

MINISTRY OF FOREIGN AFFAIRS & INTERNATIONAL COOPERATION AND EXTERNAL TRADES

INTRODUCTION AND KEY FINDINGS

The Ministry of Foreign Affairs, International Cooperation and External Trade (MFAICET) is mandated to promote the national interests in creating, managing and maintaining friendly relations with bilateral and multilateral partners at the regional and multilateral level. The Ministry also promotes, defends and executes Vanuatu's policy position on important issues that ensures domestic interests are achieved.

And in ensuring that Vanuatu's national interests are attained, the Ministry carries out its responsibility as the country's official point of contact in the negotiations of any bilateral/multilateral relations and by engaging both the domestic actors with the international players in a bilateral and multilateral arena.

The Ministry is also responsible for providing protocol and consular assistance to Ni-Vanuatu either travelling or residing overseas. Ministry continues to play a supportive role in promoting Vanuatu's developing commercial interests in areas of tourism and investment opportunities, including identifying export markets for Vanuatu products. These responsibilities are achieved through the work program of Vanuatu's permanent overseas missions. Similarly, the Ministry facilitates and provides protocol and diplomatic services to foreign dignitaries, both resident and visiting. The work of the Ministry through Foreign diplomatic service continues to grow with both consular and diplomatic representations now being strengthened. These responsibilities are fulfilled with the assistance of Vanuatu permanent missions through their work program overseas.

Vanuatu Overseas Missions (OSM) currently includes the following: Vanuatu Permanent Mission to the United Nations, New York, USA; Embassy of Vanuatu to the People's Republic of China, Beijing, China; Embassy of Vanuatu to the European Union, the Kingdom of Belgium, France and United Kingdom; Vanuatu Consulate Nouméa, New Caledonia; Vanuatu Consulate Auckland, New Zealand; Vanuatu High Commission, Suva, Fiji; and Vanuatu High Commission, Canberra, Australia.

The Ministry is implementing these objectives: to project a positive image of Vanuatu internationally and to maintain healthy relations; to ensure strategic representation through diplomatic and consular appointments abroad; to have an ethical, professional and responsive high performing Ministry; to increase economic opportunities through Development Corporation and Consular initiatives; to provide efficient diplomatic, protocol consular assistance to ni-Vanuatu travelling or residing overseas; to manage Vanuatu's unresolved maritime boundaries and territorial disputes; and to secure increased market access for Vanuatu's goods and services, facilitate investments and boost specialization in areas of competitive advantage.

SUMMARY OF KEY FINDINGS

Area	Finding
Budget Management and Planning	Analysis shows that MFAICET had an allocated 2017 annual budget of VT 569,501,422 plus VT143, 667,300 for international organization fee and arrears that is kept under MFEM. The Ministry had already spent 55.7 percent of the annual budget (VT 569,501,422).
Activity and Cost Centre Management and Planning	All cost centers had overspent their annual allocated budget in the third quarter of the year from 11.4 to 73.5 percent. This resulted in the overall Ministry overspending. The bulk of the overspending came from the Department of External Trade and this was due to funds being advanced from the future period and expended in the first half of the year.

Payroll Budget Management and Planning	The third quarter budget for payroll for 2017 was VT174,508,229 and total expenditure was VT 159,814,243. The Ministry had underspent on its payroll budget by 8.4 percent or VT 14.7 million in the third quarter of the year.
Operation Budget Management and Planning	The third quarter year budget for operation for 2017 was VT 88,817,770 and total expenditure was VT 157,491,954. The Ministry had overspent on its operation budget by 77.3 percent or VT 68,7 million in the third quarter of the year.
Detailed Charts of Accounts In Payroll Expenditure Management and Planning	<p>Total expenses of unbudgeted items for the third quarter of 2017 was VT 20.5 million. This is about VT 16 million more than the third quarter of 2016. Major expenses are from leave VT 6.1 million, other allowances VT 5.5 million, acting allowances VT 3.4 million, housing allowances VT 2.1 million and special allowances VT 1.7 million.</p> <p>Most of the chart of accounts have no allocated budget year after year even with increasing expenditure. The Ministry needs to budget accordingly.</p>
Detailed Chart of Accounts in Operation Expenditure Management and Planning	<p>Total expenses of unbudgeted items for the third quarter of 2017 was VT 82.4 million. This is a about 21.9 million more than 2016 in the same period. Major expenses are from operating grant which was 17.5 million, termination payment VT 9.9 million, international organisation VT 9.8 million, additional vehicle VT 8.5 million, subsistence allowances VT 8 million, office rental VT7.4 million, inciidental Vt 4.4 million, international accomodation VT 3 million, VAT VT 2.9 million, official entertainment VT 2.6 million, international organisation fees VT 1.7 million, facilities hire VT 1.5 million and insurance 1.2 million.</p> <p>Most of the chart of accounts are either overspent or not budget for in the third quarter of 2017 and also in previous years in the same period. MFAICET needs to allocate enough funds to minimise spending on the unbudgeted chart of accounts or overspending on the budgeted accounts.</p>
Current Revenue Planning and Management	The Ministry collected VT 1,323,388 in the third quarter of 2017 compared to VT 4,501,222 in the same period last year, 2016.
Asset Management	The Ministry had spent 19.5 percent of its third quarter budget on additional equipment.
Virements	There was a total of 11 virements processed in the third quarter of 2017 with a value of VT 24 million compared to 3 virement with a value of VT8.1 million in the same period in 2016.
Imprest Management	At the end of the third quarter of 2017, the Ministry had a total of VT 2,758,248 outstanding imprest to reitre.

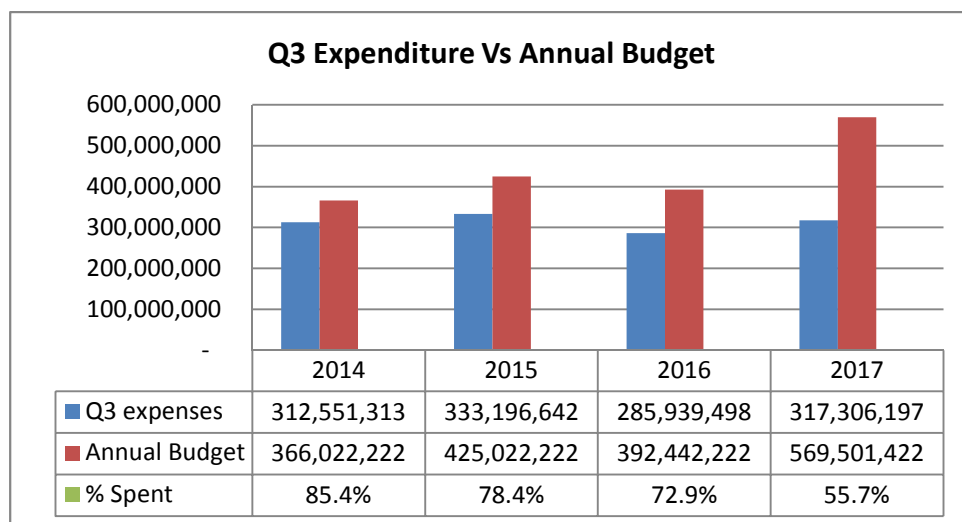
FINANCIAL MANAGEMENT ASSESSMENT

1. BUDGET PERFORMANCE

1.1 Overall Budget Management and Planning

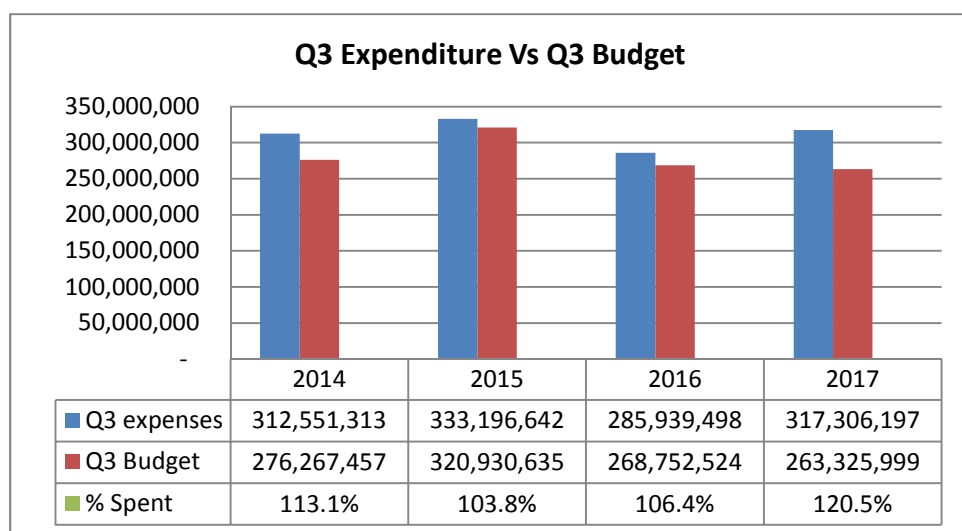
Analysis shows that MFAICET had an allocated 2017 annual budget of VT 569,501,422 plus VT143, 667,300 for international organization fee and arrears that is kept under MFEM. The Ministry had already spent 55.7 percent of the annual budget (VT 569,501,422).

Figure 1: Expenditure Vs Budget



The above graph shows the expenditures up to quarter three against the annual budget for 2017 and the past three years in the same period.

Figure 2: Half yearly Expenses Vs Half yearly Budget



The graph above shows the expenditures up to quarter three against quarter three (January to September) budget allocations and for 2017 and the past three years.

1.2 Activity and Cost center management and planing

The Department of External Trades (Cost center 390) budget was overspent by 73.5 percent of its third quarter budget or by VT 12.4 million. The Department had already spent 78.7percent of its annual budget and with that current rate of spending , it is most likely that the Department will overspent its budget at the end of the year. A contributing factor to the overspending is the advanced release of the NPP funds in the future period that was expended in the third quarter of the year.

The Cabinet and DG's office (Cost center 410) budget was overspent by 47.4 percent of its third quarter budget or 17.6 million. This cost center had already spent 69.5 percent of its annual budget and with that current rate of spending, it is most likely that there will be some left over funds at the end of the year.

The Department of Foreign Affairs (Cost center 440) budget was overspent by 11.4 percent or VT 24 million. The Department had already spent 51.4 percent of its annual budget and with that current rate of spending, it is most likely that there will be some left over funds at the end of the year.

Table1: Cost centers budget and expenditures

Account	Description	Actual	Commitment	Total	Budget	Under/(Over)
39AA	External Trade Negotiation Division					
	Personnel Expenses	5,919,253	-	5,919,253	7,676,035	1,756,782
	Operating Expenses	1,372,018	750,780	2,122,798	1,662,354	(460,444)
39AA	External Trade Negotiation Division	7,291,271	750,780	8,042,051	9,338,389	1,296,338
39AG	External Trade Policy & Administration Division					
	Personnel Expenses	4,340,279	2,056	4,342,335	4,511,306	168,971
	Operating Expenses	15,135,564	1,595,674	16,731,238	2,824,952	(13,906,286)
39AG	External Trade Policy & Administration Division	19,475,843	1,597,730	21,073,573	7,336,258	(13,737,315)
39AH	External Trade Opportunities					
	Operating Expenses	7,800	223,900	231,700	240,804	9,104
39AH	External Trade Opportunities	7,800	223,900	231,700	240,804	9,104
41AA	Cabinet Operations					
	Personnel Expenses	21,963,892	12,906	21,976,798	20,114,802	(1,861,996)
	Operating Expenses	6,097,292	318,591	6,415,883	(1,654,460)	(8,070,343)
41AA	Cabinet Operations	28,061,184	331,497	28,392,681	18,460,342	(9,932,339)
41AB	Office of the DG					
	Personnel Expenses	8,972,011	28,235	9,000,246	7,087,096	(1,913,150)
	Operating Expenses	16,395,819	904,330	17,300,149	11,553,558	(5,746,591)
41AB	Office of the DG	25,367,830	932,565	26,300,395	18,640,654	(7,659,741)
44BA	Permanent Mission to the United States					
	Personnel Expenses	21,623,756	-	21,623,756	20,754,236	(869,520)
	Operating Expenses	8,041,650	733,009	8,774,659	2,999,988	(5,774,671)
44BA	Permanent Mission to the United States	29,665,406	733,009	30,398,415	23,754,224	(6,644,191)
44BB	Consul, Noumea					
	Personnel Expenses	5,734,136	-	5,734,136	8,676,262	2,942,126
	Operating Expenses	4,218,947	113,695	4,332,642	1,542,997	(2,789,645)
44BB	Consul, Noumea	9,953,083	113,695	10,066,778	10,219,259	152,481
44BC	Embassy, Brussels					
	Personnel Expenses	15,661,505	-	15,661,505	17,421,796	1,760,291
	Operating Expenses	8,235,905	938,170	9,174,075	4,499,973	(4,674,102)

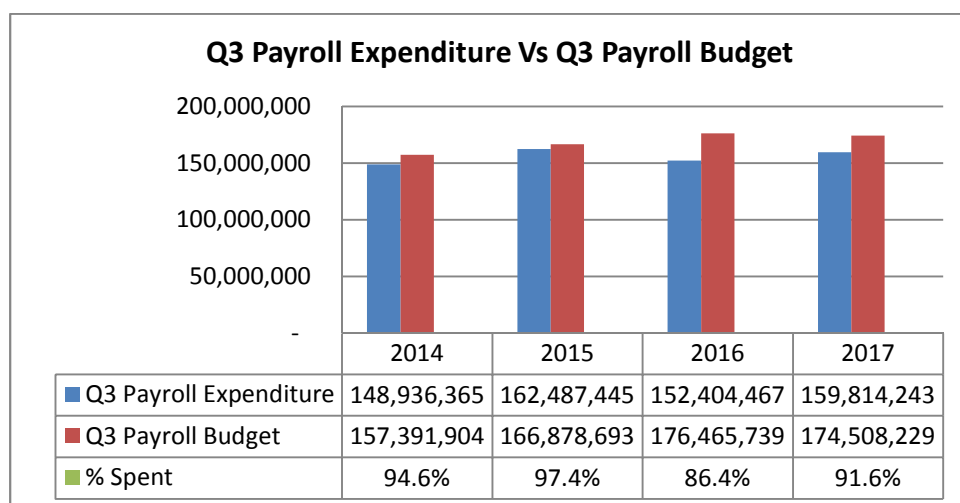
44BC	Embassy, Brussels	23,897,410	938,170	24,835,580	21,921,769	(2,913,811)
44BD	Embassy Beijing					
	Personnel Expenses	12,224,084	-	12,224,084	18,245,211	6,021,127
	Operating Expenses	9,501,563	11,780	9,513,343	5,624,973	(3,888,370)
44BD	Embassy Beijing	21,725,647	11,780	21,737,427	23,870,184	2,132,757
44BE	Consulate, Auckland					
	Personnel Expenses	4,606,873	-	4,606,873	4,845,450	238,577
	Operating Expenses	6,332,972	-	6,332,972	2,624,985	(3,707,987)
44BE	Consulate, Auckland	10,939,845	-	10,939,845	7,470,435	(3,469,410)
44BF	High Commission, Suva					
	Personnel Expenses	7,864,779	-	7,864,779	10,542,096	2,677,317
	Operating Expenses	3,821,400	420,000	4,241,400	2,999,997	(1,241,403)
44BF	High Commission, Suva	11,686,179	420,000	12,106,179	13,542,093	1,435,914
44BG	Canberra Mission					
	Personnel Expenses	11,860,628	-	11,860,628	13,086,458	1,225,830
	Operating Expenses	8,760,831	336,840	9,097,671	6,749,982	(2,347,689)
44BG	Canberra Mission	20,621,459	336,840	20,958,299	19,836,440	(1,121,859)
44CC	Honorary Consuls					
	Operating Expenses	5,856,125	1,279,724	7,135,849	7,566,416	430,567
44CC	Honorary Consuls	5,856,125	1,279,724	7,135,849	7,566,416	430,567
44DD	Protocol & Consular					
	Operating Expenses	353,715	138,730	492,445	524,997	32,552
44DD	Protocol & Consular	353,715	138,730	492,445	524,997	32,552
44DF	Corporate Services					
	Personnel Expenses	33,342,551	208,680	33,551,231	36,052,050	2,500,819
	Operating Expenses	19,212,821	4,730,640	23,943,461	7,162,330	(16,781,131)
44DF	Corporate Services	52,555,372	4,939,320	57,494,692	43,214,380	(14,280,312)
44DG	Grant to MSG					
	Operating Expenses	30,000,000	-	30,000,000	30,000,000	-
44DG	Grant to MSG	30,000,000	-	30,000,000	30,000,000	-
44DH	Maritime & Ocean Affairs Division					
	Personnel Expenses	5,448,619	-	5,448,619	5,495,431	46,812
	Operating Expenses	1,429,249	222,420	1,651,669	1,893,924	242,255
44DH	Maritime & Ocean Affairs Division	6,877,868	222,420	7,100,288	7,389,355	289,067
	Total Expenditure	304,336,037	12,970,160	317,306,197	263,325,999	(53,980,198)

Source: Department of Finance & Treasury

1.3. Payroll Budget Management and Planning

The third quarter budget for payroll for 2017 was VT174,508,229 and total expenditure was VT 159,814,243. The Ministry had underspent on its payroll budget by 8.4 percent or VT 14.7 million in the third quarter of the year.

Figure 3: Payroll Expenditure Vs Payroll Budget



The above graph shows payroll expenditure versus payroll budget for the third quarter of 2017 and the same period in the past three years.

1.4 Detailed Chart of account in Payroll Expenditures Management and Planning.

The table below shows the payroll expenses by chart of accounts from 2014 to 2017 in the third quarter of the year. The highlighted yellow are expenses against no allocated budget, the highlighted green are overspent chart of accounts.

Table 2: Payroll Chart of accounts 2014-2017

Account	Description	2014 Expenditure	2014 Budget	2015 Expenditure	2015 Budget	2016 Expenditure	2016 Budget	2017 Expenditure	2017 Budget	% Spent
	Personnel Expenses									
8AAA	Acting Allowances	193,103	-	1,113,120	-	938,615	-	3,413,663	-	
8AAB	Responsibility Allowance	379,704	-			443,919	-	193,649	-	
8AAF	Family Allowance	1,084,319	820,258	1,440,418	1,011,590	1,146,952	1,455,827	1,152,538	32,789,511	3.5%
8AAG	Gratuitie Allowances	1,753,706	-	1,514,156	-	694,525	-	166,922	-	
8AAH	Housing Allowances	31,100,450	22,174,888	37,078,590	12,504,307	32,838,565	35,218,487	35,313,423	33,165,011	106.5%
8AAO	Other Allowances	6,313,029	35,927,319	7,294,554	30,096,988	9,595,872	12,405,438	5,648,270	175,388	3220.4%
8AAP	Home Island Passage Allowances	376,751	181,169	81,734	103,525	201,424	150,020	115,597	138,844	83.3%
8AAS	Special Allowances	2,195,013	-	426,393	-	734,299	-	1,719,627	-	
8ASP	Provident Fund	4,384,966	5,654,952	4,315,680	5,110,099	4,232,229	5,138,522	4,351,925	5,450,522	79.8%
8AWC	Contract Wages			2,131,548	-	1,133,934	-	980,365	-	
8AWD	Daily Rated Wages	-	2,549,643	-	956,115	-	315,400	-	629,924	0.0%
8AWL	Leave expense	2,373,693	-	2,089,355	-	177,906	-	6,140,931	-	
8AWO	Overtime Wages	495,258	7,392	457,451	-	292,462	-	308,992	-	
8AWP	Permanent Wages	98,286,373	102,069,106	104,544,446	95,687,542	99,973,765	116,054,297	100,308,341	102,668,038	
PAYR	Payroll expenses	-	(11,992,823)	-	21,408,527	-	5,727,748	-	(509,009)	0.0%
	Personnel Expenses	148,936,365	157,391,904	162,487,445	166,878,693	152,404,467	176,465,739	159,814,243	174,508,229	91.6%

Source: Department of Finance & Treasury

Unbudgeted Items

Total expenses of unbudgeted items for the third quarter of 2017 was VT 20.5 million. This is about VT 16 million more than the third quarter of 2016. Major expenses are from leave VT 6.1 million, other allowances VT 5.5 million, acting allowances VT 3.4 million, housing allowances VT 2.1 million and special allowances VT 1.7 million.

Most of the chart of accounts have no allocated budget year after year even with increasing expenditure. The Ministry needs to budget accordingly.

Figure 4: Payroll 2017 third quarter of the year overspent chart of accounts

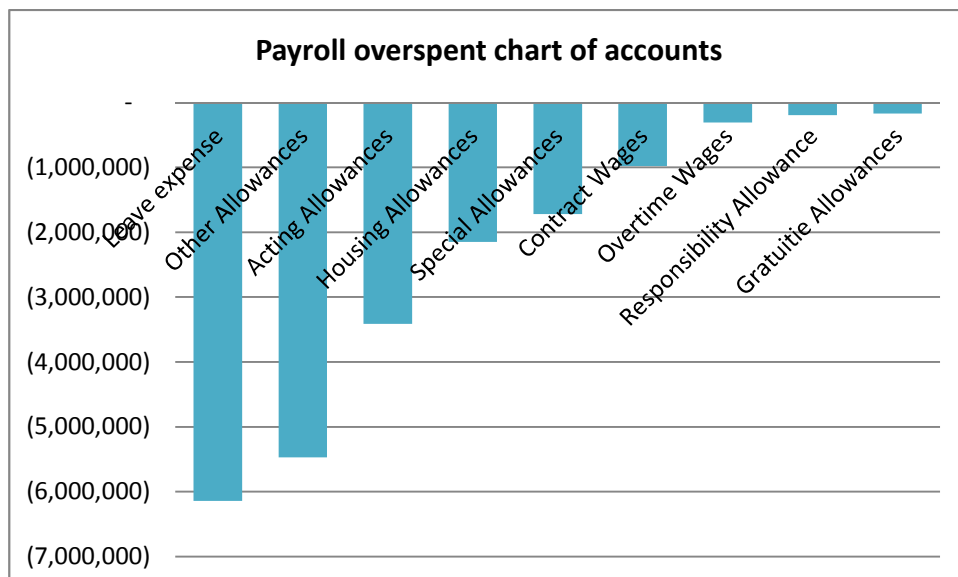
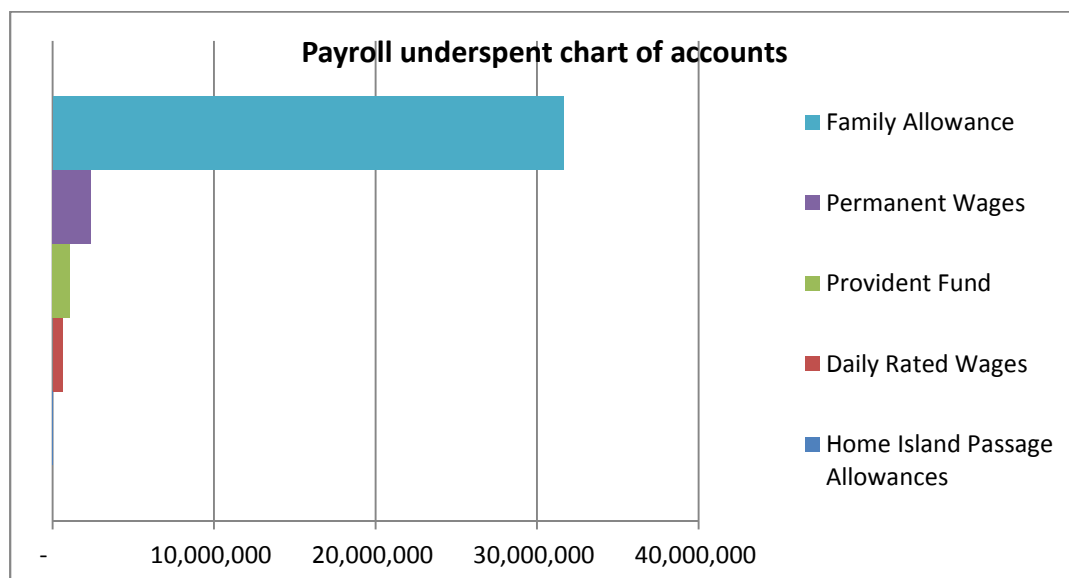


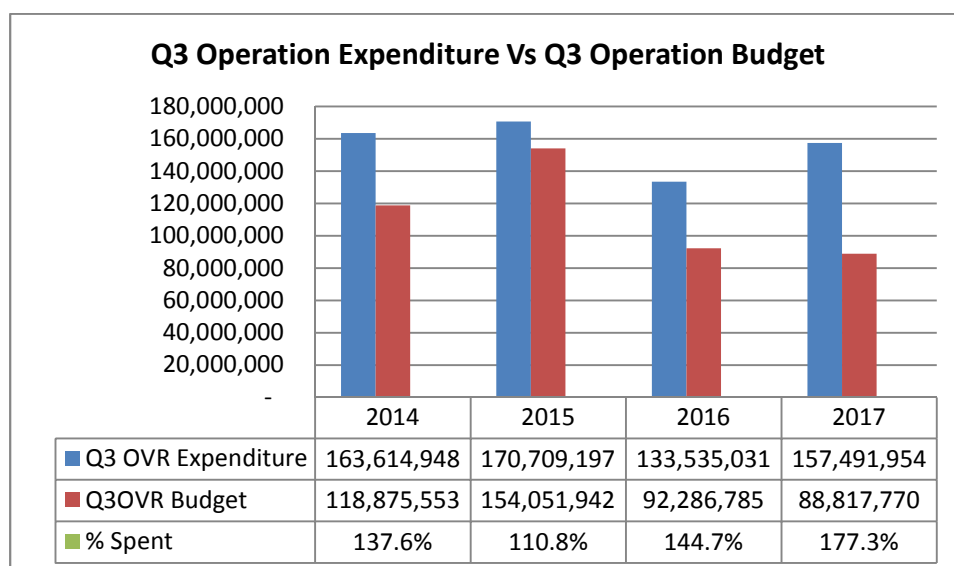
Figure 5: Payroll 2017 third quarter of the year underspent chart of accounts



1.5. Operation Budget Management and Planning

The third quarter year budget for operation for 2017 was VT 88,817,770 and total expenditure was VT 157,491,954. The Ministry had overspent on its operation budget by 77.3 percent or VT 68,7 million in the third quarter of the year.

Figure 6: Operation Expenditure Vs Operation Budget



The above graph shows operation expenditure versus operation budget for the third quarter of 2017 and for the same period in the past three years.

1.6 Detailed Chart of Accounts in Operation Expenditure Management and Planing.

Below is the table detailing the expenses and budget for all chart of accounts in the operation from 2014 to 2017 in the first nine months of the year. The highlighted yellow are expenses against no allocated budget, the highlighted green are overspent chart of accounts.

Table 3: Operation Chart of accounts 2014-2017

Description	2014 Expenditure	2014 Budget	2015 Expenditure	2015 Budget	2016 Expenditure	2016 Budget	2017 Expenditure	2017 Budget	% Spent
Operating Expenses									
Subsistence Allowances	7,211,680	988,750	9,633,198	1,648,717	10,966,325	3,761,208	11,174,152	3,161,214	353.5%
Repatriation Allowances			1,258,923	-	1,313,800	-			
Sitting Allowances	65,000	-	-	15,000	-	11,250	30,000	15,000	200.0%
International Accommodation	263,706	2,488,050	243,089	300,000	6,038,602	899,991	3,570,280	599,994	353.5%
Local Accommodation	44,711	305,550	319,333	237,981	428,010	237,978	101,366	237,978	42.6%
Local Courses	21,735	-	23,035	-	4,808	-			
Security Services	1,319,287	480,150	80,000	-	549,800	-	520,000	1,349,991	38.5%
Other Fees	-	1,609,343	-	4,122,792	-	-			
Vehicles Fuel	3,451,368	1,519,020	1,295,642	1,358,000	1,453,621	1,875,222	1,333,752	2,024,991	65.9%
Mail Carriage Freight			8,889	-	12,996	-	-	-	
Other Charges - Freight			1,932,573	-					
Transport - Freight	-	17,460	5,100	37,500	527,183	37,503	350,000	37,503	933.3%
International Medical Treatment					272,125	-			
Local Medical Treatment	582,721	-	480,856	-	2,002,295	-	862,447	-	
Other Medical Treatment	2,167	-							
Boat Hire			4,000	-					

Equipment Hire	53,332	242,500	964,131	-	165,680	-	40,000	-	
Facilities Hire	305,665	1,047,600	130,000	37,500	270,978	37,503	1,528,354	37,503	4075.3%
Vehicles Hire	62,444	-	54,889	-	56,000	-	10,500	-	
Office Cleaning	167,650	698,400	282,274	123,997	468,867	289,997	302,647	277,497	109.1%
Advertising - Communications	347,246	261,900	230,335	50,000	113,258	50,000	363,657	50,000	727.3%
Internet and Satellite Communications	3,467	-							
Postage - Communications	111,110	218,250	33,906	40,000	35,600	29,997	12,000	22,500	53.3%
Printing - Communications	785,613	183,330	547,412	374,994	562,045	449,991	776,359	449,991	172.5%
Stationery - Communications	7,699,460	774,060	1,425,951	3,937,997	670,669	2,057,488	1,392,169	1,867,500	74.5%
Telephone / Fax - Communications	21,817,304	4,388,219	19,755,663	10,789,491	2,282,125	5,024,979	2,163,742	6,629,967	32.6%
Curriculum - Materials	159,220	-							
General - Materials	11,808	242,500	4,736	-	80,731	-	105,632	-	
Office - Materials	571,801	649,900	93,433	1,625,000	202,075	-	118,252	-	
Schools Materials	-	-							
Office Rental	11,791,984	8,565,100	10,276,551	17,867,000	13,387,309	14,622,759	18,154,945	10,724,967	169.3%
Other Rental							140,124	-	
Refunds	63,890	3,055,500							
Incidentals	6,025,748	3,322,250	7,155,894	4,803,426	4,185,202	5,481,644	5,933,290	1,520,559	390.2%
International Organisation Fees	59,675,979	43,499,946	59,440,374	70,000,000	34,752,532	30,000,000	31,743,000	30,000,000	105.8%
Official Entertainment	1,158,487	1,349,270	1,537,886	1,573,000	1,709,498	892,494	3,473,707	892,494	389.2%
Insurance	2,622,464	17,460	2,608,877	-	2,595,288	-	1,159,449	-	
Termination Payment	5,623,413	-	13,553,069	-	(508,249)	-	9,910,042	-	
Uniforms	20,924	-	107,378	-					
Fees - Scholarships			12,000	-					
Buildings Repairs & Maintenance	191,627	-	3,052,108	74,997	1,619,839	1,274,997	1,413,888	2,000,000	70.7%
Equipment Repairs & Maintenance	538,656	480,150	209,245	862,497	1,190,137	262,500	454,343	225,000	201.9%
Maintenance Contrac	68,404	305,550	731,915	-	1,060,050	-	12,502	-	
Vehicles Repairs & Maintenance	2,607,085	803,160	2,376,538	2,267,500	3,254,367	1,630,368	2,386,866	1,905,000	125.3%
Food - Suppliers			75,507	-	461,745	-	5,000	-	
Rations Suppliers			351,992	-	(56,036)	-			
International Travel	9,536,471	7,124,650	12,127,119	24,747,218	8,022,028	16,424,937	9,527,993	10,890,756	87.5%
Local Travel	1,627,513	640,200	1,262,844	276,882	1,416,861	1,296,873	1,455,780	3,193,479	45.6%
Electricity Utilities	3,160,751	2,266,076	1,689,900	2,699,991	2,866,627	-	3,512,035	3,824,991	91.8%
Lighting Utilities	15,556	-							
Water Utilities	519,973	130,950					40,787	-	
Value Added Tax	3,640,447	-	3,659,384	449,991	3,504,878	330,039	3,010,929	149,994	2007.4%
International Organisations	9,104,221	-	3,182,088	2,346,156	1,650,628	3,128,225	9,765,383	-	
Fee Supplement Grant					-	-			
Operating Grant			8,188,149	-	22,401,487	-	19,299,695	1,874,988	1029.3%

Stationery Grant			12,000	-					
Other Grant	-	-							
Equipment - Additional General	121,175	-	-	75,000	57,600	2,574,997	580,495	2,971,148	19.5%
Equipment - Computer	282,702	-	117,333	185,000	332,267	738,753	437,685	688,753	63.5%
Equipment - Heavy Equipment							-	-	
Equipment - Replacement General					8,889	-	98,356	-	
Equipment - Computer Software Purchases			14,036	-					
Furniture - Office Furniture	-	436,500	26,489	-	112,000	672,840	1,634,756	685,003	238.6%
Vehicle - Additional Vehicle					880,000	-	8,491,645	-	
Bank Charges	158,983	-	133,153	-	152,491	-	93,950	-	
Overhead expenses	-	30,763,809	-	1,124,315	-	(1,807,748)	-	509,009	0.0%
Operating Expenses	163,614,948	118,875,553	170,709,197	154,051,942	133,535,031	92,286,785	157,491,954	88,817,770	177.3%

Source: Department of Finance & Treasury

Unbudgeted Items

Total expenses of unbudgeted items for the third quarter of 2017 was VT 82.4 million. This is a about 21.9 million more than 2016 in the same period. Major expenses are from operating grant which was 17.5 million, termination payment VT 9.9 million, international organisation VT 9.8 million, additional vehicle VT 8.5 million, subsistence allowances VT 8 million, office rental VT7.4 million, incidental Vt 4.4 million, international accomodation VT 3 million, VAT VT 2.9 million, official entertainment VT 2.6 million, international organisation fees VT 1.7 million, facilities hire VT 1.5 million and insurance 1.2 million.

Overspent on chart of accounts

Most of the chart of accounts are either overspent or not budget for in the third quarter of 2017 and also in previous years in the same period. MFAICET needs to allocate enough funds to minimise spending on the unbudgeted chart of accounts or overspending on the budgeted accounts.

Figure 7: Operation over spent chart of accounts

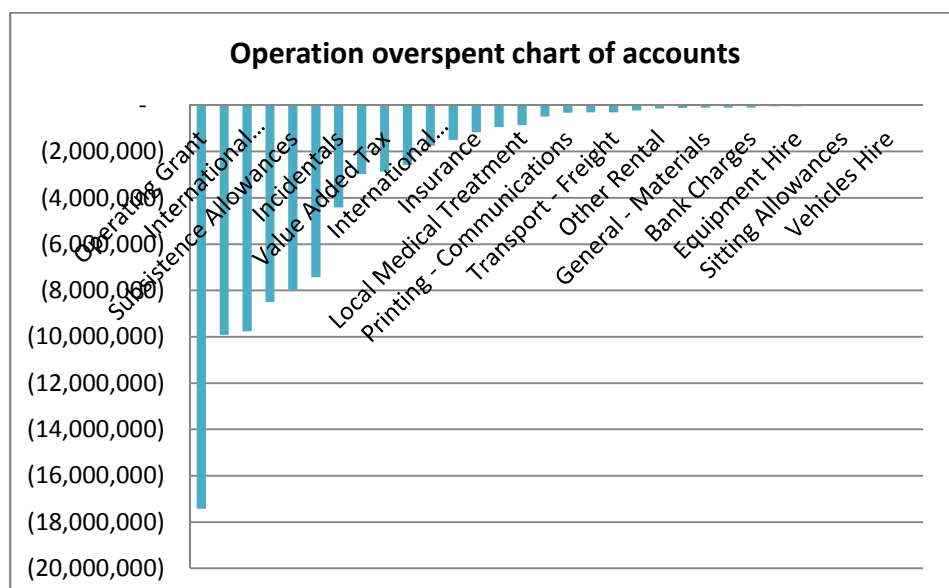
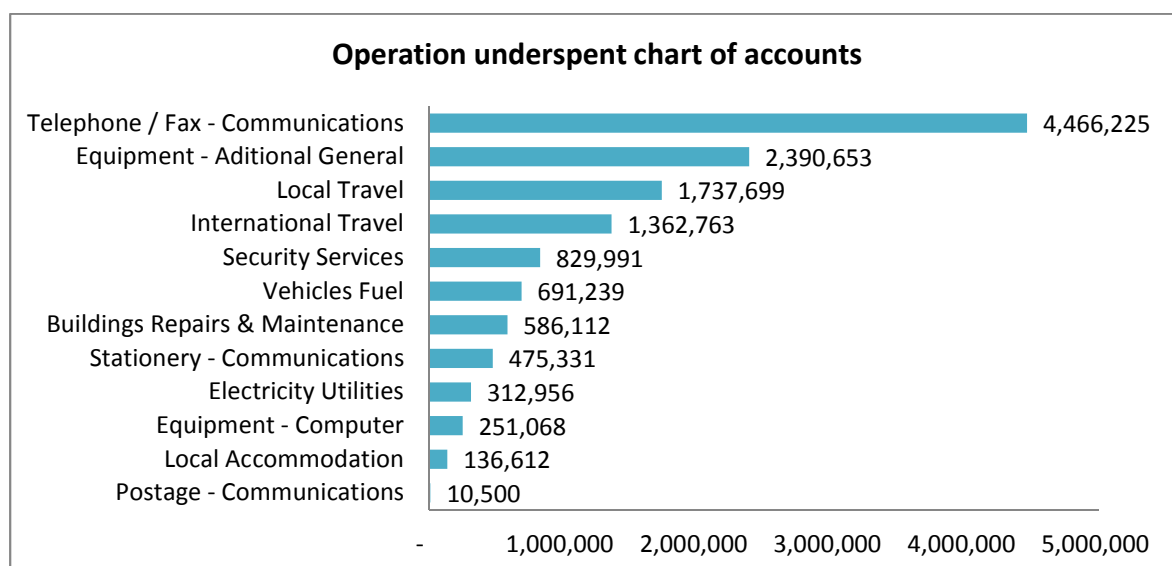


Figure 8: Operation under spent chart of accounts



REVENUE PLANNING AND MANAGEMENT

The Ministry collected VT 1,323,388 in the third quarter of 2017 compared to VT 4,501,222 in the same period last year, 2016.

Table 4: Revenue 2014-2017

Year	Revenue	Budget	Over/(Under)	Cash Received
2017	1,323,388	52,874,784	(51,551,396)	1,323,388
2016	4,501,222	150,749,397	(146,248,175)	4,501,222
2015	15,443,963	132,397,641	(116,953,678)	15,467,003
2014	269,500	374,994	(105,494)	269,500
Total	21,538,073	336,396,816	(314,858,743)	21,561,113

Source: Department of Finance & Treasury

MFAICET collected most of its revenue in the third quarter of 2017 and collected only 2.5 percent of its revenue target in the third quarter of the year.

ASSET MANAGEMENT

The Ministry had spent 19.5 percent of its third quarter budget on additional equipment.

VIREMENT

There was a total of 11 virements processed in the third quarter of 2017 with a value of VT 24 million compared to 3 virement with a value of VT8.1 million in the same period in 2016.

Table 5: Virements

Vired Out				Vired In				Amount
Fund	Dept	Activity	Account	Fund	Dept	Activity	Account	
2	44CC	MOBA	OVER	2	41AB	MOAA	OVER	2,686,968

2	44CC	MOBA	OVER	2	41AA	MOAA	OVER	3,154,454
2	44DF	MOBA	PAYR	2	41AB	MOAA	PAYR	1,814,543
2	44DF	MOBA	PAYR	2	44DF	MOBA	OVER	3,359,246
2	44DF	MOBA	PAYR	2	44DF	MOBA	OVER	3,359,246
2	44DF	MOBA	OVER	2	44DF	MOBA	PAYR	3,359,246
2	41AB	MOAA	OVER	2	44BF	MOBA	PAYR	3,068,255
2	41AB	MOAA	OVER	2	44BF	MOBA	PAYR	200,000
2	41AB	MOAA	OVER	2	44BD	MOBA	PAYR	600,000
2	41AB	MOAA	OVER	2	44BB	MOBA	OVER	1,457,000
2	39AG	MOGC	PAYR	2	39AG	MOGB	PAYR	1,034,858

Source: Department of Finance & Treasury

Graphs below showing number and value of virement in 2017 in the first half of the year and the in past three years in the same period.

Figure 9: Number of Virements 2014-2017

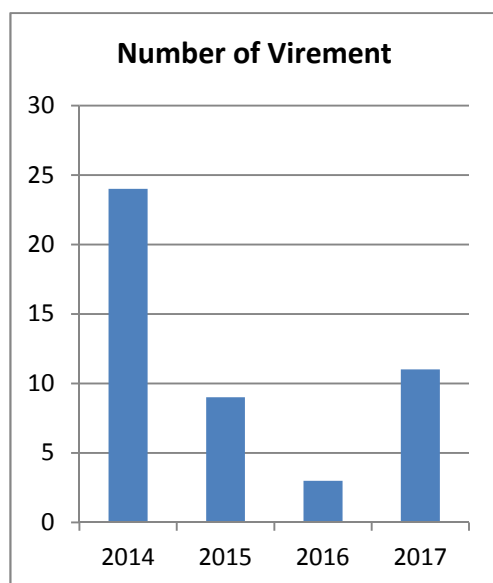
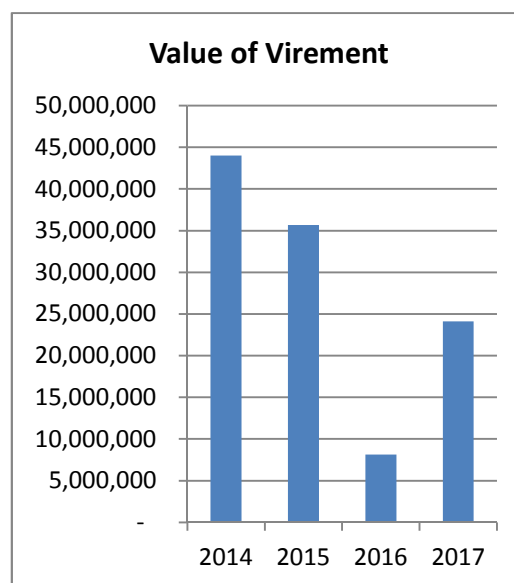


Figure 10: Value of Virements 2014-2017



IMPREST MANAGEMENT

At the end of the third quarter of 2017, the Ministry had a total of VT 2,758,248 outstanding imprest to reitre.

Table 6: Outstanding Imprests as of the third quarter of 2017.

Department Section	Amount Advanced	Amount Paid	Amount Outstanding
External Trades	0	0	0
Cabinet and DG's Office	602,645	390,000	212,645
Foreign Affairs	1,942,958	0	2,545,603
TOTAL	2,545,603	390,000	2,758,248

Source: Department of Finance & Treasury