

THE FINANCE AND AUDIT (AMENDMENT) BILL

(No. II of 2025)

Explanatory Memorandum

The object of this Bill is to amend the Finance and Audit Act to provide for –

- (a) the introduction of Performance-Based Budgeting (PBB) so as to –
 - (i) link funds with results and outcomes, and improve operational efficiency in Government administration; and
 - (ii) enforce greater fiscal responsibility, accountability and transparency;
- (b) the preparation of estimates of expenditure based on programmes and sub-programmes on a 3-fiscal year rolling basis, specifying the resources to be allocated, the outcomes to be achieved and outputs to be delivered;
- (c) the appropriation of the estimates of expenditure for the first year by the National Assembly; and
- (d) the preparation of estimates of revenue on a 3-fiscal year rolling basis.

2. The Bill makes further provisions for matters connected and related thereto.

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*Prime Minister, Minister of Defence, Home Affairs and
External Communications, Minister of Finance,
Minister for Rodrigues and Outer Islands*

28 February 2025

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ARRANGEMENT OF CLAUSES

Clause

1. Short title
2. Interpretation
3. Section 2 of principal Act amended
4. Section 19 of principal Act amended
5. Section 22 of principal Act amended
6. Section 23A of principal Act amended

A BILL

To amend the Finance and Audit Act

ENACTED by the Parliament of Mauritius, as follows –

1. Short title

This Act may be cited as the Finance and Audit (Amendment) Act 2025.

2. Interpretation

In this Act –

“principal Act” means the Finance and Audit Act.

3. Section 2 of principal Act amended

Section 2 of the principal Act is amended –

- (a) by deleting the definition of “estimates”;
- (b) by deleting the definition of “head of expenditure” and replacing it by the following definition –

“head of expenditure” –

- (a) means a programme of a department contained in the Schedule to the appropriation law for a fiscal year; and

(b) includes programmes for centralised services of the Government in respect of all departments;

(c) by inserting, in the appropriate alphabetical order, the following new definitions –

“estimates of expenditure” –

(a) means the annual estimates of expenditure based on programmes and sub-programmes prepared on a 3-fiscal year rolling basis, specifying the resources to be allocated, the outcomes to be achieved and outputs to be delivered, the estimates for the first year requiring appropriation by the National Assembly; and

(b) includes any supplementary estimates of expenditure appropriated by the National Assembly;

“estimates of revenue” means the annual estimates of revenue prepared on a 3-fiscal year rolling basis;

“outcome” means the likely or achieved short-term and medium-term effects of an activity’s or intervention’s outputs;

“outputs” –

(a) means the products, goods and services resulting from the carrying out of an activity; and

(b) includes changes resulting from activities relevant to the achievement of outcomes;

“programme” means a group of activities or interventions intended to contribute to a common set of outcomes, specific objectives and outputs that are verifiable, consisting of a defined target and a given budget, including staffing and other necessary resources;

(d) by adding the following new definition, the full stop at the end of the definition of “Special Fund” being deleted and replaced by a semicolon –

“sub-programme” means the programme hierarchy which breaks programmes into sub-programmes and which in turn break into activities or interventions and is designed to achieve at least one specific objective.

4. Section 19 of principal Act amended

Section 19 of the principal Act is amended, in subsection (3) –

- (a) in paragraph (d), by inserting, after the words “statement of expenditure”, the words “by programmes and sub-programmes”;
- (b) by repealing paragraph (da) and replacing it by the following paragraph –
 - (da) a progress report on performance in respect of outcomes achieved and outputs delivered;

5. Section 22 of principal Act amended

Section 22 of the principal Act is amended, in subsection (1), by repealing paragraph (e) and replacing it by the following paragraph –

- (e) the preparation of estimates of revenue and estimates of expenditure;

6. Section 23A of principal Act amended

Section 23A of the principal Act is amended by adding the following new subsection –

- (5) The Minister shall present estimates of revenue and estimates of expenditure in respect of Financial Year 2025-2026 and onwards.
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