

ANNUAL ACTION PLAN
2017

Department of Fiscal Policy

Ministry of Finance

Effective from 01st January to 31st December 2017

Table of Contents

01.	Overview	1
1.1	Introduction	1
1.2	Vision	2
1.3	Mission	2
1.4	Function and Responsibilities of the Department	2
02.	Administration and Financial Responsibilities of the Department	3
2.1	Organization Structure	3
2.2	Approved and Existing Cadre	4
2.3	Financial Resources Allocated for Implementation of the Annual Action Plan 2017 as per the Budget Estimate 2017	5
03.	Activity Plan - 2017.....	6
04.	Annual Procurement Plan - 2017	11
05.	Imprest Requirement Plan - 2017.....	12

1. Overview

1.1 Introduction

The main responsibilities of the Department of Fiscal Policy is the formulation and implementation of fiscal policy within the broad developmental framework of the government in consultation with relevant institutions, line ministries, other agencies/ institutions and private sector to achieve desired economic and social objectives of the country.

The Department is mainly responsible for the taxation policy of country as well as analyzing the developments in revenue, expenditure and financing activities, and the domestic and global macroeconomic development in order to facilitate appropriate adjustment in the country's fiscal policy to achieve desired outcomes.

The Department of Fiscal Policy has indentified the importance of strengthening its activities further to provide necessary impetus towards undertaking more analyses and research activities in the medium to long run thereby facilitating the General Treasury's transformation to operate in a middle income economy environment.

1.2 Vision

To ensure the establishment of a sustainable fiscal policy framework.

1.3 Mission

Formulation and implementation of fiscal policy within the broad development framework of the government.

1.4 Functions and Responsibilities of the Department

- Formulation and implementation of Fiscal Policy and Medium Term Fiscal Strategy by coordinating public, private and international agencies.
- Formulation of Tax Policy and related statutes other than the Customs Duty and the Special Commodity Levy.
- Management and review of Fiscal Out-turn and Fiscal Performance including Government revenue and receipts while maintaining a proper co-ordination with all departments engaged in revenue collection.
- Handling the work related to the amendments to the legislations as per the policy decisions taken by the government from time to time.
- Implementation of requirements under Fiscal Management (Responsibilities) Act, including Reporting.
- Undertaking analysis/research on various fiscal and macroeconomic matters.

2.2 Approved and Existing Cadre

Approved and Existing Cadre - Department of Fiscal Policy

Designation	Approved Cadre	Existing Cadre
Director General	1	1
Additional Director General	1	-
Director (SLAS)	2	-
Director (SLPS)	1	1
Deputy Director/Assistant Director (SLAS)	9	3 + 1*+1* +2**
Deputy Director /Assistant Director (SLPS)	5	5
Deputy Director/ Assistant Director (SLAcS)	1	1
Administrative Officer	1	1
Translator (Eng/Sin)	1	-
Translator (Eng/Tam)	1	1
Development Assistants	10	5 + 4***
Public Management Assistants	13	11
Drivers	5	4
KKS	9	9
Total	60	50
* With pay overseas study leave * With no pay overseas leave ** Two officers from Department of Inland Revenue *** Trainee Graduates		

2.3 Financial Resources Allocated for Implementation of the Annual Action Plan 2017 and Medium Term Budget as per the Budget Estimates 2017

Medium Term Budget Estimate : 2015 - 2017

Rs '000

Sub Project	Object	Item	Finance Code	Category/Object/Item Description	2015	2016	2017 Estimate	2018	2019	2016 - 2019 Total
								Projections		
				Recurrent Expenditure	70,434	74,750	3,724,091	3,091,540	1,592,910	8,483,291
				Personal Emoluments	25,568	28,850	32,500	32,900	33,200	127,450
	1001			Salaries and Wages	12,929	14,150	17,500	17,900	18,200	67,750
	1002			Overtime and Holiday Payments	487	600	1,000	1,000	1,000	3,600
	1003			Other Allowances	12,152	14,100	14,000	14,000	14,000	56,100
				Travelling Expenses	3,761	3,300	3,100	3,110	3,120	12,630
	1101			Domestic	96	100	100	110	120	430
	1102			Foreign	3,665	3,200	3,000	3,000	3,000	12,200
				Supplies	1,644	2,300	2,470	2,680	2,890	10,340
	1201			Stationery and Office Requisites	786	1,300	1,200	1,300	1,400	5,200
	1202			Fuel	795	900	1,200	1,300	1,400	4,800
	1203			Diets and Uniforms	64	100	70	80	90	340
				Maintenance Expenditure	2,748	2,900	3,400	3,500	3,600	13,400
	1301			Vehicles	1,768	1,500	2,000	2,100	2,200	7,800
	1302			Plant and Machinery	482	800	700	700	700	2,900
	1303			Buildings and Structures	498	600	700	700	700	2,700
				Services	36,089	36,650	3,681,921	3,048,600	1,549,300	8,316,471
	1401			Transport	371	900	900	950	1,000	3,750
	1402			Postal and Communication	1,084	1,200	1,200	1,300	1,400	5,100
	1409			Other	34,634	34,550	3,679,821	3,046,350	1,546,900	8,307,621
		01		VAT Settlement			25,000	25,000	25,000	75,000
		02		Settlement of Arbitration Fees - Prima Company			3,635,000	3,000,000	1,500,000	8,135,000
		03		Annual Report & Budget Printing			19,500	21,000	21,500	62,000
		04		Other			321	350	400	1,071
				Transfers	624	750	700	750	800	3,000
	1506			Property Loan Interest to Public Servants	624	750	700	750	800	3,000
				Capital Expenditure	2,227	2,600	3,600	3,200	3,300	12,700
				Rehabilitation and Improvement of Capital		1,000	1,000	500	500	3,000
	2002			Plant, Machinery and Equipment		1,000	1,000	500	500	3,000
				Acquisition of Capital Assets	1,959	1,000	2,000	2,000	2,000	7,000
	2102			Furniture and Office Equipment	1,959	1,000	2,000	2,000	2,000	7,000
				Capacity Building	268	600	600	700	800	2,700
	2401			Staff Training	268	600	600	700	800	2,700
				Total Expenditure	72,661	77,350	3,727,691	3,094,740	1,596,210	8,495,991
				Total Financing	72,661	77,350	3,727,691	3,094,740	1,596,210	8,495,991
				Domestic	72,661	77,350	3,727,691	3,094,740	1,596,210	8,495,991
	11			Domestic Funds	72,661	77,350	3,727,691	3,094,740	1,596,210	8,495,991

3. Activity Plan

Department of Fiscal Policy - Action Plan 2017

No	Functions (Proposed Activity)	Allocation (Mn)	Date of Commence	Date of Completion	Financial/ Physical Targets				Output or indicator
					₹	₹	₹	₹	
Function 01									
	Formulation and Implementation of Fiscal Policy of the government								Monitoring the implementation of policies, Revenue and amend policies when necessary
Key Activities									
i	Reviewing macroeconomic conditions of the country		Throughout the Year		→				
ii	Co-operating with the relevant agencies which have an impact on economic policy direction		Throughout the Year		→				
iii	Taking measures to adjust the situations where a reaction is needed		Throughout the Year		→				
Function 02									
	Review the present fiscal policy stance and propose appropriate adjustments		Throughout the Year		→				Continuous monitoring of Fiscal performance
Function 03									
	Preparation of Revenue Estimates - 2018								Timely delivery of revenue estimates
Key Activities									
i	Call estimates for each Revenue Agencies		From May	To July	→				
ii	Evaluation of the Revenue Estimates		From July	To August	→				
iii	Finalization of Estimates		From August	To September	→				

No	Functions (Proposed Activity)	Allocation (Mn)	Date of Commencement	Date of Completion	Financial/ Physical Targets				Output or indicator
					1 st Q	2 nd Q	3 rd Q	4 th Q	
Function 04									
	Fiscal Policy Review		Throughout the year						Fiscal Policy review at the cash flow meeting held on every month under the chairmanship of Secretary to the Treasury.
Function 05									
	Monitoring revenue performance of 2017		Throughout the year						Review revenue performance at the cash flow meeting with Hon. Minister of Finance and Secretary to the Treasury.
Key Activities									
i	Monitoring performance of revenue estimates of 2017		Throughout the Year						
ii	Monitoring progress of policy and administrative changes introduced in 2017 budget		Throughout the year						
iii	Revision of tax policies as required		Throughout the year						
Function 06									
	Preparation of Budget speech 2018 to Parliament								Submission of Budget speech on time
Key Activities									
i	Moulding necessary & requisite policy directions into the budgetary framework		Throughout the year						
ii	Request for budget proposals from general public, private sector and government agencies		From July	To September					
iii	Analyze Revenue proposals of the budget		From August	To October					
iv	Prepare and publish Gazette Notifications relating to the revenue proposals		From November	To March					

No	Functions (Proposed Activity)	Allocation (Mn)	Date of Commence	Date of Completion	Financial/ Physical Targets				Output or indicator
					G1	G2	G3	G4	
Function 07									
	Implementation of Revenue proposals of the Budget - 2017				→				Successful implementation of proposals
Key Activities									
i	Make Amendments to the relevant Acts		January	March	→				Draft Bills with amendments.
ii	Preparation of Draft Bills		February	March	→				Final Draft Bills are prepared.
iii	Obtain the certification from the Legal Draftsman and Attorney General		February	March	→				Certification from the AG is obtained.
iv	Obtain the Cabinet Approval		February	March	→				
v	Publishing the Bill		February	March	→				
vi	Submission to Parliament for approval		From February	To March	→				

No	Functions (Proposed Activity)	Allocation (Mn)	Date of Commence	Date of Completion	Financial/ Physical Targets				Output or indicator
					Q1	Q2	Q3	Q4	
Function 08									
	Grant various tax concessions/exemptions in terms of the applicable laws, make necessary revisions and attend other representations made by public, government organizations & international organizations on tax matters		Throughout the year						Timely respond to the interested party.
Function 09									
	Administrative/Financial matters of the Department		Throughout the year						Facilitate the activities carried out by the Department through efficient HRM.

No	Functions (Proposed Activity)	Allocation (Mn)	Date of Commence	Date of Completion	Financial/ Physical Targets				Output or indicator
					G1	G2	G3	G4	
Function 10									
	Publish reports according to the Fiscal Management (Responsibility) Act								Submission of Report on time
	1. Annual Report - 2016		February	May	→				
	2. Mid year Fiscal Position Report - 2017		May	June		→			
	3. Fiscal Management Report - 2018		October	November				→	
	4. Budget Speech - 2018		October	November				→	
Function 11									
	Research activities & macroeconomic forecasting		Throughout the year		→				Information for decision making is provided as and when necessary.
Function 12									
	Activities related to international organizations		Throughout the year		→				Successful completion of activities related to international organisations.

4. Annual Procurement Plan - 2017

PROCUREMENT PLAN FOR YEAR 2017 - DEPARTMENT OF FISCAL POLICY

Department/ Line Agency/ Ministry	Type of Procurement (Goods, Works, Equipment & Services etc.)	Estimated Cost (Rs. Mn.)	Source of Financing/ Name of the donor	Procurement method (ICE, NCB and National Shopping etc.)	Level of Authority (CAPC, MPC, DPC, PPC etc.)	Priority Status U-Urgent P- Priority N- Normal	Current status of procurement preparedness activities	Scheduled date of commencement	Scheduled date of completion	Remarks
Department of Fiscal Policy	Works									
	Goods									
	Stationery & Office Requisites	1,200	Domestic Funds	Shopping	DPC	N	-	10.02.2017	20.12.2017	
	Furniture & Office Equipment	2,000	Domestic Funds	Shopping	DPC	N	-	10.02.2017	20.12.2017	
Related Services										
Cleaning Services	700	Domestic Funds	Shopping	DPC	N	-	01.05.2017	30.11.2017		

05. Imprest Requirement Plan - 2017

Monthly Imprest Requirement as per the Approved Expenditure Plan - 2017

Expenditure items	Amount (Rs. Mn)												
	Jan.	Feb.	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Salaries and wages (1001)	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,455	1,468	1,468	1,469	17,500
Other Allowances (1003)	1,120	1,150	1,150	1,120	1,150	1,110	1,200	1,100	1,200	1,100	1,200	1,400	14,000
Overtime and Holiday pay (1002)	70	70	70	70	80	150	100	70	70	70	80	100	1,000
All other Recurrent Expenditure	965	965	3,672,976	965	4,965	965	965	965	965	965	965	4,965	3,691,591
Total Recurrent	3,610	3,640	3,675,651	3,610	7,650	3,680	3,720	3,590	3,690	3,603	3,713	7,934	3,724,091
Reimbursable Foreign Aid													
Other Capital Expenses	1,100	400	1,100	100	100	100	100	100	100	100	100	200	3,600
Public Officers Advance Account	300	800	700	400	400	200	200	200	200	200	200	200	4,000
Deposit Accounts								0					0
Other Advance Accounts													
Total	8,620	8,480	7,353,102	7,720	15,800	7,660	7,740	7,480	7,680	7,506	7,726	16,268	3,731,691

