

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

Circular No. 2 of 2016

My Ref: BUDGT/CALL/CIRCL/2016

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

2016/17 Budget Circular

You are kindly requested to submit by the 7th of April 2016 the budget proposals, both expenditure and revenue, of your Ministry/Department for the next three fiscal years, that is, 2016/17, 2017/18 and 2018/19. The Policy Guidelines for the preparation of your submission are set out below while the Operational Guidelines are at Annex I.

Macro-Fiscal Outlook

2. The 2016/17 Budget is being prepared in an adverse international economic environment characterised by a general economic slowdown particularly in the BRICS countries, low oil prices, and subdued growth in world trade. In addition, downside risks to the economic outlook for the US and Europe have significantly increased recently.

3. Against this backdrop, the challenge is to steer our economy rapidly towards a growth path of at least 5% annually to realise the Vision 2030 and attain the high income country status. In this regard, appropriate policies and measures will have to be implemented to further diversify our economy, boost private investment and employment creation, raise productivity to global competitiveness levels, embed digital technology in our development strategy and strengthen our economic resilience.

4. On the fiscal side, we are faced with a delicate balancing act. On the one hand, our public debt has reached a too high level and has to be brought on a downward path in line with Government's commitment to meet the target set in the Public Debt Management Act. We have also to contend with rising fiscal risks and contingent liabilities. On the other hand, investment in public infrastructure will have to be increased significantly and would entail higher borrowing. At the same time, we have to address meaningfully the immediate needs of the poor and the vulnerable groups.

5. This is, indeed, a dilemma which we will have to **collectively** resolve.

Policy Guidelines

6. The room for manoeuvre in the recurrent budget is very limited. This will be further exacerbated with implementation of the 2016 PRB report. Moreover, growth-enhancing infrastructure projects under implementation and in the pipeline will absorb more public resources in the coming years. Additional resources will also be required for the restructuring of public enterprises.

7. After considering the above constraints, challenges and targets, MOFED has carefully worked out the expenditure ceilings for each Ministry and Sector. These will be communicated to you individually. You are requested to ensure that your expenditure proposals are within the set ceilings.

Operational Guidelines for Budget Submission

Expenditure Proposals

Ministries/Departments are required to work out their expenditure proposals within the expenditure ceilings (one under the **recurrent budget** and one under the **capital budget**) that will be communicated to them shortly.

2. These ceilings have been worked out on the basis of the indicative estimates for fiscal years 2016/17 and 2017/18 that were published in the 2015/16 Budget documents which have been duly adjusted to take into account the following:
- (i) status and actual pace of implementation of projects;
 - (ii) changes in cost of providing certain services;
 - (iii) changes in the number of beneficiaries under existing schemes;
 - (iv) firm policy decisions and expenditure commitments taken during the year; and
 - (v) overall fiscal constraint and the need for efficiency gains/reduction in wastage.

Compensation of Employees

3. The expenditure ceiling for each Ministry/Department already includes appropriate provision in respect of unfilled posts for which funding was provided in the last budget and in the course of this fiscal year. It does not yet include provision in relation to the 2016 PRB Report for which adjustments will be made to the Line Ministry's budget by MOFED, once the report is approved and cost implications known.

Mission Expenses

4. The ceilings have also made provision for mission expenses at individual Ministry level in view of the decision to decentralise the budget for such expenses for administrative convenience. Ministries should, therefore, include proposals for mission expenses in their submissions.

Flexibility

5. Within each expenditure ceiling, Accounting Officers will have the flexibility to allocate resources to different expenditure Sub-Heads and Items for the delivery of services as per their priority. They may also reallocate resources from current expenditure to capital expenditure especially for new projects, but not vice-versa.

6. Consideration may be given to new capital projects that are critical to unlocking growth prospects provided that they are well-prepared and properly costed with realistic implementation plan and clear monitorable results.

implemented and planned under the purview of your Ministry, including those being implemented by parastatal bodies and SOEs, and irrespective of the source of financing (Consolidated Fund, Build Mauritius Fund, own funds and Public Private Partnership).

15. In addition, for projects above Rs 100 million, Ministries should submit information as per **Annex VI** for analysis and monitoring of progress.

16. Proposals for new capital projects should invariably be submitted as per the Project Request Form (PRF) for examination and eventual approval.

17. You are reminded that all capital projects with a project value above Rs 25 million should be submitted first to the Project Plan Committee (PPC) before they can be considered for inclusion in the Public Sector Investment Programme (PSIP) and eventually in the Budget, subject to financial constraints. As to projects with a value of up to Rs 25 million, they can be submitted directly to MOFED.

18. The information requested about should be submitted to the PSIP Unit of MOFED at psip@mofed.gov.mu.

Statutory Bodies

19. As in past years, Ministries should submit updated information on the financial standing of any statutory body seeking funding from Government as per **Annex VII**. As will be appreciated, such information will be essential for examination of any funding request.

Supplementary Appropriation for FY 2015/16

20. You may also wish to note that this Ministry is proposing to introduce a Supplementary Appropriation Bill before the presentation of the next budget so as to cover additional expenditure commitments taken in the course of the current fiscal year.

Strategic Note of Ministry/Department

21. In addition to the financial proposals, Ministries/Departments are requested to submit a Strategic Note as per **Annex II (c)** to be included in the National Budget documents.

22. This Strategic Note aims at giving the National Assembly and the public in general an overview of what the Ministry/Department undertakes to achieve with the resources that have been appropriated.

23. The Strategic Note should not exceed two pages and should consist of the following:

- (a) Mission Statement;
- (b) Strategic Direction 2016-2019;
- (c) Main Achievements for FY 2015/16;
- (d) Key Actions for FY 2016/17; and
- (e) Human Resource Allocation.

E-Budget System/ Submission of Budget Proposals

33. Ministries/Departments are requested to submit both their expenditure proposals and revenue estimates by e-mail to the relevant responsible officer of the Sector Ministry Support Team (SMST) of MOFED as indicated in **Annex IV**. A copy of the expenditure proposals should also be sent to the Budget Expenditure Management Cluster (jramyed@govmu.org) and a copy of the revenue estimates to the Non-Tax Revenue Cluster (mbheekhee@govmu.org).

34. The budget preparation process has now been computerised with the introduction of the e-Budget System in Central Government. Ministries/Departments have been accordingly connected to the e-Budget Application. Finance Officers posted in Ministries/Departments have also been trained to operate the system. You are, therefore, requested to arrange for inputting your expenditure proposals and revenue estimates in the E-Budget System which is now operational for this budgeting exercise.

35. Following receipt of your proposals, the relevant SMST and other officers of MOFED will hold technical working sessions with your officers to prepare for the Budget Estimates Committee meetings. These Estimates Committee meetings are expected to be held in mid-April. You will be informed of the date, time and venue in due course.

VOTE XX :

Rs 000

Item No.	Details	2015/16 Estimates	2015/16 Revised Estimates	2016/17 Estimates	2017/18 Planned	2018/19 Planned
.002	Salary Compensation					
.003	Extra Remuneration					
.004	Allowances					
21111	Other Staff Costs					
.001	Wages					
.002	Travelling and Transport					
21210	Social Contributions					
.001	Contribution to the National Savings Fund					
22	Goods and Services					
22010	Cost of Utilities					
.001	Electricity and Gas charges					
.002	Telephone					
22020	Fuel and Oil					
.001	Vehicles					
22030	Rent					
.001	Rental of building					
.002	Rental of parking slots					
22040	Office Equipment and Furniture					
.001	Office Equipment					
.002	Office Furniture					
25	Subsidies					
xxxxx					
xxx					
26	Current Grants					
xxxxx					
26313	Extra Budgetary Units					
Capital Expenditure						
		Project Value Rs 000				
26	Grants					
26323	Extra-Budgetary Units					
xxx					
28	Other Expense					
28221	Transfers to Non-Profit institutions					
xxx					
31	Acquisition Of Non-Financial Assets					
31112	Non-Residential Buildings					
xxx					
32	Acquisition Of Financial Assets					
xxxxx					
xxx					
TOTAL						

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

Annex IV

Annex IV - List of Officers and Contact Details

Sector	Responsible Officer & Contact Details	Team member	Tel. No.	Email Address
SOCIAL PROTECTION				
Social Security, National Solidarity and Reform Institutions	MR J. MOWNAH (LA) Tel: 201 3945 jmownah@govmu.org	Mrs R. Jheengut [A]	201 3950	rjheengut@govmu.org
Social Integration and Economic Empowerment		Ms R. Moosoohur (STM)	201 3980	rmoosoohur@govmu.org
		Mr S. Aukhjee [A]	201 1104	saukhjee@govmu.org
		Ms. A. Muslun [A]	201 3980	amuslun@govmu.org
		Mrs N. Ramasamy(FO)	201 1224	nnaidoo-ramasamy@govmu.org
MANPOWER & CAPACITY BUILDING				
Education and Human Resources	MR C. PADDIA (LA) Tel : 201 1153 cpaddia@govmu.org	Mrs K. Sew Hee [A]	201 1145	spiang-sang-sew-hee@govmu.org
Tertiary Education (Incl. Knowledge Hub)		Ms S. Mamode Hosmun [A]	201 1158	sbmamodehosmun@govmu.org
Labour and Employment		Mrs K. Nunkoo-Puttur [A]	201 1761	snunkoo@govmu.org
Skills Working Group		Ms R. Docile [A]	201 2879	pdocile@govmu.org
		Ms R. Purahoo [A]	201 3760	rpurahoo@govmu.org
		Mrs S. Rama-Subhoo [FO]	201 2822	sramasubhoo@govmu.org
HOUSING & HEALTH				
Housing and Lands (Incl. Social Housing)	MR L. GOORAH (LA) Tel: 201 1343 lgoorah@govmu.org	Mr P. Benee [A]	201 1259	pbenee@govmu.org
Health and Quality of Life		Mr S. Majje [A]	201 2502	smajje@govmu.org
		Ms D. Heerah [A]	201 2752	dheerah@govmu.org
		Mr M. A. Peters [A]	201 1259	mpeters@govmu.org
		Mr R. Dhoomun (AMFO)	201 3892	rdhoomun@govmu.org
FAMILY, YOUTH & CULTURE				
Youth and Sports	Dr D. PALIGADU (Director) Tel: 201-3902 dpaligadu@govmu.org	Mrs. P. Bhantooa [A]	201 3950	pbhantooa@govmu.org
Arts and Culture		Mrs F. Codabux (FO)	201 2594	fcodabux@govmu.org
Gender Equality and Child Development (Incl. Ombudsperson for Children Office)		Mrs. P. Bhantooa [A]	201 3950	pbhantooa@govmu.org
		Mr J. Tangman [A]	201 3950	jtangman@govmu.org
		Mrs N. Ramasamy(FO)	201 1224	nnaidoo-ramasamy@govmu.org
ENVIRONMENT				
Environment, Sustainable Development, Solid waste & Beach Management (Incl. National Disaster Management)	Mrs W. ELAHEE-DOOMUN (LA) Tel: 201 2390 welahee-doomun@govmu.org	Ms S. Ramprosand [A]	201 3375	sramprosand@govmu.org
		Mr D. Sockalingum (FO)	201 2896	dsockalingum@govmu.org
PUBLIC UTILITIES				
Energy, Water, Waste Water and Radiation Protection Services Procurement Issues & PPP Issues	Mrs S. APPANAH (LA) Tel: 201 3750 sappanah@govmu.org	Mr H.R Urdhin [A]	201 2328	hurdhin@govmu.org
		Mr S. Oozeer [A]	201 2328	soozeer@govmu.org
		Mrs M. Moolye(FO)	201 2767	mmoolye@govmu.org
INFRASTRUCTURE				
Public Infrastructure and Land Transport National Development Unit (Incl. Build Mauritius Fund)	MR C. CHARITAR (LA) Tel: 201 1566 ccharitar@govmu.org	Mr A. Ramdhany [A]	201 1420	aramdhany@govmu.org
		Mr S. Mohungroo [A]	211 8159	smohungroo@govmu.org
		Ms R. Rumzan-Maudarbaccus	201 2566	rarumzan@govmu.org
		Mr G. Buckhory (STM)	201 2222	gbuckhory@govmu.org
		Mr D. Sockalingum (FO)	201 2896	dsockalingum@govmu.org

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

CONTACT LIST

Sector	Responsible Officer & Contact Details	Team member	Tel. No.	Email Address
PUBLIC DEBT MANAGEMENT				
Public Debt Management	Mr K. GUPTAR <i>(Advisor)</i> Tel: 201 1577 <i>kguptar@govmu.org</i>	Mr S. Mohajur (SA)	201 3723	smohajur@govmu.org
Loans Administration		Mr M. Ramen [A]	201 2958	mramen@govmu.org
		Mr K. Domah [A]	201 2955	kdomah@govmu.org
		Mrs T. Chinien [A]	201 2940	tchinien@govmu.org
BUDGET EXPENDITURE MANAGEMENT				
Appropriations & Supplementary Appropriations	Mr A. ACHARUZ <i>(Director)</i> Tel: 201 1308 <i>aacharuz@govmu.org</i>	Mr J. Ramyed [A]	201 3728	jramyed@govmu.org
Public Expenditure Monitoring & Management		Mr A. Dreepaul [A]	202 3728	adreepaul@govmu.org
Centrally Managed Expenditure		Mrs L. Mohit-Hooper [A]	201 2606	lhooper@govmu.org
Medium Term Expenditure Framework (MTEF)		Mr S. K. Fowdur [A]	202 2606	sfowdur@govmu.org
PUBLIC FINANCIAL MANAGEMENT				
Public Financial Management Legislations	Mr A. ACHARUZ <i>(Director)</i> Tel: 201 1308 <i>aacharuz@govmu.org</i>	Mrs N. Aubdoolah-Suhootoorah [A]	201 3761	nsuhootoorah@govmu.org
Financial Management Manual		Mr A. Mooteea [A]	201 1158	rmooteea@govmu.org
Performance Based Budgeting Framework & Indicators		Ms A. Salih Ahmad (STM)	201 3761	asahmad@govmu.org
MEDIUM TERM FISCAL FRAMEWORK & PSIP				
Medium Term Fiscal Framework (MTFF)	Mr A. ACHARUZ <i>(Director)</i> Tel: 201 1308 <i>aacharuz@govmu.org</i>	Mr R. Hittoo [A]	201 3464	rhittoo@govmu.org
Statistics & Economic Indicators (incl.GFS)		Ms N. Hingah [A]	201 3464	bhingah@govmu.org
		Mrs F. Lowtun-Boolakee [A]	201 2762	flowtun-boolakee@govmu.org
Public Sector Investment Programme		Mr R. Sultoo [A]	201 3733	rsultoo@govmu.org
		Mr S. Oozeer [A]	201 2328	soozeer@govmu.org
DIRECT TAXATION				
Income Taxation	Mr J. SUHOOTOORAH (LA) Tel: 201 3517 <i>ssuhootoorah@govmu.org</i>	Mr G. Sokeechand [A]	201 3734	gsokeechand@govmu.org
Property Taxation		Mr K. Suddason [A]	201 1996	ksuddason@govmu.org
Land Development Issues		Ms S. Gowrydoss [A]	201 3517	swgowrydoss@govmu.org
INDIRECT TAXATION				
Indirect Taxation (incl. Green taxation)	Mr M. BEEKHEE (LA) Tel: 201 1078 <i>mbheekhee@govmu.org</i>	Ms R. Goolamamode [A]	201 1257	rgoolamamode@govmu.org
Non Tax Revenues		Ms N. Codadeen [A]	201 3462	bncodadeen@govmu.org
Revenue Policy		Mr S. Doorgapersand [A]	201 1231	sdoorgapersand@govmu.org
MACRO-FISCAL RISKS				
Long Term Fiscal risks (incl. Pension Issues & State-Owned Enterprises)	MR K. SEEBUNDHUN (LA) Tel: 201 1818 <i>kseebundhun@govmu.org</i>	Mr V. Ramkelawon [A]	201 1616	vramkelawon@govmu.org
Assets and Liabilities		Mr A. Rughoobur [A]	201 2767	arughoobur@govmu.org
		Mrs K. Vyapooree-Ponin [A]	201 2492	kvyapooree-ponin@govmu.org

PSIP 2016 - 2021

Updated Financial Profiles of On-going Investment Projects

Psp Code	Description	Agency	Vote	Start/ Finish Date	Status	Financing		Original Project Value	Revised Project Value	Cumulative Expenditure up to 31.12.2014	Actual Expenditure (Jan-Jun) 2015	2015/16 (Jul-Jun) Estimates	Actual Expenditure (Jul 2015 -Feb 2016)	2015/16 Revised Estimates	2016/17 Estimates	Projections			
						Local	Foreign									2017/18	2018/19	2019/20	2020/21
	Consolidated Fund																		
	Project 1																		
	Project 2																		
	Special Fund																		
	Project 1																		
	Project 2																		
	Parastatal Bodies																		
	Project 1																		
	Project 2																		
	Public Private Partnerships																		
	Project 1																		
	Project 2																		
	<i>etc</i>																		

Rs Million

Public Sector Bodies: Financial Information

Public Body:

A: Income & Expenditure Information

Rs Million

Details	2014 Actual	2015 Actual	2016/17 Estimates	2017/18 Planned	2018/19 Planned
TOTAL INCOME					
Grant from Government					
Own-Source Revenue					
⇒ Revenue 1					
⇒ Revenue 2					
⇒					
Other Income					
TOTAL EXPENDITURE					
Recurrent Expenditure					
Capital Expenditure					
Surplus/Deficits					

B: Other Financial Information

Details	Balance as at 31 Dec 2014	Balance as at 31 Dec 2015	Estimated Balance as at 30 Jun 2016
Debtors			
Cash & Bank Balance			
Investment			
⇒ Fixed deposit			
⇒ Treasury Bills			
⇒ Others.....			
Creditors			
Bank Overdraft			
Reserve			
Loans			
Contingent Liabilities			
⇒ Pension			
⇒ Financial Litigation			

