ATT TAL-2014 DWAR IR-RESPONSABBILTÀ FISKALI

TAQSIM TAL-ATT

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Abbozz ta' Liġi
msejjaħ

ATT biex jipprovdi għal responsabbiltà fiskali u għal ħwejjeġ ancillari jew li għandhom x'jaqsmu magħha.

IL-PRESIDENT, bil-parir u l-kunsens tal-Kamra tad-Deputati, imlaqqgħa f'dan il-Parlament, u bl-awtorità tal-istess, ħareġ b'liġi dan li ġej:-

TAQSIMA I

PRELIMINARI

Titolu fil-qosor. **1.** It-titolu fil-qosor ta' dan l-Att hu l-Att tal-2014 dwar ir-Responsabbiltà Fiskali.

Tifsir. **2.** (1) F'dan l-Att, kemm-il darba r-rabta tal-kliem ma teħtieġx xort'oħra -

"Baġit" tfisser l-estimi tal-baġit, preżentati lill-Kamra tad-Deputati fir-rigward ta' kwalunkwe sena finanzjarja, tan-nefqa u d-dħul għas-servizz ta' dik is-sena finanzjarja u tinkludi kwalunkwe estimi supplementari tan-nefqa li jistgħu jkunu meħtieġa wara li l-estimi jkunu ġew preżentati lill-Kamra tad-Deputati;

"bilanċ favorevoli tal-gvern ġenerali", fir-rigward ta' sena, tfisser it-tislif nett tal-gvern ġenerali tal-Istat għas-sena, kif milħuq skont ir-Regolament tal-2009;

"bilanċ strutturali annwali tal-gvern ġenerali", fir-rigward ta' sena, tfisser id-defiċit ġenerali tal-gvern jew bilanċ favorevoli tal-gvern għal dik is-sena, ċiklikament aġġustat u bil-miżuri ta' darba u

temporanji mnaqqsa, espressi bħala perċentwali tal-prodott domestiku gross skont il-prezzijiet tas-suq;

"ċiklikament aġġustat" tfisser aġġustat sabiex tittieħed konsiderazzjoni tal-effetti stmati li ser ikun hemm fl-operazzjoni taċ-ċiklu ekonomiku;

"ċirkostanzi eċċezzjonali" tfisser:

(a) perjodu li matulu avveniment mhux tas-soltu li jkun ’il barra mill-kontroll tal-Istat ikollu impatt qawwi fuq il-pożizzjoni finanzjarja tal-gvern ġenerali, jew

(b) perjodu qawwi ta’ reċessjoni, li jaqa’ fit-tifsira tal-Patt ta’ Stabbilità u Tkabbir;

"defiċit tal-gvern ġenerali", fir-rigward ta’ sena, tfisser is-self nett tal-gvern ġenerali tal-Istat għas-sena, kif milħuq skont ir-Regolament tal-2009;

"dejn tal-gvern ġenerali", fir-rigward ta’ sena, tfisser id-dejn gross totali tal-gvern ġenerali tal-Istat b’valur nominali li jkun pendenti fi tmien is-sena, kif milħuq skont ir-Regolament tal-2009;

"Estimu supplementari" għandha l-istess tifsira kif mogħti lilha bl-artikolu 103 tal-Kostituzzjoni ta’ Malta;

"Gvern" tfisser il-Gvern ta’ Malta sakemm mhux speċifikat xort’oħra;

"gvern ġenerali", fir-rigward tal-Istat, għandha tinftiehem skont is-Sistema Ewropea tal-Kontijiet;

"Kamra tad-Deputati" għandha t-tifsira kif għandha finijiet tal-Kostituzzjoni ta’ Malta;

"Malta" għandha l-istess tifsira kif mogħtija lilha bl-artikolu 124 tal-Kostituzzjoni ta’ Malta;

"Ministru" tfisser il-Ministru responsabbli għall-Finanzi;

"objettiv baġitarju ta’ terminu medju" tfisser l-objettiv baġitarju ta’ terminu medju meħtieġ skont ir-Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni;

"Patt ta’ Stabbilità u Tkabbir" tfisser ir-Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni, ir-Regolament tal-1997 dwar id-Defiċit Eċċessiv u r-Riżoluzzjoni tal-Kunsill Ewropew tas-17 ta’

Ġunju 1997 dwar il-Patt ta' Stabbilità u Tkabbir;

"pożizzjoni fiskali" tfisser il-bidla fil-bilanċ strutturali annwali tal-gvern ġenerali, bl-eċċezzjoni tal-imgħax fuq il-ħlasijiet tad-dejn tal-gvern ġenerali espress bħala perċentwali tal-prodott domestiku gross skont il-prezzijiet fis-suq, għal sena relattiva għas-sena preċedenti;

"prodott domestiku gross skont il-prezzijiet tas-suq", fir-rigward ta' sena, tfisser il-prodott domestiku gross tal-Istat għas-sena skont il-prezzijiet tas-suq, kif milħuq skont is-Sistema Ewropea tal-Kontijiet;

"programm ta' stabbilità" tfisser il-programm ta' stabbilità meħtieġ bl-Artikolu 3(1) tar-Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni;

"regola tal-baġit" għandha tiftiehem skont l-artikolu 4;

"Regolament tal-1997 dwar id-Defiċit Eċċessiv" tfisser ir-Regolament tal-Kunsill (KE) Nru. 1467/97 tas-7 ta' Lulju 1997 kif emendat bir-Regolament tal-Kunsill (KE) Nru.1056/2005 tas-27 ta' Ġunju 2005 u r-Regolament tal-Kunsill (KE) Nru. 1177/2011 tat-8 ta' Novembru 2011;

"Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni" tfisser ir-Regolament tal-Kunsill (KE) Nru. 1466/97 tas-7 ta' Lulju 1997 kif emendat bir-Regolament tal-Kunsill (KE) Nru. 1055/2005 tas-27 ta' Ġunju 2005 u r-Regolament tal-Kunsill (UE) Nru 1175/ 2011 tas-16 ta' Novembru 2011;

"Regolament tal-2009" tfisser Regolament tal-Kunsill (KE) Nru. 479/2009 tal-25 ta' Mejju 2009, kif emendat bir-Regolament tal-Kunsill (UE) Nru. 679/2010 tas-26 ta' Lulju 2010;

"Regolament tal-2013" tfisser ir-Regolament (UE) Nru. 473/ 2013 tal-21 ta' Mejju 2013;

"Sistema Ewropea tal-Kontijiet" tfisser is-sistema Ewropea tal-kontijiet nazzjonali u reġjonali fil-Komunità kif previst fir-Regolament tal-Kunsill (KE) Nru. 2223/96 tal-25 ta' Ġunju 1996, kif ikollha effett skont kif tiġi emendata minn żmien għal żmien;

"subsettur", fir-rigward tal-gvern ġenerali, għandha tinftiehem skont is- Sistema Ewropea tal-Kontijiet;

"tbassir uffiċjali" tfisser it-tbassir makroekonomiku u baġitarju ppubblikat mill-Ministeru għall-Finanzi għall-finijiet ta' ppjanar fiskali;

"Uffiċċju Nazzjonali tal-Verifika" tfisser l-Uffiċċju Nazzjonali tal-Verifika mwaqqaf bl-artikolu 108 tal-Kostituzzjoni.

(2) Kelma jew espressjoni użata taħt dan l-Att u fit-Trattat dwar l-Istabbilità, il-Koordinazzjoni u l-Governanza għandha, sakemm ma tidhirx intenzjoni kuntrarja, ikollha l-istess tifsira f'dan l-Att bħalma għandha fit-Trattat dwar Stabbilità, Koordinazzjoni u Governanza.

Responsabbiltà Fiskali

3. Il-Gvern għandu jiddefinixxi u jwettaq l-politika fiskali u baġitarja skont il-prinċipji li ġejjin: Responsabbiltà fiskali.

(a) il-prinċipju tat-transparenza fejn, waqt li jistabbilixxi l-miri u l-objettivi baġitarji u fit-twettiq tal-politika fiskali u baġitarja, il-Gvern għandu l-obbligu li jagħmel pubblika l-informazzjoni kollha neċessarja sabiex jippermetti l-assessjar tal-implimentazzjoni ta' dawn il-*policies* fiskali u baġitarji, ir-riżultati rispettivi u l-pożizzjoni tal-finanzi ċentrali u lokali. Bi tkomplija ta' dan il-prinċipju, il-Gvern għandu, fil-mument tal-preżentazzjoni tal-baġit annwali, jiżvela f'forma ta' stqarrija:

(i) kwalunkwe bdil sinifikattiv fl-i*standards* ta' kontabilità, politika u prattika li jaffettwaw jew jistgħu jaffettwaw il-komputazzjoni tal-indikaturi fiskali preskritti;

(ii) sa fejn hu prattiku u, konsistenti mal-protezzjoni tal-interess pubbliku, ir-responsabbilitajiet kontinġenti maħluqa permezz ta' garanziji, ir-responsabbiltajiet attwali li joħorġu minn self magħmul minn Impriżi fis-Settur Pubbliku u Vetturi bi Skop Speċifiku u strumenti ekwivalenti oħra fejn ir-responsabbiltà tal-ħlas hija fuq il-Gvern; it-talbiet u l-impenji kollha magħmula mill-Gvern li għandhom il-potenzjal ta' implikazzjonijiet baġitarji inkluż talbiet għaż-żieda fid-dħul iżda mhux realizzati;

(b) il-prinċipju ta' stabbilità fejn il-Gvern għandu jwettaq il-politika fiskali u baġitarja tiegħu b'tali mod li jiżgura prevedibbiltà ta' terminu medju, konsistenti mal-objettivi għaż-żamma tal-istabbilità tal-makroekonomija;

(ċ) il-prinċipju ta' responsabbiltà fiskali fejn il-Gvern għandu jwettaq il-politika fiskali u baġitarja u jamministra r-riżorsi baġitarji, l-obbligi u r-riskji fiskali b'tali mod li jiżgura s-

sostenibbiltà tal-pożizzjoni fiskali fuq terminu medju u fit-tul, hekk li l-Gvern ikun kapaċi jamministra r-riskji finanzjarji u l-avventimenti mhux previsti fiż-żminijiet futuri mingħajr ma jkollu bżonn jintroduċi nfiq ekonomiku jew soċjali destabilizzanti jew aġġustamenti fil-qligħ;

(d) il-prinċipju ta' ekwità li bih il-Gvern għandu jwettaq il-politika baġitarja u fiskali b'konsiderazzjoni tal-impatt potenzjali finanzjarju fuq il-ġenerazzjonijiet preżenti u futuri kif ukoll l-impatt fuq l-iżvilupp ekonomiku ta' terminu medju jew fit-tul filwaqt li jiżgura li l-ġenerazzjoni preżenti tiffinanzja l-infiq tas-servizzi tagħha;

(e) il-prinċipju ta' effiċjenza li bih il-*policies* fiskali u baġitarji tal-Gvern għandhom ikunu indirizzati sabiex jilħqu użu effiċjenti ta' riżorsi skarsi fis-settur pubbliku, b'hekk jinħtieġ li l-effiċjenza ekonomika tkun meqjusa fid-definizzjoni tal-*policies* fiskali u li deċiżjonijiet tal-investiment pubbliku, inkluż dawk relatati mal-finanzjament ta' inizjattivi tal-UE u donaturi oħra, huma *inter alia* bbażati fuq valutazzjoni ekonomika kif ukoll assessjar tal-kapaċità ta' assorbiment tal-livelli relevanti ta' finanzjament;

(f) il-ġestjoni effettiva tal-infiq fuq il-persunal li bih l-impjiegi fis-settur pubbliku u l-politika tal-pagi fir-rigward ta' Ministeri, Dipartimenti, awtoritajiet fis-settur pubbliku, entitajiet u aġenziji u l-Kunsilli Lokali, bl-eċċezzjoni fejn huwa espressament eskluż mill-Ministru għall-Finanzi, għandhom ikunu konsistenti mal-miri fiskali u baġitarji kif stabbiliti fl-istrateġija fiskali;

(g) il-prinċipju tal-ġestjoni effettiva tal-finanzi u l-assi fejn il-Gvern għandu jimplimenta l-politika fiskali u baġitarja tiegħu skont l-aħjar prattika għall-ġestjoni tajba u effettiva tal-finanzi u l-assi. Għat-tkomplija ta' dan il-prinċipju, għandha tinħoloq sistema ta' rappurtar u twettiq tal-ġestjoni, reġistri tal-assi u *policies* u proċeduri li jirregolaw l-akkwist, l-użu u d-disponiment tagħhom, *policies* li jirregolaw id-deċiżjonijiet dwar finanzjament u *policies* għall-ġestjoni tar-riskju u prattiċi.

Applikabilità ta' prinċipji.

4. Il-prinċipji msemmija fl-artikolu 3 għandhom japplikaw b'mod ugwali għall-Kunsilli Lokali, l-awtoritajiet tas-settur pubbliku, l-entitajiet u l-aġenziji li huma parzjalment jew fis-sħiħ iffinanzjati mill-Fond Konsolidat.

Objettivi tal-Politika Fiskali u tal-Baġit

5. Il-Gvern għandu jsegwi l-objettivi tal-politika fiskali u baġitarja, u jifformula u jeżegwixxi l-istrateġija fiskali annwali tiegħu skont ir-regoli fiskali stabbiliti f'dan l-Att. Objettivi tal-Politika Fiskali u tal-Baġit

6. L-objettivi tal-politika fiskali għandhom ikunu, iżda mhux limitati għal: Objettivi.

(a) biex jinkiseb baġit bilanċjat tal-gvern ġenerali fuq iċ-ċiklu ekonomiku;

(b) biex id-dejn pubbliku jinżamm f'livell sostenibbli fuq it-terminu medju u fit-tul;

(ċ) biex ikun hemm aċċess sikur u disponibbili għal bażi mill-aktar wiesgħa ta' investituri biex il-Gvern jissellef bl-anqas spejjeż;

(d) biex tiġi eżerċitata prudenza fil-ġestjoni tal-assi, ir-responsabbiltajiet u r-riskji fiskali tas-settur pubbliku;

(e) biex jinżamm livell xieraq ta' riżervi fiskali li jagħmlu tajjeb għad-dejn pubbliku;

(f) biex jinżamm bilanċ bejn id-dħul u l-infiq finanzjarju;

(g) biex tiġi żgurata ċertezza u prevedibbiltà fuq il-livell ta' rati tat-taxxa u l-kompożizzjoni tal-bażi tat-taxxa;

(h) biex jiġi żgurat sa fejn huwa raġonevoli u prattikabbli, li s-self tal-Gvern jiġi użat għal finijiet produttivi u l-akkumulazzjoni tal-assi kapitali, u mhux biex jiffinanzja l-infiq rikorrenti;

(i) biex il-garanziji tal-Gvern u responsabbiltajiet kontinġenti jiġu ġestiti b'mod prudenti b'referenza partikolari għall-kwalità u l-livell ta' dawn ir-responsabbiltajiet;

(j) biex tinżamm l-integrità tas-sistemi tat-taxxa billi jitnaqqsu l-inċentivi, il-konċessjonijiet u l-eżenzjonijiet speċjali;

(k) biex isegwi *policies* dwar it-taxxa fid-dawl tal-ispejjeż għall-effiċjenza ekonomika u l-konformità fiskali;

(l) biex jiġu segwiti *policies* ta' qligħ mhux taxxabbli fid-dawl tal-irkupru tal-ispejjeż u l-ekwità;

(m) biex isegwi *policies* ta' dħul u nfiq li jsostnu t-

tkabbir ekonomiku, l-ekwità soċjali u l-benesseri ġenerali tal-popolazzjoni;

(n) biex jiġi akkumulat bilanċ favorevoli sabiex jiġi użat fil-formazzjoni tal-kapital u l-infiq produttiv;

(o) biex tiġi żvelata informazzjoni suffiċjenti li tippermetti l-pubbliku jiskrutinja l-kondotta tal-politika fiskali u l-istat tal-finanzjamenti pubbliċi;

(p) biex jiġi żgurat li l-Gvern juża r-riżorsi u l-assi pubbliċi b'mod li jagħtu l-aħjar valur għall-flus u bl-aħjar mod possibbli;

(q) biex jitnaqqsu r-riskji fiskali assoċjati mat-tmexxija tal-impriżi u l-utilitajiet fis-settur pubbliku li jipprovdu beni u servizzi pubbliċi;

(r) biex jiġi ġestit infiq konsistenti mal-livell tad-dħul li jkun ġie ġġenerat;

(s) biex jifformula baġits b'mod realistiku u oġġettiv fid-dawl tal-prospett ekonomiku ġenerali u l-prospetti tad-dħul, u t-tnaqqis ta' devjazzjonijiet matul is-sena;

(t) biex jiġi żgurat il-ħlas fil-ħin tar-responsabbiltajiet kurrenti.

TAQSIMA II

REGOLI FISKALI

Ħtiġiet tat-Trattat dwar Stabbilità, Koordinazjoni u Governanza.

7. (1) Il-Gvern għandu jagħmel sforz sabiex jiżgura li:

(a) il-ħtieġa imposta bl-artikolu 8(1), u

(b) il-ħtieġa imposta bl-artikolu 8(2),

li joħorġu rispettivament mill-Artikoli 3 u 4 tat-Trattat dwar Stabbilità, Koordinazzjoni u Governanza, huma mħarsa.

(2) It-tbassir uffiċjali għandu jistabbilixxi d-data meħtieġa biex jiġi evalwat jekk il-ħtieġa speċifikata fis-subartikolu (1)(a) ġietx imħarsa.

Regola tal-baġit.

8. (1) Ir-regola tal-baġit hi li għal kull sena jew:

(a) il-kondizzjoni baġitarja stabbilit fis-subartikolu (2), jew

(b) il-kondizzjoni tal-pjan ta' aġġustament, kif stabbilit fis-subartikolu (4),

hija sodisfatta.

(2) Il-kondizzjoni baġitarja hija jew li:

(a) il-pożizzjoni baġitarja tal-gvern ġenerali hija f'bilanċ jew f'bilanċ favorevoli, jew

(b) il-ħtieġa fil-paragrafu (a) ma tkunx intlaħqet għarraġuni biss ta' ċirkostanzi eċċezzjonali u n-nuqqas li tintlaħaq ma jkunx tefa' fil-periklu s-sostenibbiltà fiskali fuq terminu medju.

(3) Il-ħtieġa fis-subartikolu (2)(a) għandha titqies bħala mħarsa jekk il-bilanċ strutturali annwali tal-gvern ġenerali huwa fl-objettiv baġitarju ta' terminu medju.

(4) Il-kondizzjoni tal-pjan ta' aġġustament hija jew li:

(a) il-bilanċ strutturali annwali tal-gvern ġenerali sejjer lejn l-objettiv baġitarju ta' terminu medju fid-dawl taż-żmien stabbilit fir-Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni, jew

(b) il-ħtieġa fil-paragrafu (a) ma tkunx intlaħqet għarraġuni biss ta' ċirkostanzi eċċezzjonali u n-nuqqas li jintlaħaq ma jkunx tefa' fil-periklu is-sostenibbiltà fiskali tat-terminu medju.

Differenza bejn id-dejn tal-gvern ġenerali u l-prodott domestiku gross.

9. Meta d-differenza bejn id-dejn tal-gvern ġenerali u l-prodott domestiku gross skont il-prezzijiet tas-suq taqbeż is-60 fil-mija, id-differenza għandha titnaqqas skont ir-Regolament tal-1997 dwar id-Defiċit Eċċessiv sakemm id-differenza tilħaq is-60 fil-mija.

L-inqas limitu tal-objettiv baġitarju ta' terminu medju.

10. (1) Bla ħsara għad-dispożizzjonijiet tas-subartikolu (2), l-inqas limitu tal-objettiv baġitarju ta' terminu medju għandu jkun bilanċ strutturali annwali tal-gvern ġenerali ta' -0.5 fil-mija tal-prodott domestiku gross skont il-prezzijiet tas-suq.

(2) Jekk id-differenza bejn id-dejn tal-gvern ġenerali u l-prodott domestiku gross skont il-prezzijiet tas-suq hija sinifikament inqas minn 60 fil-mija, u r-riski skont is-sostenibbiltà tal-finanzi pubbliċi f'terminu fit-tul huma baxxi, l-inqas limitu tal-objettiv baġitarju ta' terminu medju għandu jkun bilanċ struttrali annwali tal-gvern ġenerali ta' -1 fil-mija tal-prodott domestiku gross skont il-prezzijiet tas-suq.

Twissija mill-Kummissjoni Ewropea

11. (1) Jekk il-Kummissjoni Ewropea tindirizza twissija lil Malta skont l-artikolu 6(2) tar-Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni jew jekk il-Gvern jikkunsidra li jkun hemm nuqqas ta' konformità mar-regola baġitarja li tikkostitwixxi devjazzjoni sinifikanti għall-finijiet tal-Artikolu 6(3) ta' dak ir-Regolament, il-Gvern għandu, fi żmien xahrejn, jipprepara u jqiegħed quddiem il-Kamra tad-Deputati pjan li jispeċifika x'inhu meħtieġ li jsir sabiex ikun hemm konformità mar-regola baġitarja.

(2) Il-pjan għandu:

(a) jispeċifika l-perjodu li matulu ser tintlaħaq konformità mar-regola baġitarja,

(b) jekk il-perjodu huwa itwal minn sena, jispeċifika l-miri annwali li għandhom jintlaħqu sabiex ikun hemm konformità,

(ċ) jispeċifika l-kobor u n-natura tal-miżuri tad-dħul u l-infiq li għandhom jittieħdu sabiex tiġi żgurata dik il-konformità, u

(d) jiddeskrivi kif kwalunkwe miżura tad-dħul u nfiq li ser tittieħed ser tirrelata ma' subsetturi differenti tal-gvern ġenerali.

(3) Id-dispożizzjonijiet magħmula mill-pjan għandhom ikunu konsistenti ma':

(a) ir-regoli tal-Patt ta' Stabbilità u t-Tkabbir,

(b) kwalunkwe rakkomandazzjoni magħmula lil Malta skont il-Patt ta' Stabbilità u t-Tkabbir fir-rigward tal-perjodu li matulu għandha tintlaħaq il-konformità mar-regola baġitarja u l-kobor tal-miżuri li ser jittieħdu sabiex tiġi żgurata dik il-konformità, u

(ċ) il-programm ta' stabbilità kurrenti.

(4) Jekk il-Gvern jikkunsidra li seħħew ċirkostanzi eċċezzjonali matul il-perjodu speċifikat fil-pjan, l-affarijiet speċifikati fil-pjan m'għandhomx ikunu aktar meħtieġa li jsiru, iżda meta l-Gvern jikkunsidra li ċ-ċirkostanzi eċċezzjonali jkunu waqfu milli jeżistu, il-Gvern għandu, sakemm m'hemmx aktar in-nuqqas kif imsemmi fis-subartikolu (1), fi żmien xahrejn għandu jipprepara u jqiegħed quddiem il-Kamra tad-Deputati pjan ġdid skont dan is-subartikolu.

(5) Jekk il-Gvern jikkonsidra li hemm probabbiltà li ma jkunx hemm konformità mar-regola baġitarja, il-Gvern jista' fi żmien xahrejn, jipprepara u jqiegħed quddiem il-Kamra tad-Deputati spjegazzjoni tal-passi li l-Gvern mistenni jieħu biex jevita dan in-nuqqas.

TAQSIMA III

MONITORAĠĠ TAR-REGOLI FISKALI U APPROVAZZJONI TAT-TBASSIR UFFIĊJALI

12. Il-Ministru għall-Finanzi għandu jkun responsabbli għall-pubblikazzjoni tat-tbassir uffiċjali użat fil-kuntest tal-pjan fiskali ta' terminu medju u l-abbozz baġitarju, u dan it-tbassir għandu wkoll ikun simultanjament sottomess għall-approvazzjoni tal-Kunsill Fiskali għall-finijiet tar-Regolament tal-2013. Tbassir uffiċjali.

13. (1) Il-Kunsill Fiskali għandu jwettaq monitoraġġ fuq, u mill-anqas darba f'sena jagħmel evalwazzjoni dwar, jekk hemmx konformità mal-obbligi skont l-artikoli 7(1) jew 11(1), jew mat-twettiq ta' affarijiet speċifikati fil-pjan skont l-artikolu 11(2). Monitoraġġ mill-Kunsill Fiskali.

Iżda, fl-ewwel sena wara dħul fis-seħħ ta' dan l-Att, l-eżerċizzju ta' monitoraġġ u evalwazzjoni għandhom isiru minn tim ta' uffiċjali speċjalizzati mill-Uffiċċju Nazzjonali tal-Verifika magħżula skont il-kompetenzi tagħhom. Fis-selezzjoni jew ħatra ta' dawn l-uffiċjali l-Uffiċċju Nazzjonali tal-Verifika għandu jikkunsidra x-xewqa li jkollhom il-kompetenza u esperjenza fil-makroekonomija domestika jew internazzjonali jew f'materji fiskali.

(2) Evalwazzjoni skont is-subartikolu (1) għandha tinkludi evalwazzjoni dwar jekk, fl-opinjoni tal-Kunsill Fiskali:

(a) jeżistux jew waqfu milli jeżistu ċirkostanzi eċċezzjonali,

(b) hemm nuqqas skont kif stabbilit fl-artikolu 11(1), u

(ċ) matul kwalunkwe perjodu speċifikat fi pjan skont l-artikolu 11(2), qed isir progress lejn il-konformità mar-regola baġitarja skont il-pjan.

(3) Il-Kunsill Fiskali għandu:

(a) japprova bil-firma tiegħu, kif jidhirlu xieraq, it-tbassir makroekonomiku u fiskali mħejji mill-Ministeru għall-Finanzi u jipprovdi evalwazzjoni tat-tbassir uffiċjali, u

(b) janalizza u jevalwa jekk l-istrateġija fiskali tal-Gvern hijiex konformi mad-dispożizzjonijiet tal-Att, joħroġ opinjoni u kwalunkwe rakkomandazzjoni xierqa;

(ċ) fir-rigward ta' kull Stqarrija ta' Politika Fiskali ta' Terminu Medju, Strateġija ta' Politika Fiskali, Pjan Fiskali Nazzjonali ta' Terminu Medju, Programm ta' Stabbilità, Abbozz ta' Baġit Annwali u Baġit Annwali, jipprovdi evalwazzjoni dwar jekk il-pożizzjoni fiskali għal dik is-sena jew snin ikkonċernati, fl-opinjoni tal-Kunsill Fiskali, twassal għal ġestjoni bil-għaqal tal-ekonomija u l-baġit, inkluż b'referenza għad-dispożizzjonijeit tal-Patt ta' Stabbilità u t-Tkabbir;

(d) jevalwa l-prestazzjoni baġitarja tal-Gvern skont il-miri fiskali u l-*policies* speċifikati fl-istrateġija fiskali u l-konformità tagħha mad-dispożizzjonijiet ta' dan l-Att;

(e) janalizza u joħroġ opinjoni u kwalunkwe rakkomandazzjoni wara li l-Gvern jippubblika r-rapport ta' nofs is-sena u r-rapport annwali dwar l-eżekuzzjoni tal-baġit;

(f) jipprovdi informazzjoni u pariri lill-Gvern u l-Kumitat tal-Kontijiet Pubbliċi fir-rigward ta' kwalunkwe proposta leġiżlattiva għaż-żamma tad-dixxiplina fiskali u t-trasparenza tal-politika u l-proċessi fiskali u baġitarji.

(4) Il-Kunsill Fiskali għandu, mill-aktar fis possibbli wara li jkun għamel evalwazzjoni skont dan l-artikolu, jagħti kopja tal-evalwazzjoni lill-Ministru u jippubblika l-evalwazzjoni fi żmien għaxart ijiem li jibdew mill-jum li fih tkun ingħatat il-kopja.

(5) Il-Kunsill Fiskali għandu jkun responsabbli għall-organizzazzjoni tat-tixrid b'dik il-forma u manjiera, kif ikkunsidrat xieraq, ta' dik l-informazzjoni, kif ikun konvenjentement jidher, li tingħata lill-pubbliku:

(a) kopja vera tas-sostenibbiltà tal-finanzi ta' terminu medju tal-gvern u;

(b) għarfien suffiċjenti dwar jekk hemmx konformità ma' kwalunkwe obbligu skont l-artikoli 7(1) u 11(1), jew li jagħmel affarijiet speċifikati fil-pjan skont l-artikolu 11(2).

(6) L-opinjonijiet u r-rakkomandazzjonijiet tal-Kunsill Fiskali għandhom ikunu kkunsidrati mill-Gvern meta jipprepara u japprova l-istrateġija fiskali u l-baġit annwali.

(7) Jekk il-Gvern ma jaċċettax evalwazzjoni tal-Kunsill

Fiskali fir-rigward ta' xi waħda mill-materji msemmija fis-subartikolu (2), il-Ministru għandu fi żmien xahrejn minn meta jingħata l-kopja tal-evalwazzjoni skont is-subartikolu (4), jipprepara u jqiegħed quddiem il-Kamra tad-Deputati stqarrija tar-raġunijiet għaliex il-Gvern ma aċċettax l-evalwazzjoni.

TAQSIMA IV

PROĊEDURI TAL-BAĠIT

Pjanijiet tan-Negozju u Finanzjarji

14. (1) Kull Ministeru, Dipartiment, Awtorità fis-Settur Pubbliku, Entità u Aġenzija, u Kunsill Lokali li għandhom sovvenzjoni mingħand il-Gvern għandhom jippreparaw pjan minn sena għal sena tan-negozju u finanzjarju kif preskritt minn żmien għal żmien, mill-Ministeru għall-Finanzi. Dawn il-pjanijiet għandhom ikunu sottomessi lill-Ministeru għall-Finanzi sat-tieni ġimgħa ta' Lulju ta' kull sena. Il-pjanijiet tan-Negozju u Finanzjarji għandhom ikunu bbażati fuq l-Istrateġija Fiskali ta' Terminu Medju li tkun ġiet imħabbra l-aktar reċentement. Pjanijiet tan-Negozju u Finanzjarji.

(2) Il-Ministeru għall-Finanzi jista' joħroġ linji gwida għall-preparazzjoni tal-Pjanijiet tan-Negozju Fiskali.

(3) Ir-responsabbiltà għall-preparazzjoni tal-Pjanijiet tan-Negozju u Finanzjarji jew in-nuqqas tagħhom, taqa' fis-sħiħ fuq il-Ministeru, Dipartiment, Awtorità fis-Settur Pubbliku, Entità u Aġenzija, u Kunsill Lokali rispettiv. In-nuqqas tas-sottomissjoni tal-pjan tan-negozju u finanzjarju minn kwalunkwe Ministeru, Dipartiment, Awtorità fis-Settur Pubbliku, Entità u Aġenzija, u Kunsill Lokali jagħti dritt awtomatiku lill-Ministeru għall-Finanzi li jalloka fondi skont id-diskrezzjoni tiegħu.

(4) Il-Ministeru għall-Finanzi jista' jipproponi emendi fil-Pjanijiet tan-Negozju u Finanzjarji fejn iqis li huwa neċessarju sabiex jiżgura konformità mal-Istrateġija Fiskali ta' Terminu Medju tal-Gvern kif stabbilita skont dan l-Att, inkluża konformità mar-regoli fiskali u l-miri ta' nfiq. Fejn meħtieġ, l-emendi proposti għandhom ikunu sottomessi lill-Ministeru Dipartiment, Awtorità fis-Settur Pubbliku, Entità u Aġenzija, u Kunsill Lokali li għandhom sovvenzjoni mingħand il-Gvern.

(5) Il-Ministeru, Dipartiment, Awtorità fis-Settur Pubbliku, Entità u Aġenzija, u Kunsill Lokali li għandhom sovvenzjoni mingħand il-Gvern u li jirċievu pjan rivedut tan-negozju u finanzjarju, għandhom jew jaċċettaw il-proposta tal-Ministeru għall-Finanzi jew jipprovdu tweġiba dettaljata b'enfażi dwar fejn ikun

hemm in-nuqqas ta' qbil fil-proposta. It-tweġiba għandha tintbagħat lill-Ministeru għall-Finanzi fl-ewwel ġimgħa ta' Settembru. In-nuqqas li tintbagħat risposta f'dan il-perjodu għandha titqies li tikkostitwixxi aċċettazzjoni *prima facie* tal-proposta riveduta mill-Ministeru għall-Finanzi.

Strateġija Fiskali ta' Terminu Medju

Strateġija fiskali ta' terminu medju.

15. (1) F'kull sena finanzjarja, il-Gvern għandu jqiegħed fuq il-mejda tal-Kamra, l-Istqarrija tal-Politika ta' Terminu Medju u l-Istrateġija tal-Politika Fiskali.

(2) L-Istqarrija tal-Politika ta' Terminu Medju u l-Istrateġija tal-Politika Fiskali għandha turi l-objettivi fiskali, il-prijoritajiet strateġiċi u mira minn sena għal sena ta' tliet snin għall-ġestjoni fiskali flimkien mad-deskrizzjoni ta' kwalunkwe suppożizzjoni sottostanti.

It-tbassir makroekonomiku u fiskali għandu jkun approvat mill-Kunsill Fiskali u magħmul pubbliku.

(3) B'mod partikolari, u mingħajr preġudizzju għad-dispożizzjonijiet tas-subartikolu (2), l-istqarrija tal-politika fiskali ta' terminu medju għandha tinkludi evalwazzjoni tas-sostenibbiltà fir-rigward ta':

(a) il-bilanċ bejn il-qligħ u d-dħul;

(b) l-użu tad-dħul kapitali inkluż self mis-suq miftuħ għall-ġenerazzjoni ta' assi produttivi; u

(ċ) l-estimi annwali tar-responsabbiltajiet dwar pensjonijiet maħduma fuq bażi attwarja, għall-għaxar snin li ġejjin, fi żmien dak il-perjodu li l-Gvern jista', b'ordni, jispeċifika.

(4) Il-qafas makroekonomiku li hu l-bażi tal-Istqarrija ta' Politika Fiskali ta' Terminu Medju, għandu jkollu informazzjoni dwar is-sitwazzjoni makroekonomika u t-tbassir:

(a) tas-sena kurrenti baġitarja u mill-inqas it-tliet snin finanzjarji li jkunu ġejjin u l-*out turns* attwali taż-żewġ baġits preċedenti;

(b) tal-prodott domestiku gross u l-komponenti tiegħu;

(ċ) tal-prezzijiet għall-konsumatur u d-deflatur tal-prodott domestiku gross;

(d) tax-xogħol u l-qgħad;

(e) tal-pożizzjoni ta' kontabilità preżenti tal-bilanċ ta' ħlasijiet;

(f) tal-metodoloġija, is-suppożizzjonijiet u l-parametri relevanti li jiffurmaw il-bażi tat-tbassir;

(g) stqarrija mill-Kummissjoni Ewropea dwar il-konsistenzi u d-differenzi mit-tbassir, u, jekk xieraq, dawk ta' organi indipendenti oħra, inkluż paragun tas-suppożizzjonijiet ekonomiċi prinċipali;

(h) evalwazzjoni tat-tbassir makroekonomiku wara mill-anqas erba' snin, li tidentifika b'mod ċar l-iżbalji fit-tbassir u l-preġudizzji. L-evalwazzjoni għandha tkun pubblika.

(5) Il-qafas fiskali li huwa l-bażi tal-Istqarrija ta' Politika Fiskali ta' Terminu Medju għandu jkollu rizultati attwali taż-żewġ baġits preċedenti, riżultati tal-estimi tal-baġit kurrenti, il-limitu ta' nfiq għall-baġit li ġej u s-sentejn ta' warajh kondizzjonati skont it-tbassir ta' qligħ u konsistenti mar-regoli fiskali u li jkopru:

(a) il-bilanċ totali tal-baġit tal-gvern ġenerali bħala perċentwali tal-Prodott Domestiku Gross (PDG);

(b) it-total tal-infiq kurrenti tal-gvern ġenerali bħala perċentwali tal-Prodott Domestiku Gross (PDG);

(ċ) it-total tal-infiq kapitali tal-gvern ġenerali bħala perċentwali tal-Prodott Domestiku Gross (PDG);

(d) l-ispejjeż fuq il-persunal għall-baġit tal-gvern ġenerali bħala perċentwali tal-Prodott Domestiku Gross (PDG);

(e) il-limitu fuq il-ħruġ ta' garanziji mill-Gvern permezz tal-Ministeru għall-Finanzi;

(f) il-bilanċ primarju tal-baġit tal-gvern ġenerali.

(6) Il-qafas fiskali fl-Istqarrija ta' Politika Fiskali ta' Terminu Medju għandu jkun fih:

(a) tbassir aġġornat tal-baġit kurrenti u tat-tliet snin ta' wara u riżultati attwali taż-żewġ baġits preċedenti tal-baġit tal-gvern ġenerali u baġits oħra speċifikati fil-baġit tal-gvern għal:

(i) livell tal-qligħ baġitarju billi jiġu klassifikati

l-kategoriji ewlenija tal-qligħ;

(ii) bilanċ bejn l-ispiżi totali operattivi u l-klassifikazzjonijiet funzjonali;

(iii) bilanċ bejn l-infiq totali operattiv u l-qligħ totali operattiv;

(iv) riżerva ta' kontinġenza;

(v) l-infiq kapitali;

(vi) il-livell tad-dejn ġenerali tal-gvern;

(vii) kwalunkwe informazzjoni oħra li l-Ministru għall-Finanzi jista' jqis bħala materjali għall-istrateġija fiskali ta' terminu medju;

(viii) suppożizzjonijiet prinċipali li fuqhom in-numri ta' hawn fuq huma bbażati; u

(ix) analiżi ta' sensittività meta jitqies it-tibdil possibbli fil-kundizzjonijiet makroekonomiċi. L-analiżi ta' sensittività għandha tkun gwidata mill-prestazzjoni tat-tbassir preċedenti u għandha tqis ix-xenarji ta' riskju relevanti;

(b) spjegazzjoni tal-politika fiskali fir-rigward tal-prinċipji tar-responsabbiltà fiskali u r-regoli fiskali, u kwalunkwe miżura temporanja li għandha tiġi implimentata sabiex ikun hemm konformità;

(ċ) analiżi u spjegazzjoni tal-politika fiskali ta' terminu medju li għandha impatt fuq il-finanzi tal-gvern ġenerali maqsuma fi;

(i) politika tal-qligħ, inkluż tibdil ippjanat f'taxxi u politika li jaffettwaw qligħ ieħor;

(ii) politika tad-dejn u d-defiċit, inkluż analiżi tas-sostenibbiltà tad-dejn; u

(iii) politika ta' nfiq, inkluż prijoritajiet fl-infiq, intenzjonijiet ta' nfiq aggregat, inkluż għall-baġit tal-gvern ġenerali u baġit oħra; u l-limitu ta' nfiq u miri oħra u limiti impliċiti minn jew meħtieġa mir-regoli fiskali;

(d) deskrizzjoni ta' kif il-miri fiskali ta' terminu medju

huma konformi mal-aġġustamenti meħtieġa lejn l-objettivi baġitarji ta' terminu medju konformi mad-dispożizzjonijiet ta' dan l-Att;

(e) stqarrija tar-riskju fiskali, inkluż kwalunkwe impenn u responsabbiltajiet kontinġenti mhux inklużi fit-tbassir fiskali; u ċ-ċirkostanzi l-oħra kollha li jista' jkollhom effett materjali fuq it-tbassir fiskali u ekonomiku u li għadhom ma ġewx inkorporati fit-tbassir fiskali, kif ukoll informazzjoni dwar it-telf u l-ħlas pendenti tal-intrapriżi governattivi;

(f) analiżi tal-konsistenza tal-istrateġija fiskali ta' terminu medju aġġornata mal-istrateġija ta' terminu medju preċedenti, li tipprovdi spjegazzjoni tat-tibdil sinifikattiv;

(g) projezzjonijiet ta' kull infiq u dħul maġġuri tal-gvern ġenerali b'aktar speċifikazzjonijiet fuq il-gvern ċentrali u l-livell ta' sigurtà soċjali, għas-sena baġitarja u tliet snin ta' wara bbażat fuq *policies* mhux mibdula.

(7) L-Istrateġija ta' Politika Fiskali ta' terminu medju għandha tistabbilixxi livell aggregat tal-pjanijiet ta' nfiq tal-Gvern għas-sena baġitarja li tkun ġejja, it-tliet snin sussegwenti, estimi tar-riżultati attwali tas-sena kurrenti u riżultati attwali tas-sentejn preċedenti, li jkun fihom:

(a) l-infiq prijoritarju u r-raġunijiet tiegħu, inkluż spjegazzjoni ta' kif il-Gvern mistenni jtejjeb l-politika, l-effiċjenza u l-effettività fit-twassil tas-servizz, il-kwalità tal-attivitajiet regolatorji, u l-inizjattivi tiegħu għat-tnaqqis tal-ostakoli għan-negozju u l-inkoraġġiment għat-tkabbir tas-settur privat f'diversi setturi;

(b) programm ta' investiment pubbliku, inkluż il-prijoritajiet tal-Gvern u l-ġustifikazzjonijiet għalihom.

(8) L-Istrateġija ta' Politika Fiskali ta' terminu medju għandu jkun fiha stqarrija tar-responsabbiltà ffirmata mill-Prim Ministru u l-Ministru għall-Finanzi li jaffermaw l-affidibbiltà u l-kompletezza tal-informazzjoni fl-istrateġija fiskali ta' terminu medju u l-konformità mal-prinċipji tar-responsabbiltà fiskali.

(9) Konformement mar-Regolament tal-2013, il-Pjan Fiskali Nazzjonali ta' Terminu Medju, li idealment għandu jkun ippubblikat sal-15 ta' April iżda mhux aktar tard mit-30 ta' April, għandu jkun ibbażat fuq l-Istqarrija tal-Politika Fiskali ta' Terminu Medju u fuq l-Istrateġija tal-Politika Fiskali aġġornati bit-tbassir uffiċjali l-aktar

reċenti kif ikun xieraq.

Abbozz tal-Baġit Annwali

Abbozz tal-baġit annwali.

16. (1) Il-Ministru għall-Finanzi għandu jipprepara Pjan ta' Abbozz Baġitarju għas-sena li tkun ġejja skont il-projezzjoni tal-Pjan Fiskali ta' Terminu Medju kif aġġornat bil-projezzjonijiet makroekonomiċi l-aktar aġġornati.

(2) Il-pjan ta' abbozz baġitarju għandu jkun fih l-informazzjoni li ġejja għas-sena li jmiss:

(a) il-mira tal-bilanċ tal-baġit tal-gvern ġenerali bħala perċentwali tal-Prodott Domestiku Gross (PDG), maqsum skont is-subsetturi tal-Gvern ġenerali;

(b) il-projezzjonijiet tal-politika mhux mibdula tal-infiq u l-qligħ bħala perċentwali tal-Prodott Domestiku Gross (PDG) għall-gvern ġenerali u l-komponenti ewlenin, inkluż il-formazzjoni grossa tal-kapital fiss;

(ċ) il-mira tal-infiq u d-dħul bħala perċentwali tal-Prodott Domestiku Gross (PDG) tal-gvern ġenerali u l-komponenti ewlenin, waqt li jitqiesu l-kondizzjonijiet u l-kriterji li jistabilixxu t-triq għat-tkabbir tal-infiq nett tal-gvern tal-miżuri ta' qligħ diskrezzjonali skont l-Artikolu 5(1) tar-Regolament tal-1997 dwar is-Sorveljanza u l-Koordinazzjoni;

(d) l-informazzjoni relevanti tal-infiq skont il-funzjoni tal-gvern ġenerali, inkluż l-edukazzjoni, is-saħħa u x-xogħol, u fejn possibbli, indikazzjonijiet fuq l-impatt mistenni ta' distribuzzjoni tal-miżuri ta' nfiq u d-dħul ewlenin;

(e) deskrizzjoni u kwantifikazzjoni tal-miżuri ta' nfiq u d-dħul li għandhom jidħlu fl-abbozz tal-baġit għas-sena li jkun imiss fil-livell ta' kull subsettur sabiex inaqqsu d-distakk bejn il-miri msemmija fil-paragrafu (ċ) u l-projezzjonijiet fil-politika mhux mibdula prevista skont il-paragrafu (b);

(f) is-suppożizzjonijiet prinċipali tat-tbassir indipendenti makroekonomiku u l-iżvilupp importanti ekonomiku li huma relevanti għall-ksib tal-miri baġitarji;

(g) anness li fih il-metodoloġija, il-mudelli ekonomiċi u s-suppożizzjonijiet, u kwalunkwe parametru ieħor li jagħmel enfasi fuq it-tbassir baġitarju u l-impatt stmat tal-miżuri aggregati tal-baġit fuq it-tkabbir ekonomiku;

(h) indikazzjoni ta’ kif ir-riformi u l-miżuri fil-pjan ta’ abbozz baġitarju, inkluż partikolarment investiment pubbliku, jindirizzaw ir-rakkomandazzjonijiet kurrenti lill-Istati Membri kkonċernati skont l-Artikoli 121 u 148 tat-Trattat dwar il-Funzjonament tal-Unjoni Ewropea, u li huma strumentali għall-kisba tal-miri stabbiliti fl-istrateġija tal-Unjoni għat-tkabbir u x-xogħol.

(3) Il-Pjan ta’ Abbozz Baġitarju għandu jkun sottomess għall-approvazzjoni tal-Kunsill Fiskali u għandu wara dan ikun pubbliku.

(4) Il-Ministru għall-Finanzi għandu wkoll jagħmel Rapport li jkun fih:

(a) tweġiba dettaljata skont l-artikolu 14(5) li jenfasizza n-nuqqas ta’ qbil mal-pjan tan-negozju u finanzjarju propost;

(b) il-lista tal-allokazzjoni baġitarja kkontestata, l-impatt fiskali ta’ kull allokazzjoni baġitarja kkontestata, u proposta mill-Ministeru għall-Finanzi biex jirrifjuta t-talba jew jaċċetta bla ħsara għal allokazzjoni ta’ finananzjament ulterjuri jew permezz ta’ miżuri ta’ dħul dettaljat jew permezz tat-tnaqqis fl-infiq xi mkien ieħor tal-baġit.

(5) Il-Pjan ta’ Abbozz Baġitarju u r-Rapport imsemmi fis-subartikolu (4) għandu jkun sottomess mill-Ministeru lill-Kabinett. Id-deliberazzjonijiet għandhom isiru bil-konsiderazzjoni tad-dispożizzjonijiet ta’ dan l-Att u għandhom jikkostitwixxu l-bażi tal-preżentazzjoni tal-Baġit.

Baġit Annwali

17. (1) Il-Gvern għandu jippreżenta baġit annwali lill-Kamra tad-Deputati konsistenti mal-prinċipji tar-responsabbiltà fiskali, ir-regoli fiskali, l-istrateġija fiskali u kwalunkwe ħtieġa oħra f’dan l-Att. Il-Prim Ministru u l-Ministru għall-Finanzi għandhom jiffirmaw stqarrija li fiha jaffermaw dik il-konsistenza li għandha tiġi preżentata lill-Kamra tad-Deputati mal-Baġit Annwali. Baġit Annwali.

(2) Il-Baġit għandu jirbaħ fuq kwalunkwe pjan ta’ negozju jew abbozz ta’ pjan ta’ negozju.

(3) M’għandux ikun permess l-assenjament ta’ livell speċifiku ta’ fondi lil Ministeru jew settur, sakemm ma jkunx hemm approprjazzjoni permanenti mill-Kamra tad-Deputati. Allokazzjonijiet tal-fondi tal-baġit lil Ministeru jew settur jistgħu jsiru biss permezz tal-proċess annwali tal-baġit.

(4) Il-Ministeru għall-Finanzi għandu jkollu s-setgħa li jitlob emendi tal-proposti baġitarji jew jiċħad it-talbiet kollha għall-allokazzjonijiet baġitarji li ma jkunux konformi mal-Istrateġija Fiskali tal-Gvern u kwalunkwe istruzzjoni li tista', minn żmien għal żmien, tinħareġ mill-Ministeru għall-Finanzi. Jekk xi awtorità responsabbli mill-infiq tonqos milli temenda l-proposti tal-baġit tagħha f'konformità mal-istruzzjonijiet maħruġa, il-Ministeru għall-Finanzi għandu jkollu s-setgħa li unilateralament jemenda l-proposta tal-baġit għall-inklużjoni fil-baġit annwali.

(5) Jekk il-Gvern jikkunsidra li jeżistu ċirkostanzi eċċezzjonali kif imfisser f'dan l-Att u, bis-saħħa ta' dawn iċ-ċirkostanzi eċċezzjonali, ma jistax ikun konformi mal-ħtiġiet tas-subartikolu (4), il-Prim Ministru u l-Ministru għall-Finanzi għandhom jippreparaw u jipprovdu stqarrija li tagħti spjegazzjoni għal dawn id-devjazzjonijiet. Din l-istqarrija għandha tiġi ppreżentata lill-Kamra tad-Deputati mal-Baġit Annwali u għandha tinkludi proposti u l-perjodu li matulu l-Gvern ikun konformi mal-prinċipji tar-responsabbiltà fiskali, ir-regoli fiskali, l-istrateġija fiskali u l-ħtiġiet l-oħra ta' dan l-Att, ladarba ċ-ċirkostanzi eċċezzjonali jintemmu.

(6) Il-Kunsill Fiskali għandu jagħti opinjoni dwar l-istqarrija speċifikata fis-subartikolu (5).

(7) L-Att Annwali tal-Baġit għandu jkun konsistenti mal-istrateġija fiskali u mad-dispożizzjonijiet ta' dan l-Att u għandu jippreżenta:

(a) il-miri fiskali għas-sena li jkun imiss u s-sentejn ta' wara, f'termini nominali u espressi bħala sehem tal-Prodott Domestiku Gross (PDG), għall-bilanċ tal-baġit tal-gvern ġenerali, il-bilanċ primarju tal-baġit tal-gvern ġenerali, il-qligħ u l-infiq totali u l-infiq primarju tal-baġit tal-gvern ġenerali;

(b) il-livell tad-dejn pubbliku;

(ċ) informazzjoni dwar kif ġew stabbiliti l-miri, inkluża l-preżentazzjoni tal-metodoloġija użata għall-kalkolu u paragun mal-eżekuzzjoni tagħhom fl-aħħar sentejn;

(d) preżentazzjoni tal-impatt finanzjarju ta' kull tibdil leġiżlattiv u kull miżura kumpensatorja li ser tittieħed.

Infiq skont il-Baġit

Infiq skont il-Baġit.

18. Il-proponenti tal-inizjattivi u l-miżuri tal-proġett, politika u programm li jinvolvu żieda jew infiq pubbliku ġdid għandhom

jipprovdu lill-Ministeru għall-Finanzi:

(a) deskrizzjoni dettaljata tal-proġett jew programm propost u l-objettivi tiegħu u r-riżultat u l-impatt probabbli;

(b) dikjarazzjoni finanzjarja dettaljata, inkluża kwalunkwe suppożizzjoni u kwalunkwe metodoloġija ta' kalkolu dettaljata, li tidentifika l-ispejjeż kollha ta' nfiq kapitali u kurrenti għall-implimentazzjoni tal-politika jew programm tal-proġett;

(ċ) deskrizzjoni ta' kif l-inizjattivi jew il-miżuri proposti huma konformi mal-objettivi u l-prijoritajiet strateġiċi tal-Istrateġija Fiskali ta' Terminu Medju tal-Gvern u mal-baġit annwali u l-limiti ta' nfiq speċifikati fl-Istrateġija Fiskali ta' Terminu Medju kif aġġornati bit-tbassir uffiċjali l-aktar reċenti.

Reviżjoni u evalwazzjoni tal-proposti.

19. Il-Ministeru għall-Finanzi għandu jirrevedi u jevalwa kull tali proposta u jiddetermina dwar l-inklużjoni tagħhom fil-baġit annwali tal-Gvern jew xort'oħra.

Persuni responsabbli għar-reklutaġġ fis-servizz pubbliku, eċċ.

20. Il-persuni kollha responsabbli għar-reklutaġġ fis-settur pubbliku, il-politika ta' ħlas u ftehim dwar pagi għandhom jiżguraw li dan ir-reklutaġġ, politika u ftehim huma konformi mal-objettivi tar-responsabbiltà fiskali, ir-regoli fiskali u l-objettivi u l-limiti stabbiliti skont l-istrateġija fiskali u baġitarja.

Persuni responsabbli għall-finanzjament pubbliku ta' benefiċċji soċjali jew tal-pensjoni.

21. Il-persuni kollha responsabbli għall-finanzjament pubbliku tal-benefiċċji soċjali u l-benefiċċji tal-pensjoni għandhom jiżguraw li kull benefiċċju soċjali jew benefiċċju tal-pensjoni ġodda jew miżjuda huma konsistenti mal-objettivi tar-responsabbiltà fiskali, ir-regoli fiskali u l-objettivi u l-limiti stabbiliti skont l-istrateġija fiskali u baġitarja.

Infiq ġdid jew addizzjonali.

22. Matul is-sena tal-baġit ma jistax isir jew jiġi kommess infiq ġdid jew miżjud f'eċċess tal-allokazzjoni baġitarja relevanti, ħlief bl-approvazzjoni espressa tal-Ministru għall-Finanzi.

Konsistenza mar-regoli fiskali.

23. Fl-eżerċizzju ta' dawn is-setgħat il-Ministeru għall-Finanzi għandu f'kull ħin jiżgura konsistenza mar-regoli fiskali u l-limiti ta' nfiq billi jitlob mingħand l-entità responsabbli u f'din l-ordni:

(a) *virements* bejn voti fl-istess dipartiment;

(b) allokazzjoni mill-ġdid tal-infiq fl-istess Ministeru.

Ċaħda jew approvazzjoni għal infiq ġdid jew addizzjonali.

24. Fin-nuqqas tal-identifikazzjoni tal-*virements* jew l-allokazzjoni mill-ġdid tar-riżorsi kif imfisser fl-artikolu 23, il-Ministeru għall-Finanzi għandu jkollu s-setgħa li jiċħad l-approvazzjoni għal infiq ġdid jew addizzjonali, ħlief jekk, u f'din l-ordni:

(a) wara n-notifika kif suppost, il-Ministeru għall-Finanzi japproprja riżorsi mhux imnefqin minn ministeri oħra, dipartimenti jew entitajiet fis-settur pubbliku li ma jaqbżux it-3 fil-mija tal-allokazzjoni baġitarja għal dak il-ministeru, dipartiment jew entità tas-settur pubbliku;

(b) il-ġbid ta' self mir-Riżervi ta' Kontinġenza stabbilit bis-saħħa ta' dan l-Att huwa espressament approvat mill-Prim Ministru wara proposta mingħand il-Ministru għall-Finanzi.

Infiq ġdid jew addizzjonali mhux awtorizzat,

25. Kwalunkwe nfiq ġdid jew addizzjonali mhux awtorizzat għandu jkun ir-responsabbiltà unika ta' dik il-persuna li tkun tat l-awtorizzazzjoni u l-persuna li tokkupa l-ogħla pożizzjoni eżekuttiva fid-Dipartimenti, awtoritajiet, agenziji, u entitajiet li jaqgħu taħt dan l-Att u għandu jwassal għal azzjoni dixxiplinari.

Ftehim kollettivi u negozjati oħra dwar ħlasijiet.

26. Il-persuni kollha li jinnegozjaw ftehim kollettiv fis-settur pubbliku u negozjati oħra dwar ħlasijiet għandhom jiżguraw li kull proposta magħmula matul dawn in-negozjati huma konsistenti mal-objettiv tar-responsabbiltà fiskali, ir-regoli fiskali u l-objettivi u l-limitu stabbilit skont l-istrateġija fiskali u baġitarja. L-ebda ftehim kollettiv u negozjati dwar ħlasijiet ma għandhom ikunu konklużi sa meta ma jkunux għadhom ġew evalwati l-implikazzjonijiet fiskali mill-Ministeru għall-Finanzi b'mod xieraq u mingħajr l-approvazzjoni tal-Ministru għall-Finanzi.

Każijiet eċċezzjonali u ġustifikati.

27. F'każijiet eċċezzjonali u ġustifikati, il-Ministeru għall-Finanzi jista' japprova żieda fl-allokazzjoni tal-infiq għall-persunal, iżda l-istituzzjoni li titlob din iż-żieda għandha tipprovdi prova tal-konformità mal-artikolu 18 u mal-baġit annwali approvat għal dik l-istituzzjoni

Miri tad-dħul u nfiq.

28. Ministeri, Dipartimenti, Awtoritajiet fis-Settur Pubbliku, Entitajiet u Aġenziji u Kunsilli Lokali għandhom jieħdu l-miżuri kollha neċessarji biex jilħqu l-miri tagħhom tad-dħul u nfiq u għandhom jimxu mal-istruzzjonijiet li jistgħu, minn żmien għal żmien, jinħarġu mill-Ministru għall-Finanzi.

Dħul skont il-Baġit

Dħul skont il-Baġit.

29. Il-Ministeru għall-Finanzi għandu -

(a) fil-preżentazzjoni tiegħu tal-baġit annwali, jelabora u jippubblika programm annwali dettaljat tal-ġbir tad-dħul li għandu jinkludi:

(i) miri trimestrali għal ġbir tad-dħul fir-rigward ta’ kull sors ta’ dħul;

(ii) miri trimestrali għal ġbir ta’ dħul b’lura;

(iii) miżuri ppjanati kontra l-evażjoni tat-taxxa u l-frodi tat-taxxa;

(b) jippubblika t-tbassir annwali tal-ġbir tad-dħul mingħand kull istituzzjoni ffinanzjata minnha nfisha inkluż, fejn applikabbli, tbassir għall-irkupru ta’ dħul b’lura.

30. Proposti għal kwalunkwe miżura jew leġiżlazzjoni li jwasslu għal tnaqqis tad-dħul baġitarju għandhom: Tnaqqis fid-dħul baġitarju.

(a) ikunu approvati mill-Ministru għall-Finanzi li, min-naħa tiegħu, għandu jieħu konsiderazzjoni tal-impatt ta’ dik il-miżura jew proposta leġiżlattiva fit-tbassir tad-dħul baġitarju, il-miri annwali tal-baġit u l-miri ta’ terminu medju;

(b) ikunu akkumpanjati, fejn huwa raġonevolment possibbli jew prattikabbli, minn proposti ta’ miżuri jew għall-ispejjeż u/ jew għad-dħul biex jikkompensaw għall-istima tal-impatt finanzjarju ta’ dawk il-proposti.

Riżerva għall-Kontinġenza

31. Għandha tiġi stabbilita riżerva ta’ kontinġenza mill-Ministeru għall-Finanzi sabiex jiżgura li l-eventwalitajiet ta’ nfiq jew dħul mhux prevvist ma jipperkolawx il-konformità mar-regoli fiskali. Riżerva għall-kontinġenza.

32. Sakemm il-baġit ma jkunx bilanċjat, ir-riżerva ta’ kontinġenza għandha tkun stabbilita bħala vot ta’ nefqa li jkun approprijat fl-eventwalità ta’ ċirkostanzi temporanji u mhux prevedibbli. Riżerva ta’ kontinġenza għandha tiġi stabbilita bħala vot ta’ nefqa

33. Għandhom isiru dispożizzjonijiet finanzjarji speċifiċi għar-riżerva ta’ kontinġenza malli l-pożizzjoni tal-baġit tal-gvern ġenerali tkun f’bilanċ favorevoli. Il-fondi assenjati għar-riżerva ta’ kontinġenza jistgħu jkunu investiti f’assi likwidi għolja ta’ terminu qasir. Fondi allokati għar-riżerva ta’ kontinġenza.

34. Ir-Riżerva ta’ Kontinġenza għandha tammonta għal bejn 0.1 fil-mija u 0.5 fil-mija tal-Prodott Domestiku Gross (PDG) fi kwalunkwe sena waħda partikolari. Ammont tar-riżerva ta’ kontinġenza.

Akkumulu gradwali tar-riżerva ta' kontinġenza.

35. Ir-riżerva ta' kontinġenza għandha takkumula gradwalment fuq ħames snin li jibdew mill-ewwel sena wara d-dħul fis-seħħ ta' dan l-Att.

Ġbid ta' self mir-riżerva ta' kontinġenza.

36. Il-ġbid ta' self mir-riżerva ta' kontinġenza għandu jsir biss f'ċirkostanzi urġenti, temporanji u mhux previsti wara proposta mingħand il-Ministeru għall-Finanzi u bl-approvazzjoni tal-Prim Ministru.

Rifużjoni tar-riżerva ta' kontinġenza.

37. Kwalunkwe ġbid ta' self mir-riżerva ta' kontinġenza għandu jiġi rifuż gradwalment fuq perjodu ta' tliet snin sakemm jiġi stabbilit mill-ġdid il-limitu kif imfisser fl-artikolu 34.

Approvazzjoni mill-Kamra tad-Deputati.

38. Kwalunkwe ġbid ta' dejn mir-riżerva ta' kontinġenza għandu jkun preżentat lill-Kamra tad-Deputati għall-approvazzjoni finali.

Monitoraġġ fuq l-Eżekuzzjoni tal-Baġit matul is-Sena

Implimentazzjoni tal-baġit approvat.

39. (1) Matul l-eżekuzzjoni tal-baġit, il-Ministeru għall-Finanzi għandu jwettaq monitoraġġ u regolarment jivvaluta l-implimentazzjoni tal-baġit approvat.

(2) Fl-eżerċizzju tal-funzjonijiet ta' monitoraġġ u valutazzjoni, il-Ministeru għall-Finanzi għandu, minn żmien għal żmien, ikollu d-dritt li:

(a) joħroġ kwalunkwe istruzzjoni jew direttiva lill-Ministeri, Dipartimenti, Awtoritajiet tas-Settur Pubbliku, Entitajiet u Aġenziji u Kunsilli Lokali, kif jista' jitqies neċessarju għat-tkomplija tal-miri u l-objettivi tal-istrateġija fiskali ta-Gvern;

(b) jitlob mill-Ministeri, Dipartimenti, Awtoritajiet tas-Settur Pubbliku, Entitajiet u Aġenziji u Kunsilli Lokali, kif iqis xieraq, kwalunkwe informazzjoni kif jista' jiġi preskritt.

(3) Ministeri, Dipartimenti, Awtoritajiet tas-Settur Pubbliku, Entitajiet u Aġenziji u Kunsilli Lokali għandhom josservaw kull istruzzjoni jew direttivi li jistgħu jinħarġu mill-Ministeru għall-Finanzi u għandhom jagħtu aċċess sħiħ u jipprovdu l-informazzjoni kollha meħtieġa fil-format u fil-perjodu ta' ħin kif jista' jiġi preskritt, minn żmien għal żmien, mill-Ministeru għall-Finanzi.

(4) Ministeri, Dipartimenti, Awtoritajiet tas-Settur Pubbliku, Entitajiet u Aġenziji u Kunsilli Lokali għandu jkollhom responsabbiltà distinta biex jiżguraw qafas istituzzjonali affidabbli, trasparenti u funzjonali, li jiżgura l-intergrità tas-sistemi tar-rapurtaġġ

fiskali. Għal din ir-raġuni dawn għandhom:

(a) iżommu kotba tal-kontijiet xierqa li jipprovdu stampa ġusta u ċara tal-qligħ u d-debituri, infiq u l-kredituri, l-impenji ta' nfiq u responsabbiltajiet kontinġenti oħra;

(b) jimxu skont politika, prinċipji, proċeduri u metodoloġija ta' kontabilità preskritta mill-Gvern, kif jista' jiġi approvat jew preskritt, minn żmien għal żmien, mill-Ministeru għall-Finanzi;

(ċ) jiżguraw il-komprensività, l-integrità, l-affidabilità u l-puntwalità fir-rappurtaġġ tad-*data* finanzjarja u kwalunkwe informazzjoni oħra lill-Ministeru għall-Finanzi, it-Teżor u l-Uffiċċju Nazzjonali tal-Istatistika.

(5) Kapijiet ta' Ministeri, Dipartimenti, Awtoritajiet u entitajiet oħra għandhom jiżguraw l-osservanza u konformità sħiħa mal-ħtiġiet statutorji u rapporti oħra kif stabbilit f'dan l-Att jew kif jista', minn żmien għal żmien, ikun preskritt, mill-Ministeru għall-Finanzi, it-Teżor u/jew l-Uffiċċju Nazzjonali tal-Istatistika. Kwalunkwe nuqqas fil-ħarsien tad-dispożizzjonijiet ta' dan is-subartikolu u tas-subartikoli (3) u (4) għandu jwassal għal proċeduri dixxiplinari.

Rappurtar dwar il-baġit matul is-sena.

(6) Wara l-approvazzjoni tal-baġit annwali u matul it-twettiq tiegħu, il-Ministeru għall-Finanzi għandu kull xahar jippubblika skedi ta' dħul u qligħ, maqsumin skont is-sors ta' qligħ u l-funzjoni ekonomika.

(7) F'Lulju ta' kull sena, il-Ministru għall-Finanzi għandu jikkompila u jqiegħed fuq il-mejda tal-Kamra tad-Deputati rapport ta' nofs is-sena dwar is-sitwazzjoni ekonomika u baġitarja.

(8) Ir-rapport ta' nofs is-sena stipulat fis-subartikolu (7) għandu, mingħajr ma jkun limitat għal, ikun fih dan li ġej:

(a) reviżjoni tas-sitwazzjoni makroekonomika li tkun tinkludi l-aħħar bidliet u xejriet sinifikanti minn wara li l-baġit annwali jkun ġie finalizzat;

(b) evalwazzjoni tal-impatt tal-miri fiskali ta' kull bidla fis-sitwazzjoni makroekonomika;

(ċ) preżentazzjoni tal-miżuri korrettivi neċessarji li għandhom jittieħdu biex jindirizzaw dawk l-impatti;

(d) spjegazzjoni ta' kif l-implimentazzjoni tal-baġit hija

konsistenti mal-impenji Ewropej tal-Gvern, b'mod partikolari mat-termini tal-Patt ta' Stabbilità u t-Tkabbir;

(e) *data* fuq il-qligħ ġenerali tal-baġit, dettaljat għal kull kategorija ta' qligħ, waqt li jindika t-tbassir inizjali, il-qligħ miġbur fl-ewwel sitt xhur u tbassir aġġornat tas-sena kollha;

(f) *data* fuq l-infiq tal-baġit ġenerali, klassifikazzjoni dettaljata ekonomika u funzjonali ta' kull baġit kostitwenti tal-baġit tal-gvern ġenerali, li jindika l-infiq approvat, l-ispejjeż imġarrba fl-ewwel sitt xhur u tbassir aġġornat tas-sena sħiħa;

(g) *data* dwar il-bilanċ baġitarju tal-baġit tal-gvern ġenerali (totali u primarju), li jindika l-programm approvat, fl-ewwel sitt xhur u tbassir aġġornat għas-sena kollha;

(h) *data* dwar l-assorbiment tal-fondi Ewropej, li jindika l-programm approvat, ir-riżultati milħuqa fl-ewwel sitt xhur u tbassir aġġornat tas-sena kollha;

(i) *data* dwar il-kredituri pendenti għall-ewwel sitt xhur tas-sena;

(j) *data* tad-dejn governattiv u l-finanzjament tad-defiċit tal-baġit;

(k) spjegazzjonijiet ta' kwalunkwe nuqqas ta' ġbir tal-qligħ u l-qligħ pendenti mbassar, li jindikaw il-miżuri meħuda u kull miżura ppjanata sabiex jittejjeb dan il-ġbir.

(9) L-informazzjoni li tinsab fir-rapport ta' nofs is-sena msemmi fis-subartikolu (7) dwar is-sitwazzjoni ekonomika u fiskali għandha, sa fejn hu possibbli, tqis kull deċiżjoni tal-Gvern u żviluppi oħra, li jistgħu jkollhom effett fuq il-prospetti fiskali u ekonomiċi għas-sena.

(10) Id-*data* u l-informazzjoni li tinsab fir-rapport ta' nofs is-sena fuq is-sitwazzjoni ekonomika u l-baġit għandha tkun preżentata f'format paragunabbli ma' dawk tal-baġit annwali u l-istrateġija fiskali.

Reviżjonijiet

Reviżjonijiet.

40. (1) Bla ħsara għad-dispożizzjonijiet ta' dan l-Att, l-istrateġija fiskali tista' tiġi riveduta jekk:

(a) hemm bidla fil-kopertura tal-baġit tal-gvern ġenerali, waqt li jingħataw ir-raġunijiet, id-*data* u informazzjoni

oħra li huma paragunabbli għall-kopertura l-ġdida tal-baġit tal-gvern ġenerali;

(b) ikun hemm xejra għall-agħar sinifikanti tal-indikaturi makroekonomiċi li jkun ġew użati għall-preparazzjoni tal-istrateġija fiskali;

(ċ) Gvern ġdid jidhirlu xieraq li jibdel l-Istrateġija Fiskali ta' Terminu Medju sabiex jirrifletti l-prijoritajiet politiċi ġodda. F'dan il-każ, il-gvern ġdid għandu jindika d-differenzi mill-istrateġija fiskali ta' terminu medju preċedenti.

(2) Il-Ministru għall-Finanzi għandu jissottometti kull reviżjoni tal-istrateġija fiskali lill-Kamra tad-Deputati għal konsiderazzjoni tagħha kif imiss.

(3) Ir-reviżjoni tal-istrateġija fiskali, il-baġit annwali, jew kwalunkwe dokument baġitarju ieħor, għandhom ikunu suġġetti għar-reviżjoni u l-opinjoni tal-Kunsill Fiskali.

(4) Il-verżjoni riveduta tal-istrateġija fiskali għandu jkollha sezzjoni li tispeċifika u tispjega d-differenzi mill-verżjoni preċedentement approvata mill-Kamra tad-Deputati.

Rapport Annwali tal-Gvern

41. (1) Il-Ministru għall-Finanzi għandu jipprepara u jagħmel pubbliku qabel jew fit-tmiem tax-xahar ta' Ġunju ta' kull sena, rapport annwali tas-sena fiskali preċedenti. Rapport Annwali tal-Gvern.

(2) L-għan ta' dan ir-rapport annwali huwa sabiex:

(a) jipprovdi informazzjoni dwar it-twettiq tal-baġit preċedenti u jagħmel paraguni bejn ir-riżultati tiegħu u l-objettivi strateġiċi u l-prijoritajiet tal-istrateġija fiskali u l-miri fiskali kif imħabbar fl-baġit annwali preċedenti;

(b) janalizza kif il-Gvern irrispetta l-prinċipji u r-regoli stipulati f'dan l-Att u biex jispjega kwalunkwe devjazzjoni minnhom;

(ċ) jevalwa jekk il-politika fiskali u baġitarja fis-sena baġitarja sħiħa u r-riżultati tagħha kinux konformi mal-istrateġija fiskali stipulata fl-objettiv ta' terminu medju;

(d) jispjega kull devjazzjoni mill-objettivi ta' terminu medju tal-Gvern u kif dawn ser jiġu indirizzati;

(e) jispjega r-riżultati tal-baġit fil-kuntest tal-impenji Ewropej tal-Gvern, b'mod partikolari t-termini tal-Patt dwar l-Istabbilità u t-Tkabbir.

(3) Ir-rapport dwar l-eżekuzzjoni tal-baġit għandu jinkludi d-*data* dwar l-eżekuzzjoni finali għall-indikaturi provduti fl-istrateġija fiskali, u sezzjoni li turi devjazzjonijiet mill-istrateġija fiskali u mill-baġit annwali inizjali, bil-ġustifikazzjoni għal dawn id-devjazzjonijiet.

TAQSIMA V

IL-KUNSILL FISKALI

Il-Kunsill Fiskali

Il-Kunsill Fiskali.

42. Għandu jkun hemm organu li jkun magħruf bħala l-Kunsill Fiskali Konsultattiv (f'dan l-Att imsejjaħ il-"Kunsill Fiskali") li jwettaq l-funzjonijiet mogħtija lilu jew imposti fuqu b'dan l-Att.

Membri tal-Kunsill Fiskali għandhom ikunu indipendenti mill-awtoritajiet pubbliċi jew kwalunkwe istituzzjoni jew awtorità oħra.

43. (1) Il-membri tal-Kunsill Fiskali għandhom jeżerċitaw il-mandat tagħhom skont dan l-Att u m'għandhomx ifittxu jew jirċievu istruzzjonijiet minn awtoritajiet pubbliċi jew minn xi istituzzjoni jew awtorità oħra.

(2) Il-kunsill Fiskali għandu jirrevedi u jevalwa l-punt sa fejn l-objettivi tal-politika fiskali u ekonomika proposti mill-Gvern qed jintlaħqu u b'hekk jikkontribwixxu għal aktar trasparenza u ċarezza dwar l-għanijiet u l-effettività tal-politika ekonomika.

Korp morali.

44. Il-Kunsill Fiskali għandu jkun korp morali li jista' jħarrek jew jiġi mħarrek.

Kunsill Fiskali għandu jkun indipendenti.

45. Il-Kunsill Fiskali għandu jkun indipendenti fit-twettiq tal-funzjonijiet tiegħu.

Setgħat għat-twettiq tal-funzjonijiet.

46. (1) Il-Kunsill Fiskali għandu jkollu dawk is-setgħat kollha li huma neċessarji jew inċidentali għat-twettiq tal-funzjonijiet tiegħu.

(2) Il-Kunsill Fiskali jista' jitlob informazzjoni, dokumenti jew *data* li jistgħu jkunu relevanti għall-qadi tad-dmirijiet u r-responsabbiltajiet tiegħu minn kull Ministeru, Dipartiment, Awtorità tas-Settur Pubbliku, Entità u Aġenzija u Kunsill Lokali.

(3) Ministeri, Dipartimenti, Awtoritajiet tas-Settur Pubbliku, Entitajiet u Aġenziji u Kunsilli Lokali għandhom jagħmlu disponibbli kwalunkwe informazzjoni, dokument jew *data* fil-format u livell dettaljat u fil-perjodu ta' ħin kif jista' jiġi stabbilit mill-Kunsill

Fiskali:

Iżda jekk din l-informazzjoni, dokumenti jew *data* jew ma tkunx disponibbli jew ma tistax tingħata kif provist f'dan l-artikolu, l-organizzazzjoni relevanti għandha tinforma bil-miktub il-Kunsill Fiskali dwar dan.

(4) Jekk xi Ministeru, Dipartiment, Awtorità tas-Settur Pubbliku, Entità u Aġenzija u Kunsill Lokali jonqos milli jipprovdi l-informazzjoni, dokumenti jew *data* u jonqsu milli jinfurmaw lill-Kunsill Fiskali dwar dan, dan il-Kunsill għandu jinforma lill-Ministru għall-Finanzi dwar dan u jippubblika dan il-fatt.

Sħubija tal-Kunsill Fiskali

47. Il-Kunsill Fiskali għandu jkun magħmul minn tliet membri.

Għadd ta' membri.

48. (1) Mingħajr ħsara għad-dispożizzjonijiet tas-subartikolu (2), il-Kunsill Fiskali għandu jkun maħtur mill-Ministru għall-Finanzi.

Kunsill Fiskali jkun maħtur mill-Ministru għall-Finanzi.

(2) Fil-ħatra tal-membri tal-Kunsill Fiskali, il-Ministru għandu:

(a) jagħti każ tax-xewqa li l-membri jkollhom kompetenza u esperjenza f'materji makroekonomiċi domestiċi u internazzjonali u fiskali, u

(b) sa fejn hu prattikabbli, jiżgura bilanċ xieraq bejn l-irġiel u n-nisa fis-sħubija tal-Kunsill Fiskali.

(3) Jekk ikun hemm vakanza fis-sħubija tal-Kunsill Fiskali, il-Ministru għandu, jekk huwa raġonevolament prattikabbli li jagħmel hekk, jaħtar sostitut qabel it-tmiem tal-perjodu ta' sitt xhur li jibdew mill-jum li tinħoloq il-vakanza.

(4) Il-President tal-Kunsill Fiskali għandu jkun wieħed mill-membri u għall-ewwel darba magħżul għal dan il-għan mill-Ministru.

Terminu tal-Kariga

49. (1) Ħlief fejn provdut xort'oħra, it-terminu tal-kariga ta' membru tal-Kunsill Fiskali għandu jkun ta' erba' snin.

Terminu tal-kariga.

(2) Persuna ma tistax tkun membru tal-Kunsill Fiskali għal aktar minn żewġ termini ta' kariga konsekuttivi iżda tkun tista' xort'oħra tiġi maħtura mill-ġdid.

Riżenja jew tneħħija.

50. (1) Membru tal-Kunsill Fiskali jista' fi kwlaunkwe żmien jirriżenja mill-kariga permezz ta' ittra indirizzata lill-Ministru u r-riżenja għandha tibda sseħħ mid-data speċifikata fl-ittra.

(2) Il-Ministru jista' jneħħi membru tal-Kunsill Fiskali mill-kariga jekk:

(a) il-membru mhux kapaċi għal raġunijiet ta' saħħa li jwettaq b'mod effettiv il-funzjonijiet tal-kariga;

(b) il-membru jkun ikkommetta aġir mhux xieraq;

(ċ) il-membru jkollu kunflitt ta' interess ta' tali importanza li, fl-opinjoni tal-Ministru, il-membru għandu jieqaf mill-kariga.

(3) Kull membru tal-Kunsill Fiskali ma jistax jitneħħa mill-kariga sakemm ma jkunx hemm riżoluzzjoni li tipprovdi għat-tneħħija u tiddikjara r-raġunijiet għat-tneħħija tkun approvata mill-Kamra tad-Deputati.

(4) Persuna għandha tkun skwalifikata milli żżomm u għandha tieqaf milli tibqa' fil-kariga bħala membru tal-Kunsill Fiskali jekk:

(a) tiġi dikjarata falluta;

(b) tagħmel kompożizzjoni jew arranġament mal-kredituri;

(ċ) tiġi misjuba ħatja ta' reat wara att ta' akkuża jew misjuba ħatja barra minn Malta ta' reat li jikkonsisti f'atti jew omissjonijiet li jikkostitwixxu reat li dwaru jistgħu jittieħdu proċeduri kriminali wara att ta' akkuża f'Malta;

(d) tinstab ħatja ta' reat li jinvolvi frodi jew diżonestà; jew

Kap. 386.

(e) ikollha dikjarazzjoni magħmula kontriha skont l-Att dwar il-Kumpaniji jew tkun suġġetta jew tkun meqjusa li hi suġġetta għal ordni ta' skwalifika bis-saħħa ta' dak l-Att.

(5) Fejn il-Ministru jaħtar membru ġdid tal-Kunsill Fiskali minħabba li membru tal-Kunsill Fiskali jkun miet, irriżenja jew tneħħa mill-kariga jew ikun ġie skwalifikat milli jżomm il-kariga, it-terminu tal-kariga tal-membru l-ġdid għandu jkun il-bqija tal-perjodu tal-kariga tal-membru preċedenti.

(6) Mingħajr preġudizzju għal dawk ir-regoli li l-Kunsill

Fiskali jista' jagħmel fir-rigward tal-*quorum*, il-Kunsill Fiskali jista' jaġixxi minkejja vakanza waħda jew aktar fis-sħubija tiegħu.

Rinumerazzjoni u kundizzjonijiet tal-kariga

Rinumerazzjoni u kundizzjonijiet tal-kariga.

51. Kull Membru tal-Kunsill Fiskali għandu:

(a) jżomm il-kariga skont dawk it-termini (barra l-ħlas tar-rinumerazzjoni u gratifikazzjonijiet għall-ispejjeż) li l-Ministru għall-Finanzi jista' jiddetermina; u

(b) jkun imħallas mill-Kunsill Fiskali, mir-riżorsi disponibbli tiegħu, dik ir-rinumerazzjoni u dawk il-gratifikazzjonijiet għall-ispejjeż li l-Ministru jista' jiddetermina.

Persunal

Persunal.

52. (1) Il-Kunsill Fiskali jista' jaħtar dawk il-persuni, u f'dak l-għadd tagħhom, sabiex ikunu membri tal-persunal tal-Kunsill Fiskali, u skont dawk it-termini, kif jistgħu jkunu determinati mill-Kunsill Fiskali.

(2) Membru tal-persunal tal-Kunsill Fiskali għandu jkun imħallas mill-flus disponibbli għall-Kunsill Fiskali.

Sħubija fil-Kamra tad-Deputati jew fil-Parlament Ewropew.

Sħubija fil-Kamra tad-Deputati jew fil-Parlament Ewropew.

53. (1) Is-subartikolu (2) japplika fejn persuna li hi membru tal-Kunsill Fiskali jew membru tal-persnal tal-Kunsill Fiskali fi kwalunkwe ħin (f'dan is-subartikolu msejjaħ il-"ħin materjali"):

(a) issir kandidat tal-elezzjoni jew għall-Kamra tad-Deputati jew tal-Parlament Ewropew;

(b) tkun eletta jew *co-opted* fil-Kamra tad-Deputati jew eletta fil-Parlament Ewropew.

(2) Il-persuna msemmija fis-subartikolu (1) għandha:

(a) jekk hi membru tal-Kunsill Fiskali, tieqaf milli tkun Membru tal-Kunsill Fiskali, u

(b) jekk hi membru tal-persunal tal-Kunsill Fiskali, tkun issekondata mill-impjieg mill-Kunsill Fiskali, u ma tkunx imħallsa minn, jew ma tkunx intitolata tirċievi mingħand, il-Kunsill Fiskali xi rinumerazzjoni jew gratifikazzjoni għal spejjeż fir-rigward tal-perjodu li jibda mill-ħin materjali u jispiċċa meta l-persuna tieqaf milli tkun membru jew tal-Kamra tad-Deputati jew tal-Parlament Ewropew;

(ċ) persuna li jew tkun intitolata skont l-ordnijiet permanenti tal-Kamra tad-Deputati biex tkun membru tal-Kamra jew tkun membru tal-Parlament Ewropew, għandha, sakemm tkun hekk intitolata jew tkun hekk membru, tkun skwalifikata milli ssir membru tal-Kunsill Fiskali jew membru tal-persunal tal-Kunsill Fiskali.

(3) Mingħajr preġudizzju għall-ġeneralità tad-dispożizzjonijiet tas-subartikolu (2)(b), dawk id-dispożizzjonijiet għandhom jinqraw bħala li jipprojbixxu fost affarijiet oħra, li l-perjodu msemmi fl-imsemmija dispożizzjonijiet jiġi stmat bħala servizz tal-Kunsill Fiskali għall-finijiet ta' xi benefiċċju ta' superanwazzjoni.

Projbizzjoni ta' Kxif ta' Informazzjoni Kunfidenzjali

Informazzjoni kunfidenzjali.

54. (1) Persuna ma għandhiex, mingħajr il-kunsens relevanti jew kif meħtieġ bil-liġi, tikxef informazzjoni kunfidenzjali miksuba minn dik il-persuna fi kwalunkwe kapaċità jew waqt it-twettiq tal-funzjonijiet, bħala:

(a) membru tal-Kunsill Fiskali, jew

(b) membru tal-persunal tal-Kunsill Fiskali.

(2) Persuna li tikser id-dispożizzjonijiet tas-subartikolu (1) tkun ħatja ta' reat u teħel, meta tinsab ħatja, multa li ma tkunx aktar minn elf euro (€1,000).

(3) Xejn fis-subartikolu (1) ma għandu jipprevjeni l-kxif ta' informazzjoni lill-Kunsill Fiskali jew minn jew f'isem tal-Kunsill Fiskali lill-Ministru.

(4) F'dan l-artikolu:

"informazzjoni kunfidenzjali" tfisser informazzjoni li hija espressa mill-Kunsill Fiskali jew, fil-każ ta' informazzjoni mogħtija lill-Kunsill Fiskali mill-Ministru, hija kunfidenzjali jew fir-rigward ta' informazzjoni partikolari jew fir-rigward ta' informazzjoni ta' klassi partikolari jew deskrizzjoni;

"kunsens relevanti" tfisser -

(a) fil-każ ta' informazzjoni espressa bħala kunfidenzjali mill-Kunsill Fiskali, il-kunsens bil-miktub tal-Kunsill Fiskali, u

(b) fil-każ ta' informazzjoni espressa bħala kunfidenzjali mill-Ministru, il-kunsens bil-miktub tal-Ministru.

Finanzjament

Finanzjament.

55. (1) Mingħajr ħsara għad-dispożizzjonijiet tas-subartikolu (2), l-infiq tal-Kunsill Fiskali fit-twettiq tal-funzjonijiet tiegħu għandu jiġi addebitat lil u jiġi mħallas mill-Fond Konsolidat jew il-prodott tat-tkabbir tiegħu.

(2) Mingħajr ħsara għad-dispożizzjonijiet tas-subartikolu (3), mhux aktar mis-somma speċifikata fis-subartikolu (4) għandha tiġi hekk addebitata u mħallsa fi kwalunkwe sena.

(3) Jekk id-dispożizzjonijiet tal-artikolu 31 jidħlu fis-seħħ f'data li ma tkunx il-bidu tas-sena, l-ammont li għandu jiġi hekk addebitat u mħallas għal dik is-sena jitnaqqas *pro rata*.

(4) Is-somma msemmija fis-subartikolu (2) għandha -

(a) għas-sena li fiha artikolu 31 jidħol fis-seħħ, tkun ta' mitejn u ħamsin elf (€250,000), u

(b) għal kull sena sussegwenti, tkun is-somma li (jew bis-saħħa ta' dan il-paragrafu jew tal-paragrafu (a)) tapplika għas-sena preċedenti kif aġġustata mill-Indiċi tal-Inflazzjoni kif stabbilita u ppublikata mill-Uffiċċju Nazzjonali tal-Istatistika.

Kontabilità u Verifika

Kontabilità u verifika.

56. (1) Il-Kunsill Fiskali għandu jżomm, f'dik il-forma kif tkun approvata mill-Ministru għall-Finanzi, kontijiet xierqa u tas-soltu tal-irċevuti u l-infiq mill-Kunsill Fiskali u għandu jżomm kontijiet speċjali li l-Ministru għall-Finanzi jista' minn żmien għal żmien jordna.

(2) Kontijiet miżmuma skont dan l-artikolu, verifikati b'mod xieraq, u ffirmati mill-President tal-Kunsill Fiskali, għandhom ikunu sottomessi mill-aktar fis (iżda mhux aktar tard minn tliet xhur wara t-tmiem tal-perjodu ta' kontabilità li miegħu għandhom x'jaqsmu) lill-Ministru għall-Finanzi.

(3) Il-Ministru għall-Finanzi għandu jqiegħed fuq il-mejda tal-Kamra tad-Deputati kopja tal-kontijiet ivverifikati tal-Kunsill Fiskali sa mhux aktar tard mill-aħħar ta' April ta' kull sena.

Dehriet quddiem il-Kumitat tal-Kontijiet Pubbliċi

Dehriet quddiem il-Kumitat tal-Kontijiet Pubbliċi.

57. (1) Il-President tal-Kunsill Fiskali għandu, kull meta mitlub bil-miktub mill-President tal-Kumitat tal-Kontijiet Pubbliċi tal-Kamra tad-Deputati, ikun meħtieġ jagħti xhieda quddiem il-

Kumitat dwar:

(a) ir-regolarità ta', u jekk ikunux xierqa, it-transazzjonijiet reġistrati jew meħtieġa li jkunu reġistrati f'xi kont skont l-artikolu 56,

(b) l-ekonomija u l-effiċjenza tal-Kunsill Fiskali fl-użu tar-riżorsi tiegħu, u,

(ċ) is-sistemi, il-proċeduri u l-prattiċi użati mill-Kunsill Fiskali għall-finijiet tal-evalwazzjoni tal-effettività tal-operazzjonijiet tiegħu, u

(d) kwalunkwe materja oħra li taffettwa l-Kunsill Fiskali u l-operazzjonijiet tiegħu.

(2) Il-President tal-Kunsill Fiskali għandu, kull meta mitlub jagħmel dan, jagħti rendikont tal-qadi tal-funzjonijiet tal-Kunsill Fiskali lill-Kumitat tal-Kontijiet Pubbliċi tal-Kamra tad-Deputati.

Rapport Annwali

Rapport annwali.

58. (1) Il-Kunsill Fiskali għandu mill-aktar fis wara t-tmiem ta' kull sena jipprepara rapport tal-attivitajiet tiegħu matul is-sena li magħha għandu x'jaqsam ir-rapport.

(2) Il-Kunsill Fiskali għandu jipprovdi kopja ta' kull rapport ippreparat skont is-subartikolu (1) lill-Ministru għall-Finanzi li għandu jqiegħed kopja fuq il-Mejda tal-Kamra tad-Deputati mill-aktar fis wara li huwa jkun hekk ingħata l-kopja.

Siġill tal-Kunsill Fiskali

Siġill tal-Kunsill Fiskali.

59. (1) Is-siġill tal-Kunsill Fiskali għandu jkun awtentikat:

(a) bil-firma tal-President jew membru ieħor tal-Kunsill Fiskali awtorizzat mill-Kunsill Fiskali sabiex jaġixxi f'ismu; u

(b) bil-firma ta' membru tal-persunal tal-Kunsill Fiskali awtorizzat mill-Kunsill Fiskali sabiex jaġixxi f'ismu.

(2) Għandu jingħata għarfien ġudizzjarju lis-siġill tal-Kunsill Fiskali u, għalhekk, kull strument:

(a) li jidher li huwa strument magħmul mill-Kunsill Fiskali, u

(b) li jidher li huwa ssiġillat biss siġill tal-Kunsill Fiskali u awtentikat skont is-subartikolu (1),

għandu jkun ta' xhieda u meqjus bħala strument mingħajr ebda prova oħra, sakemm ma jiġix ippruvat il-kuntrarju.

(3) Kull kuntratt jew strument li, jekk iffirmat jew eżegwit minn xi individwu, ma jkunx jeħtieġ siġill, jista' jiġi ffirmat jew eżegwit f'isem il-Kunsill Fiskali minn kwalunkwe persuna li jkollha awtorizzazzjoni ġenerali jew speċjali li taġixxi f'isem il-Kunsill Fiskali.

Sit

60. Il-Kunsill Fiskali jista', sabiex jipprovdi s-sit neċessarju għat-twettiq tal-funzjonijiet tiegħu, jikri, jarma u jżomm uffiċċji u siti bla ħsara għall-kunsens tal-Ministru. Sit.

Proċedura u *quorum*

61. Mingħajr ħsara għad-dispożizzjonijiet ta' dan l-Att, il-Kunsill Fiskali jista' jirregola l-proċeduri tiegħu, inkluż il-*quorum* neċessarju sabiex issir laqgħa tal-Kunsill. Proċedura u *quorum*.

Għanijiet u Raġunijiet

L-għanijiet ta' dan l-Abbozz ta' Liġi huma sabiex jipprovdu li jkun hemm liġi dwar r-responsabbiltà fiskali, sabiex jitwaqqaf Kunsill Fiskali, u għal ħwejjeġ anċillari jew li għandhom x'jaqsmu ma' dan.

FISCAL RESPONSIBILITY ACT, 2014

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A Bill
entitled

AN ACT to provide for fiscal responsibility and for matters ancillary or related thereto.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same as follows:-

PART I

PRELIMINARY

1. The short title of this Act is the Fiscal Responsibility Act, 2014. Short title.

2. (1) In this Act, unless the context otherwise requires - Interpretation.

"1997 Excessive Deficit Regulation" means Council Regulation (EC) No. 1467/97 of 7 July 1997 as amended by Council Regulation (EC) No. 1056/2005 of 27 June 2005 and Council Regulation (EU) No. 1177/2011 of 8 November 2011;

"1997 Surveillance and Coordination Regulation" means Council Regulation (EC) No. 1466/97 of 7 July 1997, as amended by Council Regulation (EC) No. 1055/2005 of 27 June 2005 and Regulation (EU) No. 1175/2011 of 16 November 2011;

"2009 Regulation" means Council Regulation (EC) No. 479/2009 of 25 May 2009, as amended by Council Regulation (EU) No. 679/2010 of 26 July 2010;

"2013 Regulation" means Regulation (EU) No. 473/2013 of 21 May 2013;

"annual structural balance of the general government", in relation to a year, means the general government deficit or general government surplus for the year, cyclically adjusted and net of one-off and temporary measures, expressed as a percentage of gross domestic product at market prices;

"Budget" means the budgetary estimates, presented to the House of Representatives in respect of any financial year, of the expenditure and revenue for the service of that financial year and includes any supplementary estimates of expenditure for which it may be necessary to provide after the estimates have been presented to the House of Representatives;

"budgetary rule" shall be construed in accordance with article 4;

"cyclically-adjusted" means adjusted to take account of effects estimated to be due to the operation of the economic cycle;

"European System of Accounts" means the European system of national and regional accounts in the Community as provided for under Council Regulation (EC) No. 2223/96 of 25 June 1996, as it has effect as amended from time to time;

"exceptional circumstances" means:

(a) a period during which an unusual event outside the control of the State has a major impact on the financial position of the general government, or

(b) a period of severe economic downturn, within the meaning of the Stability and Growth Pact;

"fiscal stance" means the change in the annual structural balance of the general government, excluding interest payments on the general government debt expressed as a percentage of gross domestic product at market prices, for a year relative to the preceding year;

"general government", in relation to the State, shall be construed in accordance with the European System of Accounts;

"general government debt", in relation to a year, means the total gross debt at nominal value of the general government of the State which is outstanding at the end of the year, as arrived at in accordance with the 2009 Regulation;

"general government deficit", in relation to a year, means the net borrowing of the general government of the State for the year, as arrived at in accordance with the 2009 Regulation;

"general government surplus", in relation to a year, means the net lending of the general government of the State for the year, as arrived at in accordance with the 2009 Regulation;

"Government" means the Government of Malta unless otherwise specified;

"gross domestic product at market prices", in relation to a year, means gross domestic product of the State for the year at market prices, as arrived at in accordance with the European System of Accounts;

"House of Representatives" has the meaning as it has for the purposes of the Constitution of Malta;

"Malta" has the same meaning as is assigned to it by article 124 of the Constitution of Malta;

"medium-term budgetary objective" means the medium-term budgetary objective required by the 1997 Surveillance and Coordination Regulation;

"Minister" means the Minister responsible for Finance;

"National Audit Office" means the National Audit Office set up by article 108 of the Constitution;

"official forecasts" means the macroeconomic and budgetary forecasts published by the Ministry for Finance for the purposes of fiscal planning;

"Stability and Growth Pact" means the 1997 Surveillance and Coordination Regulation, the 1997 Excessive Deficit Regulation and the Resolution of the European Council of 17 June 1997 on the Stability and Growth Pact;

"stability programme" means the stability programme required by Article 3(1) of the 1997 Surveillance and Coordination Regulation;

"subsector", in relation to the general government, shall be construed in accordance with the European System of Accounts;

"Supplementary estimate" shall have the same meaning assigned to it by article 103 of the Constitution of Malta.

(2) A word or expression used in this Act and in the Treaty on Stability, Coordination and Governance has, unless the contrary

intention appears, the same meaning in this Act as in the Treaty on Stability, Coordination and Governance.

Fiscal Responsibility

Fiscal responsibility.

3. The Government shall define and carry out its fiscal and budgetary policies according to the following principles:

(a) the principle of transparency whereby in setting out the budgetary targets and objectives and in carrying out its fiscal and budgetary policies, the Government has the obligation to make public all the information necessary to allow the assessment of the implementation of such fiscal and budgetary policies, the respective outcomes and the stance of central and local finances. In furtherance of this principle, Government shall, at the time of the presentation of its annual budget, disclose in statement form:

(i) any significant changes in the accounting standards, policies and practices affecting or likely to affect the computation of the prescribed fiscal indicators;

(ii) as far as is practicable and, consistent with the protection of the public interest, the contingent liabilities created by way of guarantees, the actual liabilities arising out of borrowings by Public Sector Undertakings and Special Purpose Vehicles and other equivalent instruments where liability for repayment is on the Government; all claims and commitments made by Government having potential budgetary implications, including revenue demands raised but not realised;

(b) the principle of stability whereby Government shall carry out its fiscal and budgetary policy in a manner that will ensure medium-term predictability, consistent with the objective of maintaining macro-economic stability;

(c) the principle of fiscal responsibility whereby Government shall carry out its fiscal and budgetary policy and manage budgetary resources, obligations and fiscal risks in a manner that ensures the sustainability of the fiscal position in the medium and long term such that the Government is able to manage financial risks and unforeseen events in future periods without having to introduce economically or socially destabilizing expenditure or revenue adjustments;

(d) the principle of equity whereby Government shall conduct its budgetary and fiscal policies taking into account the

potential financial impact on current and future generations as well as the impact on medium and long term economic development while ensuring that the current generation funds the costs of its services;

(e) the principle of efficiency whereby the Government's fiscal and budgetary policies shall be aimed at achieving an efficient use of scarce public resources requiring that economic efficiency is considered in defining fiscal policies and that public investment decisions, including those related to EU funded initiatives or other donors, are based *inter alia* on an economic appraisal as well as the assessment of the capacity to absorb the relevant funding levels;

(f) the effective management of personnel spending whereby public sector employment and pay policies in respect of Ministries, Departments, public sector authorities, entities and agencies and Local Councils, except where expressly excluded by the Minister for Finance, shall be consistent with the fiscal and budgetary targets set out in the fiscal strategy;

(g) the principle of effective financial and asset management whereby Government shall implement its fiscal and budgetary policies according to the best practices for sound and effective financial and asset management. In furtherance of this principle, there shall be instituted a system of performance management and reporting, asset registers and the policies and procedures regulating the acquisition, use and disposal thereof, policies regulating funding decisions and risk management policies and practices.

Applicability of principles.

4. The principles referred to in article 3 shall be equally applicable to the Local Councils, public sector authorities, entities and agencies that are fully or partially financed from the Consolidated Fund.

Objectives of Fiscal and Budgetary Policy

Fiscal and budgetary policy objectives.

5. Government shall pursue its fiscal and budgetary policy objectives, and formulate and execute its annual fiscal strategy in accordance with the fiscal rules specified in this Act.

Objectives.

6. The objectives of fiscal policy shall be, but not limited, to:

(a) achieve a balanced general government budget over the economic cycle;

(b) maintain the public debt at sustainable levels over the medium and long term;

(c) ensure and enable access to the broadest possible investor base for Government borrowing at the least possible cost;

(d) exercise prudent management of public sector assets, liabilities, and fiscal risks;

(e) maintain an adequate level of fiscal reserves to service the public debt;

(f) maintain the balance between revenue receipts and the revenue expenditure;

(g) ensure certainty and predictability in the level of tax rates and composition of the tax base;

(h) ensure that, as far as is reasonable and practicable, Government borrowing is used for productive purposes and the accumulation of capital assets, and not to finance recurrent expenditure;

(i) manage Government guarantees and other contingent liabilities prudently with particular reference to the quality and level of such liabilities;

(j) maintain the integrity of the tax systems by minimizing special incentives, concessions and exemptions;

(k) pursue tax policies with due regard to economic efficiency and compliance costs;

(l) pursue non-tax revenue policies with due regard to cost recovery and equity;

(m) pursue revenue and expenditure policies that would support economic growth, social equity and the general well-being of the population;

(n) build up a revenue surplus for use in capital formation and productive expenditure;

(o) disclose sufficient information to allow the public to

scrutinize the conduct of fiscal policy and the state of the public finances;

(p) ensure that Government uses resources and public assets in ways that give best value for money and in the best possible manner;

(q) minimize the fiscal risks associated with the running of public sector undertakings and utilities providing public goods and services;

(r) manage expenditure consistent with the level of revenue generated;

(s) formulate budgets in a realistic and objective manner with due regard to the general economic outlook and revenue prospects, and minimize deviations during the course of the year;

(t) ensure the discharge of current liabilities in a timely manner.

PART II

FISCAL RULES

Requirements of the Treaty on Stability, Coordination and Governance.

7. (1) The Government shall endeavour to secure that:

(a) the requirement imposed by article 8(1), and

(b) the requirement imposed by article 8(2),

which derive from Articles 3 and 4 respectively of the Treaty on Stability, Coordination and Governance, are complied with.

(2) The official forecasts shall set out the data required to assess whether the requirement specified in sub-article (1)(a) is complied with.

Budgetary rule.

8. (1) The budgetary rule is that for each year either:

(a) the budget condition, as set out in sub-article (2), or

(b) the adjustment path condition, as set out in sub-article (4),

is satisfied.

(2) The budget condition is that either:

(a) the budgetary position of the general government is in balance or in surplus, or

(b) the requirement in paragraph (a) is not met only as a result of exceptional circumstances and the failure to meet it does not endanger fiscal sustainability in the medium-term.

(3) The requirement in sub-article (2)(a) shall be deemed to be respected if the annual structural balance of the general government is at the medium-term budgetary objective.

(4) The adjustment path condition is that either:

(a) the annual structural balance of the general government is converging towards the medium-term budgetary objective in line with the timeframe set in accordance with the 1997 Surveillance and Coordination Regulation, or

(b) the requirement in paragraph (a) is not met only as a result of exceptional circumstances and the failure to meet it does not endanger fiscal sustainability in the medium-term.

Ratio of general government debt to gross domestic product.

9. When the ratio of general government debt to gross domestic product at market prices exceeds 60 per cent, the ratio shall be reduced in accordance with the 1997 Excessive Deficit Regulation until the ratio reaches 60 per cent.

Lower limit of the medium-term budgetary objective.

10. (1) Subject to the provisions of sub-article (2), the lower limit of the medium-term budgetary objective shall be an annual structural balance of the general government of minus 0.5 per cent of gross domestic product at market prices.

(2) If the ratio of general government debt to gross domestic product at market prices is significantly below 60 per cent, and the risks in terms of long-term sustainability of public finances are low, the lower limit of the medium-term budgetary objective shall be an annual structural balance of the general government of minus 1 per cent of gross domestic product at market prices.

European Commission warning.

11. (1) If the European Commission addresses a warning to the Malta under Article 6(2) of the 1997 Surveillance and Coordination Regulation or if the Government considers that there is a failure to comply with the budgetary rule which constitutes a significant deviation for the purposes of Article 6(3) of that Regulation, the Government shall, within two months, prepare and lay before House of Representatives a plan specifying what is required to be done for securing compliance with the budgetary rule.

(2) The plan shall:

(a) specify the period over which compliance with the budgetary rule is to be achieved,

(b) if that period is longer than a year, specify annual targets to be met in moving towards such compliance,

(c) specify the size and nature of the revenue and expenditure measures that are to be taken to secure such compliance, and

(d) outline how any revenue and expenditure measures that are to be taken will relate to different subsectors of the general government.

(3) The provisions made by the plan shall be consistent with:

(a) the rules of the Stability and Growth Pact,

(b) any recommendations made to Malta under the Stability and Growth Pact in relation to the period over which compliance with the budgetary rule is to be achieved and the size of measures to be taken to secure such compliance, and

(c) the current stability programme.

(4) If the Government considers that exceptional circumstances have arisen during the period specified in the plan, the things specified in the plan shall no longer be required to be done; but when the Government considers that the exceptional circumstances have ceased to exist, the Government shall, unless there is no longer a failure such as is mentioned in sub-article (1), within two months prepare and lay before the House of Representatives a new plan under that sub-article.

(5) If the Government considers that a failure to comply with the budgetary rule is likely to occur, the Government may, within two months, prepare and lay a statement before the House of Representatives outlining the steps the Government intends to take to avoid such a failure.

PART III

MONITORING OF FISCAL RULES AND ENDORSEMENT OF OFFICIAL FORECASTS

12. The Ministry for Finance shall be responsible to publish Official forecasts.

official forecasts to be used in the context of the national medium-term fiscal plan and the draft budget, and such forecasts must also be submitted simultaneously to the Fiscal Council endorsement for the purposes of the 2013 Regulation.

Monitoring by the Fiscal Council.

13. (1) The Fiscal Council shall monitor, and at least once in each year provide an assessment of, whether any obligation under articles 7(1) or 11(1), or to do things specified in a plan under article 11(2), is being complied with.

Provided that, in the first year after the coming into force of this Act, the monitoring and assessment exercise shall be carried out by a dedicated team of officials within the National Audit Office, selected on the basis of their competencies. In the selection or appointment of such officials the National Audit Office shall have regard to the desirability of their having competence and experience in domestic or international macroeconomic or fiscal matters.

(2) An assessment under sub-article (1) shall include an assessment of whether, in the opinion of the Fiscal Council:

(a) exceptional circumstances exist or have ceased to exist,

(b) there is a failure such as is referred to in article 11(1), and

(c) during any period specified in a plan under article 11(2), progress towards securing compliance with the budgetary rule is being made in accordance with the plan.

(3) The Fiscal Council shall:

(a) endorse, as it considers appropriate, the macroeconomic and fiscal forecasts prepared by the Ministry for Finance and provide an assessment of the official forecasts, and

(b) analyse and assess whether the Government's fiscal strategy is compliant with the provisions of the Act, issue an opinion and any appropriate recommendations;

(c) in relation to each Medium Term Fiscal Policy Statement, Fiscal Policy Strategy, National Medium Term Fiscal Plan, Stability Programme, Annual Draft Budget and Annual Budget, provide an assessment of whether the fiscal stance for the year or years concerned is, in the opinion of the Fiscal Council, conducive to prudent economic and budgetary

management, including by reference to the provisions of the Stability and Growth Pact;

(d) assess the Government's budgetary performance against the fiscal targets and policies specified in the fiscal strategy and its compliance with the provisions of this Act;

(e) analyse and issue an opinion and any recommendations pursuant to the Government's publication of the half-yearly and the annual report on the execution of the budget;

(f) provide information and advice to Government and the Public Accounts Committee concerning any legislative proposals on the maintenance of fiscal discipline and the transparency of the fiscal and the budgetary policies and processes.

(4) The Fiscal Council shall, as soon as is practicable after completing an assessment under this article, give a copy of the assessment to the Minister and publish the assessment within the period of ten days beginning on the day on which the copy is so given.

(5) The Fiscal Council shall be responsible to arrange for the dissemination in such form and manner, as considered appropriate, of such information as it may appear expedient, to give to the public:

(a) a fair representation of the medium-term sustainability of government finances and;

(b) a sufficient understanding of whether any obligation under articles 7(1) or 11(1), or to do things specified in a plan under article 11(2), is being complied with.

(6) The opinions and the recommendations of the Fiscal Council shall be considered by Government when preparing and approving its fiscal strategy and the annual budget.

(7) If the Government does not accept an assessment of the Fiscal Council in relation to any of the matters referred to in sub-article (2), the Minister shall, within two months of being given a copy of the assessment under sub-article (4), prepare and lay before the House of Representatives a statement of the Government's reasons for not accepting it.

PART IV

BUDGETARY PROCESS

Business and Financial Plans

Business and financial plans.

14. (1) Each Ministry, Department, Public Sector Authority, Entity and Agency, and Local Council that are in receipt of a Government subvention shall prepare a three-year rolling Business and Financial Plan as prescribed, from time to time, by the Minister for Finance. Such plans shall be submitted to the Ministry for Finance by the second week of July of every year. Business and Financial Plans shall be based on the most recently announced Medium Term Fiscal Strategy.

(2) The Ministry for Finance may issue guidelines for the preparation of the Business and Financial Plans.

(3) Responsibility for the preparation of the Business and Financial Plans or failure thereof rests entirely with the respective Ministry, Department, Public Sector Authority, Entity and Agency and Local Council. Failure to submit a Business and Financial Plan by any Ministry, Department, Public Sector Authority, Entity and Agency and Local Council automatically gives the right to the Ministry for Finance to allocate funds upon its own discretion.

(4) The Ministry for Finance may propose amendments in the Business and Financial Plans where it deems it necessary in order to ensure compliance with Government's Medium Term Fiscal Strategy as defined by this Act, including compliance with the fiscal rules and spending targets. Where necessary, proposed amendments shall be submitted to the respective Ministry, Department, Public Sector Authority, Entity and Agency, and Local Council that are in receipt of a Government subvention.

(5) The Ministry, Department, Public Sector Authority, Entity and Agency, and Local Council that are in receipt of a Government subvention that receive a revised business and financial plan shall either endorse the proposal of the Ministry for Finance or provide a detailed reply highlighting any disagreements with the proposal. The reply should be sent to the Ministry for Finance on the first week of September. Failure to send a reply in the due time shall be deemed to constitute a *prima facie* acceptance of the proposed revision by the Ministry for Finance.

Medium Term Fiscal Strategy

Medium term fiscal strategy.

15. (1) In every financial year, the Government shall lay on the table of the House, the Medium Term Fiscal Policy Statement and the Fiscal Policy Strategy.

(2) The Medium Term Fiscal Policy Statement and the Fiscal Policy Strategy Statement shall set forth the Government's fiscal objectives, strategic priorities and a three-year rolling target for fiscal management together with a description of any underlying assumptions.

The macroeconomic and fiscal forecasts shall be endorsed by the Fiscal Council and made public.

(3) In particular, and without prejudice to the provisions of sub-article (2), the medium term fiscal policy statement shall include an assessment of sustainability relating to:

(a) the balance between revenue receipts and expenditure;

(b) the use of capital receipts including open market borrowings for generating productive assets; and

(c) the estimated yearly pension liabilities worked out on actuarial basis, for the next ten years, within such period as Government may, by order, specify.

(4) The macroeconomic framework underlying the Medium Term Fiscal Policy Statement shall contain information on the macroeconomic situation and forecasts for:

(a) the current budget year and at least the next three financial years and actual out-turns for the two previous budget years;

(b) the gross domestic product and its components;

(c) consumer prices and the gross domestic product deflator;

(d) employment and unemployment;

(e) the current account position of the balance of payments;

(f) the methodologies, assumptions and relevant parameters underlying the forecasts;

(g) a statement of the consistency or differences with the forecasts from the European Commission, and, if appropriate, those of other independent bodies, including a comparison of the main economic assumptions;

(h) an ex-post evaluation of macroeconomic forecasts of at least four years, clearly identifying forecast errors and biases. The evaluation is to be made public.

(5) The fiscal framework underlying the Medium Term Fiscal Policy Statement shall contain actual results for the two previous budget years, estimated results for the current budget year, spending ceilings for the forthcoming budget year and two further years conditional on the revenue forecasts and consistent with the fiscal rules, and covering:

(a) the total balance of the general government budget as a percentage of Gross Domestic Product (GDP);

(b) the total of the general government recurrent expenditure as a percentage of Gross Domestic Product (GDP);

(c) the total of general government capital expenditure as a percentage of Gross Domestic Product (GDP);

(d) personnel expenses for the general government budget as a percentage of Gross Domestic Product (GDP);

(e) the ceilings on the issuance of guarantees by the Government through the Ministry for Finance;

(f) the primary balance of the general government budget.

(6) The fiscal framework in the Medium Term Fiscal Policy Statement shall also contain:

(a) updated forecasts for the current budget year and three further years and actual results for the two previous budget years for the general government budget and other budgets specified in the general government budget for:

(i) level of budgetary revenues by classification of the main categories of revenues;

(ii) level of budgetary expenditures by economic and functional classifications;

(iii) the balance between total operating expenses and total operating revenues;

(iv) the contingency reserve;

(v) capital expenditures;

(vi) level of general government debt;

(vii) any other information which the Minister for Finance may determine as material to the medium term fiscal strategy;

(viii) key assumptions on which the above numbers are based; and

(ix) sensitivity analysis taking account of possible changes in macroeconomic conditions. The sensitivity analysis shall be guided by the performance of past forecasts and shall endeavour to take into account relevant risk scenarios.

(b) an explanation of the fiscal policies in relation to fiscal responsibility principles and fiscal rules, and any temporary measures to be implemented to ensure compliance;

(c) an analysis and explanation of medium term fiscal policies with an impact on general government finances broken down into:

(i) revenue policy, including planned changes to taxes and policies affecting other revenues;

(ii) deficit and debt policy, including an analysis of debt sustainability; and

(iii) expenditure policy, including expenditure priorities aggregate expenditure intentions, including for the general government budget and other budgets; and expenditure ceilings and other targets or limits implied by or required by the fiscal rules;

(d) a description of how medium term fiscal targets comply with the required adjustment towards the medium term budgetary objectives compliant with the provisions of this Act;

(e) a fiscal risk statement, including any commitments and contingent liabilities not included in the fiscal forecasts, and all other circumstances which may have a material effect on the fiscal and economic forecasts and which have not already been incorporated into the fiscal forecasts, as well as information on the losses and outstanding payments of the state-owned enterprises;

(f) an analysis of the consistency of the updated medium term fiscal strategy with the previous medium term fiscal strategy, providing an explanation of significant changes;

(g) projections of each major expenditure and revenue item of the general government with more specifications on the central government and social security level, for the budget year and the following three years based on unchanged policies.

(7) The Medium Term Fiscal Policy Strategy shall set out an aggregated level of the Government's spending plans for the forthcoming budget year, the three subsequent years, estimated actual results for the current year, and actual results for the two previous years containing:

(a) expenditure priorities and their rationale, including an explanation of how the Government intends to improve policy, the efficiency and effectiveness of service delivery, the quality of its regulatory activities, and its initiatives to reduce barriers to business and encourage private sector growth in various sectors;

(b) the public investment program, including the Government priorities and its justifications for same.

(8) The Medium Term Fiscal Policy Strategy shall contain a statement of responsibility signed by the Prime Minister and the Minister for Finance attesting to the reliability and completeness of the information in the medium term fiscal strategy and compliance principles of fiscal responsibility.

(9) Pursuant to the 2013 Regulation, the National Medium Term Fiscal Plan, to be published ideally by the 15th April but not later than the 30th April, shall be based on the Medium Term Fiscal Policy Statement and Fiscal Policy Strategy updated with the latest official forecasts as appropriate.

Annual Draft Budget

Annual Draft Budget.

16. (1) The Ministry for Finance shall prepare a Draft Budgetary Plan for the forthcoming year based on the Medium Term Fiscal Plan projections as updated by the most up to date macroeconomic projections.

(2) The draft budgetary plan shall contain the following information for the forthcoming year:

(a) the targeted budget balance for the general government as a percentage of Gross Domestic Product (GDP), broken down by subsector of general government;

(b) the projections at unchanged policies for expenditure and revenue as a percentage of Gross Domestic Product (GDP) for the general government and their main components, including gross fixed capital formation;

(c) the targeted expenditure and revenue as a percentage of Gross Domestic Product (GDP) for the general government and their main components, taking into account the conditions and criteria to establish the growth path of government expenditure net of discretionary revenue measures under Article 5(1) of the 1997 Surveillance and Coordination Regulation;

(d) relevant information on the general government expenditure by function, including on education, healthcare and employment, and, where possible, indications on the expected distributional impact of the main expenditure and revenue measures;

(e) a description and quantification of the expenditure and revenue measures to be included in the draft budget for the year to come at the level of each subsector in order to bridge the gap between the targets referred to in paragraph (c) and the projections at unchanged policies provided in accordance with paragraph (b);

(f) the main assumptions of the independent macroeconomic forecasts and important economic developments which are relevant to the achievement of the budgetary targets;

(g) an annex containing the methodology, economic models and assumptions, and any other relevant parameters underpinning the budgetary forecasts and the estimated impact of aggregated budgetary measures on economic growth;

(h) indications on how reforms and measures in the draft budgetary plan, including in particular public investment, address the current recommendations to the Member State concerned in accordance with Articles 121 and 148 of the Treaty on the Functioning of the European Union and are instrumental to the achievement of the targets set by the Union's strategy for growth and jobs.

(3) The Draft Budgetary Plan shall be submitted to the Fiscal Council for endorsement and shall thereafter be made public.

(4) In addition the Ministry for Finance shall compile a Report containing -

(a) the detailed reply referred to in article 14(5) highlighting any disagreements with the proposed business and financial plan,

(b) the list of disputed budgetary allocation, the fiscal impact of every disputed budgetary allocation, and proposal by the Ministry for Finance to reject the request or to accept subject to the financing of the additional allocation either through a detailed revenue measure proposal or through an expenditure reduction elsewhere in the budget.

(5) The Draft Budget Plan and the Report referred to in sub-article (4) shall be submitted by the Ministry for Finance to Cabinet. Deliberations shall be made in due consideration of the provision of this Act and shall constitute the basis for the presentation of the Budget.

Annual Budget

Annual Budget.

17. (1) The Government shall present an annual budget to the House of Representatives that is consistent with the fiscal responsibility principles, the fiscal rules, the fiscal strategy and any other requirements in this Act. The Prime Minister and Minister for Finance shall sign a statement attesting to such consistency which shall be presented to the House of Representatives with the Annual Budget.

(2) The Budget shall supersede any business plan or draft budget plan.

(3) Earmarking a specific level of funding to a Ministry or sector shall not be permitted, except where permanently appropriated by the House of Representatives. Allocations of budget funding to a Ministry or sector can only be made through the annual budget process.

(4) The Ministry for Finance shall have the power to request amendments to any budgetary proposals or to reject all requests for budgetary allocations that would not be compliant with Government's Fiscal Strategy and any instructions that may be issued, from time to time, by the Minster for Finance. If any spending authority fails to amend its budget proposal in conformity with the issued instructions,

the Ministry for Finance shall have the power to unilaterally amend the budget proposal for inclusion in the annual budget.

(5) If the Government considers that exceptional circumstances as defined by this Act exist and, by virtue of these exceptional circumstances, it is unable to comply with the requirements of sub-article (4), the Prime Minister and Minister for Finance shall prepare and provide a statement that would give explanations for the deviations. This statement shall be presented to the House of Representatives with the Annual Budget and shall include proposals and a timeframe within which Government would comply with the fiscal responsibility principles, the fiscal rules, the fiscal strategy and the other requirements of this Act, once exceptional circumstances cease to exist.

(6) The Fiscal Council shall provide an opinion on the statement specified in sub-article (5).

(7) The Annual Budget Act shall be consistent with the fiscal strategy and with the provisions of this Act and shall present:

(a) the fiscal targets for the forthcoming fiscal year and the two following years, in nominal terms and expressed as a share of Gross Domestic Product (GDP), for the general government budget balance, the primary general government budget balance, revenue and total expenditure and primary expenditure of the general government budget;

(b) the level of public debt;

(c) information on how the targets were set, including the presentation of the methodology used for calculating and comparing with their execution in the last two years;

(d) presentation of the financial impact of any legislative changes and any compensatory measures to be taken.

Budgetary Expenditures

Budgetary expenditures.

18. The proponents of project, policy and programme initiatives and measures that involve new or increased public expenditure shall provide the Ministry for Finance with:

(a) a detailed description of the proposed project or

program and of its objectives and likely outcomes and impact;

(b) a detailed financial statement, including any assumptions and any related calculation methodology, that would identify all capital and recurrent cost expenditures for the implementation of the project policy or programme;

(c) a description of how the proposed initiative or measure complies with the strategic objectives and priorities of the Government's Medium Term Fiscal Strategy and with the annual budget and the expenditure ceilings specified in the Medium Term Fiscal Strategy as updated with the latest official forecasts.

Review and assessment of proposals.

19. The Ministry for Finance shall review and assess all such proposals and determine on their inclusion in the annual Government budget or otherwise.

Persons responsible for public service recruitment, etc.

20. All persons responsible for public service recruitment, pay policies and wage agreements shall ensure that such recruitment, policies and agreements comply with the objectives of fiscal responsibility, the fiscal rules and the objectives and ceilings established under the fiscal and budgetary strategy.

Persons responsible for publicly-financed social welfare and pension benefits.

21. All persons responsible for publicly-financed social welfare and pension benefits shall ensure that any new or increases in such social welfare and pension benefits are consistent with the objectives of fiscal responsibility, the fiscal rules and the objectives and ceilings established under the fiscal and budgetary strategy.

New or additional expenditures.

22. In the course of the budget year, no new or additional expenditures can be made or committed to in excess of the relevant budgetary allocation, except with the express approval of the Minister for Finance.

Consistency with the fiscal rules.

23. In its exercise of such powers the Ministry for Finance shall at all times ensure consistency with the fiscal rules and spending ceilings by requesting from the responsible entity and in this order:

(a) virements between votes within the same department;

(b) re-allocation of expenditure within the same Ministry.

Rejection of approval for new or additional expenditure.

24. In the absence of the identification of virements or resource reallocation as defined in article 23, the Ministry for Finance shall have the power to reject approval for new or additional expenditure unless, and in this order:

(a) following due notification, the Ministry for Finance appropriates unspent resources from other ministries, departments or public sector entity which do not exceed 3 per cent of the budgetary allocation for that ministry, department or public sector entity;

(b) drawdown from the Contingency Reserve established by virtue of this Act is expressly approved by the Prime Minister following a proposal from the Minister for Finance.

Unauthorized new or additional expenditures.

25. Any unauthorized new or additional expenditures shall become the sole responsibility of the person making such authorizations and the person occupying the highest executive position in Departments, authorities, agencies and entities falling within the remit of this Act and shall lead to disciplinary action.

Collective agreements and other pay negotiations.

26. All persons negotiating public sector collective agreements and other pay negotiations shall ensure that any proposals being made in the course of such negotiations are consistent with the objective of fiscal responsibility, the fiscal rules and the objectives and ceilings established under the fiscal and budgetary strategy. No such collective agreements and pay negotiations shall be concluded until their fiscal implications would have been appropriately assessed by the Ministry for Finance and without the approval of the Minister for Finance.

Exceptional and duly justified cases.

27. In exceptional and duly justified cases, the Ministry for Finance may approve an increase to the allocations for personnel expenditures, provided that the institution requesting such an increase provides proof on the compliance with article 18 and with the annual approved budget for that institution.

Revenue and expenditure targets.

28. Ministries, Departments, Public Sector Authorities, Entities and Agencies and Local Councils shall take all necessary measures to meet their revenue and expenditure targets and shall follow all the instructions that may be issued, from time to time, by the Minister for Finance.

Budgetary Revenues

Budgetary revenues.

29. The Ministry for Finance shall -

(a) in the presentation of its annual budget, elaborate and publish a detailed annual program for revenue collection that shall include:

(i) quarterly targets for revenue collection in respect of each revenue source;

(ii) quarterly targets for the recovery of revenue arrears;

(iii) planned measures to combat tax evasion and tax fraud;

(b) publish the annual forecasts for revenue collection from any self-financed institutions including, where applicable, forecasts for the recovery of revenue arrears.

Reduction of budgetary revenues.

30. Proposals for any measure or legislation leading to a reduction of budgetary revenues must:

(a) be endorsed by the Minister for Finance who, in turn, must take into account the impact of such measure or legislative proposal on the budgetary revenue forecast, the annual budget targets and the medium-term targets;

(b) be accompanied, as far as is reasonably possible or practicable, by proposals for either expenditure and/or revenue measures to compensate for the estimated financial impact of such proposals.

Contingency Reserve

Contingency reserve.

31. A contingency reserve shall be established by the Ministry for Finance to ensure that unforeseen expenditure or revenue slippages do not jeopardize the compliance with fiscal rules.

Contingency reserve is to be established as an expenditure vote.

32. As long as the budget is not balanced, the contingency reserve is to be established as an expenditure vote to be appropriated in the event of temporary and unforeseen circumstances.

Funds earmarked for the contingency reserve.

33. Specific financial provisions to the contingency reserve shall be made as soon as the budgetary position of the general Government is in surplus. The funds earmarked for the contingency reserve can be invested in top rated short-term liquid assets.

Amount of contingency reserve.

34. The Contingency Reserve shall amount to between 0.1 per cent and 0.5 per cent of the Gross Domestic Product (GDP) in any one particular year.

Gradual building up of contingency reserve.

35. The contingency reserve shall be built gradually over a period of five years starting from the first year following the entry into force of this Act.

36. Drawdown from the Contingency Reserve shall only be made in urgent, temporary and unforeseen circumstances following a proposal from the Ministry for Finance and with the approval of the Prime Minister. Drawdown from the contingency reserve.

37. Any drawdown from the contingency reserve shall be replenished gradually over a period of three years until the ceiling as defined in article 34 is re-established. Replenishment of the contingency reserve.

38. Any drawdown from the contingency reserve is to be presented to the House of Representatives for final approval. Approval of the House of Representatives.

Monitoring of In year Budget Execution

39. (1) In the course of the budget execution, the Ministry for Finance shall monitor and evaluate regularly the implementation of the approved budget. Implementation of the approved budget.

(2) In exercising its monitoring and evaluation functions, the Ministry for Finance shall, from time to time, have the right to:

(a) issue any instructions or directives to Ministries, Departments, Public Sector Authorities, Entities and Agencies and Local Councils, as may be deemed necessary in furtherance of Government's fiscal strategy objectives and targets;

(b) request from Ministries, Departments, Public Sector Authorities, Entities and Agencies and Local Councils, as it may deem fit, any information as may be prescribed.

(3) Ministries, Departments, Public Sector Authorities, Entities and Agencies and Local Councils shall comply with any instructions and directions that may be issued by the Ministry for Finance and shall provide full access and provide all the required information in the format and within the time period as may be prescribed, from time to time, by the Ministry for Finance.

(4) Ministries, Departments, Public Sector Authorities, Entities and Agencies and Local Councils shall have a distinct responsibility to ensure a reliable, transparent and functioning institutional framework that would ensure the integrity of all fiscal reporting systems. For this reason, they shall:

(a) keep proper books of accounts that would provide a fair and true picture of all their revenues and debtors, expenditures and creditors, expenditure commitments, and other contingent liabilities;

(b) follow any prescribed Government accounting policies, principles, procedures and methodologies as may be approved or prescribed, from time to time, by the Ministry for Finance;

(c) ensure the comprehensiveness, integrity, reliability and timeliness in reporting financial data and other information to the Ministry for Finance, the Treasury and the National Statistics Office.

(5) Heads of Ministries, Departments, Authorities and other entities shall ensure full observance and compliance with the statutory and other reporting requirements as provided in this Act or as may be prescribed, from time to time, by the Ministry for Finance, the Treasury and/or the National Statistics Office. Any failure to abide by the provisions of this sub-article and of sub-articles (3) and (4) shall lead to disciplinary proceedings.

In-year budgetary reporting.

(6) After the approval of the annual budget and in the course of its execution, the Ministry for Finance shall publish monthly schedules of revenues and expenditures, desegregated by revenue source and economic function.

(7) In July of each year, the Minister for Finance shall compile and lay on the table of the House of Representatives a half-yearly report on the economic and budgetary situation.

(8) The half-yearly report stipulated in sub-article (7) shall, without being limited to, contain the following:

(a) a review of the macroeconomic situation that would include the latest significant changes and trends since the finalization of the annual budget;

(b) an assessment of the impact on the fiscal targets of any changes in the macroeconomic situation;

(c) a presentation of necessary corrective measures to be taken to address such impacts;

(d) an explanation of how the implementation of the budget is consistent with the Government's European commitments, in particular the terms of the Stability and Growth Pact;

(e) data on the general budget revenues, detailed for each category of revenue, indicating the initial forecast, revenues collected in the first six months and an updated

forecast for the entire year;

(f) data on the general budget expenditures, detailed by economic and functional classification for each constituent budget of the general government budget, indicating the approved expenditure, the expenditures incurred in the first six months and an updated forecast for the entire year;

(g) data on the budgetary balance of the general government budget (total and primary), indicating the approved program, in the first six months and an updated forecast for the entire year;

(h) data on the absorption of European funds, indicating the approved program, the results achieved in the first six months and an updated forecast for the entire year;

(i) data on all outstanding creditors for the first six months of the year;

(j) data on government debt and financing of the budget deficit;

(k) explanations for any failure to collect the forecasted revenues and revenue arrears, indicating the measures taken and any planned measures to improve such collection.

(9) The information contained in the half-yearly report referred to in sub-article (7) on the economic and fiscal situation must take into account, to the extent possible, any Government decisions and other developments, which may have an effect on the fiscal and economic prospects for the year.

(10) The data and information contained in the half-yearly report on the economic situation and the budget must be presented in a format comparable to those in the annual budget and in the fiscal strategy.

Revisions

40. (1) Subject to the provisions of this Act, the fiscal strategy may be revised if: Revisions.

(a) there is a change in the coverage of the general government budget, giving the reasons, the data and other information that is comparable to the new coverage of the general government budget;

(b) there would be a significant worsening of the macroeconomic indicators that were used in preparing the fiscal strategy;

(c) a new Government deems it appropriate to change the Medium Term Fiscal Strategy to reflect its new policy priorities. In this case, the new government shall indicate the differences from the previous medium-term fiscal strategy.

(2) The Minister for Finance shall submit any revision to the fiscal strategy to the House of Representatives for its due consideration.

(3) The revision of the fiscal strategy, the annual budget, or any other budget document, shall be subject to review and opinion from the Fiscal Council.

(4) The revised version of the fiscal strategy should contain a section detailing and explaining differences from the version previously approved by the House of Representatives.

Government Annual Report

Government Annual Report.

41. (1) The Minister for Finance shall prepare and make public before or at the end of June of each year, an annual report on the previous fiscal year.

(2) The purpose of the annual report is to:

(a) provide information on the execution of the previous budget and to compare its outcome with the strategic objectives and priorities in the fiscal strategy and the fiscal targets as announced in the previous annual budget;

(b) analyze how the Government has respected the principles and rules stipulated in this Act and to explain any deviations therefrom;

(c) assess if the fiscal and budgetary policies in the completed budget year and its results were in line with the medium-term objective stipulated in the fiscal strategy;

(d) explain any deviations from the Government's medium-term objectives and how these are to be addressed;

(e) explain the outcome of the budget in the context of the Government's European commitments, in particular the terms of the Stability and Growth Pact.

(3) The report on budget execution shall include the final execution data for the indicators provided in the fiscal strategy, and a section that shows deviations from the fiscal strategy and from the initial annual budget, with justification for such deviations.

PART V

THE FISCAL COUNCIL

The Fiscal Council

42. There shall be a body to be known as the Fiscal Advisory Council (in this Act referred to as the "Fiscal Council") to perform the functions conferred or imposed on it by this Act.

The Fiscal Council.

43. (1) The members of the Fiscal Council shall exercise their mandate under this Act and will not seek or receive instructions from public authorities or from any other institution or authority.

Members of the Fiscal Council to be independent from public authorities or from any other institution or authority.

(2) The Fiscal Council shall review and assess the extent to which the fiscal and economic policy objectives proposed by the Government are being achieved and thus contribute to more transparency and clarity about the aims and effectiveness of economic policy.

44. The Fiscal Council shall be a body corporate that may sue and be sued.

Body corporate.

45. The Fiscal Council shall be independent in the performance of its functions.

Fiscal Council to be independent.

46. (1) The Fiscal Council shall have all such powers as are necessary for, or incidental to, the performance of its functions.

Powers for the performance of functions.

(2) The Fiscal Council may request information, documents or data as may be relevant for the discharge of its duties and responsibilities from any Ministry, Department, Public Sector Authority, Entity and Agency, and Local Council.

(3) Ministries, Departments, Public Sector Authorities, Entities and Agencies and Local Councils shall make any information, documents or data available in the format and level of detail and within the time period as may be established by the Fiscal Council:

Provided that if such information, documents or data is either not available or cannot be supplied as provided for in this article, the relevant organization shall inform in writing the Fiscal Council to that effect.

(4) If any Ministry, Department, Public Sector Authority, Entity and Agency, and Local Council fail to provide the required information, documents or data and fail to inform the Fiscal Council accordingly, the latter shall inform the Minister for Finance accordingly and shall publish this fact.

Membership of the Fiscal Council

Number of members.

47. The Fiscal Council shall consist of three members.

Fiscal Council to be appointed by the Minster for Finance.

48. (1) Subject to the provisions of sub-article (2), the Fiscal Council shall be appointed by the Minster for Finance.

(2) In appointing the members of the Fiscal Council, the Minister shall:

(a) have regard to the desirability of their having competence and experience in domestic and international macroeconomic and fiscal matters, and

(b) to the extent practicable, ensure an appropriate balance between men and women in the membership of the Fiscal Council.

(3) If there is a vacancy in the membership of the Fiscal Council, the Minister shall, if it is reasonably practicable to do so, appoint a replacement before the end of the period of six months beginning on the day on which the vacancy arose.

(4) The Chairperson of the Fiscal Council shall be one of its members and is for the first time designated as such by the Minister.

Term of office

Term of office.

49. (1) Except where otherwise provided, the term of office of a member of the Fiscal Council shall be four years.

(2) A person may not be a member of the Fiscal Council for more than two consecutive terms of office but shall otherwise eligible for reappointment.

Resignation and removal.

50. (1) A member of the Fiscal Council may at any time resign from office by letter addressed to the Minister and the resignation shall take effect on the date specified in the letter.

(2) The Minister may remove a member of the Fiscal Council from office if:

(a) the member has become incapable through ill-health of effectively performing the functions of the office;

(b) the member has committed proven misbehaviour;

(c) the member has a conflict of interest of such significance that, in the opinion of the Minister, the member should cease to hold office.

(3) Any member of the Fiscal Council may not be removed from office unless a resolution providing for the removal and stating the grounds for it is approved by the House of Representatives.

(4) A person shall be disqualified from holding and shall cease to hold office as a member of the Fiscal Council if he or she:

(a) is declared bankrupt;

(b) makes a composition or arrangement with creditors;

(c) is convicted on indictment of an offence or is convicted outside Malta of an offence consisting of acts or omissions which would constitute an offence triable on indictment if done or made in Malta;

(d) is convicted of an offence involving fraud or dishonesty; or

(e) has a declaration under the Companies Act made against him or her or is subject or is deemed to be subject to a disqualification order by virtue of that Act. Cap. 386.

(5) Where the Minister appoints a new member of the Fiscal Council because a member of the Fiscal Council has died, resigned, been removed from office or become disqualified from holding office, the term of office of the new member shall be the remainder of office of the former member.

(6) Subject to such rules as the Fiscal Council may make regarding quorum, the Fiscal Council may act despite one or more vacancies in its membership.

Remuneration and other terms and conditions of office

51. Each member of the Fiscal Council shall: Remuneration and conditions of office.

(a) hold office on such terms (other than the payment of remuneration and allowances for expenses) as the Minister for Finance may determine; and

(b) be paid by the Fiscal Council, out of the resources at its disposal, such remuneration and allowances for expenses as the Minister for Finance may determine.

Staff

Staff

52. (1) The Fiscal Council may appoint such and so many persons to be members of the staff of the Fiscal Council, and on such terms, as may be determined by the Fiscal Council.

(2) A member of the staff of the Fiscal Council shall be paid out of the moneys at the disposal of the Fiscal Council.

Membership of the House of Representatives or of the European Parliament

Membership of the House of Representatives or of the European Parliament.

53. (1) Sub-article (2) applies where a person who is a member of the Fiscal Council or a member of the staff of the Fiscal Council at any time (in this sub-article referred to as "the material time"):

(a) becomes a candidate for election to either the House of Representatives or the European Parliament;

(b) is elected or co-opted to the House of Representatives or elected to the European Parliament.

(2) The person referred to in sub-article (1) shall:

(a) if a member of the Fiscal Council, cease to be a member of the Fiscal Council, and

(b) if a member of the staff of the Fiscal Council, stand seconded from employment by the Fiscal Council, and not be paid by, or be entitled to receive from, the Fiscal Council any remuneration or allowances for expenses in respect of the period commencing at the material time and ending when the person ceases to be a member of either the House of the Representatives and the European Parliament;

(c) a person who is for the time being either entitled under the Standing Orders of the House of Representatives to sit in that House or who is a member of the European Parliament shall, while so entitled or such a member, be disqualified from becoming a member of the Fiscal Council or a member of the staff of the Fiscal Council.

(3) Without prejudice to the generality of the provisions of

sub-article (2)(b), those provisions shall be read as prohibiting, among other things, the reckoning of a period mentioned in the said provisions as service with the Fiscal Council for the purposes of any superannuation benefits.

Prohibition of disclosure of confidential information

54. (1) A person shall not, without the relevant consent or as required by law, disclose confidential information obtained by that person in any capacity, or while performing functions, as: Confidential information.

(a) a member of the Fiscal Council, or

(b) a member of the staff of the Fiscal Council.

(2) A person who contravenes the provisions of sub-article (1) shall be guilty of an offence and liable, on conviction, to a fine (*multa*) not exceeding one thousand euro (€1000).

(3) Nothing in sub-article (1) shall prevent the disclosure of information to the Fiscal Council or by or on behalf of the Fiscal Council to the Minister.

(4) In this article:

"confidential information" means information that is expressed by the Fiscal Council or, in the case of information supplied to the Fiscal Council by the Minister, to be confidential either as regards particular information or as regards information of a particular class or description;

"relevant consent" means -

(a) in the case of information expressed to be confidential by the Fiscal Council, the consent in writing of the Fiscal Council, and

(b) in the case of information expressed to be confidential by the Minister, the consent in writing of the Minister.

Funding

55. (1) Subject to the provisions of sub-article (2), the expenditure incurred by the Fiscal Council in the performance of its functions shall be charged on and paid out of the Consolidated Fund or the growing produce thereof. Funding.

(2) Subject to the provisions of sub-article (3), not more than

the sum specified in sub-article (4) shall be so charged and paid out for any year.

(3) If the provisions of article 31 come into operation otherwise than at the beginning of a year, the amount so charged and paid out for that year shall be reduced *pro rata*.

(4) The sum referred to in sub-article (2) shall be -

(a) for the year in which article 31 comes into operation, two hundred and fifty thousand euro (€250,000), and

(b) for each subsequent year, the sum which (whether by virtue of this paragraph or paragraph (a)) applies for the preceding year as adjusted by the Index of Inflation as established and published by the National Statistics Office.

Accounts and audit

Accounts and audit.

56. (1) The Fiscal Council shall keep, in such form as may be approved by the Minister for Finance, all proper and usual accounts of receipts and expenditure by the Fiscal Council and shall keep any special accounts which the Minister for Finance may from time to time direct.

(2) Accounts kept under this article, duly audited, and signed by the Chairperson of the Fiscal Council, shall be submitted as soon as is practicable (but not later than three months after the end of the accounting period to which they relate) to the Minister for Finance.

(3) The Minister for Finance shall lay on the table of the House of Representatives a copy of the Fiscal Council's audited accounts not later than the end of April of each year.

Appearance before Public Accounts Committees

Appearance before Public Accounts Committee.

57. (1) The Chairperson of the Fiscal Council shall, whenever requested in writing by Chairperson of the Public Accounts Committee of the House of Representatives, be required to give evidence to that Committee on:

(a) the regularity and propriety of the transactions recorded or required to be recorded in any account kept under article 56,

(b) the economy and efficiency of the Fiscal Council in the use of its resources,

(c) the systems, procedures and practices employed by the Fiscal Council for the purpose of evaluating the effectiveness of its operations, and

(d) any other matter affecting the Fiscal Council and its operations.

(2) The Chairperson of the Fiscal Council shall, whenever requested to do so, account for the performance of the functions of the Fiscal Council to the Public Accounts Committee of the House of Representatives.

Annual Report

58. (1) The Fiscal Council shall as soon as practicable after the end of each year prepare a report of its activities during the year to which the report relates. Annual report.

(2) The Fiscal Council shall provide a copy of each report prepared under sub-article (1) to the Minister for Finance who shall cause a copy to be laid on the Table of the House of Representatives as soon as is reasonably practicable after the copy is so provided.

Seal of Fiscal Council

59. (1) The seal of the Fiscal Council shall be authenticated by: Seal of Fiscal Council.

(a) the signature of the Chairperson or another member of the Fiscal Council authorised by the Fiscal Council to act in that behalf, and

(b) the signature of a member of the staff of the Fiscal Council authorised by the Fiscal Council to act in that behalf.

(2) Judicial notice shall be taken of the seal of the Fiscal Council and, accordingly, every instrument:

(a) purporting to be an instrument made by the Fiscal Council, and

(b) purporting to be sealed with the seal of the Fiscal Council authenticated in accordance with sub-article (1),

shall be received in evidence and be deemed to be such instrument without further proof, until the contrary is proved.

(3) Any contract or instrument which, if entered into or executed by an individual, would not require to be under seal, may be

entered into or executed on behalf of the Fiscal Council by any person generally or specially authorised by the Fiscal Council to act in that behalf.

Premises

Premises.

60. The Fiscal Council may, for the purposes of providing premises necessary for the performance of its functions, lease, equip and maintain offices and premises subject to the consent of the Minister.

Procedure and quorum

Procedure and quorum.

61. Subject to the provisions of this Act, the Fiscal Council may regulate its own procedures, including the quorum necessary for a meeting of the Council to be held.

Objects and Reasons

The objects of this Bill are to provide for a law on fiscal responsibility, for the establishment of a Fiscal Council, and for matters ancillary or related thereto.

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