

## Appropriation Bill for year 2016 approved by the Cabinet of Ministers

The Appropriation Bill for the Budget - 2016 has been approved by the Cabinet of Ministers and it is scheduled to be tabled in Parliament on October 23<sup>rd</sup> (First reading). The Budget speech (2<sup>nd</sup> Reading) will be made by the Minister of Finance Mr. Ravi Karunanayake on November 20<sup>th</sup> in Parliament where he will announce the measures that have been earmarked to bridge the gap between the revenue and expenditure.

Based on the Medium term Budgetary framework 2016-2018 and policy framework and priorities considered in drafting budget estimates for 2016, the General treasury has conducted budget discussions with the ministries and Provincial Councils. Accordingly, budgetary provisions have been made taking into consideration of the total resource envelop available in the medium term 2016-2018.

The expenditure provisions covered in the Appropriation Bill have been estimated at Rs. 1,941,450 million which consists of Rs. 1,314,971 million for recurrent expenditure and Rs. 626,479 million for capital expenditure. In addition, provisions have been made under special laws to service public debt and payment of widows and pension along with other welfare measures amounting to Rs. 1,191,903 million. The provision requirement for advance Account Activities is Rs 5,000 million.

Hence, the total expenditure provision for 2016 without budget proposals to be introduced at the Second reading (November 20<sup>th</sup>) of the budget is estimated at Rs 3,138,353 million. The revenue at the prevailing rate structure and foreign grants have been estimated to be around Rs. 1,789,230 million. The total borrowing requirement from both foreign and domestic sources will be Rs 1,349,123 million

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