

Islamic Republic of Afghanistan

Ministry of Justice

Official Gazette

Public Finance and Expenditure Management Law

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Public Finance and Expenditure Management Law

Chapter one

General provisions

Article one. The basis

This law has been enacted in consideration of Article 75, paragraph 4 of the Constitution of Afghanistan for organization of financial affairs, Management of financial affairs, protection of public assets, preparation of budget, and [management of] public expenditure of the state administrations inside and outside Afghanistan.

Article 2: Expressions [Definitions]

The following definitions in this law mean:

1. "Appropriation" means the authority granted to the Ministry of Finance, in accordance with the annual budget procedures, for issuance of an allotment form.
2. "Annual Budget Procedures" means the document that contains all appropriations and sources of expenditures of the State for a fiscal year;
3. "Allotment form" means an official form issued by the Ministry of Finance authorizing state administrations to make expenditures of the amount approved in accordance with appropriations.
4. "Budget Committee" means a committee to assess and review the budget of the fiscal year chaired by the Minister of Finance and comprised of Minister of Economy, Minister of Foreign Affairs, and one other Minister appointed by the president.
5. "Consolidated Fund" means all funds raised or received by the State;
6. "Special funds" means any funds granted to the State subject to conditions on how they may be spent or collected pursuant to financial Laws or other Laws for a specific objective.
7. "Fiscal year" means the period from 1 Hamal of a year to the end of Hoot [March 21 to March 20];

8. "Liquidity borrowing" means the contracting of short terms loans for a period of up to 3 months to finance temporary shortfalls in budget liquidity resulting from fluctuations of [unbalanced movements in] revenues and expenditures during the execution of the budget;
9. "Official bank account" means the opening of a bank account by the Ministry of Finance for maintaining [and depositing] government money in Da Afghanistan Bank.
10. "Programme" means a collection of consolidated activities of a Ministry or other administration or institution of the State which has been prepared according to a pre-prepared plan, for public services.
11. "State grant" means a financial assistance provided by the state to a natural or legal person, in accordance with law;
12. "Treasury Single Accounts" means the official bank accounts in the Da Afghanistan Bank or any other financial institution designated and controlled by the Ministry of Finance to centralise public money and other receipts held in trust and to manage authorised payments.
13. "State administrations" means all administrations which are established within the framework of the Executive, the Legislative or the Judiciary inside or outside Afghanistan, in accordance with law.
14. "Person" means a natural or legal person [or both];

Article 3. revenues and expenditures of state administrations

[All] revenues and expenditures of state administrations shall be presented on a gross basis.

Article 4. Ministry of Finance Responsibilities and Authorities

The Ministry of Finance is responsible for implementing the provisions of this law, and shall have the following duties and authorities:

- Setting the financial and public expenditure policy of Afghanistan.
- To report to the government and the National Assembly [of Islamic Republic of Afghanistan] on the implementation of the provisions of this law.
- To propose the adoption of regulations to the government
- To adopt procedures (tarzulamal) and rules (layeha), for [ensuring] better implementation of this law.

Chapter two

Obligations

Article 5. Obligations of the Authorities for State Administrations

(1) The authorities for state administrations which public money is spent under their supervision and control shall have the following duties and authorities:

1. To report to the government and National Assembly of Islamic Republic of Afghanistan through the Ministry of Finance
2. To prepare documents and register assets and [prepare] control plans consistent with the directives of the Ministry of Finance.
3. To insure the realistic-ness of the estimates of revenues and expenditure of the state.
4. To ensure that the allocations of financial resources in the annual budget is consistent with the approved programmes.
5. To ensure that the authorities for Financial affairs will conduct the responsibilities set out in this law
6. To ensure compliance with all reporting responsibilities under this Law
7. To organize and implement a regular debt collection plan for funds due to the State.

(2) The authorities for state administrations shall be responsible to the president and the National Assembly concerning the actions of the relevant employees taken for implementing the provisions of this law to manage the public money under their control.

Article 6. Obligations of the responsible authorities for financial affairs

The responsible authorities for financial affairs of state administrations shall have the following obligations:

1. To prepare, arrange and submit the draft budget to the Ministry of Finance
2. To submit report of financial affairs in accordance with this law, and the related regulations and Rules
3. To ensure that this Law is applied concerning expenditure commitments within the established budget allotments, regulation of the financial system and efficient controls on the executions within the relevant administration.

Article 7. Treasury Responsibilities

In order to carry out the relevant affairs, the Treasury of the Ministry of Finance shall have the following responsibilities and authorities:

1. Efficient management of the State's financial resources through a centralisation of budgetary revenues, efficient financial planning and timely management of budget expenditure.
2. Managing the Consolidated Fund;
3. Implementing and managing the treasury bank accounts and payment procedures, which include the Treasury Single Account and official bank accounts through defining the Treasury Single Account structure of accounts and sub accounts, and ensuring necessary cooperation for activating treasury accounts including opening and closing bank accounts.
4. Implementing financial plans;
5. Managing cash assets;
6. Implementing the budget and performing expenditure controls in accordance with revenue and expenditure plans and providing information pertaining to funds, assets and commitments, appropriations and allotments in accordance with the provisions of this law and other Treasury instructions.
7. Maintaining the Treasury General Ledger and recording transactions according to budget classification and accounting rules compliant with internationally accepted standards and principles;
8. Providing regular reports on the implementation of the State's budget and other financial matters for the Ministry of Finance
9. Upon the confirmation of the Ministry of Finance, issuing necessary instructions covering the relevant affairs.
10. Performing management for the debts of the state
11. Compilation of the annual accounts of the financial operations of state including appropriation accounts and financial statements
12. Managing and controlling the affairs related to processing of expenditures and other treasury related responsibilities in the Mustufiats of centre and provinces
13. Performing other responsibilities delegated in accordance with provisions of this law.

Chapter three

Public Money or assets

Article 8. public financial assets

Public money means money or other financial assets in the custody or under the control of the state, or money or assets in the possession or under the control of any person acting for or on behalf of the State in receipt of the custody or control of the money.

Article 9. received funds and revenues

Funds and revenues [Receipts] that become public assets upon receipt are:

1. Taxes imposed by the State in accordance with the provisions of law;

2. Fees imposed and collected by State administrations in accordance with the provisions of law;
3. Interest received by state administrations
4. Dividends or other payments from enterprises owned by the State;
5. Proceeds received by State administrations from the sale or leasing of any property owned by the State;
6. Proceeds received from leasing or selling any rights controlled by the State administrations, including radio frequency [spectrum] rights, natural resource exploration or exploitation rights, and intellectual property rights;
7. Royalties received by the State;
8. Fines, compensation of damages, confiscation and expropriation of property, charges from civil actions, and insurance proceeds paid to the State;
9. Grants and revenues received by the State;
10. Debts due to the State;
11. Money transfers corresponding to credits taken by the State in accordance with legal provisions; and
12. Receipt from the issuance of national and international securities [documents of credit].

Article 10 Prohibitions on Receipt of Public Money

1. No person employed by the State or other persons on behalf of the state shall receive public money or assets unless authorized by Law and by written instructions of the Ministry of Finance.
2. No person may possess or receive public money, including state owned property, while purporting to be acting in any official capacity or while conveying the impression that their actions are authorized by law unless the person has the legal power to do so.

Article 11. Deposit of revenues to bank

1. All revenues of the State shall be deposited into a designated official bank account.
2. Public assets, including any funds that become public money upon receipt, must be deposited into a designated official bank account promptly.

Article 12. Payment and Expenditure of Public assets and Tax [Expenditures]

1. Payments or commitments to pay public money may only be made in conformity with the provisions of this Law.

2. Public assets cannot be spent unless authorized in accordance with the provisions of this law.
3. Expenditure or commitments to expenditure of public money by the state administrations shall only occur when the Ministry of Finance has confirmed and issued in writing an expenditure authorization through the allotment form for the fiscal year.

Chapter four

Official Bank Accounts

Article 13. Opening bank accounts

1. The Ministry of Finance shall open one or more official bank accounts for deposits of public money.
2. An account for the receipt, custody, payment or transmission of public money may be opened in accordance with the Law.
3. Public money shall be held in trust bank accounts for the State and treated as if it is trust money held in bank until it is received by the State.

Article 14. Immunity of Public Money and Bank Accounts

1. Public money and bank accounts cannot be seized or expropriated by judicial order in a preventative way.
2. Any payment of public money must be done only upon a final judicial decision or sentence by an authorized court.
3. A judicial payment order shall be paid by the state administrations from the allotments available in the budget of the fiscal year in priority to other payments.

Article 15. Investment of Public Money

1. The Ministry of Finance may authorize the investment of public money in financial deposits and the liquidation of such investments in accordance with the provisions of law.
2. All revenues from investments made pursuant to paragraph one of this Article shall be included in the Consolidated Fund [of Afghanistan].

Article 16 special funds [waja khas] Accounts

1. The Ministry of Finance shall establish separate ledger accounts for recording special funds.
2. Rules attaching conditions to the expenditure of special funds may be established by Law or may be designated through a Procedure by the Ministry of Finance where no Law establishes such rules.
3. Revenues derived from the investment of special [funds] shall be treated as special funds, and shall be subject to the same rules that apply to the original special funds.
4. Receipts derived from fees, fines, compensation of damages and charges related to decisions and proceedings of courts shall not to be treated as special funds.

Chapter five

Borrowings and lending by the state

Article 17. Borrowings by the State

1. Borrowing of money by the State shall be authorized by a Law and approved by the Wolosi Jirga.
2. The State may only issue to a lender evidence of a debt to be repaid by the State where the State has received funds or another asset equal to [the market value of the evidence of] the debt.
3. The Minister of Finance shall [be authorized] on behalf of the state for borrowing or lending of the State.
4. The Ministry of Finance shall maintain original documents of paragraph 3 of this article, including guarantees and contingent liabilities.

Article 18. liquidity borrowing

“The annual budget procedures will provide the authority for and conditions of any liquidity borrowing.”

Article 19. Long term commitments

Where an administration of the State enters into a contract providing for payments to be made by such administration after the end of the fiscal year, the contract will be valid [only] upon confirmation of the Ministry of Finance.

Article 20: guarantee of a loan

1. The Ministry of Finance may issue a loan guarantee document only in the following cases:
 - a. Where authorised by Law, for the amount specified [in the Law], [and]
 - b. Where a non-expended amount is available within the appropriations.
2. No guarantee shall be valid unless made in accordance with paragraph One.
3. When the preparation of guarantee documents requires expenditures on the part of the state, such expenditures shall also be considered to be part of the principal debt.

Article 21. Loans by the State

- 1) The Ministry of Finance may make a loan to any administration, tassy or company provided that:
 - a. It is provided for in an Annual Budget procedures;
 - b. Evidence of indebtedness and a promise to repay by the borrower to the State shall provide the State with rights to require repayment of the loan prior to maturity in the event of default of any payment of amounts due under the loan; [and]
 - c. The Ministry of Finance is provided with a valid security for the full repayment of the loan or enjoys a security interest in all assets of the borrower in the event of a delay in the payment.
- 1) The terms of a loan may only be changed:
 - (a) By Law; [or]
 - (b) When the debt or part of the debt is deemed to be unrecoverable in accordance with justifiable reasons.

Article 22. Salaries

- 1- The Ministry of Finance is responsible for issuing allotments for [making payments for] wages of civil and military employees of the state;
- 2- The State may as an employer withhold equitable and appropriate taxes on the wages of the employees, as required by Law.
3. The Ministry of Finance may make payments or transfer the salary of an employee to his/her bank account, upon verification of his/her identity, in accordance with the specified tables submitted by the state administrations.

Article 23. Assistance of the state to municipalities

1. Municipalities may receive assistance [transfers] from the government budget if a justifiable need exists. The government shall establish the financial resources available for such transfers during the budget preparation [process].

2. Proposals for receiving assistance referenced in paragraph one of this article shall be submitted to the Ministry of Finance at the same time and in the same format as other administrations submit their [budget] proposals in order to be considered as part of the state budget.

Article 24. Revenues and expenditure of municipalities

1. The amount and the manner for collecting the revenues of municipalities shall be determined and specified by law.
2. Expenditure by municipalities must not exceed the total of assistance of the state and revenues collected pursuant to paragraph one of this article.
3. Borrowings by municipalities from the state and the manner for collecting and guaranteeing it shall be subject to the provisions of this law.

Article 25. Reporting

Municipalities shall provide budget execution reports at least every six-months to the Ministry of Finance through the appropriate Mustufiat.

Article 26. Execution of orders

Municipalities shall comply with directives issued by the appropriate Mustufiat for collection of revenues and processing expenditures.

Chapter six

Budget Preparation and Approval

Article 27. Preparation of budget

The preparation of the budget shall be based on multi-year national development and security programmes,

and economic framework, and shall cover budget related issues for at least 2 coming years.

Article 28. Estimating and determining the revenues and expenditure

On the basis of the national economic framework and Development Framework, the Government shall estimate and determine the amount of revenues available in and the overall [ceiling for] expenditures of the state for the next fiscal year.

Article 29. Procedures for Preparation and Submission of Budget Proposals

1. The Ministry of Finance, each year, shall issue to state administrations a procedures for preparation and requesting of budget and appropriations for the fiscal year.
2. State administrations shall be responsible for the preparation of the budget submissions in accordance with the instructions of paragraph one of this article, by the time specified, and for official submission of the completed requests to the Ministry of Finance
3. The budget of the judiciary shall be prepared by the Supreme Court in consultation with the Government, and shall be presented to the National Assembly as part of the budget for the fiscal year.
4. The Ministry of Finance shall, in consultation with the state administrations confirm that the estimates for the budget of a fiscal year and the relevant requests for appropriations are valid and in accordance with the provisions of law.
5. State administrations shall submit finalised budget submissions to the Ministry of Finance.

Article 30. Contents of the Budget

The budget for a fiscal year, which the Ministry of Finance shall prepare after consideration of the appropriation requests submitted by state administrations and after consultations with such administrations, shall include:

- (1) Budget overview information;
- (2) A revenue and expenditure plan;
- (3) Assets and expenditure commitments information.
- (4) draft Annual Budget Procedures

Article 31. Overview

The overview information for the budget of a fiscal year shall include:

1. An overview of the domestic and international [macro-] economic environment (in which the budget was prepared) and recommendations for short and medium term fiscal strategy;
2. The objectives and priorities of the budget including important revenue and expenditure estimates
3. The National Development Budget plan;
4. Identification of significant new spending proposals adopted and significant savings from cancelled or reduced programmes
5. The estimated budget deficit or surplus of the previous fiscal year to be transferred forward to the new fiscal year;
6. The budget deficit presented according to international standard methodologies as established by the International Monetary Fund;
7. Details of how a budget deficit is to be financed or any budget surplus is to be invested; [and]
8. Other information considered necessary by the Ministry of Finance.

Article 32. The revenues and expenditure plan

The revenues and expenditure plan will include:

1. Estimated total revenues and expenditures of the State, and the resulting balances for the fiscal year and at least the two following fiscal years;
2. Estimated special funds that will be received in the fiscal year;
3. Revenues and expenditure of local administrations;

4. Appropriations for each central unit [headquarters] of administrations in the fiscal year;
5. Appropriations of special funds in the fiscal year;
6. Appropriations for public grants;
7. Conditions attached to any appropriation;
8. Appropriations for payments of interest or amounts in the nature of interest on debt owed by the State and for repayment of debt principal;
9. An appropriation not exceeding 3% of total programme expenditures for contingencies;
10. The estimated number of permanent and temporary State employees to be paid from appropriations in the fiscal year;
11. Estimates of anticipated expenditures for future fiscal year towards the cost of acquisitions that will commence in the new fiscal year;
12. Details of all projected user fee for the fiscal year;
13. Estimated cost in terms of forgone receipts of tax concessions provided in the tax Law or other tax laws;
14. Other information considered necessary by the Ministry of Finance.

Article 33. Information concerning assets and liabilities

The assets and liabilities information will include:

- (1) Details of the State's investment strategy for public money to be invested in the fiscal year;
- (2) Details of any existing loans issued by the State and any loans the State intends to make during the new fiscal year;
- (3) Details of any existing borrowings issued by the State and any borrowings the State intends to make during the new fiscal year;
- (4) Details of any changes made under to the provisions of this law to loans in the previous fiscal year;
- (5) a limit on total guarantees and borrowings of the state;

- (6) Details of the estimated amount of contingent liabilities of the State that will rise to actual liabilities during the fiscal year;
- (7) liabilities arising from government pensions or similar arrangements; and
- (8) Other information considered necessary by the Ministry of Finance.

Article 34 preparation of financial statistics

The financial statistics such as revenues, expenditures and financing in the annual budget documentation shall be set out, organized and published by the International Monetary Fund, in consistency with the Government Finance Statistics classification.

Article 35. Appropriations adopted in the annual budget procedures

1. The Annual Budget procedures shall contain for each appropriation:
 - (1) The purpose of the appropriation; and
 - (2) The amount of the appropriation provided by category as prescribed by the Ministry of Finance;
2. In the case of appropriations for the Ministry of Finance The Annual Budget Procedures shall contain the following information:
 - (1) appropriations for granting loans
 - (2) making payment of amounts due with respect to debt of the State
 - (3) other payments the Ministry of Finance is required to make by this Law or by decision of the government.

Article 36: funding of appropriations

The proposed appropriations are to be funded, in accordance with the provisions of this law, from:

- 1) Revenues Estimated to be available in the Consolidated Fund of Da Afghanistan Bank;

- 2) Expected revenues of grants irrevocably committed by foreign governments or international organizations;
- 3) borrowings needed to finance the budget
- 4) amounts in the Treasury Single Account made available from improved cash management of public money

Article 37. Compliance with Annual Budget Procedures

State administration shall be obliged to take action in accordance with annual budget procedures prepared under this law and adopted by the parliament (Wolosi Jirga). In case of contradiction with other laws, the provisions of the Procedures shall prevail.

Chapter seven

Execution of appropriations

Article 38. appropriations

1. Following receipt of budgetary submissions, the Ministry of Finance shall inform each state administration about the approved appropriations.
2. After consideration of proposed appropriations a state administration shall [inform the Ministry of Finance in writing that the administration]:
 - (1) has no objections to the proposed appropriations; [or]
 - (2) objects to the proposed appropriations, indicating the reasons for the objection
3. The Ministry of Finance shall review and find a proper solution to the objections referred to in paragraph 2 of this article. In the case that the Ministry of Finance is unable to resolve the objections, the administration shall deliver to the Ministry of Finance the objections at least 48 hours prior to the [meeting of the] Budget Committee to consider the objections.
4. The Ministry of Finance shall submit the proposed budget, and appropriations for consideration by the Budget Committee, in accordance with this law.
5. The Ministry of Finance shall submit to the Budget Committee any objections submitted pursuant to paragraph 3 and the responses of the Ministry to the objections.

Article 39. Deliberations on the budget

1. The budget Committee may request the state administrations to provide further explanations during consideration of the proposed budget.
2. After consideration of any explanations provided pursuant to article 38 the Budget Committee shall prepare and present an agreed budget and the proposed appropriations for consideration by the government.
3. The government shall forward through the Meshrano Jirga (upper chamber of Parliament) along its advisory comments to the Wolosi Jirga (lower chamber of Parliament), the budget referred to in paragraph 2 of this article, along with a summary its views not less than 45 days preceding the fiscal year.

Article 40. Preparing Un-consolidated Budget

The Ministry of Finance under the directives of the President of the State shall prepare an unconsolidated budget from the following sources:

1. Monetary amounts provided by international organisations or foreign governments; [and]
2. Estimates of any aid-in-kind and funds provided by international organisations or foreign governments; that do not form part of the Consolidated Fund of Afghanistan.

Article 41. Temporary appropriations

1. If the budget is not approved before the commencement of the fiscal year, the budget of the previous year shall be applied as follows prior to the approval of a new budget:
 - (1) An appropriation made for expenditures for one month; [and]
 - (2) Any appropriation made does not exceed 1/12 of the appropriation for the previous fiscal year.
2. All appropriations included in paragraph 1 lapse after the approval of the government fiscal year budget. Expenditures arising from temporary appropriation before the approval of government budget are charged to appropriations of the new fiscal year.

Article 42. Revision of Appropriations

1. The Ministry of Finance may revise The Annual Budget Procedures and its relevant procedures if:

- the revenues or expenditures of the State for the fiscal year will be less or greater than those anticipated in the budget [or]
 - Repealing or amending laws will have the effect of increasing or reducing revenues of the State for the fiscal year.
2. The preparation and approval of a revised budget and appropriations shall be carried out with respect to the provisions of this Law.

Article 43. amendments of appropriations

1. Where a Law is proposed to be enacted that would require additional expenditures in the current fiscal year, any appropriation of the amount required to make the expenditures shall be based on a decision of the parliament (Wolosi Jirga) that the amount of funds necessary are available from the following sources:
 - (1) increases in net Estimated revenue compared to previous estimates
 - (2) new borrowings; [or]
 - (3) Currently allotted public money that will become un- allotted money following the cancellation of part of an existing allotment.
2. The new appropriation referred to in paragraph one shall be valid only when the new appropriation is approved and cancellation has occurred for the previously approved appropriation.

Article 44: lapse of appropriation

All appropriations for a fiscal year shall lapse after the end of that fiscal year, unless provided otherwise by law.

Article 45. Fees

All fees imposed in respect of bank accounts or investments of the State shall be paid from appropriations for the Ministry of Finance.

Article 46. Adjusting appropriation for contingent expenditures

In the event of urgent and unforeseen requirements, the Ministry of Finance may propose to the President to change the purpose of part of a contingent expenditure appropriation

of a state administration to a purpose of a programme of the requesting state administration.

Article 47. Adjustments to the appropriations of the approved budget

1. Where requested by a state administration, the Ministry of Finance , in consultation with the Budget Committee , may authorize the adjustment of the approved appropriations for that Ministry provided the adjustment does not exceed 5% of the registered funds.
2. Where an appropriation relates to a function of a state administration that is transferred to a different administration, the Ministry of Finance may transfer the appropriation or part of the appropriation from the first administration to the second administration.
3. Where an administration acquires assets or services from another administration, the amount charged for the acquisition shall be treated as expenditure by the acquiring administration.
4. Where the State is required to repay an amount that was included in public money upon receipt but to which the State had no beneficial right, an appropriation shall be created for the Ministry of Finance for the amount to be repaid.

Article 48. Expenditure of appropriations

1. The Ministry of Finance shall, subject to availability of assets, issue an expenditure allotment notice to authorize state administrations to spend or to commit to spend appropriations or part of appropriations.
2. The allotment notice shall specify the time period for and the authorization for expenditure.
3. No money shall be released from the Consolidated Fund in Da Afghanistan Bank for expenditure unless authorised by an allotment notice.
4. An authorization may not be issued for the expenditure of public money that has not been made available for expenditure in an appropriation.
5. The process to be complied with for the making of payments authorised by an allotment form shall be determined by the Ministry of Finance and announced to state administrations

Article 49. Revocation or Amendment of Allotments and expenditure

The Ministry of Finance may revoke or amend an allotment form when:

- (1) Expenditures have been made in an incorrect or unjustifiable manner.
- (2) Required for the continuation of expenditures throughout the fiscal year.

The Ministry of Finance shall immediately inform the government in writing of such an action.

Article 50. Carry Over of Appropriations

The Ministry of Finance may at the proposal of a state administration made 30 days before the end of the fiscal year carry over the amount not expended from an appropriation to the following fiscal year.

Article 51. Refunds of Expenditures

Where the Ministry of Finance receives a repayment of an amount that was paid for a specific purpose in an allotment to a state administration, the ministry shall credit an equal amount to the expenditure account of the state administration for the same purpose as the original amount.

Chapter eight

Accounting and control of the budget

Article 52. Publication of the Budget

The Ministry of Finance shall publish the annual budget and the allotments and explanatory documents upon approval.

Article 53. Classification of budget records

- 1) The Ministry of Finance shall establish classification systems for budget and accounting records in observance of the following:
 - (1) To facilitate the control of expenditures by state administrations; [and]
 - (2) To permit analysis of expenditure by organization, function, and economic category according to the Government Financial Statistics cash basis classification requirements as set out by the International Monetary Fund.
- 2) To achieve the objectives of paragraph one, the Ministry of Finance shall maintain, records of:
 - a. Government income receipts;
 - b. Appropriations and adjustments to appropriations of state administrations
 - c. Documents for Actual expenditures made and outstanding liabilities.
 - d. Appropriations made available to state administrations for expenditure by means of allotment form;
- 3) State administrations shall maintain accounting records in accordance with Ministry of Finance instructions and provide copies of the accounting records to the Ministry of Finance when requested, except in cases where the law provides for the confidentiality of such records.

Article 54. Progress Reports on the Budget

1. After the approval of budget, The Ministry of Finance shall submit quarterly progress reports to the government and the President, and publish that.
2. Progress reports required under paragraph one shall include a revenue and expenditure report and assets and liabilities information referred to in this law.
3. Where progress reports do not contain all the information required by this law, the reports shall explain the reasons they do not contain the missing information.

Article 55. Final Report on the Budget

1. The Ministry of Finance shall publish the following information upon submission to the President and the government:
 - (1) Final budget reconciliation report on the budget for previous fiscal year. This shall be submitted no later than the end of the month of Sonbola (the second quarter of the year); [and]
 - (2) A set of financial statements compiled according to the international accounting principles that have been audited as required by article 59.

2. the final budget reconciliation report referred to in paragraph one shall cover the following issues:

- a. Budget overview information;
- b. A revenue and expenditure report; [and]
- c. Assets and liabilities information.

Article 56. Budget overview information

The budget overview information will include:

- (1) Tasks accomplished and the main plan for the new fiscal year;
- (2) An overview of important actual revenues and expenditures;
- (3) Details of how a budget deficit was financed or how a surplus was invested; and
- (4) Other information considered necessary by the Ministry of Finance.

Article 57. Revenue and expenditure report

The revenue and expenditure report shall include:

- (1) Actual revenues compared with projected revenues;
- (2) Actual special funds received during the fiscal Year;
- (3) Actual expenditures from special funds appropriations;
- (4) Actual number of permanent and temporary State employees paid from appropriations in the fiscal year;
- (5) Actual payments of interest or amounts in the nature of interest on debt owed by the State and [for] repayment of debt principal;
- (6) Actual expenditures in respect of each appropriation category compared with the budget appropriation for that category, the actual expenditure for that category in the previous fiscal year, and details of additional appropriations under this law;
- (7) Details of all recipients of public grants and the amount they received;
- (8) Details of the contingency expenditures;
- (9) Details of all adjustments made to appropriations in the fiscal year;
- (10) Actual user fee receipts for the fiscal year; [and]
- (11) Other information considered necessary by the Ministry of Finance.

Article 58. The assets and liabilities information.

The assets and liabilities information will include:

- (1) details of investments of public money" made during the fiscal year;
- (2) Details of any changes made to loans during the previous fiscal year;
- (3) Details of any loans made by the State during the fiscal year;

- (4) Details of any borrowings by the State during the fiscal year;
- (5) Details of differences in the amount of guarantees planned to be made and loans to be incurred by the State during the fiscal year and guarantees actually made and loans actually incurred;
- (6) Details of difference between the estimated amount of contingent liabilities of the State that were expected to give rise to actual liabilities during the fiscal year and amount of contingent liabilities that actually gave rise to liabilities;
- (7) A full accounting of assets held by the State at the end of the fiscal year; [and]
- (8) Other information considered necessary by the Ministry of Finance.

Article 59 Independent Audit

- 1. The independent auditors shall have the right to acquire all information and explanations deemed necessary for auditing.
- 2. The administration for inspection and control shall prepare an independent audit report within six months from the end of a fiscal year and submit it to the government. The independent audit report shall include:
 - (a) Certification of the appropriation accounts; and
 - (b) Recommendations for fines to be applied consistent with this Law.
- 3. The government shall submit the report referred to in paragraph 2 of this article to the first meeting of the National Assembly. The report shall be made publicly available upon submission to the National Assembly.

Article 60. Reporting to the national assembly

The government shall report to the National Assembly on decisions taken pursuant to the audit and control report.

Article 61. Audit Powers of the Ministry of Finance

- 1. The Ministry of Finance shall establish an internal audit administration and appoint auditors to audit the financial and accounting affairs of all State administrations.
- 2. The auditors referenced in paragraph one may require the relevant administrations to provide all information needed for auditing financial affairs.

Chapter nine

Final Provisions

Article 62. The responsibilities of the authorities and employees of state administrations

Authorities and other employees of state administrations shall be responsible for the control and effective use of allotted funds in the relevant administrations in accordance with the provisions of this Law and relevant procedures established by this Law.

Article 63 oversight of budget and the Treasury

The Ministry of Finance shall be responsible for the organization, management and implementation of the budget, and shall also be responsible for the oversight of the Treasury on matters prescribed in this Law.

Article 64 exceptions

“State owned companies and enterprises are not subject to this law, and their affairs shall be regulated under their related Laws.

Article 65.Entry into Force

This law shall be enforced from the date of signature and shall be published in the official Gazette and with its entry into force the budget Law dated 30/8/1362, published in official gazette # 544, and other contrary provisions shall be eliminated.