
FOREWARD

1. Mauritius has put in place a budget management process that links allocation of public resources to clear outputs and agreed outcomes and provides a framework for reporting on results.
2. As Programme-Based Budgeting (PBB) enters its 6th year of implementation, further innovations and improvements are being brought in light of the response from stakeholders and tangible results achieved in terms of transparency and accountability in the use of public resources. It is important to stress that the shift to performance budgeting has not just been a technical or process change; it has involved a transition from a culture of administration to a culture of results management.
3. Significant progress has again been made in 2012 to move the reform process still further, more specifically in building a framework for bridging the planning function and the budgeting one and in enhancing a “**Whole-of-Government**” approach:
 - (i) A framework has been developed to initiate the formulation of a 10-year Economic and Social Transformation Plan (ESTP) which will set out the strategies and policies to unlock our growth potential. MOFED has worked with each Ministry and Department to jointly identify 10-year concrete outcome. This has led to the production of a 10-year National Vision Framework. The aim is to gradually link the ESTP to the PBB to ensure that resources go first to the long-term priorities that are essential to ensure the transition of Mauritius to a high-income country through sustainable and equitable development.
 - (ii) On that basis and as part of the PBB preparation process, a series of bilateral “Policy Dialogue” meetings have been held between policy-makers and high officials from MOFED with those of line ministries to discuss on strategic outcomes and policy priorities.
 - (iii) As a result, long-term outcome indicators have been formulated and included in the PBB, strengthening the link between Planning and Budgeting. By associating the medium-term and long-term changes to the programmes of Ministries and Departments, a step forward has been made in linking allocation of budgetary resources to longer term objectives.
 - (iv) A review of the PBB indicators has been conducted to ensure that the service standards meet the SMART criteria (Specific, Monitorable, Achievable, Relevant and Time-Bound) in line with the recommendations of the Director of Audit. Consequently, the PBB 2013-2015 has reduced the number of activity indicators to focus on indicators that will lead to an improvement in service delivery.
 - (v) A framework has been provided to document the specifications of all PBB indicators and help strengthen performance monitoring and reporting. To further improve the quality of performance information in the Budget, the PBB indicator templates will provide key information on how each indicator is precisely calculated and where this information is stored.
 - (vi) The preparation phase, including definition of all technical requirements, of the e-Budgeting system has been completed. The objective is to create a fully integrated macro-micro fiscal framework, enable systemic and deeper analysis, streamline allocation of resources and ease budget preparation.
4. For the coming years, various initiatives will be taken to consolidate existing reforms and strengthen the public financial management framework. These include:
 - (i) Develop the 10-year ESTP, integrating the Maurice Ile Durable (MID) concept and the commitments taken under the African Peer Review Mechanism;

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- (ii) Strengthen the 3-year PBB Strategic Planning Framework to ensure that budget allocations are firmly linked to long term ESTP Outcomes and expected impacts on public service delivery while broadening the preparation of PBB Strategic Plans to Local Authorities and remaining Statutory Bodies in phases;
 - (iii) Refine the programme/sub-programme structure to ensure that they are consistent with the long term outcome framework. This is essential in showing how the services of the ministry support its long term policy objectives and how resources are allocated;
 - (iv) Strengthen performance specifications to justify, target or reprioritise the allocation of resources, enhance budget transparency, monitor the quality of spending and hold spending agencies and managers to account;
 - (v) Implement the e-Budgeting System through integration/interfacing with the Treasury Accounting System (TAS), the PSIP Online Application and the TAS Salary Card System;
 - (vi) Implement e-procurement to enhance the procurement process in terms of reduction of procurement time and costs in line with the philosophy of sustainable procurement;
 - (vii) A White Paper will be issued for wide consultation on issues relating to public financial management and the results of this process would be used for the elaboration of a new Public Finance Management (PFM) legislative framework;
 - (viii) Introduce interim audits and follow up exercises to assess systems and procedures and conduct audits of accounts for the early detection of errors and weaknesses;
 - (ix) Introduce annual reporting by each Ministry/Department as a medium by which they will submit an integrated account of their financial and non-financial performance; and
 - (x) Develop spending reviews and evaluation of public policies in selected areas.
5. In light of the numerous milestones in the PFM reform process ahead, emphasis will be laid on capacity building and training of all stakeholders, greater use of information technology, use of technical expertise in planning and budgeting and learning and sharing of experiences with peer country groups.