

Law 31 of 1978

Several Relevant Sections of Chapter Two

Chapter Two: Ministries and government Entities Budget Forecasts (articles 5-41)

Section 1.1.1: Revenue estimation (articles 5- 8)

Article (5)

Ministries and government Entities shall prepare an estimate of revenues according to the instructions issued by the Minister of Finance. Estimates shall be reported to the Ministry of Finance no later than the period specified. If any entity delayed submitting their estimates, The Ministry of Finance will take charge of estimating that entity revenues guided by that entity's historical actual revenues generated over the last few years, the Ministry of Finance will take into account new variables that may affect this estimate.

Article (6)

The Ministry of Finance shall scrutinize the estimates discussed in article (5) and shall prepare a final revenue estimate.

Article (7)

Estimates shall include total revenue distributed over the different chapters. Costs affiliated with collecting revenues shall be listed under the costs estimates

Article (8)

A percentage of total expected revenues shall be transferred to the Future Generation Fund. Also any return of investment shall go to the General Reserve Fund after deducting the Future Generation Fund share.

Section 1.1.2: Cost Estimation

Article (9)

Ministries and government Entities shall prepare an estimate of costs and submit it to the Ministry of Finance on the date specified by the Ministry of Finance. The cost estimate shall highlight costs by chapter and shall be prepared according to the instructions issued by the Minister of Finance. Estimates shall be reported to the Ministry of Planning and to The Civil Service Commission for technical scrutiny.

Article (10)

The Ministry of Planning and The Civil Service Commission shall report to the Ministry of Finance the results of their technical studies and any additional notes on the dates specified by the Ministry of Finance.

Article (11)

If any entity delayed submitting their estimates, technical studies and notes, The Ministry of Finance will take charge of estimating that entity revenues guided by that entity current fiscal costs, the Ministry of Finance will take into account changes and new variables that may affect this estimate.

Article (12)

The Ministry of Finance shall evaluate the cost estimates based on the technical studies and notes and shall prepare a final cost estimate.

Section 1.2: Approving the budget and legislating it (Articles 13-16)

Article (13)

The Minister of Finance shall prepare a draft budget proposal, a statement of the principles and assumptions governing the proposal, and an analysis of the proposal goals.

Article (14)

The Minister of Finance shall present the draft budget proposal along with the principles and assumption statement to the Prime Minister Council for approval. The timing of the Prime Minister Council approval shall be selected in a way that permits the legislature to review and approve the draft budget by at least two months prior to the end of the current fiscal year.

Article (15)

The Minister of Finance shall notify government entities by the Budget Law to follow.

Article (16)

If the Budget Law fail to pass before the start of the fiscal year, then the Ministry of Finance shall issue statement with guidelines to follow the previous fiscal year budget law. Note that entities may follow any new budget chapters approved by the legislature.

Section 1.3: Implementing and Supervision the budget (Articles 17-36)

Article (17)

The Minister of Finance shall issue a special announcement to implement the budget in a way the guarantee that the implementation will be in line with laws and by laws. Relevant government entities shall be notified by this announcement on the same day they are notified by the budget law.

Article (18)

Financial settlements among government entities shall be governed by the Minister of Finance instructions.

Article (19)

Ministries and government entities revenues shall be paid to the Ministry of Finance according to the rules set by the Ministry.

Article (20)

Allocated budget provisions does not entitle the exemption from implementing the relevant laws, by law and decrees. Using the provision should be in line with regulations, law, by law rules and the budget law.

Article (21)

Entities are prohibited from exceeding the provisions in the budget law unless a new law is issued.

Article (22)

Entities are prohibited from exceeding the specified provisions for any type of expense. A surplus from a provision can be transferred to another provision only if both provisions are in the same section and chapter of the budget.