

## The Organic Budget Law No. (58) for the year 2008

### Article (1)

This Law shall be named (the Budget Organic Law No. (58) for the year 2008) and shall enter into force as of the date of its publication in the Official Gazette.

### Article (2)

The following words mentioned in this law shall have the specified meanings hereunder unless the context indicated otherwise:

**Ministry:** Ministry of Finance

**Minister:** Minister of Finance

**Department:** General Budget Department

**Director:** Director General of the General Budget Department

**Governmental Department:** Any ministry, department, authority or public body, which their budgets are included in the general budget of the country.

**Government Unit:** Includes any public body, institution, authority or financial/administrative independent establishment, which their budgets are included in the government units' budgets.

**General Budget:** The government's plan for the next fiscal year to achieve the national goals within the Medium Term Fiscal Framework.

**Fiscal year:** The year which starts at January 1st and ends on December 31st of the same year.

**General Revenues:** All taxes, fees, returns, profits, surpluses, grants and any other funds received by the public treasury.

**Public Expenditure:** All amounts allocated for governmental departments (ceilings) to finance their current and capital expenditure items according to the annual general budget law.

**Expected results:** The benefits expected to be achieved from the public expenditures.

**Medium-term Fiscal Framework:** The government fiscal plan and policy in the medium term based on the expectations of the national economy and based on number of platforms, hypothesis and the key economic indicators' expectations.

**Medium-term Expenditure Framework:** The government detailed public expenditure plan expected for the governmental departments within the medium term.

**Manpower Tables:** The tables which contain the number of jobs, their titles, grades and/or salaries of the governmental departments and units in accordance with the provisions of the applicable legislations.

### **Article (3)**

A. A department shall be established and named (The General Budget Department) and attached to the minister.

B. Director shall be appointed by a decision of the Council of Ministers upon the recommendation of the Minister.

### **Article (4)**

The department shall be responsible for the following tasks and responsibilities:

A. Preparing the country's general budget.

B. Preparing the government units' budgets.

C. Preparing Manpower Tables and regulations for the governmental departments and units with coordination with the Civil Service Bureau and the competent authorities in accordance with the effective laws and regulations.

D. Allocating the financial appropriations to execute the country's public policy according to the priorities to achieve the distribution of the development benefits and gains on all the kingdom's governorates.

E. Prepare a detailed statement of the important operations to approve the general budget and the government units' budgets provided that a specified time is determined to each operation where the final approval of the general budget and the government units' budgets shall be obtained before the first day of January of each year.

F. Follow-up the performance evaluation of the departments and government units programs, projects, and activities to ensure the achievement of the expected results efficiently and effectively to reach their goals

G. Provide an opinion about the draft legislations that have financial implications through the stages of approval.

H. Provide financial consultation to the departments and government units in the financial matters and any other issues related to the department's tasks.

I. Provide recommendations on the final financial statements related to all governmental units to the Council of Ministers before their approval.

## **Article (5)**

It is for the department in order to accomplish its tasks to:

A. Revise the financial allocations requests, which all governmental departments and units submit, by reducing, increasing, collecting, comparing or reviewing these requests to ensure that the allocations' requests conform to the kingdom's public policy.

B. Request the necessary information and data from all the governmental departments and units related to the objectives, programs, projects, and activities, and financing them.

C. Delete the unnecessary duplications in the programs and financing between the governmental departments and units.

D. Audit all programs, projects and activities that require allocations in order to verify their priorities, feasibility and how they relate to one another.

E. Review all the financial documents, correspondences and records of any governmental department or unit.

F. Control the process of executing the general budget and the governmental units' budgets and issue periodical reports regarding the follow-up, analysis and evaluation.

G. Review the public universities & municipalities budgets and any other governmental institutions and provide an opinion regarding the same.

## **Article (6)**

An advisory Board shall be formed, comprising the Minister of Finance, Minister of Industry & Trade, Minister of Planning and International Cooperation and the Governor of the Central Bank of Jordan, Head of Audit Bureau, and the Director General to express opinion about the dimensions of the General Budget and governmental units' budgets, as well as their compliance with the national priorities.

## **Article (7)**

The Ministry, in cooperation with the Department, shall prepare the Medium-term Fiscal Framework, which the general budget preparation process requires.

## **Article (8)**

The annual general budget law should include the following:

A. The General budget speech, which includes a brief description of the Medium-term Fiscal Framework and a brief explanation of the proposed government proposed programs, objectives, and their expected results, in addition to their consistency with the national objectives and priorities.

B. Provisions that ensure the best execution of the annual general budget law.

C. A summary of each chapter in the budget, including the vision, mission and the strategic objectives which the governmental department is seeking to achieve within the medium term, in addition to the programs, projects and activities that achieve these objectives and the performance measurement indicators for the monitoring and evaluation purposes.

D. A table for the general budget summary, which includes the public revenues, public expenditure and the financing budget for budget year.

E. A table showing the total estimated public revenue allocated for the governmental departments in the budget's year distributed according to the various chapters of the public revenue.

F. A table showing the total appropriations allocated for the governmental departments in the budget year according to the chapters.

G. Tables showing the public revenues estimations according to the functional and economic classifications and any other classifications for the budget year, and actual data and the re-estimation of previous years and the current year and indicative data for the following years.

H. Tables showing the current and capital expenditure estimations according to the groups, chapters and articles of the budget year, in addition to the actual data and re-estimation of the previous years and the current year and indicative data for the following years.

I. A general table clarifying briefly the general budget of the expired fiscal year, which precedes the current year, and the general budget estimations and re-estimations of the current fiscal year and the general budget estimations for the previous years and the following years.

J. Tables clarifying the credits and debits of the government (including short-term or long-term debts either domestic or foreign).

K. Any other financial tables or data.

#### **Article (9)**

A. (The General Budget Organizing Law No. (39) for the year 1962) and its amendments shall be canceled, provided that the regulations and instructions issued pursuant thereto shall continue to be effective until being amended, canceled or replaced by other regulations and instructions in accordance with the provisions of this law.

B. Any provision in any other legislation shall not be taken into account if it contradicts with provisions of this law.

#### **Article (10)**

The Council of Ministers shall issue the requisite regulations for implementing the provisions this law.

#### **Article (11)**

The Prime Minister and the Ministers shall be in charge of implementing the provisions of this law