



DEPARTMENT OF TREASURY
Budgets Division

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BUDGET CIRCULAR 1/2008

26 February 2008

CIRCULAR LETTER TO:

All Provincial Administrators, Departmental Heads and Heads of Statutory Authorities

2009 NATIONAL BUDGET TIMETABLE (INCLUDING THE TIMETABLE FOR 2008 QUARTERLY BUDGET REVIEW PROCESS)

1. Purpose

This Budget Circular is intended to inform and guide all National Departments, Statutory Authorities and Provincial Administrations (**agencies**), and all levels of government, about the key dates for the delivery of the 2009 National Budget and the conduct of the 2008 Quarterly Budget Review (**QBR**) meetings.

2. Distribution

To ensure the effective formulation of the 2009 National Budget and the effective conduct of the 2008 QBR process, it is important that all Heads of Departments, Heads of Statutory Authorities and Provincial Administrators, ensure that key officers in their agency are provided with a copy of this Budget Circular and the attached Timetable.

3. Budget Timetable

The Timetable at **Attachment A** provides the key dates for all agencies for the formulation of the 2009 National Budget and the conduct of the 2008 QBR meetings.

These dates have been provided to ensure that all Departments and Agencies (and all levels of government) are aware of key dates for delivery of documentation and for attendance at meetings, and can thus prepare the necessary supporting documentation and / or ensure that the appropriate people are available.

In addition, each agency should ensure that it has prepared thoroughly to enable effective participation and discussion in QBR meetings. This includes providing completed reports to Budgets Division officers well before the scheduled meeting (it is unacceptable to wait and bring completed reports to the meeting) and ensuring that key officers are available to attend the meeting.

Each agency must ensure that it delivers its 2009 Budget Estimates submission by the date specified in the attached Timetable. Further information regarding timing of attendance at Budget Screening Committee meetings will be provided to agencies closer to the event.

4. Guiding Principles for the 2009 National Budget

While further information on the 2009 National Budget process will be provided in future Budget Circulars, all agencies should be aware that the 2009 National Budget will continue the focus of previous National Budgets of allocating funding to the Government's policy priorities.

In particular, the national policy priorities outlined in the ***Medium Term Development Strategy 2005-2010*** will guide the Government's expenditure program, as part of the overall public sector reform program.

In general, the Government's spending priorities and ongoing program of expenditure adjustment and prioritisation will be aimed at improving the efficiency of government in delivering core services. The Government will continue its prudent approach to budgeting through careful and disciplined allocation and expenditure. The Government will keep allocating the windfall additions to revenue, which result from high commodity prices, to one-off expenditures or reduction of State debt/liabilities.

Should the Government take a decision on 'rightsizing' the public service, therein identifying core functions and aiming to reduce costs through the elimination of duplication and inefficiencies, any such decision may have implications for the Budget Ceilings to be provided to agencies in the *2009 National Budget Ceilings Budget Circular*.

All agencies should note that the dates in the attached Timetable for circulation of the *2009 National Budget Ceilings Circular*, shown as 7 May 2008 for National Departments and Agencies (not Provinces), and 10 June 2008 for Provinces, are subject to approval by the National Executive Council.

5. Timetable for the 2008 QBR Process

While further information on the 2008 QBR process will be provided in future Budget Circulars, all agencies should note the key dates outlined in the attached Timetable and ensure that they meet the requirements outlined for the conduct of the QBR process for each of these dates.

The QBR process is a key part of the Government's expenditure monitoring framework. While the Government continues to be interested in the ***level*** of expenditure, it is increasingly focusing on the ***results*** of expenditure. This is an important initiative, given that funds are appropriated to agencies to undertake certain functions for Government. It is, therefore, natural that the Government would place a strong emphasis on what results have been achieved.

If an agency is requested to do something within a given level of funding, then the Government will want to know whether the funds have been expended efficiently and effectively. That is, has the agency delivered what it was required to deliver on time and within budget.

Further details of the QBR process will be provided shortly in a separate Budget Circular.

6. Contacts for the 2009 National Budget

If any clarification or further information is required in regard to the 2009 National Budget or the 2008 QBR process, please contact the following officers:

Recurrent Budget (Department of Treasury)

Economic Sector	Mr Ropit Botong	312 8781
Infrastructure Sector	Mr Ropit Botong	312 8781
Social Sector	Ms Ruth Veapi	312 8753
Law & Order Sector	Ms Ruth Veapi	312 8753
Administrative Sector	Mr Rudolph Aigili	312 8737
Provincial Sector	Mr Lazarus Enker	312 8739

Development Budget (Department of National Planning & Monitoring)

Economic Sector	Ms Koney Samuel	328 8319
Infrastructure Sector	Mr Gregory Ume	328 8559
Social Sector	Ms Rose Koyama	328 8260
Law & Order Sector	Ms Rose Koyama	328 8260
Administrative Sector	Ms Rose Koyama	328 8260
Provincial Sector	Mr Gregory Ume	328 8559

Simon Tosali
Secretary

Attachment A: 2009 National Budget Timetable