Title on the Financial System
Revenues

Article (1)

All revenues, including taxes, duties, loans, grants, profits and returns due to the State from its possessions shall go to the public treasury. No amounts of public treasury money shall be allocated or spent for any purpose whatsoever except by law.

Discussing and Approving the Draft Budget

Article (2)

The government shall submit the draft budget to the legislative authority at the end of September every year to be examined and approved, part by part. No delay shall be made except upon permission of the legislative authority in cases of emergency or necessity. The beginning of the fiscal year shall be decided by law.

Article (3)

The legislative authority shall discuss the budget with the government and the Audit Bureau. It has the right to consult specialized experts within a period of sixty days from the date of the submission of the budget; and it shall be approved, at the latest, by the end of December of every year. The budget shall be passed in a law.

Making Temporary Monthly Allocations

Article (4)

If the budget is not approved before the beginning of the fiscal year, the Prime Minister may make temporary monthly allocations on the basis of 1/12 of the allocations of the previous year, by virtue of a Prime Ministerial decree, and for a period not exceeding three months beginning on January 1 and ending on March 31. Revenues shall be collected and expenditures spent in accordance with the laws in force at the end of the last fiscal year.

New expenditures in excess of the allocations approved in the budget

Article (5)

Every expenditure not included in the budget, or in excess of the estimates thereof, shall be referred to the legislative authority for examination and approval. Its permission shall also be sought whenever it is desired to move an amount from one budget item to another.

Making Payments from the Public Treasury

Article (6)

The law shall determine the rules and conditions for paying salaries, pensions, wages, bonuses, assistance and compensations decided by the public treasury and the authorities executing these items. No exceptional amounts shall be paid except within the limits of the law.

Surplus Allocations

Article (7)

Surplus allocations from the previous budget and the balances remaining in the bank accounts at the end of the fiscal year identified by the law shall be returned to the Ministry of Finance. A detailed report, supported by the necessary documents, shall be prepared and submitted to the legislative authority to be examined and for the necessary measures to be taken concerning these allocations and balances. The legislative authority may consult with the government in this regard.

Off-Budget Accounts

Article (8)

No account under any name shall be opened off budget, and no money shall be transferred to such an account except by permission of the legislative authority. If such accounts are needed, the legislative authority shall pass a law regulating the management, crediting and debiting of such accounts.

Rules for Drafting and Executing the Budget

Article (9)

Rules for drafting and executing the budget, for its books, records, documentation, accounting and legal standards, determining the persons who authorise spending, and the rules and conditions of closing the State's final accounts shall be passed in a law; as shall explanatory regulations, which include all the records and documents related to the document cycle of the State and its institutions.

The Extraordinary Budget

Article (10)

When necessary, a draft extraordinary budget, lasting for more than one year, may be drawn up, including extraordinary revenues and expenditures, and shall not be executed unless approved by parliament.

Loans, Commitments and Facilities

Article (11)

No public loans or commitments, which require payments from the public treasury, shall be made except by law.

Article (12)

Together with the draft budget, the government shall submit to the legislative authority a statement about the financial and economic condition of the State and about the measures taken to execute budget allocations and the implications of all this for the draft budget.

Final Accounts

Article (13)

The State's final accounts for the ending fiscal year shall be submitted to the legislative authority to be discussed and approved latest by the end of April of the next year, and no delay shall be allowed. The government shall be held accountable for this, the Central Bank shall suspend the funding of the budget, and the legislative authority shall discuss the final accounts and approve them within 60 days of the date of submission.

The Emergency Account, the Strategic Reserve and the Budget Support Account

Article (14)

The legislative authority may create an emergency strategic account to face crises, like natural disasters, problems in the national, regional and global economy and emergency situations, whose expenses the government cannot cover from the approved budget. It may also create the budget support account when the financial resources of the State diminish, when there is extra development spending or to face rising prices in regional and global markets. The accounts shall be funded and paid from in accordance with the law.

Article (15)

The legislative authority shall create a specialized committee of financial and economic experts charged with the following responsibilities:

- Drawing up the State's financial policies;
- Monitoring the financial system and organizing financial relations;
- Identifying the State's financial needs within specific periods of time for approval;
- Proposing appropriate standards to achieve financial stability.

Taxes

Article (16)

a. Imposing, modifying and cancelling taxes shall not be done except by a law. No one may be exempted from them except in the cases determined by the law; and no one shall be charged to pay any other taxes, fees or costs except within the limits of the law.
b. The law shall identify the special rules for collecting taxes, duties and other public money, and the procedures for spending them.

The Central Bank

Article (17)

The Libyan Central Bank is the central bank of the State. It is a public autonomous institution regulated by law.

Functions of the Central Bank

Article (18)

The Central Bank shall discharge its responsibility independent of any authority in the framework of commitment to the monetary, fiscal and economic policy of the State. The Central Bank shall aim to ensure economic development, growth and sustainability by carrying out the following functions:

1. Drawing up and implementing the monetary, credit and banking policies;
2. Issuing the national currency and maintaining its stability;
3. Oversight over banks and financial institutions;
4. Providing advice to the State on issues related to public economic policy;
5. Addressing the phenomena of inflation and deflation;
6. Preparing the trade balance;
7. Preparing regular financial positions and the final financial position every year;
8. Other functions identified by its law.

The Central Bank's Board of Directors

Article (19)

The Central Bank shall have a governor and a number of deputies appointed by the legislative authority for a five-year term renewable once. They enjoy independence in discharging their functions.

Facilities and Assurances

Article (20)

The Central Bank shall not give any facilities or assurances except in the cases identified by the law.

The Central Reserve Bank

Article (21)

The Central Bank system shall consist of three Central Banks in the cities of Tripoli, Benghazi and Sebha. These banks have the same authorities in the fields of issuance, oversight and control of all financial institutions in the regions in accordance with the law.

The Board of Directors

Article (22)

1. Every bank shall have a board of directors and chairman nominated by the President of the State and approved by the legislative authority.
2. The board of directors of the "main Central Bank", called the "Central Reserve Bank", shall consist of an equal number of representatives from the three central banks.
3. The president of the State shall nominate and the legislative authority approve the appointment of the president of the Central Reserve Bank, who shall be a member of the boards of directors of the three Central Banks, or from outside the Central Banks, for a period of five years renewable only once.

4. The board of directors of the Central Reserve Bank shall oversee and execute the monetary policy of the State.

Sovereign Funds

Article (23)

a. The Libyan Investment Foundation shall be transferred to the sovereign funds and shall be restructured by creating three sovereign funds in accordance with a law:
    1. The investment fund;
    2. The future generations fund;
    3. The money reclamation fund.
b. Sovereign funds shall be funded through a share of the financial revenues of the Libyan State and the surplus in the budget in accordance with the law.

Lending

Article (24)

Sovereign funds may lend to the State when there is a deficit in the State's general budget.