ZIKRE HIG

Of the Council of the Amhara National Regional State
In the Federal Democratic Republic of Ethiopia

Issued under the auspices of the Council of the Amhara National Regional State

Content
Proclamation No.178/2011
A proclamation issued to provide for the Revised Finance Administration proclamation of the Amhara National Regional State

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Proclamation No.178/2011
The Amhara National Regional State Finance Administration Revised Proclamation

WHEREAS, it has become necessary to revise the Amhara National Regional State Financial Administration Proclamation to render effective and efficient the budget preparation, collection and payment of public money, maintenance of accounts, internal audit and the management of public resource and debt by alleviating the problems encountered in the implementation of the Proclamation during the period in which it was in force;

WHEREAS, to render more effective the system of public finance administration it has become necessary to implement the outcome of the studies carried out under the Civil Service Reform Program;

NOW, THEREFORE, in accordance with sub-article 3(1) of Article 49 of the Constitution of the Amhara National Region, the following is proclaimed.
1. **Short Title**

   This proclamation may be cited as the “Amhara National Regional State Financial Administration Proclamation No. 178/2011.”

2. **Definitions**

   In this Proclamation unless the context requires otherwise:

   1. “**Council**” means the Council of Amhara Region;

   2. “**Aid in Kind**” means any assistance received by the Amhara National Regional State under a bilateral or multilateral agreement, or from other sources, that is received in the form of goods or services or any other form other than money;

   3. “**Approval**” means any authorization of the Regional Council to pay money out of the Consolidated Fund;

   4. “**Appropriation**” means the endorsement by the Bureau of the budget allocation based on the budget approved by the Regional Council;

   5. “**Capital Expenditure**” means an outlay for the acquisition of or improvements...
to fixed assets, and includes expenditures made for training, consultancy services and research;
6. "Consolidated Fund" means all public moneys that are on deposit at the credit of any public body where the bank account has been opened by the Bureau under this Proclamation; all public moneys held in cash by any public body pending disbursement; and all aid in kind;

7. "Commitment" means an obligation that becomes a liability if and when the terms of existing contracts, agreements or laws are met;

8. "Disbursement" means the release of any public money from the consolidated fund to the public body or any other organ to which the budget is approved;

9. "Expenditure" means payment made to a person or organization who has the right to receive such payments in accordance with the contract entered into by the public body or any other obligation to pay;

10. "Government" means the Amhara National Regional State;

11. "Fiscal Year" means the period beginning Hamle 1st and ending Sene 30th of the Ethiopian calendar;

12. "Supplementary Budget" means a budget approved in situations where the revenue budget appropriated for activities of the Government to be carried out in a fiscal year is not sufficient or where a budget is required for an activity of the Government
to which budget is not appropriated or where the expenditure budget appropriated for an activity is not sufficient;
13. “Public Body” means any organ of the Regional Government which is partly or wholly financed by Government allocated budget;

14. “Other Receivables” means any amount owing to the Regional Government other than a tax or penalty on tax;

15. “Public Money” means all money belonging to the Regional Government received or collected (or receivable) by the Bureau Head or by any official of the Regional Government or by any person authorized to receive and collect such money on behalf of the Regional Government and includes:

a) Special funds of the Regional Government and the income and revenue from them;

b) Revenues of the Regional Government;

c) Money received by the Regional Government;
Government or any Regional public body as loans or as assistance under a bilateral or multilateral agreements or from other sources;
17. "Public Property" means all property, except public money and land, belonging to the Regional Government;

18. "Remission" means the discharge or release from taxes, penalties or other receivables due to the Regional Government;

19. "Write-off" means the cancellation from the books of accounts, of receivables or obligations due to the Regional Government or any claims by the Regional Government;

20. "Sinking Fund" means a fund invested to repay a long-term debt, replace fixed assets or for any other public purpose determined by regulation issued by the Council of Regional Government;

21. "Security" means something given or pledged to secure a financial promise or a financial obligation and includes a treasury bill, a note or a bond;

22. "Budget Subsidy" means the annual budgetary amount provided by the Regional Government to woredas and city administrations;
23. "ምንetxtt ከጆሮር" መልሮ ከፋሽ መምረጋ እንጂ፣ ከፋሽ፣ የፋሽ፣ የፋሽ፣ የፋሽ። ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፤ ያለው በፋሽ፣ ያለው በፋሽ፤ ያለው በፋሽ፤ ያلاءው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽonDelete15

24. "กำไรወ ወላጎ" መልሮ ከፋሽ፣ የፋሽ፣ የፋሽ፣ የፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋዘ(writer2)

25. "ምንእ ከጆሮር" መልሮ ከፋሽ፣ የፋሽ፣ የፋሽ፣ የፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽичесን፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ;

26. "ምንእ ከጆሮር" መልሮ ከፋሽ፣ የፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፣ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ፤ ያለው በፋሽ;

23. "Budget Transfer" means the authorized movement of funds in an approved budget from one public body, head, subhead, project or item to another;

24. "Special purpose" means an activity of the Regional Government which in accordance with legislative authority is carried out by earmarked public money;

25. "Internal Audit" is an independent and objective assurance and consulting activity designed to add value and improve an organization operations which helps an organization accomplish its objectives by bringing in a systematic and disciplined approach to evaluate the effectiveness of risk management, control and governance process;

26. "Internal Control" means an integral process that is effected by a public body’s management and personnel, designed to address risks and to provide reasonable assurance that is the pursuit of the public body’s mission;
27. “Excess Expenditure” means expenditure in excess of the budget approved or appropriated or the budget allocated through budget transfer;

28. “Consolidated Account” means the Regional Government treasury account through which public money is received and disbursements and expenditures are made;

29. “Public Debt” means domestic borrowings of the Regional Government by the issuance of direct advances and sale of securities as well as guarantees issued by the Regional Government;

30. “Direct Advance” means borrowing made by entering into a loan agreement with the lender and not by issuing securities;

31. “Person” means a natural or juridical person.

3. Scope of Application

1. This Proclamation applies to all Regional public bodies.

2. The Council of Regional...
Government may from time to time issue the list of public bodies to be governed by this Proclamation.

4. Gender Reference

The provisions of this proclamation set out in the masculine gender shall also apply to the feminine gender.
PART TWO
FINANCIAL RESPONSIBILITY

5. Powers and Duties of the Bureau of Finance and Economic Development

The Bureau of Finance and Economic Development shall have the duty to:

1. Supervize and monitor the finance of the Regional Government; and conduct audit of public bodies, if it deems necessary;

2. Ensure that systems are established for planning, allocating resources and appropriations of budget which enable proper utilization of public resources;

3. Prepare the Regional Government budget and make disbursements based on the budget appropriated;

4. Oversee the internal audit functions of public bodies and develop appropriate standards of work and conduct for application throughout all public bodies internal audit functions; develop internal control standards, assist in building the capacities of the internal audit;

5. Monitor measures taken in accordance with internal audit reports, submit annual reports on the findings of internal audit to the Council of Regional Government and monitor the implementation of
decisions of the Council;
6. Monitor and evaluate the execution of budget and submit bi-annual report to the Council of Regional Government on the performance of budget;

7. Raise the awareness of the public with regard to budget administration and execution;

8. Follow up the implementation of established system properly which renders cash management shall be effective and economical;

9. Maintain the accounts of the government; submit annually and whenever necessary to the Council of Regional Government a report on the financial activities and cash position of the Regional Government;

10. Build the capacities of Regional Government public bodies in the administration of public finance:

6. Responsibilities of Heads of Public Bodies

1. Heads of public bodies have the duty to ensure that all of the resources for which they are responsible are used for proper and approved purposes and that they are used in the most economical, efficient and effective way,
2. Without limiting the generality of the provisions of sub-article (1) of this Article, the financial responsibility of heads of public bodies shall include but are not limited to:

a. developing a system for financial administration which ensures transparency and accountability and monitoring the system developed within the public body to ascertain is functioning well;

b. ensuring that the internal audit system is appropriately staffed with trained and qualified manpower and that the internal audits are carried out efficiently, effectively and economically;

c. ensuring that sufficient numbers of appropriately trained employees are assigned to perform discrete function such that proper separation is maintained in the internal control system;

d. developing internal directives and procedures which complement this proclamation, the Regulation to be issued pursuant to this Proclamation by the Council of Regional Government, and the
Directives to be issued by the Bureau, which are unique to the particular public body;
e. ensuring that timely, relevant and reliable financial information analysis is prepared and disseminated;

f. ensuring that the financial report of the public body is submitted to the Bureau on the due date, closing the accounts of the public body at the end of the fiscal year and submitting the same to the Auditor General of the Region for audit;

g. ensuring that the employees of the public body are performing their duties in compliance with this proclamation, the Regulation and Directive issued pursuant to this proclamation and procedures laid down in accordance with this proclamation; and that the internal audit is carried out timely;

h. preparing their annual budget in accordance with the Directive issued by the Bureau.

i. submitting the cash requirement and cash flow prepared based on the evaluation of the public body’s program.

j. take appropriate measures in accordance with the report of the external audit and internal audit.

7. Responsibilities of Internal Audit

1. Responsibilities of Internal Audit

   - ensuring that timely, relevant and reliable financial information analysis is prepared and disseminated;
   - ensuring that the financial report of the public body is submitted to the Bureau on the due date, closing the accounts of the public body at the end of the fiscal year and submitting the same to the Auditor General of the Region for audit;
   - ensuring that the employees of the public body are performing their duties in compliance with this proclamation, the Regulation and Directive issued pursuant to this proclamation and procedures laid down in accordance with this proclamation; and that the internal audit is carried out timely;
   - preparing their annual budget in accordance with the Directive issued by the Bureau.
   - submitting the cash requirement and cash flow prepared based on the evaluation of the public body’s program.
   - take appropriate measures in accordance with the report of the external audit and internal audit.
1. The internal Audit of public bodies shall be responsible for:
a. conducting internal audit at specific intervals to evaluate the performance of the public body and to ascertain that public money and public property are used for intended purposes, and submitting audit reports to the head of the public body and to the Bureau Head, follow-up measures taken based on audit findings;

b. developing audit programs and audit procedures which are specifically designed to meet the requirements of the public body;

c. developing a monitoring system which will, at regular intervals, test and report to management and the Bureau on the public body’s compliance with the applicable internal and external directives and procedures;

d. advising management, at regular intervals, on its internal practices and controls and on whether they are efficient and economical.

2. The government shall endow heads and staff of internal audit with legal protection against any persecution
because of performance of their duties.
The head of every public body is accountable to the Council of Regional Government for the responsibility to ensure that the provisions of this proclamation and of Regulations issued pursuant to this Proclamation are fully and properly implemented by the public body for which he or she is responsible.

PART THREE
COLLECTION AND DEPOSIT OF PUBLIC MONEY

9. Consolidated Fund

1. There shall be one consolidated fund into which all public money shall be paid except that otherwise allowed by law.

2. The Bureau shall record aid in kind in the consolidated fund based on the information it obtains from the concerned public body.

3. The consolidated fund shall be maintained and administered by the Bureau.

4. The Bureau may open, in the name of any public body, bank accounts for the deposit of public money and
order the closing of the same. Such accounts shall form part of the consolidated fund.
10. **Collections of Public Money**

1. No public money shall be collected except when authorized by law.

2. No public money shall be collected without the use of the official receipts of the Bureau or a receipt printed with the authorization of the Bureau.

3. Every authorized person who collects or receives public money shall deposit the public money so collected into the consolidated fund and keep a record of receipts and deposits of it in the form and manner prescribed in directives issued by the Bureau.

11. **Deposits of Public Money**

1. All public money shall be deposited in the consolidated fund to the credit of the Bureau, except aid in kind which shall be recorded in the consolidated fund and therefore deemed to be deposited.

2. Money paid into the consolidated fund for a special purpose may be paid out of the consolidated fund according to the proclamation which established the special purpose.
12. **Interest**

The National Bank of Ethiopia shall pay interest on money deposited in all accounts held by it in the name of the Bureau or any public body. The rate of interest shall be fixed by a mutual agreement of the Bureau and the National Bank.

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**PART FOUR**

**Remissions, Write — Offs, Fees and Charges**

13. **Remissions**

1. The Council of Regional Government may for good cause remit any other receivable and any interest paid or payable on it or delegate such power in whole or in part to the Bureau Head.

2. The Council of Regional Government may, for good cause and upon the recommendation of the Bureau Head remit any tax, including any interest paid or
3. The Bureau Head may for good cause remit any tax or any other receivable up to an amount determined by Regulation issued by the Council of Regional Government.
14. **Conditions for Remissions**

1. A remission of the types provided under Article 13 of this proclamation may be total or partial or conditional or unconditional and may be granted:
   
   a. before, after or pending any suit for the recovery of the tax penalty or other receivable in respect of which the remission is granted;
   
   b. before or after any payment of the tax, penalty or other receivable has been made or enforced by process or execution; and
   
   c. with respect to a tax or other receivable in any particular case or class of cases and before the liability for it arises.

2. Where a remission granted in accordance with sub-article 1 of this Article is on tax paid, the amount of tax remitted shall be set-off against the tax payable by the tax payer in future tax years.

15. **Reporting of Remissions**

Remissions granted under this proclamation or any other proclamation during fiscal year shall be reported in the public accounts for that year.
16. **Write-offs**

1. The Council of Regional Government may issue regulation regarding the writing-off of all or part of any receivable or obligation due to the Regional Government or any claim by the Regional Government. Such regulation may prescribe:

   a. the criteria for any receivable, obligation or claim may be written-off;

   b. the requirements to be met and the procedures to be followed before any receivable obligation or claim may be written-off;

   c. the information and records to be kept in respect of receivable obligations and claims that are written-off;

   d. the conditions under which public property lost may be written-off; and

   e. the manner in which goods lost due to depletion, leakages or any other natural cause may be written-off.

2. No receivable obligation or claim the writing-off which would result in a charge to an appropriation shall be written off unless the amount written off is included as a budgetary
expenditure in an appropriation Proclamation.
3. The writing-off any receivable obligation or claim does not affect any right of the Government to collect or recover the receivable, obligation or claim.

4. Any receivable obligation or claim written off under this proclamation during a fiscal year shall be reported in the public account for that year.

17. Fees and Charges

1. The Council of Regional Government may issue regulation with respect to fees and charges levied by public bodies for providing goods, services or use of facilities.

2. Sub-article (1) of this Article shall not apply where a law provides specific authority for the matters described therein.

PART FIVE

BUDGET

18. Annual Budget

The budget for each fiscal year which comprises the Regional Government revenue, expenditure, subsidy budget from the federal Government and the region
subsidy to woredas and city administrations as well as the financing of the budget shall be approved by the council of the Region.
19. **Macro-economic and Fiscal Framework**

1. The Bureau Head shall annually submit to the council of Regional Administration Government’s macro-economic and fiscal framework. Such framework shall cover three consecutive years and contain:

   a. estimates of all revenue to be raised during each fiscal year classified per main revenue item;

   b. estimates of expenditure for each fiscal year per each public body segregated by recurrent and capital expenditure;

   c. estimates of recurrent and capital expenditure segregated by economic sector;

   d. estimates of budget subsidy to woredas and city administrations;

   e. the financing of the budget; and

   f. recent year’s macro-economic performance.

2. The macro-economic fiscal framework submitted by the Bureau Head pursuant to sub article (1) of this Article shall include major macro-economic plans.
20. Format for Macro-economic and Fiscal Framework and Annual Budget Preparations and Submissions

1. The Bureau shall establish the format for macro-economic and fiscal framework and annual budget submissions.
The Bureau Head shall annually:

a. submit to the council of Regional Government budget projection for the coming fiscal year;

b. provide justifications on the Budget endorsed by the Council of Regional Government to the council of the Region.

2. The Budget shall be approved by the council of the Region by Sene 30th and all public bodies shall be notified by Hamle 7 of the Zikre-Hig Gazette.
3. The budget approved by the council of the Region shall be published in the Zikre-Hig Gazette.
23. **Budget Transfer**

1. Transfers shall be allowed from the recurrent budget to the capital budget.

2. No transfers shall be allowed from the capital budget to the recurrent budget.

24. **Budget Transfers within Public Bodies**

1. The Bureau Head is hereby empowered to:

   a) transfer funds within items of expenditure of the recurrent budget;

   b) transfer budget from one capital project to another within a public body;

   c) transfer the budget approved for capital expenditure of the public body to finance pending obligations of a project approved in previous years for which no budget is allocated in the current fiscal year;

   d) transfer the budget when organs under a public body merge or split.
appropriate head of public body to exercise the power vested in him under sub-article (1) of this Article.
25. Budget Transfers between Public Bodies

1. The Bureau Head may transfer a recurrent budget from one public body to the other if it is ascertained that the public body to which the budget is appropriated can not wholly utilize its budget.

2. The Bureau Head may authorize the transfer of funds from the capital budget of one public body to the capital budget of another public body under the following conditions:

   a) where a deficiency in one public body’s capital budget can be met by an off setting transfer from another public body’s capital budget approved for that fiscal year provided that the capital budget receiving additional funds is a previously approved capital budget;

   b) where a budget is requested to finance pending obligations of a project approved in previous years for which no budget is allocated in the current fiscal year.

26. Transfer from Contingency Budget
Emergency expenditures may be provided on the authority of the Council of Regional Government by transfer from the provision for contingency budget, subject to any limitations imposed by the budget Proclamation for the current fiscal year, where additional funds are requested on the basis
27. Supplementary Budget

1. Without prejudice approved by the Council of the Region, if revenue is gained to be proclaimed as supplementary budget, the council of the Regional Government may execute in duty.

2. Supplementary budget appropriation may be approved by the Council of the Region on the recommendation of the Council of Regional Government.

28. Delay in Budget Approval

If the Council of the Region has not approved the annual budget until the beginning of the new fiscal year, then until the annual budget is approved by the council:

1. The approved recurrent budget of the previous fiscal year shall be implemented on a monthly basis;

2. Funds for previously approved capital projects shall be released upon approval by the Bureau Head;
3. The amount disbursed pursuant to sub-article (1) and (2) of this Article shall be added to the annual budget to be approved by the Council of the Region.
29. **Disbursements out of the Consolidated Fund**

1. No disbursements shall be made out of the consolidated fund without the prior authorization of the Council of the Region.

2. No expenditure or commitment of expenditure can be incurred from the budget approved before the budget is allocated by the Bureau Head.

30. **Disbursement Limits**

Except as provided in Articles 23 to 26 of this Proclamation, on disbursements to public bodies shall be made in a fiscal year which exceeds the amounts appropriated in the budgetary Proclamation for that fiscal year.

31. **Submission of Cash Flow and Cash Requirements**

1. Subject to the directives of the Bureau, No disbursements shall be made out of the approved budget unless the head of the public body or his authorized representative submits to the Bureau cash flow and cash
2. Payment instructions based on the cash flow requirements of the public body may only be given to a bank taking into consideration the revenue collected by the Government and the work program of the public body.

3. The Bureau shall establish the calendar for submission of cash flow and cash requirements.

32. Commitments

1. No commitment shall be made against an appropriation except by requisition of the head of the public body or by a person authorized by him in writing.

2. No contract or other arrangement requiring payment shall be entered into by any public body unless there is a sufficient unencumbered balance from the budget to discharge any debt that will be incurred during the fiscal year in which the contract or other arrangement is made.

3. Notwithstanding the provisions of sub-article (2) of this Article, in the case of concluding a long-term contract relating to a project lasting for more than one fiscal year, the
ascertainment of budget appropriation for the first fiscal year of the project shall be sufficient.
4. The Bureau shall establish the procedures to the followed and the manner in which records for the control of financial commitments chargeable to each budgetary item will be registered.

5. The head of the public body shall maintain the records for the control of financial commitments chargeable to each budgetary item in a manner prescribed by the Bureau.

33. Payments for Goods and Services

1. No payment shall be made by any public body unless, in addition to any other voucher or certificate required, the head of the public body or other person authorized by him certifies:

   a) in the case of a payment for the performance of work, the supply of goods or the rendering of services:

   i. that the work has been performed, the goods supplied or the services rendered, and that the price charged is according to the contract, or if not specified by the contract, is reasonable:
II. that a payment is to be made, under the terms of the contract, before the completion of the work, delivery of the goods or rendering of the service, that the payment is according to the contract; or
directives to implement same therein. The Bureau may issue budget year. The Bureau may issue holding same by the payable account in the approval of the expenditure and the approved construction works may be paid up on the received services and the approved Any disbursement for the received goods, of Goods and Services

34. Payable Account for Procurement

be issued by the Bureau. cash shall be determined by a directive to The amount of money to be used as petty The Bureau may prescribe by directive to the certification and verification the procedures to be followed to give that, in the case of any other payment, b) in the case of any other payment, The amount of money to be used as petty the claim for payment is reasonable: or the claim for payment is reasonable: or be made in advance of verification, that be prescribed by the Ministry, payment is to III. 

3. All payments over and above the
35. 35. Refunds of Revenue

Without prejudice to any limitations made by relevant laws, where it is ascertained that undue revenue is collected by the Public Body, such amount may be paid to the rightful person by making the necessary adjustments on the record. The mode of implementation of this provision shall be prescribed by a directive to be issued by the Bureau.

PART SEVEN

Management of Unspent Funds

36. Unspent Funds

1. Without prejudice to the directive to be issued by the Bureau, the unspent balance of an appropriation granted for a fiscal year shall lapse and shall be credited to the treasury account of the Bureau.

2. Notwithstanding the provisions of sub-article (1) of this Article, unspent balances of grants and loans shall be retained in the consolidated fund for continued use as may be necessary.
Every advance that is not repaid, accounted for or recovered by the end of the fiscal year in which it was made shall be reported in the public accounts for that year.
38. **Set-off**

Any advance or any portion of it that is not repaid, accounted for or recovered in accordance with the regulation covering such advances may be recovered:

1. Out of any money payable, except for pension money payable by the Regional Government to the person to whom the advance was made or;

2. Where the person is deceased, out of any money payable, except for pension money or the sum payable when the contract is severed due to the death of the employee, by the Regional Government to the heirs of that person.

39. **Refunds of Expenditure**

Any amount received by the Regional Government in a fiscal year as:

1. A refund of an expenditure;
2. A refund or repayment of an overpayment;
3. A rebate, including a tax rebate or some other price adjustment on a payment;
4. Recovery from an indemnification; or
5. a recovery under a claim for loss of or damage to the asset of a public body; shall be credited to the appropriation against which the related expenditure, advance or payment was charged.
PART EIGHT

PUBLIC DEBT AND LOAN GRANTED
BY THE GOVERNMENT

40. Authority to Borrow

1. The Bureau is authorized to borrow money or issue a guarantee or securities on behalf of the Regional Government are only allowed for the council of the Region.

2. The Bureau may, as allowed for by the Council of the Region, without exceeding the ceiling authorized by the Finance and Economic Development Ministry, borrow money from domestic sources, issue security document and ensure guarantee thereof.

41. Modes of Borrowing

1. Where the Bureau borrows money on behalf of the Regional Government as provided under Article 40 of this Proclamation, the Bureau may, subject to the Proclamation authorizing such borrowing, borrow all or part of that money by direct advance or security.

2. For the purpose of implementing sub-article

   (1) Of this Article the Bureau may:
   a. determine the issuance and maturity dates, and dates of payment and rates of interest;
b. sell any securities as may be necessary;
42. Borrowing for Repayment, Conversion and consolidation of Loans

1. The Bureau Head may borrow such sums of money as are required for the payment of any direct advances, or securities that are maturing or have been called for redemption.

2. The Bureau Head may, when necessary, with the concurrence of the lender:

a. repay any loan prior to the redemption date of that loan;

b. convert the loan into any other loan;

c. consolidate two or more loans into an existing or new loan.
43. Loans for the Management of the Consolidated Fund

1. The Bureau may borrow money from the finance and economic development ministry for the efficient management of the consolidated fund.

2. In accordance with sub-article(1) of this Article, the Bureau borrows money which shall be paid for the next year subsidy budget appropriated, but the loan shall not be exceed the subsidy budget.

44. Payment of Loan Obligations

The payment of the principal of, interest on, and administrative expenses related to direct advances and securities issued by or on behalf of the Regional Government, is a charge on and payable out of the consolidated fund.

45. Set-off

1. The Bureau Head may set-off the debt owed by creditors to the government against confirmed debt owed by the Government to such creditors.

2. The amount to be set-off in accordance
with this Article shall be shown in the financial report of the government.
The Bureau shall maintain a comprehensive and detailed record:

1) Showing all domestic borrowings undertaken in accordance with this Proclamation by the issuance of direct advances and sale of securities.

2) Containing a description of all money so borrowed;

3) Showing all amounts paid in respect of the principal of and interest on all money so borrowed.

4) Showing all amounts paid to registers, fiscal agents and others for administrative services relating to the issuances, management and redemption of direct advances, and securities.

5) Containing authorizations, descriptions, amounts paid, and all administrative expenses relating to guarantees.
48. Loan provided by the Regional Government

1) The Bureau may provide loans to woredas and city administrations.

2) The loan to be provided to woredas and city administration shall be deducted from their subsidy budget and once shall not be over and above the annual subsidy budget approved to the respective woredas and city administration.

PART NINE
AUTHORITY TO INVEST PUBLIC MONEY

49. Investment of Surplus Funds

Without prejudice to the regulation to be issued by the Council of Regional Government, where money in the consolidated fund is not immediately required for payments, the Bureau Head may, invest such money in eligible securities as determined by the Council of Regional Government.

50. Establishment and Management of Sinking Fund

1. The Council of Regional Government may provide for the creation and management of sinking funds.
2. All money required for sinking funds is paid out of the consolidated fund.
51. **Conversion into Capital**

The Bureau Head may convert debts owed to the Regional Government by public bodies into capital.

### PART TEN

### PUBLIC PROPERTY

52. **Acquisition and Disposition**

No public property shall be acquired or disposed of by the Regional Government unless it is done so in accordance with the law.

53. **Records for Custody and Control**

The head of each public body shall, in accordance with directives of the Bureau Head, ensure that public property under the custody of his public body:

1) Is properly registered and has a system of monitoring;

2) Is given proper care and maintenance;

3) Is disposed off if no longer serves the public body.
PART ELEVEN

PUBLIC ACCOUNTS

54. Preparation and Reporting of Accounts

The Bureau shall prepare public accounts for each fiscal year which shall embody the audited accounts of public bodies and the audited consolidated account of the central treasury and submit the same to the Council of Regional Government before the end of the next fiscal year.

55. Contents of Public Accounts

The public accounts provided under Article 54 of this Proclamation shall be prepared in accordance with the directive to be issued by the Bureau and shall include:

1. a statement of the Regional Government which contains:
   a. the financial transactions of the fiscal year,
   
   b. the consolidated fund,
   
   c) debt and contingent liabilities of the Regional Government,
   
   d) sums appropriated, expended and
unexpended for the fiscal year,

e) sinking fund, if any,
f) budget subsidy transferred to as well as loans provided on account of their budget subsidy;

g) the accounts of special funds;

h) such other accounts and information as are necessary to show, with respect to the fiscal year, the financial transactions and position of the Regional Government.

2. The opinion of the auditor General concerning his examination of the consolidated accounts of the Regional Government; and

3. Such other information as the Bureau Head considers appropriate.

56. Currency

The accounts of the Regional Government shall be kept and reported in Birr.

57. Records and Reports

1. The head of each public body shall keep financial records for the responsibilities of the public body, in a form directed by the Bureau.

2. The head of each public body shall provide to the Bureau monthly reports showing the
financial transactions of the public body.

3. Each public body shall close its accounts and report to the Bureau within three months after the end of the fiscal year.
4. The report to be submitted in accordance with this Article shall include the amount received as grant and loan and utilization of the same.

58. **Audit**

1. The Bureau shall prepare and submit for audit the consolidated accounts of the Regional Government to the Auditor General of the Region.

2. Each public body shall close and submit its account to the Auditor General of the Region within three months from the end of the fiscal year.

3. The public body audited shall submit to the council of Regional Government the audit report together with its performance report of the period within one month from the receipt of the last year audit inspection report.

59. **Tax Harmonization**

1. Tax systems at the Federal and Regional levels shall have harmonized and
standardized tax bases.
2. The Bureau in negotiation with the ministry of finance and economic development shall facilitate such harmonization and standardization.

60. Reporting

The Regional Government shall report in accordance with the ministry of finance and economic development the Regional financial reports.

PART THIRTEEN

MISCELLANEOUS ROVISIONS

61. Losses of public Money and public Property

The Council of Regional Government, may issue regulations:

1. Prescribing the actions to be taken whenever there are losses of public money or public property;

2. Prescribing the records to be kept and providing for the reporting in the public accounts of every loss referred to in sub-article (1) of this Article.
62. Offences and Punishment

1. Every person appointed to or employed by a public body to collect, manage or disburse public money who:
   a. receives any payment for the performance of his official duty, except as prescribed by law;

   b. conspires or colludes with any person to defraud the Regional Government, or provides an opportunity for any person to defraud the government;

   c. intentionally permits any contravention of the law by any person;

   d. willfully makes or signs any false entry entry in any book, or willfully makes or signs any false certificate or return in any case in which it is the duty of that person to make an entry certificate or return;

   is liable on conviction to a fine not less than birr 25,000 and not more than birr 35,000 and to rigorous imprisonment for a
term of not less than 10 years and not more than 15 years.
2. Every person appointed to or employed by a public body to collect, manage or disburse public money who demands or accepts or attempts to collect, directly or indirectly, as payment or gift or otherwise, any sum of money, or other thing of value, for the compromise, adjustment or settlement of any change or complaint for any contravention is liable on conviction to a fine not less than birr 25,000 and not more than birr 35,000 and to rigorous imprisonment for a term of not less than 15 years and not more than 25 years.

3. Every person appointed to or employed by public body to collect, manage or disburse public money who having knowledge or information of the contravention or of fraud committed by any person against this Proclamation or the regulations issued pursuant to this Proclamation, fails to report the same to superior is liable on conviction to a fine not more than birr 10,000 and to rigorous imprisonment for a term of not more than 5 years.

4. The head of a public body who, in
contravention of Article 32 of this Proclamation and without ascertaining that a budget appropriation has been made, concludes or authorizes the conclusion of a contract which results excess expenditure, is liable on conviction to a fine not more than birr 5,000 and to rigorous imprisonment for a term of not less than 5 years and not more than 10 years.
5. Whosoever, promises, offers or gives any bribe to any person appointed to or employed in any public body connected with the collection, management or disbursement of public money, with intent:

a) To influence the decision or action of that person on any question or matter that is pending or may, by law, be brought before him in his official capacity or

b) To influence that person to commit, or aid or abet in committing any fraud on the revenue, or to connive at, collude in, or allow or permit any opportunity for the commission of any such fraud; Is punishable with a fine three times the amounts imprisonment for a term of not less than 10 years and not more than 15 years.

6. Whoever is engaged in the offences as stipulated in sub-article (5) of the Article, and who before the case is taken to court, provides significant information about the offence and his partner’s role in it, may be given immunity by the Bureau of Justice from prosecution under this Proclamation.
63. **Access to Records**

The Bureau or any other organ authorized by law shall have unrestricted access to all books, papers, accounts and records of all public bodies which it deems to be essential to the performance of its duties.
64. **Delegation of Powers**

The Bureau Head may delegate his powers under this proclamation to the officials of his Bureau and to the officials of other public bodies and may specify the conditions in which those powers may be exercised.

65. **Retention of Records**

Retention periods for individual categories of financial records shall be determined by regulation to be issued by the Council of Regional Government.

66. **POWER TO ISSUE REGULATION**

1. The Council of Regional Government may issue regulations which help to the implementation of this proclamation.

2. Without prejudice to the provision of sub-article (1) of this Article, the Council of Regional Government may issue regulation that helps to execute the special conduct of city administrations.

67. **power To Issue Directives**

The Bureau may issue directives for the proper implementation of this Proclamation.

68. **Repealed and Inapplicable Laws**

1. The Amhara National Regional State financial Administration
proclamation No. 18/1997EC is repealed and replaced by this proclamation.

2. Any other proclamation, regulation, directive or practice contrary to this proclamation shall be in applicable on matters provided in this proclamation.
69. Transitory Provision

Financial transactions commenced before the effective date of this Proclamation shall be concluded in accordance with the system laid down by the Regional Government Financeal administration No. 18/1997 E.C and regulations and directives issued thereunder.

70. Effective Date

This Proclamation shall come into force as of its publication date in the zikre-Hig Gazette of the regional State.

Done at Bahir Dar,
This 30th day of January, 2011.
Ayalew Gobezie
President of the Amhara National Regional State