

State Budget Implementation

January 2021



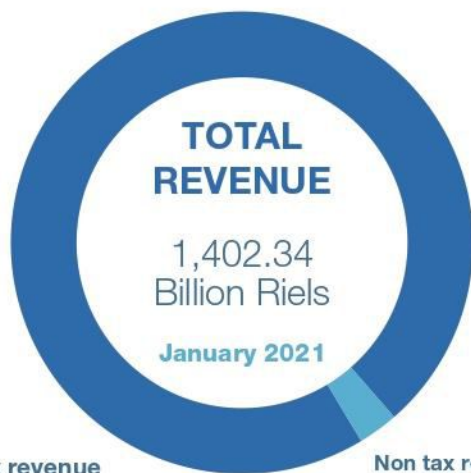
Kingdom of Cambodia
Ministry of Foreign Affairs
and International Cooperation

In the fiscal year of 2021, the Cambodia economy is expected to achieve a projected growth rate at around 4%, contributed by the industrial, service and agriculture sector. As the COVID-19 pandemic continues, the Budget Law of 2021 was designed with the means to effectively mobilize the resources to sustain the implementation of the state budget.

BUDGET LAW 2021

(Projected)

REVENUE 17.07% of GDP	19,927.19 Billion Riels
EXPENDITURE 25.11% of GDP	29,306.15 Billion Riels



Tax revenue
1,362.92
Billion Riels
97.2%

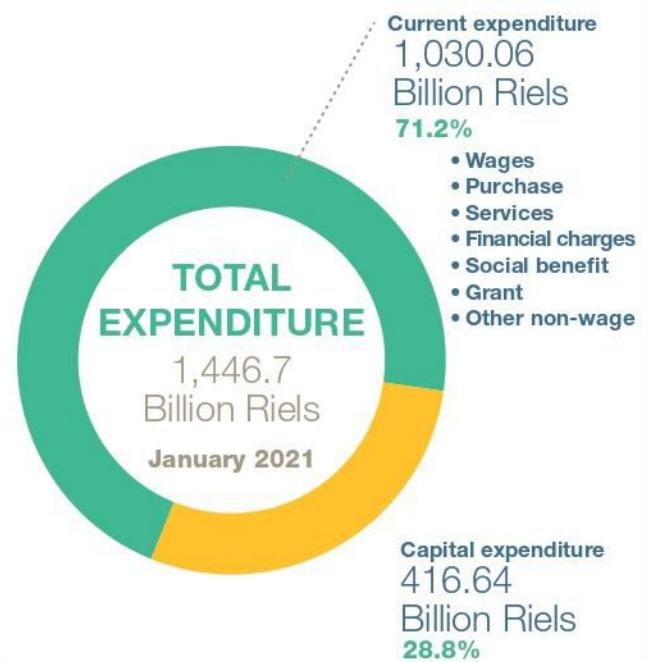
Non tax revenue
39.42
Billion Riels
2.8%

In January 2021, the total domestic revenue of the Budgetary Central Government (BCG) has achieved 7.04% of the budget law, which decreased by 16.82%, compared to January 2020.

The decline was due to declining economic activity amid the COVID-19 pandemic and the exemption of monthly taxes for tourism and the minimum tax for aviation industry among others.

In January 2021, the total expenditure of the Budgetary Central Government (BCG) has achieved 4.94% of the budget law, which increased by 29.43%, compared to January 2020.

To address the impact of the COVID-19 pandemic, the government has executed a proactive targeted-expenditure on sectors such as health, social assistance, and the economy.



Current expenditure
1,030.06
Billion Riels
71.2%

- Wages
- Purchase
- Services
- Financial charges
- Social benefit
- Grant
- Other non-wage

Capital expenditure
416.64
Billion Riels
28.8%

Amid the COVID-19 pandemic, the Royal Government of Cambodia has planned to use **KHR 9,378.96 billion** in foreign and domestic financing, an increase of 59.04% compared to the Budget Law of 2020. In January 2021, the Budgetary Central Government implemented the total financing amounted to **KHR 44.37 billion** equivalent to 0.47% of the budget law.

As a result of the implementation of the state budget in January 2021, there is a budget deficit of **KHR 44.37 billion**, due to the sharp decline in the revenue performances and increase spending on economic recovery and social supports against the COVID-19 pandemic. Despite this, the Royal Government of Cambodia has maintained its stable financial management.