

**KINGDOM OF CAMBODIA  
NATION – RELIGION – KING**

**Royal Government of Cambodia  
No: 93**

**Sub-Decree On  
Resources Transfer from National Budget to Commune-Sangkat Fund**

- Seen the Constitution of Kingdom of Cambodia
- Seen the Royal Decree No. NS/RKM/0908/1055 dated 25 Sep 2008 on the nomination of the Royal Government of the Kingdom of Cambodia
- Seen the Royal Decree No. NS/RKM/02/94 dated 20 July 1994 on the operation of the Council of Ministers.
- Seen the Royal Decree NS/RKM/0196/08 dated 24<sup>th</sup> January 1996 on the establishment of Ministry of Interior.
- Seen the Royal Decree No. NS/RKM/0196/18 dated 24 January 1996 on the establishment of Ministry of Economy and Finance.
- Seen the Royal Decree No. NS/RKM/0301/05 dated 19<sup>th</sup> March 2001 on the Commune/Sangkat Administration Law.
- Seen the Royal Decree No. 0508/016 dated 13<sup>th</sup> July 2008 on the Promulgation of Public Financial System.
- Seen the Royal Decree No. NS/RKM/0508/017 dated 24<sup>th</sup> Jul 2008 on the Promulgation of Law on Administrative Management of provinces, and districts.
- Seen the Royal Decree No. NS/RKT/1208/1429 dated 31st Dec 2008 on the establishment of NCDD.
- Seen the Sub-Decree No. 16 ANKR dated 25<sup>th</sup> February 2002 on CS Fund
- Seen the Sub-Decree No. 26 ANKR dated 02<sup>nd</sup> April 2002 on CS Financial Management.
- Base on the need of Government.

**DECIDE**

**Article 1:**

The transfer from the State Budget to the Communes/Sangkats Fund account for a period of 3 years shall be determined in percentage of the recurrent state revenue as follows:

- Fiscal Year 2011: not less than 2.80% of the recurrent revenue of state's budget, adopted in 2010.
- Fiscal Year 2012: not less than 2.80% of the recurrent revenue of state's budget, adopted in 2011.
- Fiscal Year 2013: not less than 2.80% of the recurrent revenue of state's budget, adopted in 2012.

**Article 2:**

The total CS Fund Resources which are received from the national budget contribution as defined in article 1 of this sub-decree, the contributions from grants and the loans made available by development partners shall be distributed into two components and shall be determined proportionally from year 2011 to 2013 as follows:

Fiscal Year	General Administration Component	Local Development Component
Fiscal Year 2011	Not more than 1/3	Not less than 2/3
Fiscal Year 2009	Not more than 1/3	Not less than 2/3
Fiscal Year 2010	Not more than 1/3	Not less than 2/3

**Article 3:**

The resources of the general administration component shall be used to cover expenditures as defined in paragraph 2 of Article 15 of Sub-decree No 16 dated 25<sup>th</sup> February 2002 on CS and the village allowances in accordance with the current established rules and rates in force.

The resource of general administration component shall include administrative operation costs, councilors' allowances and village chiefs' allowances.

The administrative operation cost allocation shall be calculated by deducting the sum of councilors' and village allowances from the general administration component, and sharing the residual amount in proportion to the number of elected Commune/Sangkat councilors.

**Article 4:**

The resources of the local development component shall be applied to cover expenditures as defined in paragraph 3 of Article 15 of Sub-decree No 16 dated 25<sup>th</sup> February 2002, and shall be distributed as follows:

- an equal share in principle,
- a share proportional to the population of the Commune/Sangkat,
- a share proportional to a poverty index, and

The proportion of local development component resource for each parameter shall be defined as follows:

<b>Fiscal Year</b>	<b>Equal Share</b>	<b>Population of CS</b>	<b>Poverty Index</b>
Fiscal Year 2011	35%	35%	30%
Fiscal Year 2012	35%	35%	30%
Fiscal Year 2013	35%	35%	30%

**Article 5:**

The Ministry of Economy and Finance shall calculate and officially inform the allocation for each CS which suppose to receive for next fiscal year no later than 1<sup>st</sup> October of the current fiscal year. CS budget shall be formulated under responsibility of CS chief and submit to CC for reviewing and approval. The CC shall deliberate the draft budget by open to the public before 31<sup>st</sup> October and then CS chief shall submit the approved budget to provincial/municipal governor for endorsement before 5<sup>th</sup> November in order to request approval from the governor of the capital, provinces before 31 December.

**Article 6:**

The Minister of Economy and Finance has the right to verify by financial inspection or control as needed according to the conditions stipulated in the law on public financial system and related provisions in force.

**Article 7:**

Any provisions that contradict this Sub-Decree shall be null and void.

**Article 8:**

The Minister for the Council of Ministers, Ministers and Secretaries of State of all ministries, and relevant institutions, Governors of provinces and municipalities, Commune/Sangkat Councils, and Commune/Sangkat Chiefs shall be responsible for implementing with efficiency this Sub-Decree from the signature date onward.

Phnom Penh, 6 August 2010

**Prime Minister**

Samdech Hun Sen

Taken note to inform Prime Minister for signature

**Minister of Interior**

Sar Kheng

**Minister of Economy and Finance**

Keat Chhon

cc

- Royal Palace
- Secretariat General of Constitutional Council
- Secretariat General of Senate
- Secretariat General of National Assembly
- Cabinet of Samdech Prime Minister
- Officials named in article 8
- Documents-Archive