



Ministry of Finance  
of the Republic of Belarus



# Budget system of the Republic of Belarus: approaches to planning and development prospects

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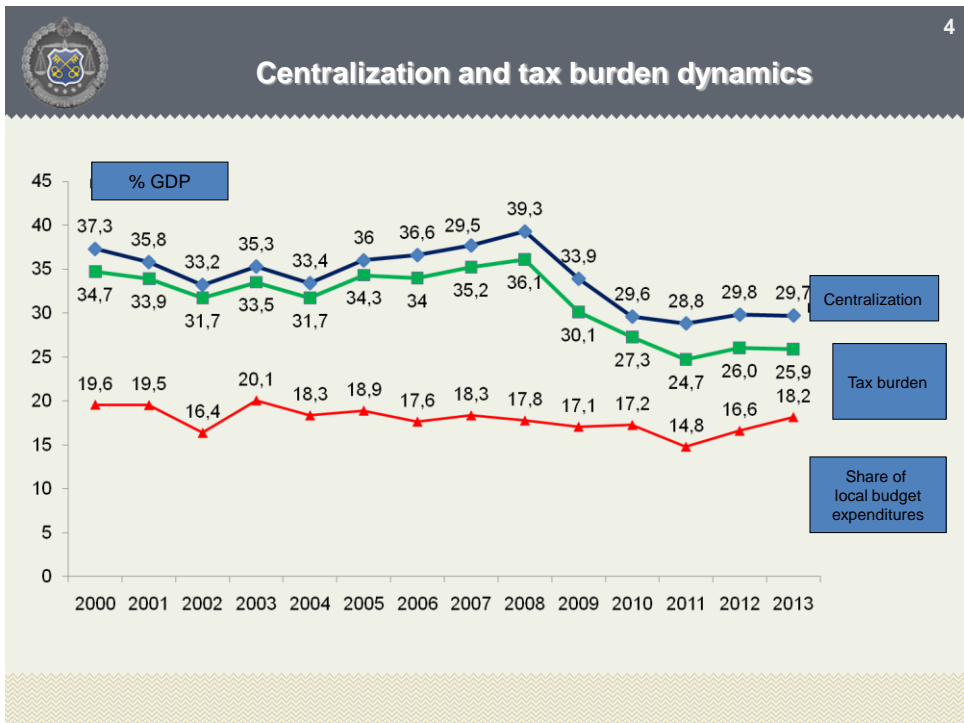
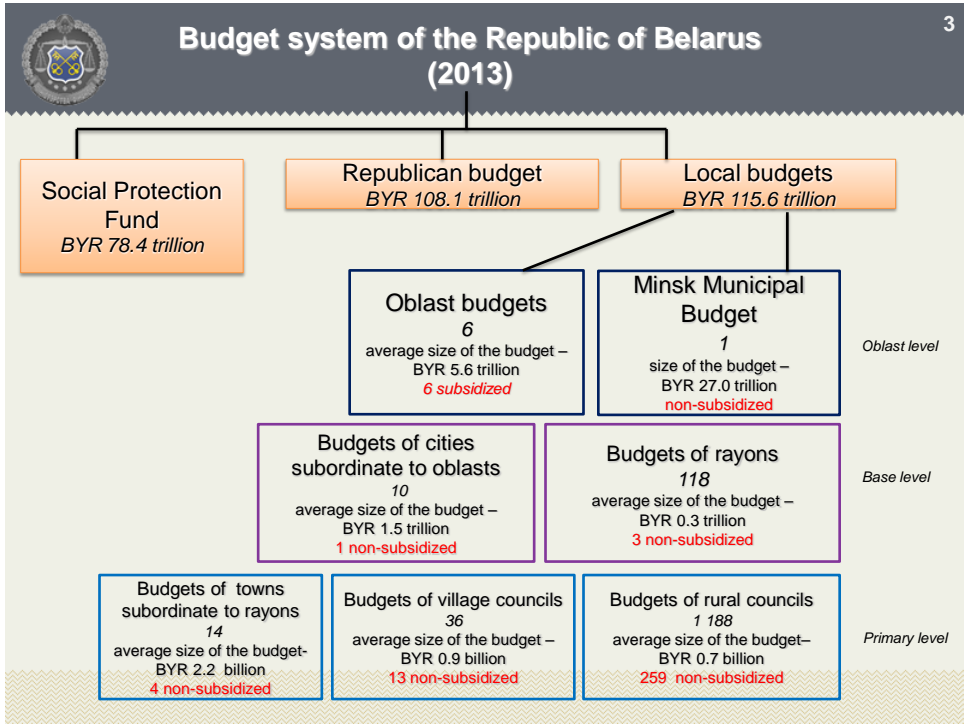
Minsk 2014



## Principles of the Budget System

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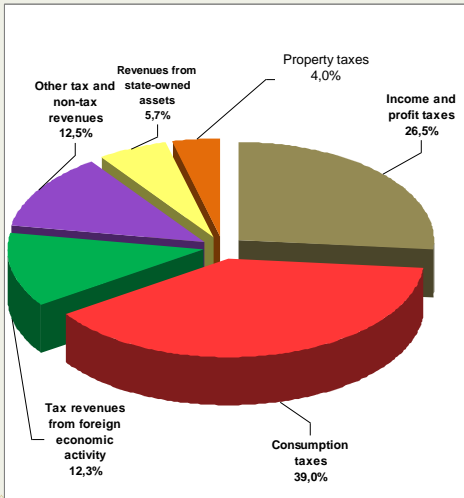
- uniformity;
- comprehensive coverage of the budget revenues and expenditures;
- balanced budgets;
- openness;
- independence of budgets;
- efficiency of budget spending;
- general (aggregate) coverage of the budget expenditures;
- credibility of budgets;
- targeted use of budget funds;
- accountability of the budget process participants



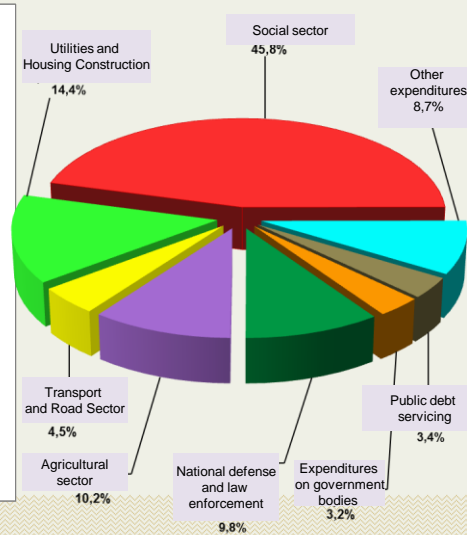


# Structure of 2013 consolidated budget

## by revenues



## by expenditures



# Sequence of transition to the medium-term performance-based budgeting

### Stage 1: Introduction of the system of medium term indicators

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| 1. Developing of the medium term macroeconomic forecasts and improving of the quality of the medium term revenue forecast | 2. Identification of the medium term indicators – budget balance to GDP ratio, public debt to GDP ratio; government expenditures to GDP ratio, etc. |
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### Stage 2. Macro-fiscal forecasts introduced at Stage 1 are supplemented by expenditure estimates

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|---|---|---|---|
| 1. Setting upper limits for the aggregate medium term budget expenditures | 2. Preparing the medium term forecasts of baseline expenditures (register of expenditure commitments) | 3. Estimating the medium term fiscal space (benchmark for new expenditures) | 4. Budget decisions based on the fiscal space |
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### Stage 3. Development of the system of medium term performance indicators and ceilings for line ministries expenditures

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| 1. Utilization of the line ministries' baseline expenditure budget preparation | 2. Development of the system of medium term indicators of the line ministries' performance as well as development of their medium term activity programs | 3. Consideration of the options of introducing indicative or fixed ceilings for line ministries expenditures |
|--|--|--|