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The NGO Forum on Cambodia



GUIDE TO THE NATIONAL BUDGET

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LIST OF ACRONYMS AND ABBREVIATIONS

API	Advocacy and Policy Institute
BSP	Budget Strategic Plans
CDC	Council for the Development of Cambodia
CDCF	Cambodia Development Cooperation Forum
CNPA	Cambodia National Petroleum Agency
CR	Cambodia Riel
CRDB	Cambodia Rehabilitation and Development Board
CSCQBE	Civil Society Coalition for Quality Basic Education
FMIS	Financial Management Information System
GDP	Gross Domestic Product
GFS	Government Financial Statistics
IBP	International Budget Partnership
IMF	International Monetary Fund
LIC	Low Income Country
LMs	Line Ministries
MEF	Ministry of Economy and Finance
MIC	Middle Income Country
MKSS	Mazdoor Kisan Shakti Sangathan
MME	Ministry of Mines and Energy
MoEYS	Ministry of Education, Youth and Sports
MOP	Ministry of Planning
NA	National Assembly
NAA	National Audit Authority
NGO/CSOs	Non Government Organizations/ Civil Society Organizations
NGOF	NGO Forum
NSDP	National Strategic Development Plan
OBS	Open Budget Survey
OBI	Open Budget Index
ODA	Official Development Assistance
PB	Program Budgeting
PETS	Public Expenditure Tracking Survey

PFM	Public Financial Management
PFMRP	Public Financial Management Reform Programme
PIP	Public Investment Programme
RGC	Royal Government of Cambodia
SDR	Special Drawing Rights
SNA	Sub-National Administration
SNEC	Supreme National Economic Council
TOFE	Tableau des Operations Financiere de L'état
US	United States
USD	United States Dollars
VAT	Value Added Tax

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Note to the Reader

Every year, the Government has to prepare the draft budget law for approval by the Council of Ministers, get it adopted by the National Assembly and Senate, and promulgated by the King. The budget law allows the government to collect tax and non-tax revenue and manage budget expenditure following the thresholds appropriated in the law. Tax and non-tax revenue mainly comes from payments to the Government by workers, consumers, businesses, and property-owners in the form of taxes, excise, and special duties. The Government collects hundreds of millions of dollars from this revenue and spends them on wages of civil servants, building and maintaining infrastructure, and delivering public services such as health, education, and agricultural extension throughout Cambodia.

Who is ultimately in charge of these hundreds of millions of dollars? We, the citizens of Cambodia, are in charge. Cambodian citizens exercise control by taking part in elections; the elected members of parliament and government make crucial decisions on our behalf. However, outside the election process, citizen involvement in the annual budget process is currently very limited. More participation in the budget process would lead to a more direct link between government spending and the realization of the needs, desires and aspirations of Cambodian citizens. It would also lead to a deeper understanding of democracy and the role that Cambodian citizens can play to hold the government accountable for the management of public funds.

Currently, knowledge of the National Budget, the budget cycle, and trends in revenue and expenditure rests only with a small number of specialists in government, the National Assembly, research institutions, and some development partners. However, more government officials are being more knowledgeable and actively involved in the budgeting process following the introduction of the budgeting reform programme by the government. Part of the problem has been that there is no single resource offering complete information about the budgetary process, what sources of Government revenue are and how these funds are spent. This Guide aims to fill this gap. It is intended to be a useful resource for everyone involved with the National Budget, including government officials, members of parliament, media professionals, university lecturers and students, NGO staff, and all other Cambodian citizens. By using this Guide, it is hoped that all these stakeholders will be able to find a space for themselves in the budgetary process and to make their own contribution to a constructive debate about the National Budget.

This Guide is structured as follows: Chapter 1 defines the national budget and core principles, and structure of the national budget. Chapter 2 describes the different stages of the budget cycle, the timelines, and the institutions involved in the process and their activities. Chapter 3 explains the structure and elements of budget laws as well as the different types of revenue and expenditure, particularly on how the National Budget Law presents this information in its tables. It also elaborates other budget information at national and sub-national levels. In addition, this chapter introduces significant guidelines on the budget analysis and the use of the National Strategic Development Plan (2014-2018) as a tool for the budget analysis. Chapter 4 looks at current pertinent issues of the National Budget. Chapter 5 shows the issues relating to public access to

budget-related information, the current status of budget transparency, and public participation in the budget process.

Five annexes are attached in this Guide. Annex 1 contains a list of explanations of the key technical terms used in this Guide and other key terms of national budget. Annex 2 provides an overview of reading materials and websites on the Cambodian National Budget, relevant laws and other data, as well as more general information on public finance. Annex 3 details the table A, B, C and D of the 2015 Budget Law. Annex 4 presents the format of annual TOFE in December 2014. Annex 5 shows the format of budget in brief for citizens.

This Guide is an update of the guide published by the NGO Forum in 2008. While most of the content is similar, there are some differences. One difference is the absence of the analysis of budget trends which is already done in a separate budget analysis 2009-2014. Other differences are the strong focus on the explanation of the budget structure and budget classifications, budget information in different sources, discussion of sub-national administration budget information, and access to budget information and budget transparency at national and sub-national levels. Although this Guide may not address all the wish lists of different stakeholders, it can be used as a first hand guide to understand the National Budget.

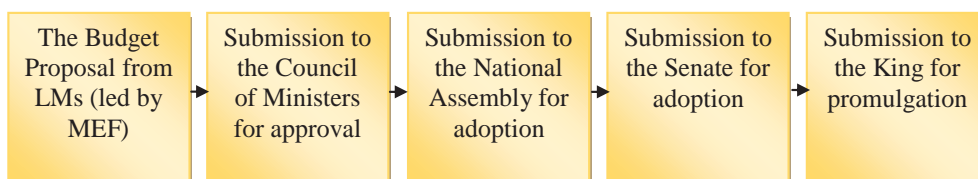
I- Introduction

1.1 What is the National Budget?

A national budget is a statement of the government's planned revenues and expenditures and allows the government to determine whether it has enough money coming in to meet its expenses, particularly in each fiscal year¹. The citizens' guide to federal budget 2002² published by the US printing office simply defined the national budget as “A *Government's plan to spend your money, pay for its activities, borrow and repay the borrowing, and something that affects the economy and is affected by the economy*”.

In Cambodia, the national budget is referred to the National Budget Law³ after the execution of the five following major steps (see in figure 1). The National Budget Law is prepared every year for implementation during the next calendar year (which coincides with the fiscal year). This law gives the authority to the Executive to collect revenues and spend them in order to achieve the Government's policy objectives such as poverty reduction and economic development as laid out in the rectangular strategy-phase III and in the National Strategic Development Plan and sector policies. It is the Government's most potent instrument to carry out its policies and records how the government spends the budget and how they are financed.

Figure 1: Process of National Budget Law



1.2 Regulatory Framework and core principles of National Budget

The Cambodian National Budget is mainly managed based on the Law on Public Finance System (2008)⁴. Article 1 states that ‘*The Law on Public Finance System aims at setting fundamental principles to manage overall public financial system and to develop the Law on Finance (annual Budget Law), especially each step of budget preparation, adoption and implementation, review of budget performance, identifications of roles and responsibilities, and consequences of wrongdoings in public financial management of ministries, institutions, similar public entities, public establishments, and sub-national administrations*’. The structure and key contents of the National Budget Law, rules

¹ See NGO Forum (2007). Guide to National Budget.

² <http://www.gpo.gov/fdsys/pkg/BUDGET-2002-CITIZENSGUIDE/pdf/BUDGET-2002-CITIZENSGUIDE.pdf>

³ In the 2008 Law on Public Finance system the definition is as follows: “National or State Budget refers to the planned balance of all permanent assets of and liabilities to the state. National or state budget includes budgets at the national and sub-national levels. National budget is the budget of the national administration. Sub-national budgets are those of the sub-national administrations”.

⁴ The law could be downloaded from the website: www.cambodianbudget.org or http://www.cdc-crdp.gov.kh/cdc/twg_network/country_systems_cambodia/strengthening_national_systems/resources_on_rgc_reforms.htm

and regulations as well as specific issues in the budget management are also defined by the Law on Public Finance System.

The National Budget Law also presents strong commitment for budget transparency. The Public Finance System Law article 84 states that: ‘...all records of revenues and expenditures of national and sub-national administrations shall comply with the chart of accounts and budget nomenclature, all accounting and financial reports must be transparent and publicly disclosed’.

While the link to national policies needs to be improved, the 2008 Law on Public Finance System provides a number of key principles to which the National Budget Law needs to adhere⁵. These principles describe that:

- The National Budget Law has to be prepared for every fiscal year (from Jan. 1 to Dec. 31);
- All Government revenues and expenditures are to be submitted to Parliament at the same time to enable their evaluation (some countries’ revenues and expenditures are discussed separately);
- All revenues and expenditures need to be submitted individually. Revenues may not be earmarked for particular expenditures and revenues cannot be offset against expenditures (so only the balance is shown);
- The National Budget Law must reflect all sources of revenue and expenditure items;
- All accounting and financial reports must be transparent and publicly disclosed⁶.

There are 11 core principles as briefly outlined in article 5 of the National Budget Law which have to be absolutely implemented. They are 1. Authoritativeness, 2. Twelve - month financial year, 3. Comprehensiveness, 4. Unity, 5. Universality, 6. Specialty, 7. Balance, 8. Accountability, 9. Transparency, 10. Stability and 11. Achievability. The meaning of each term and its applicability can be found in article 4 of the Law on the Public Finance System.

1.3 Structure of National Budget

1.3.1 Where does budget revenue come from?

Every year, the government collects revenue from domestic and external sources. The domestic source of revenue comes from taxes and non-taxes primarily collected through the National Treasury. The external sources are foreign aid, which is collected through the National Treasury as well as outside the National Treasury.

Taxes and non-taxes are classified as current revenue, whereas foreign aid is included in capital revenue. Tax revenue comes from both domestic and international trade taxes. Domestic taxes are collected by the government from both businesses and consumers who are mainly tax payers. These taxes include income tax, property gain tax, profit tax, property tax, tax and duty on exports, excise on turnover, taxes on export licensing and domestic licensing, taxes on specific services (excise on casinos, lotteries, bets and airports), and patent tax. Consumers pay many types of taxes including income tax, property taxes, value added tax (10% on all goods and services), taxes on specific

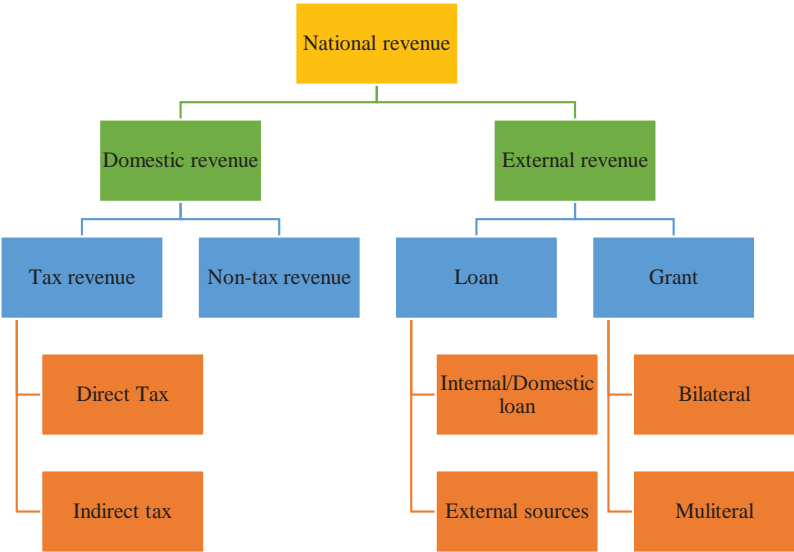
⁵ See Chapter three in “Public Finance in Cambodia” by Dr. Hang Chuon Naron, (2009).

⁶ Article 84 of the 2008 Law on Public Finance Management.

goods (special excise on specific products), custom duty on imports and petroleum products, and surcharge tax on petroleum products. In contrast, international trade taxes focus on taxes obtained from imports and exports which are normally paid by businesses or investors. Non-tax revenue is earned from renting and sale of public property, mining concessions, public enterprise profits, privatization, passport, visa fees, and administrative fees.

Foreign aid (which is recorded in capital revenue) is generally received in the forms of loans and grants from bilateral and multilateral development partners. It is noted that, within capital revenue, domestic financial investments consisting of budget support fund, loans, and grants are also included⁷. These domestic investments are recorded inside the National Treasury.⁸

Figure 2: National revenue



In the 2015 National Budget Law, the government planned to collect revenue of approximately 15,135,230 million Riels or USD 3.7 billion. Of this total amount, around 75.6% will come from revenue through National Treasury and 24.4% from revenue outside National Treasury. 97.4% of the total revenue through National Treasury is domestic revenue. Table 1 below shows this broad structure of revenue.

⁷ See NGO Forum (2007). Guide to National Budget.

⁸ Budget Law 2015

Table 1: Revenue structure in 2015 Budget Law

					In Million Riels	In Million USD	% Share
Total Revenue (I+II)					15,135,230	3,737.1	100%
I. Revenue through the National Treasury					11,448,230	2,826.7	75.6%
	A. Domestic Revenue				11,148,230	2,752.6	73.7%
		1. Current Revenue			11,014,644	2,719.7	72.8%
			1.1. Tax Revenue		9,548,391	2,357.6	63.1%
			1.1.1. Domestic Tax Revenue		7,587,691	1,873.5	50.1%
				a. Direct Taxes (Income tax, profit tax, property gain tax, property tax)	2,069,000	510.9	13.7%
				b. Indirect Taxes (excise on turnover, value added tax, taxes on export licensing and domestic licensing)	3,420,000	844.4	22.6%
				c. Excise Taxes (surcharge tax on petroleum products, custom duty on imports and petroleum products, excise on specific products)	1,953,400	482.3	12.9%
				d. Other taxes (excise on casinos, lotteries, bets, and airports, patent tax, stamp tax, fines)	145,291	35.9	1.0%
				1.1.2-International/ Trade Tax Revenue	1,960,700	484.1	13.0%
			1.2-Non Tax Revenue		1,466,253	362.0	9.7%
				Capital Revenue	433,586	107.1	2.9%
				Direct Revenue	133,586	33.0	0.9%
				Revenue from outside source	300,000	74.1	2.0%
2. Revenue outside National Treasury					3,687,000	910.4	24.0%
	Grant				537,000	132.6	3.5%
	Loans				3,150,000	777.8	20.8%

Source: Budget Law 2015, Exchange Rate: \$1=4050 based on Budget Law 2015.

The table clearly shows that more than two thirds of the revenue coming from tax and non-tax revenue are collected domestically from the people of Cambodia. Domestic taxes contribute approximately 50% of the total revenue. This is much higher than revenue from international trade tax, which is expected to collect around 13%. This low proportion of international trade tax is not a surprise given Cambodia's with commitment to the ASEAN⁹ Free Trade Area and World Trade Organization. Almost half of domestic tax revenue comes from indirect taxes which are charged to consumers. Value added taxes contribute almost 100% of indirect taxes. One of the major components of the VAT tax revenue comes from petroleum products such as gasoline, diesel,

⁹ Association of Southeast Asian Nations.

kerosene and fuel oil. For further detailed analysis of previous years, please see budget analysis 2009-2014 published by the NGO Forum on Cambodia¹⁰.

Businesses and consumers also pay non-tax revenue to the government. Businesses pay revenue from concessions and land rents¹¹ granted by the government, revenue from sales and rents of properties and services, enterprise establishment, cadastral and construction services, product quality control and standard compliance and others. Revenue from sales and rents of properties and services are from civil aviation, cinema activities, tourism activities, cultural activities, posts and telecommunication, radio and television and others. In 2015, these revenue items contributed around 60% of total non-tax revenue. Excise on embassies (passport and visa fees) and tourism activities contributed around 36.2% and 17.5% of the total non-tax revenue. Revenue from civil aviation and posts and telecommunication contributed around 6.3% and 6.4% of the total non-tax revenue. Other revenue such as revenue from concessions and land rents contributed around 7.7% of the total non-tax revenue, of which more than two thirds come from mining and forest concessions.

1.3.2 Where does the money go?

Everyone wants to know how the revenue collected is spent. The government expenditure is separated into two types: 1) Current expenditure and 2) Capital expenditure.

The current expenditures refer to the fund used to keep the administrative services running on a daily basis. For instance: the expenditure on the salaries of civil servants and armed forces, goods needed to provide services such as medicine and school text books and other services. The frontline primary delivery of services such as teachers and health services are affected by delayed cash disbursement or payment from the National Treasury as it requires secured operation costs to provide day to day services to students and patients. Other examples of current expenditure include social or economic interventions, interest payments and other unexpected expenditures.

The capital expenditure refers to the funds used to make investments for future income generation. This may include the financing of investment projects, partnerships and debt amortization. Good examples of capital expenditure are: expenditure on buildings and related infrastructure, construction of irrigation, electricity projects, construction of bridges, and purchase of vehicle. The maintenance expenditure is included in the capital expenditure. For instance: the maintenance on bridges or public infrastructure.

Line ministries and sub-national administration includes provinces/capital, districts/khans/municipalities, and communes/sangkats whose budget package was appropriated and adopted in the National Budget Law will spend their budget line by line in accordance with their annual plan to deliver services to the Cambodian people. For instance, the commune councils may use the commune/sangkat fund to build infrastructure (roads, wells, latrines) and provide other services in the communes such as birth registration and support for poor pregnant women to access health centers.

¹⁰ Or via website: <http://www.ngoforum.org.kh/index.php/en/publications-of-development-issues-programme> and www.cambodianbudget.org.

¹¹ Such as fishing, forest, mining, petroleum, and unused lands.

1.3.3- Deficit/Surplus

A deficit or surplus shows the difference between the revenue and expenditure of the government budget. If the government has more revenue than expenditure, it is a surplus budget. In contrast, if the government has less revenue than expenditure, it is a deficit budget. Thus, the difference between current revenue and current expenditure is the current budget deficit/surplus. While the difference between total domestic revenue and total expenditure is the deficit/surplus in general budget.

Reflecting that Cambodia is a developing economy, the overall budget is in a deficit status. The government will have to seek grants from development partners and external/foreign borrowing, which could be in the forms of bilateral (i.e. China, Japan, South Korea etc.) or multilateral (i.e. international financial institutions like World Bank, Asian Development Bank and International Monetary Fund (IMF)). Additional external borrowing means that our debt stock¹² increases or we owe more to foreigners and we will be required to pay this back in the form of principal and interest. This is always allocated as part of the annual budget law. In the annual budget law, the government is also allowed to issue treasury bills at a certain amount to offset cash shortages and/or budget deficit.

Foreign aids accounts for almost one third of the total national budget revenue, standing around 26.3%. 92.5% of this revenue is operated outside the national treasury system according to the National Budget Law 2015. Around 15% of this foreign aid will come from grants and the remaining 85% will come from loan/external borrowing (see in table 1). In addition, the 2015 National Budget Law states that the government paid around USD 176 million or around 4.5% of the total national budget to the external debtors. This is made up of USD 68.2 million for interest (financial charges) and USD 107.8 million for the repayment of principal (settlement of borrowing).

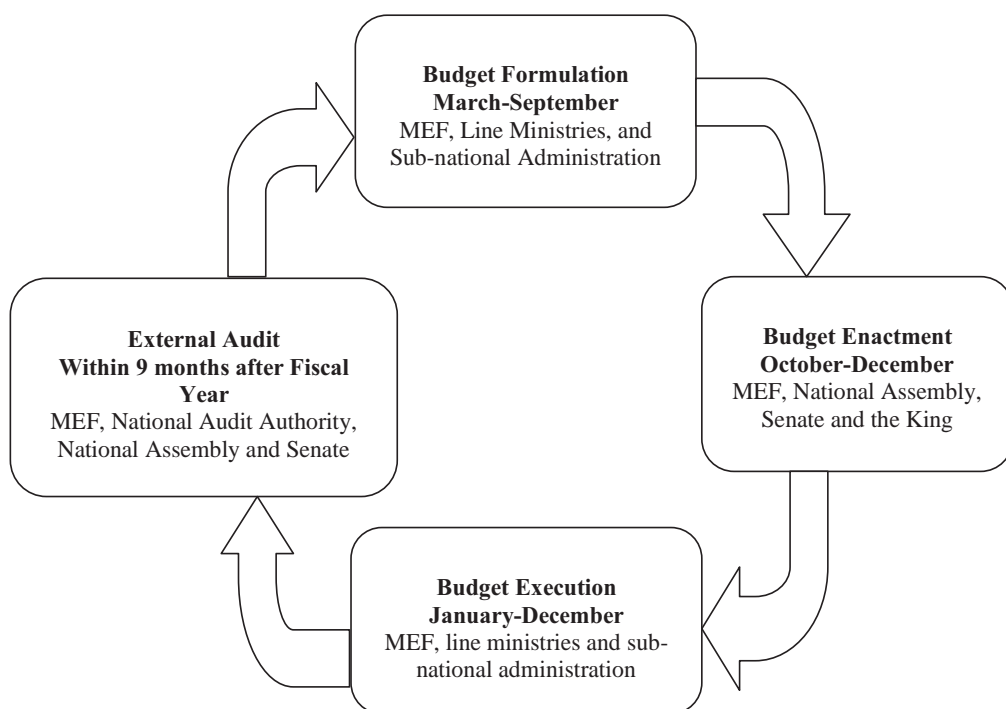
¹² For further explanation on debt, please visit IMF website: <http://www.imf.org/external/pubs/ft/dsa/pdf/2014/dsacr1433.pdf> and NGO Forum website for Factsheets on Foreign Concessional Loans (2013): <http://www.ngoforum.org.kh/index.php/en/publications-of-development-issues-programme>.

II. National Budget Cycle and Stakeholders

The National Budget Law is just one event in the ongoing management process of government tax and spending policies. In this section, we discuss the budget cycle. The budget cycle consists of four major stages in making decisions about raising revenues and spending public funds as shown in figure 3. In addition, the table 2 presents schedules and key documents to be produced in each stage of the budget cycle.

As can be seen in figure 1 below, the Ministry of Economy and Finance plays a central role in budget preparation, budget execution, and report preparation for the National Assembly and the Senate. The external auditing is guided by two pieces of legislation: 1) the 2008 Law on Public Finance System¹³ and 2) the 2000 Law on Audit¹⁴.

Figure 3: Four phases, time period and actors of budget cycle



¹³ See the website of the Cambodia Rehabilitation and Development Board (CRDB) of the Council for the Development of Cambodia (CDC) (http://www.cdc-crdb.gov.kh/cdc/twg_network/country_systems_cambodia/strengthening_national_systems/resources_on_rgc_reforms.htm) or NGO Forum's budget website www.cambodianbudget.org

¹⁴ See the website of the National Audit Authority (<http://www.naa.gov.kh>) or NGO Forum's budget website www.cambodianbudget.org

Table 2: Calendar for preparation of the National Budget as stated in Article 39 of Law on Public Finance System (2008)

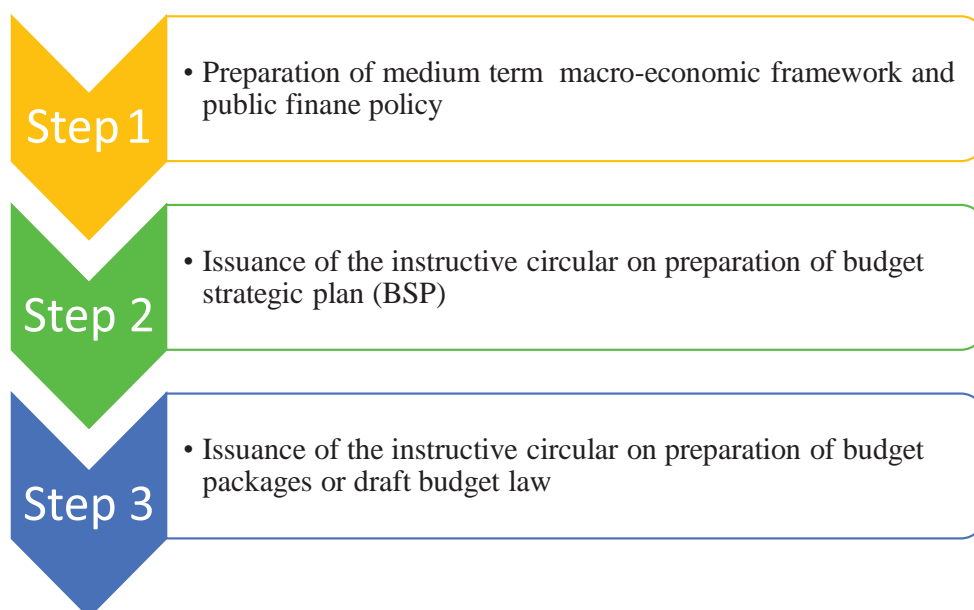
March – May	<ul style="list-style-type: none"> ▪ First week of March: Prepare new macroeconomic policy and medium-term public finance framework coherent with the national policy on development, for approval by the Council of Ministers ▪ First week of April (see box 1): Issue Instructing Circular for national and sub-national administration on how to prepare budget strategic plans in accordance with the previously mentioned macroeconomic policy and medium-term public finance framework ▪ First week of April to 15th May: Ministers, head of institutions or similar public entities and capital/provincial governors to prepare budget strategic plans for their own budgets and submit to MEF not later than 15th May.
June – October	<ul style="list-style-type: none"> ▪ First week of June (see box 3): Draft instructing circular on annual budget preparation to be adopted by the Council of Ministers (first week of June, see box 3) ▪ First week of June to 15th July: Ministers, head of institutions or similar public entities and municipal/provincial governors provide details on their revenue and expenditure and send to MEF no later than 15th July. ▪ August: Discussion with ministers, head of institutions or similar public entities and municipal/provincial governors on their proposals ▪ September: Finalize the balance of revenue and expenditure to put into a draft budget law ▪ First week of October: Draft law for the financial management of the year as well as an explanatory note of the law is submitted to the Council of Ministers by the first week of October
November – December	<ul style="list-style-type: none"> ▪ First week of November: The government submits a draft law to the National Assembly ▪ First week of December: The National Assembly submits a draft law to the Senate for the approval before 25th December. ▪ Before start of the fiscal year: Promulgation into law by the King/declared effective by the Royal Decree

Source: Law on Public Finance System (2008)

2.1 Stage 1: Budget formulation [March – September]

This section will try to answer the question of “how does the government create a budget?” There are three distinct steps in Cambodia’s budget formulation process as shows in figure 4.

Figure 4: Budget formulation process



Box 1: Understanding the Macroeconomic Assumptions and Fiscal Space Projection

As stated in the law on public finance system 2008, MEF is tasked to provide updates on the macroeconomic and public finance framework particularly the economic growth target i.e. 7% compared to the current fiscal year. This is done by the General Department of Macroeconomic and Public Finance Policy of MEF. In practice, MEF projects the expected revenue collection including the aggregate amounts of taxes and non-taxes revenue based on the macroeconomic projection and targets and then provides a budget expenditure aggregate or ceiling to all line ministries within the fiscal space it has projected for the upcoming fiscal year. Building on these procedures, MEF, particularly the budget formulation department, stated the possible increase and some flexibility that line ministries could prepare their budget for negotiating with the MEF.

These projections, depending on the credibility of the information used for the projections, help the Government to better prepare itself in case of budget surplus or budget deficit. Annually, the Government has been running an overall budget deficit due to the high need for public investments particularly for infrastructure development, irrigation systems, electricity connection network, and others. In the case of a budget deficit, the Government can plan the amount of loans, particularly concessional loans, to be generated from bilateral and multi-lateral debtors as well grants to be supported by development partners. The amount of concessional loans is stated in the draft budget law or budget law to allow the Government a certain threshold for seeking external financing to fill in its overall fiscal deficit. In case of a budget surplus, the Government deposits or reserves this at the National Bank of Cambodia to maintain the fiscal position as advised by the International Monetary Fund.

For the **first step**, MEF prepares a medium term macro-economic framework and public financial policy and submits them to the Council of Ministers for approval. The framework presents information about the macroeconomic projection in the medium term and macroeconomic aggregates. MEF takes into account analysis of the current economic and financial situation and its future prospects for the short and medium terms, as well as any macroeconomic constraints. The projected economic growth targets and prospects provide guidance for the MEF to estimate how much revenue it can raise and how much it can spend taking into account the fiscal policy impact on inflation, poverty and economic growth.

After the Council of Ministers approves the macroeconomic framework and the medium-term public financial policy, the **second step** is the Government's issuance of the instructive circular on the preparation of Budget Strategic Plans (BSP) to all Government ministries-institutions at national and sub-national levels. The BSP will then be submitted to the MEF no later than 15th May.

For the 2015 budget, the first circular issued by the Government was titled: “**Instructive Circular on the Preparation of 2015 Budget Strategic Plan (BSP)**”, which is main tool under the Public Financial Management Reform Programme (PFMRP) for applying a programme budgeting approach to resource allocation in the government. The BSP set out the strategic framework for the preparation of the Ministry's budget. The budgeting for the BSP is structured both programmatically and by economic classification. The circular was issued to line ministries and provincial line departments which are considered national level administration. It was signed by the Prime Minister on 02nd April 2014, and published in the Royal Gazette¹⁵ on 30th April 2014. This second step in the budget formulation process starts when Government agencies receive the circular. At that time, Ministers in all ministries, heads of all institutions and similar public entities, prepare a **Budget Strategic Plan** based on the Circular, vision, goals, objectives and priorities, which should align with sector priorities, the National Strategic Development Plan and rectangular strategy. Each line ministry's BSP shall capture budget of provincial line departments. These Budget Strategic Plans need to be sent to the Ministry of Economy and Finance no later than 10th May, which is earlier than the date required in the Public Finance System Law. The Budget Strategic Plans from various ministries, agencies, and other entities are internal documents of the Royal Government and therefore not publicly available. Box 2 below provides a brief overview of the content of the circular.

Another instruction on BSP preparation by sub-national administration was issued by MEF (signed by the Minister of MEF on 10th May 2014) for all sub-national administration. All Governors of sub-national administration (provinces, capital, municipalities, districts and khans) prepared their BSP and submitted it to provincial departments of economy and finance for summation and to be sent to the General Department of sub-national administration finance no later than 15th May 2014. Box 3 below provides a brief summary of the content of the instruction.

¹⁵ The Royal Gazette is the official publication mechanism of the Royal Government and is usually printed four times per month for sale at reasonable cost. Copies can be obtained from the National Library and Public Libraries at the National Assembly and Senate.

Box 2: Government Instructive Circular on the Preparation of 2015 Budget Strategic Plan

The government issued this circular on 2nd April 2014 and published it in the official gazette on 30th April 2014. This circular was issued to inform line ministries and provincial departments about updates in the BSP guideline and BSP preparation made by MEF. Details of how to prepare the BSP is laid out in the BSP guideline.

Section I: Introduction

“The Instructive Circular on the Preparation of 2015 Budget Strategic Plan” is a 27 pages document (in Khmer) consisting of both circular content and annexes of tables and templates. There are some changes in this circular compared to previous years. The paragraph on setting the deadline for submission of all Budget Strategic Plans to the MEF was moved to the last part of the circular. The first section of the document is an introduction that explains the role and relevant regulatory framework of the circular, explains the importance of the “*Budget Strategic Plans*” that each ministry has to prepare on an annual basis, and stresses the importance of these plans in linking the national budget to Government policies.

The third paragraph of the introduction explains that the Budget Strategic Plans are tools for integrating the line ministry’s recurrent and capital budgets plus the national budget and the funds financed by the Government’s development partners. The fourth and last paragraph explains the strategic direction of the budget system reform 2013-2020 and key public finance management reform areas.

In 2015, it is the turning point of public finance in Cambodia. 10 ministries will implement full programme budgeting while the budget decision is decentralized to the general department or department level called ‘Budget Entity’. At the same time, the Financial Management Information System and new budget classification will also be implemented.

Section II: Macroeconomic Policy Framework and Public Finance Policy Framework

There are two parts in Section II.

Part A provides an overview of the Macroeconomic Policy Framework. The paragraphs provide a brief description of economic growth estimates for 2014 and projections for 2015 with broad explanations on sources of growth, inflation, exchange rate, and current account deficit.

Part B discusses the Public Finance Policy Framework for the preparation of the 2015 Budget Law. It starts with listing the key objectives of the Public Finance Policy 2015-2017. This part links to the analysis presented in part A and projects that overall revenue increases to 15.95% of Gross Domestic Product (GDP). This is based on a targeted annual increase of revenue at 0.5% of GDP for the period of 2015-2017. Overall expenditure is projected at 20.91% of GDP. Recurrent budget surplus (3% of GDP) and overall budget deficit targets (5% of GDP) are also set in this section.

In addition, there are updates in section II where key policy measures to strengthen custom and duty, domestic tax and non-tax revenue collection are listed based on the Medium Term Revenue

Collection Strategy 2014-2018. The main objectives of the budget expenditure are also highlighted here and include a list of public expenditure priority policies and measures as well as a listing of prioritized sectors and sub-sectors (within the framework of the NSDP). Those priorities are public civil servant salary increase, efficiency and transparency in public finance management, education (i.e. schools, scholarship for poor students), vocational training, health (i.e. quality of services, hospitals), social safety net, land, agriculture, irrigation schemes, clean water, development of physical infrastructure (i.e. roads, bridges, railways, ports, electricity) and rural development.

Section III. Structure of the BSP

The third and last section of the circular titled ‘Structure of the BSP’ provides the Guidelines to each Government Ministry and Agency to come up with the Budget Strategic Plan for 2015-2017. This has to be prepared following the content in this section and using the template attached to the circular. Each Budget Strategic Plan submitted to the Ministry of Economy and Finance must cover the following five areas:

1. **Introduction:** clarify the role, tasks, responsibilities, and mandate of the ministry / agency; provide a situation report (focusing on progress of indicators) of last year (2013), projection of the current fiscal year implementation (2014), and prospects for the future year and; explain their linkages and contribution to the achievement of the rectangular strategy and NSDP.
2. **Policy objective:** provide the medium and long term policy objectives (3-5 years) set by the ministry / agency to contribute to the implementation of the National Strategic Development Plan and the Rectangular Strategy.
3. **Programs or Strategic Priorities:** set out the costly priority programs for program budgeting ministries / strategies for non-program budgeting ministries to achieve the medium and long term policy objectives, which may consist of sub-programs, projects and activities. It also explains the division of tasks between ministries and provincial departments and their relevance to the programs and sub-programs. Tables 1.1, 1.2, 2.1 and 2.2 of the circular provide a template to be used to indicate the plans, costs, program structures and responsible departments/general departments (budget entity or implementing entity), and sources of funding either from the national budget or development cooperation financing.
4. **Defining Indicators and targets:** propose indicators and its targets to measure performance of the priority programs / strategies that contribute to the implementation of the ministry policy direction, NSDP and the Rectangular Strategy. For the effective measurement of programs and strategic priorities, both output (less than one year) and outcome indicators (longer than one year) have to be produced. Progress of indicators set for 2013 and 2014 shall be reported and indicators may be revised, deleted or added if needed for 2015. Table 3.1 & 3.2 in the annexed template of the circular is to be used for presenting indicators and targets.
5. **Costing of resources:** Expenditure costing has to be based on the real needs of the programs and strategies for a three years period (2015-2017) and be based on the medium term macroeconomic framework and public finance policy framework. It also has to be classified by budget classification and funding sources (national budget or development cooperation financing). Tables 4.1 & 4.2 in the annexed template of the circular are for expenditure. For those ministries whose task it is to collect revenues, revenues for a three years period (2015-

2017) need to be forecasted, including new policies and measures planned for managing revenue collection. Tables 5.1 and 5.2 in the annexed template of the circular are for revenue. Both expenditure and revenue have to include the report of the last fiscal year, projection of the current fiscal year and next fiscal year.

6. **Conclusion:** Set out the conclusion of the BSP and future program direction and policy measures to achieve policy objectives set in the BSP.

Section IV: Conclusion

In the conclusion, the government highlights key issues relating to Cambodia's transition from a low income country (LIC) to a middle income country (MIC) in the context of ASEAN regional integration and globalization and the increasing competitiveness among countries. Cambodia has to shift its focus from quantity to quality and strengthen its human resource quality. The last two paragraphs explain how each ministry collates BSP from provincial departments and the introduction of the new template to improve BSP quality. It sets the deadline for submitting the BSP to MEF by 10th May 2014. The Circular is signed by the Prime Minister and circulated widely throughout the Government, the National Assembly, official gazettes, and Government's Archives. Attached to the Circular are the required templates to be filled by the Line Ministries and Agencies to prepare their Budget Strategic Plan. They are differentiated between program budget ministries and non-program budget ministries/agencies. Program budget ministries will present their BSP in the logical flow of policy objectives, programs, and sub-programs followed by indicators and targets and costing in each level. Non-program budget ministries will present their BSP in a similar structure and flow but use different titles from policy objectives, to strategic priorities, and activity clusters. Provincial line departments also have to prepare BSP using the same forms/templates, but they are responsible for sub-programs or activity clusters

Source: Official Gazette #32, Year 14, 4th week, 30 April 2014.

Box 3: MEF circular for Sub-National Administration in Preparation of 2015 BSP

The circular was issued by the Ministry of Economy and Finance on 10th April 2014 and published in official gazettes on 30th April 2014. In line with the decentralization and de-concentration reform and article 35 of the Law on Fiscal Regimes and Asset Management of Sub-National Administration, MEF issued an instructive circular for sub-national administration to prepare their BSP. The circular asks provincial and district governors to prepare BSP based on their five year development plan, three year rolling investment plan, and medium term expenditure framework after receiving notifications on its program and budget amount and submit to provincial and district councils for review, discussion and approval. The approved BSP is then sent to provincial departments of economy and finance for consolidation based on annexed Table 1 and 2. The BSP has to be submitted to MEF with the attachment of a provincial and district five year development plan and a three year rolling investment plan no later than 15th May 2014. This instruction was issued on 10th April 2014 by MEF minister. The details concerning the preparation of BSP are laid out in the BSP guideline to be issued by MEF.

Source: Official Gazette #32, Year 14, 4th Week, 30 April 2014

In the context of 2015 budget preparation, the following developments should be noted:

- 1- Ten ministries will implement budget entities and full program budgeting. The ten ministries are: 1- Ministry of Education, Youth and Sports; 2- Ministry of Health; 3- Ministry of Women Affairs, 4- Ministry of Labor and Vocational Training; 5- Ministry of Agriculture, Forestry and Fishery; 6- Ministry of Rural Development; 7- Ministry of Public Work and Transport; 8- Ministry of Land Management, Urbanization, and Construction; 9- Ministry of Justice; and 10- Ministry of Economy and Finance.
- 2- Implementation of New Economic Budget Classification and the gradual implementation of five other budget segments/classifications (see details in the next chapter). In 2015, three budget classifications will be used in the budget formulation and implementation: Economic, Administrative and Program.
- 3- Implementation of Financial Management Information System (FMIS).

Two central aims of program budgeting are (a) to link policy and resource allocation more closely and transparently and (b) to deliver government service more efficiently by monitoring and evaluating physical and financial performance against targets.

The third step is the Government's issuance of instructive circular on "*Preparation of the Budget Package*"¹⁶ or Draft Budget Law in the first week of June to all Government Agencies at national and sub-national levels (see box 4 and 5). The draft budget packages will be submitted to MEF at the end of September. At the beginning of June, the MEF drafts another (second) Circular on budget preparation techniques by specifying the formality and procedures of budgeting together with an explanatory note/statement. This instructing circular must be adopted by the Council of Ministers by the first week of June. The circular is then sent to all Government ministries and agencies and similar public entities at the national level so that they can prepare their detailed revenue and expenditure budget and submit it to MEF by 15th July. To support the budget formulation and implementation process, MEF also issued Prakas on Implementation of Programme Budget preparation and implementation guidelines in 2014.

In addition to the second circular, MEF issued another instructing circular on technical procedures for drafting sub-national administration budget (see box 5). The circular aims to formulate a permanent provincial/capital level working group to support budget preparation at three levels of sub-national administration: province/capital, district, municipality and khan, and commune/sangkat. By 2016, it is expected that MEF will issue a programme budget preparation and implementation guideline for the sub-national administration (see further in section IV).

¹⁶ Article 39, 2008 Law on Public Finance System

Box 4: Instructing Circular on the Preparation of the Draft Law on Financial Management 2015

This circular was signed on 6th June 2014 by the Prime Minister and published in the Official Gazette on 15th June 2014. The Circular is a 71 page document (in Khmer), including annexed tables and templates, and has four separate sections. The version published in the official gazette did not include annexes, tables, and templates and has only 19 pages.

Section I: Introduction. The first paragraph provides the context of the drafting of the Law on Public Financial Management for 2015. It presents the relevant regulatory framework for ministry and sub-national administration budget revenue and expenditure preparation. The second paragraph provides brief socio-economic and political contexts as well as the economic growth and poverty reduction in the last five years followed by challenges faced by the government in the last term. The third paragraph focuses on Cambodia's transition from LIC to MIC and the Government's commitment to deep reforms. The fourth paragraph presents economic outlooks at regional and global levels and its impact on the Cambodian economy. The fifth paragraph presents economic risks and challenges and the sixth concludes the introduction section.

Section II: Macroeconomic Policy Framework and Public Finance Policy Framework for 2015. This section outlines the framework of economic and public finance policies for 2015. Part A on the macroeconomic framework for 2015 includes the 2013 macroeconomic performance with explanations by sectors and key sectors, projections of 2014 and 2015 macroeconomic performance with explanations by sectors and key sectors, inflation, exchange rate, and current budget deficit. Mainly, it aims to maintain sustainable economic growth (7% per annum), debt sustainability, and inflation (5% per annum) and exchange rate targets. Part B on the public finance policy framework and 2015 budget lists commitments to the National Strategic Development Plan and the Rectangular Strategy and eight bullets of key policies and reform programs. It also lists specific targets for revenue collection and expenditure. The government made it clear that there will be no tax increase and no new taxes except for those products and services that are affecting people's health and environment. Policy measures for strengthening revenue collection from custom and duty, tax, and non-tax are based on Medium Term Revenue Collection Strategy 2014-2018.

The main objectives of the budget expenditure are also highlighted here and include a list of public expenditure priority policies and measures as well as a list of prioritized sectors and sub-sectors (within the framework of the NSDP). Those priorities are a public civil servant salary increase, efficiency and transparency in public finance management, education (i.e. schools, scholarships for poor students), vocational training, health (i.e. quality of services, hospitals), social safety net, land, agriculture, irrigation schemes, clean water, development of physical infrastructure (i.e. roads, bridges, railways, ports, electricity) and rural development. Recurrent budget surplus (2.77% of GDP) and overall budget deficit targets (4.97% of GDP) are also set for 2015 in this section.

Section III on procedures and techniques of 2015 budgeting provides instructions to ministries/agencies and provincial/municipal departments to prepare their budgets and includes both revenues (part A) and expenditures (Part B). The circular asks line ministries to focus on the effectiveness of their program and sub-program, output and outcome and their linkages and contribution to the achievement of policy objectives and targets. The Circular also provides instructions for program budget and non-program budgeting ministries and provincial departments to provide their expenditure budget details in chapters, as well as at account and sub-account levels based on new economic budget classifications plus the attachment of explanation on each line item. The circular also sets principles and measures (targets) for each budget chapter. Part C offers certain deadlines for the preparation of 2015 budget revenue and expenditure at different stages from the budget negotiation (1st August to 30th September 2015), to the submission to the Council of Ministers, the National Assembly, and the Senate for approval and adoption before 25th December. The revenue and expenditure templates to be used by all ministries, provincial departments and sub-national administration are attached as an annex to the circular.

Section IV is titled ‘conclusion’. It reiterates the importance of the linkage of ministry policy objective, program, sub-program and activities to the achievement of NSDP and Rectangular Strategy Phase III. This section also calls for commitment from all ministries, agencies, and sub-national administration in the implementation of the circular following the deadline set for submission of the detailed revenue and expenditure plans (using forms and templates attached to the Circular) no later than 11th July 2014. MEF also called for strict compliance to the deadline to give sufficient time for MEF and ministries and sub-national administration to negotiate budget at technical and political levels.

The circular with attached forms, tables and templates was signed by the Prime Minister on 6th June 2014. The attached forms, tables and templates are for both program and non-program budgeting ministries and provincial departments. For program and non-program budgeting ministries and provincial departments, they have to fill the table of revenue and expenditure based on economic budget classification of last year’s budget law and its estimated implementation and new budget law (2015). For budget expenditure, there is a required budget breakdown in each budget chapter (60, 61, 62, 63, 64, and 65) into more detail by accounts and sub-accounts. Tables of capital expenditure or public investment projects and list of civil servants and armed forces (for chapter 64) are also required for budget expenditure. For program budgeting ministries, they are required to fill in the tables of programs, sub-programs, activities, indicators, targets, and responsible persons/departments. Program budgeting provincial departments are required to fill in the tables of sub-programs and activities in line with their umbrella ministerial policy objectives and programs.

Source: Official Gazette #44, Year 14, 2nd week, 15 June 2014

Box 5: MEF instructing circular on drafting sub-national administration budget (2015)

The circular, signed by MEF minister on 20 June 2014 and published in the official gazette on 12 July 2014 has six sections and covers three layers of sub-national administration.

Section A: Revenue Planning. There are two sub-sections: Sub-section A1: Recurrent Revenue and Sub-section A2: Recurrent Revenue for Capital Expenditure.

Section B: Expenditure Planning at three layers: Capital/Provincial Budget Planning; District, Khan and Municipality Budget Planning; and Commune/Sangkat Budget Planning. This section explains the expenditure planning using the common economic budget classification issued by MEF in 2013.

Section C: Expenditure Planning Preparation. This section explains the budget expenditure preparation in detail to the chapter level for recurrent and capital expenditure.

Section D: Methods in preparing revenue and expenditure planning at three levels of sub-national administration. There are two sub-sections: revenue and expenditure planning.

Section E: Dates of budget preparation and adoption at three levels of sub-national administration.

Section F: Mechanism to support budget preparation at sub-national administration levels.

Source: Official Gazette #51, Year 14, 2nd week, 12 July 2014

After receiving all submitted revenue and expenditure plans from the Ministries, Institutions, public entities, provinces and cities, the MEF compiles and adds up all the revenue and expenditure plans. The second half of July and months of August and September are devoted to budgetary negotiations and the preparation of draft budget law. Ministers from all line ministries, directors of all independent state institutions and provincial/municipal governors are invited by MEF to discuss and debate their budget proposals. In September, after discussions and debates, MEF finalizes the balance of revenues and expenditures to the appropriate level based on macroeconomic forecast or target. The draft budget law is then prepared in a draft form. The detailed structure and information in the draft budget law will be discussed in the next chapter.

During the first week of October, the MEF sends a draft Budget Law to the Council of Ministers, who then submits it to the Legislature in the first week of November for review and approval. In addition to the draft annual budget law, MEF also prepares an explanatory statement on the draft budget law.

When the draft annual budget law is sent to the National Assembly, it is the rights of the National Assembly to make it publicly to their respective provincial constituency as they represent their voters. The second stage of the budget process also begins, when the National Assembly receives the draft annual budget law.

Role of citizens, civil society organizations / NGOs

Although the formulation of the annual budget remains a closed door for the civil society to directly participate and access, there is still an opportunity for analysis and advocacy for NGO/CSOs who are working on this stage. For instance, NGO/CSOs can produce an analysis of the issues concerned and report budget formulation to stakeholders for consideration or to be prioritized (Sapiro, 2001). This report may be able to influence the budget being formulated. In addition, it is also an opportunities for the NGO/CSOs to establish a line of communication with the budget formulation officials.

2.2 Stage 2: Enactment of the Budget Law by the Legislature (Nov. to December)

The National Assembly receives the draft budget law from the Council of Ministers during the first week of **November**¹⁷. The draft budget law¹⁸ is initially reviewed and discussed within the second commission of the National Assembly on Economy, Finance, Banking and Auditing, who further discusses the draft budget law with senior Government officials from the Ministry of Economy and Finance. These discussions are currently not open to the public, and there is no civil society participation. Later in November, the National Assembly holds a plenary debate where it discusses, debates, proposes amendments if necessary and finally adopts the budget before sending it to the Senate. Following approval by the National Assembly, the adopted draft Budget Law is sent to the Senate for examination and recommendations in the first week of December. If the Senate gives its approval, the draft Budget Law is sent directly to the King for promulgation. However, if the Senate calls for modifications, the draft Budget Law is sent back to the National Assembly. The National Assembly then examines the Senate's proposed modifications and decides whether to accept or reject all or some of the provisions. The process of sending the draft budget law back and forth between the National Assembly and the Senate cannot exceed 10 days. After the adoption of the law by the National Assembly and the Senate, the King signs and promulgates the adopted Budget Law¹⁹ (see figure 5).

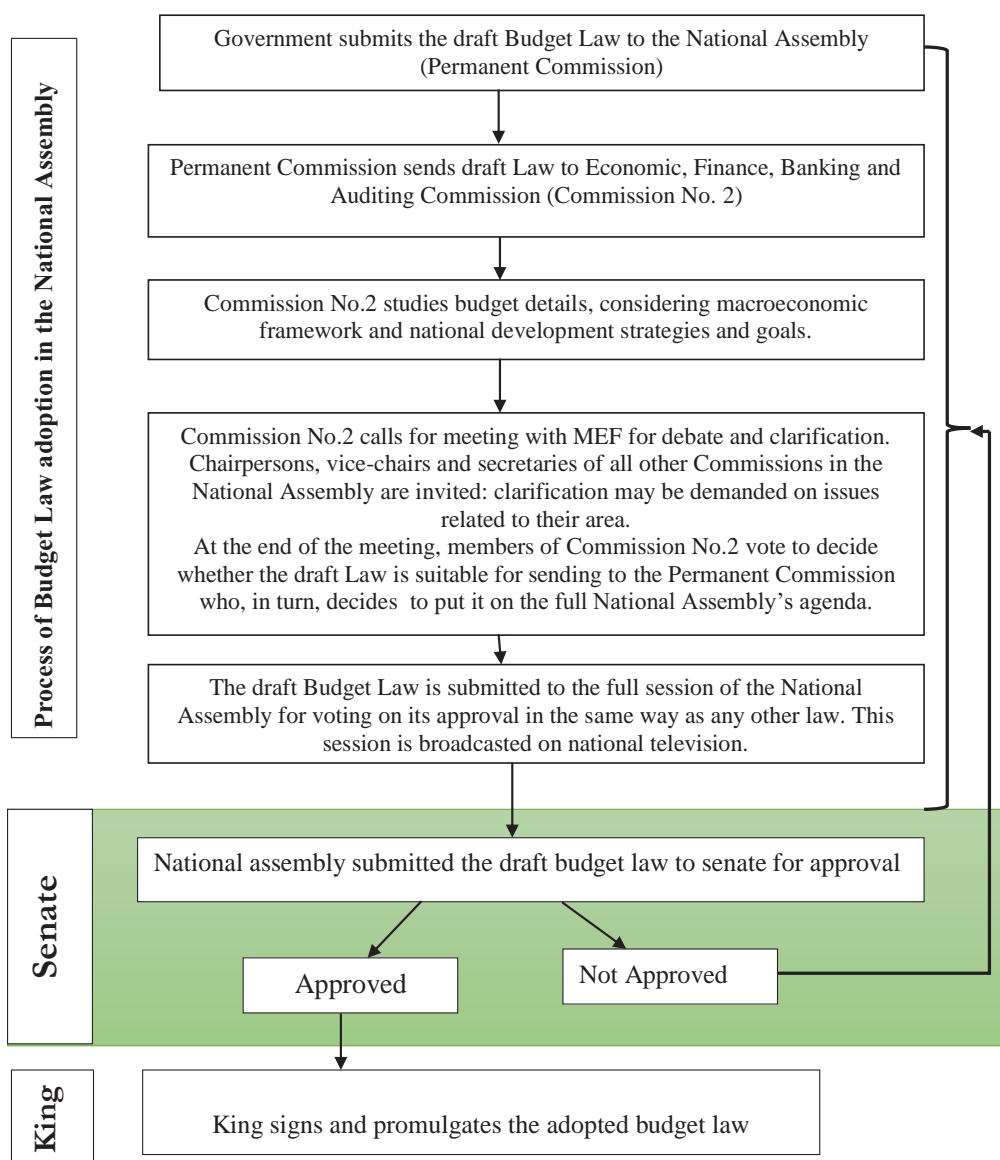
The calendar for budget preparation is very clear. However, as stipulated in article 50 of the law on public finance system, if the draft Annual Budget Law is not adopted prior to 1st January of the financial year, the previous year's budget (revenue and expenditure) will officially continue with the exceptions of public debt obligations and amortization and Cambodia's membership in international institutions and inter-governments. For current expenditure, it shall be implemented based on the previous year's budget using a temporary method of 1/12 for each month until the approval of the new budget. This means that the new calendar does not propose a specific timeframe for ministers to revise the draft law in case of a negative vote by the National Assembly.

¹⁷ Besides this, practice in Cambodia is that the Second Commission of the National Assembly receives a copy from the Ministry of Economy and Finance when it sends the draft Budget Law to the Council of Ministers in the first week of October. The main reason was to give some time to the second commission to prepare for the review of the draft budget law.

¹⁸ It has to be noted here that these discussions relate to the main budget areas organized by Ministry. The detailed breakdown is the responsibility of the executive (see stage 3 of the budget cycle for more information).

¹⁹ Article 39 of the law on public finance system

Figure 5: Process of budget law adoption



Role of citizens, civil society organizations / NGOs

Since there is no public discussion and participation in the budget enactment, NGO/CSOs can only be involved in this process by getting media coverage of their budget analysis. The media can help the legislature to have more information before the decision made (Shapiro, 2001).

2.3 Stage 3: Execution of the Budget Law by the Executive (Jan. 1 to December 31)

After the National Budget is adopted as law, the government starts the budget execution phase. This phase consists of implementing the Budget Law, monitoring its implementation, and control. The Ministry of Economy and Finance plays a central role in this stage. The budget law contains only the aggregate amount of budget appropriation by sources and types of revenue, and national (central ministry and provincial/capital departments) and sub-national administration budget expenditure (province/capital; municipality, khan and district; and commune/sangkat).

To support the budget implementation, monitoring and control during the fiscal year, MEF submits to the Prime Minister two sub-decrees (one for revenue and another one for expenditure) which finalizes the detailed allocation of budgetary appropriations by chapter and probably by program in each ministry. To allocate earmarked budget items (in aggregate amounts) in the unallocated section of the Annex B in the budget law, MEF also submits a sub-decree for transferring budget credit to the Prime Minister for approval. After that the MEF minister issues three Prakas: 1- Prakas on Delegating national budget revenue collection to all line ministries, state secretariat and provincial/capital governors; 2- Prakas on allocating national budget expenditure credit appropriated by chapter in each ministry into account and sub-account for financial management (i.e. 2014); and 3- Prakas on transfer of budget credit into account and sub-account based on sub-decree of budget transfer above. The sub-decree and prakas on budget appropriation and allocation provide details of budget amounts allocated by line item based on economic budget classification which serves as the basis for budget request, execution, and settlement. The procedures of budget request, execution and settlement are specified in the MEF Guideline for Expenditure and Financial Control Procedures for Recurrent National Budget.

Prior to budget implementation, MEF issued an instructing circular on the implementation of budget law (2014). The circular has seven sections:

- 1- Introduction
- 2- Conditions and measures in implementing budget revenue collection and expenditure 2014
- 3- Control, Monitoring and Reporting: This section requires line ministry and provincial departments to submit monthly, quarterly, six monthly and annual budget implementation reports to the general department of budget based on specified dates
- 4- Measures to strengthen the management of state property
- 5- Measures to maintain budget balance and efficiency
- 6- Punishment and accountability of public officials
- 7- Conclusion.

The Ministry of Economy and Finance is responsible for the consolidation of a detailed National Budget. This detailed budget is a further breakdown of the budget amounts in the Budget Law based on two budget classifications up to 2014: administrative and economic. Administrative budget classification is categorized by administrative management structure, which is national (central ministries and provincial/capital departments) and sub-national administration (province, capital, municipality, khan, district, and communes/sangkat). Economic budget classification is classified into group, class, category, chapters, accounts, and sub-accounts, which has up to 8 digit budget codes. This economic budget classification is used as a main tool for budget formulation, negotiation, execution, settlement, and public accounting transactions and recording. There are a

total of 8 budget classifications or segments that the Ministry of Economy and Finance planned to implement in its public financial management reform program on the areas of geography, function, program, administration, and economy, sources of fund, project, and operating unit (FMIS newsletter of August 2014).

For the 2015 budget onward, MEF will add program budget classifications as another category by giving budget details to the levels of programs, sub-programs and activities. This was introduced to those ministries that are implementing full program budgeting in 2015. When drafting this guide, MEF has already issued templates and tables for program budgets to line ministries. This was attached to the government's instructing circular on the preparation of the draft budget law 2015 (see boxes 2 and 4 above).

The detailed budget breakdown is a public document which is made available upon request, printed in six volumes of budget books. It can be obtained from the Budget Formulation Department of the General Department of Budget, Ministry of Economy and Finance. It is usually available in the first quarter of the fiscal year depending on the speed of finalizing the budget breakdown and printing. It describes the national budget, providing more details on how the budget is allocated based on the above budget classifications. Box 6 provides a short description of the six volumes of the 2014 National Budget books prepared by the Ministry of Economy and Finance. The budget book serves as the key budget appropriation and allocation ceiling to be used by national and sub-national administration in their budget execution during the fiscal year.

Box 6: the Six Books of National Budget, an Effective Budget Monitoring Reference

In the first quarter 2014 and as a reference for budget execution, the Ministry of Economy and Finance published the six volumes of the Government's budget. These six volumes together are the most detailed description of the National Budget funded by the government, excluding public investment projects financed by development partners. The Budget Formulation Department of the Ministry of Economy and Finance provides the six books free of charge by making it available upon request to NGOs and interested stakeholders. There are limited copies.

Volume 1: Law and Relevant Regulations:

The national budget includes the body of the national budget law approved by the National Assembly. In addition, it includes the Circular with Instructions on the preparation of the Budget Strategic Plan (see box 2 and 3), the Circular on the Preparation of the Draft Law on Financial Management (see box 4 and 5), the circular on Budget Execution, Prakas and Sub-decree on Budget Credit Transfer and any legal instruments published in the year relating to budget management issues.

Volume 2: National Level Budget: Ministry and Institution

The budget allocation for central ministries which indicates details of each ministry's budget revenue and expenditure allocation by central and provincial levels, and for each individual province with the presence of line ministries and provincial departments. Revenue is classified by categories, types, chapters, accounts and sub-accounts. Expenditures are also further classified by different spending "chapters, accounts and sub-accounts". This volume describes only the Government's revenue and recurrent expenditure. For capital expenditure, there is only an

aggregate amount shown in the limited number of ministries as appeared in table B of the budget law.

Volume 3: National Level Budget: Capital and Provincial Technical Department

Budget allocation by provinces, detailing revenue and allocation by line departments. Again, it only covers the revenue and recurrent spending.

Volume 4: Capital and Provincial Budget for Annual Budget Management

Budget allocation to provincial and capital authorities, usually known as Capital and Salakhet budget, detailed by (Phnom Penh) capital and provinces. This budget book presents both revenue collection amount and expenditure amount using economic budget classification of Phnom Penh capital and each province. For Khans in Phnom Penh, their budget is recorded under Phnom Penh capital budget. In the expenditure side, it includes both recurrent and capital spending of some provinces, mostly Phnom Penh capital and those provinces with potential for attracting tourism.

Volume 5: District, Municipality and Khan Budget for Annual Budget Management I & II

This budget book has information on budget revenue (own sources, mostly non-tax revenue, and subsidy from the national government) and allocation to districts under each province, municipality, and khan under cities and capital. Most of budget allocation to districts is recurrent budget and has no capital budget; however, Khans and municipalities have capital budget allocation, mostly for infrastructure.

Volume: Commune/Sangkat Budget for Annual Budget Management

Budget allocation to all communes (1633 as of 2014) throughout Cambodia. This volume provides aggregate budget breakdown into administrative and development expenditure budgets of each commune/sangkat grouped under provinces and municipalities.

See detailed explanation on budget classification in the next chapter.

Source: MEF Budget Books 2014

When the budget law is enacted, Ministers, Heads of Institutions, and Heads of similar public entities (provincial department heads and governors of sub-national administrations) are the principal managers of their budget, both at the national and sub-national levels under their respective sector and responsibility in each province. These managers are authorized officers and in charge of both raising revenue and spending as stated in their specific budget. Ministries and heads of similar public agencies entrust, via a Prakas, provincial and municipal governors and departments with the capacity of delegated authorized officers for financial transactions of the budget within their territorial and specialized responsibility and geographic coverage (article 63 of 2008 Law on Public Finance System).

Modifications of these budgets may be necessary and can be made according to the principle “*whoever has authorized is the one who modifies*”. This means that changes in allocations or transfer of budget credit from one ministry to other needs to be voted on by the National Assembly (which is done by passing a budget adjustment law as stated in article 62 of the Law on Public Finance System). Modification within line ministry budgets identifies two types of transfer. The first type is the transfer from one chapter to another and this can be made by a sub-decree. The second type involves the transfer from one account and one sub-account to another and this can be made by Prakas of the Minister of Economy and Finance within the same budget chapter of line

ministries.²⁰ Additional transfer of budget to line ministry budget can be made via the sub-decree of transferring budget credit from unexpected expenditure (chapter 09) in the unallocated budget based on the condition that it is not planned during budget formulation and for special expenditure of the government²¹. This process of transferring budget from one line item to another is called ‘virement’ (see definition in glossary). For a rare case, additional budget credit could also be added to line ministries via a sub-decree in case of emergency and natural disasters that affect the national interest.

Within the different line ministries and public institutions, the control of budget implementation is carried by the financial affairs department, public accountants at national treasury and financial controllers based on each line ministry.

2.3.1 Budget Execution Procedure

In practice, the budget execution has to follow the procedures set forth by the MEF based on different Prakas and guidelines. One of the important documents during the budget execution is the guideline on budget execution published by the department of financial affairs of the General Department of Budget in 2013. The guideline explains steps and documents required to get the cash released from MEF (national and provincial treasury) to line ministries, capital and provincial departments, and sub-national administration. To implement the Law on Public Finance System (2008), three key documents (sub-decree 81, 82 and 105) along with other supporting ministerial regulations were developed and used to guide the budget execution process. They prescribe the legal framework on public financial management and the conditions under financial and accounting operations. Some of them are listed below:

- Sub-decree No. 82 dated 16 November 1995 on General Regulations for Public Accounting.
- Sub-decree No. 81 dated 16 November 1995 on Instituting Financial Control on Government budget expenditure at ministry, capital/province, and other similar public administration entity.
- Sub-decree No. 105 dated 18 October 2006 on The Procedures for Public Procurement. In 2012, the Law on Public Procurement was adopted and promulgated to replace the sub-decree²².
- Sub-decree No. 10 dated 12 April 2004 on Domestic and Overseas Daily Subsistence Allowance which was replaced by Sub-decree 216 dated 22 July 2014 on Domestic and Overseas Daily Subsistence Allowance for national and sub-national administration.
- Sub-decree No. 155 dated 15 September 2009 on Procedures of Cash Advance Payment for recurrent and public investment expenditure.
- MEF Instructive circular No. 014 dated 29 December 2006 on Petty Cash Payment Procedures.
- MEF Additional Instructive circular No. 003 dated 07 September 2007 on Petty Cash Payment Procedure (for Program Budget).
- MEF Instructing Circular No. 005 dated 22 February 1996 on financial control.
- MEF Prakas No. 030 dated 14 January 2003 on De-concentration of the Financial Control.

²⁰ For more information see: Chapter six (Naron, 2009) or section 1 of the 2008 Law on Public Finance System and article 55, 56, and 57 of the Law on Public Finance System.

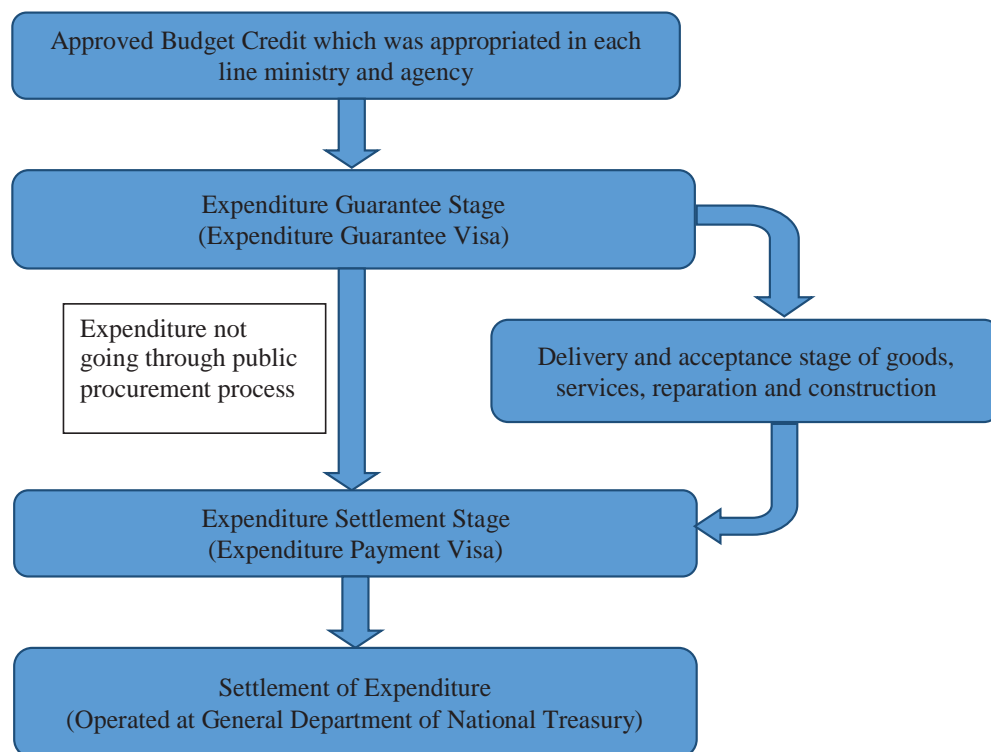
²¹ See article 25, 58, and 61 in the 2008 Law on Public Finance System.

²² See Cambodian budget website: www.cambodianbudget.org

- MEF Prakas No. 1415 dated 29 December 2006 on Delegating Signing Authority to financial controller based at line ministry and other central agencies in reviewing and issuing visa on letter of expenditure guarantee and payment mandate...

The above laws and regulations as well as other sector specific budget regulations can be found in the Guideline for Expenditure and Financial Control Procedures for Recurrent National Budget in the MEF website. The key steps of budget execution are shown in the figure below:

Figure 6: Flow of recurrent budget expenditure for national level administration



Source: MEF guideline on national recurrent budget expenditure and financial control procedures (2013)

The budget execution system after budget adoption and appropriation is classified into three operating layers:

- 1- Operation at Line Ministry: Upon receiving the budget request from departments under each ministry, the budget manager/head of spending agency reviews the budget availability and approved appropriation and submits the budget request with the required attached documents to MEF. Prior to submission, the financial controller based in each ministry has the authority to give a visa to the budget request based on a certain amount as delegated by the MEF minister (stated in the above Prakas on financial control). If this occurs, the budget manager/head of agency can submit the budget request to the General Department of National Treasury of MEF. The rest will have to submit to the department of financial affairs of MEF.

- 2- Operation at the Ministry of Economy and Finance: Upon receiving the budget request from line ministries, the financial affairs department at MEF reviews the conformity of the request to the guidelines and procedures and also the availability of budget credit, records the request in the budget expenditure guarantee monitoring book or the budget payment monitoring book (if budget request is for payment) and submits the request for approval from the MEF minister for budget guarantee visa issuance. If there is a lack of conformity, the budget request or request for payment will be returned to the line ministries for correction and, if the line ministries do not agree to the proposed correction, only the MEF minister can approve the budget request and payment.
- 3- Operation at the National Treasury: Having the role as cashier and public accountant of the government, the General Department of National Treasury will verify the conformity of budget manager or delegated budget manager characteristics, budget credit availability, appropriate budget allocation in sub-accounts, accounts and chapters, and delivery status of goods and services along with a visa issued by a MEF minister/financial controller.

The completion of these back and forth steps in the procedures will take approximately 2 to 3 months. The 2014 estimation of the World Bank showed that over two hundred steps are needed to get the cash disbursement from the national treasury.

2.3.2 Oversight Tools for Budget Implementation

One of the Government's main tools for oversight on budget implementation is the Table of State Financial Operations which is often referred to TOFE²³. TOFE is a sum of the monthly accumulated budget revenue and expenditure (see in table 3) and regularly published on the website of the MEF²⁴. The annual TOFE format is the same as the monthly TOFE (see annex 4). However, these two should be separated and presented differently in accordance with good international practice.

In addition to the figure tables, the TOFE has a short text report description including introduction, revenue, expenditure, fiscal balance and conclusion and presentation of graphs to compare current fiscal year with previous fiscal year. However, the information in the published TOFE is still in aggregate forms and this does not allow comprehensive analysis and monitoring of line ministry and sub-national administration budget. With the TOFE, the Government can monitor revenues raised and expenditure spent by ministries and recorded by economic classification. It also can see whether the overall revenue and expenditure is in line with the budget law as well as the budget deficit or surplus.

In addition, MEF also introduced Government Financial Statistics (GFS), particularly the Statement of Government Operation. This includes revenue, expenditure, assets and liability (debt) since 2013. Of specific interest is that the GFS provides line items included in the main categories from revenues or expenditure especially the information in memorandum items such as: 1) The reported revenues and expenditure by the provinces that is important for groups working on the decentralization & de-concentration reforms and 2) The reported revenues from extractive

²³ TOFE is short for “*Tableau des Operations Financières de l’État*” produced in a monthly basis.

²⁴ See the publication section on <http://www.mef.gov.kh>

industries that is of interest from groups advocating on transparency of company payments and government receipts from oil, gas, and mining companies.

The TOFE with provisional figures²⁵ on budget execution by ministries is also made available for sale at the department of statistics of general department of macroeconomic and public finance policy, MEF.

Table 3: The June 2015 TOFE

Billions of Riels	2015 Budget Law	Implementation Jan-June 2015 = 50%	
I Domestic Revenue	11,148.23	53.4%	5,949.38
1. Current revenue	1 1,014.64	53.7%	5,912.53
a. Tax revenue (broken down in sub-categories)	9 548.39	56.9%	5,436.66
b. Non tax revenue (broken down in sub-categories)	1 466.25	32.5%	475.87
2. Capital revenue	133.59	27.6%	36.85
II Budget Expenditure	14,598.66	24.6%	3,591.74
1. Current expenditure	9 275.16	30.1%	2,794.50
a. Wages (broken down in two categories)	4,566.41	41.2%	1,880.90
b. Non-Wages (broken down into sub categories)	4,708.75	19.4%	913.60
2. Capital expenditure (breakdown in sub-categories)	5,323.50	15.0%	797.24
3. Expenditure adjustments			(875.33)
CURRENT DEFICIT / SURPLUS	314.87	314.87	314.87
OVERALL DEFICIT/SURPLUS	(3,450.43)	43.0%	1,482.31
III Financing	3 450.43	-43.0%	(1,482.31)
1. Foreign financing (with further specifications)	3 550.43	7.2%	257.09
2. Domestic financing	100.00	-2038.6%	(2,038.61)
3. Outstanding operations			299.21
Memorandum items			
Provincial revenues (with further specifications)			314.87
Provincial expenditures (with further specifications)			214.34
Provincial balance (with further specifications)			7.90
8 Priority sectors	3,207.52	22.3%	715.48

Source: MEF 2015

Another important monitoring tool is the budget execution law which has the same level of details to the budget law. However, this law is only available after at least one fiscal year, which makes it impossible for timely monitoring. The law is used by the National Assembly to hold the government accountable as the National Audit Authority normally submits the external auditing

²⁵ Refer to figures in TOFE not yet approved by MEF minister for public release.

report to the National Assembly to discuss the budget execution. Its late submission makes it difficult for the National Assembly to discuss it meaningfully and use the experiences in the budget execution to make adjustment to the current fiscal year.

Article 84 of Law of Public Finance System stipulates clearly that “... all financial statements and accounting reports shall be publicly disclosed.” The published TOFE in the MEF website does not have the same level of detail as the budget law and is written in English which makes it difficult for citizens and civil society organizations to understand the performance of the government in budget implementation. A Khmer version of the TOFE along with the definition of terms should be made available so that ordinary citizens can read and understand the figures. It is not known when the General Department of Macroeconomic and Public Finance Policy is going to publish a Khmer version of the TOFE and other detailed figures at least at the same level of details to the budget law. The Mid-Year Review²⁶ (MYR) report, which MEF has to report to the National Assembly, is not published. MEF used to publish the MYR in 2010 in its website. However, it has not been published since.

Role of citizens, civil society organizations / NGOs

During the budget execution stage, NGO/CSOs can express their clear interest in an effective and more transparent monitoring system. NGO/CSOs may advocate budget reforms to improve budgetary control. Similarly, they may engage in some monitoring activities. For instance, NGOs can focus on whether amounts for specific projects that have been financed by the Government’s development partners, such as a school or a road, have been used for the intended purpose. They also can assess the quality of the spending to see if the policy goals associated with the budget allocation are being met, and if government funds are being used effectively.

2.4 Stage 4: Auditing and assessment

The last stage of the budget cycle includes a number of activities that aim to measure whether there is an effective use of public resources. There are various structures within the Government in place that are working on audits: the General Directorate of Inspection (from the Ministry of Economy and Finance), General Department of Internal Audit, inspection department/general department and internal audit departments/general department of ministries. Internal audit and inspection seem to have some duplication of roles and responsibilities in each ministry²⁷. The role of internal audit and inspection is to help line ministries to deliver effective and efficient management of resources and results. Reports from these organizations are not public. More information on these structures can be found in the Chapter 10 of “*Public Finance in Cambodia*” (Naron, 2009).

Besides the internal Government systems, the National Audit Authority (NAA) plays a central role in this stage. The NAA is an independent public entity established in 2000. It has its own separate budget funded by the National Budget, is responsible for executing the external audit function of the government, and reports to the National Assembly (and to the Government for information

²⁶ Article 36 and 37 of the Law on Public Finance System (2008).

²⁷ See EAP Report (2012)

purposes). The revenue and expenditure of NAA is governed by the Law on Public Finance System. The NAA's jurisdiction includes:

- Different ministries and their officers;
- Senior officials of the National Bank;
- Public financial institutions and public financial joint-ventures;
- State-owned enterprises and establishments; and
- Provinces and municipalities.

The Auditor-General is empowered to conduct audits on accounting records, accounts, management systems, operation controls and programs of government institutions in accordance with generally accepted auditing standards and the government's auditing standards.²⁸ The external audit includes the implementation of the following types of audits:

- Audit on financial statements;
- Audit on the management of credit projects financed by external sources;
- Audit on management systems and operations of all institutions;
- Audit on evaluation, efficiency and effectiveness of operations;
- Audit on non-profit organizations, associations, political parties, and private investment enterprises; and
- Audit upon special request.

The audit process is guided by the Law on Audit of the Kingdom of Cambodia. According to the law, the government (Ministry of Economy and Finance) is obliged to provide documents of settlement of the annual budget (draft budget settlement law) to the National Assembly and the Senate for examination and approval. These reports also need to be submitted to the NAA for auditing within nine months of the closing of the financial year. The NAA verifies these reports and prepares an auditing report and submits it to the National Assembly and the Senate for discussion on the draft budget settlement law. The National Assembly concludes the auditing process by means of passing the budget settlement law. In this way, conclusions are drawn concerning good or unsatisfactory budgetary implementation.

The Budget Settlement Law is published in the Royal Gazette after it has been approved by the Legislature and can be obtained from the National Library and public libraries at the National Assembly and Senate. It is structured in the same way as the Budget Law and "settles" by adding columns. This provides a table showing each budget allocation (by ministry) the original voted amount, modifications, and actual expenditures. The Budget Settlement Laws should be put before the National Assembly prior to the end of the year following the one to which it is related (for example, the 2010 budget settlement law had to be submitted to the Parliament before the end of 2011).

Besides the production of the Draft Budget Settlement Law, the National Audit Authority carries out specific audits that are within its mandate in the 2000 Law on Audit and other amendments. Although article 29 of this Law states that reports issued by the Auditor-General shall be deemed to be public documents, the reports were not published until 2009 although they were submitted to the

²⁸ Article 1 of the Law on Audit of the Kingdom of Cambodia, March 3, 2000.

National Assembly. There has been some progress since 2009 as the NAA published the audit report of 2006, 2007, and 2008 and public financial management in 2009, 2011 and 2014. The reports can be downloaded from the NAA website: www.naa.gov.kh. These audit reports cover different issues in each fiscal year and present different contents from one to another. This was generally welcomed as a positive step by observers, analysts, and non-governmental groups. A brief assessment of the 2008 National Audit Report is provided in box 7 below.

Box 7: The 2011 Published Audit Report

The National Audit Authority (NAA) was established in March 2000 emerging from a strong willingness and commitment of the Royal Government of Cambodia (RGC), the National Assembly, and the Senate, in monitoring, evaluation, and reporting of the government ministries and institutions' achievement in accordance with public financial management (PFM) during each fiscal year. According to the 2000 Law on Audit of the RGC, NAA is obliged to produce and release necessary auditing report to the public.

The 2011 audit report is the fourth published audit report that NAA has produced and it has been made available to the public together with 2009 and 2010 reports.

The report is structured in five main sections. They are introduction, budget management, audit result for national and sub-national administration, progress against previous audit report findings, and conclusion. The introduction section specifies the scope of audit and purpose of publication. The budget management section deals with the legal framework of budget implementation and the budget implementation report aggregated for national and sub-national levels. The audit result section covers the achievement and evaluation of PFM by focusing on specific issues in revenue collection and expenditure management at national and sub-national administration (province and capital, district/khan/municipality, commune/sangkat). It is noted that certain major audit findings presented in the report are mainly related to the management of the RGC's revenues, expenditures, state properties, and accounting works. Some irregularities were also presented in the audit report and were put as recommendations to be addressed by the government.

Source: NAA Audit Report 2008

This third release of audit results on the public financial management by NAA (although the timing is very late) serves as a significant contribution to strengthening the implementation of PFM of the RGC because it demonstrates the shortcomings of the previous fiscal year management of the public finance and provides recommendations for improving PFM. The timely release of the audit report, i.e. at least within one year after the fiscal year²⁹, will provide the public, civil society organizations and the media with a basis for observing, monitoring and providing constructive feedback towards improved implementation of PFM in a timely manner. It will also assist them to hold the government accountable for its performance. For example, the 2016 budget preparation and adoption and the audit report for 2014 budget implementation should have been published for the public and legislature scrutiny prior to the adoption of the next fiscal year budget by the legislature and promulgation by the King.

²⁹ The minimum good practice recommended by International Budget Partnership is for two years; but good practice in OECD countries require within one year after fiscal year.

Role of citizens, civil society organizations / NGOs

At the moment, this stage presents only limited opportunity for interested groups. This is because only limited and lack of timely information on the effectiveness of particular budget entities of the executive is made available by the NAA and Legislature. However, the publication and dissemination of the Audit Report on Public Financial Management in 2009-2011 in March 2015 signals that this stage may become more important in the future. Although the findings were already somewhat outdated, interested groups can make assessments of whether the legislature and executive branches have responded appropriately to the findings of audit reports. These can be useful inputs in the Government's reform efforts.

III. Understanding national budget law structure and documents

3.1 Understanding the national budget law structure

This chapter provides an overview of the structure of the enacted Budget Law³⁰, the quantity of information presented in the law and discusses the overview provided in the state financial transactions and tables with all revenue and expenditure items for the national and sub-national level administration.

The Budget Law adopted by the National Assembly is a public document which can be found in the MEF website, official gazette of the government³¹ and National Assembly website. It has two main parts: 1) text of the law with the overall budget aggregation and balance, and 2) annexed tables of A, B, C and D (see the detailed table of A, B, C and D in annex 3). In practice, there is much confusion in the interpretation and use of the figures and tables in the Budget Laws by media, journalists, NGOs, and development partners.

3.1.1. Part I: Text of the Law on Annual Finance Management³²

This part has 6 chapters for the 2015 Budget Law. They are listed below:

- Chapter I: National level budget.
The articles in this chapter elaborate the aggregate revenue and expenditure thresholds that the law allows the government to collect and spend, finance budget deficit and surplus, and budget commitments and settlement. It also refers to specific annexed tables to the law.
- Chapter II: Loans and Government Guarantee
This section sets the ceiling for the government to seek external financing, particularly loans with concessional terms to fill the annual budget deficit. The loan amount is used in special drawing rights (SDR), and currency of the International Monetary Fund (IMF). In 2011, the law approved the government to establish special budget credits to the amount of 75 billion riels for the agricultural support and development funds, 30 billion riels as additional capital to the rural development bank, and 105 billion riels for the credit guarantee fund to be used for supporting and guarantee loans from commercial banks for wholesalers for purchasing rice stocks.
- Chapter III: Establishment of new taxes and amendment to taxation laws, law on public finance system and other laws related to public finance management.

³⁰ The more detailed budget prepared by the Ministry of Economy and Finance, the four volumes published in March / May are partly dealt with in box X in the previous chapter. The reason for not including an overview of these four volumes is that information on their implementation are not publicly available.

³¹ It is a published gazette which is made available on a weekly basis and consists of all laws and regulations adopted by the Royal Palace, National Assembly, and the government. The publication of the official gazette is required in the law on role and function of the council of minister (1993), sub-decree 41 on structure and function of the General Department of Official Gazette and Computer Services (2004, under Office of Council of Ministers), government circular 12 on Obligation of Publishing Official Gazette (2004), and decision No. 55 of office of council of minister on establishing project working group to improve official gazette.

³² This is the title of the law; however, generally the term 'budget law' could be used inter-changeably

In 2010, the property tax (0.1% of property value exceeding 100 million riels) was adopted. In 2013, the stamping tax law was amended. In 2014, the vehicle road tax rate was amended after it was adopted in the 2010 budget law, and in 2015, the salary tax rate in the taxation law was amended.

- **Chapter IV: Virement of supplementary budget to 2014 budget (2014).**
This virement of supplementary budget referred to article 61 in the Law on Public Finance System, which allows the government to make requests to the National Assembly where budget virement is needed. In the 2015 draft budget law, the government requested that the National Assembly approve a virement of supplementary budget to allow MEF to settle the unsettled cash advance balance from 2004 to 2014. There were also lots of interesting cases of supplementary budgets during the fiscal year, which were proposed for approval by the National Assembly.
- **Chapter V: Sub-national administration**
This section normally refers to article 87 of the law on public finance system and article 35 and 54 of law on sub-national administration (SNA) financial regime and assets management. It states the total amount of SNA revenue and expenditure that it will generate and receive each fiscal year. In 2015, the total revenue-expenditure amount of SNA budget is 1,107,196 million riels. This chapter also presents the total amount of revenue and expenditure (current and capital) to be generated at SNA level particularly at capital/provinces, districts/khans/ municipalities, and communes/ sangkats, and subsidies from national level budget (see table 2 below). The detailed budget using economic classification i.e. chapters, accounts and sub-accounts of each capital, province, district, khan, municipality, commune and sangkat will be issued by Prakas of the MEF minister following the agreement with the Ministry of Interior.

Khan budget is included in the capital budget and sangkats are included in the municipality and capital budget. Capital and provinces can generate current revenue (tax and non-tax) and the rest are subsidized from the national level budget. Districts and Municipalities are allowed to collect only non-tax (current) revenue so far. All commune/sangkat funds are financed by national level government budget.

- **Chapter VI: final provision** that this chapter simply states the urgency and priority of the budget law.

The overall national level budget revenue, expenditure, balance, and financing are the first table shown in the Budget Law, normally featuring the first two or three pages of the Budget Law. The table with state financial transactions gives an aggregate overview, and it shows whether the Government is raising enough money to cover its expected expenditure in the year. For instance, table 4 below shows that in 2015 the Government expects to raise US\$ 2,752.6 million domestically and expects to spend US\$ 3,604.6 million at the national level³³, excluding revenue and expenditure of sub-national administration level in table 5. The difference between these two items is the Government's expected deficit, which stands at US\$ 852 million. This deficit is financed by the Government's development partners who provide "Budget support funds from development partners" (US\$ 74.1 million) and "Public Investment funds" (US\$ 910.4 million). In the 2015

³³ It includes all ministries and provincial departments' budgets.

Budget Law, it is also foreseen that US\$ 24.7 million from the Government's reserves at the Central Bank will be used to finance this deficit.

Table 4: State (national level) financial transactions, 2015 National Budget

National level budget operation/appropriation	Amount		Balance/Financing: Surplus(+)/deficit (-)	
	Billion Riels	US\$ Million	Billion Riels	US\$ Million
I. Domestic revenue	11,148,230	2,752.6		
1. Current revenues	11,014,644	2,719.7		
2. Domestic capital revenues	133,586	33		
II. Total expenditure	14,598,661	3,604.6		
1. Current expenditure	9,275,161	2,290.2		
2. Capital expenditure (excl. of loan payment)	5,323,500	1,314.4		
▪ Domestically financed public investment	1,636,500	404.1		
• Budget nationally funded	1,336,500	330		
- Direct investment projects	1,019,700	251.8		
- Counterpart fund	316,800	251.8		
• Investment by budget support fund financed by development partners	300,000	74.1		
▪ Externally financed public investment	3,687,000	910.4		
Surplus of current budget (I.1 – II.1)			1,739,483	429.5
Deficit of general budget (I-II)			-3,450,431	-852
III. Financing			3,450,431	852
1. External financing			3,550,431	876.6
▪ Budget support fund from development partners			300,000	74.1
▪ Direct external public investment fund			3,687,000	910.4
▪ Loan payment			-436,568	-107.8
2. Domestic financing			-100,001	-24.7
▪ Government deposit (at national bank)			-100,001	-24.7

Source: National Budget Law 2015

Table 5: Sub-national administration budget appropriation 2015

Sub-national level budget appropriation	Capital/provinces	District/ Municipality	Commune/ Sangkats
Total revenue	753,940	81,302	271,954
Total current revenue	660,699	3,601	
Tax revenue	632,300		
Non-tax revenue	28,399	3,601	
Total revenue subsidized from national level	93,241	77,701	271,954
Total revenue of sangkat under capital			18,077.53
Total revenue of sangkat under municipality			21,321.97
Total revenue of communes			232,554.5
Total expenditure	753,440	81,302	271,954
Total current expenditure	621,079	81,302	
Total capital expenditure	132,861		
Total revenue of sangkat under capital			18,077.53
Total revenue of sangkat under municipality			21,321.97
Total revenue of communes			232,554.5

Source: National Budget Law 2015

3.1.2- Part II: The annexed tables A, B, C and D attached to the budget law

It should be noted that MEF has implemented three budget classifications: administrative, economic and programme. The economic budget classification serves as the main classification for the formulation and implementation of the budget law and budget at national and sub-national levels. The Budget Law shows all planned Government revenues (by source) and expenditures (by Ministry) for a particular fiscal year. The Government's revenue and expenditure in the 2015 Budget Law is presented in the following five tables:

- **Table A: National Level Budget Revenue.** This table presents the detailed state/national level of revenue sources. It presents the total budget revenue (both current and capital revenues as well as revenues from domestic and external sources). This table lists expected revenues according to groups, chapters, accounts, and sub-accounts which are based on 'economic budget classification'³⁴. The figures are presented in Cambodian millions riels. In the 2015 Budget Law, Table A consists of three pages and is further discussed in section 4.2 of this guide.
- **Table B: National Level Budget Expenditure.** This table presents state general budget expenditure at the national level including current and capital budgets. In the 2015 Budget Law, this table covers 3 pages. The table contains information on the Government's recurrent budget, classified by type and ministry as well as disaggregated by central administration and provincial/municipal administration, and capital budget appropriated for some ministries. It also

³⁴ MEF issued a Prakas on implementing new economic budget classification for national level and sub-national administration level in 2013. This prakas could be downloaded from website of General Department of National Treasury: www.treasury.gov.kh.

contains 13 line items that make up the category “Unallocated expenditure with earmarked expenditure³⁵”. Table B is further discussed in section 4.3.

- **Tables C1: Externally financed capital expenditure.** This table describes in detail the externally financed capital expenditure of the state/national level general budget. These tables list all projects for the different ministries. All projects are listed by project number, and the budget for each project is presented for the whole project cost, and the next three years. Those projects are classified into two categories: ‘with financing’ and ‘no financing/seeking financing’. Because this table gives aggregate budget figures and names of all investment projects, it consists of 13 pages in the 2015 Budget Law. Table C1 presents figures in Cambodian million riels. This table is discussed in the section 4.4.
- **Table C2: Externally financed capital budget expenditure, programme credit and committed budget.** This is a one-page summary of total capital investment for each ministry in Cambodian million riels and is not further discussed in separate sections of this Guide. Vertically, this table separates the budget by ministry and sector. Horizontally, it shows programme credit, committed credit, which is anticipated capital investment by donors, projects with financing, and projects without financing/seeking financing. This committed credit budget is divided into three different categories: i) ongoing, ii) agreed and iii) under negotiation. The committed budget is a sum of amount of project cost with financing and an estimated percentage (i.e. 30%) of the projects amounts that are seeking funding or do not have financing from development partners/donors [committed budget = (1) + (2)*30%] of each ministry in table C1. In this same table, the programme credit is simply a sum of projects cost with financing and projects cost without financing/seeking financing of each ministry in table C1 [(1) + (2)].
- **Table D: National Level Capital Budget Expenditure.** This table describes capital expenditure of the state/national level committed credit and payment credit. This table presents the figures for capital expenditure at the aggregate level in Cambodian million riels. Vertically, this table separates the budget by ministry and sector. Horizontally, it shows the total committed credit and payment credit, domestically financed capital budget expenditure listed by funding sources (committed credit=payment credit: investment projects, counterpart fund for public investment, and budget support fund), externally financed capital budget expenditure, divided further into committed credit = payment credit, and loan settlement (committed credit = payment credit). In the 2015 Budget Law, Table D is made up of one page and it is not further discussed in separate sections of this Guide.

A. Table A: National Level Budget Revenue

Using the 2015 Budget Law as an example, this section explains the revenue items listed in the National Budget Law. The 2015 budget law was chosen as an example for this due to changes in the structure and classification and coding of the revenue items in table A. Therefore, this format may be a useful reference when reviewing the future draft budget law and budget law which will probably follow the same format. This structural change of table A may make it difficult to compare

³⁵ In 2015 budget law, this title was added to avoid different interpretation on the expenditure items listed under this category and as suggested by many development partners supporting public finance management reform programme. Previously, it was titled ‘unallocated expenditure’ which evolved from ‘unexpected expenditure’ since 1996.

the trends of revenue across years, particularly with other budget laws up to 2014. Given the complexity of the revenue structure, this guide may not be able to identify and present the structural changes and differences in 2015 and previous years. Such differences could be explained or presented in the 2015 budget analysis.

By using the economic budget classification, it is expected that the revenue and expenditure figures are appropriated based on groups, categories, chapters, accounts and sub-accounts.

The 2015 Budget Law estimates the total Government budget revenues in 2015 to be 15,135,230 million riels (US\$3,737.1 million) of which revenue recorded through the national treasury will be 11,448,230 million riels (US\$ 2,826.7 million). The National Treasury³⁶ plays an important role in registering and managing these revenues. In Table A of the National Budget, you can see that most Government revenues are recorded by the National Treasury (75.6 percent in the 2015 Budget Law, see line I). Government revenues that are not recorded by the National Treasury can be found in line II and include revenue from outside sources: external capital investment support by bilateral development partners and external multilateral loans.

As can be seen in line five/chapter 70, most Government revenues (63.1 percent/category 1) come from taxes³⁷. Domestic taxes account for 50.1 percent (chapter 70) of the Government's income while custom taxes/revenues from international trade account for 13 percent of its income (chapter 71). Domestic taxes are separated into direct taxes (including profit taxes, salary taxes, property taxes etc.), indirect taxes (sales taxes, value added taxes etc.), tax on specific goods (excise tax), tax on specific services, tax on goods, services and activities, and other tax revenue.

Direct Taxes: Account 7001 amounts to US\$510.8 million or around 13.7% of total revenue and 27.3% of total domestic tax revenue. The size of direct taxes in Cambodia is very low compared to other regional peers³⁸.

Profit tax is charged to both public and private enterprises (sub-account 70012) and amounts to more than US\$386.4 million in the 2015 Budget Law. Profit taxes differ between sectors and exemptions can be granted by the Council for the Development of Cambodia (CDC) for certain investment projects it approves. The tax rates on taxable profits are³⁹:

- 20 percent for enterprises (30 percent for oil and natural gas operations or natural resource operations);
- 9 percent for “Qualified Investment Projects” approved by the CDC for a five year transitional period; and
- 0 percent for “Qualified Investment Projects” during the tax exemption period defined by CDC⁴⁰.

³⁶ The National Treasury is a General Department of the Ministry of Economy and Finance and is Government's only cashier and public accountant For more information, see: <http://www.treasury.gov.kh/>

³⁷ See chapter two in Naron (2009) for more information on Cambodia's tax system.

³⁸ See World Bank (2014). Cambodia Economic Update.

³⁹ See chapter two in Naron (2009)

⁴⁰ WB 2009 (p.87) notes that RGC assesses the costs the current set of tax holidays to be six percent of GDP which is roughly fifty percent of total revenues collected by the Royal Government.

Salary tax (or income tax) is sub-account 70013 and amounts to US\$95 million in the 2015 Budget Law. This tax is deducted at the source by the employer who remits the sum to the General Tax Department. The income tax applies to wages, bonuses, overtime, fringe benefits, and additional benefits. Table 6 below provides the taxable monthly incomes with their tax rate.

Table 6: Salary Tax Rate Approved in 2015 Budget Law (chapter 3)[`]

Taxable monthly income			Tax rate
From 0 riels	Up to	800,000 riels	0%
From 800,001 riels	Up to	1,250,000 riels	5%
From 1,250,001 riels	Up to	8,500,000 riels	10%
From 8,500,001 riels	Up to	12,500,000 riels	15%
Over 12,500,000 riels			20%

Source: 2015 Budget Law

Indirect Taxes: Account 7002 amounts to US\$844.4 million or around 22.6% of total revenue and 45.1% of total domestic tax revenue.

Value Added Tax (sub-accounts 70022, 70025, 70026, and 70027) is an important source of the Government's income, amounting to US\$836.3 million or around 22.4% of total revenue (or 45% of domestic tax revenue) in the 2015 Budget Law. It is the largest tax revenue collected so far. Although the Value Added Tax (VAT) is paid by producers of goods and services, it is ultimately passed on to the consumer. The VAT is applicable for companies with a turnover starting at CR 500 million for the supply of goods, CR 250 million for the supply of services, and CR 125 million for Government contracts. The Value Added Tax rate is 10 percent of all types of goods and services, except for the tax exemption imposed by the government.

Excise Tax/taxes on specific goods and services (account 7003) is another important source of the government's income, amounting to US\$482.3 million or around 12.9% of total revenue (25.7% of domestic tax revenue) in 2015.

Duties on defined/specific services (account 7004) include taxes on casinos and lotteries. Its amount is very small at US\$23.5 million or around 0.6% of total revenue and 1.3% of total domestic tax revenue.

Revenue from International Trade (see Chapter 71) amounts to US\$484.1 million or around 13% of total revenue. It is another important source of income for the Royal Government in 2015. These taxes are collected by the General Department of Taxes and Excise⁴¹, MEF. The import taxes and duties are the most significant revenue in this category with US\$412.7 million or around 11% of total revenue expected to be collected in 2015.

When shipments of goods arrive at the Cambodian border, customs officers inspect the contents and charge a tax according to their type. Import duties are levied on any imported goods before

⁴¹ For more information see: <http://www.customs.gov.kh/>. Some of these tax rates were changed to reflect government commitment with world trade organization and ASEAN Free Trade Area.

releasing them from Customs except goods qualifying for special privilege according to the laws and regulations, whereby their duties and taxes are exempted. The tariff bands are now:

- 0 percent for exempt goods such as medical and educational materials
- 7 percent for primary products and raw materials
- 15 percent for capital goods, machinery and equipment, locally available raw materials
- 35 percent for finished products, alcohol, petroleum products, vehicles, precious metals and stones

Non-tax revenues (see category 2) are significant as the target for the collection of non-tax revenue in 2015 stands at US\$362 million and has 6 budget revenue chapters. The six are state property turnover, revenue from sales and rent of properties and services, revenue from fines and sanctions, subsidy-grants, financial turnover revenue, and other revenue and exceptional revenue. Revenue from sales and rent of properties and services contribute the most to non-tax revenue with the amount of US\$309.9 million or equal to 8.3% of total revenue. Revenue from state property turnover mostly comes from revenue from land rents and concessions which are small with the amount of US\$ 28 million or equal to 0.8% of total revenue. This revenue is mostly fees paid to the Government for fishing, forest, petroleum mining concessions, and unused land rents (only land).

Revenue from public enterprises, administrative and service operations (for profit) in account 7300 and revenue from administrative management in account 7302 are the two main revenue sources contributed to revenue from sales and rent of properties and services. Key revenue sources for account 7300 are from civil aviation, tourism activities, cultural activities, and posts and telecommunications⁴². For account 7302, you will see that “Excises on Embassies (Passport and Visa Fees)” is a large contributor in this category with a target of US\$130.9 million (sub-account 73021) in 2015, together with “Revenue from product quality control and standard compliance” with US\$ 23.6 million (sub-account 73027).

For capital revenue through National Treasury, Chapter 50 and Account 5002 show figures of the Government’s planned *borrowing and similar* debt in 2015. The total of US\$51.8 million is the amount that the Government expects to borrow from multilateral organizations and needs to be paid back together with an agreed interest rate at a later stage. For bilateral and multilateral investment support (chapter 75), the amount of US\$22.2 million is expected to be supported by donors.

Revenues outside the National Treasury is a quarter of the Government’s income and are expected to be US\$910.4 million in 2015 (see category 2: revenue from outside sources and below). These revenues come from the Government’s development partners of which US\$132.6 million come from grants (chapter 75 and account 7514) and US\$777.8 million comes from loans (chapter 50 and account 5002).

For details, please see the 2015 Budget Law which can be downloaded from the MEF website (www.mef.gov.kh) and the Cambodian budget website (www.cambodianbudget.org).

⁴² Revenue from radio and television (sub-account 73005) and revenue water supply and electricity (sub-account 73007) are very small.

The details provided in Table A of the Budget Law provide interesting information for parliamentarians, policy makers and analysts. However, the details provided do not answer questions on how much revenue is expected to be received from tourists visiting Angkor Wat, toll fees collected from vehicles on the national road 4 etc.

B. Table B: National Level Budget (Recurrent) Expenditure

In 2015, total government expenditure at national level (excluding sub-national administration) is planned at CR 15,035,229 million (US\$ 3,712.4 million). See Annex 3 as an excerpt of table B from the 2015 Budget Law. It shows total government expenditure while specifying its recurrent expenditure. There are four main columns: column 1: ministry and agency, column 2: total expenditure, column 3: current expenditure and column 4: capital expenditure.

Recurrent expenditures refer to the funds used to keep services running on a daily basis. This encompasses salaries of government officials, gasoline, building maintenance and construction, electricity, phone bills and goods needed to provide services (such as medicines and school books) and other services. Other examples of current expenditures include social or economic interventions, interest payments and other unexpected expenditures. National level current expenditure of 2015 is planned at CR 9,275,161 million (US\$2,292.2 million). In column 3 of current expenditure, it is separated into 5 budget categories: category 1: means and services, category 2: financial charges (interest payment), category 3: public interventions, category 4: other expenses, and category 5: unexpected expenditure. In column 4 of capital expenditure, it is separated into two budget categories: category 1: payment of debts and related liabilities, and category 2: fixed assets.

The budget for line ministries is in aggregate figures for each ministry-institution and each is separated into central, provincial/capital technical departments, and externally financed public investment.

The settlement of loans, financial charges, and unexpected expenditure is managed by MEF.

Capital expenditures include investment for future benefit, financing of investment projects, partnership funds and debt amortization. An example of capital expenditure includes the construction of public infrastructure, such as roads, bridges, electricity grids and telecommunication. In the Cambodian National Budget, the maintenance of this public infrastructure is included in the current budget, mostly under the budget of the ministry of public work and transport⁴³. The 2015 Budget Law allocated CR 5,760,068 million (US\$1,422.2 million) for capital expenditure. There are only a few ministries that are appropriated with capital budget allocation from the government (see column 4, total capital expenditure). They are the Ministry of Interior-General Administration, the Ministry of Education, Youths and Sports, the Ministry of Agriculture, Forestry and Fishery, the Ministry of Rural Development, the Ministry of Public Work and Transport, and the Ministry of Water Resource and Meteorology.

⁴³ Previously this budget item was earmarked under the unexpected expenditure and was transferred to MEF annually which make its budget much larger than original appropriation, but starting from 2015 it is integrated into the budget of the ministry of public work and transport, making this ministry budget much bigger compared to 2014.

C. Table C1: Public Investment Financed by External Financing (donors)

One important feature of the Cambodian National Budget is its dual nature. This means that current expenditure and capital expenditure are presented separately, as outlined earlier in the description of the different tables in the Budget Law. Table C in the Budget Law provides an overview of all projects by the Ministry along with the figures of total project cost and annual project cost in a three year rolling, a summary of this table is provided in Annex 3. The 2015 Budget Law included those projects with financing and projects without financing/seeking financing divided over the different line ministries and government agencies. The projects vary considerably in size with the largest project expected to spend in USD millions in one year and smallest project down to ten thousands US Dollars.

Table 7: Line Ministries with the highest planned capital expenditure in 2015

N.O	Ministries	Capital expenditure in 2015
1	Ministry of Public Works and Transport	CR 1,325,868 million/US\$327.4 million
2	Ministry of Mines and Industry	CR 737,351 million/US\$ 182.1 million
3	Ministry of Health	CR 274,911 million/US\$ 68.1 million
4	Ministry of Water Resources and Meteorology	CR 1,013,124 million/US\$ 250.2 million
5	Ministry of Rural Development	CR 212,568 million/US\$ 52.5 million
6	Ministry of Agriculture, Forestry and Fisheries	CR 178,818 million/US\$ 44.2 million
7	Ministry of Education Youth and Sports	CR 219,943 million/US\$ 54.3 million
8	Office of Council of Ministers	CR 179,906 million/US\$ 44.4 million
9	Ministry of Economy and Finance	CR 196,420 million/US\$48.5 million

These amounts include both projects with financing and without financing. The total planned capital expenditure in 2015 amounts to CR 4,913,860 million/US\$1213.3 million (see line with Grand Total on top of table C1). Of this, the projects with financing amounts to CR 3,161,203 million/US\$780.5 million and projects without financing amount to CR 1,752,658 million/US\$ 432.8 million. The third column with total project costs provides an overview of the total costs of the projects listed under the different line ministries. As some projects get implemented over a long period of time (and may have started a few years ago), the total of the allocations in the last three columns for 2015, 2016, and 2017 may be less than the total project costs.

It is also noticeable that a fourth column with the estimated expenditure for the previous year has not been included in the Budget Law since 2010. An estimate of capital expenditure in this column is obviously useful information for the public, law makers, and analysts to see the progress of projects in the current fiscal year. It should be noted that there are two sources of information which could be used to generate information of project implementation or disbursement status. They are official development assistance (ODA) database (<http://cdc.khmer.biz/>)⁴⁴ and public investment programme (PIP)⁴⁵. A more comprehensive overview of capital expenditure by ministry from the 2015 Budget Law is included in annex 3 of this Guide.

⁴⁴ It could be accessed via: [www.cdc-crdb.gov.kh](http://cdc.khmer.biz/)

⁴⁵ This could be requested from ministry of planning or accessed via its website: www.mop.gov.kh

3.2- Analysis of the national budget

This section aims to introduce some tools in budget analysis and interesting budget analysis and research reports published by the NGO Forum on Cambodia, development partners, NGOs and other institutes in Cambodia. It starts with a section on the National Strategic Development Plan (NSDP) and provides some background on the NSDP 2014-2018 which was passed by the National Assembly in June 2014⁴⁶. The NSDP is the Government's vehicle to implement the Government's Rectangular Strategy, which lays out the Government's goals, priorities and ambitions. The policies and plans included in the NSDP have to be linked to the national budget in order to become operational and, therefore, the allocations of resources included in the NSDP are the framework for some of the discussions on trends in the national budget. However, the RGC faced some difficulties in its expenditure allocation (see box 8).

To analyze the national budget, it probably requires a good understanding of the budget documents and process, relevant laws and regulations, NSDP and sectoral plans. A basic analysis could start with identifying the policy priorities, and conducting vertical and horizontal budget allocation to analyze the budget share and trends at national, ministerial and programme levels. Then the number crunching could go down to the detailed allocation in each ministry. However, any budget analysis can only be conducted in a meaningful way if there is access to budget information. In 2015, the government produces and publishes a third programme budget classification, particularly for those 10 ministries that are implementing a programme budget. This programme level budget allocation will allow analysts, policy makers and civil society organizations to understand and better analyze the alignment of budget allocation to policy priorities.

The useful links to budget analysis tools can be accessed via the website of international budget project: www.internationalbudget.org. To have a foundation for budget analysis, particularly for non-economists, a person needs to go through at least a basic budget analysis training course.

⁴⁶See result of adoption: <http://www.national-assembly.org.kh/>

Box 8: Difficulties faced by the RGC in expenditure allocation

The process of formulating the budget to translate policies into action and to meet desired outcomes and goals is complex, and requires complex analysis. With limited resources, the RGC needs to choose between investment in government administration, economic sectors, (agriculture, transport, public works and rural development) and social sectors (education, health, social protection and other social services).

As pointed out by the World Bank (2007), making recommendations about what is the optimal allocation for government spending is difficult. One reason for this is that increases in capital expenditure (building a road/school/hospital) can only be done properly if the government has enough staff to implement the project, which means that additional recurrent expenditure (wages/operational costs) may be necessary. Therefore, it is not immediately clear whether capital expenditure has to be preferred over current expenditure. Another issue is that spending on infrastructure is complementary to social expenditure. As such, in order to improve enrolment rates in a particular district, it is possible that a rural road may do more than building another school. Consequently, it is also not immediately clear about what sectors need to receive priority to achieve a certain social objective.

Despite these difficulties, the government and the National Assembly need to make decisions on allocations every year. In order to make the most positive decisions, both the government and the National Assembly should have as much information as possible. Therefore, it makes good economic sense to listen closely to citizens' needs, through consultation with the population and engagement with civil society organizations.

3.3. The National Strategic Development Plan 2014-2018

To guide the use of resources, the Government has developed the National Strategic Development Plan (NSDP), which covers a five-year period. The current NSDP is for the period from 2014 to 2018 and was passed by Parliament in June 2014 (see box 9). The plan provides an overview of the Government's development priorities, sectoral policy targets and indicators, indicative recurrent budget allocation and capital budget allocation over the period of the plan. The Government's resources are linked to the NSDP via the Medium Term Expenditure Framework for the allocation of its recurrent and capital expenditure (for detail see NSDP 2014-2018: table 3.4 and Table 5.1 respectively)⁴⁷. The further link between the NSDP and the National Budget are the Budget Strategic Plans prepared by the Line Ministries/Agencies (see box 2 in chapter 1), which are the Government's tool for integrating the recurrent and capital budgets.

⁴⁷ Para 583 in the NSDP notes that table 25 also guides resources to cover the "*costs of special measures to mitigate the adverse effects of the global financial crisis and the economic downturn on the real economy and the vulnerable and the poor*"

Box 9: The NSDP 2014-2018 – What’s new and what’s next?

The NSDP 2014-2018 was adopted by the national assembly in June 2014.

NGO inputs in the NSDP 2014-2018

Many NGOs have provided inputs to Line Ministries/Agencies and Central Ministries in the process of preparing the NSDP 2014-2018. Although there has only been limited dialogue on the content due to the challenges in the Technical Working Group mechanisms (and the designated working groups), where the content was supposed to be discussed. A full summary of NGO inputs and comments on the draft NSDP 2014-2018 can be downloaded from the NGO Forum website: <http://www.ngoforum.org.kh/index.php/en/publications-of-development-issues-programme>

What’s new in the NSDP 2014-2018 and what’s next?

Just like the previous NSDP, the NSDP Update 2009-2013 follows the same format as the Rectangular Strategy. The NSDP 2014-2018 can be downloaded from the website of the Ministry of Planning: www.mop.gov.kh. Overall, there is a big improvement in this version particularly in the context of Cambodia’s stage of development, moving from low income to lower middle income country.

The changes are in Chapter 1,2,3 and 6 which are additional or new to the previous version and provide an increased number of key indicators, core monitoring indicators and additional indicators. Previous versions of additional indicators existed until the formulation of the MTR of the NSDP Update 2009-2013 due to late finalization of the additional list of indicators. The addition or submerged section are historical development planning in Cambodia followed by guiding policy and structure of the NSDP itself (chapter 1), poverty analysis, and key policy targets in line with outstanding issues, general policy directions/targets of the plan and rectangular strategy period 2014-2018, and result framework.

Chapter 1: Introduction

It includes brief information about the history of development planning in Cambodia followed by the guiding policy and structure of the NSDP itself.

Chapter 2: Major Achievements and Challenges in the Implementation of the NSDP Update 2009-2013

It includes a section dedicated to poverty rate and challenges in poverty measurement.

Chapter 3: Macroeconomic Framework for the NSDP 2014-2018

The key policy targets of fiscal policy, monetary and financial sector strategy, business sector development, and Decentralization and De-concentration are clearly stated in the plan. For fiscal policy, the revenue targets in percentage of GDP were set at 16.9% (ideal target at 18%). For expenditure, the government will continue attaching high importance to the socio-economic sectors, physical infrastructure, and improvement of the capacity and livelihoods of civil servants and armed forces and key sectors like education and health are given clear budget allocation target of not less than 3% and 2% accordingly by 2018. The result framework marks a clearer

and significant shift of planning model from poverty reduction toward economic development planning. In the monitoring and evaluation chapter (4), it outlines clearly the challenges and key actions to be taken to improve M&E of the NSDP.’ This chapter also includes an indicative recurrent budget allocation by ministry and agency for 2014-2018.

It added an overall direction of the plan toward growth targets and economic development directions, signaling the focus toward the preparation of Cambodia’s transition from a low income country to lower middle income country status. They are then followed by a clearer result framework linking social, economic, political and other policy in order to contribute to achieving the overall target. This chapter also clearly identified priority sectors and areas in fiscal policy, and other key government sectoral and cross sectoral policies (monetary and financial sector strategy, business sector development, and Decentralization and De-concentration). Public finance management reform is integrated under the fiscal policy section.

Chapter 6: Monitoring and Evaluation

It is more comprehensive by setting out clear roles and responsibilities of MoP and line ministries in the M&E and contributing to the result framework. It also explains the different sets of indicators and hierarchy of indicators and their linkages to result framework along with M&E at sub-national level and data generation and collection to support functioning of M&E of the NSDP. Clear and specific challenges, approaches, and priorities toward developing the national M&E system and strengthening the government’s capacity in this area.

Source: NSDP 2014-2018

IV. Pertinent Issues

4.1 Linking the national budget with national development plan and sector plan

As shown in the previous chapter, the link between the National Budget and Cambodia's policies described in the National Strategic Development Plan 2014-2018 needs to be strengthened. The current weak link between the planning and budgeting was recognized by the Government in the NSDP 2014-2018. It was also mentioned in the previous NSDP Update 2009-2013 (para 328) which states that: "There is an urgent need to *"Strengthen coordination among the four central agencies, MOP, MEF, CRDB/CDC, and SNEC in the planning, budgeting, and allocation of resources available for development from all sources."*

Improving the linkage between planning and budgeting has the potential to improve the allocations and expenditure of public resources. These should be more in line with the Government's poverty reduction objective expressed in the NSDP 2014-2018. To improve this link, the Government:

1. continues with the Public Financial Management Reform;
2. initiated a budget integration working group consisting of the four central agencies: Ministry of Planning, Ministry of Economy and Finance, CRDB/CDC, and Supreme National Economic Council;
3. Committed to activities and results in strengthening planning and budgeting.

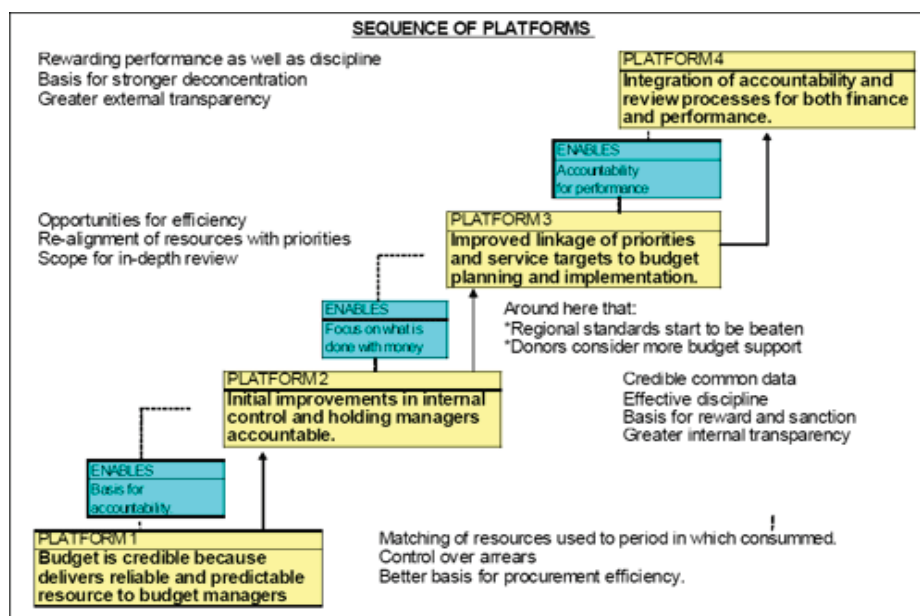
4.2 The Public Financial Management Reform Program

The Royal Government of Cambodia launched the Public Financial Management Reform Programme (PFMRP) in 2004 using the platform approach. It is a comprehensive and long term reform program with an ambitious vision to improve Cambodia's public financial management system to an international standard level through four platforms: (i) improving budget credibility; (ii) improving financial accountability; (iii) improving budget policy linkages; and (iv) improving performance accountability.

The scope of this program covers areas of activities that include budget formulation and execution, budget monitoring and evaluation, revenue policy and administration, and human resource development and management. The PFMR really began in 2005 and has been divided into four platforms as shown in figure 7. The PFMR's initial target to complete the PFMRP was 2015. However, it was moved to 2025 based on the progress and challenges experienced in the last eight years of reform (2005-2013).

- Stage 1: 2005-2008
- Stage 2: 2008-2015
- Stage 3: 2016-2020
- Stage 4: 2021-2015.

Figure 7: Sequence of platforms of the PFMR



Source: PFMR 2010

Progress of the PFMR is monitored by the Ministry of Economy and Finance. The Ministry reports the progress of the PFMR to its development partners in the Technical Working Group on Public Financial Management⁴⁸. Once a year, an independent review of the progress of the PFMR is commissioned and discussed between Government and development partners.

In addition, to reinforce the successful transition and gradual achievement of the next platforms, the government/MEF introduced a concept note on the strategic direction of Cambodia's budget system reform 2013-2020. Cambodia is committed to public finance management reform towards the international standard. That is, gradual changes from an input based and centralized system towards a result or performance-based and decentralized system. For detailed information on PFM and PFMR, you can access: <http://www.pfm.gov.kh> or the website of the Ministry of Economy and Finance, <http://www.mef.gov.kh>. A number of documents on the subject are also available from <http://www.cambodianbudget.org>⁴⁹.

4.2.1- PFMR stage 1: 2005-2008

The platform/stage 1 objective of making the budget more credible was substantially achieved and set the foundation for the Stage 2 (RGC, 2008). For instance, improvement has been made on revenue collection (see budget law from year to year in MEF website). The government adopted a revenue mobilization strategy which aims to support the achievement of the NSDP target on revenue collection. The box 10 below indicates the government strategy in managing the revenue

⁴⁸ NGO Forum on Cambodia is an observer in the TWG-PFM.

⁴⁹ At the time of writing, the PFM Reform program was no longer available on the website of the Ministry of Economy and Finance.

from oil, gas and mining. However, some issues remained from platform one and were to be completed in the stage 2 (Nelmes, 2008) such as:

- Revenue mobilization, including management of potential revenue from the mining and oil sectors;
- Fuller integration of the capital and recurrent elements of the budget, in particular for wages and externally-financed investment spending;
- More comprehensive budget information;
- Improving the government accounting and reporting, in particular for domestic investment spending;
- Improving cash management and consolidate government bank accounts;
- Enhancing capacity building measures;
- A functional review and restructuring of organizational arrangements in the Ministry of Economy and Finance to enable it to respond better to evolving and complex challenges.

Box 10: Managing revenues from oil, gas, and mining

Cambodia is rich in natural resources, including minerals, oil and gas. While most companies are still in the exploration phase, details on the size of the deposits and their value are not yet known. In a presentation to the National Assembly, a senior official of the Supreme National Economic Council provided an overview of what revenues will be collected, which include:

- **Tax revenues:** direct taxes (profits / salaries), indirect taxes (VAT, excise tax), and other tax (patent tax, export tax)
- **Non tax revenues:** such as royalties, signature bonus, surface rentals, production bonus, fees for contract extension, free associated gas, abandonment fund.

Government revenues from the oil, gas, and mining sector are collected by various ministries and agencies. For instance:

- The Ministry of Mines and Energy (MME) collects mining royalties from companies extracting metals, minerals, precious stones etc.;
- The Cambodia National Petroleum Agency (CNPA) under Ministry of Mines and Energy collects fees for administration and permits to companies exploring / exploiting petroleum and gas;
- The Ministry of Economy and Finance (MEF) collects corporate taxes.

Details of fees, charges, and taxes in the oil, gas, and mining sectors are not publicly available, which complicates parliamentary and public oversight over the sectors. Currently, the following basic information is not in the public domain:

- A list of companies with granted or pending licenses for exploration / exploitation of oil, gas, minerals and other extractive natural resources;
- What fees and charges are payable to which Government institution during the different stages in the exploration / exploitation process?
- What are expected revenues from the oil, gas, and mining sectors for the coming year? (This is not included in the Budget Law).

Given the importance of these sectors for Cambodia's future development, increasing transparency in the sector should be a top priority for the 2014-2018 periods. While extraction and exploitation of natural resources in the sector have been occurring for some time, the Government has not reported total revenues from the oil, gas and mining sectors in the TOFE. These revenues were reported in the 2009 TOFE⁵⁰.

While the estimated size of these revenues remains ambiguous, the importance of the opportunity provided by the revenues from oil, gas, and mining cannot be underestimated. Degradation of mining resources should be offset with improvement in socio-economic indicators. The sector can provide the necessary funds for financing the much needed social and economic development of Cambodia. Transparent management of the sector is a pre-requisite for this, but not the magic bullet. Cambodia's politicians, civil servants and civil society representatives share the responsibility of ensuring that the funds generated by these sectors are put to the best possible use to improve the lives of current and future generations, reduce poverty, and promote just socioeconomic development.

4.2.2- PFMR stage 2: 2008-2015

Currently, the PFMR is in its second stage (2008-2015) named "*Building on Improved Budget Credibility towards Achieving Better Financial Accountability*" and is in transition to move to the third stage by 2015. The RGC continues to implement some key remaining issues to be addressed from platform one and implement the new activities to achieve the platform two objectives of enhanced financial accountability. The key activities are summarized as follows:

A- Platform one activities to be strengthened in stage 2

- Further improve revenue policy and administration
- Further improve debt management
- Further improve cash and bank account management.
- Further improve public procurement

B- Platform two activities to be implemented in stage 2

- Improve lines of accountability by clarifying roles, functions and responsibilities between levels of government and within spending institutions
- Improve instruments for encouraging responsible financial management and enforcing accountability
- Further improve the implementation of new budget classification and new chart of account
- Improve budget execution and transaction process
- Improve accounting, financial reporting and transparency
- Improve internal auditing/inspection and response to/use of audit/inspection findings
- Strengthen and develop fiscal decentralization policy and strategy
- Build institutional capacity and motivational measures
- Improve and expand the implementation of program budgeting
- Further improve comprehensiveness and integration of the budget

⁵⁰ See the data section on www.mef.gov.kh

Based on the annual report 2014 on the PFMR stage 2, indicates that the plan in PFMR stage II is smoothly implemented and achieved (General Secretariat, 2015) (For detail achievement, please visit www.pfm.gov.kh).

4.3. Strategic Direction of Budget System Reform 2013-2020

The PFMR links to the budget reform system, which sets out the goals of implementing programme budgeting through the whole government from 2013-2020. By 2018, all ministries and agencies who are budget entities will implement programme budgeting and will complete their shift from budget line/input-basis to the program-based budget/ result-based management by year 2020. Table 8 shows the roll out plan for the implementation of programme budgeting based on MEF letter No. 2269 dated 02 April 2015.

Table 8: Budget system reform roll out plan

2015:	10 Ministries are implementing PB and budget entity. They are 1-Ministry of Health, 2-Ministry of Education, Youth and Sports, 3-Ministry of Justice, 4-Ministry of Women Affairs, 5-Ministry of Rural Development, 6-Ministry of Agriculture, Forestry and Fishery, 7-Ministry of Labor and Vocational Training, 8-Ministry of Land Management, Urbanization, and Construction, 9-Ministry of Economy and Finance, and 10-Ministry of Public Work and Transport.
2016:	15 Ministries/Agencies will implement PB and budget entity. They are Supreme Court, Appeal Court, National Assembly General Secretariat, Senate General Secretariat, National Audit Authority, Anti-Corruption Unit, Ministry of Foreign Affairs and International Cooperation, Ministry of Tourism, Ministry of Commerce, Ministry of Water Resource and Meteorology, Ministry of Information, State Secretariat of Civil Aviation, Ministry of Environment, Ministry of Social Affairs, Veterans and Youth Rehabilitation, and Ministry of Post and Telecommunication.
2017:	11 Ministries/Agencies will implement PB and budget entity. They are Ministry of Royal Palace, Constitutional Council, Ministry of Senate and National Assembly Relation and Inspection, Council for Development of Cambodia, Ministry of Industry and Handicrafts, Ministry of Mines and Energy, Ministry of Cult and Religion, Ministry of Culture and Fine Arts, National Election Committee, Ministry of Planning, and Ministry of Civil Service.
2018:	3 ministries will implement PB and budget entity. They are Office of Council of Ministers and affiliated organizations, Ministry of Defense, Ministry of Interior (public administration and public security).
2017-2018:	Sub-national administration particularly capital and provincial office budget will implement programme budget and budget entity accordingly and formulation shall start in 2016.
By 2020:	The National Assembly will adopt programme budget of whole government. The law on public finance system must be amended before 2020 to implement full programme budget system, and performance based and decentralized and de-concentrated budgeting starting from 2020.

Each ministry is also required to establish budget entities⁵¹, particularly those who are in charge of programmes and sub-programmes. Budget strategic plans will continue to be very important budget policy linkage tools, which were stated in the circular in chapter 2. The following are timetables for line ministries to formulate and implement programme budgets:

⁵¹ It is a delegation of the spending authorization from minister to programme or sub-programme manager.

V. Budget transparency and public participation

Access to information and public participation in the National Budget is crucial for the development of Cambodia as a democratic country. With more access to budgetary information, citizens will be able to participate better, for instance in monitoring budget implementation, and thus hold the government accountable and enhance government effort in promoting good governance. Recently, the MEF gets development partners and other stakeholders involved in budget formulation process through the organization of Public Forum on Medium Term Macroeconomic Projection framework and BSP Framework. The MEF invited development partners, civil society, students from relevant universities and relevant researchers to provide comments on the framework of macroeconomic projection and BSP and other policy priority inputs for sectoral policy intervention and resource allocation to implement those priorities.

5.1. Current State of Public Access to budget information and the PFM reform

In the 2008 Law on Public Finance, the Government has recognized the essential character of public access to budget information. Article 84 of the Law states that: *“All records on revenues and expenditures of national and sub-national administration shall comply with the chart of accounts and budget nomenclature and all accounting and financial reports must be transparent and publicly disclosed”*. The PFM reform is working towards this and includes commitments to improving availability of budget information⁵². This is stated in objective 25.4 on PFMRP stage 2 *“Improve forms of reporting to and communication with the public.”* Key performance indicators under this activity are: availability of key fiscal information: i) Budget document; ii) In year budget report; iii) Yearend financial statement; iv) External audit report; v) Contract award and vi) Resource available to primary service units which provides a timeline by which Government will make a number of budget documents publicly available, although it is unclear about some of the details. For instance:

- 2008: at least 3 of these reports made available
- 2009: At least 4 of these report made available
- 2010: At least 5 of these report made available

































In contrary, the PFM reform does not give information on:




- The level of detail to be included in public documents. This is for instance an issue in the TOFE of which the public version is highly aggregated.
- The year that is covered by the report. This is an issue with the reports from the National Audit Authority whose report is published very late and, as a result, is not very informative for preparations of the 2015 budget. More timely audit reports are more useful for our legislators, policy makers in ministries, and analysts. Therefore, it would be useful if the PFM reform spells out which audit report will be published when.

⁵² See in page 38 on the PFM reform program for details on what documents will be made publicly available

Based on the International Budget Partnership (2015) which is the research carried out by NGO⁵³, the availability of public information in Cambodia is still low compared to other countries. Cambodia's budget transparency score has dropped from 15 in 2012 to 8 in 2015. This result indicates that Cambodia provided scant information to the public because only two out of eight key documents were published on time (Please see in Table 9) while other two documents (In year report and Yearend report) that MEF used to publish were published late or not published. In addition, the RGC and MEF produced a new key document called "Budget in Brief" (see in Annex 5) considered as one of the key document for citizen budget since 2014. This document was also published a few days later than the timeline required (see table 10). The budget in brief contains basic information to assist citizens to understand the national budget, although it lacks of some comprehensiveness based on the standard of good citizen budget.

Table 9: Availability and adequacy: Eight key budget documents over time

Document	2008	2010	2012	2015
Pre-Budget Statement				
Executive's Budget Proposal				
Enacted Budget				
Citizens Budget				
In-Year Reports				
Mid-Year Review				
Year-End Report				
Audit Report				

 Not produced/published late
  Produced for internal use
  Published

Source: IBP, 2015

The survey assessed the public availability and amount of information published in the eight key budget documents that the government should produce, at least at central level, as show in the table 10 below.

⁵³ Research for the Open Budget Index is carried out every two years. up-to-date information on this can be found on www.openbudgetindex.org and www.cambodianbudget.org.

Table 10: Timeline for the public availability and amount of information needed to be included in the document

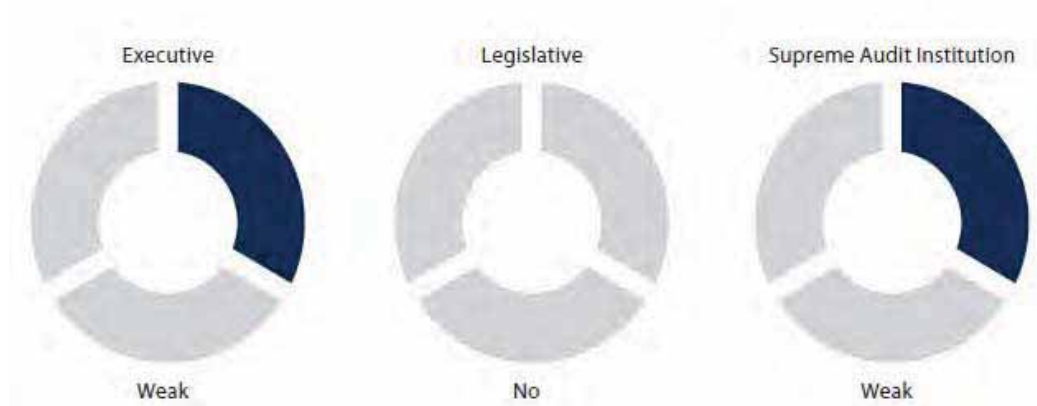
N.O	Type of Documents	Timeline
1	Pre-budget statement:	This document should be issued at least one month before the Executive budget proposal is submitted to the legislature for consideration. This document should give the macro indicators, long term economic and fiscal policies as well as the expectation for broad categories of tax and revenue.
2	Executive Budget Proposal	This document should be issued to the public while the legislature is still considering it and before the legislature approved. The document should give a detailed description of revenues, expenditure/ allocations for the next financial year, and financial asset held by the government.
3	Enacted Budget	This document reflects the budget voted by the legislature. It must be released to the public no later than three months after the approval. The key information of this document are major revenue and expenditure program, the explanation of the deviation between the executive budget proposal and enacted budget, debt information, and discussion on impact of enacted budget on government financial asset, liabilities, employee pension, and contingent liabilities.
4	Citizen Budget	This document follows the timeline of the key budget document that has been simplified for the citizen and it should be public no later than three months after each document is approved. For example: if it is a simplified version of the enacted budget, it must be released no later than three months after the enacted budget approved.
5	In Year Report	These should be issued to the public no later than three months after the reporting period ends. This document shows the progress of the implementing of the budget, containing the amount of revenue and expenditure in each month and year to date including the information of government borrowing activity.
6	Mid-Year Report	This report should be published to the public no later than three month after the report period ends. It should provide an update on the government's perspective on the budget outlook, any revision of the economic assumptions and indicate the state of budget implementation at mid-year of each budget code.
7	Year-End Report	This report should be issued no later than one year after the end of fiscal year. It should give a detailed picture of the government's spending, revenue and overall budget balance and its financing.
8	Audit Report	This document is the report of the country's auditing office on whether, and how, government implemented the budget voted by the legislature. This document must be released to the public no later than 18 months after the end of fiscal year.

Source: IBP, 2015

5.2. Opportunities for public participation in the Budget process

Although the government's decentralization and de-concentration reform provides opportunities for public participation, the public participation in the national budget process has remained limited. Based on the OBS finding 2015, the public participation score is only 8 over 100. This means that the government is weak in providing the public with opportunities to engage in the budget process, which includes preparing, implementing, and monitoring the national budget.

Figure 8: Element of Public Participation in budget process



Source: IBP, 2015

Preparation of the national budget is an internal Government process and citizens and non-governmental groups have no formal access to senior decision makers in this process. In some sectors (education, rural development), drafts of Government budgets are discussed with development partners through the Technical Working Groups. However, most of these discussions are at chapter level. Close cooperation between Government and its development partners naturally leads to a dialogue on the financial contributions (the amount and what it is spent on) of Government and development partners.

As there is little or no formal role for CSOs/NGOs at this stage, improving communication and working relationship with the Ministry of Economy and Finance and Line Ministries may be possible. For instance, during the preparation of the 2010 budget law, NGO Forum raised that agriculture and rural development should be given more priority. This was done through an analysis in a budget brief that was widely circulated to legislators, government officials, civil society organizations and development partners and highlighted the slow implementation of donor-financed projects in these sectors. This budget in brief was followed by radio talk-shows and continued monitoring of these sectors in the National Budget Law.

Enactment of the budget law by the legislature

When the National Assembly receives the draft budget law from the Council of Ministers in November, the subsequent hearings between legislators and senior representatives are not open to the public. When the draft budget law is discussed in the National Assembly's plenary session, the

media and CSO/NGOs can witness the proceedings⁵⁴ on a live video screen in the National Assembly building.

While the draft budget law is officially not a public document, the chairperson of National Assembly's second committee has shared the draft budget law with nongovernmental groups in order to stimulate public discussion. In 2009 and 2010, the NGO Forum organized a workshop for all legislators to discuss the draft budget law with representatives from civil society organizations prior to the Assembly's plenary session. During the workshop, views from different groups were shared with law makers who could use these inputs in their deliberations.. Since 2012, the draft budget law has not been released from National Assembly to NGO Forum. In 2015, the NGO Forum along with some NGOs and development partners were invited to attend the parliamentary consultation workshop on the 2015 budget law. However, no draft budget law was shared to civil society organizations and development partners for fruitful contribution to the discussion. Individuals and Civil Society organizations interested in participating in this annual workshop can contact NGO Forum's budget project in October/November to find out when and where the workshop takes place

Execution of the budget law by the executive

Although budget execution information is limited; for example TOFE (see annex 4 for more information on TOFE), there are some initiatives in Cambodia monitoring Government's budget execution. The NGO Forum monitors expenditure in the TOFE and precautionary expenditures and drafts briefs on the Government's budget execution. These are posted on www.cambodianbudget.org. On this website, work from other observers and analysts is also posted. Individuals and groups engaging in budget work can use this site to share their work with a wider audience.

There are two public expenditure tracking surveys (PETS) that were conducted by NGOs. They are the PETS on school operation budget conducted in 2013 by NGO Education Partnership (NEP) and the PETS on early childhood education in Cambodia conducted in 2012 by Advocacy Policy Institute (API). The two reports were welcomed by the Ministry of Education officials and used by development partners to influence the discussion on MoEYS school operation budget management.

The publication "Our Money, Our Responsibility" from the International Budget Partnership (www.internationalbudget.org) includes case studies of civil society initiatives in monitoring government budget execution. Examples include the work of a social movement India called the Mazdoor Kisan Shakti Sangathan (MKSS) that analyzes government expenditures at the community level and holds government agencies accountable for them.

Another example is the work of the Malawian civil society coalition, the Civil Society Coalition for Quality Basic Education (CSCQBE), which uses surveys to measure the quality of education and the extent of "leakages" in education budgets as funds are transferred from one level of government to another.

⁵⁴ In order to get approval of the 2nd committee, nongovernmental groups need to submit a request to the secretary general of the national assembly.

Auditing and assessment

By publishing the 2006, 2007 and 2008 audit reports in 2009, 2011 and 2014, Government signaled that this stage is gaining in importance. Non-governmental organizations can use the audit reports to make assessments of whether the legislature and executive branches have responded appropriately to the findings of audit reports. These assessments can be useful inputs in the Government's reform efforts. The most recent audit report can be obtained from the National Audit Authority.

The publication "Our Money, Our Responsibility" from the International Budget Partnership (www.internationalbudget.org) includes four case studies of civil society initiatives related to this phase, including work by Fundar in Mexico to successfully audit an HIV/AIDS program and from the NGO "Concerned Citizens of Abra for Good Government" which monitors government projects in the Abra province of the northern Philippines such as road construction.

5.3. National Budget Database

In addition to the above resource, the NGO Forum on Cambodia produced a national budget database for both budget appropriation and execution extracted from the budget laws and budget settlement laws 2000-2014 and 2015. It follows the format of the budget law and allowed users to conduct budget analysis at will. The structure of the budget database will be updated due to the change in structure of the revenue and expenditure in the budget laws. It can be downloaded from Cambodian budget website: www.cambodianbudget.org.

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Annex 1: Glossary of Terms⁵⁵

Amortization: Debt amortization is the periodic amount that needs to be repaid on a loan.

Appropriation: The budget as approved by the legislature for a line item of spending. The budget law gives the executive branch the authority to incur obligations, which become due during the budget year up to a specified amount for specified purposes within a financial period (usually one fiscal year).

Below-the-line items: These are below the line drawn to establish the deficit between revenues and expenditures; correspondingly, above-the-line items comprise expenditures and revenues. Below-the-line items thus normally relate to the financing of the deficits.

Budget: An estimate of the annual revenue and receipts and the determined amount of expenditure and other payments by the government, approved by the National Assembly.

Budget provision: The amount of appropriation proposed or approved for a line item or for a higher aggregate set of line items, such as a subprogram, program, sector, etc.

Capital revenue: Revenue from the sale of non-financial capital assets, such as land, non-material assets, commodity reserves and other items, the life of which is more than one year.

Commitment: The placement of a purchase order or signing of a contract or other agreement for the provision of goods or services.

Committed credit: Term used in the Cambodia National Budget Law to indicate that this budget is proposed for external funding from donors; this committed credit is usually off-budget in operation.

Contingency reserve: A small portion of the total budget that is set aside for expenditures on unexpected needs or emergencies, not appropriated in other budget lines.

Decentralization & De-concentration: The process where certain rights responsibilities and the resources are transferred from the national level of government to democratically elected commune councils and where public services are increasingly delivered by at the sub-national level.

Deficit: The amount expenditure exceeds revenue in a given period.

Direct tax: Tax that is imposed immediately upon the taxpayer, such as tax on profits, income tax, tax on gifts and inheritances.

Entitlement: Any spending program where expenditure is open-ended (usually transfer/grant payments) and where recipients must be paid or given transfers/grants, if they meet certain criteria. Some common examples are found in social security programs, unemployment programs, and poverty programs.

⁵⁵ Some of these terms are extracted from Glossary list of IMF Guidelines for Public Expenditure Management.

Extra-budgetary funds: Accounts held by government bodies but not included in the governmental budget; expenditures from such accounts are often financed by earmarked revenues or user fees and charges.

Fiscal year: A period of 12 months for which the state plans revenue and expenditure. In Cambodia, this is the same as the calendar year (January 1 to December 31).

Gross domestic product (GDP): The total value of all goods and services produced in a country during a single calendar year.

Grant: A fixed amount of funds provided by the government to local government units (districts, communes and cities) according to measured fiscal inequality. The right can be claimed only by those local units that have below-average fiscal capacity, i.e., those that cannot cover the required budgetary spending with their own revenue.

Indirect tax: Tax on goods and services that is collected indirectly, via an agent such as an importer, producer or shop; examples are VAT, excise, customs duty, turnover tax.

Organic budget law: A law specifying the schedule and procedures by which the budget should be prepared, approved, executed, accounted for, and final accounts submitted for approval.

Outturn: Actual revenues and outlays on expenditures.

Payment order: Authorization for payment against a bill or invoice made by officials of line ministries, the ministry of finance, and others.

Payment credit: Term used in the Cambodia National Budget Law describing the expected approved budget from the donors. Not all proposed investment programs (committed credits) are expected to be approved.

Planning reserve: A small portion of total planned budget expenditure that is (notionally) set aside by the ministry of finance before the budget is formulated, and then allocated to budget line items by the cabinet according to perceived policy priorities on individual sectors, programs, etc.

Provisional appropriation: Legislation that permits an expenditure to get under way before the actual budget appropriation, without any further authorization procedures. This is most commonly used at the start of the fiscal year (e.g., when the legislature has not yet finalized the budget).

Program credit: Term used in the Cambodia National Budget Law describing the total budget for capital investment (funded by both domestic sources and external sources).

Public debt: The total indebtedness of the country to home or foreign creditors at a given moment. This represents the cumulative deficit of all levels of the budget in which the state collects and spends resources (the National Budget, the local units' budget, the budget of the extra-budgetary funds).

Public sector: That part of the national economy that in the widest sense comprehends all levels of government, the welfare system and public corporations.

Reconciliation: Usually, the process of checking payment orders issued by a government agency against actual payments according to bank statements; (reconciliation can also apply to other stages of the expenditure process, such as commitments made and payment orders issued).

Revenue: Money collected by the state. This includes taxes, fees and charges for various services, and income from the sale of state-owned capital assets.

Special accounts: Accounts recording transactions of an "exceptional" character that are made outside the normal procedures for expenditure approval and recording; many refer to temporary accounts (such as advances), or to transactions whose authority is questionable or to the accounts of formal extra budgetary funds or "below-the-line" accounts.

Special funds: Usually similar to extra-budgetary funds, but sometimes refer to funds financed by earmarked revenues/user charges that are within the government's budget.

Supplementary appropriation: Legislation passed during the budget year to provide for expenditures additional to the original budget.

Suspense accounts: A type of special temporary account used to record balances, or correct mistakes in amounts, that have not yet been "posted" to the relevant line item. Such transactions often include payments of adjustable advances, until the final amount chargeable is known.

Surplus: Excess of revenue over expenditure in a given period.

Tax: A kind of public revenue which is manifested as a forced payment to the state without there being any counter-benefit.

Treasury: The system of budgetary and financial management of government revenue, expenditure and the public debt. This includes the planning, execution and supervision and use of the resources of the budget.

Verification: Once a bill for goods or services has been received, the relevant line ministry/spending agency must confirm that the bill is correct and that the goods or services have in fact been received. At this point, the bill becomes a liability of the public sector; in accrual accounting terms, expenditure is recognized even though the bill has not yet been paid.

Virement: The process of transferring expenditure provision from one line item to another during the budget year. To prevent misuse of funds, spending agencies must normally go through administrative procedures to obtain permission to make such a transfer.

Warrant: A release of all, or more commonly a part, of the total annual appropriation on a quarterly or monthly basis that allows a line ministry or spending agency to review commitments.

Annex 2: Further Reading and Useful Links

Reading materials

1. Budget Law series (1999 onwards)
BL presents revenue prospects and proposed revenues/expenditures for the new fiscal year and the trend of capital expenditure for the next two years. It also captures expenditure in the previous fiscal year. BL is usually available to the public at the beginning of the new fiscal year.
2. Budget Settlement Law series (1997-2004)
BSL mainly explains proposed expenditures compared with real expenditure. It further gives out information on additional funds spent in the old fiscal year. A note should be taken that BSL should make it clear on how the money is spent and the outcomes achieved, as the main objective of the law. Cambodia's BSL is still open to improvement, given that such explanation does not yet take place. BSL usually should be prepared and made available to the public nine months after the old fiscal year; however, Cambodian BSL is three years behind.
3. Analysis of the 2007 Budget Law
The analysis looks at priority sectors' low expenditure compared with certain non-priority sectors' overwhelming trend for overspending in 2006 and the likely unenthusiastic budget treatment for priority ministries/sectors in 2007.
4. Constitution of the Kingdom of Cambodia.
5. Law on Audit of the Kingdom of Cambodia.
6. Law on Financial System of the Kingdom of Cambodia.
7. Cambodian National Strategic Development Plan (NSDP) 2006-210.

Useful links

1. NGO Forum on Cambodia
www.ngoforum.org.kh
The Development Issues Section accommodates various updated development documents, such as the Position Papers to the Cambodia Development Cooperation Forum (CDCF), the NGO statement to the CDCF and Cambodia Development Watch, which also contains articles on the budget and other development-related issues.
2. Economic Institute of Cambodia
www.eicambodia.org
This leading economic institute's publication section offers mostly economics-related materials, also including articles on the budget.
3. Ministry of Economy and Finance
<http://www.mef.gov.kh/>
The Monthly Bulletin of Statistics is published every month by the Economic and Public Finance Policy Department of MEF in order to disseminate to the public statistical information on various economics issues. The Monthly Bulletin of Statistics is available in both Khmer and English. Audiences can view the document in both languages at the same time in PDF format.
4. International Budget Project (IBP)
<http://www.internationalbudget.org/>

The IBP website contains a number of resources that can help groups learn more about applied budget work and connect with other civil society budget groups in developing and transitional countries. These resources include a comprehensive library, information and contact details for many of the budget groups the IBP works with, an extensive resource section, and information about the IBP's international events. The IBP also publishes a bi-monthly newsletter.

5. A Guide to Budget Work for NGOs

<http://www.internationalbudget.org/resources/guide/index.htm>

The Guide to Budget Work was the predecessor to this Guide on revenue work. It provides information on the principles and practices of applied budget work and an extensive list of resources for further information.

6. Case Studies of Six Established Budget Groups

<http://www.internationalbudget.org/casestudies.htm>

The IBP and the Institute for Development Studies conducted an extensive study of the impact of applied budget work in six countries: Brazil, Croatia, India, Mexico, South Africa and Uganda. The study concludes that the budget groups in these countries have had a significant impact in a number of areas, including enhancing budget transparency, increasing resources for pro-poor programs, and improving how these resources are used.

7. Open Budget Questionnaire

<http://www.openbudgetindex.org>

The IBP's Open Budget Questionnaire was developed to evaluate public access to budget information and the openness of the budget process from the perspective of civil society organizations. It focuses mainly on the expenditure side of the budget. There are, however, several questions that provide information on how revenues fit into the budget process.

8. IBP Electronic Library

<http://ibp.forumone.com/resources/library/index.php>

IBP's electronic library contains links to reports, studies and other documents on budget-related issues available online. It includes a section on 'Taxation and Revenue Issues'.

9. Extractive Industries Transparency Initiative (EITI)

<http://www.eitransparency.org/>

The EITI is led by the UK Department for International Development (DFID), in cooperation with the IMF and the World Bank. EITI aims to increase transparency in transactions between governments and companies in the extractive industries. EITI's website provides background information on the initiative, a description of the EITI principles, and information on the governments, companies and NGOs participating in the initiative.

10. Publish What You Pay (PWYP)

<http://www.publishwhatyoupay.org/>

PWYP is a coalition of over 300 NGOs working to improve transparency in the extractive industries. The coalition calls for mandatory disclosure of the payments made by oil, gas and mining companies to governments. The website outlines the objectives of the coalition and offers resources for groups wanting to get involved.

11. Revenue Watch Institute (RWI)

<http://www.revenuwatch.org/>

The RWI works with civil society, media and policymakers in resource-dependent countries to improve democratic accountability. It seeks to equip citizens with the information, training, networks and funding they need to become more effective monitors of government revenues and expenditures.

Annex 3 – Table A, B, C and D from 2015 Budget Law

Table A: National Revenues in 2015

NBC Exchange Rate (Riels / US\$)					4050	
Chapter	Account	Subaccount	Description of Revenue	2015		Percentage of total budget revenue
				In Million CR	In Thousand USD	
			Total Budget Revenue of Government (I+II)	15,135,230	3,737,093	100.0%
			I- Budget Revenue through National Treasury (A+B)	11,448,230	2,826,723	75.6%
			O/W Domestic Revenue	11,148,230	2,752,649	73.7%
			A. Total Current Revenue (Group 1 + Group 2)	11,014,644	2,719,665	72.8%
			Group 1: Real Revenue (Category 1 + Category 2)	11,014,644	2,719,665	72.8%
			Category 1: Tax Revenue	9,548,391	2,357,627	63.1%
70			Domestic Tax Revenue	7,587,691	1,873,504	50.1%
	7001		Direct tax (Tax on incomes, profits and capital gains)	2,069,000	510,864	13.7%
		70012	Tax on profit (companies)	1,565,000	386,420	10.3%
		70013	Tax on salaries	385,000	95,062	2.5%
		70014	Tax on movable and immovable property rent (individual)	96,000	23,704	0.6%
		70015	Tax on movable and immovable property rent (companies)	23,000	5,679	0.2%
	7002		Indirect Tax	3,420,000	844,444	22.6%
		70022	Value-added Tax	1,310,000	323,457	8.7%
		70025	VAT-Import regime (petroleum enterprise)	550,000	135,802	3.6%
		70026	VAT-Import regime (other enterprises)	1,340,000	330,864	8.9%
		70027	VAT-Import regime on agricultural materials (state subsidy)	187,000	46,173	1.2%
	7003		Tax on specific goods (excise taxes)	1,953,400	482,321	12.9%
		7031	Special excise on specific products-Domestic regime	517,000	127,654	3.4%
		7032	Special excise on specific products-Import regime (petroleum enterprise)	288,200	71,160	1.9%
		7033	Special excise on specific products-Import regime (other enterprise)	1,075,200	265,481	7.1%

NBC Exchange Rate (Riels / US\$)						
Chapter	Account	Subaccount	Description of Revenue	2015		4050
				In Million CR	In Thousand USD	Percentage of total budget revenue
		7034	Special excise on specific services	73,000	18,025	0.5%
	7004		Exercise on specific services	95,314	23,534	0.6%
		70041	Exercise on Casino	94,114	23,238	0.6%
		70042	Exercise on lottery	1,200	296	0%
	7005		Exercise on goods and services or activities	26,377	6,513	0.2%
		70052	Revenue from local certification	26,377	6,513	0.2%
	7008		Other tax revenues	23,600	5,827	0.2%
		70081	Stamp tax	6,100	1,506	0
		70082	Fiscal penalty and fine	17,500	4,320	0.1%
71			Revenue from International Trade	1,960,700	484,123	13.0%
	7100		Tax and duty on imports	1,671,400	412,691	11.0%
		71001	Customs duty on imports	1,102,000	272,099	7.3%
		71003	Custom duty on petroleum products	260,000	64,198	1.7%
		71004	Sur-Tax on petroleum products (Road maintenance)	230,000	56,790	1.5%
		71005	Proceed on custom sale	800	197	0%
		71006	Custom penalties	2,600	641	0%
		71007	Tax on imported raw material for medicine (state responsibility)	1,600	395	0%
	7101		Tax and Exercise on exports	289,300	71,432	1.9%
		71011	Exercise on timber exports	126,000	31,111	0.8%
		71012	Exercise on rubber exports	30,000	7,407	0.2%
		71014	Exercise other product exports	2,800	691	0%
		71015	Export management fee and visa for export	130,000	32,098	0.9%
		71016	Fine on other exports	500	123	0%
		Category 2: Non-Tax Revenue		1,466,253	362,038	9.7%
72			State Property Turnover	124,345	30,702	0.8%
7200			Revenue from concessions and land rents	113,615	28,053	0.8%

NBC Exchange Rate (Riels / US\$)						4050	
Chapter	Account	Subaccount	Description of Revenue	2015		In Thousand USD	Percentage of total budget revenue
				In Million CR			
		72001	Fishing concessions	3,000		741	0.0%
		72002	Forest concessions	39,545		9,764	0.3%
		72003	Petroleum concessions	3,116		769	0.0%
		72004	Mining concessions	43,748		10,802	0.3%
		72005	Unused land rents (only land)	24,206		5,977	0.2%
	7210		Revenue from public enterprises	10,730		2,649	0.1%
		72012	Dividend of public enterprises	10,730		2,649	0.1%
73			Revenue from Sale and Rent of Properties and Services	1,255,027		309,883	8.3%
	7300		Public enterprises, administrative and service operations (for profit)	474,379		117,131	3.1%
		73001	Revenue from civil aviation	92,900		22,938	0.6%
		73003	Revenue from tourism activities	256,905		63,433	1.7%
		73004	Revenue from cultural activities	24,888		6,145	0.2%
		73005	Revenue from posts and telecommunications	93,418		23,066	0.6%
		73006	Revenue from radio and television	1,754		433	0.0%
		73007	Revenue from water supply and electricity	30		7	0.0%
		73008	Other revenues	4,484		1,107	0.0%
	7301		Sale on state administrative property	32,323		7,980	0.2%
		73011	Sale of equipment, damage material, and school supplies	128		31	0%
		73012	Sale of document, stickers, printed document	28,290		6,985	0.2%
		73013	Revenue from sale of minor property and animal product	9		2	0%
		73018	Sale of other state administrative property	3,896		961	0.3%
	7302		Revenue from administrative management	670,153		165,470	4.4%
		73021	Excise on embassies (passport and visa fees)	530,347		130,950	3.5%
		73023	Revenue from establishing enterprise	12,339		3,046	0.1%
		73024	Revenue from exam participation fee	1,046		258	0%
		73025	Revenue from sale on plate license	25,814		6,373	0.2%

NBC Exchange Rate (Riels / US\$)						4050	
Chapter	Account	Subaccount	Description of Revenue	2015		In Thousand USD	Percentage of total budget revenue
				In Million CR			
		73026	Revenue from court	3,165		781	0%
		73027	Revenue from product quality check and compliant standard	95,496		23,579	0.6%
		73028	Revenue from administration permission, administrative form and other administrative management	1,945		480	0%
	7303		Lease of fix asset	16,289		4,021	0.1%
		73031	Lease of public enterprise in central administration	5,245		1,295	0%
		73032	Lease of public enterprise in provincial administration	9		2	0%
		73033	Lease of equipment and vehicle	2		0	0%
		73034	Lease of fix asset (non-furniture)	10,471		2,585	0.1%
		73038	Lease of other property	560		138	0%
	7304		Services provided	61,881		15,279	0.4%
		73042	Care services	29,449		7,271	0.2%
		73043	Cadastral services	20,000		4,938	0.1%
		73044	Construction services	7,233		1,785	0%
		73045	Criminal check letter	1,602		395	0%
		73048	Other services	3,596		887	0%
74			Revenue from Fines and Sanctions	8,864		2,189	0.1%
	7401		Fine and sanctions	8,864		2,189	0.1%
75			Support and Grants	671		166	0.0%
	7506		Revenue from agent functions	671		166	0.0%
		75061	From ministry and department	671		166	0.0%
76			Financial Revenues	77,364		19,102	0.5%
	7601		Loan interest	77,338		19,095	0.5%
		76011	Loan interest	77,338		19,095	0.5%
	7698		Other financial revenue	8		1	0
77			Other revenues and exceptional revenues	0		0	0.0%

NBC Exchange Rate (Riels / US\$)					
Chapter	Account	Subaccount	Description of Revenue		
			2015		4050
			In Million CR	In Thousand USD	Percentage of total budget revenue
	7702		0	0	0%
	7704		0	0	0%
B. Total Capital Revenue (Group 1 and 2)			433,586	107,058	2.9%
Group 1: Real Revenue (Categories 1 and 2)			433,586	107,058	2.9%
Category 1: Revenue from Direct Sources			133,586	32,984	0.9%
27			133,586	32,984	0.9%
	2701		133,586	32,984	0.9%
		27018	133,586	32,984	0.9%
Category 2: Revenue from Outside Sources			300,000	74,074	2.0%
75			90,000	22,222	0.6%
	7514		49,500	12,222	0.3%
	7515		40,500	10,000	0.3%
50			210,000	51,852	1.4%
	5002		210,000	51,852	1.4%
II- Revenue Outside National Treasury (A+B)			3,687,000	910,370	24.4%
Category 2: Revenue from Outside Sources			3,687,000	910,370	24.4%
75			537,000	132,593	3.5%
	7514		537,000	132,593	3.5%
50			3,150,000	777,778	20.8%
	5002		3,150,000	777,778	20.8%

Source: 2015 Budget Law

Table B: National Budget expenditure 2015

NBC Exchange Rate (Riels / US\$)		4050									
Ministries/Institutions		Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Current	Capital	
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD				
Total Expenditure		15,035,229.0	3,712,402.2	9,275,161.0	2,290,163.2	5,760,068.0	1,422,239.0	100.00%	100.00%	100.00%	
Central Administration		8,832,418.7	2,180,844.1	6,759,350.0	1,668,975.3		0.0	58.74%	72.88%	0.00%	
Provincial Capital Expert Department		2,515,810.3	621,187.7	2,515,810.3	621,187.7		0.0	16.73%	27.12%	0.00%	
External financed public investment		3,687,000.0	910,370.4		0.0	3,687,000.0	910,370.4	24.52%	0.00%	64.01%	
A.	General Administration	1,681,092.4	415,084.5	1,320,011.9	325,928.9	361,080.5	89,155.7	11.18%	14.23%	6.27%	
	Central Administration	1,223,090.3	301,997.6	1,223,090.3	301,997.6		0.0	8.13%	13.19%	0.00%	
	Provincial Capital Expert Department	96,921.0	23,931.1	96,921.0	23,931.1		0.0	0.64%	1.04%	0.00%	
	External financed public investment	361,080.5	89,155.7		0.0		0.0	2.40%	0.00%	0.00%	
01-	Royal Palace	75,613.0	18,669.9	75,613.0	18,669.9		0.0	0.50%	0.82%	0.00%	
02-	National Assembly	124,474.7	30,734.5	124,474.7	30,734.5		0.0	0.83%	1.34%	0.00%	
03-	Senate	56,171.0	13,869.4	56,171.0	13,869.4		0.0	0.37%	0.61%	0.00%	
04-	Constitutional Council	7,692.3	1,899.3	7,692.3	1,899.3		0.0	0.05%	0.08%	0.00%	
05.1-	Office of Council of Ministers	124,474.7	30,734.5	124,474.7	30,734.5		0.0	0.83%	1.34%	0.00%	
	External financed public investment	157,299.9	38,839.5		0.0	157,299.9	38,839.5	1.05%	0.00%	2.73%	
05.4-	CDC	12,352.0	3,049.9	12,352.0	3,049.9		0.0	0.08%	0.13%	0.00%	
08-	Ministry of National Assembly and Senate Relation	24,300.8	6,000.2	23,360.4	5,768.0	940.4	232.2	0.16%	0.25%	0.02%	
	1. Central Administration	12,481.4	3,081.8	12,481.4	3,081.8		0.0	0.08%	0.13%	0.00%	
	9. Provincial Capital Expert Department	10,879.0	2,686.2	10,879.0	2,686.2		0.0	0.07%	0.12%	0.00%	
	External financed public investment	940.4	232.2		0.0	940.4	232.2	0.01%	0.00%	0.02%	
09-	Ministry of Foreign Affairs	83,719.3	20,671.4	83,719.3	20,671.4		0.0	0.56%	0.90%	0.00%	
10-	Ministry of Economy and Finance	609,057.4	150,384.5	412,637.6	101,885.8	196,419.3	48,498.6	4.05%	4.45%	3.41%	

NBC Exchange Rate (Riels / US\$)		4050								
Ministries/Institutions		Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Current	Capital
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD			
	1. Central Administration	392,682.6	96,958.7	392,682.6	96,958.7		0.0	2.61%	4.23%	0.00%
	9. Provincial Capital Expert Department	19,955.0	4,927.2	19,955.0	4,927.2		0.0	0.13%	0.22%	0.00%
	External financed public investment	196,419.8	48,498.7		0.0	196,419.8	48,498.7	1.31%	0.00%	3.41%
14-	Ministry of Planning	53,083.7	13,107.1	47,180.0	11,649.4	5,903.7	1,457.7	0.35%	0.51%	0.10%
	1. Central Administration	30,933.0	7,637.8	30,933.0	7,637.8		0.0	0.21%	0.33%	0.00%
	9. Provincial Capital Expert Department	16,247.0	4,011.6	16,247.0	4,011.6		0.0	0.11%	0.18%	0.00%
	External financed public investment	5,903.7	1,457.7		0.0	5,903.7	1,457.7	0.04%	0.00%	0.10%
28	Ministry of Land, Urbanization and construction	112,205.4	27,705.0	112,205.4	27,705.0		0.0	0.75%	1.21%	0.00%
	1. Central Administration	71,613.6	17,682.4	71,613.6	17,682.4		0.0	0.48%	0.77%	0.00%
	9. Provincial Capital Expert Department	40,591.8	10,022.7	40,591.8	10,022.7		0.0	0.27%	0.44%	0.00%
30-	National Election Committee	13,299.0	3,283.7	13,299.0	3,283.7		0.0	0.09%	0.14%	0.00%
31	National Audit Authority	9,671.3	2,388.0	9,671.3	2,388.0		0.0	0.06%	0.10%	0.00%
31-	Anti-Corruption Unit	27,561.4	6,805.3	27,561.4	6,805.3		0.0	0.18%	0.30%	0.00%
34	Public Function	33,507.2	8,273.4	32,990.5	8,145.8		0.0	0.22%	0.36%	0.00%
	1. Central Administration	23,741.7	5,862.1	23,741.7	5,862.1		0.0	0.16%	0.26%	0.00%
	9. Provincial Capital Expert Department	9,248.8	2,283.7	9,248.8	2,283.7		0.0	0.06%	0.10%	0.00%
	External financed public investment	516.7	127.6		0.0	516.7	127.6	0.00%	0.00%	0.01%
B.	Defense and Security	2,441,060.5	602,731.0	2,316,182.9	571,897.0	124,877.6	30,834.0	16.24%	24.97%	2.17%
	Central Administration	2,345,052.9	579,025.4	2,287,052.9	564,704.4	58,000.0	14,321.0	15.60%	24.66%	1.01%
	Provincial Capital Expert Department	29,130.0	7,192.6	29,130.0	7,192.6		0.0	0.19%	0.31%	0.00%
	External financed public investment	66,877.6	16,513.0		0.0	66,877.6	16,513.0	0.44%	0.00%	1.16%
06-	Ministry of Defense	1,322,800.0	326,617.3	1,322,800.0	326,617.3		0.0	8.80%	14.26%	0.00%

NBC Exchange Rate (Riels / US\$)		4050									
Ministries/Institutions		Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Current	Capital	
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD				
07.1-	Ministry of Interior- Public Security	878,995.0	217,035.8	878,995.0	217,035.8	58,000.0	14,321.0	5.85%	9.48%	1.01%	
07-2-	Ministry of Interior- General Administration	172,634.5	42,625.8	105,756.9	26,112.8	66,877.6	16,513.0	1.15%	1.14%	1.16%	
	1. Central Administration	105,756.9	26,112.8	105,756.9	26,112.8		0.0	0.70%	1.14%	0.00%	
	9. Provincial Capital Expert Department		0.0		0.0		0.0	0.00%	0.00%	0.00%	
	External financed public investment	66,877.6	16,513.0		0.0	66,877.6	16,513.0	0.44%	0.00%	1.16%	
26-	Ministry of Justice	66,631.0	16,452.1	66,631.0	16,452.1		0.0	0.44%	0.72%	0.00%	
	Justice	28,434.5	7,020.9	28,434.5	7,020.9		0.0	0.19%	0.31%	0.00%	
	Supreme court	3,577.0	883.2	3,577.0	883.2		0.0	0.02%	0.04%	0.00%	
	Appeal court	4,004.5	988.8	4,004.5	988.8		0.0	0.03%	0.04%	0.00%	
	Council of magistracy	1,485.0	366.7	1,485.0	366.7		0.0	0.01%	0.02%	0.00%	
	Provincial Capital Expert Department	29,130.0	7,192.6	29,130.0	7,192.6		0.0	0.19%	0.31%	0.00%	
C.	Social Sector	4,182,645.6	1,032,752.0	3,584,504.8	885,062.9	598,140.8	147,689.1	27.82%	38.65%	10.38%	
	Central Administration	1,424,957.1	351,841.3	1,389,957.1	343,199.3	35,000.0	8,642.0	9.48%	14.99%	0.61%	
	Provincial Capital Expert Department	2,194,547.7	541,863.6	2,194,547.7	541,863.6		0.0	14.60%	23.66%	0.00%	
11-	External financed public investment	563,140.8	139,047.1		0.0	563,140.8	139,047.1	3.75%	0.00%	9.78%	
	Ministry of Information	55,466.3	13,695.4	52,854.0	13,050.4	2,612.3	645.0	0.37%	0.57%	0.05%	
	1. Central Administration	37,858.4	9,347.8	37,858.4	9,347.8		0.0	0.25%	0.41%	0.00%	
12-	9. Provincial Capital Expert Department	14,995.6	3,702.6	14,995.6	3,702.6		0.0	0.10%	0.16%	0.00%	
	External financed public investment	2,672.3	659.8		0.0	2,672.3	659.8	0.02%	0.00%	0.05%	
	Ministry of Health	1,296,906.5	320,223.8	1,023,141.0	252,627.4	273,765.5	67,596.4	8.63%	11.03%	4.75%	
	1. Central Administration	719,425.0	177,635.8	719,425.0	177,635.8	35,000.0	8,642.0	4.78%	7.76%	0.61%	
	9. Provincial Capital Expert Department	303,716.0	74,991.6	303,716.0	74,991.6		0.0	2.02%	3.27%	0.00%	

NBC Exchange Rate (Riels / US\$)		4050								
Ministries/Institutions		Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Current	Capital
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD			
16-	External financed public investment	273,765.5	67,596.4		0.0	273,765.5	67,596.4	1.82%	0.00%	4.75%
	Ministry of Education, Youth, and Sport	1,813,590.4	447,800.1	1,583,308.4	390,940.3	23,282.0	5,748.6	12.06%	17.07%	0.40%
	1. Education	340,369.7	84,041.9	305,369.7	75,399.9		0.0	2.26%	3.29%	0.00%
	2. Higher Education	53,082.2	13,106.7	53,082.2	13,106.7		0.0	0.35%	0.57%	0.00%
	3. Youth and Sport	43,581.3	10,760.8	43,581.3	10,760.8		0.0	0.29%	0.47%	0.00%
	9. Provincial Capital Expert Department	1,181,275.2	291,672.9	1,181,275.2	291,672.9		0.0	7.86%	12.74%	0.00%
18-	External financed public investment	195,282.0	48,217.8		0.0	195,282.0	48,217.8	1.30%	0.00%	3.39%
	Ministry of Culture and Fine Arts	55,406.8	13,680.7	55,406.8	13,680.7		0.0	0.37%	0.60%	0.00%
	1. Central Administration	37,812.1	9,336.3	37,812.1	9,336.3		0.0	0.25%	0.41%	0.00%
19-	9. Provincial Capital Expert Department	17,594.7	4,344.4	17,594.7	4,344.4		0.0	0.12%	0.19%	0.00%
	Ministry of Environment	60,420.1	14,918.5	37,389.8	9,232.0	23,030.3	5,686.5	0.40%	0.40%	0.40%
	1. Central Administration	23,175.9	5,722.4	23,175.9	5,722.4		0.0	0.15%	0.25%	0.00%
21-	9. Provincial Capital Expert Department	14,213.9	3,509.6	14,213.9	3,509.6		0.0	0.09%	0.15%	0.00%
	External financed public investment	23,030.3	5,686.5	23,030.3	5,686.5		0.0	0.15%	0.25%	0.00%
	Ministry of Social and Veteran Affairs and Rehabilitation	666,183.4	164,489.7	645,058.9	159,273.8	21,124.5	5,215.9	4.43%	6.95%	0.37%
	1. Central Administration	51,522.8	12,721.7	51,522.8	12,721.7		0.0	0.34%	0.56%	0.00%
	9. Provincial Capital Expert Department	593,536.1	146,552.1	593,536.1	146,552.1		0.0	3.95%	6.40%	0.00%
	External financed public investment	21,124.5	5,215.9		0.0	21,124.5	5,215.9	0.14%	0.00%	0.37%
23-	Ministry of Cults and Religion	39,391.6	9,726.3	34,585.1	8,539.5	4,806.5	1,186.8	0.26%	0.37%	0.08%
	1. Central Administration	16,134.4	3,983.8	16,134.4	3,983.8		0.0	0.11%	0.17%	0.00%
	9. Provincial Capital Expert Department	18,450.7	4,555.7	18,450.7	4,555.7		0.0	0.12%	0.20%	0.00%

NBC Exchange Rate (Riels / US\$)		4050							
	Ministries/Institutions	Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Capital
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD	Percentage of Ministry by total Exp	
	External financed public investment	4,806.5	1,186.8		0.0	4,806.5	1,186.8	0.03%	0.00%
24-	Ministry of Women Affairs	35,289.5	8,713.5	35,289.5	8,713.5		0.0	0.23%	0.00%
	1. Central Administration	16,923.6	4,178.7	16,923.6	4,178.7		0.0	0.11%	0.00%
	9. Provincial Capital Expert Department	18,365.9	4,534.8	18,365.9	4,534.8		0.0	0.12%	0.00%
32-	Ministry of Labor and Vocational Training	159,991.0	39,504.0	117,471.3	29,005.3	42,519.7	10,498.7	1.06%	0.74%
	1. Central Administration	85,071.7	21,005.4	85,071.7	21,005.4		0.0	0.57%	0.00%
	9. Provincial Capital Expert Department	32,399.6	7,999.9	32,399.6	7,999.9		0.0	0.22%	0.00%
	External financed public investment	42,519.7	10,498.7		0.0	42,519.7	10,498.7	0.28%	0.74%
D.	Economic Sector	4,295,133.5	1,060,526.8	994,232.4	245,489.5	3,300,901.1	815,037.3	28.57%	57.31%
	Central Administration	1,404,021.4	346,672.0	799,021.4	197,289.2	605,000.0	149,382.7	9.34%	8.61%
	Provincial Capital Expert Department	195,211.0	48,200.2	195,211.0	48,200.2		0.0	1.30%	2.10%
	External financed public investment	2,695,901.1	665,654.6		0.0	2,695,901.1	665,654.6	17.93%	0.00%
05.3	State Secretariat of Civil Aviation	69,565.1	17,176.6	47,878.9	11,822.0	21,686.2	5,354.6	0.46%	0.38%
	External financed public investment	21,686.2	5,354.6		0.0	21,686.2	5,354.6	0.14%	0.38%
13-	Ministry of Industry, Mines, and Energy	443,130.2	109,414.9	25,657.8	6,335.3	417,472.4	103,079.6	2.95%	0.28%
	1. Central Administration	15,609.4	3,854.2	15,609.4	3,854.2		0.0	0.10%	0.17%
	9. Provincial Capital Expert Department	10,048.4	2,481.1	10,048.4	2,481.1		0.0	0.07%	0.11%
	External financed public investment	417,472.4	103,079.6		0.0	417,472.4	103,079.6	2.78%	0.00%
15-	Ministry of Commerce	141,295.3	34,887.7	114,155.8	28,186.6	27,139.5	6,701.1	0.94%	1.23%
	1. Central Administration	100,750.1	24,876.6	100,750.1	24,876.6		0.0	0.67%	1.09%
	9. Provincial Capital Expert Department	13,405.7	3,310.0	13,405.7	3,310.0		0.0	0.09%	0.14%
	External financed public investment	27,139.5	6,701.1		0.0	27,139.5	6,701.1	0.18%	0.00%

NBC Exchange Rate (Riels / US\$)		4050									
Ministries/Institutions		Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Current	Capital	
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD				
17-	Ministry of Agriculture, Forestry, and Fisheries	326,356.5	80,581.9	150,296.5	37,110.2	176,060.0	43,471.6	2.17%	1.62%	3.06%	
	1. Central Administration	126,263.1	31,176.1	106,236.1	26,231.1	20,000.0	4,938.3	0.84%	1.15%	0.35%	
	9. Provincial Capital Expert Department	44,033.4	10,872.4	44,033.4	10,872.4		0.0	0.29%	0.47%	0.00%	
	External financed public investment	156,060.0	38,533.3		0.0	156,060.0	38,533.3	1.04%	0.00%	2.71%	
20-	Ministry of Rural Development	412,584.3	101,872.7	128,242.2	31,664.7	284,342.1	70,207.9	2.74%	1.38%	4.94%	
	1. Central Administration	213,766.2	52,781.8	93,766.2	23,152.1	120,000.0	29,629.6	1.42%	1.01%	2.08%	
	9. Provincial Capital Expert Department	34,476.0	8,512.6	34,476.0	8,512.6		0.0	0.23%	0.37%	0.00%	
	External financed public investment	163,342.0	40,331.4		0.0	163,342.0	40,331.4	1.09%	0.00%	2.84%	
22-	Ministry of Posts and Telecommunications	85,540.6	21,121.1	46,212.0	11,410.4	39,328.6	9,710.8	0.57%	0.50%	0.68%	
	1. Central Administration	35,203.0	8,692.1	35,203.0	8,692.1		0.0	0.23%	0.38%	0.00%	
	9. Provincial Capital Expert Department	11,009.0	2,718.3	11,009.0	2,718.3		0.0	0.07%	0.12%	0.00%	
	External financed public investment	39,328.6	9,710.8		0.0	39,328.6	9,710.8	0.26%	0.00%	0.68%	
25-	Ministry of Public Works and Transport	1,773,647.2	437,937.6	323,585.8	79,897.7	1,450,061.4	358,039.9	11.80%	3.49%	25.17%	
	1. Central Administration	630,311.8	155,632.5	285,311.8	70,447.4	345,000.0	85,185.2	4.19%	3.08%	5.99%	
	9. Provincial Capital Expert Department	38,274.0	9,450.4	38,274.0	9,450.4		0.0	0.25%	0.41%	0.00%	
	External financed public investment	1,105,061.4	272,854.7		0.0		0.0	7.35%	0.00%	0.00%	
27-	Ministry of Tourism	65,534.7	16,181.4	54,161.7	13,373.3	11,373.0	2,808.1	0.44%	0.58%	0.20%	
	1. Central Administration	41,964.3	10,361.6	41,964.3	10,361.6		0.0	0.28%	0.45%	0.00%	
	9. Provincial Capital Expert Department	12,197.4	3,011.7	12,197.4	3,011.7		0.0	0.08%	0.13%	0.00%	
	External financed public investment	11,373.0	2,808.1		0.0	11,373.0	2,808.1	0.08%	0.00%	0.20%	
28-	Ministry of Land, Urbanization, and Construction		0.0		0.0		0.0	0.00%	0.00%	0.00%	

NBC Exchange Rate (Riels / US\$)		4050									
Ministries/Institutions		Total Expenditure		Total Current Expenditure		Total Capital Expenditure		Total	Current	Capital	
		In Million CR	In Thousand USD	In Million CR	In Thousand USD	In Million CR	In Thousand USD				
29-	Ministry of Water Resources and Meteorology	848,279.2	209,451.7	74,511.4	18,397.9	773,767.8	191,053.8	5.64%	0.80%	13.43%	
	1. Central Administration	173,953.9	42,951.6	53,953.9	13,322.0	12,000.0	2,963.0	1.16%	0.58%	0.21%	
	9. Provincial Capital Expert Department	20,557.5	5,075.9	20,557.5	5,075.9		0.0	0.14%	0.22%	0.00%	
35-	External financed public investment	653,767.8	161,424.1		0.0	653,767.8	161,424.1	4.35%	0.00%	11.35%	
	Ministry of industry and handicraft	129,200.5	31,901.4	29,530.3	7,291.4	99,670.2	24,609.9	0.86%	0.32%	1.73%	
	1. Central Administration	18,320.7	4,523.6	18,320.7	4,523.6		0.0	0.12%	0.20%	0.00%	
99-	9. Provincial Capital Expert Department	11,209.6	2,767.8	11,209.6	2,767.8		0.0	0.07%	0.12%	0.00%	
	External financed public investment	99,670.2	24,609.9		0.0	99,670.2	24,609.9	0.66%	0.00%	1.73%	
	Unallocated Expenditures	2,435,297.0	601,307.9	1,060,229.0	261,784.9	1,375,068.0	339,523.0	16.20%	11.43%	23.87%	
	Current Counterpart Fund	129,500.0	31,975.3	129,500.0	31,975.3		0.0	0.86%	1.40%	0.00%	
	- Financial Charges (Chapter 66)	276,381.0	68,242.2	276,381.0	68,242.2		0.0	1.84%	2.98%	0.00%	
	-Total Supplementation to Provinces/Cities and Communes/Sangkats	442,896.0	109,357.0	442,896.0	109,357.0		0.0	2.95%	4.78%	0.00%	
	- Unexpected Expense (Chapter 09)	211,452.0	52,210.4	211,452.0	52,210.4		0.0	1.41%	2.28%	0.00%	
	- Settlement of Borrowings (Chapter 16)	436,568.0	107,794.6		0.0	436,568.0	107,794.6	2.90%	0.00%	7.58%	
	- Investment Projects	321,700.0	79,432.1		0.0	321,700.0	79,432.1	2.14%	0.00%	5.59%	
	- Domestic counterpart in Direct investment	316,800.0	78,222.2		0.0	316,800.0	78,222.2	2.11%	0.00%	5.50%	
	- Budget Support	300,000.0	74,074.1		0.0	300,000.0	74,074.1	2.00%	0.00%	5.21%	

Table C 1: Externally financed capital expenditure

Name of Projects	Cost of Projects	Investment Level divided by Year (Unit: in million Riel)			Total in 3 Years
		2015	2016	2017	
Ministry of Health					
Financing Project (Capital investment project)	1,198,096	275,911	240,977	223,675	740,563
	1,187,728	272,846	237,912	222,456	733,214
Conjunctivitis Cambodia-Korea Friendship Center construction project	22,275	19,157			19,157
Dengue fever control National Program	42,497	13,126	14,438	15,882	43,446
Communicable Disease Control department Program	31,193	5,225	4,528	3,831	13,584
AIDS, Dermatology and STD prevention, care and treatment program	279,527	53,325	52,277	54,682	160,284
Enhancement on quality of pharmaceuticals, medical equipment, cosmetics and food security project	5,902	1,236	1,298	1,363	3,898
Siهانouk Provincial Hospital Improvement Project	37,220	32,009			32,009
National Blood Transfusion Center	487,801	81,493	69,660	69,660	220,813
Fighting malaria, Artemisinin chemotherapy immune emissions prevention to Ffilesiparo plus sodium parasites	41,857	4,180	5,573	5,242	14,994
Vaccine National Program	165,488	28,406	53,354	29,568	111,329
National program to fight against respiratory tract infections, diarrhea and cholera	12,150	1,567	2,090	3,135	6,792
National Center for TB and Leprosy Program	48,207	28,421	29,712	33,883	92,016
A national program to eradicate intestinal worms	8,926	2,766	3,044	3,274	9,084
Strengthening laboratories Project, pharmaceutical quality control	4,686	1,937	1,937	1,937	5,810
Strengthening Project in response to HIV and AIDS in Cambodia	1,364,549	101,893	101,893	305,680	509,466
Non-Financing Project (Capital Investment Project)	10,368	3,065	3,065	1,219	7,349

Name of Projects	Cost of Projects	Investment Level divided by Year (Unit: in million Riel)			
		2015	2016	2017	Total in 3 Years
Health Human Resources Development Project	10,368	3,065	3,065	1,219	7,349
Ministry of Education Youth and Sport	1,170,181	219,943	175,758	121,902	517,603
Financing Project (Capital investment project)	685,568	184,713	140,932	15,674	341,318
Education Sector Reform Partnership program in Cambodia in 2014-2016	198,450	52,245	52,245		104,490
Education sector Development program pace III	77,760	5,225	10,449	10,449	26,123
Secondary School construction Project in Phnom Penh Capital	35,307	13,932	13,932		27,864
Technical education development project for secondary level	8,100	2,090			2,090
The project to improve the facilities and testing equipment at the Institute of Technology of Cambodia	26,204	12,086			12,086
Global Partnership project for Education in 2014-2016	155,925	55,728	38,313	5,225	99,266
Higher education Quality and ability enhancement Project	93,150	17,415			17,415
Education support Program in 2013-2016	90,672	25,993	25,993		51,985
Non-Financing Project (Capital Investment Project)	484,613	35,230	34,827	106,228	176,285
Education Development program pace IV	121,500	5,225	5,225	5,225	15,674
Secondary Technical Education enhancement Project	40,500	5,573	5,573	5,573	16,718
Sport Development Program	39,285	4,528	4,180	25,078	33,785
Sceintific and Technological Enahncement Project in higher education	60,750	3,483	3,483	24,381	31,347
Higher education scholarship providing Program to Student in Cambodia	25,005	4,089	3,483	3,483	11,055
Secondary Education Reform project (2015-2020)	162,000	3,483	3,483	3,483	41,796
Technical Sport providing Program	4,050	1,742	1,742		3,483
Supporting Basic Education Plan in 2014-2016	18,239	4,824	5,374	5,374	15,572
Youth Development Plan	13,284	2,285	2,285	2,285	6,855

Name of Projects	Cost of Projects	Investment Level divided by Year (Unit: in million Riel)				Total in 3 Years
		2015	2016	2017		
Ministry of Agriculture, Forestry and Fisheries						
Financing Project (Capital investment project)	840,876	178,818	163,034	139,518		481,370
Agricultural Development and Economic growth Stimulation Project	686,067	146,307	128,674	92,031		367,011
Forest Association Project	174,150	30,435	30,435	30,435		91,306
Agriculture laboratory construction project	10,470	1,438	871	266		2,576
Forest restoration and forestry research building construction project	40,500	17,415	17,415			34,830
	14,985	522				522
the Greater Mekong Sub-region biodiversity conservation project	38,475	6,966	6,966	6,966		20,898
Flora and Sanitation management system improvement project	44,550	8,708	8,708	8,708		26,123
Project on Climate change adaptation for the promotion of water management and agricultural practice	22,712	2,777				2,777
Sustainable agricultural sector growth and inclusive fisheries sub-sector and sub- production animal Program	139,628	24,016	24,016	24,016		72,048
Poverty reduction and the development of small-scale farmers in the Tonle Sap region Project	200,597	54,029	40,263	21,639		115,931
Non-Financing Project (Capital Investment Project)	154,809	32,511	34,360	47,488		114,359
Weather resistant capacity building in the forestry sector project	5,670	1,393	1,742	1,742		4,876
Canteen construction at the Royal University of Agriculture project	243	209				209
Protective forest management with the participation of local communities project	21,263	4,354	6,095	7,837		18,286

Name of Projects	Cost of Projects	Investment Level divided by Year (Unit: in million Riel)				Total in 3 Years
		2015	2016	2017		
Research project on the capacity development and knowledge enhancement about REDD+	4,860	1,263	1,389	1,528	4,180	
School building construction project at Prek Leap Agricultural National School	22,311	874	559	486	1,919	
Dormitory construction project at the Royal University of Agriculture	4,050		1,742	1,742	3,483	
Centre for Research and Training on post-harvest technology foundation and agricultural products creation Project	18,225	3,483	3,483	8,708	15,674	
Promotion and enhancement the public Project on the benefits of forest resources	4,556	1,149	1,324	1,445	3,918	
Human resource development project to participate in enhance effectiveness on forest management and conservation	265	78	77	73	228	
Testing plots maintainance project by planting seeds in Siem Reap	122		35	35	70	
Research institute construction and Sea fisheries Development	24,300	5,225	6,095	9,578	20,898	
Natural tourism project for community benefit	15,471	5,608	3,727	3,971	13,305	
The study on the growth of local chamber species Project	304	87	87	87	261	
Forest restoration promotion project to enhance carbon stocks	5,711	1,463	164	1,811	3,438	
Sustainable forest management promotion project	6,480	1,684	1,852	2,037	5,573	
Strengthening forest protection management and effective wildlife conservation area project	11,786	3,030	3,379	3,727	10,136	
Legal norms and REDD+ mechanism development and implementation Project	4,941	1,393	1,393	1,463	4,249	
Wildlife rescue and maintenance project	4,253	1,219	1,219	1,219	3,657	

Table C2: Externally financed capital budget expenditure, programme credit and committed budget

Ministry/ Institute	Total Loan Project (1) +(2)	Total Promised Loan (1) + (2) x 30%*	Financing Project (1)	Non-financing Project (2)
Total	4,913,860	3,687,000	3,161,203	1,752,658
General Administrative Sector	391,109	361,081	348,211	42,898
05.1 Office of Council Ministers	179,906	157,300	147,612	32,294
08. Ministry of National Assembly and Senate Relation	3,135	940		3,135
10. Ministry of Economy and Finance	196,420	196,420	196,420	
14. Ministry of Planning	9,927	5,904	4,180	5,747
34. Public Function	1,722	517		1,722
Defense and Security	92,893	66,878	55,728	37,165
07.2 Ministry of Interior- General Administration	92,893	66,878	55,728	37,165
Social Sector	663,113	563,141	520,295	142,818
11. Ministry of Information	8,708	2,612		8,708
12. Ministry of Health	275,911	273,766	272,846	3,065
16. Ministry of Education, Youth, and Sport	219,943	195,282	184,713	35,230
19. Ministry of Environment	23,030	23,030	23,030	
21. Ministry of Social and Veteran Affairs and Rehabilitation	58,225	21,125	5,225	53,000
23. Ministry of Cults and Religion	16,022	4,807		16,022
32. Ministry of Labor and Vocational Training	61,275	42,520	34,482	26,793
Economic Sector	37,666,744	2,695,901	2,236,968	1,529,776

Ministry/ Institute	Total Loan Project (1) +(2)	Total Promised Loan (1) + (2) x 30%*	Financing Project (1)	Non-financing Project (2)
05.3 State Secretariat of Civil Aviation	49,735	21,686	9,665	40,069
13. Ministry of Industry, Mines, and Energy	737,351	417,472	280,382	456,970
15. Ministry of Commerce	34,454	27,140	24,005	10,449
17. Ministry of Agriculture, Forestry, and Fisheries	178,818	156,060	146,307	32,511
20. Ministry of Rural Development	212,568	164,342	143,674	68,894
22. Ministry of Posts and Telecommunications	78,637	39,329	22,482	56,155
25. Ministry of Public Works and Transport	1,325,868	1,105,061	1,010,430	315,439
27. Ministry of Tourism	27,751	11,373	4,354	232,397
29. Ministry of Water Resources and Meteorology	1,013,124	653,768	499,758	513,365
35. Ministry of industry and handicraft	108,438	99,670	95,912	12,526

*Notice: Total Promised Loan is determined as integer

Table D: National Level Capital Budget Expenditure

Ministry/ Institute	Total Promised loan = Total Calculated Loan	Capital Expenditure by country Financing			Capital Expenditure by overseas Financing	Loan Calculation
		Promised Loan = Calculated Loan	Investment Counterpart	Budget Support Foundation		
Total	5,760,068	1,019,700	316,800	300,000	3,687,000	436,568
General Administrative Sector	361,081				361,081	
05.1 Office of Council Ministers	157,300				157,300	
08. Ministry of National Assembly and Senate Relation	940				940	
10. Ministry of Economy and Finance	196,420				196,420	
14. Ministry of Planning	5,904				5,904	
34. Public Function	517				517	
Defense and Security	124,878	58,000			66,878	
07.1 Ministry of Interior- Public Security	58,000	58,000				
07.2 Ministry of Interior- General Administration	66,878				66,878	
Social Sector	598,141	35,000			563,141	
11. Ministry of Information	2,612				2,612	
12. Ministry of Health	273,766				273,766	
16. Ministry of Education, Youth, and Sport	230,282	35,000			195,282	
19. Ministry of Environment	23,030				23,030	
21. Ministry of Social and Veteran Affairs and Rehabilitation	21,125				21,125	

Ministry/ Institute	Total Promised loan = Total Calculated Loan	Capital Expenditure by country Financing			Capital Expenditure by overseas Financing	Loan Calculation
		Promised Loan = Calculated Loan				
		Investment Project	Investment Counterpart	Budget Support Foundation		
23. Ministry of Cults and Religion	4,807				4,807	
32. Ministry of Labor and Vocational Training	42,520				42,520	
Economic Sector	3,300,901	605,000			2,695,901	
05.3 State Secretariat of Civil Aviation	21,686				21,686	
13. Ministry of Industry, Mines, and Energy	417,472				417,472	
15. Ministry of Commerce	27,140				27,140	
17. Ministry of Agriculture, Forestry, and Fisheries	176,060	20,000			156,060	
20. Ministry of Rural Development	284,342	120,000			164,342	
22. Ministry of Posts and Telecommunications	39,329				39,329	
25. Ministry of Public Works and Transport	1,450,061	345,000			1,105,061	
27. Ministry of Tourism	11,373				11,373	
29. Ministry of Water Resources and Meteorology	773,768	120,000			653,768	
35. Ministry of industry and handicraft	99,670				99,670	
Unallocated Expenditures	1,375,068	321,700	316,800	300,000		436,568
Settlement of Borrowings	436,568					436,568
Investment Projects	321,700	321,700				
Domestic counterpart in Direct investment	316,800		316,800			
Budget Support	300,000			300,000		

Annex 4: TOFE Report in December 2014

Billions of Kial	2014 C.B.L.	Implementation 12 months: 100%	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
I. DOMESTIC REVENUE	9,945.63	106.6%	677.14	725.72	817.63	1,081.70	830.58	976.38	970.45	825.63	849.35	822.81	781.24	1,444.58
1. CURRENT REVENUE	9,712.63	107.3%	677.14	724.81	817.25	1,080.63	826.35	973.15	975.32	824.60	849.35	810.62	774.87	1,418.12
a. TAX REVENUE	8,308.62	109.5%	650.75	671.58	770.33	977.78	777.56	772.75	795.35	719.90	746.15	714.18	675.06	969.56
Domestic tax revenue	6,544.41	111.1%	7,272.27	501.48	531.73	560.42	793.95	557.48	606.30	633.65	579.86	567.79	534.90	788.88
On income profits, capital gain - persons	404.30	119.7%	33.44	37.59	37.30	31.16	35.43	45.13	48.65	44.56	38.40	45.51	41.33	47.30
On income profits, capital gain - companies	1,373.30	107.8%	1,479.12	68.59	136.17	388.41	161.01	83.40	103.37	115.40	77.66	97.19	78.14	92.86
General taxes on goods and services	2,933.80	112.3%	5,290.93	267.89	234.72	219.08	227.09	319.18	311.05	259.62	288.49	245.19	242.43	451.71
o.w. - turnover taxes	30.00	83.7%	25.12	2.05	2.11	2.09	1.97	2.33	2.25	2.11	1.83	2.48	2.19	1.78
-VAT	2,903.80	107.6%	5,265.81	265.84	232.61	217.00	225.12	316.85	308.80	257.51	286.59	243.70	240.24	407.93
Taxes on specific goods	1,644.48	109.7%	1,803.33	139.71	144.60	143.44	142.81	145.83	149.95	147.24	167.10	167.10	173.37	167.03
Taxes on specific services	159.19	100.3%	1,593.53	1,569.12	1,511.31	1,511.31	1,511.31	1,511.31	1,511.31	1,511.31	1,511.31	1,511.31	1,511.31	1,511.31
Taxes on goods and services or activities	12.99	143.8%	18.68	0.08	0.75	2.98	3.83	0.52	1.08	0.19	1.18	0.89	0.34	6.76
Other tax revenue	17.35	211.4%	36.68	1.88	2.37	2.14	3.76	2.81	1.98	4.43	3.46	3.80	4.01	3.46
Taxes on international trade	1,764.21	103.4%	149.28	139.84	159.91	133.84	140.08	166.43	161.70	139.08	166.29	146.39	140.16	180.68
Taxes and duties on imports	1,541.77	103.6%	1,603.51	131.84	141.16	116.03	120.36	141.51	144.51	124.06	148.51	133.74	127.39	158.04
o.w. - Customs duties and taxes	873.49	119.1%	1,039.99	95.17	84.18	91.87	79.49	84.27	96.83	86.06	81.15	95.97	93.50	57.14
- Customs duties	48.53	103.0%	49.97	3.54	4.96	3.76	3.76	4.70	4.29	4.06	3.92	4.39	4.17	4.11
- Oil product duties	357.63	76.4%	269.49	18.88	18.42	20.07	15.83	19.05	24.94	18.68	27.84	16.74	17.36	48.60
- Additional tax on oil product - Road maintenance	249.11	90.0%	234.09	14.60	11.67	16.14	15.78	12.02	23.44	14.12	27.38	15.25	11.07	45.60
- fines	0.54	424.0%	2.39	2.24	0.03	-	-	0.02	-	-	-	-	-	-
- Customs duties on pharmaceutical raw materials	21.57	74.4%	16.05	1.04	1.08	1.17	1.15	1.59	1.40	1.14	2.72	1.39	1.18	1.77
Taxes and duties on exports	216.94	101.5%	15.30	18.51	25.75	17.81	19.72	24.92	17.19	15.02	17.77	12.65	12.87	22.63
o.w. - Customs duties on rubber exports	51.76	35.4%	18.33	2.18	0.93	1.06	1.80	2.15	1.75	1.53	1.48	2.06	2.40	0.02
- Duties on export quotas	1.67	137.0%	2.06	0.16	0.18	0.44	0.13	0.16	0.15	0.18	0.15	0.20	0.14	0.04
b. NON TAX REVENUE	1,404.01	94.3%	1,332.29	53.24	96.92	152.85	98.79	130.43	121.92	94.70	103.20	96.45	99.81	248.56
Property income	148.10	59.8%	38.51	1.38	8.53	22.76	3.10	14.93	12.27	3.45	3.58	3.44	6.14	5.79
Rental income from land	137.95	55.6%	76.66	1.38	8.53	18.71	1.41	14.93	10.97	3.45	3.58	2.44	5.09	4.96
Revenue from public enterprises	10.15	116.8%	11.85	-	-	4.03	1.69	-	1.30	-	1.93	1.00	1.05	0.84
Sale of goods and services	1,033.27	85.6%	884.24	49.10	87.22	80.20	64.73	52.60	68.83	79.51	77.55	74.67	82.01	143.84
Market establishments	481.99	67.3%	324.31	2.79	39.31	34.61	24.70	17.62	13.41	34.91	27.49	27.78	29.36	56.58
Nonmarket establishments	68.74	170.9%	83.12	2.31	5.78	6.98	3.48	6.23	12.81	4.61	4.28	9.35	8.29	17.02
Administrative fees	460.03	98.8%	460.26	18.06	29.87	37.27	35.87	27.96	40.84	37.91	44.12	36.31	43.26	68.01
Rental income from invested assets	16.51	100.3%	16.55	1.13	1.34	1.35	1.18	0.79	1.78	2.08	1.67	1.24	1.10	2.33
Other non tax	222.64	157.4%	350.54	1.05	2.93	49.88	30.96	62.89	40.87	11.74	20.33	18.33	11.65	98.82
o.w. Disposal of fixed assets	-	-	11.33	-	0.27	0.22	0.86	0.62	0.01	-	0.93	3.31	3.05	0.08
2. CAPITAL REVENUE	233.00	79.0%	184.00	-	0.91	0.38	4.23	23.22	3.13	6.03	-	12.19	6.37	126.46
Other financial investments	233.00	79.0%	184.00	-	0.91	0.38	4.23	23.22	3.13	6.03	-	12.19	6.37	126.46
II. BUDGET EXPENDITURE	13,264.70	100.3%	13,306.52	558.97	1,077.62	1,024.31	799.70	1,043.22	1,293.33	1,023.15	1,033.05	1,016.54	1,124.29	3,330.59
1. CURRENT EXPENDITURE	8,268.70	93.3%	7,715.80	654.55	571.49	654.55	474.06	475.83	800.16	870.76	576.38	675.62	795.93	1,461.89
a. Wages	3,787.87	99.3%	3,755.47	452.51	334.97	339.98	297.64	293.36	318.67	300.62	299.13	340.33	293.01	412.73
Personnel charges-civil administrative	2,417.75	95.9%	2,346.50	35.33	260.99	222.16	183.59	177.53	201.97	178.66	181.34	217.73	175.95	290.33
o.w. Diplomatic salary	3.43	86.2%	2.96	0.03	0.87	0.87	0.68	-	0.68	-	-	-	-	0.69
Personnel charges-national defence and security	1,359.69	103.6%	1,408.97	37.19	191.52	117.82	114.04	115.83	116.70	121.96	117.79	122.59	117.06	122.40
b. Non wage	4,481.83	88.3%	3,960.33	202.04	238.77	231.51	126.42	182.47	461.48	270.14	277.24	287.29	502.92	1,049.16
Purchases	1,123.75	82.4%	924.94	0.13	68.65	56.65	31.77	23.35	31.49	55.52	114.56	48.28	90.36	320.19
Maintenance supplies	337.94	97.4%	219.77	0.03	1.98	3.66	2.88	3.72	12.90	5.87	55.43	7.86	7.93	113.11
Office supplies	146.19	74.0%	108.18	0.02	1.30	4.99	5.02	4.49	11.97	10.36	7.35	9.11	10.55	34.00
Food and agricultural products	115.52	102.0%	-	21.23	11.38	11.87	2.37	1.92	23.77	5.42	14.62	2.57	3.88	18.80
Clothing and distinctions	114.48	89.3%	102.22	-	0.93	1.35	0.14	2.32	3.52	0.23	2.79	2.06	18.63	46.90
Small tools, material, furniture and equip	267.92	62.6%	-	41.32	29.79	4.71	5.99	16.70	6.92	5.07	5.31	9.66	8.96	47.37
Wages and energy	123.74	81.1%	100.37	0.07	1.76	5.38	6.73	6.65	7.41	11.49	5.55	15.18	6.25	21.15
Sanitary and health products	114.62	93.5%	107.19	-	0.02	0.08	0.11	0.36	0.33	15.49	0.46	1.73	33.64	38.46

Billions of Riels	2014 C.B.L.	Implementation 12 months 100%	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Other supplies	2.34	72.2%	-	0.11	0.02	0.11	0.11	0.03	0.11	0.12	0.05	0.11	0.52	0.40
External services:	406.41	139.8%	8.02	23.06	35.27	20.31	20.06	19.36	33.97	30.35	53.32	57.79	67.76	203.77
o.w.: Building rentals of expenses	13.63	95.7%	12.98	1.57	0.07	0.24	0.24	2.03	0.41	0.04	0.12	0.22	1.01	0.80
-Maintenance and repairs	348.28	148.3%	6.45	22.04	28.14	19.03	13.12	17.91	28.40	28.84	52.47	56.02	57.37	186.59
Other services:	411.98	86.4%	3.55	21.28	31.39	23.56	23.31	21.90	43.03	24.87	26.92	32.20	22.45	81.96
o.w.: External staff	19.30	85.9%	16.38	0.37	0.79	2.55	0.79	1.75	2.14	0.94	0.58	0.93	1.95	2.73
-Public relations and advertising	155.54	80.3%	124.93	1.26	6.14	10.39	4.95	8.35	13.61	9.22	10.22	11.07	8.02	33.36
-Transportation and mission costs: inland	136.63	94.8%	129.49	0.06	7.17	7.77	10.19	7.13	8.18	13.57	9.94	11.93	7.73	35.82
-Transportation and mission costs: Abroad	30.33	87.9%	70.60	1.20	6.90	8.32	6.92	5.05	3.39	3.89	5.52	7.23	3.77	7.21
-Mail and telecommunication costs	16.81	68.2%	11.47	0.02	2.18	0.31	0.81	0.80	2.26	0.68	0.49	0.82	0.45	2.45
Financial charges:	230.88	99.7%	230.23	17.21	6.05	3.97	16.28	0.10	48.70	24.00	22.38	9.21	13.02	26.09
o.w.: Interest on domestic debt	230.88	0.3%	0.72	-	-	-	-	0.37	-	-	-	-	-	0.35
-Interest on external debt	-	-	227.56	17.21	6.00	43.40	16.28	0.52	48.46	23.21	22.38	8.84	13.02	25.57
Subsidy and social assistants	1,577.69	106.5%	1,676.93	102.60	38.52	71.98	151.82	43.25	64.54	230.19	54.87	137.62	313.86	268.01
o.w.: Subsidies to regional and local authorities	375.33	127.0%	476.68	91.68	8.67	75.95	4.29	16.14	111.15	3.30	3.70	93.09	4.10	69.53
-Subsidies to administrative institutions	1,201.18	99.4%	1,194.8	-	0.12	15.32	4.29	16.14	3.99	14.59	20.06	17.25	7.38	19.04
-Social assistance	670.07	80.9%	542.02	4.12	15.08	26.99	32.65	6.64	19.40	105.48	14.92	8.27	91.80	128.30
-Subsidies to cultural and social entities	79.68	87.2%	69.50	-	4.93	10.76	3.82	5.07	8.38	6.18	7.58	4.99	5.05	7.86
Other non wage	786.12	32.4%	254.37	-	44.47	0.09	0.08	0.18	45.28	5.70	5.21	2.18	0.48	149.13
o.w.: Other unallocation	621.05	0.0%	-	-	-	-	-	-	-	-	-	-	-	-
-Unexpected expenditures	30.00	0.0%	-	-	-	-	-	-	-	-	-	-	-	-
2. CAPITAL	4,996.00	111.9%	5,590.72	327.75	503.88	452.83	375.63	567.39	513.68	452.39	455.67	388.92	328.36	868.70
Domestic financing	1,536.00	83.3%	1,279.46	-	40.63	91.14	84.50	74.42	144.83	109.43	93.37	85.36	80.98	391.95
Tangible fixed assets and land	1,461.08	82.6%	1,206.56	-	40.63	80.82	64.00	64.00	123.94	109.43	82.88	85.36	80.98	391.95
Other financial investments	74.93	97.3%	72.90	-	-	10.33	20.77	10.42	20.89	-	10.49	-	-	-
External assistance (Project)	3,460.00	124.6%	4,311.25	287.12	470.83	361.68	291.34	492.97	368.85	312.97	362.30	303.57	247.377	476.744
CURRENT DEF/SURPL.com (11-11)	1,443.92	187.2%	2,703.41	70.26	243.51	509.15	402.29	427.32	373.16	248.84	272.97	183.01	(21.06)	(243.77)
OVERALL DEF/SURPL.com (11-11)	(3,319.08)	81.4%	(2,703.41)	(256.58)	(259.99)	57.39	30.89	(116.85)	(373.39)	(197.52)	(182.70)	(193.73)	(343.05)	(986.01)
3. Expenditure adjustments	-	-	(371.11)	(294.54)	(68.01)	18.68	(20.82)	26.51	(49.79)	98.53	(17.00)	31.05	(20.64)	(41.5)
Civil administration	-	-	(371.11)	(294.54)	(68.01)	18.68	(20.82)	26.51	(49.79)	98.53	(17.00)	31.05	(20.64)	(41.5)
CURRENT DEF/SURPL.com (cont.+3)	1,443.92	161.5%	2,332.42	179.19	2.25	262.19	428.80	377.53	235.69	177.91	255.97	214.06	(41.69)	(247.92)
OVERALL DEF/SURPL.com (cont.+3)	(3,319.08)	97.6%	(3,074.42)	(176.32)	(324.59)	(241.30)	57.40	(166.64)	(274.85)	(268.46)	(199.70)	(162.67)	(363.68)	(990.16)
III. FINANCING	3,319.08	97.6%	3,074.42	176.32	324.59	241.30	(36.57)	(57.40)	166.64	268.46	199.70	162.67	363.68	990.16
a. Budget support	3,389.08	117.2%	3,972.07	386.44	252.81	381.75	264.63	477.53	343.56	284.44	384.45	211.42	199.00	447.44
-Grant-in-budget support	260.00	6.4%	16.77	-	-	-	-	8.63	8.63	-	-	-	-	8.13
-Commodity supports-bilateral	-	-	16.77	-	-	-	-	8.63	8.63	-	-	-	-	8.13
Japan	-	-	16.77	-	-	-	-	8.63	8.63	-	-	-	-	8.13
b. Project aid	3,460.00	123.3%	4,267.08	396.57	262.34	390.45	307.79	472.03	360.82	323.88	402.77	237.76	240.14	479.04
Spont	3,460.00	124.6%	4,311.25	355.51	287.12	420.83	291.34	492.97	368.85	347.97	362.30	303.57	247.38	476.74
-Debt and related liabilities	2,250.00	96.3%	2,166.61	176.79	108.40	242.11	182.96	112.62	190.13	164.25	183.58	121.85	68.66	298.02
Foreign borrowing	2,250.00	96.3%	2,166.61	176.79	108.40	242.11	182.96	112.62	190.13	164.25	183.58	121.85	68.66	298.02
Multilateral	2,250.00	5.7%	1,29.20	(38.48)	27.34	29.81	4.94	(12.10)	13.56	24.14	(33.79)	67.79	10.94	9.55
Bilateral	-	-	2,037.41	215.27	81.06	212.30	178.03	174.71	288.74	140.11	217.37	57.05	57.72	288.48
Pending	-	-	(44.17)	(41.06)	(24.78)	(27.33)	28.77	16.45	(8.04)	(19.09)	40.47	(65.81)	(7.24)	2.29
c. Amortization on external debts	(340.92)	94.2%	(311.78)	(10.13)	(9.53)	(54.90)	(8.71)	(43.15)	(17.26)	(39.44)	(18.31)	(26.34)	(41.14)	(39.73)
2. DOMESTIC FINANCING	(70.00)	2040.9%	(1,428.64)	(360.23)	(85.64)	(469.11)	(75.43)	(27.94)	(77.78)	84.91	(286.45)	(154.84)	(59.25)	152.65
a. Net bank financing (monetary saving)	(70.00)	1596.0%	(1,117.21)	(66.14)	(4.81)	(479.67)	(38.23)	(11.54)	(144.70)	71.60	(44.98)	(293.08)	(27.28)	34.03

Billions of Rials	2014 C.B.L.	Implementation 12 months 100%	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
- Government's deposits	(21.71)	5147.2%	(66.14)	4.81	(479.67)	(38.23)	(11.54)	(122.04)	(144.70)	71.60	(44.98)	(293.08)	(27.28)	34.03
b. Other MEF's account	-		(26.14)	(24.23)	(2.66)	5.85	(1.66)	28.58	(26.85)	(5.82)	0.00	7.67	(6.01)	5.73
Cash Bal in provincial Treas.	-		(26.14)	(24.23)	(2.66)	5.85	(1.66)	28.58	(26.85)	(5.82)	0.00	7.67	(6.01)	5.73
d. Private sectors	-		(197.87)	(39.40)	(8.94)	(19.90)	(9.72)	5.16	40.04	27.59	(40.98)	32.16	(18.70)	94.13
- Individual acct. & security deposits	-		(259.31)	(39.40)	(8.94)	(19.90)	(9.72)	5.16	40.04	27.59	(40.98)	32.16	(18.70)	94.13
e. Sacc-gap between NBC & MEF	-		(87.42)	(26.81)	22.16	(23.15)	(5.01)	18.76	53.73	(8.46)	(200.49)	98.41	(7.26)	18.75
3. OUTSTANDING OPERATIONS	530.98		150.11	157.42	371.81	(342.89)	(294.10)	(241.35)	9.08	(100.89)	101.70	106.09	223.93	390.08
Error	0.00		(0.00)	(0.00)	0.00	0.00	0.00	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00
Memorandum Item :														
Exchange rate (R/\$)			3.095	3.984	4.015	4.015	4.025	4.040	4.030	4.065	4.085	4.076	4.060	4.063
Provincial revenue	709.49	131.98%	54.35	67.81	47.02	35.59	67.93	64.76	91.82	99.34	39.99	98.00	16.64	172.65
o.w. provincial tax revenue	543.86	108.7%	591.01	22,604.72	43,584.153	34,283.53	29,462.53	41,645.664	51.38	68.08	51.79	74.82	44,767.154	104,051.68
o.w. prov. non-tax revenue	26.71	121.3%	2,314.079	1,634.709	2,632.0635	1,364.266	1,561.088	3,420.9626	2.76	4.70	2.00	3.26	1,729.2807	6,018.0429
o.w. prov. Transfer from central	138.92	224.6%	26,942.91	43,568.69	0.80616	-0.00001	36,901.72	19,191.01	38.19	26.57	6.20	19.92	31,143.071	62,583.28
Provincial expenditure	487.70	168.8%	823.15	34.25	36.99	38.82	41.82	54.76	33.00	61.93	60.51	82.45	70.61	317.99
o.w. wage and salary	57.49	64.1%	86.14	9.71	9.19	5.90	6.43	7.15	7.19	8.24	7.13	7.65	6.39	11.15
o.w. non-wage	327.34	191.0%	635.27	16.30	27.40	17.19	35.14	47.33	23.75	52.66	49.41	60.94	49.78	245.39
o.w. investment	107.87	103.6%	111.74	8.24	0.41	5.73	0.75	0.39	2.07	1.03	3.97	13.86	14.44	61.45
Provincial Balance	221.793	50.6%	54.35	33.55	10.03	6.77	26.11	9.50	58.82	37.42	(0.52)	15.52	6.04	(145.34)
Contribution From casino and Lottery	89.69	107.7%	96.38	9.01	8.33	7.48	7.25	6.97	11.40	6.71	7.29	10.45	6.88	10.36
8 Priority sectors	2,971.61	88.9%	11.11	184.38	146.79	194.40	142.83	140.88	276.31	257.30	170.84	201.22	319.81	584.49

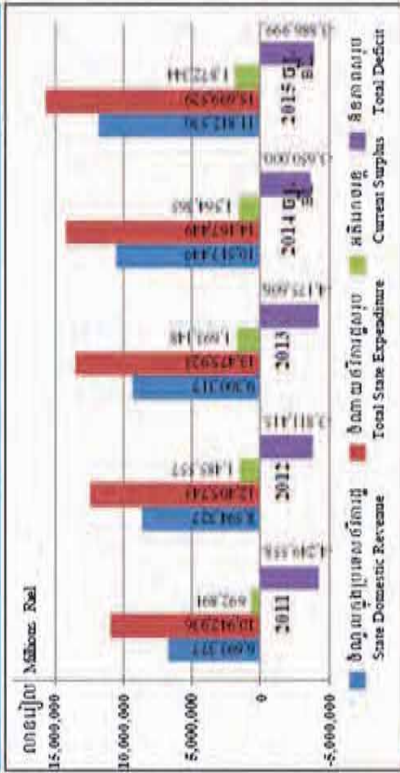
Table 1: Contribution to the growth of GDP

វិស័យ/អង្គវិស័យ Sector/Sub-sector	2014 ឆ្នាំ E.Y.	2015 ឆ្នាំ F.Y.
កសិកម្ម រុក្ខាប្រមាញ់ និងនេសាទ Agriculture, Fishery & Forestry	0.4%	0.4%
កសិកម្ម ដំណាំ ដុះ Crops	0.3%	0.4%
ឧស្សាហកម្ម រ៉ែ និងថាមពល Industry	2.0%	2.0%
ឧស្សាហកម្ម តម្កល់ និងសំយោង Garment Industry	1.2%	1.2%
សំណង់ កសិកម្ម Construction	2.1%	2.1%
សេវាកម្ម Services	2.9%	2.9%
កសិកម្ម ពាណិជ្ជកម្ម ពាណិជ្ជកម្ម Trade	0.3%	0.3%
សណ្ឋាគារ និងសេវាភោជន Hotels & Restaurants	0.4%	0.3%
អចលនទ្រព្យ និងសេវា Real Estate & Business	0.8%	0.3%
ផលិតផលក្រៅសំបុត្រ Tax on Products less Subsidies	0.4%	0.3%
កំណើន GDP រួម Real GDP Growth	7.0%	7.0%

Table 2: Contribution to the growth of GDP

វិស័យ/អង្គវិស័យ Sector/Sub-sector	2014 ឆ្នាំ E.Y.	2015 ឆ្នាំ F.Y.
កសិកម្ម រុក្ខាប្រមាញ់ និងនេសាទ Agriculture	29.70%	29.80%
ដំណាំ ដុះ Crops	17.50%	17.60%
ឧស្សាហកម្ម រ៉ែ និងថាមពល Industry	7.05%	7.05%
ឧស្សាហកម្ម តម្កល់ និងសំយោង Garment Industry	25.31%	25.30%
សណ្ឋាគារ និងសេវាភោជន Hotels & Restaurants	10.00%	10.00%
សំណង់ កសិកម្ម Construction	8.20%	8.20%
សេវាកម្ម Services	39.21%	39.21%
កសិកម្ម ពាណិជ្ជកម្ម ពាណិជ្ជកម្ម Trade	8.90%	8.90%
សណ្ឋាគារ និងសេវាភោជន Hotels & Restaurants	5.14%	5.14%
អចលនទ្រព្យ និងសេវា Real Estate & Business	1.72%	1.72%
ផលិតផលក្រៅសំបុត្រ Tax on Products less Subsidies	6.10%	6.10%

Table 3: Public Finance Framework 2015



ឯកសារប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ត្រូវបានប្រើប្រាស់ដើម្បីបង្ហាញពីការប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ក្នុងរយៈពេល ១០ ឆ្នាំ។ ឯកសារប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ត្រូវបានប្រើប្រាស់ដើម្បីបង្ហាញពីការប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ក្នុងរយៈពេល ១០ ឆ្នាំ។

ឯកសារប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ត្រូវបានប្រើប្រាស់ដើម្បីបង្ហាញពីការប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ក្នុងរយៈពេល ១០ ឆ្នាំ។

ឯកសារប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ត្រូវបានប្រើប្រាស់ដើម្បីបង្ហាញពីការប្រែប្រួលទិន្នន័យសេវាសាធារណៈ និងសេវាសាធារណៈ ក្នុងរយៈពេល ១០ ឆ្នាំ។

Table 4: Budget Indicators (% of GDP)

ឧបទ្វីបប្រទេស (Indicator)	2014	2015
ចំណូលពន្ធដារ (Total Tax Revenue)	25.52%	25.52%
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	25.18%	25.18%
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	20.90%	20.90%
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	11.87%	11.87%
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	2.31%	2.31%
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	-3.39%	-3.39%

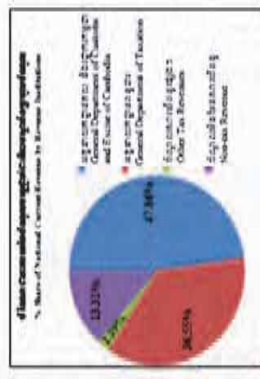


Table 5: Budget Indicators (% of GDP)

ឧបទ្វីបប្រទេស (Indicator)	2014	2015
ចំណូលពន្ធដារ (Total Tax Revenue)	20.16	20.33
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	14.68	14.96
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	14.33	14.83
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	5.83	5.54
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	0.34	0.18
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	5.49	5.34

Table 6: Budget Indicators (% of GDP)

ឧបទ្វីបប្រទេស (Indicator)	2014	2015
ចំណាយពន្ធដារ (Total Tax Revenue)	20.06	20.20
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	12.20	12.48
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	7.06	7.34
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	2.27	2.20
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	5.11	4.95
ចំណាយប្រចាំថ្ងៃ (Total Current Expenditure)	0.49	0.59

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