

F.No.1(3)/CAO(MoF)/Vol-IV  
Government of Pakistan  
**FINANCE DIVISION**  
(Budget Wing)

Islamabad, the 16<sup>th</sup> March, 2023

**OFFICE MEMORANDUM**

Subject: **AUSTERITY MEASURES - 15% CUT ON NON-ERE BUDGET FOR FY 2022-23**


The undersigned is directed to state that in pursuance of approval of the Federal Cabinet in its meeting held on 22<sup>nd</sup> February 2023, the following decision, interalia, was conveyed to all Principal Accounting Officers (PAOs) for compliance vide Finance Division's Expenditure Wing O.M. No.7/1/2016-Exp-IV dated 27<sup>th</sup> February, 2023:

"iv. 15% cut (on an annualised basis) shall be applied in current expenditure (Non-ERE) of all Ministries / Divisions/Attached Departments / Sub-ordinate Offices / Autonomous Bodies, etc except M/O Foreign Affairs expenditure on diplomatic missions abroad owing to currency depreciation effect. Necessary adjustment in their budget shall be made by the concerned Principal Accounting Officer."

2. Many queries have been received from PAOs/Divisions/Offices in this regard. Accordingly, it is informed that this cut is applicable wef 1<sup>st</sup> March, 2023 on annual budget (Non-ERE) @ 5% [equivalent to annualized 15% on 4 months' budget]. All PAOs in the Divisions/Attached Departments/Sub-ordinate Offices/Autonomous Bodies etc. are hereby requested to make adjustment in various cost centers/heads of accounts of Non-ERE and surrender the 5% amount in favor of Finance Division as anticipated savings by 20th March, 2023.

3. Release for 4th quarter will be allowed only after surrender order is received in the Budget Wing.

4. This issues with the approval of Secretary, Finance Division

  
(Rana Obaid Ullah Anwar)  
Joint Secretary (Budget - III)

All PAOs of Divisions/Attached Departments/Sub-ordinate Offices/  
Autonomous Bodies

*web Master for uploading on website.*