

**GOVERNEMENT DE
LA REPUBLIQUE DE VANUATU**

**MINISTERE DES FINANCES ET DE
LA GESTION ECONOMIQUE**

**SAC POSTAL PRIVE 058, PORT
VILA, VANUATU
TEL: (678) 23032 FAX: (678) 27937**



**GOVERNMENT OF THE
REPUBLIC OF VANUATU**

**MINISTRY OF FINANCE AND
ECONOMIC MANAGEMENT**

**PRIVATE MAIL BAG 058, PORT
VILA, VANUATU
TEL:(678) 23032 FAX: (678) 27937**

30th November, 2012

To: Director Generals
Directors
Heads of Constitutional Bodies
Finance Officers

From: Director General, Ministry of Finance and Economic Management

Subject: **FINANCIAL CIRCULAR NO. 7 OF 2012**

The majority of Ministries and Constitutional Agencies have very little or no operational budget remaining for this year. Whilst in-line with previous years, a large number of outstanding bills (including water, electricity, rent and severance) are being accrued across the Government. To prevent these bills accumulating, rolling over to and impacting on the 2013 Budget; restrictions are being imposed on the release of December 2012 operational warrant.

The December warrant will only be released on the Treasury Division's receipt of a written advance request, justifying the need for additional warrant to meet outstanding bills and with an attached invoice.

However, due to the tight Government financial position the Department of Finance and Treasury intends to continue and implement Government policy of tight fiscal management through several measures shown in appendix 1.

Please take this opportunity to record your financial obligations and re-prioritise your spending until the end of the year. I look forward to your co-operation and understanding.

Yours sincerely

George Maniuri

Director General, Ministry of Finance and Economic Management



Appendix 1:Approved COM Decision

1. Continue to endorse the following agreed by COM Decision 51/2011 to;
 - a. freeze virements out of payroll and into operational budgets;
 - b. freeze recruitment across Government, except in productive areas
 - c. enforce outstanding debts
2. No advance releases of payroll;
3. Freeze purchases of both new and replacement vehicles;
4. Reject all tender requests from line agencies without an appropriated budget;
5. Request MFEM and MBC to design a set of penalties for line agencies who fail to use NPPs for their intended activities.
6. Request that all new structures, prior to approval from the PSC receive and are subject to a financial check by MFEM.
7. Restrict the release of all 2012 NPP's
8. Continue to strengthen and improve compliance in the major revenue raising agencies of government.