



MINISTRY OF FINANCE
Government Centre, Port Louis, Mauritius

Circular No. 4 of 2025

Our Ref: CF/40/30/63/A V8

25 August 2025

From: Financial Secretary

To: Supervising Officers-in-Charge of Ministries/Departments and Accounting Officers

Financial Instructions No. 2 of 2025 – Virement

As you are aware, the Finance and Audit Act has been amended to allow for the re-introduction of Performance-Based Budgeting (PBB). Accordingly, the budgets of Ministries and Departments have been structured in accordance with PBB principles, and are now presented in terms of Programmes and Sub-Programmes.

2. In accordance with the provisions of Section 22(1)(ea) of the Finance and Audit Act, the Minister of Finance had issued Financial Instructions No. 1 of 2015 pertaining to the virement of funds. With the adoption of the new budgeting framework, a revised set of Financial Instructions - No. 2 of 2025 - has been worked out and finalised with the Financial Management Review Committee. The new Financial Instructions, therefore, supersedes Financial Instructions No. 1 of 2015.
3. The Financial Instructions outlines the specific circumstances and conditions under which:
 - (a) an Accounting Officer has been delegated the authority to make a virement;
 - (b) the approval of the Ministry of Finance is required for a virement; and
 - (c) a virement from the Programme “Contingencies & Reserves” may be effected.
4. The principal provisions of the Financial Instructions are as follows:
 - (a) an Accounting Officer may approve virements within a Programme under his/her control, provided that the cumulative amount of such virements does not exceed 2% of the initial appropriation of that Programme and subject to prescribed conditions;
 - (b) the virement limit mentioned above excludes any virement that has been approved by the Ministry of Finance in respect of that Programme;
 - (c) an Accounting Officer is now not allowed to effect virement:
 - (i) to the item “Allowances”;
 - (ii) to/from an item of expenditure under Economic Category “Acquisition of Financial Assets”;

- (iii) from other items requiring “Requisition to Incur Expenditure (*r.i.e*)”; and
 - (iv) where no provision has been made in the PBB Estimates;
 - (d) in cases where a Programme comprises different Sub-Programmes which are under the control of different Accounting Officers:
 - (i) the virement limit of 2% will apply on the total amount of the Sub-Programme(s) under the control of each Accounting Officer within that Programme; and
 - (ii) virements from one Sub-Programme to another Sub-Programme shall require the consent of the Accounting Officer whose budget is being reduced.
5. Financial Instructions No. 2 of 2025 is deemed to take effect as from **1st July 2025**.
6. You are kindly requested to ensure strict compliance with the enclosed Financial Instructions.
7. Furthermore, in the spirit of this Financial Instructions, you are requested to ensure that all public bodies falling under your purview comply with the 2% limit with respect to virement from one item of expenditure to another item of expenditure within their respective approved budget. Any amount exceeding this limit must be fully justified and approved by Accounting Officer of the respective Programme.
8. Kindly relay the contents of this Circular to all public bodies falling under your responsibility.



A. Acharuz
Financial Secretary
25 August 2025

Copy to:

- (i) Secretary to Cabinet and Head of the Civil Service
- (ii) Clerk, National Assembly
- (iii) Director of Audit
- (iv) Accountant-General
- (v) Director, Financial Operations
- (vi) Director Procurement Policy Office
- (vii) Director, Procurement & Supply
- (viii) Director, Internal Control
- (ix) Officer-in-Charge, Finance Section of Ministries and Departments

MINISTRY OF FINANCE

Financial Instructions No. 2 of 2025 - Virement

1. Financial Instructions No. 2 of 2025 is issued in accordance with section 22(1) (ea) of the Finance and Audit Act and takes effect as from 1st July 2025. It supersedes Financial Instructions No. 1 of 2015 on Virement.

2. In this Financial Instructions:

“Accounting Officer” means a Public Officer as designated by the Minister of Finance in accordance with section 21(1) of the Finance and Audit Act;

“Department” means any Government department specified in the Schedule to the appropriation law in respect of a fiscal year;

“expenditure category” means a category of expenditure which groups similar expenditure classes and is indicated by a 2-digit code in the PBB Estimates;

“expenditure class” means a class of expenditure which groups similar expenditure items (expenses by economic type of transactions) and is indicated by a 5-digit code in the PBB Estimates;

“item of expenditure” means either –

- (a) a recurrent item of expenditure indicated by an 8-digit code in the PBB Estimates and the Treasury Accounting System; or
- (b) a capital item of expenditure indicated by an 8-digit code in the PBB Estimates and specific PSIP Code in the Public Sector Investment Programme;

“maintenance” means any activity required to preserve, as nearly and as long as possible, the original condition of a non-financial asset or resource while compensating for normal wear and tear, and is indicated by the expenditure class 22060 in the PBB Estimates;

“MOF” means Ministry of Finance;

“PBB” means Performance-Based Budget;

“Programme” means a Programme of a Department contained in the Schedule to the appropriation law in respect of a fiscal year and is a group of activities or interventions intended to contribute to a common set of outcomes and outputs;

“PSIP” means the Public Sector Investment Programme; and

“Sub-Programme” means the Programme hierarchy which breaks programmes into sub-programmes and is specified in the PBB Estimates.

Virement

3. Virement is a reallocation of funds:
 - (a) from an item of expenditure to another item of expenditure within the same Programme;
 - (b) from an item of expenditure in a Programme to another item of expenditure in a different Programme; or
 - (c) from Programme “Contingencies & Reserves” to any other Programme.
4. For a capital item of expenditure, which is indicated by an 8-digit code in the PBB Estimates and specific PSIP Code, Virement also includes a reallocation of funds:
 - (a) from one project with a specific PSIP Code to another project with a different PSIP Code;
 - (b) from one project with a specific PSIP Code to another item of expenditure indicated by an 8-digit code in the PBB Estimates; or
 - (c) from a recurrent item of expenditure to a project with a specific PSIP Code.
5. A Virement **does not include** transfers within the sub-components of a recurrent item of expenditure indicated by an 8-digit code in the PBB Estimates. However, such transfers should be justified and approved by the Accounting Officer.

A. Virement by an Accounting Officer

6. Subject to paragraphs 9 and 10, the authority **to approve** Virement(s) **within** a Programme is delegated to an Accounting Officer provided that the cumulative Virements **do not exceed 2% of the total appropriation of that Programme** and the Virement is:
 - (a) from a recurrent item of expenditure to another recurrent item of expenditure;
 - (b) from a recurrent item of expenditure to a capital item of expenditure or from a capital item of expenditure to another capital item of expenditure, provided that:
 - (i) provision has been made in the PBB Estimates for implementation of the project in that financial year; and
 - (ii) the cumulative expenditure since the start of that project will not, in that financial year, exceed its approved Project Value; or
 - (c) from a Sub-Programme to another Sub-Programme under the control of the same Accounting Officer.

7. The Virement limit mentioned at paragraph 6 above should:
- (a) apply on the initial appropriation amount of the Programme in that financial year; and
 - (b) exclude any Virement that has been approved by MOF in respect of that Programme.
8. Where within a Programme there are different Accounting Officers for different Sub-Programmes:
- (a) the Virement limit should apply on the total amount of the Sub-Programme(s) under the control of each Accounting Officer within that Programme; and
 - (b) the Virement from a Sub-Programme to another Sub-Programme should require the consent of the Accounting Officer whose budget is being reduced.
9. An Accounting Officer **should not** effect a Virement **to**:
- (a) item “Basic Salary” except where the Virement is for:
 - (i) a transfer of staff between Sub-Programmes within a Programme; or
 - (ii) meeting cost in respect of any salary adjustment approved by Government;
 - (b) items “Overtime”, “Allowances”, “Extra Assistance” and “Wages”;
 - (c) an item for which no provision has been made in the PBB Estimates;
 - (d) an item of expenditure under Economic Category “Acquisition of Financial Assets” (Code 32); or
 - (e) specific items as may be indicated from time to time by MOF by way of a Circular or other written instructions.
10. An Accounting Officer **should not** effect a Virement **from**:
- (a) an item of expenditure of a Programme to another item of expenditure of a different Programme;
 - (b) an item of expenditure in respect of maintenance to any other item of expenditure, except where the Virement:
 - (i) is to another item of expenditure under the same Expenditure Class (i.e., “22060-Maintenance”); and
 - (ii) is not to the detriment of the asset in respect of which maintenance provision is being reduced.
 - (c) an item of expenditure under Economic Category “Social Benefits” (Code 27), except where the Virement is in respect of an approved social programme under the same category;

- (d) an item of expenditure under Economic Category “Acquisition of Financial Assets” (Code 32);
- (e) an item of expenditure in respect of a project that is financed by grants or project loans from International Organisations or Foreign Countries;
- (f) an item of expenditure requiring “Requisition to Incur Expenditure (*r.i.e*)”; or
- (g) an item of expenditure as may be indicated from time to time by MOF by way of a Circular or other written instructions.

B. Virement requiring approval of MOF

11. An Accounting Officer should seek the approval of MOF where the proposed Virement is:

- (a) above the limit delegated to Accounting Officers specified at paragraph 6 above;
- (b) from an item of expenditure of a Programme to an item of expenditure of another Programme;
- (c) in respect of instances mentioned at paragraphs 9 and 10;
- (d) from a capital item of expenditure to a recurrent item of expenditure;
- (e) likely to lead, in that financial year, the cumulative expenditure of the receiving capital project to exceed its approved Project Value; or
- (f) in relation to any other instance not elsewhere specified.

12. Pursuant to paragraph 11, the Accounting Officer should submit to MOF an application on **Finance Form 1** giving full justification of the circumstances that have led to the necessity for such a Virement and any impact on the delivery or improvement of the services.

13. Where an item of expenditure of a Programme requires additional provision and no under-spending is expected under that Programme, the relevant Accounting Officer should submit a request for additional funding to MOF for consideration. The request should be supported with full justification and if the request is approved, the MOF shall issue the necessary Virement Warrant. For such cases, the Application Form (Finance Form 1) shall not be required.

14. MOF may, for overall Budget Management purposes, approve Virement from a Programme of a Ministry/Department where under-spending is expected to a Programme under the purview of another Ministry/Department where provision is insufficient. Any excess spending under the receiving Programme shall be included in the Estimates of Supplementary Expenditure for appropriation by the National Assembly.

C. Virement (Contingencies)

15. In line with Section 5 of the Finance and Audit Act, a provision for Contingencies is included in the annual PBB Estimates to meet urgent and unforeseen expenditure. The provision for contingencies is appropriated by the National Assembly under Programme “Contingencies & Reserves” which is under the control of MOF.

16. MOF may approve a Virement from Programme “Contingencies & Reserves” in case of natural disasters or other emergencies requiring exceptional or urgent expenditure.

17. MOF may also approve a Virement from Programme “Contingencies & Reserves” to another Programme where:

- (a) the expenditure is required in respect of a new service, scheme or project; or
- (b) the voted provision under an item of expenditure is insufficient and the request for additional fund is justified.

18. The fact that budgetary provision under an item of expenditure was reduced or not entertained at the time of budget preparation will not be considered as a justification for application of funds from the Programme “Contingencies & Reserves” save in exceptional cases where it is warranted.

19. In respect of instances mentioned at paragraphs 16 and 17, Accounting Officers should seek the **prior approval of MOF** before taking any commitment that may involve additional financial implications to Government. The Accounting Officer should take full responsibility in cases of non-compliance.

20. Application for funding from the Programme “Contingencies & Reserves” should be made on **Finance Form 1(a)**.

D. Application Forms and Virement Warrants

21. In accordance with paragraphs 11 and 12, an Accounting Officer should submit an application for Virement to MOF on **Finance Form 1 at Annex I**, except for circumstances mentioned at paragraphs 13 and 14.

22. On approval of the request for Virement, MOF should issue to the Accountant-General a Virement Warrant (**Finance Form 7 at Annex II**) with copy to the Director of Audit and the concerned Accounting Officer.

23. In line with paragraphs 19 and 20, an Accounting Officer should submit an application for Virement from Programme “Contingencies and Reserves” to MOF on **Finance Form 1(a) at Annex III**.

24. On approval of the request for Virement from Programme “Contingencies & Reserves”, MOF should issue to the Accountant-General a Virement (Contingencies) Warrant (**Finance Form 7(a) at Annex IV**) with copy to the Director of Audit and the concerned Accounting Officer.
25. On receipt of a Virement Warrant as per paragraphs 22 and 24 from MOF, the Accountant-General should make the necessary budget transfer in Treasury Accounting System (TAS) and notify the concerned Accounting Officer accordingly.
26. For Virement to be approved by an Accounting Officer as per paragraph 6, the Officer-in-Charge Finance should submit an application to the Accounting Officer on **Finance Form 2 at Annex V**.
27. On approval of the request for Virement, the Accounting Officer should submit to MOF the appropriate Virement Certificate (**Finance Form 2(a) at Annex VI**), with copy to the Director of Audit, within one week after the end of each month.
28. Budget transfer in TAS in respect of Virement approved by an Accounting Officer should be effected at the level of the respective Ministry/Department.
29. For all Virements approved by MOF and Accounting Officers, MOF should submit to the Clerk of the National Assembly, within one month after the end of each quarter, a list of such Virement together with a copy of the Virement Warrants and Certificates.

25 August 2025

REPUBLIC OF MAURITIUS**Application For Virement****Financial Year ending 30 June 20...****From : Accounting Officer****File Ref:****Department :****To : Financial Secretary**

I hereby apply for Virement in accordance with paragraphs 11 and 12 of Financial Instructions No. 2 of 2025.

Part A: Proposed Virement

The proposed Virement* is within the same Programme/from one Programme to another Programme [*to delete as appropriate*] as follows:

FROM			TO		
Programme/ Sub-Programme	Item of Expenditure**	Amount (Rs)	Programme/ Sub-Programme	Item of Expenditure**	Amount (Rs)
XXX1:	YY1: .....	.....	XXX1:	YY1: .....	.....
.....	YY2: .....	.....		.....
XXX2:	YY1: .....	.....		
Total					

* Details on the proposed Virement may be annexed with the Application Form, if necessary.

** For capital item of expenditure, the PSIP Code should be stated.

Part B: Justification for the Virement

1. Explain the necessity for the proposed Virement:

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2. State, if applicable, the likely impact of the proposed Virement on service delivery:

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Part C – Information on the Receiving Programme

Initial Appropriation (Rs):

Total Approved Virement:

- At the level of the Accounting Officer (Rs):
- By Ministry of Finance (Rs):

Total Provision of the Programme after Approved Virement (Rs):

Part D – Certification

I certify that savings/under-spending are available under the items of expenditure from which the Virement is to be effected and that the justifications provided above are accurate.

Name of Accounting Officer:

Title:

Signature:

Date:

REPUBLIC OF MAURITIUS

VIREMENT WARRANT

No. ... of 20.....

To:

THE ACCOUNTANT-GENERAL,

The sums set out in the attached Schedule are hereby re-allocated in the manner shown.

2. In accordance with paragraph 25 of Financial Instructions No. 2 of 2025, you should make the appropriate budget transfer in the Treasury Accounting System (TAS) and notify the Accounting Officer(s) concerned.

.....

Financial Secretary

Date:

Copy to: *Accounting Officer,*
 Clerk, National Assembly
 Director of Audit

REPUBLIC OF MAURITIUS**Application for Funds from Contingencies and Reserves****Financial Year ending 30 June 20...****From : Accounting Officer****File Ref:****Department :****To : The Financial Secretary**

I hereby apply for funds from Programme “Contingencies & Reserves”, in accordance with paragraphs 19 and 20 of Financial Instructions No. 2 of 2025.

Part A: Proposed Virement*

Programme/ Sub-Programme	Item of Expenditure**	Amount (Rs)
XXX1:	YYY1: .....	.....
.....
.....
.....

* Details on the proposed Virement may be annexed with the Application Form, if necessary.

** For capital item of expenditure, the PSIP Code should be stated.

Part B: Justification for the Virement

Funds from Programme “Contingencies & Reserves” are required in respect of:

- ☐ Natural disasters or other emergencies requiring exceptional or urgent expenditure
- ☐ New service, schemes or projects not provided for in the approved Estimates
- ☐ Existing service where the voted provision is insufficient

Explain the necessity for the proposed Virement:

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State, if applicable, the likely impact of the proposed Virement on service delivery:

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Annex III-Finance Form 1(a)

Part C – Information on the Receiving Programme

Initial Appropriation (Rs):

Total Approved Virement:

- At the level of the Accounting Officer (Rs):
- By Ministry of Finance (Rs):

Total Provision of the Programme after Approved Virement (Rs):

Part D – Certification

I certify that, at this stage, no under-spending could be identified under the Programme and that the justifications provided above are accurate.

Name of Accounting Officer:

Title:

Signature:

Date:

REPUBLIC OF MAURITIUS

VIREMENT (CONTINGENCIES) WARRANT

No. ... of 20.....

To:

THE ACCOUNTANT-GENERAL,

The sums set out in the attached Schedule are hereby re-allocated in the manner shown.

2. In accordance with paragraph 25 of Financial Instructions No. 2 of 2025, you should make the appropriate budget transfer in the Treasury Accounting System (TAS) and notify the Accounting Officer(s) concerned.

.....
Financial Secretary

Date:

Copy to: *Accounting Officer,*
 Clerk, National Assembly
 Director of Audit

REPUBLIC OF MAURITIUS**Application for Virement to the Accounting Officer****Financial Year ending 30 June 20...****Department :****File Ref:****From : Officer-In-Charge Finance****To : Accounting Officer**

Your approval is being sought for the Virement(s)* as detailed below in accordance with paragraph 6 of the Financial Instructions No. 2 of 2025.

Part A: Proposed Virement

FROM			TO		
Programme/ Sub-Programme	Item of Expenditure**	Amount (Rs)	Programme/ Sub-Programme	Item of Expenditure**	Amount (Rs)
XXX1:	YY1: .....	.....	XXX1:	YY1: .....	.....
.....	YY2: .....	.....		.....
XXX2:	YY1: .....	.....		
Total					

* Details on the proposed Virement may be annexed with the Application Form, if necessary.

** For capital item of expenditure, the PSIP Code should be stated.

Part B – Information on the Receiving Programme

Initial Appropriation (Rs):

Authorised Virement at the level of Accounting Officer: (Rs):

Cumulative Virement approved by Accounting Officer: (Rs):

Part C: Reasons for the proposed Virement

Part D – Certification

I certify that the proposed Virement is within the authorised limit and under-spending is expected under the item from which the proposed Virement is to be effected.

Name of Officer-In-Charge Finance:

Title:

Signature:

Date:

Part E – Approval of Accounting Officer

I approve the above proposed Virement(s)

Name of Accounting Officer:

Title:

Signature:

Date:

REPUBLIC OF MAURITIUS

Virement Certificate of Programme/Sub Programme

No. ... of 20.....

From : Accounting Officer

File Ref:

Department :

To : Financial Secretary

This is to certify that, in accordance with paragraph 6 of the Financial Instructions No. 2 of 2025, I have approved the following Virement(s):

Part A: Details of Virement

FROM			TO		
Programme/ Sub-Programme	Item of Expenditure*	Amount (Rs)	Programme/ Sub-Programme	Item of Expenditure*	Amount (Rs)
XXX1:	YY1: .....	.....	XXX1:	YY1: .....	.....
.....	YY2: .....	.....		.....
XXX2:	YY1: .....	.....		
Total					

** For capital item of expenditure, the PSIP Code should be stated.*

Part B – Cumulative Virement approved by the Accounting Officer

Programme/Sub-Programme:

Initial Appropriation (Rs):

Virement Limit: (Rs):

Cumulative Virement approved by Accounting Officer: (Rs):

Part C – Certification

I certify that the above information is accurate.

Name of Accounting Officer:

Title:

Signature:

Date:

Copy to: Director of Audit