

## Budget Freeze Update

A total of SR 96,967,729.00 was frozen under the 2018 budget by the National Assembly. The amount frozen represents 1.22% of the approved total budget for this year.

Following this, the Public Budget Section within Ministry of Finance Trade & Economic Planning has been liaising with the concerned Ministries, Department & Agencies (MDAs) to ensure that all necessary information is submitted before the Finance Public Accounts Committee, FPAC and the Ministry as well.

The MDA's affected by the budget freeze are as follows:

Institution	Budget Freeze
	Amount SR
National Institute of Technology, Science Innovation	240,000.00
Department of Defense	10,000,000.00
Office of the President	13,051,240.00
Seychelles Tourism Board	240,000.00
Agency for the Prevention of Drug Abuse & Rehabilitation	13,024,412.00
National Intelligence Agency	3,500,000.00
Seychelles Heritage Foundation	400,000.00
Seychelles Fishing Authority	6,000,000.00
Department of Prisons Services	40,212,077.00
The Judiciary	3,300,000.00
Children's Fund: Social Programs of Government	7,000,000.00
<b>TOTAL</b>	<b>96,967,729.00</b>

The current status of the budget-freeze is as follows:

### National Institute of Science Technology and Innovation (NISTI)

NISTI launched a tender for the provision of security services through an open tender which was closed on the 16<sup>th</sup> October 2017 and nine bids were received. Upon evaluation of the tender NISTI observed some discrepancies in the tender documents, more specifically in certain clauses in the instruction to bidders which created an impact in the evaluation process. The tender was therefore cancelled and the existing contract was renewed for another three months which is sufficient time for a new tender to be completed.

### Department of Defence

The Department of Defence submitted the breakdown of Gratuity and the Public Budget Office is in the process of reviewing the submitted document.

### Office of the President

Ministry of Finance Trade & Economic Planning will be working with the President's Office to cost the implication of the new bill.

### **Seychelles Tourism Board (STB)**

STB is expected to publish an expression of interest very soon for the provision of a Public relations consultancy services. They are actually working on a Terms of Reference in collaboration with the Board.

### **Agency for the Prevention of Drug Abuse & Rehabilitation**

For the board fees and the security services, the Agency has identified the codes to allocate the frozen amount to but has yet to discuss this with FPAC.

With regards to the building where a sum of SR 10.2 m has been frozen, a survey team is currently working on a full topographical survey of the area, proposed for the facility. The Department of Infrastructure is planning to finalize the floor and site plan by mid- February and by the end of February the whole concept with costing is expected to be ready.

### **National Intelligence Agency (NIA)**

This will remain pending until the NIA Bill is presented before the National Assembly.

### **Seychelles Heritage Foundation**

SEYLICIOUS, paid the sum of SR 380,000.00 for arrears with SHF. The Agency is working on an agreement to ensure that once the Kiosks are ready, tenants settle all arrears before any new kiosks are rented out.

### **Seychelles Fishing Authority**

The Seychelles Fishing Authorities, SFA, met with some nine Members of the National Assembly, MNA, from both Parties for a presentation on the Aquaculture plan. The Deputy Speaker who was part of the group indicated that they were happy with the explanation provided and that they will proceed to make their recommendations to the FPAC. The Ministry of Finance, Trade & Economic Planning is still waiting for a feedback from FPAC on the freeze for SFA which is for a sum of SR6m.

### **Prisons Services**

In regards to the budget freeze under Uniform and Clothing & Bed linen vote, the Internal Audit completed its findings of an audit done at the prison and the report is yet to be presented before cabinet which will then be submitted to FPAC.

A total sum of SR 16,311,960.00 was frozen under Security & Enforcement. The Ministry of Finance, Trade & Economic Planning will be submitting the breakdown cost to FPAC.

The Department of Prison informed the MFTEP that they are currently reviewing the modality for prison services on outer Islands. This will also include a re-negotiation with the Island Development Company. A total sum of SR 7.8m is frozen under other service agreements for that.

The Prison Department has reviewed the project and it is to be submitted before the Island Development Company Committee for discussion and approval before submission to the FPAC.

**Judiciary**

Judiciary tendered the provision of security services and this is currently in the evaluation stage. FPAC will be updated once the tender process is completed.

**Children's Fund: Social Programs of Government**

A policy is expected to be drafted to guide the use of the Children's fund and to consider moving under the Family Affairs Portfolio. This is still in discussion stage.

**Measures taken for implementation of programmes with the freeze**

Meanwhile, virements are being done to ensure essential services are not affected for the processing of some fixed cost for certain MDA's, such as for the Department of Prison.

**Finance Public Accounts Committee Update**

The Ministry of Finance, Trade & Economic Planning is advising all concerned Ministries, Departments & Agencies, MDA's to provide an update to FPAC on the progress they are making on the issues raised during budget discussion.

**BUDGET 2018 UPDATE**

The budget for this year has already been released.