



**DEPARTMENT OF FINANCE
Office of the Secretary**

FINANCE INSTRUCTION 02/2024

21st MARCH 2024

**TO: ALL PROVINCIAL ADMINISTRATORS
ALL PROVINCIAL FINANCE MANAGERS
ALL DISTRICT FINANCE MANAGERS
ALL MEMBERS OF PARLIAMENT**

**SUBJECT: USE OF SERVICE IMPROVEMENT PROGRAM FUNDS FOR
NATURAL DISASTER RELIEF EFFORTS**

1.0 INTRODUCTION

1.1 Authority

This Finance Instruction (hereafter FI), is issued under Section 117 of the *Public Finance (Management) Act*, (as amended) whereby the Finance Department Head may issue FIs that are necessary or desirable for carrying out or giving effect to the PFMA and in general for the better control and management of public moneys and public properties.

1.2 Legality & Enforcement

Pursuant to section 4 of the PFMA, the Finance Secretary has control and direction of all matters relating to the management of the financial affairs of the State. Non-compliance with an FI issued under the PFMA, will invoke appropriate sanctions and / or penalties prescribed under the Act and / or under other relevant laws.

2.0 PURPOSE

2.1 Disaster Relief Effort

The purpose of this Instruction is to advice all Provincial & District Administrators and Provincial & District Finance Officers and the Members of

Parliament on the use of funds to be allocated from Service Improvement Program Fund to fund the Disaster Relief related activities at the Sub-national levels.

3.0 BACKGROUND

In the recent past, the country has been experiencing some forms of natural disasters' due to the effects of climate change and global warming. It has caused massive floods, storms, sea raising and landslides have been experienced around the country.

Many communities have been much affected at the sub-national levels where food gardens have been destroyed and making water and rivers unsafe to drink.

3.1 FI No. 4 of 2019

This FI is consistent with the FI – 4 of 2019, issued on 25th of April ,2019.

4.0 USE OF SIP FUNDS FOR DISASTER AREAS

- 4.1 The Administration component of the SIP fund must be fully utilised provide relief to the affected communities.
- 4.2 If there is insufficient fund in the Administration component, the DDA Board can resolute and make decision to fund relief efforts in other SIP components.
- 4.3 SIP funds must only be used for relief efforts and not on capital works.
- 4.4 All related capital works must be referred to Department of Works.

5.0 PROCEDURE FOR CLAIM AND PAYMENT

5.1 Payment Generally

All payments shall comply the issued Guidelines, this Finance Instruction and other arequirements of the Public Finances (Management) Act 1995 (as amended) where applicable.

6.0 SECTION 32 OFFICERS

6.1 Section 32 Approvals

All calaims for processing payment must be approved by an authozied PFMA Section 32 Delegate, appropriately certified and accompanied with relevant supporting documents.

7.0 PROCUREMENT

7.1 Existing Procedures to Apply

The existing procurement procedures and requirement shall apply to all PSIP and DSIP funds after the necessary selection by JPP&BPC/PEC and DDA board full endorsement.

8.0 FINANCIAL REPORTS

8.1 Reports by Administrators

All Provincial and District Administrators shall compile the financial report and furnish it to Secretary DIRD and the copy to Secretary Finance by 30th December 2024.

9.0 EFFECTIVE DATE OF THIS FI

This Financial Instruction is effective as of the date of signing by Secretary Finance.

10.0 HELP DESK

Should you require further information, the following officers should be contacted:

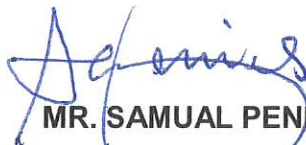
Department of Finance:

(a) First Assistant Secretary, Financial reporting and Compliance Division

(Phone 303 7809)

(b) First Assistant Secretary, Financial Controls Division

(Phone 303 7808)


MR. SAMUAL PENIAS
Secretary for Finance



Date: 4 / 4 / 2024