



ANY REPLY OR SUBSEQUENT REFERENCE  
SHOULD BE ADDRESSED TO THE **FINANCIAL SECRETARY**  
AND THE FOLLOWING REFERENCE NUMBER QUOTED:-  
**907/120**  
Telephone No. 92-28600-16  
Website: <http://www.mof.gov.jm>  
Email: [info@mof.gov.jm](mailto:info@mof.gov.jm)

**MINISTRY OF FINANCE AND THE PUBLIC SERVICE**  
**30 NATIONAL HEROES CIRCLE**  
**P.O. BOX 512**  
**KINGSTON**  
**JAMAICA**

December 05, 2025

Circular No. 13  
Permanent Secretaries  
Heads of Departments  
Chief Executive Officers

**Budget Call Circular - Financial Year 2026/2027 and the Medium Term**

**1. Introduction**

This is the call for Accounting Officers to prepare and submit to the Ministry of Finance and the Public Service by **January 02, 2026**, the four year Corporate/Strategic Plan of ministries, departments, and agencies (MDAs) containing the capital and recurrent budget estimates for financial year 2026/2027 and medium-term forward estimates (FEs) for the financial years 2027/28, 2028/29 and 2029/30.

**2. The Legal and Regulatory Framework**

The Budget Call Circular is issued in accordance with the GOJ public financial management legal and regulatory framework, as indicated below:

- a) *The Jamaica Constitution Order in Council 1962, Chapter VIII, Section 115 (1)* stipulates that, “The Minister responsible for finance shall, before the end of each financial year, cause to be prepared annual estimates of revenue and expenditure for public services during the succeeding financial year, which shall be laid before the House of Representatives.”
- b) *The Financial Administration and Audit Act, the Financial Management Regulations and the Financial Administration and Audit Act (Fiscal Responsibility Framework) Regulations* authorise the Minister of Finance to issue, a Budget Call containing economic and fiscal parameters to govern the preparation of the Estimates of Expenditure for the ensuing fiscal year and the medium term.
- c) *The Financial Administration and Audit Act (Fiscal Responsibility Framework) (Amendment) Regulations, 2015 6(1) (2)*, require each accounting officer to submit to the Minister of Finance, a four-year Corporate Plan containing budget estimates for the upcoming financial year, and forward estimates for the succeeding three financial years, in respect of existing recurrent and public investments. The Regulations require Accounting Officers to ensure that the cost of implementing the activities/programmes and projects outlined in MDAs Corporate Plans are aligned with the expenditure ceilings provided in the Budget Call.
- d) *The Financial Management Regulations Regulation 12(2)* stipulates that the Budget Call shall require every department to submit in respect of the upcoming financial year, the following documents:

(a) corporate plan, (b) operational plan, (c) procurement plan, (d) expenditure budgets, (e) cash flow forecast, (f) Permanent Secretary’s memorandum; and (g) any other document prescribed by the Minister.

**3. FY 2025/26 – Projected Outturn and Medium-Term Outlook**

Jamaica was impacted by Hurricane Melissa, a powerful Category 5 storm, on October 28, 2025. Due to the economic impact of the hurricane, the medium-term macroeconomic projections have been revised. Over the medium term, real GDP growth is expected to average in the range of 1.0 percent to 2.0 percent as the economy recovers from the large contraction of negative 4.3 percent projected for the current financial year. Inflation is expected to stabilize within the target range of 4.0% to 6.0%.

The revised assumptions for economic growth and inflation for each year of the medium term are presented in Table 1 below.

**Table 1- Central Government’s Medium Term Macroeconomic Assumptions (%)**

| Macroeconomic Variables        | Revised<br>2025/26* | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--------------------------------|---------------------|---------|---------|---------|---------|
|                                |                     |         |         |         |         |
| Real GDP growth rate (%)       | -4.3                | 0.7     | 3.1     | 1.0     | 1.0     |
|                                |                     |         |         |         |         |
| Inflation: Annual Pt to Pt (%) | 9.5                 | 5.0     | 5.0     | 5.0     | 5.0     |

*Source: MOFPS, Fiscal Policy Paper 2025/26, Interim Report*

As a result of the impact of Hurricane Melissa, the Government has initiated the process to suspend the fiscal rules for an initial period up to March 31, 2027, to enable the level of expenditure required to restore an acceptable level of functionality to the affected persons and areas of the country. The programmed fiscal operations for the rest of fiscal year 2025/26 and beyond therefore take this into account. Projections of the Central Government non-debt expenditure envelope for allocation across MDAs during financial year 2026/27 and each year of the medium term, are reflected in Table 2 below.

**Table 2 - Medium Term Non-Debt Resource Envelope (JS’000)**

|                           | 2026/27     | 2027/28     | 2028/29     | 2029/30     |
|---------------------------|-------------|-------------|-------------|-------------|
| Compensation of Employees | 555,245,869 | 590,809,435 | 624,203,173 | 664,631,020 |
|                           |             |             |             |             |
| Recurrent Programmes      | 419,249,236 | 440,211,698 | 462,222,283 | 485,333,397 |
|                           |             |             |             |             |
| Capital Expenditure       | 99,740,360  | 100,807,324 | 105,253,827 | 110,788,826 |

*Source: MOFPS, Fiscal Policy Paper 2025/26, Interim Report*

**4. RESPONSIBILITY OF ACCOUNTING OFFICERS**

- 1) In keeping with the Financial Management Regulations (FMR), Accounting officers are to ensure that, among other things:
  - a) the estimates are prepared as completely and accurately as possible.
  - b) the estimates are framed with due regard to economy and efficiency.
  - c) the estimates are submitted in due time and in proper form.

- d) the services which are included in the estimates are within the capacity of the MDA to deliver during the financial year.
- 2) Accounting officers are required to upload to the Budget Preparation and Management System (BPMS), the Estimates of Expenditure and the documents listed below:
- a) **Permanent Secretary Memorandum, with the following information only:**
- i. Brief narrative indicating the policy and programme focus for the financial year 2026/27 and the medium term;
  - ii. A summary table listing the **priority programmes/activities/projects** currently under implementation and which will continue into financial year 2026/27 and the medium term;
  - iii. In the summary table at (ii) above, indicate how the budget ceilings have been allocated across the priority activities and projects for which implementation will continue into financial year 2026/27 and the medium term;
  - iv. A table showing Recurrent and Capital actual expenditure outturns for financial year 2024/25 and actual budget performance for the 6-month period April to September 2025;
  - v. A summary table that provides the actual number of established posts, total vacancies at end March 2025, vacancies at end September 2025 and expected cost of the vacant posts to be filled in financial year 2026/27;
  - vi. Data on the stock, age, and composition of expenditure arrears (including statutory deductions), at the end of financial year 2024/25 and for the 6-month period April to September 2025;
  - vii. Prior-year compensation arrears arising from union agreements;
  - viii. Details of vacancies filled after the Third Supplementary Estimates 2025/26, details of positions proposed to be filled during financial year 2026/27 and the status of the recruitment process.
- Accounting Officers are to take note of the new focus of the Permanent Secretary Memorandum and be guided accordingly.***
- b) **Medium Term Corporate/Strategic Plan** aligned with the Budget ceilings for financial year 2026/27 and the medium term.
- c) **Implementation Plan and Cash Flow Forecasts** for both the Public Investment Projects and the activities that will be implemented under the Recurrent Head of Estimates.
- d) **Operational Plan**, which provides details of the programmes/activities to be implemented in the first year of the Corporate/Strategic plans.
- 3) In order to present a comprehensive picture of Central Government's Expenditure Budget, Accounting Officers must ensure that the total cost of MDAs operations (both capital and recurrent), whether financed by revenue, grants, loans, or appropriations-in-aid, is reflected in the budget for approval by Parliament. Grants include donations (cash and in kind) from local and external sources.
- 4) The GOJ medium-term results-based budgeting (MTRBB) approach, requires, among other things, the preparation of estimates of expenditure for four (4) years – the budget for financial year 2026/27 and the forward years 2027/28, 2028/29 and 2029/30. ***The MTRBB Forward Estimates Tool*** is to be used to develop the estimates for the three forward years. Accounting officers are reminded that the Tool is pre-populated with costing parameters (e.g., the inflation rate for each fiscal year), at the level of sub-sub objects and should therefore be utilized accordingly. The Tool also allows MDAs to record their changes and

assumptions for activities and programmes that are affected by other spending parameters such as demand-driven growth or new policy changes.

- 5) In addition to presenting medium-term expenditure estimates, all MDAs are required to present **key performance indicators** (KPIs) for their core programme(s). Accounting Officers should note that there are several types of KPIs, however, only four are currently utilised in the Estimates of Expenditure: **Input, Output, Efficiency and Outcome**. MDAs must provide no more than three examples for each type of Indicator. The selected KPIs are to be identified in the **Performance Information Template** (Appendix III) and submitted with the Corporate/Strategic Plan.
- 6) Accounting officers must ensure that the results to be delivered by the policies and programmes reflected in their Corporate/ Strategic Plans are consistent with the strategic priorities of the government and aligned with the national priorities and outcomes of Vision 2030 and the Sustainable Development Goals.
- 7) Accounting officers are to ensure that submission of the budget numbers is done via upload to the Budget Preparation and Management System (BPMS). Accounting officers are reminded that the Budget Ceilings for each MDA will be loaded into the BPMS prior to the system being made available for the input of budget estimates. Draft Corporate/Strategic Plans along with the Permanent Secretary's Memoranda are also to be uploaded via the BPMS.
- 8) Accounting officers must ensure that the input of data into the BPMS accurately reflects the purpose for which the funds are required. As such, budget allocations at the object, sub object and sub sub-object levels must be accurate to prevent distortion of the budget data and unexplained variances in summary reports that are generated for publishing.
- 9) The Medium-Term Budget is the quantitative expression of the medium-term Corporate/Strategic plans. Accounting officers must therefore ensure that there is alignment between the planning and budgeting processes and that the plans are developed with due regard for the limits of the expenditure ceilings allocated.
- 10) Section 75 of the FAA Act, Financial Management Regulations, requires accounting officers to submit **Quarterly Performance Reports** on the status of their departments in relation to the approved targets outlined in the corporate/strategic and operational plans.
- 11) The Corporate/Strategic/Operational plans, that are submitted with MDAs budget proposals, are to be updated and brought in line with the Budget-As-Passed by the House of Representatives. The Implementation Plan, Procurement Plan and Cash Flow must all be updated and aligned with the Approved Budget. The updated plans are all to be submitted to the MOFPS (Public Expenditure Division) by the end of **May 2026**, to inform timely and accurate warrant releases for budget implementation and the quarterly performance monitoring process.

## 5. RECURRENT EXPENDITURE PROPOSALS

Preparation of the Recurrent Budget for financial year 2026/27 and the medium term is to be guided by the following:

### a) **Compensation of Employees:**

The projected expenditure for wages and salaries is to be calculated on the basis of the staff in place, at the Third Supplementary Estimates (TSE) 2025/26.

## **b) Recurrent Programmes (Non-Wage Expenditure)**

Accounting Officers must ensure that all programmes/activities are reviewed in order to determine their continued relevance to government's current policy directions.

The following guidelines are to be observed in allocating the ceiling across Recurrent Programme activities:

### **(i) Public Utilities**

Allocations must be based on actual usage of public utility services to prevent the build-up of expenditure arrears.

### **(ii) General Consumption Tax on Purchases**

The full cost of the goods and services, inclusive of consumption tax, customs charges and other import duties must be allocated in the budget.

### **(iii) Rental of Property**

Estimates for rental of property must reflect actual contract arrangements. Allocations are to be made for known increases that are expected to take place during the financial year.

### **(iv) Travel Allowances and Subsistence**

Discretionary local and overseas travel are to be managed within the budgetary allocation for the financial year.

### **(v) Statutory and Other Deductions**

Accounting Officers must ensure that the management of statutory and other deductions from the earnings of employees is carried in accordance with Regulations 54 and 54A of the Financial Management Regulations.

### **(vi) Appropriations-in-Aid**

Approved Appropriations-in-Aid (AIA) must be included in the Estimates of Expenditure in order for payments to be executed through the Government Financial Management System (GFMS).

### **(vii) Budgetary Provisions for Grants and Contributions (Object 27)**

Accounting officers are to ensure that Circular No. 6 dated May 02, 2024 *“Revised Procedure for Government Funded Projects, Executive Agencies and Treatment of Object 27 in Preparation of Draft Budgets,”* is appropriately implemented.

## **6. PUBLIC SECTOR INVESTMENT PROGRAMME (PSIP)**

- a) The Capital Budget reflects the budgetary allocations approved for implementing the Central Government projects included in the government's Public Sector Investment Programme (PSIP).
- b) The Project Summary Template (Appendix V) is to be:
  - a. Completed for all new projects that will be entering the PSIP for the first time in financial year 2025/26, and
  - b. Updated to reflect any approved changes made to projects that are currently under implementation.
- c) The Capital expenditure ceilings that are provided with this Budget Call are to support those public investment projects that have been appraised by the Public Investment Management Committee (PIMC) and approved by Cabinet for implementation and funding. Projects that have not yet gone through the appraisal process are not to be included in the Budget Submission.



- d) Accounting Officers are to ensure that budgetary allocations to support the preparation of public investment projects by MDAs including those approved for development as government-pays public private partnerships (PPPs), are submitted in keeping with the requirements of Circular No. 13, dated July 13, 2024.
- e) Accounting Officers are to ensure that the Project Implementation Plan, Project Procurement Plan and Cash Flow (Appendix V) are completed for all public investment projects and uploaded via the BPMS.

## **7. BUDGET- FUNDED PUBLIC BODIES**

- a) Public bodies that are fully or partially dependent on the Consolidated Fund for financing, must comply with the requirements of the Budget Call.
- b) The Boards of budget-funded public bodies are to be apprised of the budget constraints and advised of the approval process involved in utilizing own-source funds to off-set their operating expenditure as AIA.
- c) Expenditure proposed for funding from AIA must be clearly identified and submitted along with the budget proposals.

## **8. DEADLINE FOR SUBMISSION OF DRAFT BUDGETS**

Accounting officers are reminded that the budget estimates and relevant documents are to be submitted to the Ministry of Finance and the Public Service via the BPMS by **Friday, January 02, 2026.**

## **9. BUDGET CEILINGS**

The Budget Call Ceilings for financial year 2026/27 and the medium term are found at Appendix 1. The individual ceilings for each MDA will be transmitted along with the other Appendices listed below:

- a) Appendix 1 - (a) Recurrent Expenditure Ceilings for financial year 2026/27 and the Medium Term  
(b) Capital Expenditure Ceilings for financial year 2026/27 and the Medium Term
- b) Appendix II - Key Performance Indicators Template
- c) Appendix III - Recurrent Programmes Implementation Plan, Procurement Plan and Cash Flow
- d) Appendix IV - Project Summary Template
- e) Appendix V - Project Implementation Plan, Project Procurement Plan and Cash Flow

Yours sincerely,



**Darlene Morrison, CD**  
**Financial Secretary**

**C: Auditor General**

**Attach:**