

THE GAMBIA'S CENTRAL GOVERNMENT BUDGET PROCESS/CYCLE



Author: Lamin Dibba

Reviewed by: Marr Nyang, Alhagie Mbow, Abdou Salam Jatta

Table of Contents

The National Budget	3
Stages of the Central Government’s Budget Process/Cycle	3
Stage 1: Budget Formulation	3
i. Pre-Budget Statement (PBS)	4
ii. Budget Call Circular (BCC) & Consultations	4
iii. Bilaterals With MoFEA	4
iv. Compilation of Individual MDA Draft Budgets	5
v. Executive’s Budget Proposal (EBP) & its Citizens’ Budget Version	5
Stage 2: Budget Approval	6
i. Speeches by the Minister of Finance and Economic Affairs.....	6
ii. Bilaterals With the National Assembly.....	6
iii. Consideration and Approval	7
iv. Reconciliation of Figures, Preparation and Enactment of the Appropriation Bill.....	7
v. Appropriation Act, Approved Budget & its Citizens’ Budget Version	8
Stage 3: Budget Execution	8
i. Revenue Collection	9
ii. Spending Process	9
iii. Virement and Supplementary Appropriation.....	10
Stage 4: Budget Oversight	11
i. Oversight During Budget Execution.....	11
ii. Oversight After Budget Execution	12
Annex 1: Key Budget Documents Currently Being Produced and Published by the Central Government, Their Contents & Timeframes for Online Publication	13
Annex 2: Key Budget Documents the Central Government does not Produce or Publish Currently & Their Timeframes for Online Publication	13
Annex 3: Budget Entities (BEs) Under the Central Government	14

The National Budget

The national budget is a document that shows how the central government plans to raise revenue and how it plans to spend it to provide quality and affordable services to the citizens and improve the economy of the country and standard of living. It captures the central government's revenue mobilization and spending plans from January 1st to December 31st, annually.

Stages of the Central Government's Budget Process/Cycle

The central government's budget process or cycle is divided into 4 stages which are – **Budget formulation, budget approval, budget execution and budget oversight**. The executive arm of the government, on an annual basis, prepares a budget (budget formulation), and submits it to the legislative arm of the government for approval (budget approval). After approval by the legislature or National Assembly (NA), the executive, through the Ministry of Finance and Economic Affairs (MoFEA), implements the budget (budget execution) while NA and the National Audit Office (NAO) perform the main oversight on budget implementation (budget oversight).¹

Stage 1: Budget Formulation

This chapter explains the procedures followed by the central government to prepare its annual budget. The key steps involved at this stage of the budget process are preparing a Pre-Budget Statement (PBS), sending out a Budget Call Circular (BCC) to Ministries, Departments, and Agencies (MDAs), budget consultations, bilaterals with MDAs, compilation of MDAs' draft budgets and having a consolidated draft budget called the Executive's Budget Proposal (EBP) for cabinet endorsement. Preparation of the national budget, as dictated by Section 152 Sub-Section (1) of the 1997 Constitution of The Gambia and Section 21 Sub-Section (1) of The Gambia's Public Finance Act 2014, is led and coordinated by the Ministry of Finance and Economic Affairs (MoFEA).²

The national budget must be prepared in such a way that it aligns with the National Development Plan (NDP) which is prepared or renewed by the government at least every 4 years and it outlines the strategic or development goals of the government and how these goals are to be achieved in the medium term i.e., 4 – 5 years.³ Therefore, national budgets are prepared to execute, in a broader sense, the NDP so as to reach the development goals of the state.

¹ By Central Government, it is meant, all the ministries and the parastatals operating under the ministries - excluding State-Owned Enterprises; the Office of the President; National Assembly (NA); Judiciary; Independent Electoral Commission (IEC); Public Service Commission (PSC); National Audit Office (NAO); Ombudsman; and National Human Rights Commission (NHRC). "Central Government" is used synonymously with "Ministries, Departments or Agencies" shortened as "MDAs". So, wherever you see "Central Government" in this document, kindly term it as "all MDAs."

² Link to the 1997 Constitution of The Gambia: <https://mofea.gm/downloads-file/constitution-of-the-gambia-1997>

³ Link to a sample NDP (2018 – 2021): <https://mofea.gm/ndp>

i. Pre-Budget Statement (PBS)

Before the actual budget is formulated, a Pre-Budget Statement (PBS) called the **Medium Term Economic Fiscal Framework (MTEFF)** is prepared by MoFEA and endorsed by the cabinet (comprising the president, vice president, and all the ministers).⁴ This framework, which is prepared annually, sheds light on the overall macroeconomic and fiscal conditions of the entire Gambian economy; such as, making sectoral analyses and projections; highlighting key sectoral reforms (sectors meaning the real sector, fiscal sector, financial sector and external sector of the economy), explaining the rationale behind the expenditure and revenue projections as well as the financing prospects in budgets prepared for the central government etc. MTEFF is also prepared in alignment with the National Development Plan (NDP).

ii. Budget Call Circular (BCC) & Consultations

In addition to the above-mentioned policy documents (NDP & MTEFF), MoFEA formulates, annually, a third policy document called the **Budget Call Circular (BCC)**, and sends it to all Ministries, Departments and Agencies (MDAs).⁵ The BCC serves as a guide or directive to MDAs on how they are to prepare their respective budgets for onward submission to MoFEA.⁶ It also contains the budget ceilings/upper limits for all BEs (Budget Entities) and each MDA is instructed not to exceed the corresponding budget ceilings for the BEs.⁷ Then, MoFEA organizes a budget consultative workshop to which all MDAs are invited to have technical and financial discussions surrounding the budget, all of which are aimed at formulating a budget that truly reflects the needs and priorities of MDAs.⁸

iii. Bilaterals With MoFEA

Once MDAs have prepared their individual draft budgets and sent to MoFEA, each of them (with the exception of the independent institutions) has a bilateral with MoFEA, chaired by the permanent secretary for MoFEA, to discuss their draft budgets. This bilateral serves as a formal meeting between a ministry, department, or agency (an MDA) and MoFEA to discuss the MDA's recent achievements, current activities, challenges, plans for the upcoming budget year, whether the MDA in question has aligned its draft budget with the NDP and whether it has exceeded its budget ceiling. The permanent secretary can make budget cuts and/or additions to MDAs' budgets, where necessary, to ensure that the overall budget is in line with the overall

⁴ Link to a sample MTEFF (2019 – 2024): <https://mofea.gm/downloads-file/medium-term-economic-fiscal-framework-2019-2024>

⁵ Link to a sample Budget Call Circular (For 2023 Fiscal Year): <https://mofea.gm/downloads-file/budget-call-circular-fiscal-year-2023>

⁶ By the way, Ministries, Departments, and Agencies (MDAs) each prepare their own budgets and submit to MoFEA for compilation into a single budget document. It must be noted that the 13 commercial state-owned enterprises and municipal, city or area councils are excluded from this categorization called "MDAs".

⁷ "A Budget Entity (BE)" is used synonymously with "an MDA". However, there is a slight difference between the two – a BE is more of a label and can be under the custody of another BE (e.g., BE 13, BE 15 and BE 50 are under the custody of BE 12), but an MDA is a physical institution and is not under the custody of another MDA. As such, there are 29 MDAs or 32 BEs (including BEs 13, 15, & 50) that constitute the central government. See Annex 3 of this document to find out more about the BEs and the MDAs they correspond to.

⁸ MoFEA also consults the private sector, civil society organizations (CSOs) and sometimes citizens at grass-roots or community levels, on the national budget, before or during budget formulation, so as to properly cater for the needs of the private sector and citizens in the upcoming budget.

resource envelope (total projected funds) stated in the MTEFF. As mentioned earlier, bilaterals involving independent institutions such as the *National Assembly (NA)*, *National Audit Office (NAO)*, *Independent Electoral Commission (IEC)*, and *Judiciary*, are not done with MoFEA since MoFEA cannot touch the respective budgets of any of these independent institutions. Instead, they are conducted with FPAC (Finance and Public Accounts Committee) at the National Assembly, after the EBP has been submitted to the National Assembly for consideration and approval. Thus, only NA can touch the budgets of the independent institutions. Though the executive cannot touch the budgets of these institutions, the president can send a memo/letter to the parliament highlighting concerns he may have with respect to their budgets. It is however at the discretion of the parliament to heed to the president's proposals in the memo.

iv. Compilation of Individual MDA Draft Budgets

After the bilaterals with MoFEA, all draft MDA budgets, post-bilateral versions, are combined into one budget document in which projected revenues (or receipts) are expected to match proposed expenditures or payments for the attainment of a balanced budget. However, the most common scenario for the central government of The Gambia is that proposed expenditures exceed expected revenues thereby leading to a budget deficit. As such, senior management at MoFEA would hold a meeting to devise ways of financing the budget deficit. Financing tools involve, mainly, borrowing internally (from citizens, domestic commercial banks, domestic businesses) and/or from foreign or external creditors (such as external private commercial banks, other governments, international financial institutions like the International Monetary Fund, the World Bank etc.); seeking budget support from international financial organizations (IMF, World Bank etc.); as well as selling and/or leasing government assets.

v. Executive's Budget Proposal (EBP) & its Citizens' Budget Version

Once the proposed financing is sorted and the budget is balanced, post-financing, the first draft of the national budget (called **Executive's Budget Proposal [EBP]**) is presented to cabinet members (president, vice president, and all the ministers) for inspection and endorsement.⁹ The draft budget will then be adjusted, based on the comments or suggestions from cabinet members, by MoFEA. After the necessary adjustments, the final draft (final EBP) will be submitted by the executive to the National Assembly for consideration and approval. A summarized non-technical version of the EBP (referred to as **Citizens' Budget [CB]**) is also produced and published by MoFEA while the legislature is considering the EBP but before approving it.¹⁰

⁹ Links to sample Executive's Budget Proposal [EBP] or Draft Budgets (2023 & 2022 Fiscal Years):
<https://mofea.gm/downloads-file/the-executive-budget-proposal-2023>
<https://mofea.gm/downloads-file/draft-2022-budget-cabinet-version>

¹⁰ Link to sample Citizens Budgets corresponding to the EBP (2023 Fiscal Year):
<https://mofea.gm/downloads-file/2023-citizen-budget-final-all-funds>

Stage 2: Budget Approval

At this stage of the budget cycle, the draft budget, or Executive's Budget Proposal (EBP) has been submitted to the National Assembly (NA) for consideration and approval.

As mentioned before, Section 152 Sub-Section (1) of the 1997 Constitution of The Gambia and Section 21 Sub-Section (1) of The Gambia's Public Finance Act 2014 provides for the minister of finance and economic Affairs to prepare and lay the upcoming fiscal year budget estimates before parliamentarians at the National Assembly "*at least 30 days before the end of the financial year*" (which NA amended to "*at least 60 days before the end of the financial year*" in the third quarter of 2023, and shall go by this starting with the FY 2025 budget). Moreover, Section 152 Sub-Section (1A) of the 1997 Constitution states, "*The National Assembly shall, within fourteen days of the estimates being laid before it, give consideration to and approve the estimates*", which was also changed to "*within 30 days*" by NA in the third quarter of 2023. So, starting with the FY 2025 budget, the National Assembly shall have 30 days (instead of 14 days) to examine and debate on the draft budget as well as approve or reject it.¹¹

i. Speeches by the Minister of Finance and Economic Affairs

Two speeches are made by the minister during the consideration & approval stage and these speeches are considered supplementary budget documentations to the draft budget or EBP. The speeches (first, "Statement by the Minister of Finance and Economic Affairs on the Laying of Estimates of Revenues and Expenditures", which is done during the tabling of the EBP; second, " Budget Speech", which is done after the EBP has been amended and approved by NA) highlight the legal provisions for the formulation and approval of the national budget; the objectives of the budget; the overview and outlook in relation to the real, fiscal, financial, and external sectors of the economy and beyond; achievements, activities, challenges, future plans in key sectors of the economy; and the proposed fiscal operations (eg. projected revenues, grants, loans, expenditures, financing; tax increments or tax cuts etc.) in the upcoming fiscal/financial year. In addition to the two speeches, the minister can also be summoned by any committee at NA, when the need arises, in order to make clarification on issues related to the draft budget estimates.¹²

ii. Bilaterals With the National Assembly

During the 14-day period (it shall be a 30-day period starting with the FY 2025 budget), respective committees at the National Assembly, comprising NAMs (National Assembly Members), shall have bilaterals (meetings) with the MDAs. The lead committee in relation to the national budget is the Finance and Public Accounts Committee (FPAC) at the National Assembly; it is a committee responsible for budget oversight and the scrutiny of all public accounts (except accounts belonging to the State-Owned Enterprises [SOEs]). It is worth noting that, at NA level, all MDAs, including the independent institutions, must attend the bilaterals. Regarding the format of the bilaterals at NA, each committee has bilaterals with MDAs that

¹¹ A bill was passed by the parliament in the 3rd quarter of 2023 to extend the submission of EBP to the parliament to at least 60 days before end of the financial year, instead of 30 days, and the number of days for consideration & approval to 30 days, instead of 14 days.

¹² Links to the minister's speeches: <https://mofea.gm/downloads-file/2023-budget-speech> & <https://mofea.gm/downloads-file/hm-statement-on-the-laying-of-2023-estimates>

are within their domain (for instance, the committee on health having a bilateral with the Ministry of Health to discuss specifically the proposed allocations, in the EBP, to the said ministry etc.). If an MDA does not fall under a specific committee, it shall have its bilateral with FPAC (say for example Office of the President, National Assembly etc.).

iii. Consideration and Approval

After the bilaterals, NA committees shall draft MDA-specific reports (meaning a report for each MDA they have had a bilateral with) making recommendations (such as budget cuts, budget augmentations, or neither) on the proposed budget allocations to the MDAs or Budget Entities (BEs) in the EBP. All committee reports shall be compiled into a single consolidated report and presented at the NA plenary sessions for debate. In other words, NAMs shall have a debate surrounding the entire budget and the recommendations in the FPAC consolidated report first, and then proceed to the consideration and approval stage where NAMs assess and apply to the proposed allocations for each individual MDA or BE (Budget Entity) - some, most, all or none of the recommendations listed in the FPAC consolidated report as well as other new recommendations put forward by NAMs during the consideration and approval session(s). Once the NAMs are done assessing and amending the proposed budget allocations to a particular MDA or BE, they vote to approve the said allocations and move on to the next MDA or BE. All MDA or BE allocations go through the same approval process one after the other.

Also, all other essential components of the draft budget (projected revenues, grants, loans etc.) are examined, debated upon, and approved by the NA. However, budget amendments are done within the resource envelope or the total funds, projected by MoFEA, contained in the EBP. Therefore, the amendments by NA are mainly centered on increasing and/or decreasing the proposed allocations to BEs, without increasing the resource envelope. With respect to the budget cuts made during the consideration and approval stage, NAMs unanimously decide, after having consulted the minister for finance and economic affairs, whether to reallocate the funds cut, to certain BEs in need of more funds or not reallocate at all to reduce the budget deficit.

iv. Reconciliation of Figures, Preparation and Enactment of the Appropriation Bill

After the EBP has been amended and approved by NA; FPAC, MoFEA, and the Table Office (the clerks taking notes during budget sessions) converge to go over or cross-check the approved budget estimates for each BE and for the entire budget. Once the reconciliation of figures is complete, the Ministry of Finance and Economic Affairs shall now use the approved figures for each BE and prepare the Appropriation Bill, based on the Government Local Funds (GLF) only, and then present to Parliament for enactment.¹³ By law, in accordance with Section 152 Subsection (3A) of the 1997 Constitution, *“The National Assembly shall, within seven days of the introduction of the Appropriation Bill, give consideration to and pass the Bill.”* Within the 7-day period, NA, led by FPAC, shall go over the bill for confirmation of figures and then approval.

¹³ **Government Local Funds (GLF) = tax revenues + non-tax revenues** (including government lending receipts & equity sales [e.g., principal loan repayments by SOEs etc.]; proceeds from sale, rent or lease of government assets [capital revenue]) + **budget support (programme grants) + domestic loans** (short term T-bills & other govt securities)

Thereafter, the Appropriation Bill is sent to the President for him to assent to it by signature. The President has a total of 30 days to either assent to the bill or write to the parliament highlighting concerns he might have regarding the bill. In case of the latter, the parliament may or may not amend the bill to address the concerns of the President, as NAMs have the power to pass the bill with or without the President's concerns being addressed. But if the parliament does decide to reconsider the bill due to the recommendations or concerns submitted by the President, NAMs shall vote on whether they amend the bill with or without the President's recommendations. For the bill to be amended with or without the President's suggestions, at least "two thirds of all the members of the National Assembly" must vote in favor of it or against it. Then, the parliament shall again send the bill to the President who is statutorily required by law to assent to it within 7 days of it being presented to him (See Section 100 Subsections (3), (4), and (5) of the 1997 constitution of The Gambia).

v. **Appropriation Act, Approved Budget & its Citizens' Budget Version**

Nevertheless, the Appropriation bill becomes an act of parliament (called an Appropriation Act) once enacted by the National Assembly and/or assented to by the President. At this point, we now have an **Appropriation Act** which comprises the final approved total GLF appropriation as well as the breakdown of the approved total GLF appropriation by BE; plus, an **Approved Budget (also called Enacted Budget [EB])** which shows a total breakdown of all components of the budget (e.g. revenues, grants, and loans mainly by economic classification; and expenditures by all classifications - administrative, functional and economic classifications).¹⁴ The EB is also accompanied by a **Citizens' Budget** corresponding to it which is produced by MoFEA. Following the approval of the draft budget and the enactment of the appropriation bill, the minister for finance and economic affairs signs a general warrant, effectively authorizing expenditure by MDAs (i.e., budget execution from January 1st to December 31st) based on the Approved Budget and the Appropriation Act.

Stage 3: Budget Execution

It is the Approved or Enacted Budget (EB) and its corresponding Appropriation Act that the central government executes or implements through the Directorate of Budget (DoB) under the Ministry of Finance and Economic Affairs (MoFEA). This means that the Directorate of Budget (DoB) at MoFEA is responsible for allocating funds to all MDAs for them to carry out their expenditures which have been approved in the EB and the Appropriation Act. However, the Permanent Secretary (PS) and Accountant General (AG) at MoFEA must sign off on all allocations made by DoB to MDAs. In addition, Central Bank of The Gambia (CBG) does the

¹⁴In the EBP and EB, both of which have the same format, *Administrative classification* means who or which BE collects and/or spends the money (e.g., Ministry of Health etc.); *Functional classification* means for what purpose the money is spent (e.g., for Health, Education, Defence etc.); *Economic classification* means the individual sources of money and what or the actual things the money is spent on (e.g., tax revenues, non-tax revenues etc. as sources of money; salaries, furniture, trainings, roads & bridges, rent & rates etc. as expenditures). For a sample Administrative Classification, see "Departmental Overviews" on pages 18 - 22 of the 2023 Approved Budget; for a sample Functional Classification, see "Function of the Government - Expenditure Overview – GLF" on pages 24 - 26 of the 2023 Approved Budget; for a sample Economic Classification, see "Expenditure Budget Overview by Item" on pages 7 - 17 of the 2023 Approved Budget. Find attached the 2023 Approved Budget: <https://mofea.gm/downloads-file/budget-appropriation-bill-2023-1>

transfer or payment of the actual funds to MDAs upon final confirmation from AGD (Accountant General’s Department), except for funds held at banks other than CBG.¹⁵

i. Revenue Collection

The funds or revenues DoB allocates to MDAs are collected, on a monthly and quarterly basis, by the Gambia Revenue Authority (GRA) and other revenue generating MDAs (there are 14 – 15 revenue generating MDAs in the central government as at 2023).¹⁶As provided by Section 150 of the 1997 Constitution and Section 7 of the Public Finance Act, 2014, all public funds or revenues (eg. tax revenues, non-tax revenues, grants, loans etc.) collected by the central government or on its behalf must be put into a Consolidated Revenue Fund (CRF) at Central Bank of The Gambia (CBG). However, there are revenues (eg. extra-budgetary funds, some donor grants, departmental self-raised revenues etc.) which might be conditioned to be paid into other accounts, held at CBG or at a commercial bank; such accounts must be approved or sanctioned by the National Assembly. Furthermore, any money that is to be spent by MDAs shall then be transferred to the Treasury Main/Single Account (TMA/TSA), also a central government account at Central Bank of The Gambia (CBG). CRF is for keeping public funds whereas TMA/TSA is for spending public funds.

ii. Spending Process

Budget execution starts in January and ends in December for every fiscal year¹⁷. Regarding the process of how MDAs spend their respective budget allocations approved by the National Assembly; first, all MDAs are sent a formal request by MoFEA to submit their individual Cash Plans (spending plans). The Cash Plan of an MDA contains, for the entire fiscal year, the MDA’s monthly and/or quarterly expenditures by economic classification (current and capital expenditures). It also contains the monthly and/or quarterly expenditures for specific programmes or certain parastatals (called subvented institutions) that are semi-autonomous but operating under an MDA¹⁸. However, a cash plan is merely a tentative spending plan for an MDA which it can adjust at any time during the fiscal year. But these cash plans from MDAs serve as a guide to the Directorate of Budget (DoB) in preparing its own Monthly Cash Plans which show how the available, spendable public funds (collected by GRA and revenue generating MDAs) are distributed among all MDAs or BEs, including MoFEA. That is to say, MDAs’ cash plans are prepared based on the approved estimates in the EB while DoB’s cash plans are prepared based on both the MDAs’ cash plans as well as public funds that are collected during budget implementation and are readily available for spending. Ultimately,

¹⁵ Based on Section 151 Sub-section (4) of the 1997 constitution of The Gambia, “If the appropriation Bill in respect of any financial year has not been passed into law by the beginning of that financial year, the President may authorize the withdrawal of money from the Consolidated Fund for the purposes of meeting expenditure necessary to carry on the services of the Government for a period not exceeding four months from the beginning of the financial year.” However, “The withdrawal of funds in accordance with subsection (4) shall not exceed one third of the sums authorized for the relevant services by the Appropriation Act for the immediately preceding financial year.” as stated in Section 151 Sub-section (5) of the constitution.

¹⁶ see “Detailed Revenue Estimates by Collecting Agency” on pages 37 - 41 of the 2023 Approved Budget for the revenue generating agencies of the central government. Find attached the 2023 Approved Budget: <https://mofea.gm/downloads-file/budget-appropriation-bill-2023-1>

¹⁷ A fiscal or financial year = January 1st – December 31st for The Gambia Government

¹⁸ An example of agencies or subvented institutions that are semi-autonomous but operating under an MDA would be GBoS operating under MoFEA, National Youth Council (NYC) operating under Ministry of Youth and Sports (MoYS).

DoB's monthly cash plans are what MoFEA goes by when allocating funds seeing as the figures reflect actual available public funds.

Aside from sending their cash plans for the entire fiscal year, MDAs must write, individually, a formal letter addressed to the PS of MoFEA requesting for funds, each time they need funds from MoFEA. However, project grants which MDAs have directly obtained from the donors and are the custodian of are not allocated by MoFEA.

Upon receiving the letter, the PS of MoFEA will instruct the Directorate of Budget (DoB) to allocate funds to the requesting MDA following a review of the request or letter. DoB makes a cash allocation from a government operated electronic system called the Centralized Budget Management System (CBMS), and writes a formal letter addressed to the PS or Vote Controller of the requesting MDA, stating the amount that has been allocated. The MDA shall take the letter written and sent, by MoFEA, to the Accountant General's Department (AGD) together with supporting documents that may be necessary to justify the need for spending. AGD vets the documents submitted by the MDA and upon a positive confirmation, it gives the greenlight to Central Bank of The Gambia, through CBMS, to transfer the allocated money to the MDA. However, the Internal Audit Directorate at MoFEA, must also provide authorization of the planned activity or spending, before AGD processes the payment and gives the greenlight to CBG. Once CBG transfers the money to the MDA, the deduction will be reflected in the Treasury Main/Single Account. At this point, the MDA now has actual access to the money and can spend it. All MDAs, including MoFEA, are to follow the same steps whenever they need budgetary funds (which are under MoFEA's control) to implement their respective expenditures.

iii. Virement and Supplementary Appropriation

During the budget implementation, MDAs' plans may change and that can also affect their overall allocations as well as allocations to their budget line-item expenditures as stipulated in the Enacted or Approved Budget. As such, Section 29 Sub-sections (4) and (5) of the Public Finance Act 2014 allow for transfer of funds (called "Virement"), upon the approval of the minister for MoFEA, between or among budget line-items of a particular budget entity or MDA, between or among budget agencies under the same supervising department or MDA, between or among budget entities or MDAs. However, there are restrictions to virements, one of which, as shown by Section 29 Sub-section (8) of the same act, states that virement is not permitted between Personnel Emoluments (salaries, wages, allowances, and social security contributions) and Other Charges (use of goods and other services, subsidies, grant contributions, social benefits, and miscellaneous other expenses).

Furthermore, if there arises a justifiable budget appropriation shortfall (under-budgeting and/or a need to spend for a particular purpose which has not been captured in the approved budget [an unforeseen contingency need]), Section 153 Sub-section (1) of the 1997 Constitution of The Gambia provides that "*...a supplementary estimate showing the sums required shall be laid before the National Assembly before the expenditure has been incurred.*" and Sub-section (2) of the same section adds, "*Where a supplementary estimate or estimates have been approved by the National Assembly, a supplementary appropriation Bill shall be introduced into the National Assembly for the appropriation of the sums so approved. Provided that the*

President shall not authorise any expenditure from the contingencies Fund in excess of one percent of the estimates approved by the National Assembly for the current year before he or she has caused a supplementary estimate in respect of such excess expenditure to be presented to the Nation Assembly.” The same Sub-section adds further “Where any advance is made from the Contingencies Fund, a supplementary estimate shall be presented, and a Supplementary Appropriation Bill shall be introduced for the purpose of replacing the amount so advanced within ninety days of the advance being made.”

Stage 4: Budget Oversight

Budget oversight consists of measuring whether public resources have been used appropriately, effectively, and efficiently. There are two major oversight institutions in The Gambia, the National Assembly (NA) and National Audit Office (NAO), who are tasked with monitoring and scrutinizing all public accounts and expenditures.

i. Oversight During Budget Execution

During implementing the budget, MoFEA’s Directorate of Budget (DoB) prepares and publishes **In-Year Reports (IYRs)** for budget monitoring and oversight purposes. One is the “Monthly Expenditure Report”; DoB produces and publishes a total of twelve, one for each month. These particular reports explain how the Government Local Funds (GLF) are spent, cumulatively, on different budget classes by respective Budget Entities (BEs) from the first month of the fiscal year, January, to the final month of the fiscal year, December. Expenditures emanating from project grants and external loans, however, are not captured in these reports. There is also no explanation of how the GLFs spent are raised, as the reports only show which BE spends the GLFs and by how much, as well as the economic classification of GLF spending.¹⁹

There is another type of report which DoB started publishing in 2023; it is referred to as a “Budget Performance Report” and it explains how all the funds (revenues, grants and loans) the central government has raised in a particular fiscal year are spent according to the government’s NDP initiatives highlighted in the budget (see pages 27 – 28 of the FY 2023 Approved Budget). Also, reports of this type do not explain how the funds are raised; they only explain how they are spent, just like the monthly expenditure reports.²⁰

Additionally, according to FPAC, the National Assembly’s budget office prepares reports of the in-year implementation of the Enacted Budget (EB) and submits them to FPAC for budget implementation scrutiny. If FPAC deems that there are irregularities in the spending pattern of an MDA, it will call on MoFEA and/or the MDA in question to explain such

¹⁹ Links to sample Monthly Expenditure Reports (2023 Fiscal Year):
<https://mofea.gm/downloads-file/end-january-2023-expenditure-report>
<https://mofea.gm/downloads-file/end-february-2023-expenditure-report>
<https://mofea.gm/downloads-file/end-march-2023-expenditure-report>

²⁰ Links to Sample Budget Performance Reports (2023 Fiscal Year):
<https://mofea.gm/downloads-file/poverty-report-all-funds>
<https://mofea.gm/downloads-file/government-of-the-gambia-of-the-gambia-budget-perf-1>

irregularities so that inappropriate, ineffective, and inefficient use of public money can be stopped or avoided.

ii. Oversight After Budget Execution

The Auditor general of The Gambia is to audit and report on all public accounts of The Gambia government at minimum once in every year, and shall submit his/her report regarding the audited public accounts to the National Assembly within six (6) months after the end of the fiscal year to which the accounts correspond (See Section 160 Sub-section (1)(c) and Sub-section (1)(d) of the 1997 constitution of The Gambia). So, the Accountant General's Department (AGD) is to prepare and submit to the Auditor General or National Audit Office (NAO) all financial statements belonging to the fiscal year that is to be examined or audited by NAO (say for instance FY 2019). Then NAO is to begin auditing the financial statements and central government accounts with respect to the fiscal year under scrutiny (e.g., 2019), consolidate its findings into a report called an **Audit Report (AR)**.²¹ The Audit Report is then submitted to the National Assembly for discussion before publication. Finally, NA's FPAC reviews and discusses the content of the audit report with AGD etc., after which NAO publishes it for public information (as stated in Section 160 Sub-section (1)(e) of the said constitution).

²¹ Links to sample Audit Reports (2019 Financial Year):
https://nao.gm/wp-content/uploads/2022/11/FINAL-ML_AUDIT-OF-GoTG-2019-FINANCIAL-STATEMENTS.pdf
https://nao.gm/wp-content/uploads/2022/11/Final_Auditor-Generals-Certificate-Report_GoTG-2019-FS.pdf

Annex 1: Key Budget Documents Currently Being Produced and Published by the Central Government, Their Contents & Timeframes for Online Publication

Stage of the Budget Cycle	Budget Document	Content	Acceptable Timeframe for publication
Budget Formulation	Pre-Budget Statement [PBS] - Medium Term Economic Fiscal Framework [MTEFF]	<i>“Discloses the parameters of fiscal policies before the executive’s budget proposal; outlines the government’s economic forecast and expected revenue, expenditure and debt”</i>	<i>“At least one month before the Executive’s Budget Proposal is submitted to the legislature for Consideration”</i>
Budget Formulation	Executive’s Budget Proposal [EBP]	<i>“Lists the sources of revenue, allocations to ministries, proposed policy changes and other information about the country’s fiscal situation. Submitted by the executive to the legislature for approval”</i>	<i>“While the legislature is still considering it and before it is approved (enacted)”</i>
Budget Formulation	Citizens’ Budget [CB] corresponding to the EBP	<i>“Simplified, less technical version of the government’s executive budget proposal...”</i>	<i>“While the legislature is still considering the EBP and before it is approved (enacted)”</i>
Budget Approval	Approved or Enacted Budget [EB]	<i>“Budget approved by the legislature.” It carries the same format as the EBP</i>	<i>“...No later than three months after the legislature approves the budget”</i>
Budget Approval / Budget Execution	Citizens’ Budget [CB] corresponding to the EB	<i>“Simplified, less technical version of the government’s...enacted Budget...”</i>	<i>“...No later than three months after the legislature approves the budget”</i>
Budget Execution	Fiscal Reports or In-Year Reports [IYRs]	<i>“Include information on actual revenues collected, actual expenditures made and debt incurred; may be quarterly or monthly”</i>	<i>“No later than three months after the reporting period ends”</i>
Budget Oversight	Audit Report [AR]	<i>“Examines the soundness and completeness of the government’s year-end accounts.”</i>	<i>“No later than 18 months after the end of the fiscal year to which it corresponds”</i>

Source: International Budget Partnership [IBP]: <https://internationalbudget.org/wp-content/uploads/open-budget-survey-2017-guidelines-on-public-availability-of-budget-documents.pdf> & UHC2030: https://www.uhc2030.org/fileadmin/uploads/uhc2030/Documents/Capacity_building_toolkit/Chapter_2/Mod_2/d/WHO013_UHC2030-capacity-building-toolkit_ch2_mod2_d1.pdf

Annex 2: Key Budget Documents the Central Government does not Produce or Publish Currently & Their Timeframes for Online Publication

Stage of the Budget Cycle	Budget Document	Content	Acceptable Timeframe for publication
Budget Execution	Mid-Year Review (MYR)	<i>“Contains a comprehensive update on implementation of the budget at the middle of the fiscal year, including a review of economic assumptions and an updated forecast of budget outcomes”</i>	<i>“No later than three months after the reporting period ends (i.e., three months after the mid-point of the fiscal year)”</i>
Budget Oversight	Year-End Report (YER)	<i>“The government’s accounts at the end of the fiscal year and, ideally, an evaluation of progress made toward achieving the budget’s policy goals. Submitted to the auditing institutions for review”</i>	<i>“No later than 12 months after the end of the fiscal year to which it corresponds”</i>

Source: International Budget Partnership [IBP]: <https://internationalbudget.org/wp-content/uploads/open-budget-survey-2017-guidelines-on-public-availability-of-budget-documents.pdf> & UHC2030: https://www.uhc2030.org/fileadmin/uploads/uhc2030/Documents/Capacity_building_toolkit/Chapter_2/Mod_2/d/WHO013_UHC2030-capacity-building-toolkit_ch2_mod2_d1.pdf

Annex 3: Budget Entities (BEs) Under the Central Government

<u>Budget Entity Code</u>	<u>Budget Entity Description</u>	<u>Who can adjust its draft budget (as at 2023)</u>
BE 01	OFFICE OF THE PRESIDENT [OP]	MoFEA & NA
BE 02	NATIONAL ASSEMBLY [NA]	NA
BE 03	JUDICIARY	NA
BE 04	INDEPENDENT ELECTORAL COMMISSION [IEC]	NA
BE 05	PUBLIC SERVICE COMMISSION [PSC]	MoFEA & NA
BE 06	NATIONAL AUDIT OFFICE [NAO]	NA
BE 07	MINISTRY OF DEFENCE [MoD]	MoFEA & NA
BE 08	MINISTRY OF INTERIOR [MoI]	MoFEA & NA
BE 09	MINISTRY OF TOURISM & CULTURE [MoTC]	MoFEA & NA
BE 10	MINISTRY OF FOREIGN AFFAIRS [MoFA]	MoFEA & NA
BE 11	MINISTRY OF JUSTICE [MoJ]	MoFEA & NA
BE 12	MINISTRY OF FINANCE & ECONOMIC AFFAIRS [MoFEA]	MoFEA & NA
BE 13	PENSIONS & GRATUITIES	MoFEA & NA
BE 14	OMBUDSMAN	MoFEA & NA
BE 15	CENTRALISED SERVICES	MoFEA & NA
BE 16	MINISTRY OF LANDS & REGIONAL GOVERNMENT [MoLRG]	MoFEA & NA
BE 17	MINISTRY OF AGRICULTURE [MoA]	MoFEA & NA
BE 18	MINISTRY OF TRANSPORT, WORKS & INFRASTRUCTURE [MoTWI]	MoFEA & NA
BE 19	MINISTRY OF TRADE, REGIONAL INTEGRATION & EMPLOYMENT [MoTRIE]	MoFEA & NA
BE 20	MINISTRY OF BASIC & SECONDARY EDUCATION [MoBSE]	MoFEA & NA
BE 21	MINISTRY OF HEALTH [MoH]	MoFEA & NA
BE 22	MINISTRY OF YOUTH & SPORTS [MoYS]	MoFEA & NA
BE 23	MINISTRY OF ENVIRONMENT, CLIMATE CHANGE & NATURAL RESOURCES [MoECCNR]	MoFEA & NA
BE 24	MINISTRY OF INFORMATION	MoFEA & NA
BE 25	MINISTRY OF FISHERIES & WATER RESOURCES [MoFWR]	MoFEA & NA
BE 27	MINISTRY OF HIGHER EDUCATION, RESEARCH, SCIENCE & TECHNOLOGY [MoHERST]	MoFEA & NA
BE 29	MINISTRY OF PETROLEUM & ENERGY [MoPE]	MoFEA & NA
BE 31	MINISTRY OF GENDER, CHILDREN & SOCIAL WELFARE [MoGCSW]	MoFEA & NA
BE 33	NATIONAL HUMAN RIGHTS COMMISSION [NHRC]	MoFEA & NA
BE 34	MINISTRY OF COMMUNICATIONS & DIGITAL ECONOMY [MoCDE]	MoFEA & NA
BE 35	MINISTRY OF PUBLIC SERVICE ADMINISTRATION, REFORMS & POLICY [MoPSARP]	MoFEA & NA
BE 50	NATIONAL DEBT SERVICE	MoFEA & NA

Source; MoFEA, “Budget Appropriation Report” - 2023 Approved Budget: <https://mofea.gm/downloads-file/budget-appropriation-bill-2023-1>

Author:

Lamin Dibba: Economist at Gambia Participates.

Reviewers

Marr Nyang: Founder and Executive Director
of Gambia Participates

Hon. Alhagie Mbow: National Assembly Member for
Upper Saloum and Vice-chair of
the Finance and Public Accounts
Committee (FPAC) of the National
Assembly, The Gambia.

Abdou Salam Jatta: Principal Fiscal Officer and Head of
Planning Department under the
Directorate of Budget, Ministry of
Finance and Economic Affairs (MoFEA),
The Gambia