

**MINISTERE DE FINANCES
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ECONOMIQUE**

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**MINISTRY OF FINANCE AND
ECONOMIC MANAGEMENT**

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Le Ministre

Our/Notre réf: M01/10
Your/Votre réf:

DATE: Monday, 30 August 2010

Financial Circular 04 of 2010

FROM: Minister of Finance and Economic Management

**TO: All Directors General
All Directors
All Heads of Constitutional Bodies
All Heads of Grant Bodies (Statutory Bodies)**

Subject: Budget Cycle / Timetable for the 2011 Budget - Revised

Introduction

At the beginning of each budget cycle the Ministry of Finance and Economic Management circulates a budget timetable, which provides a schedule of tasks and the deadline within which the tasks are to be completed. It is important that these deadlines are adhered to so that all tasks and commitments required for the completion of the 2011 Budget are finalized in a smooth and timely manner.

Timetable for Budget 2011

The outlined tasks will help the Government meet the requirements specified in the PFEM (amendment) Act. 1998, as well as enable the preparation of an accurate budget to be passed by Parliament by the end of November 2010.

The proposed timetable requires Ministries to devote extensive time and effort towards budget preparation. At this stage, it is important that all Director Generals' consult with the staff of the Treasury to begin work on identifying the recurrent and development budget priorities for the 2011 Budget. This is to ensure conformity of Ministry or Department priorities and the overall Vanuatu Government development strategy, policies and objectives.

Further information and guidelines regarding the preparation of the 2011 budget submissions will be circulated in May at the time when the Ministry Ceilings are distributed.

Budget Cycle / Timetable for Preparation of the 2011 Budget -Revised

Date for which task(s) are required by	Required Task(s)	Responsible Agency(ies)
13 th August (End of week 2, August)	Close line agencies' access to VBMS.	DOFT
27 th August (End of week 4 August)	Submit to DOFT Corporate and Business plans	<u>All line agencies</u> and DOFT
31 st August (End of week 4, August)	Review Budget 2011 submissions, make changes where required and clarify any anomalies with line agencies.	<u>DOFT</u> , DSPPAC and all line agencies
28 th September (Beginning of week 4, September)	Present agency Budget 2011 submissions to MBC.	<u>All line agencies</u> , MBC, DOFT and DSPPAC
18 th October (Beginning of week 3, October)	Finalise decisions on line agency Budget 2011 allocations: (i) Recurrent budgets; (ii) Government-financed NPPs; (iii) Donor-financed NPPs.	<u>MBC</u> and DOFT
20 th October (Mid of week 3, October)	Update VBMS to reflect decisions of MBC.	DOFT

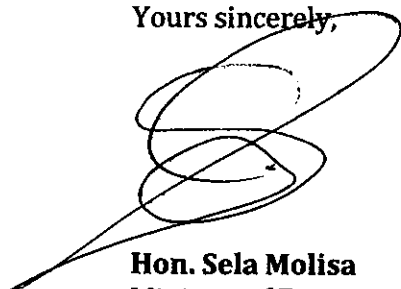
22 nd October ¹ (End of week 3, October)	Prepare Budget 2011 COM paper, containing: (i) Revenue and expenditure projections for Budget 2011; (ii) Financing position for Budget 2011; (iii) Full NPP details for Budget 2011; (iv) 2011 appropriation schedule; Summary of revenue and expenditure outturns through 2010.	DOFT
26 th October (Beginning of week 4 October)	Submit Budget 2011 COM paper for DCO information (26 th October); thereafter submit to COM for deliberations (27 th October).	<u>DOFT</u> and COM Secretariat
27 th October (Start of week 3 October)	Approval of Budget 2011.	COM
28 th October (Mid of week 4 October)	Send COM-approved appropriation schedule to SLO.	DOFT
29 th October (End of week 4 October)	Complete Bill for the Annual Appropriation (2011) Act and dispatch to Parliament.	SLO
29 th October (End of week 4 October)	Finalise Budget documents and dispatch to printer.	DOFT
08 th November (Start of week 2 October)	Collect printed Budget documents.	DOFT
10 th November (Mid of week 2 November)	Distribute Budget documents to Parliament.	DOFT

¹ Presentation of Budget submissions to MBC generally takes two weeks (allowing for slippage given Ministers' other commitments; experience has shown that this tends to happen). Hence the September session of MBC should start on Tuesday, 28th September.

1. Where more than one agency is responsible for a task the lead agency is underlined.
2. COM = Council of Ministers
DCO = Departmental Committee of Officials
DOFT = Department of Finance and Treasury
DSPPAC = Department of Strategic Policy, Planning and Aid Co-ordination
NSO = National Statistics Office
SLO = State Law Office
RBV = Reserve Bank of Vanuatu

It is important that all Ministries strictly abide by the schedule in order to have the budget documents ready to be submitted to Parliament by the end of November 2010.

Yours sincerely,



Hon. Sela Molisa
Minister of Finance and Economic Management

cc: All Ministers — For Information