

NATIONAL WORKSHOP ON CARIBBEAN EMERGENCY LEGISLATION PROJECT



***PRESENTATION BY:
MINISTRY OF FINANCE AND PLANNING***

March 2010

Overview of Presentation



- Legal Framework for Budget Appropriation
- Current Practice
- Hurricane Ivan experience
- Some Considerations

Legal Framework

- Section 77 of the Constitution provides for presentation of Estimates of Revenue and Expenditure and the approval of an Appropriation Act every year
- Section 33 of Public Finance Management Act No. 27 of 2007 provides for a Contingencies Fund into which Parliament can appropriate funds
- Minister of Finance may advance from this Fund for urgent and unforeseen needs via a contingencies warrant (*there is currently no allocation to this Fund*)
- Supplementary Appropriation Bill is required for all advances from the Contingencies Fund

What Happens When A Natural Disaster Occurs?



- Damage Assessments are undertaken
- Special Warrant is approved for required ministries/depts. such as Works and NADMA (*supplementary appropriation subsequently approved by Parliament*)
- Special Bank account is established to receive grants and other contributions from everywhere including overseas donors and residents

What Happened After Hurricane Ivan?

- Hurricane Ivan Relief Fund established by Acc. Gen.
- Parliament approved the establishment of a Reconstruction and Development Fund
- Parliament approved the establishment of the Agency for Reconstruction and Development with a 5 year mandate
- Parliament approved the National Reconstruction Levy (used for agriculture, education and youth development)
- *Periodic reports sent to Parliament on state of Funds and use of proceeds*
- *ARD closed in October 2007 (external funding exhausted)*
- *NRL repealed from January 2009 (after 3 years)*

Some Considerations



- *Should the Contingencies Fund or a portion thereof be earmarked for natural disasters?*
- *If yes, how much? (1% of total budget?)*

Government of Grenada



Thank You