

PART I

Programme-Based Budgeting (PBB) matrices of each RRA Commission comprising elements of the SIDPR

2 BACKGROUND TO PBB MATRICES

As mentioned in the PBB Manual of the MOFEE, “*Programme-Based Budgeting (PBB) seeks to improve expenditure efficiency and effectiveness by systematically linking funding to results, making use of performance information to achieve that linkage. Good expenditure prioritisation is particularly essential when the Government face new and unexpected challenges which require substantial expenditure responses against the background of limited internal and external resources. PBB is therefore necessarily about expenditure choices and these choices are often tough.*”

It is to be noted that a fully-fledged PBB is embedded in a three-year Medium-Term Expenditure Framework (MTEF), hence the need to provide for three-year budgets. The MOFEE defines the MTEF as a transparent planning and budget formulation process that is a top-down medium term resource envelope for fiscal discipline, requiring bottom-up cost estimates to carry out policies, and reconciling them with spending policies consistent with strategic priorities.

In this STAP, the logframes in the Annex have been embedded as far as possible in the PBBs of each Commission of the RRA. These PBBs had earlier been submitted to the MOFEE by the RRA as part of the budgeting process for 2009/10. **Navigational challenges are inevitable given that the RRA is organised into Commissions having various responsibilities whereas the SIDPR had been formulated on a sectoral and cross-sectoral basis.**

However, it is hoped that the PBBs in the next chapters provide useful guidelines to each Commission as they fine-tune their PBBs and work out their budgets. According to the MOFEE, it is too early to be able to have complete sets of PBB matrices. However, just like the SIDPR, it is expected that the whole process will remain a living and rolling one, constantly being updated and fine-tuned.