

***LAWS OF SOUTH SUDAN***

***APPROPRIATION ACT, 2012/2013***

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**ARRANGEMENT OF SECTIONS**

**CHAPTER ONE**

**PRELIMINARY PROVISIONS**

1. Title and Commencement.
2. Definitions.

**CHAPTER TWO**

**APPROPRIATIONS**

3. Appropriations from the Consolidated Fund.
4. Limits to Expenditure.
5. Supplementary Expenditure.
6. Contractual Obligations.
7. Expenditures Limited to Revenues.
8. Progress Report.
9. Pension Funds.
10. Carry over into 2013/2014.

**CHAPTER THREE**

**PENALTIES**

11. Penalties.

**Approved Budget 2012/2013 Schedule**

# LAWS OF SOUTH SUDAN

## APPROPRIATION ACT, 2012/2013

**An Appropriation Act to provide for and control of the Republic of South Sudan revenue and expenditures from the Consolidated Fund, intended for the security and benefit of the citizens of South Sudan, from 1<sup>st</sup> July 2012 to 30<sup>th</sup> June 2013.**

### CHAPTER I

#### PRELIMINARY PROVISIONS

**1. Title and Commencement.**

This Act may be cited as “The Appropriation Act, 2012/2013” and shall come into effect upon its signature by the President.

**2. Definitions.**

In this Act, unless the context otherwise requires, the following words and expressions shall carry the meanings assigned to them:

“**Accounting Officer**” means the individual designated by this Act to make all payment requests, and provide all necessary accountability, for the expenditures of a Government Spending Agency;

“**Activity estimate**” means the budgetary allocation to an activity defined in the Approved Budget through the allocation of a specific programme area and activity code;

“**Budget line**” means an expenditure classification defined in the Approved Budget through the allocation of a specific four-digit budget code;

“**Chapter**” means one of the three main expenditure categories of salaries, operating costs and capital expenditures;

“**Consolidated Fund**” means the central group of revenue, expenditure and reserve accounts, maintained by the Ministry of Finance and Economic Planning in the Bank of South Sudan, for receiving public revenue and meeting public expenditure;

“**Spending Agency**” means any Government entity receiving an appropriation under this Act;

“**Minister**” means the National Minister of Finance and Economic Planning in the Government of the Republic of South Sudan;

“**Ministry**” means the National Ministry of Finance & Economic Planning in the Government of the Republic of South Sudan; and

“**President**” means the President of the Republic of South Sudan.

## **CHAPTER II**

### **APPROPRIATIONS**

#### **3. Appropriations from the Consolidated Fund.**

- (1) Expenditures from the Consolidated Fund are authorised for the period of 1<sup>st</sup> July 2012 to 30<sup>th</sup> June 2013 on a chapter by chapter basis, as set forth in the attached schedule.
- (2) Salary payments to Public Service employees shall be in accordance with:
  - (a) the Public Finance Management & Accountability Act 2011; and
  - (b) this Appropriation Act, 2012/2013.
- (3) Payments for operating costs and capital expenditures shall be in accordance with the Public Finance Management & Accountability Act 2011 and this Appropriation Act, 2012/2013.
- (4) Payment requests against a Spending Agency's appropriation shall be submitted to the National Ministry of Finance by the designated Accounting Officer, as specified in the Approved Budget. No other individual is authorised to submit a payment request on behalf of a Spending Agency. In the event the designated Accounting Officer is out of station or otherwise unavailable, a senior official within the Spending Agency may be nominated to act on his or her behalf, in accordance with the National Ministry of Finance's 2012/2013 payment procedures, which shall comply with the Appropriation Act, 2012/2013.

#### **4. Limits to Expenditure.**

- (1) No expenditure from or commitments against the Consolidated Fund may be made except as authorised by this Act.
- (2) No funds shall be transferred from one chapter to another during the financial year, or from one Spending Agency to another, nor shall any money be spent on any activity that is not included in the Approved Budget's activity estimates, without the approval of the Assembly through a Supplementary Appropriation Act.
- (3) Surplus funds over revenue estimates and funds out of the legal reserve shall not be spent save by a Supplementary Appropriation Act.
- (4) No payments shall be made except in conformity with the Public Finance Management & Accountability Act 2011.

- (5) All expenditures must be charged against the relevant Spending Agency, according to the appropriate chapter and budget line, and the appropriate activity code. No expenditures shall be charged against the Reserve.
- (6) The Minister may transfer funds at the request of an individual agency between budget lines within a chapter, as long as expenditures against the different budget lines do not exceed 20% of the category being reduced.

## **5. Supplementary Expenditure.**

- (1) Whenever new circumstances occur, or a matter of public concern proves not to have been satisfactorily addressed by the Approved Budget, the President of the may during the financial year cause a supplementary expenditure request to be submitted to the Assembly. The Minister shall prepare all such submissions on behalf of the President.
- (2) All requests for supplementary expenditure submitted shall clearly detail the source of financing for the supplementary expenditure. Sources may include a reduction in the appropriations of other Spending Agencies, an allocation from reserve funds where existing, or new revenue raising measures detailed through a Revenue Law.
- (3) Once a supplementary appropriation has been approved, the appropriation of the relevant Spending Agency shall be adjusted accordingly, on a chapter by chapter basis, according to the relevant budget line and activity code.
- (4) Where supplementary appropriations are financed through an allocation from reserve funds, reserve funds will be reduced accordingly, and the appropriation of the Spending Agency increased by the same amount. Expenditures financed by the supplementary appropriation shall be charged against the relevant budget line of the Spending Agency, which has received the supplementary appropriation, and not against the Reserve.
- (5) The National Minister of Finance shall not borrow, guarantee, or raise a loan on behalf of the Republic of South Sudan to finance supplementary expenditures except as authorized by an Act of the Assembly.
- (6) Supplementary expenditures shall not be incurred before the approval of the Assembly has been obtained, except after seeking the approval of the Assembly in the event of National Emergencies, or when financing the following items detailed in Article 90 (5) of the Transitional Constitution of the Republic of South Sudan 2011:
  - (a) emoluments of the President;
  - (b) expenses of the State House;
  - (c) budget of the Judiciary;
  - (d) national Government contractual financial obligations;

- (e) repayment of National Government external debts under any loan agreements;
  - (f) payment of any money the National Government is required to pay under a court order arising out of litigation or as a result of an arbitration award or any other settlement having similar legal effect; and
  - (g) any other expenses as shall be regulated by law.
- (7) National Emergencies shall be defined as the consequences of epidemics, unforeseen acts of nature or war which could not have been anticipated, and for which spending cannot be postponed without detriment to the public interest.
- (8) When supplementary expenditures are incurred consistent with subsection 6 of this section, the President shall cause the Minister, within one month of the expenditure having been incurred, to lay details before the Assembly which detail the nature of the supplementary spending and its financing.

## **6. Contractual Obligations.**

- (1) No Spending Agency receiving appropriations under this Act may enter into any contractual arrangement exceeding SSP 20,000 for consultancy services, SSP 40,000 for goods and SSP 100,000 for works without receiving written confirmation in accordance with the 2012/2013 payment procedures, from the National Ministry of Finance which shall comply with the Appropriation Act, 2012/2013 that sufficient funds are available from the balances against its budgetary appropriation to finance the contract.
- (2) After receiving confirmation of funds from the National Ministry of Finance, all contracts exceeding SSP 20,000 for consultancy services, SSP 40,000 for goods and SSP 100,000 for works shall be signed by the Ministry of Justice before they can be considered legally binding.
- (3) No Spending Agency may enter into any contract involving payment after 30<sup>th</sup> June 2013 unless authorised by the Minister of Finance and Economic Planning.
- (4) The National Minister of Finance at the end of the financial year shall submit all contracts involving payments exceeding SSP 10,000,000 after 30<sup>th</sup> June 2013 to the Assembly for approval.
- (5) All spending units shall record as obligations against these appropriated funds any orders for purchase of goods or services at the time the order is placed, or the purchase of goods for which contract is signed.

## **7. Expenditures Limited to Revenues.**

- (1) Quarterly expenditures by Spending Agencies will be in accordance with cash limits established by the National Minister. These cash limits shall be set on the basis of revenue availability, according to the revenues that have been deposited into the Consolidated Fund, and expenditure priority, within the limits of the appropriations approved for each Spending Agency in this Act.
- (2) In the event that the estimates of resources and revenues in the Approved Budget are not expected to be realized in full during the Financial Year, the Minister shall inform the Council of National Ministers and the President accordingly. The National Minister shall either recommend that the President causes a financial Bill to be submitted to raise additional revenues or a request for an allocation from the reserve funds, where available, to the Assembly, or that the appropriated budget ceilings be adjusted downward in line with the shortfall. In this case, the quarterly cash limits shall sum to less than the annual estimates or resources and revenues.
- (3) The Republic of South Sudan shall not finance a budget shortfall by reducing Government reserve funds or raising funds through Government borrowing, whether domestic or external, without the approval of the Assembly.

## **8. Progress Report.**

- (1) The National Minister shall present a quarterly progress report, on revenue and expenditure to the Council of Ministers of the Government of South Sudan.
- (2) The National Minister shall present a bi-annual progress report on revenue, expenditure and implementation of activities in the second week of the first month of each Session, to the National Legislative Assembly.

## **9. Pension Funds.**

- (1) The National Minister of Finance shall maintain a Pension Account into which all employee (8% of basic salary & cost of living allowance) and employer (17% of basic salary and cost of living allowance) contributions of eligible Republic of South Sudan employees shall be deposited.
- (2) The Pension Account shall be managed by a Pension Management Board established by a Pension Law.
- (3) Expenditures from the Pension Account shall only be for purposes of provision of post service benefits or other retirement entitlements of former Government employees.

**10. Carry over into 2013/2014**

- (1) Appropriated funds not expended by 30<sup>th</sup> June 2013 shall not be carried over into 2013/2014 to the credit of the Ministry to which they were appropriated.
- (2) All appropriated funds except Constituency Development Fund money not expended by 30<sup>th</sup> June 2013 shall automatically revert to the Consolidated Fund and form part of the General Reserve.

**CHAPTER III**

**PENALTIES**

**11. Penalties.**

- (1) Any Ministry or other Agency receiving appropriation under this Bill, which unauthorized re-allocation between appropriations, shall be required to refund to the Treasury from the remainder of its appropriation for 2012/2013; provided that if the remainder is insufficient to finance the refund, the refund shall take the first call on its appropriated funds for 2013/2014.
- (2) Any employee or government agency, engaging in or promoting practices with the intent of-
  - (a) personally enriching himself or herself, or his or her family, business or other associates, in respect of public funds, appropriated under this Act,
  - (b) over spends their allocated budgets against the provisions of this Bill,  
commits an offence; and if convicted, in addition to any other Penalties which the Court may decide under the Penal Code Law or any other law, the employee or government agency shall refund to the Treasury the amount dishonestly used and the employee shall not occupy any future public office that may involve dealing with financial matters.





Fiscal Year Budget July 2012 to June 2013				
Sector	Agency	Budgeted Total	Additions	Total
Accountability	Anti – Corruption Commission	11,146,904		11,146,904
	Audit Chamber	11,812,112		11,812,112
	National Bureau of Statistics	13,122,893		13,122,893
	Ministry of Fin & Econ Planning	115,671,017	1,000,000	116,671,017
	Revenue Authority		5,000,000	5,000,000
	S.S. Fiscal & Fin Allocation & Monitoring Commission	1,405,846		1,405,846
	S. S. Reconstruction & Dev Fund	2,485,996		2,485,996
Economic Functions	Ministry of Commerce & Industry	10,604,527		10,604,527
	Ministry of Petroleum & Mining	18,912,275		18,912,275
	Electricity Corporation	39,682,660		39,682,660
	Ministry of Information & Broad casting	37,494,128	5,000,000	42,494,128
	Investment Authority	4,883,998		4,883,998
	Ministry of Telecom & Postal Services	46,019,418		46,019,418
	Ministry of Electricity & Dams	99,306,479		99,306,479
Education	Ministry of General Education & Instruction	329,747,435	10,500,000	340,247,435
	Ministry of Higher Educ; Research, Science & Tech	113,862,533		113,862,533
Health	Ministry of Health	180,425,692		180,425,692
	HIV/AIDS Commission	11,631,874		11,631,874
Infrastructure	Ministry of Housing & Physical Planning	30,021,069		30,021,069
	Ministry of Roads & Bridges	30,592,908	5,000,000	35,592,908
	South Sudan Urban Water Corporation	11,104,721		11,104,721
	Ministry of Water Resources & Irrigation	33,012,888		33,012,888
	South Sudan Road Authority	5,925,793		5,925,793
	Ministry of Transports	44,558,905		44,558,905
Natural Resources	Ministry of Agriculture, Forestry, Coop. & Rural Dev.	90,379,582	14,286,167	104,665,749
	Ministry of Animal Resources & Fisheries	27,581,541		27,581,541
	Agricultural Bank	2,027,140	3,000,000	5,027,140
	Ministry of Wildlife Conservation & Tourism	198,706,464		198,706,464
	South Sudan Land Commission	1,328,946		1,328,946
	Environment	5,721,623		5,721,623
Public Administration	Office of President	157,734,022	9,000,000	166,734,022
	Ministry of Cabinet Affairs	95,266,941		95,266,941
	Ministry Labour, Public Service & Human Resource Dev.	12,138,167		12,138,167
	Ministry of Parliamentary Affairs	3,572,082		3,572,082
	Ministry of Foreign Affairs & International Coop.	66,645,380		66,645,380
	South Sudan Civil service Commission	2,949,955		2,949,955
	South Sudan Local Government Board	1,328,295		1,328,295

	South Sudan Employees Justice Chamber	2,365,168		2,365,168
	South Sudan Public Grievances Chamber	1,359,440		1,359,440
	I. National Legislative Assembly	63,047,417	38,656,592	101,706,009
	II. CDF	21,000,000	37,702,445	58,702,445
	National Elections Commission	1,460,016		1,460,016
	Council of States	20,496,882		20,496,882
Rule Of Law	Judiciary of South Sudan	75,541,543	2,000,000	77,541,543
	Ministry of Justice	35,318,409		35,318,409
	South Sudan Law Review Commission	2,308,058		2,308,058
	Ministry of Interior	66,587,459	17,512,202	84,099,661
	Police	526,718,807		526,718,807
	Prisons	285,458,749		285,458,749
	Fire Brigade	83,797,272		83,797,272
	Bureau of Community Security & Small Arms Control	2,016,803		2,016,803
	South Sudan Human Right Commission	3,553,677		3,553,677
Security	De-Mining Authority	2,285,641		2,285,641
	Disarmament, Demobilization Reintegration Commission	12,927,961		12,927,961
	Ministry of Defense & Veteran Affairs	2,541,906,046	450,000	2,542,356,046
	Ministry of National Security	172,833,760		172,833,760
Social & Humanitarian Affairs	Ministry of Gender, Child & Social Welfare	7,069,317		7,069,317
	Ministry of Culture Youth & Sports	12,452,012		12,452,012
	Peace Commission	3,470,647		3,470,647
	War Disabled, Widows & Orphans Commission	9,835,437		9,835,437
	South Sudan Relief, Rehabilitation Commission	20,559,292		20,559,292
	Ministry of Humanitarian Affairs & Disaster Management	21,806,107		21,806,107
Block Transfers	General Block Transfers	470,449,501	110,000,000	580,449,501
	State Legislative Assembly			
	Counties	69,615,000		69,615,000
<b>Grand Total</b>		<b>6,405,052,630</b>	<b>259,109,406</b>	<b>6,664,162,036</b>

NB:

Total Revenue 6,771,360,817

Total Expenditure (C+D) 6,664,162,036

Reserves 107,198,781

**Table 1: The Resource Envelope**

The table below presents changes in the resource envelope against provisional outturns of FY2011/12 and the proportion of resource categories against the total resource envelope.

		FY2011/12 Provisional Outturns	FY2012/13 Draft Budget	Variation	Share of Total Resource Envelope
<b>Oil Revenue</b>		9,882,928,921	0	-100%	0
<b>Non Oil Revenue</b>	Personal Income Tax	82,875,332	120,000,000	45%	1.80%
	Customs	42,219,307	160,000,000	279%	2.40%
	Excise	24,856,375	130,000,000	423%	1.95%
	Business Profit Tax	14,378,833	80,000,000	456.40%	1.20%
	Other Gross/ RSS Revenue	95,527,240	156,748,187	164%	2.35%
	Sales Tax/VAT	39,932,282	220,000,000	175.50%	1.65%
<b>Total</b>		299,789,369	866,748,187	152%	11.36%
	Domestic Loans		1,000,000,000	100%	15.01%
<b>External Financing</b>	Concessions		3,704,612,630	100%	55.61%
<b>Total</b>			4,704,612,630	100%	70.63%
<b>Reserves</b>			1,200,000,000	100%	18.01%
<b>Resource Grand Total</b>		10,182,718,290	6,771,360,817	-35%	100.00%
<b>Donor Off Budget</b>			3,993,298,152		

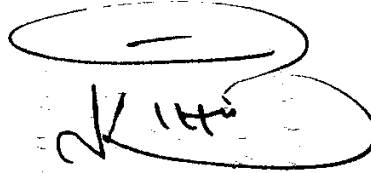
Source: Republic of South Sudan Draft Budget 2012-13

## 5.0 Pension Fund, Social Insurance Fund and National Health Care Scheme

**ASSENT OF THE PRESIDENT OF THE REPUBLIC OF SOUTH SUDAN**

In accordance with the provision of Article 85 (1) of the Transitional Constitution of the Republic of South Sudan, 2011, I, Gen. Salva Kiir Mayardit, President of the Republic of South Sudan, hereby Assent to the Appropriation Act, 2012/2013 and sign it into law.

Signed under my hand in Juba, this 26<sup>th</sup> day of the month of JULY in the year 2012.

A handwritten signature in black ink, consisting of a large, stylized 'K' followed by 'iir' and 'Mayardit' written in a cursive script. The signature is enclosed within a hand-drawn oval border.

**Gen. Salva Kiir Mayardit  
President  
Republic of South Sudan  
RSS/ Juba.**