

## VOTE 9 - MINISTRY OF PUBLIC UTILITIES

### CONTEXT FOR BUDGET INTERVENTION

The strategy of the Ministry of Public Utilities is to ensure the provision of high quality, safe and adequate electricity, water and wastewater services to the public, for sustainable development at affordable prices.

**Energy:** Three key principles underpin Government policy in electricity generation and supply. First, availability, security and diversity of supply are of topmost priority with particular focus on renewable energy. Second, affordability is the key to ensuring socio-economic development of the country taking into account the financial sustainability of the utility and the economic soundness of decisions taken. Third, energy conservation is another central plank of the energy policy, the more so as the prices of fossil fuels, in particular oil, keep on rising.

**Water Resources:** The development strategy of the water sector is to secure and provide a sustainable water supply service of appropriate quality at an affordable price which meets the growing needs of the people and to support the economic development of the country.

**Sanitation:** The overall objective of the wastewater sector is to contribute to the sustainable preservation of the fragile environment and the public health. The Government, aware of the inadequacy in the disposal of the wastewater and its potential threats to the environment, has formulated a wastewater sector strategy and an investment programme with the aim of connecting 50 % of the population to a sewerage system by the year 2012 relative to 23% in 2006.

**Radiation Protection:** The provision of radiation protection services is a new activity under the utility sector. The Radiation Protection Authority (RPA) will regulate, control and supervise radiological work and promote research and development in radiation protection.

### SUMMARY OF BUDGET

	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>
	<b>Estimates</b>	<b>Estimates</b>	<b>Estimates</b>
<b>A Expenditure by Programme (Rs)</b>			
1 Energy	108,741,426	79,298,000	73,138,000
2 Water Resources	228,701,396	227,333,000	730,623,000
3 Sanitation	1,538,608,839	1,859,888,250	1,858,135,750
4 Radiation Protection	6,530,359	6,880,750	6,903,250
<b>Total</b>	<b>1,882,582,020</b>	<b>2,173,400,000</b>	<b>2,668,800,000</b>
<b>B Expenditure by Economic Categories (Rs)</b>			
1 <b>Recurrent Expenditure</b>	<b>105,782,000</b>	<b>111,500,000</b>	<b>115,000,000</b>
1.1 Personal Emoluments	62,225,000	65,983,000	67,828,000
1.2 Other Staff Costs	10,600,010	10,725,000	10,830,000
1.3 Other Goods and Services	22,806,990	23,992,000	25,042,000
1.4 Subsidies and other Current Transfers	10,150,000	10,800,000	11,300,000
2 <b>Capital Expenditure</b>	<b>1,776,800,020</b>	<b>2,061,900,000</b>	<b>2,553,800,000</b>
2.1 Acquisition of Fixed Capital Assets	1,620,200,020	1,973,200,000	2,477,800,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	11,000,000	6,000,000	6,000,000
2.4 Loans	145,600,000	82,700,000	70,000,000
<b>Total</b>	<b>1,882,582,020</b>	<b>2,173,400,000</b>	<b>2,668,800,000</b>
<b>C Staffing - funded positions</b>			
1 Managerial positions	22	22	22
2 Technical positions	246	246	246
3 Support positions	128	128	128
<b>Total</b>	<b>396</b>	<b>396</b>	<b>396</b>

**VOTE 9 - Ministry of Public Utilities - PBB - 2007/08 - 2009/10**

MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
<b>PROGRAMME 1 - ENERGY</b>			
<b>Outcomes:</b> (i) Satisfying energy demand in a timely manner. (ii) Reduction of unit production cost through the use of least cost generation systems.(iii) Provision of efficient consultancy services and electrical works for government projects.			
A1: Facilitate efficient generation of electricity. (Through Central Electricity Board)	SO: To generate electricity at economical costs.	01: Increase electricity generation with emphasis on renewable sources of energy, hydroelectricity and bagasse. 02: Increase Independent Power Producers'(IPPs) contribution in electricity production.	P1: To increase installed capacity from 435 MW in 2005/06 to 512 MW by end of June 2008 with 648 MW targeted by June 2010. P1: Quantity of electricity purchased from IPPs to increase from 141 MW in 2005/06 to 215 MW in 2007/08 with 355 MW targeted by June 2010.
A2: Setting up of the Utility Regulatory Authority as prescribed under URA Act 2004.	SO: A single regulatory framework for the utilities sector.	01: Establishment of Utility Regulatory Authority (URA).	P1: Proclamation of the Utility Regulatory Authority Act 2004 before June 2008. P2: The URA to be set up by June 2008.
A3: Electrical consultancy services for government projects.	SO: To provide in-house services to ministries,departments and parastatals at rates lower than the market and in real time.	01:Provision of consultancy services and undertaking of electrical works. 02: Implementation of energy saving measures.	P1: Consultancy services/works to be undertaken to increase from 100 in 2005/06 to110 in 2007/08. P1: Energy audits will be carried out in 2007/08 on the following 5 sites: Emmanuel Anquetil Building, New Government House, Treasury Building, Industrial and Vocational Training Board (IVTB) House, and Old Government Building.
<b>PROGRAMME 2 - WATER RESOURCES</b>			
<b>Outcomes:</b> (i) Provide round the clock water supply islandwide. (ii) Reduce non- revenue water to the internationally acceptable level of 25 %.			
A1: Improve water storage.	SO: Increase storage capacity from 74.44 million cubic metres to 82.94 million cubic metres.	01: Construction of the Bagatelle Dam (2009-2012).	P1: Award of consultancy contract for detailed designs and Environment Impact Assessment (EIA) by June 2008 .
A2: Reduce leakages (non-revenue water) through strenghtening of water supply network. (Through Central Water Authority).	SO: Decreased losses of treated water from 46% to 25% by 2012.	01: Replacement of old pipes and meters and upgrading of treatment network and facilities.	P1: Loss of treated water to decrease from 46% to 42% in 2007/08.

**VOTE 9 - Ministry of Public Utilities - PBB - 2007/08 - 2009/10**

MAIN ACTIVITIES (A)	SPECIFIC OBJECTIVES (SO)	OUTPUTS (O)	PERFORMANCE INDICATORS (P)
<b>PROGRAMME 3 - SANITATION</b>			
<b>Outcome:</b> Connecting at least 50% of the households to the public sewerage systems by the year 2012.			
A1: Implement the National Sewerage Programme. (Through WasteWater Management Authority)	SO: Extension of public sewer connection from 23% of the island to 50% by 2012 through increasing domestic and non-domestic connection by approximately 5% each year.	O1: Implementation of 50 sewerage contracts.	<p>P1: 19 contracts will be completed in 2007/08 (6 in Improvement and Refurbishment of Wastewater system, 2 in St Martin Treatment Works, 6 in Grand Baie Sewerage Project, 2 in Infrastructure Rehabilitation in CHA Estates, 1 in Baie du Tombeau Sewerage Project and 2 in Environment Sewerage and Sanitation Project).</p> <p>P2: The number of households connected in 2007/08 will be 5,387 in addition to 64,325 already connected, with a total of 96,000 to be connected by 2012.</p>
<b>PROGRAMME 4 - RADIATION PROTECTION</b>			
<b>Outcome:</b> Regulate radiation protection practices.			
A1: Regulate, control and supervise radiation impact.	SO: Disposal of radioactive materials and other sources capable of emitting ionizing radiation.	<p>O1: To prepare standards and guidelines to oversee radiation protection practices and ensure that they are in line with International Atomic and Energy Agency (IAEA) standards.</p> <p>O2: To enforce the legal provisions with respect to radiation practices.</p>	<p>P1: Draft standards, guidelines and regulations to be put in place by June 2008.</p> <p>P1: The number of inspections to be carried out in 2007/08 with respect to issue of permits and licences will be 40.</p> <p>P2: The number of inspections carried out in 2007/08 with respect to monitoring and control of radiation practices will be 50.</p>

## Programme 1: Energy

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
<b>1 Recurrent Expenditure (Rs)</b>	<b>51,741,406</b>	<b>55,298,000</b>	<b>58,138,000</b>
1.1 Personal Emoluments	36,482,400	38,988,000	40,177,000
1.2 Other Staff Costs	6,532,000	6,637,000	6,738,000
1.3 Other Goods and Services	8,227,006	9,173,000	10,223,000
1.4 Subsidies and other Current Transfers	500,000	500,000	1,000,000
<b>2 Capital Expenditure (Rs)</b>	<b>57,000,020</b>	<b>24,000,000</b>	<b>15,000,000</b>
2.1 Acquisition of Fixed Capital Assets	6,000,020	6,000,000	-
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	11,000,000	6,000,000	6,000,000
2.4 Loans	40,000,000	12,000,000	9,000,000
<b>Total</b>	<b>108,741,426</b>	<b>79,298,000</b>	<b>73,138,000</b>
<b>Recurrent Expenditure</b>	<b>51,741,406</b>		
Personal Emoluments	36,482,400		
<b>Other Staff Costs</b>	<b>6,532,000</b>		
Wages	837,000		
Travelling and transport	5,064,000		
Staff welfare	19,000		
Overtime	612,000		
<b>Other Goods and Services</b>	<b>8,227,006</b>		
Office expenses and incidentals	122,000		
Telephone bills	694,000		
Rent	2,180,000		
Maintenance and running of vehicles	910,000		
Office equipment and furniture	160,000		
Maintenance of buildings, grounds, plant and equipment	1,500,000		
Training of staff	520,000		
I.T. facilities	170,000		
Electricity charges	310,000		
Water rates	25,000		
Publications	32,000		
Uniforms	548,996		
Security services	200,000		
Seminars	10		
Postage	35,000		
Printing and stationery	200,000		
Other operating expenses	620,000		
<b>Subsidies and other Current Transfers</b>	<b>500,000</b>		
Contribution to Utilities Regulatory Authority	500,000		
<b>Capital Expenditure</b>	<b>57,000,020</b>	<b>24,000,000</b>	<b>15,000,000</b>
Renewable Energy Project/Power Sector Reform	10	-	-
Utilities Reform	5,000,000	5,000,000	-
Electricity Supply in respect of Government Projects	8,000,000	3,000,000	3,000,000
Grant to CEB in respect of Electricity Supply for Hardship Cases	3,000,000	3,000,000	3,000,000
Vehicles and Equipment	1,000,000	1,000,000	-
Building	10	-	-
Loan to CEB for Development Programme	40,000,000	12,000,000	9,000,000

**Staffing - funded positions**

Managerial positions

Technical positions

Support positions

**Total**

	<b>2007/08 Estimates</b>	<b>2008/09 Estimates</b>	<b>2009/10 Estimates</b>
Managerial positions	11	11	11
Technical positions	201	201	201
Support positions	37	37	37
<b>Total</b>	<b>249</b>	<b>249</b>	<b>249</b>

**Programme 2: Water Resources**

	<b>2007/08 Estimates</b>	<b>2008/09 Estimates</b>	<b>2009/10 Estimates</b>
<b>1 Recurrent Expenditure (Rs)</b>	<b>35,901,396</b>	<b>37,433,000</b>	<b>37,823,000</b>
1.1 Personal Emoluments	16,484,400	17,420,000	17,809,000
1.2 Other Staff Costs	2,687,010	2,692,000	2,693,000
1.3 Other Goods and Services	8,329,986	8,321,000	8,321,000
1.4 Subsidies and other Current Transfers	8,400,000	9,000,000	9,000,000
<b>2 Capital Expenditure (Rs)</b>	<b>192,800,000</b>	<b>189,900,000</b>	<b>692,800,000</b>
2.1 Acquisition of Fixed Capital Assets	87,200,000	119,200,000	631,800,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	-	-	-
2.4 Loans	105,600,000	70,700,000	61,000,000
<b>Total</b>	<b>228,701,396</b>	<b>227,333,000</b>	<b>730,623,000</b>
<b>Recurrent Expenditure</b>	<b>35,901,396</b>		
Personal Emoluments	16,484,400		
<b>Other Staff Costs</b>	<b>2,687,010</b>		
Wages	37,010		
Travelling and transport	2,330,000		
Staff welfare	8,000		
Overtime	312,000		
<b>Other Goods and Services</b>	<b>8,329,986</b>		
Office expenses and incidentals	102,000		
Telephone bills	364,000		
Rent	4,096,000		
Maintenance and running of vehicles	410,000		
Office equipment and furniture	115,000		
Maintenance of buildings, grounds, plant and equipment	345,000		
Training of staff	270,000		
I.T. facilities	120,000		
Electricity charges	520,000		
Water rates	13,000		
Publications	39,000		
Uniforms	178,996		
Security services	1,300,000		
Postage	29,990		
Printing and stationery	180,000		
Laboratory analysis of industrial effluents	204,000		
Other operating expenses	43,000		

	<b>2007/08 Estimates</b>	<b>2008/09 Estimates</b>	<b>2009/10 Estimates</b>
<b>Subsidies and other Current Transfers</b>	<b>8,400,000</b>		
Water rates in respect of Religious Bodies and Charitable Institutions	8,400,000		
<b>Capital Expenditure</b>	<b>192,800,000</b>	<b>189,900,000</b>	<b>692,800,000</b>
Grant to CWA for Water Supply for Integrated Infrastructure Development Programme at Vallée Pitot	--	-	-
Water Resources Assessment and Development	40,450,000	15,500,000	18,500,000
Maintenance of Dam Structures	2,750,000	76,000,000	102,500,000
Bagatelle Dam	30,000,000	14,000,000	490,000,000
Rehabilitation of Feeder Canals	12,500,000	12,200,000	19,300,000
Midlands Dam	--	-	-
Vehicles and Equipment	1,500,000	1,500,000	1,500,000
Loan to CWA for Development Programme	13,000,000	17,000,000	9,000,000
Loan to CWA for Port Louis Water Supplies	34,500,000	2,200,000	-
Loan to CWA for District Water Supplies	33,800,000	21,000,000	25,000,000
Loan to CWA for Mare aux Vacoas Water Supplies	24,300,000	30,500,000	27,000,000

#### **Staffing - funded positions**

Managerial positions	7	7	7
Technical positions	41	41	41
Support positions	43	43	43
<b>Total</b>	<b>91</b>	<b>91</b>	<b>91</b>

#### **Programme 3: Sanitation**

	<b>2007/08 Estimates</b>	<b>2008/09 Estimates</b>	<b>2009/10 Estimates</b>
<b>1 Recurrent Expenditure (Rs)</b>	<b>11,608,839</b>	<b>11,888,250</b>	<b>12,135,750</b>
1.1 Personal Emoluments	6,364,600	6,655,000	6,899,750
1.2 Other Staff Costs	1,045,000	1,058,750	1,061,500
1.3 Other Goods and Services	4,199,239	4,174,500	4,174,500
1.4 Subsidies and other Current Transfers	-	-	-
<b>2 Capital Expenditure (Rs)</b>	<b>1,527,000,000</b>	<b>1,848,000,000</b>	<b>1,846,000,000</b>
2.1 Acquisition of Fixed Capital Assets	1,527,000,000	1,848,000,000	1,846,000,000
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	-	-	-
<b>Total</b>	<b>1,538,608,839</b>	<b>1,859,888,250</b>	<b>1,858,135,750</b>

	<b>2007/08 Estimates</b>	<b>2008/09 Estimates</b>	<b>2009/10 Estimates</b>
<b>Recurrent Expenditure</b>	<b>11,608,839</b>		
Personal Emoluments	6,364,600		
<b>Other Staff Costs</b>	<b>1,045,000</b>		
Wages	101,750		
Travelling and transport	907,500		
Staff welfare	2,750		
Overtime	33,000		
<b>Other Goods and Services</b>	<b>4,199,239</b>		
Office expenses and incidentals	198,000		
Telephone bills	368,500		
Rent	2,420,000		
Maintenance and running of vehicles	165,000		
Office equipment and furniture	110,000		
Maintenance of buildings, grounds, plant and equi	275,000		
Training of staff	55,000		
I.T. facilities	55,000		
Electricity charges	302,500		
Publications	33,000		
Uniforms	10,989		
Postage	13,750		
Printing and stationery	137,500		
Other operating expenses	55,000		
<b>Capital Expenditure</b>	<b>1,527,000,000</b>	<b>1,848,000,000</b>	<b>1,846,000,000</b>
Improvement and Refurbishment of Wastewater System	105,000,000	104,000,000	89,000,000
Plaine Wilhems Sewerage - Stage II	1,035,000,000	1,180,000,000	1,328,000,000
House Service Connection	94,000,000	94,000,000	82,000,000
Grand Baie Sewerage Project	13,000,000	-	-
Infrastructure Rehabilitation in CHA Estates	65,000,000	77,000,000	188,000,000
Baie du Tombeau Sewerage Project	162,000,000	264,000,000	30,000,000
Environmental Sewerage and Sanitation Project	53,000,000	-	-
Pailles Guibies Project	-	129,000,000	129,000,000
<b>Staffing - funded positions</b>			
Managerial positions	3	3	3
Technical positions	0	0	0
Support positions	43	43	43
<b>Total</b>	<b>46</b>	<b>46</b>	<b>46</b>

#### Programme 4: Radiation Protection

	2007/08 Estimates	2008/09 Estimates	2009/10 Estimates
<b>1 Recurrent Expenditure (Rs)</b>	<b>6,530,359</b>	<b>6,880,750</b>	<b>6,903,250</b>
1.1 Personal Emoluments	2,893,600	2,920,000	2,942,250
1.2 Other Staff Costs	336,000	337,250	337,500
1.3 Other Goods and Services	2,050,759	2,323,500	2,323,500
1.4 Subsidies and other Current Transfers	1,250,000	1,300,000	1,300,000
<b>2 Capital Expenditure (Rs)</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1 Acquisition of Fixed Capital Assets	-	-	-
2.2 Purchase of Land/Intangible Assets	-	-	-
2.3 Capital Transfers	-	-	-
<b>Total</b>	<b>6,530,359</b>	<b>6,880,750</b>	<b>6,903,250</b>
<b>Recurrent Expenditure</b>	<b>6,530,359</b>		
Personal Emoluments	2,893,600		
<b>Other Staff Costs</b>	<b>336,000</b>		
Wages	9,250		
Travelling and transport	322,500		
Staff welfare	1,250		
Overtime	3,000		
<b>Other Goods and Services</b>	<b>2,050,759</b>		
Office expenses and incidentals	66,000		
Telephone bills	83,500		
Rent	1,290,000		
Maintenance and running of vehicles	65,000		
Office equipment and furniture	10,010		
Maintenance of buildings, grounds, plant and	35,000		
Training of staff	5,010		
I.T. facilities	15,000		
Electricity charges	99,500		
Publications	3,000		
Fees to Chairman and Members of Boards and	234,010		
Uniforms	5,969		
Security services	60,000		
Postage	11,250		
Printing and stationery	62,500		
Other operating expenses	5,010		
<b>Subsidies and other Current Transfers</b>	<b>1,250,000</b>		
Contribution to International Organisations	1,250,000		
<b>Staffing - funded positions</b>			
Managerial positions	1	1	1
Technical positions	4	4	4
Support positions	5	5	5
<b>Total</b>	<b>10</b>	<b>10</b>	<b>10</b>