

VOTE 5-1. MINISTRY OF FINANCE & ECONOMIC DEVELOPMENT

CONTEXT FOR BUDGET INTERVENTION

The main role of Ministry of Finance and Economic Development (MoFED) is to strengthen the financial soundness of the Government's economic policy through a proper control of revenue and expenditure. MoFED carries out its responsibilities when the annual estimates are being prepared. It must then satisfy itself that the policies of Ministries are such that financially they are capable of realisation, and again that individual proposals are sound in themselves and do not involve wasteful expenditure. Similarly, when proposals for expenditure not provided for the estimates arise during the year, either on new schemes or on schemes for which the original estimates have proved to be faulty, it is the task of the Ministry to examine such proposals and have these approved by the National Assembly.

As of 2007/2008 MoFED will also expand Programme-Based Budgeting (PBB) to all Ministries as part of an effort to re-invent the concept of budgeting and change its focus from an input-based annual activity to a performance-based exercise and develop a new human resource strategy at the central level to fully support the new PBB approach.

The Government also wants to set the foundations of a modern Mauritius where everyone participates and chances are created for every citizen according to his capacity. The specific objectives of the socio-economic Empowerment Programme are to: i) secure viable employment for currently unemployed and those who lose their jobs due to industry restructuring; ii) encourage entrepreneurship and improve the capacity and competitiveness of small entrepreneurs, especially in the global market; iii) provide transitional support to low-income and vulnerable households for housing; and iv) enhance education of the children in the most vulnerable households.

SUMMARY OF BUDGET

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
A Expenditure by Programmes (Rs)			
1 Policy and Strategy Development for Economic Growth	1,127,967,094	904,526,000	1,639,960,000
2 Public Financial Management	20,161,376,166	20,802,628,000	22,315,840,000
3 Socio-Economic Empowerment and Widening the Circle of Opportunities	2,397,531,810	2,950,846,000	2,965,280,000
Total	23,686,875,070	24,658,000,000	26,921,080,000
B Expenditure by Economic Categories (Rs)			
1 Recurrent Expenditure	20,251,275,000	21,101,500,000	22,720,980,000
1.1 Personal Emoluments	1,324,171,990	1,088,554,000	1,195,565,000
1.2 Other Staff Costs	443,786,000	482,021,000	526,717,000
1.3 Other Goods and Services	373,702,010	375,258,000	382,603,000
1.4 Subsidies and other Current Transfers	5,023,815,000	5,216,667,000	5,649,095,000
1.5 Interest Payments	12,048,000,000	12,652,000,000	13,490,000,000
1.6 Sinking Fund Contribution	-	-	-
1.7 External Debt Capital Repayments	1,037,800,000	1,287,000,000	1,477,000,000
2 Capital Expenditure	3,435,600,070	3,556,500,000	4,200,100,000
2.1 Acquisition of Fixed Capital Assets	625,000,000	738,500,000	720,000,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	2,285,600,060	2,438,000,000	3,235,100,000
2.4 Loans	310,000,010	340,000,000	205,000,000
2.5 Equity Participation	180,000,000	-	-
2.6 Obligations under Government Guarantee	35,000,000	40,000,000	40,000,000
Total	23,686,875,070	24,658,000,000	26,921,080,000
C Staffing - funded positions			
1 Managerial positions	54	54	54
2 Technical positions	1,909	1,656	1,656
3 Support positions	560	642	642
Total	2,523	2,352	2,352

VOTE 5 - Deputy Prime Minister's Office, Ministry of Finance and Economic Development - PBB - 2007/08 - 2009/10

MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
PROGRAMME 1 - POLICY AND STRATEGY DEVELOPMENT FOR ECONOMIC GROWTH			
Outcome: Restructure the economy by adding Rs 10 billion over 10 years in new sectors and stabilising GDP for textiles at Rs 10 billion and sugarcane sector at Rs 5 billion to support an annual average growth rate of at least 5%.			
A1: Formulation of and follow-up on government reform policies.	SO: All ministries and parastatals fully involved in the government reforms' programme implemented in response to two major challenges: (i) trade preference erosion and high oil prices and (ii) transition from low- wage, low-skill sugar and apparel exporter to innovative and skill-based services economy.	O1: Announcement of policy framework.	P1: Budget speech prior to June 30, 2007.
		O2: Legislation to implement budgetary measures.	P1: Enactment of Finance bill by mid-August 2007.
		O3: Status of implementation of reforms.	P1: Quarterly reports.
		O4: Status of performance budget implementation.	P1: Half-yearly performance budget reports.
		O5: Addressing problem areas.	P1: Operational recommendations agreed with line ministries prior to March 2008 for implementation in Budget 2008/09.
		O6: Recommendations for corrective action.	P1: Reports to policy makers by March 2008.
A2: Ensure sector strategies are in line with the government programme to revitalise the economy.	SO: (i) meet the necessary prerequisites for developing and implementing the new Programme-Based Budgeting (PBB) system; (ii) defining relevant structures of budget programs at the sectoral level; and (iii) rationalise the use of general budgetary support for promoting economic growth in key sectors of the national economy.	O1: Supporting the implementation of the revised ICT sector strategy.(NICISP)	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised ICT sector strategy.
		O2: Supporting the implementation of the revised Education sector strategy.	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised Education sector strategy.
		O3: Supporting the implementation of the revised Health sector strategy.	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised Health sector strategy.
		O4: Supporting the implementation of the revised Tourism sector strategy.	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised Tourism sector strategy.
		O5: Supporting the implementation of the revised non-sugarcane Agriculture sector strategy.	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised non-sugarcane Agriculture sector strategy.
		O6: Supporting the implementation of the revised Energy sector strategy.	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised Energy sector strategy.
		O7: Supporting the implementation of the revised Environment sector strategy.	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the revised Environment sector strategy.

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MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
		O8: Supporting the implementation of the elaborated Social Security strategy (social protection including Social Register, social welfare and social rehabilitation).	P1: 2008/09 - 2010/11 MTEF prepared and 2008/09 Budget negotiated in line with the elaborated Social Security strategy.
		O9: Facilitation of Land Management System.	P1: MOFED critical inputs to be communicated to the concerned line ministry by December 2007.
		O10: Supporting the implementation of the Urban Transport and Decongestion programme.	P1: Finalisation of the Action Plan by August 2007.
		O11: Promote adjustment in the Sugarcane Sector.	P1: Reporting status on implementation of the Multi-Annual Adaptation Strategy every quarter starting 2007/08.
		O12: Promote adjustment in the Textiles Sector.	P1: Reporting status on the implementation of the Action Plan for the Textiles Sector every quarter starting 2007/08.
A3: Improve the investment climate and increasing private investment.	SO: To promote new growth sectors while preserving the contribution of the traditional sectors.	O1: A new "Financial Services Bill".	P1: To be introduced by August 2007.
		O2: Introduction of Insolvency Legislation.	P1: To be introduced by December 2007.
		O3: Setting up of the "Credit Rating Agency".	P1: To be set up by March 2008.
		O4: Implementation of the "Cargo Community System".	P1: To be implemented no later than June 2008.
		O5: A new regulatory framework for Aquaculture and land-based Oceanic Industry.	P1: MOFED critical inputs communicated to Ministry of Agro-Industry and Fisheries by July 2007.
		O6: Operationalisation of the Trade Offset Regime.	P1: To be operational by September 2007.
		O7: Promotion of Investment.	P1: FDI increased from Rs 5 billion in 2006 to Rs 10 billion in 2007.
		O8: Improving business environment in Mauritius.	P1: To improve ranking in doing business from 31st to within 20 by 2008.
		O9: Approved PPP projects.	P1: The number of PPP projects approved in 2007-08 will be 2.
		O10: Legislation on Competition Policy.	P1: MOFED critical inputs communicated to the line ministry by September 2007.
		O11: Implement the action plan emerging from the competitiveness study of the seafood hub.	P1: MOFED to provide status report every quarter starting 2007/08.
A4: Improve the National statistical system.	SO: An informed society through economic and social statistics.	O1: Establishment of an autonomous National Statistical Agency.	P1: Legislation to be passed by no later than June 2008.

VOTE 5 - Deputy Prime Minister's Office, Ministry of Finance and Economic Development - PBB - 2007/08 - 2009/10

MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
		O2: Collect and produce various statistics which will aid line ministries in measuring their budget performance.	P1: Identification by October 2007 and development by April 2008 of full sets of budget performance indicators for Education, Health, Environment and Transport sectors.
		O3: Producing quality economic and social statistics and improving their coverage, timeliness, periodicity and accessibility.	P1: The release of publications as per 2007/2008 advanced release calendar. P2: New statistics on poverty, productivity and ICT by June 2008. P3: Subscription to the IMF Special Data Dissemination Standard by December 2007.
A5: Registration services to protect property rights.	SO: An effective registration system for property rights.	O1: Certification of ownership.	P1: Time between application and delivery of Title Deeds reduced from 24 weeks in 2005/06 to 2 weeks by 2009/10 and 13 weeks in 2007/08.
		O2: Certification of date of transaction.	P1: Delivery time for vehicle transfer documents reduced to 2 hours in 2007/08 from 24 hours in 2005/06; transcribed documents to 3 days from 5 days; and other documents to 1 day from 2 days.
		O3: Certification of mortgages.	P1: Delivery of instrument of charges within 3 days in 2007/08 from 5 days in 2005/06.
A6: Enhance corporate governance and ensure financial integrity.	SO: An effective registration system for companies.	O1: Custodian of corporate / business information in accordance with "Companies Act" and "Business Registration Act".	P1: Increase online registration by 10% in 2007/08 over 2006/07 P2: Reduce registration time for companies to half an hour by 2009/10 and 12 hours in 2007/08 from 24 hours in 2005/06.
		O2: Providing public access to corporate sector information.	P1: Online access available no later than end of 2007/08.

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MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
A7: Gather and analyse financial intelligence for combating money laundering and terrorist financing.	SO: To enhance the image of Mauritius as a clean and reputable financial services centre.	O1: Recommending cases for further action to ICAC, Bank of Mauritius, Financial Services Commission, Police, Customs and Excise department.	P1: Details of cases recommended to be stated in the Financial Intelligence Unit (FIU) annual report published by March 2008 annually.

PROGRAMME 2 - PUBLIC FINANCIAL MANAGEMENT
Outcome: Reduce public debt to 65% of GDP by 2010 while limiting taxes below 20% of GDP and allocating budgetary resources on the basis of agreed targets.

A1: Make Mauritius Revenue Authority (MRA) effective in enforcing the tax laws and efficiently collecting taxes from all tax payers while facilitating business activity.	SO: Improve efficiency in tax collection.	O1: Reducing tax evasion.	P1: Reaching a target of auditing at least 25% of cases in Large Taxpayers Department and 5% of cases in Medium and Small Taxpayers Department in 2007/08. P2: Increase the number of returns by 10% in 2007/2008 relative to 2006/07.
		O2: Effective enforcement of tax laws.	P1: Increasing the number of Post Control Clearance audits by 25% in 2007/08.
		O3: Improving the analytical capacity.	P1: Implementing an Integrated Tax database by 2008/09 and progress reported by June 2008.
			P2: Updating the tax payer register by 2008/09 and progress reported by June 2008. P3: Quarterly reports on MRA performance starting in 2007/08.
		O4: Reducing payment arrears.	P1: Collecting 30% of total collectible debt in 2007/2008 enhanced from 20% in 2006/07.
		O5: Efficient delivery of services.	P1: Registering taxpayers within 3 days in 2007/2008.
P2: Issuing income tax refunds within 3 months in 2007/08.			
P3: Issuing VAT repayments within 45 days in 2007/08 and 7 days for export sector.			

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MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
			P4: Having 90% of electronic filling of returns in Large Taxpayers Department and 50% increase in electronic filling in Medium and Small Taxpayers Department in 2007/08. P5: Answering 95% of telephonic queries within one working day and remainder within 5 working days in 2007/08.
		O6: Improved taxpayers' education (Organising 4 awareness campaigns every quarter in 2007/2008 and conducting 6 educational seminars in 2007/2008.)	P1: Drawing on evaluation from these campaigns and developing appropriate performance indicators for 2007/08. P2: Updating MRA website once a week starting 2007/08.
		O7: Trade facilitation.	P1: Improving dwell time for cargo to 4 days by sea and 2 days by air in 2007/08. P2: Reducing time taken to issue tariff ruling to 3 days in 2007/08. P3: Increasing the percentage of cargo given green channel to 80% in 2007/08. P4: Reducing export clearance time to 15 minutes in 2007/08.
		O8: Enhancing corporate image and ensuring integrity and accountability.	P1: Scrutinising all declarations of assets submitted by the employees in 2007/08. P2: Establish a baseline for monitoring public perception of integrity of MRA before June 2008.
A2: Formulate tax reforms.	SO1: Increasing equity in the distribution of the tax burden.	O1: Further reduction in the top personal income tax and unified corporate tax rate.	P1: Top personal income tax rate and corporate tax rate brought down to 20% in 2007/08.
		O2: Reduction in anti-export bias of tax expenditure.	P1: Tax expenditure reduced by 0.5% of GDP in 2007/08 relative to 2005/06.
		O3: Implement National Residential Property Tax and use the revenue for funding NDU for infrastructure improvement in collaboration with the Local Authorities and the private sector.	P1: Rs 60 million allocated to NDU for construction of markets, Grand River South East (GRSE) water front and social infrastructure.
	SO2: Continue move to duty-free island.	O4: Phased tariff reduction towards duty-free island.	P1: Increase in number of duty free items.

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MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
A3: Follow up on Public Expenditure and Financial Accountability (PEFA) review.	SO: Greater transparency and accountability in public expenditure management (PEM).	O1: PEM system in Mauritius becoming in line with international best practices.	P1: Mauritius PEFA rating improved to A by 2007/08 for at least 18 out of the 28 identified indicators.
A4: Update macroeconomic fiscal framework.	SO: Timely fiscal data for effective planning and decision-making.	O1: A macroeconomic framework to provide basis for setting budget ceilings and allow prioritisation of budget allocations.	P1: Preliminary forecasts to be discussed by September 2007 for the 2008/09 - 2011/12 Medium Term Expenditure Framework.
A5: Implement a new Public Debt strategy.	SO: Net Public Debt ratio to GDP to be on a downward track.	O1: Public debt strategy.	P1: New Debt Strategy to be available by December 2007.
		O2: Sustainable level of public debt.	P1: Central Government debt to GDP ratio reduced from 55% in 2006/07 to 54% in 2007/08 and 52% in 2010.
		O3: Review the process whereby government guarantees parastatal debt.	P1: Guarantees of parastatals limited to 3% of GDP by 2010 with the outcome of the review process reported by Oct 2007.
		O4: Measures to improve the cash and debt management practices of the parastatals.	P1: Establish remedial action plan for 5 least healthy parastatals in 2007/08. P2: Debt of parastatals to reduce to 5% of GDP by 2010.
A6: Preparation of a robust legal framework to underpin the ongoing reform initiatives on budget management and public debt management.	SO: Facilitating the legal framework to move towards Program-based Budgeting (PBB) and also implement the new public debt management strategy.	O1: Rewriting of the "Finance and Audit Act" (1973) based on international best practices and in line with Constitutional provisions governing budget management to support implementation of performance budgets and debt management strategy.	P1: Draft Organic Budget Law to be available for discussion by October 2007.
		O2: Rewriting the "Loans Act" and the "Bank of Mauritius Act" to support the implementation of the debt management strategy.	P1: Draft of revised "Loans Act" and "Bank of Mauritius Act" to be available for discussion by October 2007.
A7: Modernise the logical framework for coding and reporting financial information.	SO: MoFED to adopt the classification system set out in GFSM 2001 as a basis for revising its Budget classification and developing the 2008 Chart of Accounts.	O1: A revised Budget Classification and a new 2001 GFS-consistent Chart of Accounts.	P1: New Chart of Accounts to be used as of 2008/09; prepared and tested by December 2007.

VOTE 5 - Deputy Prime Minister's Office, Ministry of Finance and Economic Development - PBB - 2007/08 - 2009/10

MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
A8: Draft Financial Regulations in line with the new Organic Budget Law and the new Chart of Accounts.	SO: (i) updated Financial Regulations to be discussed with the stakeholders and issued after careful deliberation; and (ii) provide an adequate framework for budget implementation in the PBB new environment.	O1: Updated Financial Regulations in line with the new Organic Budget Law, Statutory Body Accounts and Audit Act, 1982, the revised Budget Classification and the new Chart of Accounts.	P1: Updated Financial Regulations to be used as of 2008/09; to be made available by December 2007.
A9: Develop and implement Programme-based Budgeting (PBB) for all ministries and seven parastatals in a Medium Term Expenditure Framework (MTEF) for the period 2008/09 - 2010/11.	SO: Improve decision-making by providing better information on how well Government services meet the community's needs with the emphasis put on "economy", "efficiency", and "effectiveness".	O1: Revising the 2007/08 structure of programmes for the 2008/09 Budget in line with the revised or new sector strategies.	P1: Current structure of budget programmes revised by no later than December 2007 for the preparation of the 2008-09 Budget. P2: Programmes' outcomes revised accordingly by no later than December 2007.
		O2: Pipeline of appraised projects :long term (2008/15), medium term(2008/11) and short term (2008/09).	P1: Establish the complete list of projects in the long term by December 2007. P2: Formulate the priority list of projects for the medium term after completing feasibility studies by February 2008. P3: Complete the detailed assessment of projects for the short term (for inclusion in Budget 2008/09) by March 2008.
		O3: Preparing and issuing MTEF Guidelines.	P1: 2008/09 MTEF Guidelines to be finalized by no later than December 2007.
		O4: Preparing and issuing Guidelines for Output Costing.	P1: 2008/09 Guidelines for Output Costing to be finalized by no later than December 2007.
		O5: Preparing norms for the costs of construction in Mauritius.	P2: Preparing Schedule of Rates (Construction Sector) for Mauritius by no later than June 2008.
		A10: Operate and modernise the Financial Management Information System (FMIS) managed by the Treasury (Related Treasury activities: (i) Treasury administration; (ii) Maintenance and preparation of Government	SO: Improving the efficiency and effectiveness of government spending in all ministries and concerned parastatals.

VOTE 5 - Deputy Prime Minister's Office, Ministry of Finance and Economic Development - PBB - 2007/08 - 2009/10

MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
Accounts; (iii) Management of Government cashflows; (iv) Operations of cash offices; (v) Revenue collection and recording; (vi) Processing and payment of public service benefits; and (vii) Examination and processing of payment vouchers in respect of non-self accounting ministries/departments.		O2: ORACLE EPB (Enterprises Planning and Budgeting), or equivalent software application, to be developed for the processing of FMIS qualitative data (outcomes, outputs, performance indicators) 2008.	P1: ORACLE EPB developed for Program-based Budgeting (PBB) by no later than March 2008 for full implementation during the fiscal year 2008/09.
		O3: Modernisation of the payroll system in line with the implementation of Programme-based Budgeting and the measures of the Civil Service Reform.	P1: Modernise Payroll System to be operational by July 2008.
		O4: Modernisation of the pension system.	P1: Modernised Pension System to be operational by no later than June 2008.
A11: Operationalise the Public Procurement Act.	SO: To make the current public procurement process more efficient.	O1: Reducing time taken in the procurement process. O2: Aligning costs of contracted bids to estimated cost of capital projects. O3: Ensuring that the project is procured within the agreed time and budget.	P1: Time ceilings for various categories of procurement to be developed by October 2007. P1: Variance between estimated and contracted cost to be less than 20%, starting in 2007/08. P1: Time and cost overruns not to exceed the target by more than 10% in 2007/08.
A12: Improve the physical assets management in ministries.	SO: To implement a physical assets management system in order to reduce expenditure on assets.	O1: Setting up of physical assets management (PAM) cells in 10 ministries.	P1: Implement Physical Assets Management Guidelines in 10 ministries by June 2008.
A13: Modernise and reform of public sector organisations (ministries / departments / parastatals).	SO: To improve effectiveness of parastatal bodies.	O2: Recommendations and advice on building efficient and effective management systems.	P1: Recommendations to ministries and cabinet to be submitted in reports by June 2008.
A14: Activities of Audit Committees.	SO: Improve good governance.	O3: Effective use of public funds and monitoring implementation of recommendations of Director of Audit Reports and Internal Audit Reports.	P1: Full implementation of recommendations from the November 2006 Director of Audit Report in all ministries and departments by no later than June 2008.
A15: Registration services for raising revenues.	SO: Maximising revenue collection.	O1: Collecting money on current transactions.	P1: Increase the proportion of correct declarations from 75% in 2005/06 to 80% in 2007/08.
		O2: Recovery of arrears.	P1: Reduce the stock of arrears for the Registrar General from about Rs 170 million in 2005/06 to Rs 110 million in 2007/08 and Rs 50 million by 2009/10.

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MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
			P2: Reduce the stock of arrears for Registrar of Companies from Rs 150 million in 2005/06 to nil by 2009/10 and Rs 100 million in 2007/08.
A16: Establish immovable property values.	SO: An effective management of immovable properties.	O1: Determining values for tax purposes.	P1: Completion of valuation roll for the National Fiscal Cadastre by 2009/10 with process launched in 2007/08. P2: Reducing time taken to determine open market value of properties for the Registrar General to 2 month by 2009/10 and 3 months in 2007/08 from 5 months in 2005/06.
		O2: Determining values for lease or exchange by government.	P1: Reducing time taken to process the request to 2 weeks by 2009/10 and 4 weeks in 2007/08 from 6 weeks in 2005/06.
		O3: Determining values for compensation.	P1: Reducing time taken to process the request to 2 months by 2009/10 and 4 months in 2007/08 from 6 months in 2005/06.

PROGRAMME 3 - SOCIO-ECONOMIC EMPOWERMENT AND WIDENING THE CIRCLE OF OPPORTUNITIES

Outcomes: (i) social assistance focused on absolute poor and social protection schemes designed for those receiving less than half of the median income; and (ii) value-added by private sector enterprises to increase in excess of 5% annually with the output of small and medium enterprises growing in excess of 8% annually.

A1: Assist in reviewing and streamlining social assistance and welfare schemes to build an effective and efficient safety net.	SO: Rationalising the social assistance schemes to make social insurance fiscally sustainable and equitable.	O1: Securing external assistance and providing other critical inputs for establishing a new Social Register.	P1: Status report on development of Social Register in December 2007 and June 2008 with a time line specified for completion.
		O2: Providing critical inputs for reviewing of existing schemes.	P1: Status report on review of schemes in December 2007 and June 2008. P2: Implementing the recommendations of the review in 2008/09 budget.
A2: Empower the community, in particular the poor.	SO: Moving from welfare to workfare: Broadening the circle of opportunities for the young unemployed, for retrenched workers, for women and for small and medium entrepreneurs. The 2006/07 Budget provides for the financing of on-the job training for	O1: Training and employment for unemployed and retrenched through placement for training of registered unemployed.	P1: Place 4,000 unemployed (of which 2,000 would be women) through EP in 2007/08.

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MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
	some 20,000 unemployed over next 5 years, with an annual intake of 4,000 .The Empowerment Programme (EP) aims at (i) Securing viable employment for currently unemployed and those who lose their jobs due to industry restructuring; (ii) Encouraging entrepreneurship and improving the capacity and competitiveness of SMEs and (iii) integrating the vulnerable groups into the mainstream of the economy.		P2: 1,000 trainees out of total placement offered employment by end of 2007/08.
		O2: SMEs assisted in terms of (i) access to export markets (ii) capacity building to enhance competitiveness (iii) increase in profitability and productivity.	P1: Provide technical assistance to 800 SMEs with export potential in 2007/08 so as to increase their turnover by at least 10% and productivity by 5% annually by 2009/10.
		O3: Enabling access of finance to new and existing SMEs through micro-credit and equity/quasi-equity financing schemes to ensure at least 50% of the assisted SMEs continue operations in 2008/09.	P1: 500 beneficiaries under booster loan scheme covered in 2007/08. P2: 100 beneficiaries under equity/quasi-equity schemes covered in 2007/08.
		O4: Special programmes for unemployed/retrenched women to enable them group into business networks.	P1: 10 business networks to be set up in 2007/08 benefiting at least 100 unemployed/retrenched women.
		O5: Provide transitional support to 80 low-income families and vulnerable groups at a pilot village in Bambous (Housing, education, work and trade related training and integrated community development).	P1: Improvement of at least 50% in income level in 2007/2008. P2: Commence work in 2007/08 for constructing houses for 80 families by 2008/09. P3: At least 3 NGOs/social facilitators mobilised in 2007/08 to help reduce drop-outs in primary school for children of the 80 families by at least 100% and eliminate criminality and other social scourges.
		O6: Construction of 5 tourist villages.	P1: 50% construction of the first pilot tourist village to be completed in 2007/08 with final completion in 2008/09.

Programme 1: Policy and Strategy Development for Economic Growth

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
1 Recurrent Expenditure (Rs)	407,367,054	416,526,000	434,860,000
1.1 Personal Emoluments	95,716,154	100,314,900	102,788,900
1.2 Other Staff Costs	7,544,100	7,574,100	7,591,100
1.3 Other Goods and Services	136,291,800	126,022,000	126,465,000
1.4 Subsidies and other Current Transfers	167,815,000	182,615,000	198,015,000
2 Capital Expenditure (Rs)	720,600,040	488,000,000	1,205,100,000
2.1 Acquisition of Fixed Capital Assets	20,000,000	20,000,000	25,000,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	210,600,040	153,000,000	1,000,100,000
2.4 Loans	310,000,000	315,000,000	180,000,000
2.5 Equity Participation	180,000,000	-	-
2.6 Obligations under Government Guarantee	-	-	-
Total	1,127,967,094	904,526,000	1,639,960,000
Recurrent Expenditure	407,367,054		
Personal Emoluments	95,716,154		
Other Staff Costs	7,544,100		
Wages	312,000		
Travelling and transport	6,540,000		
Staff welfare	42,100		
Overtime	650,000		
Other Goods and Services	136,291,800		
Office expenses and incidentals	683,000		
Telephone bills	1,193,000		
Rent	9,457,800		
Maintenance and running of vehicles	462,000		
Office equipment and furniture	273,000		
Maintenance of buildings, grounds, plant and equipment	293,000		
Training programme	1,500,000		
I.T. facilities	651,000		
Electricity charges	1,810,000		
Water rates	10,000		
Publications	345,000		
Fees to Chairman and Members of Boards and Committees	1,000,000		
C.I.B.A Conference	2,000,000		
Studies for Reforms Programme, Preliminary Project Preparation and Consultancy services	73,000,000		
Support for Technical Assistance	17,000,000		
Uniforms	229,000		
Seminars and workshops	440,000		
Contribution towards cost of United Nations Technical Assistance	1,000,000		
Postage	556,000		
Printing and stationery	1,072,000		
Other operating expenses	242,000		
National Committee on Corporate Governance	1,850,000		
Surveys	21,000,000		
Statistics Advisory Council	225,000		

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
<i>Subsidies and other Current Transfers</i>	167,815,000		
Grant to Financial Intelligence Unit	20,000,000		
Gambling Regulatory Authority	10,500,000		
Grant to National Economic and Social Council	7,900,000		
Grant to Financial Reporting Council	7,000,000		
Contribution to Board of Investment	110,000,000		
Contribution to International Organisation(s)	12,015,000		
Bilateral Co-operation with selected countries	400,000		
Capital Expenditure	720,600,040	488,000,000	1,205,100,000
Productivity Improvement Programme	20,000,000	20,000,000	25,000,000
Contribution to State Land Development Company Ltd for the Construction of an Access Road at La Tour Koenig	90,000,000	2,900,000	-
Contribution for the New City at Highlands	25,000,000	50,000,000	900,000,000
Contribution for the Land Based Oceanic Industry	25,000,000	100,000,000	100,000,000

o/w Loans

Loan - Infrastructure Development at Riche Terre	310,000,000	315,000,000	180,000,000
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o/w Equity Participation

The Mauritius Post Ltd	30,000,000	-	-
Mauritius Housing Company Ltd	150,000,000	-	-

o/w International Financial Organisations

Subscription to International Monetary Fund	100,000	100,000	100,000
Subscription to International Bank for Reconstruction and Development	10	-	-
Subscription to African Development Bank	7,500,000	-	-
Subscription to International Finance Corporation	10	-	-
Subscription to Multilateral Investment Guarantee Agency	10	-	-
Subscription to Eastern and Southern African Trade and Development Bank (PTA Bank)	63,000,000	-	-
Subscription to Common Market for the Eastern and Southern Africa (COMESA) Fund	10	-	-

Staffing - funded positions

Managerial positions	15	15	15
Technical positions	262	262	262
Support positions	164	164	164
Total	441	441	441

Programme 2: Public Financial Management

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
1 Recurrent Expenditure (Rs)	19,771,376,156	20,574,128,000	22,170,840,000
1.1 Personal Emoluments	1,225,037,396	954,655,250	1,059,094,250
1.2 Other Staff Costs	436,074,750	471,281,750	515,962,750
1.3 Other Goods and Services	225,064,010	235,701,000	241,293,000
1.4 Subsidies and other Current Transfers	4,799,400,000	4,973,490,000	5,387,490,000
1.5 Interest Payments	12,048,000,000	12,652,000,000	13,490,000,000
1.6 Sinking Fund Contribution	-	-	-
1.7 External Debt Capital Repayments	1,037,800,000	1,287,000,000	1,477,000,000
2 Capital Expenditure (Rs)	390,000,010	228,500,000	145,000,000
2.1 Acquisition of Fixed Capital Assets	280,000,000	168,500,000	95,000,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	75,000,010	20,000,000	10,000,000
2.4 Loans	-	-	-
2.5 Equity Participation	-	-	-
2.6 Obligations under Government Guarantee	35,000,000	40,000,000	40,000,000
Total	20,161,376,166	20,802,628,000	22,315,840,000
Recurrent Expenditure	6,685,576,156		
Personal Emoluments	1,225,037,396		
Other Staff Costs	436,074,750		
Wages	680,000		
Travelling and transport	26,420,000		
Allowance in lieu of passages	310,000,000		
Passages	95,000,000		
Staff welfare	229,750		
Overtime	3,745,000		
Other Goods and Services	225,064,010		
Refund of revenue	3,000,000		
Office expenses and incidentals	3,645,000		
Telephone bills	5,220,000		
Rent	23,527,500		
Maintenance and running of vehicles	2,480,000		
Office equipment and furniture	1,995,000		
Maintenance of buildings, grounds, plant and equipment	1,650,000		
Training programme	8,900,000		
I.T. facilities	10,616,500		
Electricity charges	5,325,000		
Water rates	185,000		
Publications	2,775,000		
Operating expenses, Independent Review Panel	2,000,000		
Uniforms	2,252,500		
Seminars	850,000		
Compensation arising out of Government liability	50,000,000		
Expenses and allowances of Ministers attending conferences	20,000,000		

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
Expenses and allowances of Delegates on mission outside Mauritius	43,000,000		
Expenses of Commissions of enquiry and committees	3,000,000		
	13,455,000		
Operating expenses - Procurement Policy Office			
Expenses and allowances i.c.w. professional and technical assistance from abroad	2,500,000		
Postage	2,940,000		
Printing and stationery	3,842,500		
Other operating expenses	1,905,000		
Operating expenses Ex-Revenue Authority	10		
Insurance premium	500,000		
Safes	300,000		
Management/Service Charges	9,200,000		
Subsidies and other Current Transfers	4,799,400,000		
Salary Compensation-Parastatal/Statutory Bodies and Rodrigues Regional Assembly	167,000,000		
Mauritius Revenue Authority	725,000,000		
Central Procurement Board	20,000,000		
Contribution to International Organisation(s)	400,000		
Contribution to the "National Savings Fund"	180,000,000		
National Assembly Retiring Allowances	36,000,000		
Civil Service Family Protection Scheme	685,000,000		
Pensions	2,165,000,000		
Gratuities	815,000,000		
Compassionate allowances	6,000,000		
Interest Payments	12,048,000,000		
Capital Repayments	1,037,800,000		
Capital Expenditure	390,000,010	228,500,000	145,000,000
Vehicles and Equipment	60,000,000	30,000,000	30,000,000
Obligations under Government Guarantees	35,000,000	40,000,000	40,000,000
Mauritius Revenue Authority	75,000,000	20,000,000	10,000,000
New Customs Complex	180,000,000	78,500,000	-
Obligations following Winding up of the Development Works Corporation	10	-	-
Computerisation Programme - Registrar General's Department	25,000,000	60,000,000	65,000,000
Programme Based Budgeting Project	15,000,000	-	-
Staffing - funded positions			
Managerial positions	35	30	30
Technical positions	1644	1244	1244
Support positions	388	388	388
Total	2067	1662	1662

Programme 3: Socio-Economic Empowerment and Widening the Circle of Opportunities

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
1 Recurrent Expenditure (Rs)	72,531,790	110,846,000	115,280,000
1.1 Personal Emoluments	3,418,440	33,583,850	33,681,850
1.2 Other Staff Costs	167,150	3,165,150	3,163,150
1.3 Other Goods and Services	12,346,200	13,535,000	14,845,000
1.4 Subsidies and other Current Transfers	56,600,000	60,562,000	63,590,000
2 Capital Expenditure (Rs)	2,325,000,020	2,840,000,000	2,850,000,000
2.1 Acquisition of Fixed Capital Assets	325,000,000	550,000,000	600,000,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	2,000,000,010	2,265,000,000	2,225,000,000
2.4 Loans	10	25,000,000	25,000,000
2.5 Equity Participation	-	-	-
2.6 Obligations under Government Guarantee	-	-	-
Total	2,397,531,810	2,950,846,000	2,965,280,000
Recurrent Expenditure	15,931,790		
Personal Emoluments	3,418,440		
Other Staff Costs	167,150		
Wages	8,000		
Travelling and transport	132,000		
Staff welfare	2,150		
Overtime	25,000		
Other Goods and Services	12,346,200		
Office expenses and incidentals	32,000		
Telephone bills	37,000		
Rent	22,700		
Maintenance and running of vehicles	23,000		
Office equipment and furniture	7,000		
Maintenance of buildings, grounds, plant and equipment	12,000		
Training programme	100,000		
I.T. facilities	16,500		
Electricity charges	25,000		
Publications	15,000		
International Fund for Agricultural Development - Rural Diversification Programme (Project Coordination)	1,300,000		
Operating expenses, Office of the Commissioner for Protection of Borrowers	1,700,000		
Uniforms	13,500		
Seminars	10,000		
Postage	4,000		
Printing and stationery	25,500		
Other operating expenses	3,000		
Savings Culture Campaign	9,000,000		
Subsidies and other Current Transfers	56,600,000		
Mauritius Ex-Services Trust Fund Board	56,600,000		

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
Capital Expenditure	2,325,000,020	2,840,000,000	2,850,000,000
Cyclone and Natural Disaster Reconstruction Programme	10	50,000,000	50,000,000
Training and Reskilling	275,000,000	350,000,000	380,000,000
Accompanying Measures for SMEs	50,000,000	60,000,000	70,000,000
DBM Equity Financing/Boosters Schemes	50,000,000	65,000,000	85,000,000
Tourist Villages	125,000,000	175,000,000	100,000,000
Integrated Social Development Project	100,000,000	150,000,000	200,000,000
Land and Serviced Sites for Social Housing	50,000,000	75,000,000	100,000,000
Special Programme for Unemployed Women	50,000,000	100,000,000	100,000,000
Agri Business Networks and Miscellaneous Projects	50,000,000	150,000,000	200,000,000
Subsidy on Loans - Development Bank of Mauritius Ltd	70,000,000	80,000,000	90,000,000
Implementation of Accompanying Measures for Sugar Sector	950,000,000	780,000,000	765,000,000
Grant/Loan Scheme for Small Planters/Workers in the equity capital of Sugar Sector Companies	50,000,000	200,000,000	50,000,000
Implementation of Accompanying Measures for Manufacturing Sector	40,000,000	25,000,000	25,000,000
Decentralised Cooperation Programme for Socio Economic Empowerment	100,000,000	200,000,000	235,000,000
Subsidy on Housing Loans - Mauritius Housing Company Ltd	20,000,000	20,000,000	25,000,000
Subsidy on Loans/Grants - National Housing Development Co Ltd	225,000,000	225,000,000	250,000,000
Contribution to the Trust Fund for the Social Integration of Vulnerable Groups and Poverty Alleviation Programme	100,000,000	100,000,000	100,000,000
Contribution to National Solidarity Fund for Assistance to Victims of Sale by Levy	20,000,000	10,000,000	-
o/w Loans			
Loan to Development Bank of Mauritius Ltd	10	25,000,000	25,000,000

Staffing - funded positions

Managerial positions	4	9	9
Technical positions	3	150	150
Support positions	8	90	90
Total	15	249	249