

**MINISTRY OF FINANCE, ECONOMIC PLANNING AND
DEVELOPMENT**

Circular No. 2 of 2020

My Ref: BUDGT/CALL/CIRCL

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

2020-2021 Budget Circular

You are kindly requested to submit your budget proposals, both expenditure and revenue, for financial years 2020-2021, 2021-2022 and 2022-2023 at latest by **27th March 2020**.

2. The Government Programme 2020-2024 enunciates the projects and programmes that Government intends to implement over the next five years with a view to achieving an Inclusive, High Income, Green and Safe Mauritius while securing an increasingly better quality of life for all. The implementation of these projects and programmes will require significant resources. At the same time, we have to reckon with increasing uncertainties in the global economy and also deal with adverse shocks such as COVID-19.

3. Under such circumstances, it is crucial that we use our limited resources judiciously to achieve our short-term and medium-term goals and realise our long-term vision. We will have to maintain budget deficits at a sustainable level while upholding our commitment to reduce public sector debt.

4. In this respect, when preparing your budget proposals, you are requested to:
- (i) ensure tighter control as well as policy adjustments in respect of recurrent expenditure;
 - (ii) ensure an efficiency gain of 10 percent in recurrent expenditure;
 - (iii) give priority to projects and programmes that will unlock growth;
 - (iv) introduce and/or increase user charges in respect of certain public services;
 - (v) implement restructuring plans for public enterprises to ensure their financial sustainability; and
 - (vi) review the operations of statutory bodies and local authorities to limit their dependence on the national budget.

5. The guidelines for the preparation and submission of your proposals are set out at Annex I. As indicated, your proposal for recurrent expenditure should not exceed 90 percent of the voted provision of FY 2019-2020. The final allocation of resources