



**Ministry of Finance and Economic Management**

# **Budget Performance and Outlook:**

**Quarter ended 31 December 2013**



**2013-14**

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## 1. Overview

1.1. The Budget Performance and Outlook Report is a quarterly review of the Budget. The aim of the Budget Performance and Outlook Report is to enable the Cabinet, the Legislature and the public to understand and scrutinise how public funds are being spent, increasing transparency and accountability.

1.2. The Report notes the key Policies and Programmes instituted over the reporting period, provides commentary on the Budget (Recurrent and Capital as well as Debt Servicing) and an Outlook for the upcoming period.

1.1. The total Approved Budget for the fiscal year 2013-14 was \$179,027,900 (Recurrent \$100,498,900; Capital \$78,529,000). The Budget was supplemented three times first by \$30.3 million then by \$1.2 million and then by \$6.4 million (Recurrent remains at \$13.3 and \$0.5 million; and Capital \$17, \$0.6 and \$6.4 million) revising the total approved budget to \$ 225,063,200 (Recurrent \$114,322,500; Capital \$ 100,740,700).

1.2. The total revenue intake to date was \$101 million (Recurrent \$82.97 million; Capital \$18.06 million). The local component of revenue stood at \$30.3 million while budgetary aid was \$52.6 million.

1.3. Expenditure for the same period is \$126.2 million (Recurrent \$78 million; Capital \$48.2 million).

1.4. Total debt at the end of the period stands at just under \$6.9 million. The total cash balance for the Consolidated Fund and the Development Fund was \$31 million.

## 2. Budget Commentary

2.1. The budget was supplemented in the third quarter increasing the total approved budget from \$210,499,900 to \$225,063,200 resulting in a 6% increase in the overall budget. This represented an increase to the Capital budget with additional aid received from DFID and other Donors.

2.2. Government aims to keep changes to the original budget (\$100,498,900) to less than 5% of the total. Reallocation of funds stood at around 3.5%. This is made up of virements and only those supplementary appropriations which did not involve new funds or the allocation of funds from the Contingency Fund (Supplementary \$2,007,500; Virements \$1,545,450) as at 31 December 2013.

2.3. 75% of the Estimated Recurrent Revenue targets (including aid) were achieved at 31 December 2013 with Domestic Revenues achieving 68% of its target. Recurrent Expenditure stood at 68% of the approved budget. Taking 75% as par then 23 programme had expenditure were within 5% of par while 13 were within 10%; 4 within 15% and 12 outside this. Of note was slow spending related to MCWL maintenance (Contingency funds applied late in the quarter to facilitate road repairs) and undistributed balance of the Contingency Fund along with transport subsidies and the spending for Visiting Advisors.

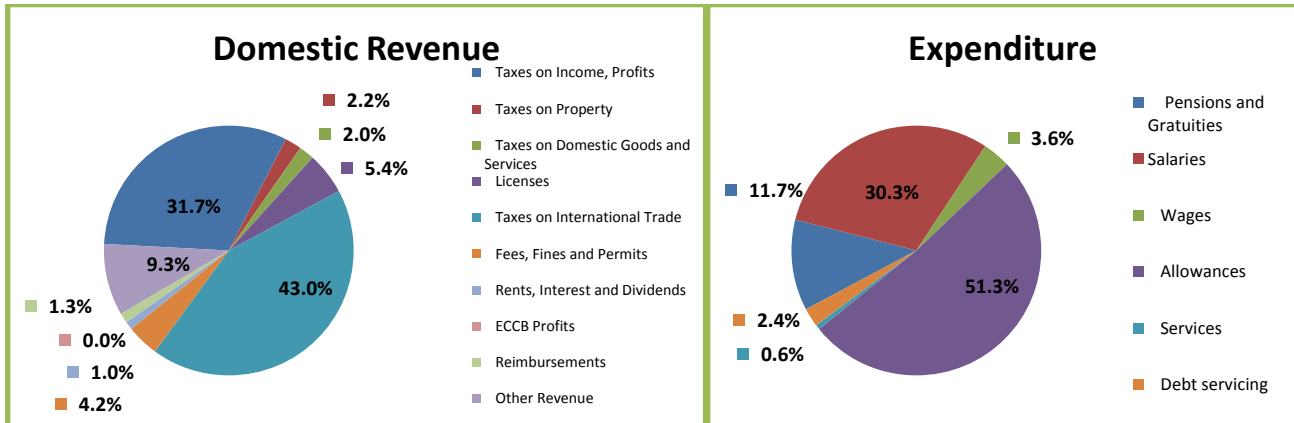
## Statement of Recurrent Revenue and Expenditure

2.4. The Statement of Recurrent Revenue and Expenditure sets out the scale and nature of the flows to and from the government. It shows that, in the quarter (October-December) 2013-14. The government:

- received \$34.8 million (restated 2012-13: \$40.4 million) in taxation, budgetary aid and other operating revenue, including local revenues of \$11 million and aid of \$23.8 million;

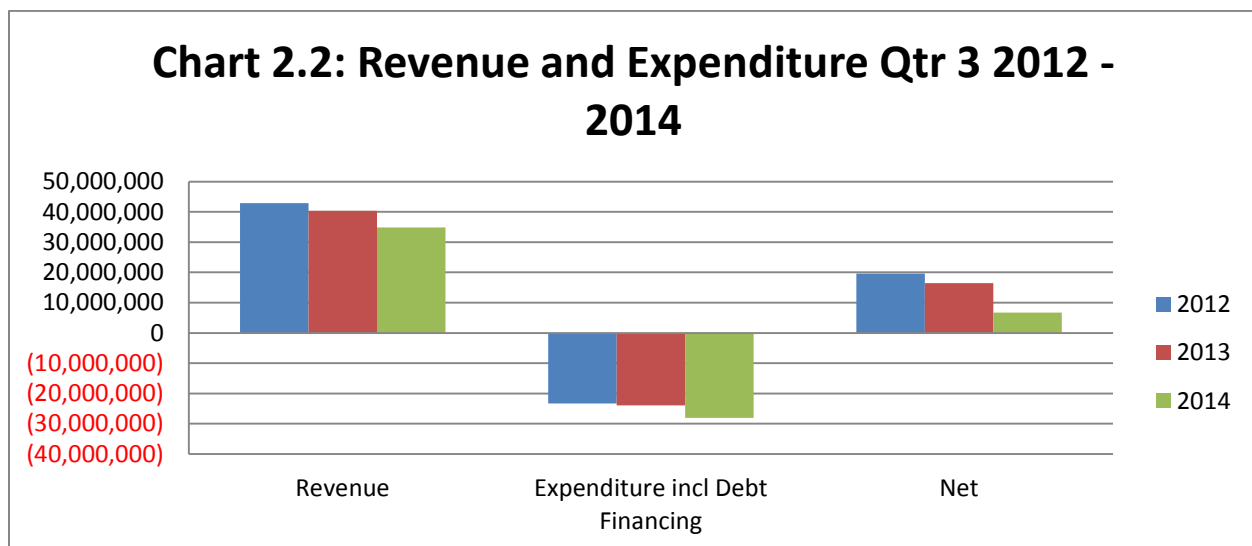
- spent \$28 million (restated 2012-13: \$23.9 million), including \$10.5 million employing staff and \$13.6 million on goods and services;
- further reduced its financing costs by \$0.12 million from \$6.38 million to \$6.26 million with no new debts incurred (CDB loan for the Second Power Project available but not yet drawn on).

**Chart 2.1: Summary of revenue and expenditure**



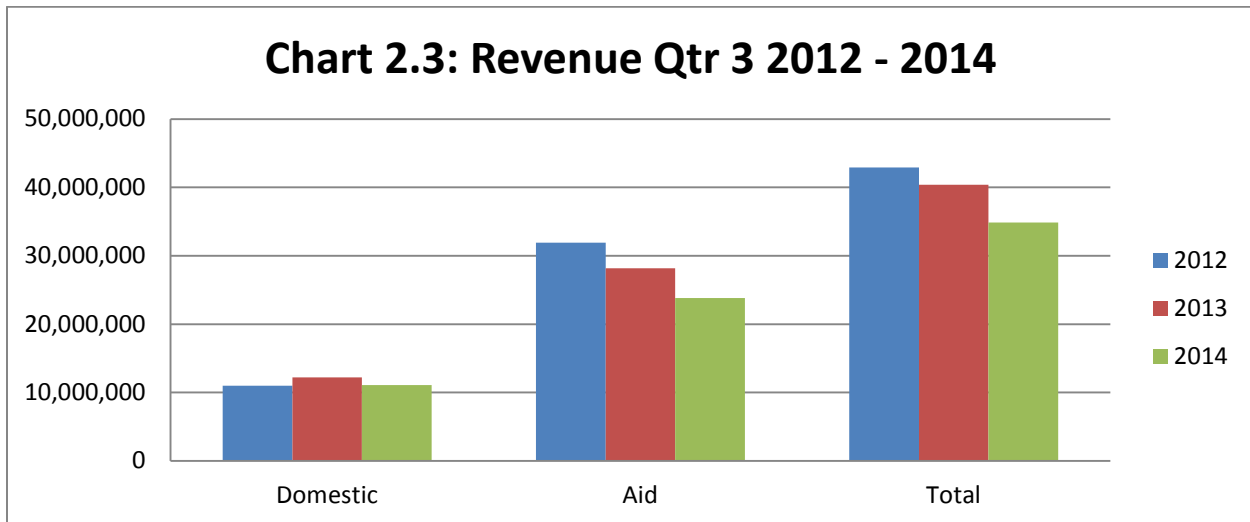
2.5. Recurrent budget performance in the quarter reflected:

- lower budgetary aid receipts (see para 2.6);
- increased tax receipts from international trade;
- continued underperformance of tax receipts from income and profits, and in particular property tax receipts;
- reductions in staff costs;
- increased spending on goods and services, (subscriptions to external organisation, medical assistance, revenue refunds, legal and other fees, mechanical spares and medical supplies);
- increased spending in grants and subsidies (driven by clearing of arrears); and
- reduced debt levels.



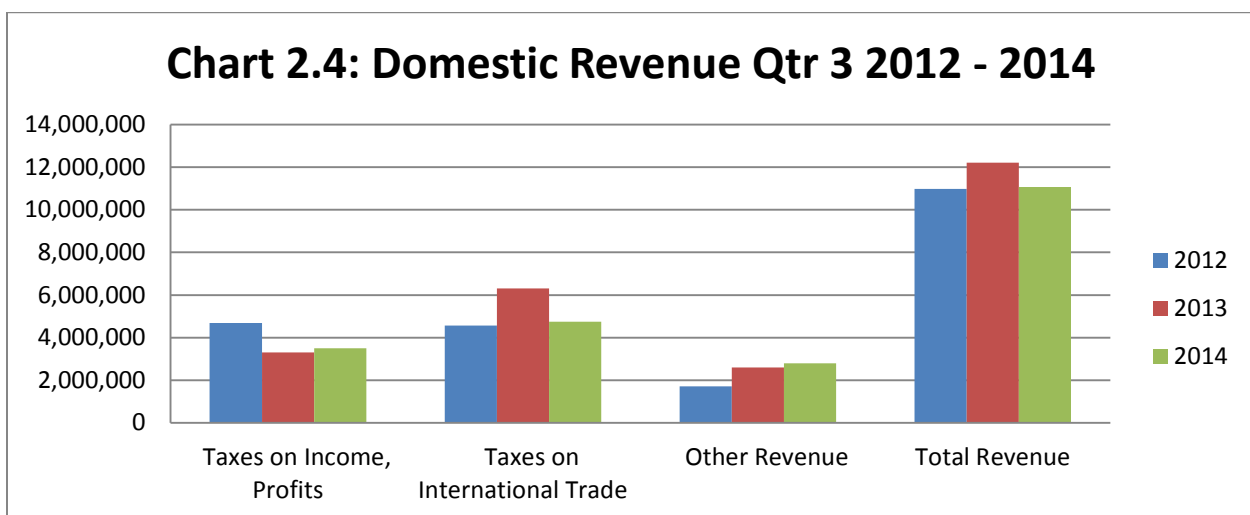
2.6. Chart 2.2 reveals declining 3<sup>rd</sup> quarter revenue receipts while spending activity over the triennium has been increasing.

## Revenue



2.7. Chart 2.3 shows declining revenues over the triennium including reduced budgetary aid claimed. However, underlying this apparent trend are the clearing of Social Security arrears in 2011-12 (\$17.7 million) and late arrival of the 2<sup>nd</sup> quarter aid claim in 2012-13 resulting in a double payment being made in the quarter. Without these effects the trend would show the reverse.

2.8. The primary source of income for the quarter was grant aid from the UK government, being 68% of total revenue followed by taxation, contributing 32%. Direct taxation is the main method of collection taxes on Montserrat for funding public services and the delivery of other Government objectives.



2.9. The triennial comparison of quarter 3 shows a general tendency towards increasing receipts. 2012-13 was exceptionally so because of the significant bump in activity on International Trade experienced from the effects Festival 50. This general rise comes mainly as a result of inflation in the cost of imports: food, fuel and other goods.

**Table 2.1 Recurrent revenue**

	Q3		
	Projections	Actuals	% Actuals/ Projections
<i>Taxes on Income, Profits</i>	4,633,342	3,507,150	76%
<i>Taxes on Property</i>	180,474	240,410	133%
<i>Taxes on Domestic Goods and Services</i>	238,276	216,610	91%
<i>Licenses</i>	407,497	602,375	148%
<i>Taxes on International Trade</i>	4,788,082	4,752,587	99%
<i>Fees, Fines and Permits</i>	179,298	460,261	257%
<i>Rents, Interest and Dividends</i>	54,150	114,398	211%
<i>ECCB Profits</i>	0	0	-
<i>Reimbursements</i>	0	144,902	-
<i>Budgetary Assistance</i>	19,926,675	22,014,759	110%
<i>Other Revenue</i>	586,949	1,024,779	175%
	<b>30,994,743</b>	<b>33,078,230</b>	<b>107%</b>

**Taxation revenue**

2.10. Total MCRS Recurrent Revenue – An overall collection of tax revenue for the 3<sup>rd</sup> quarter of this current fiscal year shows that there was a shortfall of 11% when compared to the projections. Despite the underperformance of key taxes such as Company Tax and Income Tax, other taxes such as Import duties, Processing Fees and Consumption Taxes performed credibly and directly responsible for the overall excess during the quarter. The underperformance of key taxes is directly related to the fact that included in the estimates for Property Tax, Income Tax and Company Tax were extraordinary amounts to be collected in respect of tax in arrears. Despite that projection we have not been able to apply our proposed stringent measures to collect these arrears as these are dependent on having particular elements in place which continue to be delayed during the year.

2.11. However both Property Tax and Import Duties perform above their projections. Income Tax and Company Tax receipts continue to lag behind projections significantly.

**Table 2.2 MCRS revenue**

Classification	Q3		
	Projections	Actuals	% Actuals/ Projections
Company Tax	750,872	376,299	50%
Income Tax (Personal)	3,656,413	2,967,480	81%
Withholding Tax	226,056	163,372	72%
Property Tax	180,474	240,410	133%
Hotel/Residential Occupancy Tax	16,796	7,416	44%
Insurance Company Levy	85,579	64,381	75%
Embarkation Tax	75,900	71,710	94%
Import Duties	1,505,332	1,647,319	109%
Customs Service tax		-	-
Consumption Tax	3,228,750	2,865,744	89%
Entertainment Tax		-	-
Customs Processing Fee		198,875	-
Customs Fines	900	1,000	111%
Custom Officers Fees	29,250	43,335	148%
Customs Auction		-	-
Other Receipts		2,102	-
<b>Total</b>	<b>9,756,324</b>	<b>8,649,441</b>	<b>89%</b>

2.12. Income tax was \$2.97 million (2012-13: \$2.91 million), accounting for 27% of total domestic revenues. This was however a 19% underperformance on the projections for the quarter.

2.13. Consumption tax was \$2.87 million, and accounted for 26% of total domestic revenues. The reduction to consumption tax in the quarter was due to a drop in importation of goods.

2.14. Company Tax collections fell behind by 50% of expectations. The main reason for this is the fact that we have not been able to apply our proposed stringent measures to collect Company Tax in arrears.

2.15. Property Tax projections anticipated bill due date to be earlier in the 2nd quarter than was achieved. Thus a reasonable amount of the funds were received during the third quarter. During the quarter collections represented 14% of the estimated revenues for the year or 133% for the quarter's projections. Notwithstanding that position, the amounts to date represents an overall significant shortfall of this particular tax type. In addition, the estimates include an amount representing additional tax arrears.

2.16. Import Duties collected were over by just over \$1.6 million. The amount collected for the quarter represents 109% of the target.

2.17. Other taxes, account for 6% of total tax revenue for the quarter.

## Non-tax revenue

**Table 2.3 Non-tax revenue**

	Q3		
	Projections	Actuals	% Actuals/ Projections
<i>Licenses</i>	407,497	602,375	148%
<i>Fees, Fines and Permits</i>	179,298	460,261	257%
<i>Rents, Interest and Dividends</i>	54,150	114,398	211%
<i>Reimbursements</i>	-	144,902	-
<i>Budgetary Assistance</i>	19,926,675	22,014,759	110%
<i>Other Revenue</i>	586,949	1,024,779	175%
<b>Total</b>	<b>21,154,569</b>	<b>24,361,474</b>	<b>115%</b>

2.18. The major component of non-tax revenue remains revenue from Budgetary Assistance. Domestic non-tax revenues receipts performed well during the quarter exceeding the projections by 15%. This performance was not due to any specific licence or fee but was reflected across those associated with land sale transactions; telecommunication licences; vehicle licences; naturalisation/passport fees; customs officer fees; broadcast fees; trademarks and patents; court fines/fees; quarry royalties; and bank interests. The reimbursement line continued to perform well from repayments for the Medical Loans scheme operated by the Social Services Department.

2.19. Contra to this trend was a sharp decline in the plan and hire receipts. This decline corresponds with the winding down of works on the A01 Road Project.

## Capital Grants/Revenue

2.20. GOM's capital accounts operate on an accrual basis unlike the recurrent accounts allowing for the rolling forward of unexpended funds. This accounts for the disparity between capital receipts and spending.

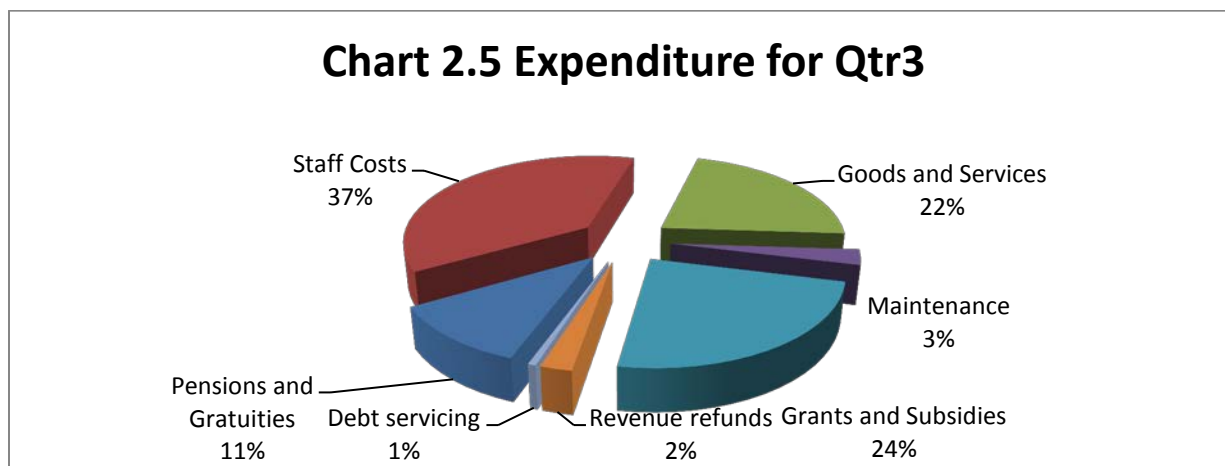
Actual capital grants claimed/received by GOM over the period amounted to \$12,789,600 (MDC Operations 2012 \$3.83 million; Government Accommodation \$1.09 million; Education Infrastructure (PCN) \$2.36 million; DARWIN Initiative Post project \$20.7k; Geothermal Exploration \$3 million; and Road Refurbishment Salem to St. John's \$2.48 million).

## Expenditure

### Current Expenditure

2.21. Total expenditure in the 3rd quarter was \$28 million or 13% above the projections for the quarter. This was underpinned by high levels of expenditure on Services, Pensions and Gratuities, and Revenue Refunds.

2.22. Table 2.4 below shows the year on year changes across the major expenditure categories.



**Table 2.4 Expenditure**

Classification	Q3		
	Projections	Actuals	% Actuals/ Projections
Pensions and Gratuities	2,930,650	3,117,899	106%
Salaries	8,802,707	8,056,089	92%
Wages	1,214,840	955,166	79%
Allowances	1,753,860	1,541,218	88%
Services	9,622,625	13,620,112	142%
Debt servicing	266,000	162,742	61%
Revenue refunds	285,500	645,118	226%
<b>Total</b>	<b>24,876,182</b>	<b>28,098,344</b>	<b>113%</b>

2.23. The fixed components of expenditure are staff costs 37%, pensions and gratuities 11% and debt servicing 1%, which collectively accounted for 49% of the spending for the quarter.

### Staff costs

2.24. Staff costs include the salaries and allowances of permanent staff, temporary staff and contractors. Staff costs are the net direct cost to the government of employing staff in the public sector for the delivery of front line services. The net cost does not include social security contributions and pension costs, these are discussed below.

2.25. The approved number of posts for GOM in 2013-14 is 951, as per the breakdown tabulated below:

Head Count (FTE)	No of Funded Vacancies	No of Unfunded Posts	Total No of Approved Posts
877	50	28	955
<b>Breakdown of Head Count</b>			
Permanent – 627 (65.7%);		Short-term – 50 (5.2%);	
Fixed-term/Contract – 71 (7.4%);		Wages/non-established – 128 (13.4%)	



2.26. Refer to Appendix B – ‘Staffing Details as at December 2013’ for details by department.

### *Pensions, Gratuities and Other Benefits*

2.27. Pensions and Gratuities are paid to Pensionable Officers who have reached normal or early retirement age, opted for early exit from the service or died while in the service. At the end of the quarter, spending on pensions and gratuities was \$8.85 million 11% of total expenditure, with \$3.12 million 11% spent for the period (restated 2011-12: \$2.9 million, 12%; 2012-13: \$3.03 million, 13%).

2.28. This category also includes government’s 5% matching portion to staff Social Security contributions. Additionally, GOM provided health insurance coverage of totalling \$75,700 for staff during the quarter; activity on this element is classified under goods and services.

2.29. Implementation of the new Pensions Act 2011 resulted in significant reforms which became effective from June 2011. A preliminary impact assessment, done in conjunction with the actuarial valuation, suggests changes in expenditure over the medium to long term on account of the following:

- Decrease in the benefit accrual rate from 2% to 1%;
- Significant decrease in new awards of both gratuities and pensions (\$13 million) from 2017 to 2021 (5 years) due to phased increase in the Normal Retirement Age from 55 to 65;
- Increase of \$2.5 million in termination benefits/lump-sum payments:
  - Gratuity or deferred pensions (\$2.1 million) to officers who exit the service after 10 years but prior to Early and Normal Retirement Age;
  - Death benefits (\$0.4 million) – with more people working above 55, possibility of more deaths while still in service;
- Pension payments to spouses on the death of pensioners may result in more pensions paid over the longer term.

### *Use of goods and services*

2.30. Goods and services were purchased to meet operational requirements. This included the maintenance of public sector buildings, maintenance of the road network, materials for schools, and medicines, as well as administrative costs, such as rent and utilities. The total value of goods and services purchased was \$6.13 million (22% of the total expenditure).

2.31. This quarter was characterised by increased spending on maintenance particularly on buildings (including the removal of asbestos from the Montserrat Secondary School), and road repairs.

2.32. Increasing cost of pharmaceuticals as well as supplier requirements for advanced payments resulted in the exhaustion of health budgets requiring intervention to maintain health services.

### Long-Term Technical Cooperation (LTTC)

2.33. At the beginning of the fiscal year, thirteen posts were identified for additional remuneration support through the technical cooperation budget. At the end of the 3<sup>rd</sup> quarter, expenditure has been realised on six posts, namely Deputy Commissioner of Police, Development Planner, Senior Policy Analyst, Parliamentary Counsel, Chief Medical Officer and the Senior Magistrate/Deputy Registrar of about \$121,000 with 4<sup>th</sup> quarter projections of a further \$90,000.

### Short-Term Technical Cooperation (STTC)

2.34. The following consultancies were actively pursued during the first 3 quarters of the year, with expenditure totalling \$802,800:

SGP Ref	SGP Action
13	Tax Regime - Social Impact Assessment
13	Tax Regime - Economic and Fiscal Assessment
24	Labour Market Needs Analysis
26	One stop shop/TIP, MDC
32	Social Impact Assessment Framework
-	Situational Analysis, Welfare System
-	Project support for Health Sector Redevelopment

2.35. Recruitment and selection was initiated for 7 technical assistance posts: Clinical Psychologist, Senior Social Worker, Child Safeguarding Specialist, Director of Hospital Services, Consultant Legal Adviser, Consultant Parliamentary Counsel, and Tax Advisor.

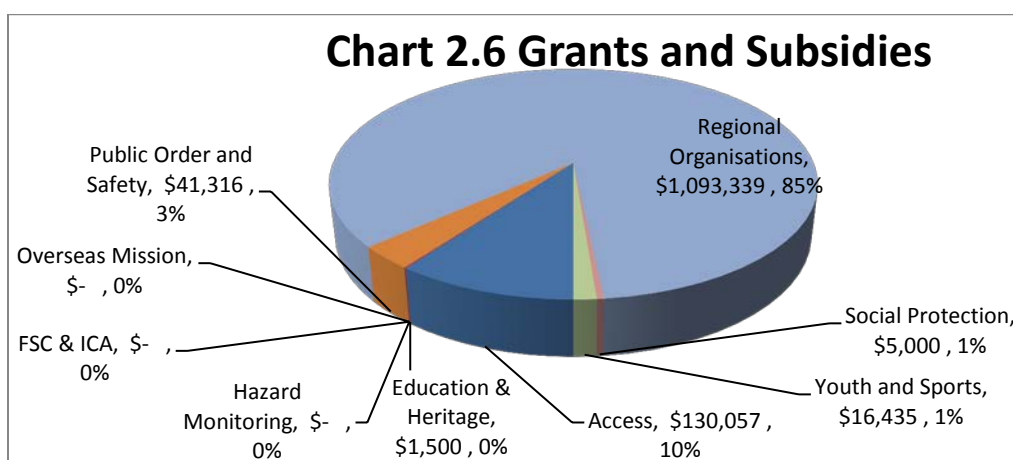
### Annual Country Training Scheme (ACTS)

2.36. Eight new scholarships were awarded for the 2013-14 academic year, along with the commitment to seven continuing students, supported at an estimated cost of \$853,600. The awards were closely aligned to the strategic thrusts of Montserrat, specifically in areas of land management, geothermal energy, hospital development, and information & communication technology.

2.37. In addition, mandatory training for officers in Fire, Physical Planning Unit, Airport and Customs were facilitated at approximately \$144,500.

2013-14 Expenditure Statement for GOM Capacity Fund, as at December 2013		
Scholarships	Actual Spend - Apr to Dec 2013	853,587.60
Mandatory	Actual Spend - Apr to Aug 2013	144,549.01
TOTAL		\$998,136.61

### Grants and subsidies



2.38. The central government makes grant and subsidy payments to regional institutions, private sector and non-governmental organisations as well as some statutory bodies to deliver public services or

to facilitate their delivery. Payments of this nature are usually given to support on-going services; they can also be for the creation of new assets. Total grants and subsidies were \$1.29 million, 5% of spending for the period.

### Access Subsidy

2.39. There were a number of challenges during the 3rd quarter that affected the movement of persons on and off the island. These disruptions primarily affected the sea access but at times access by both sea and air were negatively impacted. It was also not uncommon to have both sea and air access affected at the same time.

2.40. There was a total of fifty seven (57) charter days for the ferry service during the quarter. The total ferry cost for this period was \$1,370,430. Of this amount, \$777,500 represents charter hire for the vessels while \$592,930 was spent on operational expenses with fuel accounting for \$339,328. Revenue during the same period amounted to \$435,931 with \$421,775 collected as passenger ticket sales and \$14,156 recorded as cargo sales. It is expected that the bigger, faster, more comfortable vessel (Caribe Sun) will be contracted to operate the ferry service commencing towards the end of February 2014. This brings with it an increase in the operational expenditure (charter price & fuel) but it also offers tremendous potential for improving the revenue collections. With a dedicated marketing program, there should be a noticeable increase in the passenger numbers traveling by sea as the vessel itself is more appealing to the tourist industry. The reduced transit time between the islands and the added comfort of the vessel itself would also serve as an added attraction for persons to travel by sea.

2.41. Records of the passenger movements for the ferry during the 3rd Quarter of the 2013-14 totalled 3,147 with the monthly breakdown as follows:

October 2013	-	793
November 2013	-	985
December 2013	-	1,369

2.42. The total subsidy required for the 3rd quarter was \$1,076,310 inclusive of the additional air charters that were required during December 2013. This compares to a subsidy requirement in the 2nd quarter of \$714,638 and a subsidy requirement in the 1st quarter \$941,491.

2.43. Overall revenue collection so far for the year 2013-14 stands at \$1,277,330. Analysis of the revenue figures so far reveal that only two (2) months have revenue reported below EC\$100,000. The best month in terms of revenue collection so far was the month of August when the revenue collected peaked at \$263,911. To date, taking into account the access operations for the past nine (9) months of 2013-14, the access subsidy totalled \$2,732,440 which represents 50.41% of the overall approved budget for both sea and air support during the 2013-14 fiscal year.

<b>GOVERNMENT OF MONTSERAT ACCESS BUDGET PERFORMANCE 2013/2014</b>							
	<b>2013/2014 Actual</b>			<b>2013/2014 (Projected)</b>			
	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>Proj Total</b>
Ferry Subsidy	887,491	660,638	934,499	685,384	606,164	668,087	4,442,263
Airlines Guarantee	54,000	54,000	54,000	18,000	18,000	54,000	252,000
WINAIR Charters			51,361				51,361
Fly Montserrat Charter			26,190				26,190
SVG Charter			10,260				10,260
<b>Total Subsidy (EC\$)</b>	<b>\$941,491</b>	<b>\$714,638</b>	<b>\$1,076,310</b>	<b>\$863,078</b>	<b>\$624,164</b>	<b>\$686,087</b>	<b>4,905,768</b>

### Contingency Funds

2.44. The first disbursement from the fund was made within the quarter and amounted to \$1,276,900. This was to facilitate urgent repairs to the New Windward Road \$850,000, expenses in relation removal of asbestos from the secondary school \$77,700 and urgent health related expenditure (replacement of operating theatre lights \$102,300 and medical referrals \$246,900).

### Cross-Classification of Functional and Economic Classifications of Expense

2.45. Table 3.7 is meant to provide an approximation of the breakdown of recurrent expenditure according the classifications of functions of government (COFOG) against the economic classifications of expenses according the Government Financial Statistics (GFS) 2001. The functions cover the ministries as follows:

- **General public services** includes Executive and Legislative organs as well as external affairs, Ministry of Finance and Economic Management
- **Defence:** Disaster Management Coordination Agency including MVO subvention and the Royal Montserrat Defence Force;
- **Public order and safety:** Law Courts, Police, Fire and Prisons;
- **Economic affairs:** Agriculture, Communication, Works and Labour;
- **Recreation, culture, and religion:** Sports, Tourism & Culture should be included here but have not yet been unbundled from the general public services;
- **Environmental protection; Health; & Social protection** relate Environmental Management, Ministry of Health and Social Services

**Table 2.5 Spending matrix**

Function of Government	Compensation of Employees	Use of Goods and Services	Interest	Subsidies	Grants	Social Benefits	Other Expenses	Totals
General public services	4,464,351	1,360,825	-	696,362	-	4,157	45,056	6,570,751
Defence	160,723	188,230	-	3,000,172	-	-	126	3,349,251
Public order and safety	1,717,217	294,739	-	-	-	-	59,000	2,070,956
Economic affairs	3,542,580	1,204,205	162,742	1,637,863	162,742	-	1,500,520	8,210,652
Environmental protection	156,993	93,935	-	-	-	-	132,528	383,455
Housing and community amenities	108,762	17,646	-	-	-	-	21,041	147,449
Health	1,887,211	571,177	-	-	-	-	338,367	2,796,756
Recreation, culture, and religion	284,405	128,331	-	73,291	-	-	19,815	505,842
Education	1,311,176	348,738	-	-	-	-	109,706	1,769,620
Social protection	126,607	13,899	-	-	-	1,012,577	1,777	1,154,860
	<b>13,760,025</b>	<b>4,221,725</b>	<b>162,742</b>	<b>5,407,689</b>	<b>162,742</b>	<b>1,016,734</b>	<b>2,227,936</b>	<b>26,959,593</b>

## Capital Expenditure

### 2.46. Government of Accommodation

- The Government continues the initiative of relocating all major government ministries from temporary volcanic housing to permanent and sustainable accommodations. The Ministry of Communications, Works and Labour building (Building 2) is now fully occupied and is currently within its retention period. Building 3 (MALHE Headquarters) has successfully progressed passed the design and tendering phase and are now looking to commence the construction phase. The MCRS Building (Building 4) has gone through the design phase and is currently being prepared for tender. The budget for the year is \$3.7 million and expenditure as at 31<sup>st</sup> December was \$1.71 million.

### 2.47. Geothermal Exploration

- The approved budget for the project at the beginning of the fiscal year 2013/2014 was \$23.9 million. At the end of the quarter the budget was revised upwards by \$2,395,300 increasing the budget to \$26,322,100. This was to allow for additional necessary works to be carried out. The project has been progressing successfully to date and the Government of Montserrat is currently exploring avenues for the funding of the next phase of this critical project in Montserrat's long term development. Expenditure for the fiscal year as at the end of the 3<sup>rd</sup> quarter stood at \$22.83 million.

### 2.48. Port Development

- Design Phase of the Port development project is currently at the 90% stage. Progress beyond the 90% stage has been delayed to due to the incorporation of designs for the new terminal buildings as well as to allow for adjustments to the design at GoM's request. Although the Design Phase has lasted beyond the scheduled end date, this was necessary to ensure that Montserrat received the most comprehensive yet affordable Port design and that the design will be functional and sustainable into the long-term. The project was budgeted for \$4.8 million and \$2.95 million was expended as at the end of the 3<sup>rd</sup> quarter of the fiscal year 2013-14.

### 2.49. Ao1 Road Network

- For the fiscal year 2013-14 the project opened with a budget of \$5.3 million with expenditure at the end of the quarter amounting to \$4.56 million. All outstanding works such as sidewalks and refilling of pot holes have been completed. Although there were major setbacks earlier in the year to include the breaking down of the Hot Mix Plant's generators, the project has now been completed. Additionally the process to finalize the terms of reference to extend the project up to St. Johns is still underway.

### 2.50. Hospital Re-development project

- The amount of funds apportioned for this fiscal year 2013-14 is \$14 million and expenditure as at December 31<sup>st</sup> amounted to \$0.95 million. Work under the infrastructure side is progressing but expenditure for the quarter was geared towards purchasing the necessary equipment such as, wheel chairs, ICU Monitors and other necessary hospital equipment. Although there was a slow start to civil works in the quarter, significant progress is expected to begin within the next fiscal year.

#### 2.51. Education Infrastructure

- The approved budget for 2013-14 was \$ 6.3 million with expenditure totalling \$3.06 million. This is a result of significant progress of the construction of buildings at the Look Out Site. Although Construction works were delayed on Building 6 due to the urgent relocation of the MSS to the Brades School as Building 5 was fast tracked to accommodate the occupants of the Brades Primary School. Although there was a minor setback the project will still be completed at the targeted date.

#### 2.52. Access

- The project has completed its major goal with minor works near the completion stage. This includes the setting up and operation of an online booking and ticketing system for the ferry service. The budget for this project for the fiscal year 2012/13 was \$0.2 million and expenditure at the end quarter amounts to \$0.08 million.

#### 2.53. Gunn Hill

- Works have been moving at reasonable pace. Most of the excavation works have been completed. Outstanding works include the clearance of the site which should be completed as scheduled. The overall project should be completed at the end of the fiscal period. A total of \$ 4.5 million was allotted to the project with an expenditure of \$ 1.79million at the end of the quarter

#### 2.54. Capacity Development Fund

- The CDF is a component of PRS2 which is geared towards supporting the implementation of reforms arising from organisational reviews. Expenditure at the end of the 3<sup>rd</sup> quarter totalled \$0.87 million. Some \$0.18 million was spent during the quarter principally on Professional Certification in Strategic Project Management and Infrastructure Delivery for 25 persons, Capacity Building for the Montserrat Information & Communication Authority, and ACCA Professional Development for 6 officers.

#### 2.55. Small Capital Asset Fund

- The Small Capital Asset Fund (SCAF) is funded by DFID to purchase various pieces of equipment required by Ministries and Departments that are too expensive to be considered as a recurrent cost and are too small to be considered a major capital. These projects however, must be completed within a year after they have been approved. The total budget of the fund is \$1.8 million. Some of the projects that have been funded thus far include; two new engines for the Police MV Shamrock, electronic/video surveillance for the Royal Montserrat Police Force, a new vehicle for the John A Osborne Airport, a generator for the hot mix plant, equipping the Montserrat Community College Lab, Servers and Switches for DITES and two Fire Tenders for the Royal Montserrat Police Force. At the end of the quarter \$0.52 million has been expended under the Fund.

## Cash Balance

2.56. The total cash balance at 30 December 2013 was \$ 31, 870,809.25 broken down as follows:

- The Consolidated Fund 12,476,837.38
- The Development Fund 19,393,971.87

## Government borrowing and debt servicing

2.57. No new loans were entered into for quarter 1. Government borrowing and financing comprises the Plymouth 2<sup>nd</sup> Port Development Loan and the Consolidated Line of Credit (a loan used to provide student loans, business loans and agricultural developments).

2.58. As at 1 January 2014, the Government had current borrowing of \$ 6,262,621. Total repayments of \$159,496 (Principal \$125,416; Interest \$34,080) were made during the period.

2.59. The debt portfolio at the end of the period is as follows:

	Opening Balance	Principal	Interest	Q3 Repayment	Closing Balance
Port Development Loan (2 <sup>nd</sup> Loan 1)	1,996,940.49	57,055.46	12,124.27	69,179.72	1,939,885.04
Port Development Loan (2 <sup>nd</sup> Loan 2A1)	1,471,889.48	29,437.78	7,359.44	36,797.22	1,442,451.70
Consolidated Line of Credit	2,919,206.95	38,922.77	14,596.04	53,518.81	2,880,284.18
<b>Total</b>	<b>6,388,036.92</b>	<b>125,416.00</b>	<b>34,079.75</b>	<b>159,495.75</b>	<b>6,262,620.92</b>

## Liabilities

2.60. GOM is committed to systematically reducing all its outstanding commitments which include the following quantified items approximating to \$8.83 million:

• Pensions & Gratuities	\$0.48 m
• Litigation	\$0.09 m
• UWI	\$5.30 m
• Other External Agencies	\$0.79 m
• MUL (Generating set)	\$2.17 m

2.61. GOM began the fiscal year with arrears to 6 external organisations for a total of \$3,296,271. DFID provided \$ 2,425,000 towards clearing the arrears owed to the Caribbean Development Bank (CDB). Excluding the UWI account, GOM will have reduced the arrears list to 3 major organisations totalling \$754,475 in arrears due.

Organisation	Current Arrears	Projected Balance 2013-14
Caribbean Association of Local Government Authorities (CALGA)	1,358.45	
Caribbean Public Health Agency (CARPHA)	89,997.31	
CCLEC	41,161.04	
Red Ensign Group	460.00	
Caribbean Development Bank	186,676.00	186,676.00
Caribbean Regional Technical Assistance Centre (CARTAC)	271,690.00	126,915.38
United Nations Development Programme (UNDP)	431,883.53	431,883.54
<b>Total</b>	<b>1,023,226.33</b>	<b>754,474.92</b>

2.62. The above arrears list excludes UWI Campuses Economic Cost of around \$5,297,271 and current year billing of just over \$1.2 million. GOM is actively seeking to address this matter separately and expects to clear the UWI account by the end of the current financial year.

### *Contingent liabilities*

2.63. Contingent liabilities are liabilities associated with events that, while possible, are considered sufficiently improbable (or unquantifiable) that they are not included in the governments financial statements. These contingent liabilities recognise that future expenditure may arise if certain conditions are met or certain events happen. That is, the risk of a call on the Consolidated Fund in the future will depend on whether or not certain circumstances arise. For example, payment under a government guaranteed loan would only be required if the body covered by the guarantee was unable to repay the loan.

2.64. While the Government has not yet formally enumerated its contingent liabilities it notes the following:

- Legal claims
  - J.E. Galloway Construction Company Limited. The claim by this company relates to the expulsion of this company from the Little Bay Infrastructure Development project. The case is currently in mediation. The Ministry of Communication & Works is the taking this matter forward. The range of a potential award is between \$3 million and \$18 million. The larger amount being claimed by Galloway Construction. In addition, the same Company has asked for a judicial review of a contract award made by the Central Tenders Board for dredging of Port Plymouth to facilitate the off-loading of the Geothermal dredging equipment.
  - International Pairs. This matter relates to a claim for damages for non-performance of contract. The case is set for trial in March with a potential cost to the Consolidated Fund of approximately £0.5 million. GOM defence of this claim is weak and therefore is seeking to settle the matter for a maximum cost to GOM of £150,000.
  - Providence Estate Limited (PEL). This matter started as a civil matter in the Courts but the Plaintiff, PEL is seeking to claim compensation for alleged errors made by public officials. The matter is not yet before the Courts and the amount of any liability arising from this case cannot therefore be estimated.
- Lookout School. This matter has been appealed to the Privy Council.
- Government Savings Bank (GSB). The GSB was established by statute in the 1937 by the UK Government at the time to provide limited banking services on Montserrat. The financial services market has developed to the point where there is no longer the need for such services. Further, the regulatory framework is not conducive to and in the specific case of the Banking Act does not permit maintaining this institution. Consequently, GOM has directed the MOFEM to voluntarily wind up the GSB by 31 March, 2014. The law explicitly provides for GOM to make up any deficiencies between the assets of the GSB and the liability owed to depositors. In 2012, we estimated this deficit to be approximately \$17 million but we have since recovered some of GSBs investments in CLICO and GOM has taken steps to manage the risks, such as directing that no new accounts be open and encouraging individuals to move their accounts to other financial institutions. The estimated deficit is currently under \$2 million.



### 3. Outlook for 2013-14

#### Economic forecast

3.1. The Government of Montserrat previously estimated a preliminary economic forecast based on the availability of provisional data for the first three months of fiscal year. With the availability of six months data, the Ministry has revised the economic and fiscal forecast to reflect the more recent developments. These changes will also impact the macro economic and fiscal projections for the future years. The forecasted fiscal year real GDP growth has been revised downwards from 1.12 % to 0.87%.

3.2. The basis of the previous forecast relied upon the realisation of several key assumptions, mainly the scheduled implementation of several major development projects which would have impacted growth in the Construction sector and a provided a small growth in the Public Administration sector. As a consequence of the data actual performance for the first six months of the fiscal year, these assumptions had to be adjusted which resulted in a lower growth forecast for 2013/14.

#### Sectoral Analysis

3.3. The five key sectors which continue to contribute the majority of economic activity are; Public Administration, Defence & Compulsory Social Security (36.23%), Real Estate & Housing (12.51%), Financial Intermediation (11.07%), Transport, Storage & Communications (8.80%) and Construction (6.16%). The other key sectors identified as potential growth sectors within the Sustainable Development Plan 2008-2020 are Agriculture (1.01%), Mining & Quarrying (0.58%) and Hotels and Restaurants (1.90%).

3.4. The Agriculture Sector was anticipated to experience modest growth during the fiscal year but updated data has indicated that the growth in the sector will be greater than previously forecasted. The growth forecast has been revised upwards from 3.28% for the financial year to 23.94%. This is evidenced by the 20.83% growth that occurred in the first six months of the fiscal year. The Crop sub-sector saw tremendous growth, mainly due to efforts by the Ministry of Agriculture to increase local production through backyard gardening initiatives and other programmes aimed at boosting local production. New lands being cultivated in the Blake's area also contributed to the increase in production.

3.5. The Mining and Quarrying Sector experienced growth of 13.48% during the April-September months and is expected to see growth of 15% for the entirety of the fiscal year. The growth in this sector has resulted in growth in the collection of royalties for Government revenue. The Government of Montserrat has always emphasised the sector as an area for potential growth and its development a key milestone in increasing Montserrat's sustainability.

3.6. The Construction Sector's previously forecasted growth has been revised downward from 2.45% to 0.20%. There has been contradicting activity when compared to expectations in two sub-sectors within the sector. With Private sector construction experiencing growth over the period while Public sector construction has seen a steep decline during the same period. The 30.92% slowdown in Public sector construction can be attributed to the ending of the current phase of the Road Rehabilitation project, lack of actual construction on the Government Accommodation project, non-start on construction on the Power Generation project and minimal construction activity at Little Bay. Although projects like the Education Infrastructure project continued to contribute to the sub-sector the overall activity during the April-September months generated only EC\$10.75 million in construction related expenditure in comparison to EC\$15.56 million last fiscal year. A slowdown in this sector has

contributed to less than expected collection of Income Tax revenue and has impacted the amount of credit offered to the firms and individuals in the construction sector.

3.7. Public Administration currently accounts for the largest contribution to the Montserrat economy and is still forecasted to decline during the fiscal year, although less than previously anticipated. The growth forecast remains at -0.20% for the fiscal year. There was an -1.30% decline during the first two quarters which may prove the forecast to be optimistic. This has been attributed to the decline in pension payments during the period, with less senior persons retiring and less early retirees in the first half of this year in comparison to the first half of last year. With an actual and forecasted decline in Personal Emoluments there has been a resultant reduction in the Income Tax aggregate for this fiscal year in comparison to 2012/13.

3.8. The Wholesale and Retail Sector the sector saw strong growth of 5.98%, as imports grew during April-December. This is the main indicator of activity within the sector. This will result in a growth of 2.75% during the fiscal year. It should be understood that this may provide a false perception of the true performance of the sector. Although the value of the imports is shown to be increasing this is not necessarily as a result of increased demand for goods on island. In actuality businesses maybe suffering as a result of the increased cost of goods with the inability to completely pass along the escalating costs to the small consumer base.

3.9. Based on revisions of growth forecasts for sectors such as Mining & Quarrying, Hotels & Restaurants and Wholesale & Retail which all too some extent impact on the performance of the Transport, Communication & Storage Sector, the growth projection for the sector was also revised upwards. Along with expansions in sea arrivals and unexpected growth in Montserrat export of aggregates, the sector is expected to see growth of 1.30% for the fiscal year, this is evidenced by the 0.58% expansion seen during the April-September.

3.10. CPI index is still anticipated to experience growth during the fiscal year 2013/14, but at a slower rate than previously anticipate, growth has been revised to 3.5%, from 3.8%. This revision resulted from the observation of slower than expected increase in the cost of fuel which impacts the movement of all sub-indices within the basket.

3.11. Growth for the fiscal year is still expected to be wholly Government expenditure driven, with no significant shift of activity to the private sector. Any growth in Government revenue has been as a result of increases in fees, licenses and fines and an increase in the value of the imports and not as a consequence of any notable expansion within the private sector.

### **Policies and Programmes for 2013-14**

3.12. The government outlined a set of medium-term strategic priorities in 2011/12 which underpinned the work of the public service during the past year. These priorities include:

- A clear set of policy commitments designed to stimulate economic growth and reduce our reliance on budgetary aid.
- Agreement with our development partners on the provision of key economic infrastructure to attract and facilitate investment and trade;
- Strong and effective leadership including the governance of the institutions of government and the private sectors;
- Efficient, cost effective and targeted social policies to build, sustain and encourage social integration and development for all the people of our society;
- Appropriate and responsive legal systems and a flexible internal security framework.

3.13. GOM further focused its activities around improving the business environment; developing Montserrat as a tourism destination; and strengthening GOM's capacity to deliver reforms and key strategic investments with the Strategic Growth Plan – Memorandum of Understanding of 1 May 2012.

3.14. Specifically, during the current fiscal year GOM will seek to :

- Promote the Development of Private sector infrastructure
- Deliver Key Economic Infrastructure
  - Energy, Port development, Little Bay Town centre, Road Networks, Social Infrastructure (hospital re-development project; education infrastructure), and improvements to Access.
- Outsource more non-core services within government. These include: hospital laundry, catering and security services.
- Provide more services on line such as: Property Tax, Income Tax and Company Registry Services.
- Completion of a Medium Term Development Strategy.

### Recurrent Budget Projections for Quarter 4: 2013/2014

3.15. The revenue intake for the fourth quarter is projected to be \$33.3 million and expenditure \$34.4 million. Local revenue streams are expected to contribute \$12.4 million with budgetary assistance providing the additional \$22 million.

3.16. The revenue projections include additional budgetary aid to clear outstanding amounts owed to the University of the West Indies. Government also anticipates utilising savings on spending toward clearing other high priority commitments. These may include alleviation of pressures on the health services budget, MUL generator set, maintenance of PWD plant and equipment as well as revenue refunds.

**Table 3.1 Quarter 4 Recurrent Projections**

	Approve Estimates 2013/2014	Actuals at 31 Dec	Q4	Projections
<b>Revenue</b>				
Taxes on Income, Profits	17,560,000	11,059,284		4,165,802
Taxes on Property	1,700,000	821,304		199,680
Taxes on Domestic Goods and Services	1,355,000	664,530		545,027
Licenses	2,668,000	1,262,106		1,171,378
Taxes on International Trade	16,660,800	12,355,689		4,445,300
Fees, Fines and Permits	1,432,900	1,206,173		336,000
Rents, Interest and Dividends	634,000	254,514		50,360
ECCB Profits	-	33,950		-
Reimbursements	35,000	205,178		-
Budgetary Assistance	69,700,000	54,407,826		22,037,231
Other Revenue	2,673,200	2,494,775		386,360
<b>Total Revenue</b>	<b>114,322,400</b>	<b>84,765,328</b>		<b>33,337,137</b>
<b>Expenditure</b>				
Pensions and Gratuities	12,525,500	8,852,613		3,780,459
Personal Emoluments	33,410,800	23,741,128		8,286,410
Wages	4,256,600	2,937,122		1,117,810
Allowances	6,649,900	4,544,592		1,562,811
Services	55,243,100	36,320,900		19,219,209
Debt servicing	1,064,000	491,972		164,745
Revenue refunds	1,172,500	1,120,379		216,750
<b>Total Expenditure</b>	<b>114,322,400</b>	<b>78,008,705</b>		<b>34,348,194</b>
<b>Surplus/Deficit</b>		<b>6,756,623</b>		<b>(1,011,057)</b>

## A. BUDGET PERFORMANCE REPORT

For the Period 1<sup>st</sup> April 2013 – 31<sup>st</sup> December 2013)

Recurrent Revenue	Actuals			Expenditure					YTD Projection	Variance
	2012	2013	2014	Approved ('R)	Q1	Q2	Q3	Q4P		
<i>Taxes on Income, Profits</i>	(17,752,297)	(15,161,943)	(11,059,284)	(17,560,000)	(3,943,225)	(3,608,909)	(3,507,150)	(4,165,802)	(13,170,000)	(5,617,866)
<i>Taxes on Property</i>	(868,118)	(871,715)	(821,304)	(1,700,000)	(68,549)	(512,345)	(240,410)	(199,680)	(1,275,000)	(694,106)
<i>Taxes on Domestic Goods and Services</i>	(1,365,860)	(1,452,938)	(664,530)	(1,355,000)	(252,381)	(195,539)	(216,610)	(545,027)	(1,016,250)	(568,330)
<i>Licenses</i>	(1,910,153)	(2,002,417)	(1,262,106)	(2,668,000)	(464,296)	(195,434)	(602,375)	(1,171,378)	(2,001,000)	(1,341,269)
<i>Taxes on International Trade Fees, Fines and Permits</i>	(14,276,841)	(17,389,827)	(12,355,689)	(16,660,800)	(3,809,805)	(3,793,297)	(4,752,587)	(4,445,300)	(12,495,600)	(4,892,498)
<i>Rents, Interest and Dividends</i>	(1,702,547)	(1,748,071)	(1,206,173)	(1,432,900)	(281,062)	(464,851)	(460,261)	(336,000)	(1,074,675)	(328,763)
<i>ECCB Profits</i>	(281,916)	(263,128)	(254,514)	(634,000)	(63,270)	(76,846)	(114,398)	(50,360)	(475,500)	(335,384)
<i>Reimbursements</i>	0	(64,318)	(33,950)	0	0	(33,950)	0	0	0	33,950
<i>Reimbursements</i>	(50,458)	(45,880)	(205,178)	(35,000)	(22,650)	(37,626)	(144,902)	0	(26,250)	34,026
<i>Budgetary Assistance</i>	(72,939,711)	(55,571,612)	(54,407,826)	(68,500,000)	(17,529,463)	(13,063,604)	(22,014,759)	(22,037,231)	(51,375,000)	(20,781,933)
<i>Other Revenue</i>	(1,915,336)	(3,437,876)	(2,494,775)	(2,673,200)	(654,185)	(815,811)	(1,024,779)	(386,360)	(2,004,900)	(534,904)
<b>Total Recurrent Revenue</b>	<b>(113,063,235)</b>	<b>(98,009,725)</b>	<b>(84,765,328)</b>	<b>(113,218,900)</b>	<b>(27,088,884)</b>	<b>(22,798,213)</b>	<b>(33,078,230)</b>	<b>(33,337,137)</b>	<b>(84,914,175)</b>	<b>(35,027,077)</b>
Recurrent Expenditure	2012	2013	2014	Approved ('R)	Q1	Q2	Q3	Q4P	YTD Projection	Variance
<i>Pensions and Gratuities</i>	29,362,149	11,467,509	8,852,613	12,616,550	2,841,606	2,893,109	3,117,899	3,780,459	9,462,413	3,727,698
<i>Personal Emoluments</i>	31,330,190	31,680,148	23,741,128	33,244,500	7,891,606	7,793,432	8,056,089	8,286,410	24,933,375	9,248,337
<i>Wages</i>	5,746,973	4,597,159	2,937,122	4,352,500	949,801	1,032,155	955,166	1,117,810	3,264,375	1,282,419
<i>Public Sector Reform Initiatives</i>			0		0	0	0	0	0	0
<i>Allowances</i>	5,723,706	5,960,784	4,543,651	6,630,800	1,475,322	1,527,112	1,541,218	1,562,811	4,973,100	1,970,666
<i>Services</i>	39,922,228	42,037,350	36,333,341	55,811,950	8,225,426	14,487,802	13,620,112	19,219,209	41,858,963	19,145,734
<i>Debt servicing</i>	728,952	717,939	491,972	705,000	165,657	163,572	162,742	164,745	528,750	199,521
<i>Revenue refunds</i>	899,907	2,442,851	1,120,379	1,172,500	222,762	252,499	645,118	216,750	879,375	404,115
<b>Total Recurrent Expenditure</b>	<b>113,714,104</b>	<b>98,903,740</b>	<b>78,020,205</b>	<b>114,533,800</b>	<b>21,772,180</b>	<b>28,149,681</b>	<b>28,098,344</b>	<b>34,348,194</b>	<b>85,900,350</b>	<b>35,978,489</b>
<b>Recurrent Surplus/Deficit</b>	<b>650,869</b>	<b>894,014</b>	<b>(6,745,123)</b>	<b>1,314,900</b>	<b>(5,316,705)</b>	<b>5,351,468</b>	<b>(4,979,886)</b>	<b>1,011,057</b>	<b>986,175</b>	<b>951,412</b>

## CAPITAL EXPENDITURE

Capital Expenditure	2012	2013	2014	Approved ('R)	Q1	Q2	Q3	Q4	Actuals	Variance
Domestic	633,139	882,775	163,962	437,200	47,620	47,344	47,148	21,850	437,200	342,235
Regional	0	52,011	0	0	0	0	0	0	0	0
International	30,013,488	56,394,441	54,017,027	10,523,000	11,863,002	16,921,854	19,292,645	5,939,527	10,523,000	(18,261,855)
DFID	26,562,289	44,697,851	47,832,816	0	9,421,426	16,183,205	17,208,176	5,020,009	0	(25,604,631)
EU	3,182,481	11,418,534	6,039,697	89,100	30,175	66,282	(27,399)	(4,610)	89,100	(7,358)
Other	268,717	278,056	144,514	10,433,900	2,411,400	672,366	2,111,869	924,128	10,433,900	7,350,134
	<b>30,646,626</b>	<b>57,329,227</b>	<b>54,180,990</b>	<b>10,960,200</b>	<b>11,910,622</b>	<b>16,969,198</b>	<b>19,339,793</b>	<b>5,961,377</b>	<b>10,960,200</b>	<b>(17,919,620)</b>

## B. Staffing Details as at December 31, 2013

Vote	A/C No	Ministry/Department	Per- manent	Fixed Term Contract	Special Agreement	Wages	Wages Part- time/FTE	No of Posts Filled	Vacancies	Unfunded	No of approved
05	050	Fire	25	0	0	0	0	25	1	0	26
05	051	Police	75	1	0	0	0	76	1	0	77
05	052	Financial Crime and Analysis	2	0	0	0	0	2	0	0	2
07	070	Administration of Justice	11	2	1	0	0	14	0	0	14
08	080	Magistrate	2	1	0	0	0	3	0	0	3
09	090	Supreme Court	7	1	0	1	0	9	0	0	9
10	100	Legislature/Legislators	4	6	0	0	0	10	0	0	10
10	101	Constitution Commissions Secretariat	0	1	0	0	0	1	0	2	3
11	110	Office of the Auditor General	7	6	0	1	0	14	2	1	17
12	120	Office of the Deputy Governor	7	1	0	7	0	15	0	2	17
12	121	Human Resources Management Unit	14	0	0	0	0	14	1	1	16
12	122	Prison	26	0	1	1	0	28	1	1	30
12	124	DMCA	7	0	0	0	0	7	0	0	7
12	125	Governor's Office	1	2	0	3	0	6	0	0	6
13	130	Director of Public Prosecution	4	1	1	0	0	6	0	0	6
15	150	Office of the Premier - Strategic Management & Admin	3	2	1	0	0	6	1	0	7
15	153	Office of the Premier - External Affairs & Trade	2	1	1	0	0	4	0	0	4
17	170	Cabinet Secretariat - Strategic & Performance Management	6	0	0	0	0	6	1	0	7
17	171	Cabinet Secretariat - Development Planning & Policy	2	1	0	0	0	3	1	0	4
17	172	Information Technology & Economic Management	10	0	1	0	0	11	1	2	14
17	173	Broadcasting/GIU	12	0	3	1	0	16	1	1	18
20	200	MoF - Strategic Management & Administration	4	0	0	0	0	4	0	0	4
20	203	MoF - Fiscal Policy and Management	6	0	1	0	0	7	0	0	7
20	204	Statistical Management	4	0	1	0	0	5	2	1	8
20	205	Treasury Management	11	0	2	0	0	13	0	1	14
20	206	Customs & Revenue Service	35	0	5	0	0	40	4	0	44
20	207	General Post Office	7	0	2	0	0	9	0	1	10
20	208	Internal Audit Unit	2	0	0	0	0	2	5	0	7
30	300	Ministry of Agriculture - Strategic Administration & Planning	5	1	1	4	0	11	1	0	12
30	301	Agriculture Services	15	2	0	9	0	26	2	1	29
30	302	Land Administration	11	0	0	0	0	11	1	0	12
30	303	Physical Planning & Development Services	9	0	1	1	0	11	1	0	12
30	304	Environmental Management	9	1	1	3	0	14	1	0	15
30	305	Housing Policy & Support Services	4	0	2	0	0	6	0	1	7
35	350	Ministry of Comms & Works - Strategic Management & Admin	14	1	1	0	0	16	1	0	17
35	351	Infrastructure Services	10	4	2	24	0	40	5	2	47
35	352	Plant & Mechanical Services	6	0	4	23	0	33	3	0	36
35	353	Airport	22	1	0	5	0	28	3	2	33
35	355	Industrial Relations & Employment Services	3	1	0	0	0	4	0	0	4
40	400	Ministry of Education - Strategic Management	9	3	1	0	0	13	0	0	13
40	401	Primary Education	27	0	2	3	0	32	0	3	35
40	402	Secondary Education	24	11	4	6	0	45	1	2	48
40	403	Library & Information Services	4	0	0	0	0	4	0	0	4
40	404	Early Childhood Education	23	0	1	3	0	27	0	0	27
40	405	Youth Affairs & Sports	7	0	3	0	0	10	0	0	10
45	450	Health Headquarters - Strategic Management & Admin	9	0	0	0	0	9	0	0	9
45	451	Primary Health Care	16	6	1	6	1	30	3	2	35
45	452	Secondary Health Care	93	12	6	19	0	130	2	2	134
45	454	Social Services	6	1	0	3	0	10	2	0	12
45	455	Environmental Health	5	1	0	5	0	11	2	0	13
		<b>Total</b>	<b>627</b>	<b>71</b>	<b>50</b>	<b>128</b>	<b>1</b>	<b>877</b>	<b>50</b>	<b>28</b>	<b>955</b>

## C. Project Data as at December 30<sup>th</sup> 2013

Name of Sector/Project	Ministry Responsible	Status	Financier	Budget 2013-14 EC\$	Expenditure EC\$	Balance(Budget-Exp.) EC\$
<b>Economic Infrastructure</b>						
Disaster Preparedness Repairs	ODG	Ongoing	DFID	\$462,100	\$256,371	\$205,729
Little Bay Town Centre Exp Phase 1	MOFEM	Ongoing	EU	\$673,000	\$3,551	\$669,449
Geothermal Exploration	MCW	Ongoing	DFID	\$26,322,100	\$22,830,390	\$3,491,710
Ghaut Replacement Project	MCW	Ongoing	DFID	\$441,200	\$24,396	\$416,804
Road Refurbishment - Salem to St. John	MCW	Ongoing	DFID	\$4,878,000	\$4,542,325	\$335,675
Carr`s Bay Port Development	MOFEM	Ongoing	EU	\$4,800,000	\$2,954,723	\$1,845,277
Fibre Optic	CabSec	Ongoing	EU	\$3,185,100	\$0	\$3,185,100
Port Development (Gunn Hill)	MOFEM	Ongoing	EU	\$4,500,000	\$1,789,379	\$2,710,621
TOTAL				<b>\$37,576,400</b>	<b>\$30,611,755</b>	<b>\$6,964,645</b>
DFID				<b>\$32,103,400</b>	<b>\$27,653,481</b>	<b>\$4,449,919</b>
EU				<b>\$13,158,100</b>	<b>\$4,747,653</b>	<b>\$8,410,447</b>
<b>Social Infrastructure, Research &amp; Services</b>						
Hospital Redevelopment project	MOFEM	Ongoing	CDB	\$14,000,000	\$945,278	\$13,054,722
BNTF 6	MOFEM	Ongoing	CDB	\$437,200	\$142,113	\$295,087
Total				<b>\$437,200</b>	<b>\$142,113</b>	<b>\$295,087</b>
DFID				<b>\$14,000,000</b>	<b>\$945,278</b>	<b>\$13,054,722</b>
CDB				<b>\$437,200</b>	<b>\$142,113</b>	<b>\$295,087</b>
UNECLAC				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
GOM				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Private Sector Development</b>						
ICT	CabSec	Ongoing	EU	\$100,000	\$0	\$100,000
MDC Operations 2012	CabSec	Ongoing	DFID	\$5,870,100	\$5,780,100	\$90,000
Total				<b>\$5,970,100</b>	<b>\$5,780,100</b>	<b>\$190,000</b>
DFID				<b>\$5,870,100</b>	<b>\$5,780,100</b>	<b>\$90,000</b>
EU				<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
<b>Public Administration, Buildings and Reform</b>						
PSRII	ODG	Ongoing	DFID	\$1,381,700	\$521,944	\$859,756
Restructuring of PWD Workshop	MCW	Ongoing	DFID	\$1,571,100	\$126,435	\$1,444,665
Support to PWD Strategic Development	MCW	Ongoing	DFID	\$929,200	\$229,962	\$699,238
Access Coordinator	MCW	Ongoing	DFID	\$225,000	\$85,367	\$139,633
Government Accommodation	MOFEM	Ongoing	DFID	\$3,739,600	\$1,707,496	\$2,032,104
Capacity Development Fund	MOFEM	Ongoing	DFID	\$900,000	\$675,779	\$224,221
Project Management	MOFEM	Ongoing	EU	\$400,000	\$273,657	\$126,343
Technical Support	MOFEM	Ongoing	DFID	\$1,000,000	\$828,572	\$171,428
Miscellaneous (Small Capital Proj.) 14	MOFEM	Ongoing	DFID	\$1,800,000	\$524,209	\$1,275,791
Total				<b>\$11,946,600</b>	<b>\$4,973,421</b>	<b>\$6,973,179</b>
DFID				<b>\$11,546,600</b>	<b>\$4,699,764</b>	<b>\$6,846,836</b>

EU				\$400,000	\$273,657	\$126,343
<b>Education</b>						
<b>Education Infrastructure (PCN)</b>	MOE	Ongoing	DFID	\$6,399,000	\$3,253,668	\$3,145,332
<b>Sport Centre</b>	MOFEM	Ongoing	EU	\$1,500,000	\$0	\$1,500,000
<b>Total</b>				<b>\$6,399,000</b>	<b>\$3,253,668</b>	<b>\$3,145,332</b>
DFID				\$6,399,000	\$3,253,668	\$3,145,332
EU				\$1,500,000	\$0	\$1,500,000
CDB				\$0	\$0	\$0
UNICEF				\$0	\$0	\$0
<b>Agriculture</b>						
<b>Overseas Territories Environmental</b>	MALHE	Ongoing	OTEP	\$89,100	\$80,066	\$9,034
<b>DARWIN Initiative Post Project</b>	MALHE	Ongoing	DARWIN	\$273,100	\$69,058	\$204,042
<b>MALHE Tractors</b>	MOFEM	Ongoing	EU	\$200,000	\$0	\$200,000
<b>Total</b>				<b>\$362,200</b>	<b>\$149,124</b>	<b>\$213,076</b>
DFID				\$0	\$0	\$0
EU				\$200,000	\$0	\$200,000
OTEP				\$89,100	\$80,066	\$9,034
DARWIN				\$273,100	\$69,058	\$204,042
<b>Statistical Research and Miscellaneous Projects</b>						
<b>Census</b>	MOFEM	Ongoing	DFID	\$157,400	\$0	\$157,400
<b>Cemetery Establishment</b>	Cabinet Secretariat	Ongoing	DFID	\$750,000	\$480,517	\$269,483
<b>Miscellaneous 14</b>	MOFEM	Ongoing	EU	\$150,000	\$94,260	\$55,740
<b>Total</b>				<b>\$1,057,400</b>	<b>\$574,777</b>	<b>\$482,623</b>
DFID				\$907,400	\$480,517	\$426,883
GOM				\$0	\$0	\$0
EU				\$150,000	\$94,260	\$55,740

Financier	Budget	Expenditure	Balance
DFID	\$70,826,500	\$42,812,808	\$28,013,692
EU	\$15,508,100	\$5,115,570	\$10,392,530
CDB	\$437,200	\$142,113	\$295,087
OTEP	\$89,100	\$80,066	\$9,034
DARWIN	\$273,100	\$69,058	\$204,042
UNICEF	\$0	\$0	\$0
UNECLAC	\$0	\$0	\$0
GOM	\$0	\$0	\$0
<b>Total</b>	<b>\$87,134,000</b>	<b>\$48,219,614</b>	<b>\$38,914,386</b>