over (3 years) is researched and recommendations made 	<ul style="list-style-type: none"> End April 2010 2010 August 2010 	Customs
4.9.8 Review and strengthen the Customs Internal Audit Sector to include procedural audit	<ul style="list-style-type: none"> Review is done Improvements are identified, recommended and endorsed Organization structure is reviewed and adjusted and responsibilities and functions are re-designed Changes are implemented 	<ul style="list-style-type: none"> May 2010 End 2010 	Customs

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
4.9.9 Implement Post Clearance Audit (PCA)	<ul style="list-style-type: none"> • Staff and resources are identified and trained • New changes are implemented • Responsibilities are identified • Staff and resources are identified and allocated • Training is provided • Implement PC 	<ul style="list-style-type: none"> • Feb 2010 • End March 2010 • End June 	Customs
4.9.10 Move to enforce existing gaming taxes	<ul style="list-style-type: none"> • Level of collection of gaming tax 	<ul style="list-style-type: none"> • 2010 	ERU/IRD
4.9.11 NPF tax exemption removed	<ul style="list-style-type: none"> • Legislation passed to remove NPF tax exemption 	<ul style="list-style-type: none"> • 2010 	ERU
4.10 Improved business regulations			
4.10.1 Reform current legislation to make it easier to start and operate a business.	<ul style="list-style-type: none"> • New company filing registry operational • Implementation of the Insolvency Act 2009. • Trustee Legislation passed by Parliament • Finalise report on Business Licensing Reform, with appropriate regulations 	<ul style="list-style-type: none"> • 2010 • 2010 • 2010 • 2010 	ERU
4.11 Improved performance by state owned enterprises			
4.11.1 Introduce appropriate regulations that would support the implementation of the SOE Act 2007 , particularly governance arrangements.	<ul style="list-style-type: none"> • SOE Act 2007 regulations implemented. • SOEs are meeting the requirements of the SOE Act. • SOE accounts updated and audited to allow compliance with the SOE Act, and audit reports endorsed by relevant boards. 	<ul style="list-style-type: none"> • 2010 • Ongoing • 2010 	ERU
4.11.2 Address liabilities situation of all SOEs through	<ul style="list-style-type: none"> • SIPC debt to Japan Post and ICSI debt to Maruha 	<ul style="list-style-type: none"> • 2010 	ERU/DMU

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
Debt Restructuring.	resolved or repayment schedule proposed		
4.11.3 Continue to monitor restructuring and reform plans of Soltai and Solomon Airlines	<ul style="list-style-type: none"> Cabinet informed of progress. No unexpected requirements for financial intervention or guarantee 	<ul style="list-style-type: none"> Ongoing 	ERU
4.11.4 Internal Audit Division to act as adviser to SOE's for performance improvements including risk management, appropriate and functioning systems of internal control, and good governance practices.	<ul style="list-style-type: none"> Number of requests for advice from SOE's, number and quality of recommendations accepted by SOEs' management. 	<ul style="list-style-type: none"> Dec 2010 	IAD
4.12 Stable government finances including a medium term fiscal and debt management strategy and a less complicated budgetary format (for budget format and process see 4.6)			
4.12.1 Develop and implement a Medium Term Fiscal Strategy .	<ul style="list-style-type: none"> MTFS updated and published twice a year 	<ul style="list-style-type: none"> Ongoing 	ERU
4.12.2. Ongoing management of domestic and external debts	<ul style="list-style-type: none"> Reduction in level of SIG Debt Outstanding and Debt to GDP ratio consistent with Government targets Attainment of IMF/WB threshold targets under debt sustainability framework Debt policy and strategy updates released with MTFS Timely provision of advice and recommendations to Government 	<ul style="list-style-type: none"> Ongoing 2012 Ongoing Ongoing 	DMU
4.12.3. Development and implementation of enhanced debt and cash management activities, procedures and systems	<ul style="list-style-type: none"> Collaboration with World Bank in production of Debt Management Performance Assessment (DeMPA) Performance Improvement Plan. Commencement of regular debt market liaison visits 	<ul style="list-style-type: none"> Ongoing 2010 	DMU

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
	<ul style="list-style-type: none"> • Transition to active use of Treasury Bills in cash management • Progress against Comprehensive Debt Plan and DeMPA Performance improvement Plan 	<ul style="list-style-type: none"> • 2010- 2012 • 2010-2012 	
4.13 Ensure that the Central Bank performs its traditional role, while being proactive in its developmental functions			
4.13.1 Engage TA from the World Bank and IMF if necessary to review and prepare appropriate amendments to strengthen the autonomy of the Central Bank of Solomon Islands.	<ul style="list-style-type: none"> • CBSI Board to operate independently from the Government with solid legal basis. 	<ul style="list-style-type: none"> • 2010 	ERU/CBSI
4.14 Consider pegging the Solomon Islands currency to a more appropriate single foreign currency that is suitable for the development and trading needs of the country.			
4.14.1 Mandate both the CBSI and the ERU, with the support of appropriate technical assistance to explore options	<ul style="list-style-type: none"> • Analyse and identify the most appropriate currency arrangements including analysis of the costs and benefits of pegging the Solomon Islands Dollar to different foreign currencies and the potential effect of such an exchange rate regime. • Government makes decision on future exchange rate policy. 	<ul style="list-style-type: none"> • 2010 	ERU
4.16 Improved control and monitoring of prices.			
4.16.1 Mandate the appropriate authorities to thoroughly review existing legislations and price controlling mechanisms and make recommendations for improvement.	<ul style="list-style-type: none"> • Reform proposal developed for Cabinet 	<ul style="list-style-type: none"> • 2011 	ERU

STRATEGY/OUTPUT	PERFORMANCE INDICATORS /MILESTONES	TIME FRAME	DIVISION
4.18 Improve performance and accountability of SOE's and the implementation of the SOE Act.			
4.18.1 Internal Audit Division to act as adviser to SOE's for performance improvement measures	<ul style="list-style-type: none"> Measures include proper risk management, appropriate and functioning systems of internal control, and good governance practices. Number of requests for advice from SOE's, number and quality of recommendations accepted by SOEs' management. 	<ul style="list-style-type: none"> Dec 2010 	IAD
4.19 Improved information systems and ICT services meeting SIG business requirements.			
4.19.1 Implement initial set of ICT policies across SIG	<ul style="list-style-type: none"> Policies are signed off Training and assistance is provided to SIG agencies to adopt and implement the agreed policies 	<ul style="list-style-type: none"> 2010 2010 	ICT
4.19.2 Develop capacity to assist SIG to re-engineer business processes	<ul style="list-style-type: none"> Begin in 2010 to develop capacity to support use of ICT to significantly improve business systems 	<ul style="list-style-type: none"> 2010 - 2012 	ICT and other Divisions
4.19.3 Improve Donor ICT co-ordination	<ul style="list-style-type: none"> Communicate proactively with donors to maximise donor support for sustainable, appropriate ICT. Donors are aware of SIG standards and priorities resulting in a reduction in inappropriate or unsustainable donor funded acquisitions and proposals. 	<ul style="list-style-type: none"> 2010 and ongoing 2010 and ongoing 	ICT
4.19.4 Develop strategies to reduce costs of ICT across SIG	<ul style="list-style-type: none"> Improving Procurement process Improving Asset Management Centralising of provision of the core services. 	<ul style="list-style-type: none"> 2010 and ongoing 	IC Ministries, Gov Agencies Donor Partners.

MOFT Policy and Organisational Priorities and Core Business

- 1. Economic Reform Unit** – see also 4.2.2; 4.6.6; 4.8.1; 4.9.3; 4.9.4; 4.9.5; 4.9.10; 4.9.11; 4.11.1; 4.11.2; 4.11.3; 4.12.1; 4.13.1; 4.14.1. 4.16.1 above

The Economic Reform Unit (ERU) was formed in 2006 to provide additional policy capacity to the Ministry of Finance and Treasury, to allow the Ministry to contribute to the Government's broad based reforms to improve the economy of the Solomon Islands.

The Unit is responsible for providing advice to key stakeholders on developing and implementing economic reforms. ERU also assist to develop and implement such reforms, to underpin sustainable social and economic development and good governance in the Solomon Islands, particularly by increasing the contribution of the private sector to generating sustainable income-earning opportunities and employment growth.

ERU aims to promote and assist in achieving sound and equitable broad-based economic growth through the implementation of economic reform.

ERU: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Reform and privatisation of Sasape Marina Limited.	<ul style="list-style-type: none"> Legal ownership passes to new owner 	2010
Smooth restructuring or sale of SIPL as per Government Policy	<ul style="list-style-type: none"> Cabinet Agreement obtained for restructuring or sale proposal 	2010
KFPL sale process finalised	<ul style="list-style-type: none"> Finalisation of sale 	2010
SIWA and CEMA restructuring projects initiated	<ul style="list-style-type: none"> Cabinet agreement obtained for restructuring proposal for each of the two entities. 	2010
Introduce competition to improve services and pricing in the Telecommunication market.	<ul style="list-style-type: none"> Cost of mobile phone services and coverage of mobile phone network 	2011

ERU: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Assist with the establishment of Tina River Hydroelectric Project		2012
Work with Fisheries to facilitate investment in a new fish processing facility		2011
Assist the Gold Ridge rehabilitation taskforce. [ERU/Taskforce]	<ul style="list-style-type: none"> Cabinet satisfied with Taskforce report 	2010
Assist the tourism taskforce to plan and analyse reforms to build the tourism industry [ERU/Taskforce]	<ul style="list-style-type: none"> Cabinet satisfied with Taskforce Report 	2011
Resource rent framework developed including securing funding for international technical assistance if necessary.	<ul style="list-style-type: none"> Clear framework in place to allow for future decisions regarding resource taxation. 	2010
Begin negotiating Double Tax Agreement with PNG	<ul style="list-style-type: none"> Negotiating schedule agreed between the parties 	2011
Develop incoming Government briefing.	<ul style="list-style-type: none"> High-level fiscal and economic outlook and structural reform briefing prepared of the new Government and delivered in a timely way. 	2010

Economic Reform Unit Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	6(5)	8	(7)	8
Payroll	188,210	390,579	348,639	390,579
Other Charges	127,857	278,936	95,820	224,145
Total	316,067	669,515	444,459	614,724

Statistics see also 4.4.1; 4.4.2; 4.4.3; 4.4.5; 4.4.6 above

The Statistics Division is responsible for providing national statistics for the Government.

STATISTICS: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Organisational Priority 5: Strengthen the Statistics Office so as to re-invigorate the collection of key economic and social statistics;		
Trade Statistics	Improve the use of PC trade to provide timely trade statistics	2010
Economic Statistics	Makes effective use of RAMSI advisor for improved economic statistics	2010
Capacity Development	Source assistance from the Secretariat of the Pacific Community (SPC) to support: <ul style="list-style-type: none"> • Preparations for HIES • Sample design • Development and enhancement of the siGIS 	2010

Statistics Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	23 (23)	26	(22)	26
Payroll	1,073,538	1,087,665	994,649	1,056,760
Other Charges	297,587	376,810	243,096	327,346
Total	1,371,125	1,486,475	1,238,781	1,384,106
Development Budget		5,000,000	5,975,082	3,010,000

Debt Management Unit (DMU) see also 4.3.1; 4.4.7; 4.12.2; 4.12.3 .above.

DMU aims to deliver high quality management of the Government's external and domestic debt obligations consistent with the objectives of sustainability and cost effectiveness. To deliver on this objective, the Unit seeks to provide advice and recommendations on debt and cash management strategies and policies to support Government and Ministry decision making, ensures that debt servicing obligations are met on time and without mishap, that negotiations with creditors are handled effectively and expediently, that appropriate debt management information systems are developed and maintained, and that there is effective disclosure of the debt position through internal and external reporting.

DMU: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Greater integration of debt and cash management functions. Treasury/DMU	<ul style="list-style-type: none"> Continued development of cash forecasting framework (extension from 3 month to 12 month ahead forecasts) Distribution of regular cash balance forecasting reports (at least fortnightly) 	End 2010 Ongoing
Servicing of SIGs debt repayment obligations	<ul style="list-style-type: none"> Avoidance of failed and late payments 	Ongoing
Completion of legacy creditor negotiations (relating to past defaulted debt and disputed trade creditors)	Resolution of all matters <ul style="list-style-type: none"> Maruha Aoolft EIB 	2010-11
Capacity development of DMU staff	Progress against Medium Term Capacity Development Plan	Ongoing

DMU Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	3	4	(4)	4 (4)
Payroll	115,392	199,949	141,786	172,649
Other Charges	4,880,491	46,223,667	42,992,749	22,266,543
Total	5,065,2681	46,4223,616	43,134,535	22,439,192

Budget Unit see also 4.2.4; 4.6.1; 4.6.2; 4.6.3; 4.6.4; 4.6.5 above

The objectives of the Budget Unit are:

- Development and management of a robust Budget process leading to the formulation of sustainable recurrent Budgets that are based on sound revenue and expenditure forecasts.
- Monitoring and reporting to Government on recurrent Budget implementation and reforms to assist compliance with the Government's fiscal and policy objectives.

Budget Unit Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	9 (8)	9	(7)	9
Payroll	444,545	551,082	397,909	498,488
Other Charges	1,150,091	1,196,838	1,604,122	1,265,100
Total	1,594,636	1,747,920	2,038,031	1,763,588

BUDGET UNIT: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Treasury Core Business		
Delivery of the 2011 and 2012 Budgets	<ul style="list-style-type: none"> • Delivery of the 2011 Budget within legislative and budget timeframes. • Delivery of the 2012 Budget within legislative and budget timeframes. • Processing of Virements within requested timeframes • Processing of Contingency Warrants within requested timeframes • Delivery of Supplementary Appropriation Bills 	<p>December 2010</p> <p>December 2012</p> <p>Ongoing</p> <p>Ongoing</p> <p>When required</p>

Internal Audit see also 4.1.2; 4.2.3; 4.2.4; 4.5.2; 4.7.2; 4.7.3; 4.11.4 above

The Internal Audit Division's role is to provide the Minister of Finance, Permanent Secretary Finance and Treasury, and public sector management with an opinion on risk management, internal control and good governance practices by evaluating the efficiency and effectiveness of internal control systems.

INTERNAL AUDIT: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Organisational Priority 6: Strengthen Internal Audit to improve governance in MoFT and across SIG		
Revise the Proposed Reform of Internal Audit Bureau Solomon Islands Government into a Long Term Strategic Plan for Development of the Internal Audit Division (or Bureau).	Plan completed and approved	June 2010
Revised Internal Audit Division Structure	Approved structure and budget support from MOFT and other Ministries to create new Internal Audit posts or fill vacant posts.	June 2010
Establish Audit Committees for Key Ministries, with endorsed Audit Committee Charters, and appropriate membership including a majority of independent members.	Audit Committee established and meetings held for MOFT, Health, Education, Infrastructure by 2012	MOFT Audit Committee by Dec 2010. Others by Dec 2011
Capacity Development Plan for the Internal Audit Division incorporating the Training Plan and Programme	Satisfactory outcome of skills transfer to Director and key IAD staff, signed off by Permanent Secretary Finance	CDP by March 2010. Skills transfer report by Dec 2011
Internal Audit Charter and supporting Internal Audit Procedures Manual.	Charter endorsed by the Permanent Secretary. IAD staff trained in the implementation of the IA procedures.	IA Charter by June 2010 IAD Staff trained by Dec 2011
Risk Mgt Framework for use by the IAD, then MOFT. Framework manual and training for IAD staff.	Risk Mgt Framework developed for IAD.	Dec 2010

Internal Audit Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	25 (4)	6	(5)	6
Payroll	203,927	307,435	224,530	209,439
Other Charges	260,865	469,839	114,467	286,387
Total	464,792	777,274	338,997	485,826

Treasury see also 4.3.1; 4.3.2; 4.3.3; 4.3.4; 4.5.1; 4.7.1 above

The Treasury Division is responsible for financial management and reporting, revenue and expenditure management, procurement and asset management and managing the government payroll, payments and Treasury processes.

TREASURY: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Objective – Delivery of Financial Services		
Providing financial services to whole of government. These services include paying the government's employees and pensions of former employees; issuing purchase orders and making payments to individuals, suppliers and other organisations; accounting for revenue collected by IRD and Customs and the collection and banking of government revenue collected by other Ministries, the preparation of whole of government national accounts and monthly financial reports; maintenance of the SIG Finance Instructions and assisting public officials on the application and interpretation of the financial laws; and the reinvigoration of the Solomon Islands government accounting service.		
1. Payroll Services.	Operational <ul style="list-style-type: none"> Salaries are transferred to employee bank accounts by the morning of each pay day Payslips are produced for each employee and distributed to individual Ministries by the morning of each pay day 	2010

TREASURY: CORE BUSINESS AND ORGANISATIONAL PRIORITIES

Strategies/Outputs	Performance Indicators (PIs)	Timeframes
	<ul style="list-style-type: none"> Salary charge reports are provided to Ministries by the 3rd working day of month 	
	Remedial <ul style="list-style-type: none"> Work with MPS to improve data integrity, streamline process, and improve eligibility/consistency of allowances NPF deductions, arrears, and suspense account issues identified and notified to relevant Ministries Work with NPF to resolve issues Follow up OAG payroll audit recommendations Payslip redesign to improve readability Monthly reporting to Ministries (staff movements, overtime, allowances etc.) provided 	2010 – 201120 2010 2010
	Enhancement <ul style="list-style-type: none"> Exploitation of Aurion payroll continues with access rights granted to MPS and other ministries Additional pay entities (Casual workers and potentially SOEs) Development of in-house reporting capability and Aurion “centre of expertise” for support across SIG Interface(s) with replacement for Maximise tested and implemented, with automatic GL reconciliation 	2010 - 2011
	Capacity-Building <ul style="list-style-type: none"> The level and type of input by the adviser has decreased when rated against the staged capacity building model 	2011
2. Revenue Collection Services	<ul style="list-style-type: none"> Revenue is collected from ministries in accordance with Finance Instructions and agreed collection times Assistance is provided to revenue collection outposts with processing and training 	2010

TREASURY: CORE BUSINESS AND ORGANISATIONAL PRIORITIES

Strategies/Outputs	Performance Indicators (PIs)	Timeframes
	<ul style="list-style-type: none"> Revenue collected is banked on a daily basis. Regular follow-up of the dishonoured cheque and debit notes. 	
3. Imprest Services.	<ul style="list-style-type: none"> Standing Imprest approvals, replenishments and retirements are processed in accordance with the Financial Instructions and within 14 days of receipt of compliant documentation. Standing imprests for high volume low value payments implemented for relevant Ministries Special Imprest approvals and retirements are processed in accordance with the Financial Instructions and within 14 days of receipt of compliant documentation. 	2010
4. Procurement Services	<ul style="list-style-type: none"> LPO system and procedures implemented in line with FI and established targets and timelines. Number of LPOs issued without requesting additional information is decreasing. Reconciliations of outstanding LPO's reconciled and adjusted after the 27th of each month Printing of LPO cheques on time and on demand. On-going contact with ministries to action and adjust outstanding LPO's each month Monitor financial processes and procedures not being followed by Ministries and take remedial steps as needed. The level and type of input by the adviser has decreased when rated against the staged capacity building model. 	2010
5. Payment Services	<ul style="list-style-type: none"> Number of non compliant payments is decreasing. Payments are processed in accordance with established targets and FI. Direct bank transfers are compliant to FI requirements Staff travel payments are compliant with FI and GO provisions. Rental payments to landlords meet agreed procedures with Treasury and 	2010

TREASURY: CORE BUSINESS AND ORGANISATIONAL PRIORITIES

Strategies/Outputs	Performance Indicators (PIs)	Timeframes
	CPU/PSRS. <ul style="list-style-type: none"> Monthly reconciliations of outstanding PV's in SIGVOU and adjusted accordingly. Monthly reconciliations of outstanding cheques to eliminate double processing, Revise and implement stale cheque procedure The level and type of input by the adviser has decreased when rated against the staged capacity building model. 	
6. Financial Framework Section	<ul style="list-style-type: none"> Financial Instructions are consistent with the Public Finance and Audit Act and permit the smooth financial administration of government. SIG officers are provided with regular training on Financial Instruction obligations. Treasury advice is consistent with the Financial Instructions and Public Finance and Audit Act. Chart of accounts updated by mid-2010 prior to the implementation of an upgraded <i>Maximise</i> Financial Management Information System and in time for the revised COA framework to be incorporated into the 2011 budget. Oversight of the national accounts to move towards an IPSAS framework, and to be capable of generating GFS data. Relationships are developed with Ministry staff to permit the flow of ideas so that financial policy reflects the needs of all stakeholders. The level and type of input by the adviser has decreased when rated against the staged capacity building model. 	2010-2012 2010 2010 Mid-2010 2010-2011 2010-2011 2011
7. Financial Reporting Section	<ul style="list-style-type: none"> Preparation of National Accounts in accordance with statutory requirements and moving towards IPSAS compliance. Produce monthly reports for senior management in MOFT and all SIG ministries that are timely, accurate and relevant to the financial management needs of users. Produce timely and accurate ad hoc financial reports when requested. 	2010-2012 2010

TREASURY: CORE BUSINESS AND ORGANISATIONAL PRIORITIES

Strategies/Outputs	Performance Indicators (PIs)	Timeframes
	<ul style="list-style-type: none"> Ledger reconciliations are prepared in accordance with the agreed procedures and within the established timelines. The Maximise financial system transformation has commenced and is in accordance with the project plan and is achieving the designated milestones. Manage the Financial Management Information System (FMIS) on behalf of Government. Continue to address issues raised in the OAG's Audit Reports and to demonstrate continuous improvement in the completeness, accuracy, timeliness and relevance of SIG financial reports. 	2010 2010 2010-2012
8. Cash Management Section	<ul style="list-style-type: none"> Continue to work with DMU on developing a comprehensive cash forecasting framework to anticipate high and low points in the cash cycle and provide a basis for better planning and management. Provide information on the daily cash position of Government. Timely reconciliation of bank accounts maintained and managed by MOFT. Facilitate the timely opening of new SIG bank accounts, the making of changes to existing SIG bank accounts and the closing of dormant SIG bank accounts in accordance with Financial Instructions. Maintain an up-to-date register of SIG bank accounts. 	2010 2010 2010 2010-2012
9. Financial Management Support Section	<ul style="list-style-type: none"> Develop a new section to support other Ministries, Statutory Bodies and Special Funds with financial reporting issues and the SIG financial framework. Develop an asset management framework for the collection of asset information for planning and financial reporting purposes. Donors are provided with timely and accurate financial information in an agreed format. Monitor the effectiveness and efficiency of the processing of transactions through SIG financial management systems on behalf of donor funded projects and programs that have chosen to use SIG financial management systems, Advising donors, design teams and ministries on the options (including the use 	2010 2010-2012 2010 2010

TREASURY: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
	of SIG financial management systems, processes and procedures) for the financial management of donor-funded projects and programs.	2010
Organisational Priority 6: Work with the Ministry of Public Service to re-establish the Solomon Islands Government Accounting Service;		
10. Reinvigoration of Solomon Islands Government Accounting Service	<ul style="list-style-type: none"> • Work with MPS on Scheme of Service • Secretariat established within MoFT • Work with Treasury staff and ministries on determining training requirements to ensure that SIG accounting staff has the necessary skills to perform effectively. • The SIGAS Training Needs Analysis Report to inform training priorities. 	2010-2012 2010 2010-2012 2010

Treasury Staffing and Financial Resources				
	Actual 2008	Estimate 2009	Actual 2009	Estimate 2010
Staff establishment (filled)	56 (39)	63	(49)	63
Payroll	1,961,715	2,793,773	991,425 ¹	1,810,249
Other Charges	3,344,073	3,159,723	2,744,162	3,678,485
Total	5,305,788	5,953,496	3,734,766	5,488,734
Development Budget		3,000,000	1,527,850	990,000

¹ The introduction of the new payroll system in 2009 has resulted in some problems with the posting of expenditure which are still being investigated. This figure of \$991,425 is considered to understate Treasury payroll expenditure in 2009.

Information Computer Technology (ICT) see also 4.19.1; 4.19.2; 4.19.3; 4.19.4 above

Vision statement:

The vision of Information Technology Department is to be a world-class information technology organization that always provides effective, reliable, and timely solutions within the Solomon Islands Government business and technology environment. The Information Technology Department will:

- Be customer focused;
- Be knowledgeable about business issues and requirements;
- Provide uniform technical features and characteristics that assure all government ministries and agencies will be able to share information and integrate services within an environment that satisfies the appropriate level of security;
- Be comprised of competent, well-trained staff; and

Provide quality systems, service delivery and supports; and utilize internal staff as well as public/private partnerships to effectively provide services.

ICT: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Core ICTU Services		
Deliver high quality support services to SIG Ministries	<ul style="list-style-type: none">• Help desk logs all calls• Calls allocated and initially responded to• Absence of complaints	<ul style="list-style-type: none">• on receipt• Task allocated within an hour of logging.
Protect critical ICT systems and data	<ul style="list-style-type: none">• Back ups of critical systems• Security licenses are maintained (number of virus attack is reduced)	<ul style="list-style-type: none">• Taken daily• Ongoing

ICT: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
	<ul style="list-style-type: none"> Access to systems is effectively controlled Physical and IT infrastructure (servers, wireless link etc) is appropriately maintained. Replacement and upgrade programme for core infrastructure implemented 	<ul style="list-style-type: none"> Ongoing Ongoing Ongoing
Maintain SIG ICT acquisition and disposal policies in conjunction with the Central Tender Board	<ul style="list-style-type: none"> Equipment and software purchased according to current specifications Ministries follow the hardware lifecycle Hardware maintenance managed and supported by vendors Licensed software is installed and delivered with each ICT acquisition 	<ul style="list-style-type: none"> Ongoing
Improve ICT asset management across SIG and donor funded equipment	<ul style="list-style-type: none"> Donor Funding – RAMSI/MoG has been sourced. 	<ul style="list-style-type: none"> Begin 2010

ICT Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	21 (4)	17	(7)	16
Payroll	197,560	928,478	326,374	357,143
Other Charges	1,108,017	3,259,452	2,829,343	3,164,527
Total	1,305,557	4,187,930	3,155,717	3,521,670

Inland Revenue see also 4.9.1a; 4.9.2; 4.9.3; 4.11.2 above

The Inland Revenue Division is responsible for collecting income, sales, withholding and goods taxes as well as undertaking vehicle licensing. The Division, in conjunction with the Economic Reform Unit, also assists with the provision of policy advice to the government.

The Divisions objective is to administer taxation legislation to collect revenue that helps fund the work of government. The Inland Revenue division views its purpose as being: *To improve the life of all Solomon Islanders.*

Applying efficient and effective approaches the division will maximise revenue collection. The Divisions goals are that:

- We will be a highly skilled and professional division with strong leadership.
- Our taxpayer base will understand and meet their obligations.

Most people in the Solomon Islands are willing to meet their tax obligations of their own accord. This means that the Inland Revenue division's approach is to ensure that the tax system:

- is easy to work with and understand;
- provides people the assistance they need to comply;
- makes it hard for people to avoid or evade their obligations; and
- takes the appropriate action against people who do not comply.

The Division is committed to improving the services we deliver and the way we operate. Working together with key stakeholders we will provide a better tax system for the Solomon Islands community.

IRD Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	97 (67)	97	(84)	101
Payroll	3,275,591	4,860,872	3,130,724	3,645,148
Other Charges	3,944,363	11,637,553	4,498,365	12,571,045
Total	7,219,945	16,498,425	7,629,089	16,216,193

IRD: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategy/Output	Performance Indicators /Milestones	Time Frame
Strengthen middle management capacity by career planning and leadership and management skills development		
Strong leadership exists	<ul style="list-style-type: none"> A leadership development training programme has been implemented Division communications methods and tools have been reviewed A performance measurement framework has been established The local management team have control and responsibility for operational planning and delivery 	Part 1 1 st Q. 2010 Part 2 2 nd Q. 2010 2010 2010
Staff are highly skilled and professional	<ul style="list-style-type: none"> A framework for competency assessment and training needs analysis has been established. A framework for competency assessment and training needs analysis has been implemented. Individual development plans are in place. Values workshops have been conducted. 	2010 2011 2012 2010
Upgrade key IT systems which support service wide functions and internal financial management reporting systems		
A new accounts system has been developed and implemented	<ul style="list-style-type: none"> All taxpayer accounts have been successfully uploaded into a computerised database form. 	2010

Customs and Excise see also 4.9.1b; 4.9.3; 4.9.5; 4.9.6; 4.9.7; 4.9.8; 4.9.9. above

Objectives:

Effective revenue collection through improving compliance within the Government tax structure and improving the administration of revenue laws.

Assist industries through the administration of revenue exemption, concession and deferred payments.

Improved border management that, with minimal disruptions to legitimate trade and travel, prevents illegal movements across the border, raises revenue, protects the community and provide trade statistics.

Improved Human Resource Management, Development & Welfare

CUSTOMS and EXCISE: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategy / Outputs – 2010	Performance Indicators (PIs)	Timeframes
Objective 1: Effective revenue collection through improving compliance within the Government tax structure and improving the administration of revenue laws		
Revenue collection activities	<ul style="list-style-type: none"> Revenue collection tasks are effectively performed in; Honiara, at the outports, parcel post and at the Solomon Islands national borders Revenue collections targets are met (2010 - \$433m) 	Ongoing
Objective 2: Assist Industries through the administration of revenue exemption, concession and deferred payment		
Assistance to industries through warehousing	<ul style="list-style-type: none"> Goods warehoused in bond store on request Goods delivered for home consumption on payment of duty 	On going
Education program on Government policy on industry assistance schemes	<ul style="list-style-type: none"> Awareness trainings conducted for clients on changes to legislation and procedures and information disseminated on core requirements 	On going
Objective 3: Effective border management that, with minimum disruptions to legitimate trade and travel, prevents illegal movements across		

CUSTOMS and EXCISE: CORE BUSINESS AND ORGANISATIONAL PRIORITIES			
Strategy / Outputs – 2010	Performance Indicators (PIs)		Timeframes
the border, raises revenue, protects the community and provide trade statistic			
Facilitation of the legitimate movements of aircrafts, vessels and people across the border while taking appropriate actions against illegal movements	<ul style="list-style-type: none">Aircraft cleared – 2010 projection:Ships cleared – 2010 projection:Passengers cleared – 2010 projection:	1,850 aircraft 1150 ships 110,325 passengers	2010
Facilitation of legitimate movements of goods across the border while intercepting prohibited and restricted imports and exports.	<ul style="list-style-type: none">Air freight – 2010 projectionSea freight – 2010 projectionParcel post – 2010 projection	1.14m kg. 1.04m MT 4,400 items	2010
Enforcement, compliance and community protection	<ul style="list-style-type: none">Partnership mechanisms and network are established with other law enforcement agencies:<ul style="list-style-type: none">MOU with PNG implementedAccommodation secured to allow Lata post to open on Vanuatu borderSea and land surveillance activities conductedSuspicious vessels and aircrafts are inspected and prohibited and restricted goods identified seizedInvestigation activities are planned and implemented		2010 2011 ongoing
Investigation activities into tax payers to promote compliance.	<ul style="list-style-type: none">Investigation activities implementedOffenders are prosecutedImprovement in the of taxpayer compliance level		ongoing
Implement Divisional Risks Management Framework	Risks Management Framework implement		May 2010
Objective 4: Improved Human Resource Management, Development & Welfare			
Improve integrity of the Division	Develop an integrity action plan Action plan implemented		July 2010

Customs Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	71 (66)	87	(83)	87
Payroll	3,654,651	3,843,802	3,670,488	3,111,323
Other Charges	1,690,192	3,532,716	3,185,725	3,009,223
Total	5,344,843	7,376,518	6,856,213	6,120,546

Financial and Economic Development Unit (FEDU)

FEDU's role is to develop, process, co-ordinate and assist to manage the implementation of development partner support programs and related initiatives

FEDU: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timetable
Organisational Priority 3: Support for Economic Recovery and Development Partner Support Programmes		
International Financial Monetary (IMF) Program	<ul style="list-style-type: none"> Coordinates and facilitates discussions; responses and analysis with Ministry of Finance and Treasury Heads of Divisions in preparation for negotiations with IMF for a financing program 	January – March 2010
	<ul style="list-style-type: none"> Monitors and coordinates progress reporting against the specific policies and measures Solomon Islands Government has agreed to as identified as requirements by IMF 	November 2010
	<ul style="list-style-type: none"> Provide policy advice and effective communication to the Government and the IMF 	2010-2012

Solomon Islands Government and Development Partners Core Economic Working Group The unit provides economic and financial update briefings to the group, prepares agendas and draft minutes approved by the Permanent Secretary prior to the meetings	<ul style="list-style-type: none"> Organizes, facilitates and coordinates the core economic working group to ensure that the government and donor community are updated with economic and financial issues and proposed actions to mitigate the global economic crises impacts through a Matrix of Policy Reform Priorities 	2010 -2011
	<ul style="list-style-type: none"> Monitor and coordinate progress against the specific policies and measures the Solomon Islands Government has agreed to implement under the Matrix (progress will determine any economic recovery support program from the donor community) 	2010-2011
Coordinate Development Partners Budget Support Programs <ul style="list-style-type: none"> ADB European Commission (EC) 	Asian Development Bank (ADB) Economic Recovery Support Program <ul style="list-style-type: none"> Facilitate and prepare for Negotiation between ADB and SIG. Provide progress update on policy actions SIG and ADB have agreed to as the basis for possible budget Work with ADB to develop policy actions as the basis for possible budget. <i>Vulnerability Flexibility Program (V-Flex)</i> <ul style="list-style-type: none"> Provide progress update on the Government's Public Financial Management reform program and sustainable macroeconomic framework that will be provided under the IMF program as a basis for possible budget support. Provide and coordinate discussions between EC and SIG on other economic and financial issues to facilitate paper work relevant for financing decision. <i>Budget Support beyond V-Flex</i> <ul style="list-style-type: none"> Work with EC to develop indicators relevant for Solomon Islands as basis for possible budget support for 2011 	By end Feb 2010 March 2010 March 2011. Nov/Dec 2010 End April 2010 2010 -2011
Public Financial Management (PFM) Reform Programme. The Working Group will facilitate the identification of opportunities for Donor Partners to assist the Government in the implementation of measures to improve PFM	<ul style="list-style-type: none"> Ensure that a Public Financial Management Working Group is established comprising key Development Partners and officials from the Ministry of Finance and Treasury to examine and monitor the Public Expenditure and Financial Accountability (PEFA) recommendations Performance Measurement Framework. 	June 2010

including those against the PEFA.		
Policy advice, Co-ordination and Ministerial Support	<ul style="list-style-type: none"> • Carry out coordination and facilitate loan and grant negotiations for International Financial Institutions (IFIs) programs and projects • Provide ministerial policy advice on IFIs programs/projects and seek mission clearances from propose and implementing ministries • Coordinate and prepare briefings for Solomon Islands Delegation to the 2010 World Bank/IMF, ADB Annual Meetings and Finance Economic Ministers Meeting • On request by the Permanent Secretary FEDU represents and provide ministerial objectives in the meetings organized by government ministries and donors • The Unit coordinates report progress for the ministry on government implementation policy framework and the national development strategy. 	All as required
Capacity Building	<ul style="list-style-type: none"> • The unit will prepare and implement a capacity development plan. • The staff will seek further training from IPAM and International Financial Institution's workshop as they arise. 	2010

FEDU Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	2 (2)	3	(4)	4
Payroll	1,231	166,870	50,718	65,620
Other Charges	15,073,333	21,330	7,547	24,885
Total	15,074,564	188,200	58,265	90,505

Corporate Services – see also 4.1.1; 4.2.1 above.

Corporate Services assists Division's to undertake their administrative responsibilities and provides support for the effective operation of the Ministry.

CSS: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Organisational Priority 10: Develop and implement HR and organisational policies appropriate to a professional public service organisation.		
MoFT Office Manual: MoFT organisational and HR policies are developed consultatively, published and supported in a way that makes it easy for staff and managers to understand what is appropriate in a professional public service organisation.	Policies for consultative development proposed to include the following	
	<i>Performance assessment</i>	<i>Dress Code</i>
	<i>Vehicles use</i>	<i>Housing policy</i>
	<i>Training and full time study</i>	<i>Code of conduct</i>
	<i>Leave and attendance (see below</i>	<i>Discipline</i>
		Priority policies in 2010 Balance in 2011
Ensure that staff absences from work appropriately managed.	Develop leave and absence policy in consultation with HoDs and publish guidance Develop and implement leave recording process that effectively records sick leave and unauthorised absences.	By end April Improved systems for recording absences in place end March
Organisational Priority 4: Improve organisational support by strengthening the Corporate Services Section		
Develop an HR Strategy for MoFT	<ul style="list-style-type: none"> Draws appropriately on SIG Public Sector wide Strategy. Is developed consultatively with Divisions. 	2011
Improve record keeping in core areas	<ul style="list-style-type: none"> Additional space located and disposal schedule developed. Basic training needs for registry staff (IRD, Customs and Treasury) assessed, training provider located and training offered. 	By end June 2010 By end September 2010

CSS: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
Organisational Priority 5: Grow capacity and professional skills by the introduction of a structured graduates' program and targeted recruitment to priority areas.		
Recruitment in 2010 is to highest priority vacancies.	<ul style="list-style-type: none"> Bring 4 graduates on early in 2010. Review all vacancies to ensure that priority needs are met in 2010. 	By end March Ongoing CSS with Divisions
CSS Core Business		
Payroll and Leave processing and management of staff rental scheme	<ul style="list-style-type: none"> Properly completed payroll changes received by the previous Friday, will be included in following Wednesday pay run. Provisions requiring renewal (e.g. Acting appointments) will be proactively followed up with Divisions and submitted to MPS in time. 	Ongoing
Performance assessment and management of confirmations etc.	<ul style="list-style-type: none"> Managers are provided with assessment materials 2 months before year end Assessments completed for all staff and submitted to MPS end Oct 	Ongoing
Management of staff establishment	<ul style="list-style-type: none"> Consultation will occur with Divisions who will have at least 1 week to advise of desired changes CSS will meet MPS timeframe for submission of proposed MoFT establishment 	Dependent on budget timetable
Provision of financial analysis including monthly management reports	<ul style="list-style-type: none"> Analyse Funds Available report provided by FFRS and provide reports to Monthly Management Meetings on the financial position of the MOFT budget against expenditures. Report identifies and advises HODs on any material overspending and under spending on the MOFT budget 	Report available within 2.5 days of receipt of report from FFRS
Purchasing and procurement service	<ul style="list-style-type: none"> Properly completed requisitions are processed and provided to Treasury within 6 days (usually within 3 days). 	All ongoing

CSS: CORE BUSINESS AND ORGANISATIONAL PRIORITIES		
Strategies/Outputs	Performance Indicators (PIs)	Timeframes
for Ministry	<ul style="list-style-type: none"> Properly completed requisitions for standing/special imprest are processed and provided to Imprest Section within 6 days (usually within 3 days). A monthly reconciliation completed against the General Ledger provided by the FFRS Asset register kept of new assets with a value more than \$10,000.00 	Completed by 2 weeks after receipt of ledger report from FFRS
Preparation, management, and advice on Ministry budget	<ul style="list-style-type: none"> Consult with Divisions over their proposed baseline changes and new bids and obtain Snr Executive approval. Meet Budget unit timeframes for return of MoFT baseline and bids. A properly completed virement application is provided to the Budget Unit for the Permanent Secretary and Minister of Finance approval before money can be spent. 	<p>Dependent on budget timetable</p> <p>Usually within 6 days of request from Division</p>
Maintenance and management of Personnel and subject file records.	<ul style="list-style-type: none"> All incoming correspondence recorded and filed daily Filing indexes to be updated annually All correspondence must be on PG file and all papers relating to confidential matters must be on PC files 	ongoing
Management and servicing of CTB and MTB	<ul style="list-style-type: none"> All purchases and procurement in MoFT will meet FIs with regard to the requirements to tender All CTB and MB meetings will be effectively supported and procedures will follow FIs Minutes for all meetings will be completed, signed and filed. 	All ongoing
Management of new Treasury Building project, on going maintenance programme for buildings and management of small building works.	<ul style="list-style-type: none"> NTB developed according to plan agreed with Ministry of Development Planning A rolling maintenance plan will be developed; Maintenance contracts will be tendered in accordance with FIs 	First one by end March 2010 and then each December

HQ and Admin Staffing and Financial Resources				
	Actual 2008	Estimate 2009 (revised)	Actual 2009	Estimate 2010
Staff establishment (filled)	14 (12)	15	(12)	16
Payroll	1,263,970	820,874	902,650	804,659
Other Charges	13,978,358	18,909,152	18,678,171	18,773,848
Total	15,242,328	19,730,026	19,580,079	19,678,507
Development Budget		2,000,000	842,152	4,000,000