

Law No. (88) for the year 2024
on the State's General Budget
For the Fiscal Year 2024/2025

Prime Minister

After persual of the constitution,

and Law No. 54 for the year 1964 on reorganizing the Administrative Control Authority and the amendments thereto,

and Law No. 100 for the year 1987 on determining the salaries of the Vice President of the Republic, the Speakers of the People's Assembly and the Shura Council, the Prime Minister and his Representatives and Ministers and the amendments thereto related,

and the Unified Public Finance Law issued by Law No. 6 for the year 2022,

and after the approval of the Council of Ministers,

decided that

the following draft law shall be submitted to the House of
Representatives

(Article One)

The uses of the State's general budget for the fiscal year 2024/2025 are estimated at 5,541,394,196,000 pounds (only, five trillion, five hundred and forty-one billion, three hundred and ninety-four million, one hundred and ninety-six thousand pounds).

The revenues and proceeds of the State's General Budget from lending and sales of financial assets and other assets are estimated at 2,692,190,190,000 pounds (only two trillion, six hundred and ninety-two billion, one hundred and ninety million, one hundred and ninety thousand pounds).

(Article Two)

The uses of the State's General Budget for the fiscal year 2024/2025 were allocated, in accordance with to what is stated in Table No. (1) as follows:

First: Expenditures:

The total expenditures in the State's General Budget for the fiscal year 2024/2025 were estimated at 3,870,168,056,000 pounds (only three trillion, eight hundred and seventy billion, one hundred and sixty-eight million, and fifty-six thousand pounds), distributed over the following expenditure chapters:

* Chapter One: "Wages and Compensation of Employees":

The total allocation for this chapter is estimated at 575,000,000,000 pounds (only five hundred and seventy-five billion pounds).

* Chapter Two: "Purchases of Goods and Services":

The total allocation of this chapter is estimated at 166,704,864,000 pounds (only one hundred and sixty-six billion, seven hundred and four million, eight hundred and sixty-four thousand pounds).

* Chapter Three: "Interest Payments":

The total allocation for this chapter is estimated at 1,834,467,948,000 pounds (only one trillion, eight hundred and thirty-four billion, four hundred and sixty-seven million, nine hundred and forty-eight thousand pounds).

* Chapter Four: "Subsidies, Grants and Social Benefits":

The total allocation for this chapter is estimated at 635,942,526,000 pounds (only six hundred and thirty-five billion, nine hundred and forty-two million, five hundred and twenty-six thousand pounds).

* Chapter Five: "Other Expenditures":

The total allocation for this chapter is estimated at EGP 162,237,676,000 (only one hundred and sixty-two billion, two hundred and thirty-seven million, six hundred and seventy-six thousand pounds).

* Chapter Six: "Purchase of Non-Financial Assets (Investments)":

The total allocation for this chapter is estimated at EGP 495,815,042,000 (only four hundred and ninety-five billion, eight hundred and fifteen million, and forty-two thousand pounds).

Second: Net Acquisition of Financial Assets:

* Chapter Seven: "Net Acquisition of Local and Foreign Financial Assets":

The total allocation for this chapter is estimated at EGP 65,044,618,000 (only sixty-five billion, forty-four million, six hundred and eighteen thousand pounds).

Third: Loan Repayment:

* Chapter Eight: "Repayment of Domestic and Foreign Loans":

The total allocation for this chapter is estimated at 1,606,181,522,000 pounds (one trillion, six hundred and six billion, one hundred and eighty-one million, five hundred and twenty-two thousand pounds only).

(Article Three)

The revenues and proceeds of the state's General Budget from lending and sales of financial assets and other assets for the fiscal year 2024/2025 were allocated as stated in Table No. (1) as follows:

First: Revenues:

The total revenues in the State's General Budget for the fiscal year 2024/2025 are estimated at EGP 2,625,168,280,000 (only, two trillion, six hundred and twenty-five billion, one hundred and sixty-eight million, two hundred and eighty thousand pounds), distributed over the following Revenues chapters:

* Chapter One: "Taxes":

The total allocation for this chapter is estimated at EGP 2,021,990,900,000 (only two trillion, twenty-one billion, nine hundred and ninety million, nine hundred thousand pounds).

* Chapter Two: "Grants":

The total Estimate of this chapter is EGP 3,584,524,000 (only three billion five hundred eighty-four million five hundred twenty-four thousand pounds).

* Chapter Three: "Other Revenues":

The total Estimate of this chapter is EGP 599,592,856,000 (only five hundred ninety-nine billion five hundred ninety-two million eight hundred fifty-six thousand pounds).

Second: Proceeds from Lending and Sales of Assets:

* Chapter Four: "Proceeds from Lending and Sales of Financial Assets and Other Assets":

The total Estimate of this chapter is EGP 67,021,910,000 (only sixty-seven billion twenty-one million nine hundred ten thousand pounds).

(Article Four)

The total estimate of Chapter Five "Borrowing" is

2,849,204,006,000 pounds (only, two trillion, eight hundred and forty-nine billion, two hundred and four million and six thousand pounds). It

represents the difference between the total uses and the total revenues and proceeds from lending and sales of financial assets and other assets in the State's General Budget for the fiscal year 2024/2025 according to what is stated in table no. (1). It is being covered by borrowing from local and foreign sources and issuing securities other than shares from the banking and non-banking financial sector and other sources of financing.

(Article Five)

The total uses and resources of the General Treasury budget for the fiscal year 2024/2025 are estimated at EGP 2,847,250,479,000 (only two trillion eight hundred and forty-seven billion two hundred and fifty million four hundred and seventy-nine thousand pounds) according to table no. (2).

The resources of the State General Treasury Budget include EGP 2,837,241,743,000 (only two trillion eight hundred and thirty-seven billion two hundred and forty-one million seven hundred and forty-three thousand pounds) financed by borrowing by various means, including issuing bills and bonds on the General Treasury from local and foreign markets, from the banking system, and other sources of financing.

The General Treasury Budget shall finance the deficit in the budgets of the entities included in the State General Budget, and the surpluses of those entities are transferred thereto according to table no. (2).

(Article Six)

Ministries, departments, agencies, institutions and any other units shall seek the opinion of the Ministry of Finance on matters that would impose financial burdens on the State Treasury, whether by increasing usage or reducing resources.

Without prejudice to the State Council Law issued by Law No. 47 for the year 1972, the request for an opinion from the competent authorities shall be after the approval of the Prime Minister and accompanied by the opinion of the Ministry of Finance on the financial matters on which an opinion is required.

(Article Seven)

The Minister of Finance may issue treasury bills, bonds and certificates that are tradable on the Egyptian Stock Exchange and international stock exchanges, to be used to finance the State's General Budget deficit and to restructure the public debt or to replace treasury bonds and bills that are being amortized and loans that are being repaid.

He may also - after the government's approval - conclude the necessary foreign loans to finance the deficit of the Public Treasury after the approval of the House of Representatives.

The Minister of Finance - as an exception to the law regulating contracts concluded by public entities issued by Law No. 182 for the year 2018 - may set the terms and rules governing the procedures for contracting with the international legal advisor and international issuing managers in the event of issuing bonds or sukuk on global stock exchanges.

The Minister of Finance may collect administrative expenses from companies, public economic bodies, and other public legal persons not included in the State's General Budget in exchange for the Ministry of Finance's guarantee therefor in the loans or obligations concluded in accordance with the law or the balances of those loans and obligations at a rate of (two and a half per thousand).

(Article Eight)

The Minister of Finance may issue bills and bonds on the public treasury in accordance with the terms and conditions agreed upon with the Central Bank of Egypt to address the following:

- 1- Covering the deficit of the public treasury.
- 2- Financing the deficit of economic bodies carried over in previous years to the extent that is proven that the public treasury shall finance the same.
- 3- Covering the cash deficit in the government's account at the Central Bank.
- 4- Implementing the requirements of financial and economic reform.
- 5- Payment of the obligations due from the General Treasury of the National Social Insurance Authority in accordance with the provisions of the Social Insurance and Pensions Law issued by Law No. 148 for the year 2019 and the decision of the Prime Minister issued in this regard.

The necessary amendments shall be made to implement the aforementioned.

(Article Nine)

The Minister of Finance may use the balance of the Alternative Energy Deposit Account on 6/30/2024 opened in the name of the Ministry of Finance at the Central Bank of Egypt to amortize part of the local government public debt or restructure this debt, provided that the General Treasury is committed to financing the alternative energy projects stipulated in Law No. 45 of 1981 with regard to the financing of alternative energy projects within the limits of this balance, within the framework of the general plan for economic and social development.

(Article Ten)

The Minister of Finance may use the balance of the account of the remaining amounts of the amounts received from Arab countries opened within the various accounts of the Ministry of Finance with balances in the unified treasury account at the Central Bank of Egypt, which contributes to reducing the state's general budget deficit.

(Article Eleven)

As of 1/7/2024, 15% of the total monthly revenues of special funds and accounts, special units, and public service bodies that are self-financed and whose surpluses are transferred - as an exception to the provisions of the laws regulating thereof - shall be transferred to the State Treasury, unless their approved regulations stipulate a higher percentage, except for the accounts of educational research projects, projects funded by grants, international agreements, donations, social housing projects, and university hospitals.

The percentage stipulated in the first paragraph of this article shall be deposited within twenty-one days at most of the month subsequent to the collection to the account opened for this purpose at the Central Bank of Egypt to support the resources of the State's General Budget. In the event that the aforementioned entities may not deposit the same, the Ministry of Finance shall be authorized to deduct this percentage from their accounts.

The Ministry of Finance shall also be authorized to deduct from the accounts of bodies and entities the dues owed by the Ministry of Finance thereto.

(Article Twelve)

Notwithstanding the provisions regulating funds, special accounts and units of a special nature in the units of the state administrative apparatus and local administration units, public service, economic and national bodies, and other public legal persons, a percentage of the balances of funds, special accounts and units of a special nature shall be transferred to the State Treasury on 6/30/2024 for one time, as follows:

- (5%) of balances amounting to (5) million pounds, and not exceeding (7.5) million pounds.
- (10%) of balances exceeding (7.5) million pounds, and not exceeding (15) million pounds.
- (15%) of balances exceeding (15) million pounds.

The provisions of the first paragraph of this article shall not apply to the following:

- Accounts of research projects funded by grants, international agreements or donations.
- Accounts of university hospitals, research and scientific centers, health departments, hospitals and health services improvement funds therein.
- Social housing projects.
- Health and social care funds for workers in the entities referred to in the first paragraph of this article, as well as their insurance funds.
- Social Insurance and Pensions Fund stipulated in Article No. (5) of the Social Insurance and Pensions Law issued by Law No. 148 for the year 2019.

As an exception to the provisions of the laws regulating public service, economic and national bodies that stipulate the transfer of their surpluses from one fiscal year to another, a percentage of (10%) of the balances of the transferred surpluses and the balances of investments in the securities of these bodies on 6/30/2024 shall be transferred to the State Treasury for one time.

The percentages of the balances and surpluses stipulated in the first and third paragraphs of this article shall be exempted from the transfer of the balances and surpluses stipulated in the first and third paragraphs of this article to the General Treasury in whole or in part by a decision issued by the Prime Minister based on the request of the competent authority and the presentation of the Minister of Finance.

The entities referred to in the first and third paragraphs of this article shall deposit the percentages stipulated in these two paragraphs into the account opened to support the resources of the State's General Budget at the Central Bank of Egypt within a maximum of thirty days as of the

beginning of the fiscal year 2024/2025. In the event that these entities do not commit to depositing, the Ministry of Finance shall be authorized to deduct these percentages directly from the accounts designated for that purpose.

(Article Thirteen)

The provisions of the general directives attached to this law shall be considered an integral part thereof, and the special directives shall be considered an integral part of the general directives, and shall apply to the state's administrative apparatus, local administration units, public service bodies, and financing funds included in the State's General Budget, in matters for which no special text has been provided. The competent authority exercises the powers stipulated in these directives may delegate these powers.

(Article Fourteen)

All entities included in the State's General Budget and public economic bodies shall abide by the provisions of Article (74) of the Civil Service Law issued by Law No. (81) for the year 2016 and the provisions of Article Five of Law No. (16) for the year 2017 granting a special allowance to state employees who are not subject to the Civil Service Law, as appropriate.

These entities shall ensure that the net maximum income of their employees and workers, and those holding public positions, shall not exceed thirty-five times the minimum for the sixth grade at the beginning of the recruitment, which shall be issued by a decision of the Prime Minister.

(Article Fifteen)

In cases of absolute necessity, civil service positions may be filled by contract for a period of one year, renewable for a maximum of three years, with the approval of the President of the Republic based on the request of the competent authority, the study of the Central Agency for Organization and Administration, and the presentation of the Minister of Finance. It is also permissible to appoint those who prove their suitability from those contracted with during the three years to vacant positions funded by the unit's budget, if the need for work requires such after the approval of the Agency and the Ministry of Finance.

The selection of those to be contracted with shall be based on competence and merit.

(Article Sixteen)

The uses and resources of the general government budget for the fiscal year 2024/2025 are estimated at EGP 8,445,046,325,000 (only eight trillion, four hundred and forty-five billion, forty-six million, three hundred and twenty-five thousand pounds), which includes the value of the resources and uses of the State's General Budget and the value of the

resources and uses of public economic entities after excluding the reciprocal budgetary relationship between them according to the attached table no. (3).

The ceiling of the net debt of the general government for the fiscal year 2024/2025 is also estimated at EGP 16,482,094,000,000 (only sixteen trillion, four hundred and eighty-two billion, and ninety-four million pounds), representing 96.4% of the gross domestic product GDP.

(Article Seventeen)

This law shall be published in the Official Gazette and shall come into force as of July 1, 2024.

Prime Minister

Issued on: // 2024

(Mostafa Madbouly)