

TABLE OF CONTENTS

Foreword	3
EXECUTIVE SUMMARY	5
<i>Chapter One</i> INTRODUCTION	9
<i>Chapter Two</i> BUDGET FORMULATION PROCESS	12
Introduction	12
Multi-year budget framework	13
The Cabinet Budget Meeting	15
"Each Minister is his own Finance Minister"	16
Conclusions	18
<i>Chapter Three</i> THE ROLE OF PARLIAMENT	20
Introduction	20
The Approval Process	21
Spring Fiscal Policy Bill	21
The Budget Bill	22
Conclusion	24
<i>Chapter Four</i> MANAGERIAL FLEXIBILITY	25
Ministries and Agencies	25
Removal of Input Controls	26
Collective Bargaining	26
Accommodation	28
Financial Management Instruments	28
Conclusion	29
<i>Chapter Five</i> ACCOUNTABILITY FOR RESULTS	30
Introduction	30
Specifying Results	30
Reporting Results	32
The Management Capacity of Ministries	34
Conclusion	35
Appendix I. Outline of Fiscal Consolidation Programmes	37
Appendix II. List of Expenditure Areas	38
Appendix III. Organisation Chart of the Budget Office	39