ASSEMBLY OF THE REPUBLIC

Law No. 09/2002

February 12

The current Financial Administration System is based on legal standards that date back to more than a hundred years, with emphasis on the Agricultural Regulation, which dates back to 1901, and the Public Accounting Regulation of 1881.

The need for reform with a view to introducing legislation and management models more suitable for the current needs of public treasury administration have been determining the adoption and specific implementation of some measures.

Indeed, since 1997 efforts have been made to modernize in the areas of State budget, indirect taxes, customs, among others, with the aim of improving the budget programming and execution system, harmonize the system of indirect taxes and the customs agenda with the current systems in the countries of the region where Mozambique is located and outline registration circuits in the area of public accounting, aiming to make them more efficient, effective and transparent.

Thus, it is appropriate to establish, in a more comprehensive and consistent global manner, the principles basic principles and general norms of an integrated financial administration system of the agencies and state institutions, under the provisions of paragraph 1 of Article 135 of the Constitution of the Republic, a The Assembly of the Republic determines:

TITLE I
STATE FINANCIAL ADMINISTRATION SYSTEM

CHAPTER I
General Provisions

Article 1
(Object)

The State Financial Administration System is created, hereinafter referred to as SISTAFE.

2. THE SISTAFE comprises the following subsystems:

a) State Budget subsystem;

b) Subsystem of Public Accounting;

c) Public Treasury subsystem;

d) State Heritage subsystem; e

e) Internal Control Subsystem.

3. The SISTAFE establishes and harmonizes rules and procedures for planning, management, execution and control of public finances, in order to allow for its effective and efficient use, as well as to produce the integrated and timely information regarding the financial administration of the agencies and state institutions.

Article 2
(Scope of Application)

This Law applies to all bodies and institutions of the State.

2. Included in the previous number are the state institutions with administrative autonomy. and financial terms provided for in Article 6 of this Law.

3. This Law also applies to autarchies and state-owned companies, except with regard to the accountability, which is governed by specific legislation.

Article 3
Objectives of SISTAFE

The SISTAFE has the following objectives:

a) Establish and harmonize rules and procedures for planning, execution, control and evaluation of public resources;

b) Develop subsystems that provide timely and reliable information about the budgetary and patrimonial behavior of State bodies and institutions;

c) Establish, implement and maintain an accounting system for monitoring execution budgetary and property suitable for registration needs, of the organization of information and the evaluation of the performance of the actions developed in the field of financial activity of the organs and institutions of the State;

d) Establish, implement and maintain an efficient and effective internal control system and Internationally accepted internal audit procedures;

e) Establish, implement and maintain a system of procedures appropriate for a correct, effective and efficient economic management of the activities resulting from the programs, projects and other operations within the scope of the outlined programmatic planning and the intended objectives.

Article 4
(Fundamental Principles)

The SISTAFE is governed, among others, by the following principles:

a) financial regularity, whereby the execution of the State budget must be done in harmony with the current regulations and through the fulfillment of the established deadlines;

b) legality, which determines the full observance of the current legal norms;

c) economic efficiency, based on which a rational use of resources must be achieved available positions and better treasury management;

efficiency, which translates to minimizing waste to achieve objectives outlined;

e) effectiveness, resulting in the achievement of the desired effects with the adopted measure, seeking to maximize its impact on economic and social development.

Article 5
(Autonomia Administrativa)

The general regime of financial administration of state bodies and institutions is that of autonomy. administrative, understood as the capacity granted to services and organizations of State of practicing definitive and executive administrative acts, within the scope of the respective management current administrative.

Article 6
(Administrative and Financial Autonomy)

1. The exceptional regime of financial administration of the bodies and institutions of the State is that of administrative and financial autonomy, understood as the capacity recognized by law to a public entity endowing it with its own powers to carry out administrative acts definitive and executive, within the scope of the respective current administrative and financial management.

2. The organs and institutions of the State may only have administrative and financial autonomy. when it is justified for its proper management and, cumulatively, its revenues own reach at least two thirds of their total expenses.

3. For the purposes of this article, own revenues do not include resources originating from the State Budget, namely those resulting from transfers currents and capital, from the budgets of Social Security, of any other bodies or state institutions endowed or not with administrative and financial autonomy and the revenues coming from donations or legacies.

4. The assignment of the exceptional regime, based on the verification of the established requirements in this article, as well as its termination, under the terms to be regulated, is the responsibility of Government, except in cases where the law expressly defines otherwise.

CHAPTER II
Organization and Functioning of SISTAFE

Article 7
Organization

1. The SISTAFE includes a set of organs, subsystems, standards, and procedures. administrative tasks that make it possible to generate revenue, execute expenses, and manage of the State's assets, including its applications and corresponding registration.

2. The financial administration of the State also includes the obtaining and management of revenues that do not determine changes to the state's assets.

Article 8
(Coordinating Body)

The direction and coordination of SISTAFE are the responsibility of the Minister who supervises the area of Finance.

Article 9
(Economic Exercise)

1. The economic exercise, within the scope of SISTAFE, coincides with the calendar year.

2. They will be considered in the respective economic exercise:

    a) the revenues charged and received therein;

    b) the expenses paid therein;

    c) the expenses to be paid in it when regularly incurred.

TITLE II
SUBSYSTEMS OF THE SISTAFE

CHAPTER I
State Budget Subsystem

SECTION I
Organization and Skills

Article 10
Organization

The State Budget Subsystem, abbreviated as SOE, comprises all the organizations or institutions that intervene in the processes of budgeting and control financial and also encompasses the respective norms and procedures.

Article 11
(Skills)

It is the responsibility of the bodies and institutions that make up the SOE:

a) prepare and propose the necessary elements for the elaboration of the State Budget;

b) prepare the draft Budget Law and its justification;
c) evaluate the budget projects of the bodies and institutions of the State;

d) propose necessary measures for the State Budget to begin to be executed in beginning of the financial year to which it relates;

e) prepare, in coordination with the Public Treasury Subsystem, the programming related to budgetary and financial execution, pursuant to the provisions of this Law and respective complementary regulation;

f) evaluate the changes to the State Budget;

g) evaluate the budgetary and financial execution processes.

SECTION II
Budget

Article 12
Object

The State Budget is the document in which the revenues to be collected are foreseen and the expenses are fixed. expenses to be incurred in a specific financial year and are aimed at the pursuit of state financial policy.

Article 13
(Principles)

In its preparation and execution, the State Budget observes, among others, the following principles and rules:

a) annuality, according to which the Budget has a period of validity and execution annual, without prejudice to the existence of programs that imply multi-year obligations;

b) unit, on the basis of which the Budget is just one;

c) universality, whereby all revenues and all expenses that determine changes to the State's heritage, must be compulsorily registered in it;

d) specification, according to which each income and each expense must be sufficiently individualized;

e) non-compensation, through which revenues and expenses must be recorded in a manner illiquid;

f) non-encumbrance, whereby the proceeds from any revenues cannot be allocated to coverage of certain specific expenses, except for the exceptions provided in No. 2 below;

g) balance, on which all expenses provided for in the Budget must be effectively covered by recipes recorded therein;

h) advertising, in accordance with which the Budget Law, the revenue tables and the expense tables and also the other economic and financial information Relevant judgments must be published in the Bulletin of the Republic.

2. Exceptuam-se do princípio da não consignação os casos em que:

a) by virtue of administrative and financial autonomy, revenues must be allocated to specific purpose or a certain institution or institutions;

b) the financial resources are derived from specific public credit operations;

c) the resources derived from donations, inheritances or legacies in favor of the State with a specific destination;

d) the resources have, by special law, a specific destination.

3. An exception to the principle of specification is the inclusion in the State Budget of a provisional allocation, under the management of the Minister who oversees the Finance area, in order to allowing its allocation, at the right and timely moment, to the realization of expenses not predictable and unavoidable.

Article 14
(Recipes)

Public revenue consists of all monetary or in-kind resources, regardless of their source. or nature, made available to the State, with the exception of those in which the State is merely temporary depositary.

2. No revenue can be established, registered in the State Budget or collected except in by virtue of the previous law and, even if established by law, the revenues can only be charged if are provided for in the approved State Budget.

3. The revenue amounts recorded in the State Budget constitute minimum limits to be collected in the corresponding exercise.

Article 15
(Expenses)

Public expenditure consists of all spending of monetary resources or in kind, regardless of the type. its origin or nature, expenses by the State, with exception of those in which the the beneficiary is obliged to replace them.

2. No expense may be incurred, ordered, or executed without being legal. found duly inscribed in the approved State Budget, is applicable in budgetary allocation corresponding to it and should be justified in terms of its economy, efficiency and effectiveness.

3. Expenses can only be incurred during the financial year for which they were incurred. budgeted.

4. The budget allocations constitute the maximum limit to be used in carrying out expenses. public, in the corresponding exercise.

Article 16
(International contracts and agreements)

1. The signing of contracts and international agreements that involve the assumption of financial responsibilities for the State or involve tax matters require prior approval authorization from the Minister who oversees the Finance area, even if such expenses have allocation in the State Budget.

The lack of authorization from the Minister overseeing the Finance area renders the...
contract or agreement, and therefore no foreign exchange transfer can be licensed in the scope of any null contract or agreement.

Article 17
Scheduling of contractual obligations

The commitments resulting from laws, treaties, or contracts already established by the bodies and institutions. of the State that involve expenses over more than one economic year must present the multi-year scaling of the respective charges, associated with the respective framework budgetary, so that the settlement of the charge is guaranteed in the balance of the allocation of the same year in which the payment of the respective staggered amount is determined.

SECTION III
Budget by Programs

Article 18
Regime

1. Without prejudice to its specification according to the organic, territorial classifications, economic and functional, the expenses that make up the State Budget can be structured, not at all or in part, by programs.

2. With the aim of rationalizing preparation and reinforcing the control of management and execution budgetary, the structuring of the budget programming is composed of programs, measures and projects or actions.

Article 19
(Budget programs)

The budget program includes the expenses corresponding to a set of measures or projects or actions of a multiannual nature that compete, in an articulated and complementary manner, for the realization of one or more specific objects, related to one or more policies public, necessarily forming an integral part of a set of indicators that allow evaluating the economy, efficiency, and effectiveness of its execution;

2. The budget program can be executed by one or more managing entities;

3. For the purpose of the provisions in the previous number, the managing entities of the programs are considered budgetary all organs and institutions of the State including services and agencies with administrative and financial autonomy, competent to carry out the expenses involved in those programs;
4. Each budget program can be divided into measures, and there may be programs with a only measure;

5. The budget programs that are not divided into measures will be divided into projects or actions, with programs possibly having a single project or action;

6. The projects or actions, whether integrated or not into measures, may be created during the execution of the State Budget.

Article 20
(Measures)

The measure includes expenses of a budget program corresponding to projects, actions or both well specified and characterized that articulate and complement each other and contribute to the achievement of the objectives of the program in which it is included;

The measure is executed by a single managing entity;

3. Each measure is divided into projects or actions, which are included in the informational annex, and may to have measures with a single project or action;

4. The project or action corresponds to basic units of implementation of the program or measure. with a strictly defined budget and schedule, susceptible to when executed, will immediately lead to measurable results.

SECTION IV
Development of the budget proposal

Article 21
State Budget

The preparation of the State Budget is annual and within the competence of the Government.

2. In the annual preparation of its programs and budgets, the Government must take into account its compatibility with the multi-year investment budgets, considering all the planning outlined in the preparation of these.

The programming and execution of the State Budget must be treated at current prices.

Article 22
(Budget proposals from state agencies and institutions)

1. The organs and institutions of the State present to the Ministry that oversees the area of Finance, within the legally defined timeframes, your budget proposals aimed at the actions to be developed within the scope of their functions.

2. The budget proposals referred to in the previous number are included, based on the guidelines budgetary set by the Government, through the Ministry that oversees the Finance area, the quantitative limits, as well as the objectives to be achieved, to be included in the Budget proposal State.

Article 23
Budget classification

It is the Government's responsibility to approve and maintain a budget classifier for revenues and expenses. State, whose structure follows the following rules:

a) The budget revenue is classified according to the economic, territorial, and by sources of funding;

b) The budget expense is classified according to organic, territorial criteria, economic and functional.

2. The economic classification, both of revenue and expenditure, includes the two categories. following:

a) Current;

b) Of Capital.

Article 24
(Proposal of the State Budget)

1. The proposal of the State Budget observes strict compliance with the economic policy. financial and the annual Government program.

2. The proposal of the State Budget consists of the wording of the respective draft Law. Budgetary and respective maps.

3. The budget maps referred to in paragraph 2 of this article include:

a) Global maps of revenue forecasts, expense limits, and financing of deficit

b) Maps of forecasts for current and capital revenues, at central and provincial levels, classified according to the organic, territorial, and by resource sources criteria;

c) Maps of the limits of current expenses, at the central and provincial levels, classified as agreement with organic, territorial, economic, and functional criteria.

d) Map of capital expenditures, at the central and provincial levels, classified according to the organic, territorial, economic, functional criteria and sources of funding.

4. The Government also presents to the Assembly of the Republic, along with the Budget proposal State, all the necessary elements for justifying the budget policy, namely:

a) the Economic and Social Plan of the Government;

b) the preliminary balance of the execution of the State Budget for the current year;

c) the foundation for the forecasting of tax revenues and the establishment of expenditure limits;

d) the demonstration of the global financing of the State Budget with breakdown of the main sources of resources;

e) the list of all the organs and institutions of the State, as well as all the institutions autonomous, public companies, and municipalities;

f) the budget proposal of all bodies with administrative autonomy and financial, municipalities and state-owned companies.

SECTION V
Presentation of the budget

Article 25
(Presentation)

The Government shall submit to the Assembly of the Republic by September 30 of each year the proposal of the State Budget referred to in paragraph 1 of article 21 of this Law.

Article 26
(Approval of the State Budget)

1. The Assembly of the Republic deliberates on the State Budget Law proposal until the 15th of December of each year.

Once the State Budget is approved, the Government is authorized to:

a) manage and execute the approved State Budget, adopting the measures considered necessary for the collection of the predicted revenues and for the execution of the expenses fixed;

b) proceed with the capture and channeling of necessary resources, always taking into account the principle of the most rational possible use of the approved budget allocations and the principle of best treasury management;

c) proceed to the opening of public credits to address the budget deficit;

d) carry out credit operations in advance of revenue to address deficits momentary cash flow.

3 Approved the State Budget, the deputies and the Committees of the Assembly of the Republic they cannot take legislative initiatives that involve increasing expenses or decreasing them. recipes

Article 27
Non-approval of the State Budget

If the State Budget proposal is not approved, the previous year's budget is renewed. previous economic, with the limits defined therein, including the adjustments made over the course of it exercise, thereby remaining in effect until the approval of a new State Budget.

2. The maintenance of the validity of the budget of the State renewed in accordance with the previous number covers the maintenance of authorization for the collection of revenues and execution of expenses therein expected, except for those whose regimes would last only until the end of the respective financial year.

3. The implementation of expenses forecasted in the amended State Budget must comply with the principle of utilization in twelfths of the amounts fixed therein.

SECTION VI
Execution of the State Budget

Article 28
(Rules for execution)

In order to initiate the budget execution, the Government approves the provisions that are deemed necessary. necessary, without prejudice to the immediate application of the rules of the State Budget Law that be directly enforceable.

Article 29
(Execution of revenues)

The execution of revenues includes the following three phases:

a) launch, administrative procedure for verifying the occurrence of the generating event of the corresponding obligation;

b) settlement, calculation of the amount of revenue due and identification of the respective subject passive;

c) collection, action of collecting, receiving or taking possession of the revenue and subsequent delivery to Public Treasury.

Article 30
(Execution of expenses)

1. The execution of expenses comprises the following three phases:

   a) eligibility, administrative act of verification, registration and retention of the amount of the obligation to be assumed by the State;

   b) settlement, determination of the amount that is actually to be paid and issuance of the relevant payment order;

   c) pagamento, entrega da importância em dinheiro ao titular do documento de despesa.

2. The expenses that are recognized judicially in the current fiscal year, belonging to previous exercises that have not been settled are paid in the appropriate line of the Budget of the State of this ongoing exercise.

3. The authorization for expenses to be incurred under the cash advance regime may be granted, called working capital, to meet expenses whose amounts are small and for which the normal expense execution process is waived.

4. It is up to the Government to approve both the maximum limits for the execution of the expenses to which it referring to the previous number, whether the budget allocations subject to this regime or also to the regulation regarding its granting, application and accounting.

Article 31
Expenses payable

Regarding the current financial year, the following must be observed rules:

a) expenses to be paid are the expenses settled and not paid by December 31;

b) expenses payable must be canceled if they are not paid after one year.

Article 32
Cancellation of expenses and revenues

Revert to the respective allocation the amount of the expense annulled in the fiscal year;

2. When the cancellation of the expense amount occurs after the end of the respective fiscal year. economically, the canceled value is considered revenue for the year in which the cancellation occurs;

3. The restitution of the improperly collected revenue, when it occurs in the respective fiscal year of its revenue is achieved in this exercise by canceling the amount in the budget line respective;

4. The restitution of revenue collected unduly, when it occurs in later fiscal years, is carried out in the appropriate budgetary expenditure line of the year in which it occurs.

Article 33
Revenue settled and not collected

The amounts related to contributions and taxes and other tax credits of the State, settled and not charged within the financial year of origin, constitute active debt and are incorporated into self-employed, after the exercise, by public accounting.

Article 34
(Budget adjustments)

1. Changes to the limits set in the State Budget are made by Law upon proposal. of the Government duly substantiated.

2. The Government can make budget adjustments in the State Budget, using, for this purpose, the provisional allocation provided for in paragraph 3 of article 13 of this Law, provided that they are duly substantiated.

It is still the responsibility of the Government to redistribute funds within the established limits. by the Assembly of the Republic.

4. The transfer of funds from one agency or institution of the State to another must be treated in the State budget credited to that one and debited from this one.

Article 35
(Periodic information)

1. The Government provides semi-annual information on the execution of the Economic and Social Plan and State budget, to the Assembly of the Republic, up to 45 days after the semester.

The Government also provides quarterly information to the Assembly of the Republic on the execution of State budget, which should be published in the Official Gazette.

CHAPTER II
Public Accounting Subsystem

SECTION I
Organization and Competencies

Article 36
Organization

The Public Accounting Subsystem, abbreviated as SCP, encompasses all of organs and institutions of the State that intervene in budget execution processes, collection, registration, monitoring and processing of transactions that may produce or that they produce modifications to the state assets, and also encompasses the respective norms and procedures.

Article 37
(Competencies)

It is the responsibility of the bodies or institutions that are part of the SCP:

a) Develop and propose standards, technical procedures, reports, and maps, as well as the respective methodology and frequency, considering the harmonization and standardization of accounting;

b) Develop and maintain an updated chart of accounts;

c) proceed to the execution of the State Budget;

d) to monitor and evaluate the systematic and timely recording of all transactions;

e) prepare the periodic information reports to be presented by the Government to the Assembly of Republic

f) prepare the General Account of the State.

SECTION II
Accounting Records

Article 38
(Object)

1. Public Accounting has the purpose of producing and maintaining records and evidence of the transactions carried out by state organs and institutions and their effects on state heritage.
2. Accounting maintains the analytical and synthetic records of assets, rights, and obligations. members of the heritage of the organs and institutions of the State covered by the terms of article 2 from this Law.

Article 39
(Principles and specific rules)

Public accounting respects, among others, the following generally accepted principles:

a) consistency, on the basis of which accounting procedures from one period to another should not be changed;

b) materiality, according to which the information produced presents all the elements relevant that allow the monitoring of the use of public resources;

c) comparability, in accordance with which the recording of operations observes the standards determined throughout the life of the respective bodies or institutions, so that they can be compared over time and space the produced data;

d) opportunity, through which the information must be produced in a timely and useful manner by to support decision-making and management analysis.

Article 40
(Digraphic principle)

The criterion used for the registration of administrative acts and facts, within the scope of SISTAFE, is digradic principle or the method of double entries.

Article 41
(Registration regime)

The accounting record adopted is the mixed regime, applying the cash basis for revenues and for expenses, the commitment regime.

Article 42
(Currency)

A escrituração dos actos e factos administrativos é efectuada em moeda nacional.

Article 43
Financial statements

The Government prepares, at the end of each financial year, the Balance Sheet, Budget Control Maps, Income Statements and the Accounting Inventory.

Article 44
(Amortizations and reintegrations)

All state assets are amortized and reintegrated according to applicable legislation and the generally accepted accounting principles.

SECTION III
General State Account

Article 45
(Object)

The General State Account aims to highlight the budgetary and financial execution, as well as present the results of the exercise and the evaluation of the performance of the bodies and institutions of State.

Article 46
Principles and specific rules

1. The State's General Account must still be prepared with clarity, accuracy, and simplicity, of in a way to enable its economic and financial analysis.

2. The General State Account must reflect the observance of the degree of compliance with the principles of financial regularity, legality, economicity, efficiency, and effectiveness in obtaining and applying of public resources made available to the bodies and institutions of the State.

3. Considering to reflect the financial situation and the results of the budget execution of the bodies the institutions of the State, the General State Account must be prepared based on the principles and generally accepted accounting principles.

Artigo 47
(Content)

The General Account of the State must contain complete information regarding:

a) revenues collected and expenses paid by the State;

b) financing the budget deficit;

c) third-party funds;

d) balance of the inflow and outflow of funds in the State Treasury;

e) financial and equity assets and liabilities of the State;

f) advances and their regularizations.

Article 48
Structure of the General State Account

1. The State General Account must contain the following basic documents:

a) the Government's report on the results of the budget management for the fiscal year economic;

b) the global financing of the State Budget, with a breakdown of the situation of the sources of financing;

c) the balance;

d) the Budget Execution maps, comparing the budget forecasts and the revenue charged and those with the expense settled and (or) paid, according to the classification provided for in the numbers[s] articles 1 and 2 of article 20 of this Law;

e) the income statement;

f) the notes to the financial statements;

g) the map of existing financial assets and liabilities at the beginning and at the end of the financial year;

h) the consolidated annual map of fund movements from treasury operations.

2. The Government presents as an attachment to the General Account of the State, the consolidated inventory of state heritage.

3. The Government must also present, as an informative annex to the General State Account, a summary the revenues, expenses, and balances for each institution with administrative and financial autonomy.

Article 49
(Accounts of autonomous institutions)

Institutions with administrative and financial autonomy must submit to the Ministry of Planning and Finance, of the information referred to in number 4 of the previous article, by March 31 of each year. yes.

Article 50
(Deadlines)

1. The Government must present the Account to the Assembly of the Republic and the Administrative Court. General State, until May 31 of the year following the one to which the mentioned account refers.

2. The report and the opinion of the Administrative Court on the General State Account must be sent to the Assembly of the Republic by November 30th of the year following that in which the General Account of the State respects.

3. The Assembly of the Republic reviews and approves the General State Account, at the session following the delivery of the Report and Opinion by the Administrative Court.

CHAPTER III
Public Treasury Subsystem

SECTION I
Organization and Competencies

Article 51
Organization

The Public Treasury Subsystem, abbreviated as STP, encompasses the set of bodies and institutions of the State that intervene in the processes of programming and resource mobilization and the management of payment methods and also includes the respective rules and procedures.

Article 52
(Competencies)

It is the responsibility of the organs or institutions of the State that make up the STP namely:

a) to ensure financial balance;

b) manage financial and securities assets;

c) develop the financial programming;

d) develop the statistics of Public Finances;

e) manage the single account;

f) propose the formulation of the public expenditure financing policy and provide for its execution
g) manage the domestic and external public debt;

h) carry out and manage public credit operations.

SECTION II
Public Treasury

Article 53
Object

The Public Treasury, encompassing the rights, guarantees, and obligations of responsibility of The purpose of the state is to develop the financial programming, the disbursements, and payments. relating to budgetary and financial execution.

Article 54
(Principles and specific rules)

1. The administration of the Public Treasury is governed, among other principles, by the following principles:

   a) treasury unit, according to which all public resources must be centralized with a view to greater management capacity, within the principles of effectiveness, efficiency and economy

   b) treasury balance, whereby the inflows of resources must be equal to or greater than to the resource outputs;

2. The collection of all revenues must be carried out in strict observance of the principle of treasury unit.

3. The treasury unit encompasses all funds from tax and non-tax sources and those derived from of legally authorized credit operations.

Article 55
(Single Account)

1. The Unique Account is a pyramid-type bank account, with the necessary sub-accounts, through the which moves both the collection and charging of revenues and the payment of expenses, whatever your origin or nature.

2. The opening of bank accounts solely in the name of any entity is prohibited. state institution.

3. In the establishment of the Single Account, it is the Government's responsibility to define and determine the best ways suitable for its realization, aiming at better cash management and the higher interests of the State.

Article 56
Public Debt

The Public Debt comprises the financial obligations assumed by virtue of laws, contracts. the agreements and the execution of credit operations.

2. The Public Debt is divided into:

a) Domestic Public Debt, which is incurred by the State with public law entities or private, with residence or domiciled in the Country, and whose payment is due within national territory;

b) External Public Debt, which is incurred by the State with other States, international organizations or other public or private law entities, with residence the residence outside the Country, and whose payment is required outside the national territory.

CHAPTER IV
State Heritage Subsystem

SECTION I
Organization and skills

Article 57
(Organization)

The State Asset Subsystem, abbreviated as SPE, comprises the state organs or institutions that intervene in the processes of administration and management of assets state assets and also includes the respective norms and procedures.

Article 58
(Competencies)

It is the responsibility of the bodies or institutions that make up the SPE:

a) coordinate the management of the state's patrimonial assets;

b) organize the inventory of state real estate;

c) prepare annually the consolidated physical inventory map and the variations of assets state assets;

d) proceder periodicamente ao confronto dos inventários físicos com os respectivos valores accounting.

e) propose relevant regulatory standards and instructions regarding the patrimonial assets of State.

2. The inventory and management of the State's assets is the responsibility of the entity where the goods are located. and property rights, in accordance with the current legislation.

SECTION II
State Heritage

Article 59
Object

The State Heritage is intended for the coordination and management of the State's heritage assets.
organization of the information pertaining to the inventory of the mentioned assets and the preparation of the respective inventory.

Artigo 60
(Specific principles and rules)

The State's Heritage is governed, among others, by the following principles and rules:

a) public domain goods and special private domain goods of the State are inalienable and unseizable;

b) the State's patrimonial assets are assessed according to specific criteria to be set by the Government;

c) the acquisition and disposal of state property is carried out through a public competition, reserving the legal exceptions;

d) the criteria and rates of amortization and reintegration of the state patrimonial assets are object of specific legislation.

Article 61
(Wealth variations)

Variações in assets are acts or effects that produce changes in the assets of State, such as obtaining and granting credit, acquisition or disposal and depreciation or appreciation of the state's heritage assets.

It is the Government's responsibility to define the criteria for depreciation and appreciation of patrimonial assets. State.

3. Any and all changes in assets must comply with the legal determinations applicable to each. case.

CHAPTER V
Subsystem of Internal Control

SECTION I
Organization and Competencies

Article 62
(Organization)

The Internal Control Subsystem, abbreviated as SCI, encompasses the bodies and entities that intervene in the inspection and auditing of the processes of collection, billing and use of public resources and also covers the respective rules and procedures.

Article 63
(Competencies)

It is the responsibility of the bodies or entities that make up the SCI to carry out verification activities. application of the established procedures and the compliance with legality, regularity, economy, efficiency and effectiveness in view of good management in the use of resources positions available to the agencies and institutions of the State.

2. The Government, through the Minister overseeing the Finance area, may submit to independent audits, punctual or systematic, the bodies and institutions of the State.

SECTION II
Internal control

Article 64
Object

The internal control aims to:

a) to monitor the correct use of public resources and the accuracy and fidelity of the data accounting;

b) to ensure, through inspection, the uniform application of rules and methods accounting.

c) verify compliance with applicable legal standards and procedures;

Article 65
(Principles and specific rules)

Internal control is governed by the principles of independence and impartiality, as well as by the principles and rules of international auditing organizations applicable.

TITLE III
FINAL AND TRANSITIONAL PROVISIONS

Article 66
(Regime de responsabilidade)

1. The holders of public positions, employees, and agents of the State and other public entities they respond financially, disciplinarily, criminally, and civilly according to the law, for the infractions that practice in the scope of the exercise of their budgetary or financial execution functions.

2. The State and other public collective entities are liable for damages caused to third parties, under the terms of the law.

3. The authorities that order the receipt of any direct or indirect contributions, regardless of their nature, unauthorized by law, and the employees who, by their own act or in compliance with higher orders to proceed with the collection of contributions or taxes not Those authorized, or who do so for an amount greater than owed, being aware of it, will be punished. with the penalty applicable to the crimes of concussive tax or arbitrary imposition of contributions, provided for in the penal code.

4. Any public servant who, through negligence, performs an act contrary or omits an act, of the defined in this Law, responds disciplinarily according to the General Statute of the State employees.

5. Without prejudice to the disciplinary or criminal responsibility that may apply, the State has right of recourse against any public servant who causes, through their act or omission, losses to the State.

Article 67
(Regulation)

It is the Government's responsibility to regulate this Law within 180 days from the date of its entry into force.

2. The Government must create the necessary conditions within one year from the date of entry into force of this law, initiate the implementation of SISTAFE.

Article 68
(Effective Date)

This Law comes into effect as of January 1, 2002.

Article 69
Revocation

All previous legislation that contradicts this Law is hereby revoked.

Approved by the Assembly of the Republic on December 17, 2001

The President of the Assembly of the Republic

Eduardo Joaquim Mulémbuè

Promulgated on February 12, 2002

PUBLISH YOURSELF

The President of the Republic

Joaquim Alberto Chissano