

MONTHLY REPORT ON **FISCAL POSITION**

(July FY2008-09)

ABSTRACT

This report is prepared on the basis of the data generated by the Budgeting Information Systems. Major findings of the report are as follows:

- Up to July FY 09, about 9.6% of the **Budgeted Revenue** has been collected.
- **Revenue Expenditure** incurred over this time is about 3.8% of the Budget for FY 09.
- **Development Expenditure** during the same period is about 0.2% of the development budget for the FY 09, implying under utilization and/or underreporting.
- **Overall Balance** up to July FY09, measured from above the line, as % of estimated GDP is about 0.04%.
- **Net Financing** (budget deficit as defined from below the line) up to July FY 09 stands at about -0.04% of the GDP.

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Monthly Report on Fiscal Position¹

July FY 09

a.0 Revenue Expenditure

a.1 Sector-wise Utilization and Growth

Sector-wise information on Revenue Expenditure is presented in Table a.1. Among other things, following major observations transpire from the Table:

- While Revised Budget (RB08) for the FY08 was 11.2% higher than the original budget (B08) and Actual Exp (A08) was 14% lower than that of RB08, B09 was 38.1% higher than A08 and 32% higher than B08.
- Nominal Increase of B09 over RB08 was 18.7%, the largest increase was in the Social Security and Welfare sector (70.4%) followed by General Public Services (66.6%).

Table a.1: Revenue Expenditure Pattern by Sector^{2,3}

(in Crore Taka)

Sectors	B08	RB08	A08	Sector's Share of A08 (in %)	RB08 as % B08	A08 as% of RB08	B09	B09 as % of B08	A09 (up to July)	B09 as % of RB08	B09 as % of A08	A09 (up to July) as % B09
GPS	6288.2	6887.3	7214.3	14.7	109.5	104.7	11471.3	182.4	630.9	166.6	159.0	5.5
LGRD	1307.2	1398.9	1136.5	2.3	107.0	81.2	1528.6	116.9	22.7	109.3	134.5	1.5
Defence	5282.9	5764.8	5996.5	12.2	109.1	104.0	6467.1	122.4	163.0	112.2	107.8	2.5
POS	4321.4	4740.3	4313.7	8.8	109.7	91.0	5327.3	123.3	237.4	112.4	123.5	4.5
Edu	8659.1	8658.8	8145.3	16.6	100.0	94.1	9602.6	110.9	505.5	110.9	117.9	5.3
Hlth	2863.2	2888.0	2586.3	5.3	100.9	89.6	3441.3	120.2	146.3	119.2	133.1	4.3
SSW	3085.1	3556.8	2168.6	4.4	115.3	61.0	6059.0	196.4	16.3	170.4	279.4	0.3
Housing	626.4	620.4	447.8	0.9	99.0	72.2	649.7	103.7	16.6	104.7	145.1	2.6
RCRA	555.4	562.1	527.0	1.1	101.2	93.8	501.0	90.2	12.5	89.1	95.1	2.5
FE	28.4	28.1	27.1	0.1	98.8	96.4	30.9	108.8	1.0	110.1	114.2	3.1
Agri	4322.6	6362.7	6289.7	12.8	147.2	98.9	6959.6	161.0	83.7	109.4	110.7	1.2
IES	207.4	232.7	226.5	0.5	112.2	97.3	353.6	170.5	10.7	151.9	156.1	3.0
Trans	2893.5	3296.5	2798.8	5.7	113.9	84.9	2672.0	92.3	75.0	81.1	95.5	2.8
Interest	10784.8	11967.4	7093.0	14.5	111.0	59.3	12565.2	116.5	630.3	105.0	177.2	5.0
Total	51225.5	56964.8	48970.9	100.0	111.2	86.0	67629.2	132.0	2551.8	118.7	138.1	3.8
Increase over FY06 (%)	34.4	51.4	34.0									

a.2 Ministry-wise Utilization Pattern

Ministry-wise revenue expenditure pattern is presented in Table a.2 in the next page. It appears that:

- Actual spending up to July FY 09 was 14.2% higher than the corresponding period of the previous year.
- For the month of July FY 09, actual expenditure was 14.2% higher than the corresponding month of FY08.
- Up to July 09, 3.8% of the Budget for the FY 09 has been spent.

¹ This report is based on data generated in the CGA System and the analysis is based on gross basis.

² Notes: GPS = General Public Services, LGRD = LGD, RD & Cooperatives, CHTs, POS = Public Order and Safety, Edu = Education and Technology, Hlth = Health, SSW = Social Security and Welfare, RCRA = Recreation, Culture and Religious Affairs, Agri = Agriculture, Fisheries and Livestock, Land, Water Resources and Food, FE = Fuel and Energy, IES = Industries, Jute, Textiles, Commerce, Labor & Overseas, Trans = Transport and Communication.

³ B = Budget, RB = Revised Budget and A = Account/Actual.

Table a.2: Revenue Expenditure: Ministry-wise Expenditure Pattern Up to July FY09

	(in Crore Taka)											
	A07	B08	RB08	A08 (July)	A08 (Up to July)	A08	B09	A09 (July)	A09 (up to July)	A09 (up to July) as % B09	A09 as % A08 (July)	A09 as % A08 (up to July)
Sub-total = GPS	8892.6	6288.2	6887.3	624.3	624.3	7214.3	11471.3	630.9	630.9	5.5	101.0	101.0
President	4.8	5.2	6.2	0.8	0.8	6.0	6.5	1.3	1.3	20.5	167.4	167.4
Parliament	30.1	20.7	19.9	0.9	0.9	17.6	40.7	0.8	0.8	2.1	95.0	95.0
PMO	74.3	101.9	100.4	3.5	3.5	80.8	87.8	4.3	4.3	4.8	121.1	121.1
Cabinet Div	17.2	16.1	15.6	1.2	1.2	13.3	15.8	0.5	0.5	3.5	47.2	47.2
Election Com	81.4	536.2	102.9	2.0	2.0	63.3	462.3	3.6	3.6	0.8	177.8	177.8
Estab	535.3	612.7	619.6	30.5	30.5	575.8	670.1	26.1	26.1	3.9	85.5	85.5
PSC	8.7	9.8	10.1	0.4	0.4	8.2	12.5	0.4	0.4	3.4	115.9	115.9
Finance Div	2697.2	3923.9	4851.0	22.5	22.5	5370.0	8905.0	19.2	19.2	0.2	85.5	85.5
IRD	5101.1	693.3	740.0	536.2	536.2	648.0	826.1	534.8	534.8	64.7	99.7	99.7
ERD	20.8	26.1	28.2	1.9	1.9	24.6	35.0	1.2	1.2	3.4	64.4	64.4
Planning Div	83.8	86.2	91.5	5.0	5.0	89.6	95.9	6.0	6.0	6.2	120.0	120.0
IMED	4.6	6.9	7.5	0.3	0.3	6.0	6.1	0.3	0.3	5.5	127.1	127.1
Foreign Aff	233.4	249.2	294.5	19.2	19.2	311.2	307.6	32.2	32.2	10.5	167.6	167.6
Sub-total = LGRD	1062.3	1307.2	1398.9	21.2	21.2	1136.5	1528.6	22.7	22.7	1.5	107.4	107.4
LGD	911.4	991.2	1033.5	16.7	16.7	981.5	1103.3	18.1	18.1	1.6	108.9	108.9
RD Div	141.7	154.5	152.3	4.4	4.4	146.6	178.1	4.5	4.5	2.5	101.6	101.6
CHT	9.2	161.4	213.1	0.1	0.1	8.4	247.2	0.1	0.1	0.0	113.8	113.8
Sub-total = Defence	5483.2	5282.9	5764.8	148.1	148.1	5996.5	6467.1	163.0	163.0	2.5	110.0	110.0
Def. Service	5362.2	5189.1	5671.1	142.7	142.7	5876.5	6359.8	157.6	157.6	2.5	110.5	110.5
Def.- Others	121.0	93.7	93.7	5.4	5.4	120.1	107.3	5.3	5.3	5.0	98.4	98.4
Sub-total=POS	3922.6	4321.4	4740.3	215.9	215.9	4313.7	5327.3	237.4	237.4	4.5	109.9	109.9
Law & Parlia.	203.2	213.6	264.4	12.5	12.5	227.5	335.9	14.1	14.1	4.2	112.4	112.4
Supreme Court	28.5	27.2	28.3	1.6	1.6	28.7	31.8	2.0	2.0	6.4	126.7	126.7
Home Aff.	3684.3	4065.5	4421.6	201.3	201.3	4033.6	4940.2	220.4	220.4	4.5	109.5	109.5
aAnti Corruption Com	6.7	15.1	26.1	0.4	0.4	23.9	19.4	0.9	0.9	4.5	196.3	196.3
Sub-total = Edu	7524.1	8659.1	8658.8	483.3	483.3	8145.3	9602.6	505.5	505.5	5.3	104.6	104.6
PME	2817.0	3371.1	3386.3	182.6	182.6	2987.7	3602.7	191.6	191.6	5.3	105.0	105.0
Education	4615.3	5172.6	5161.1	300.6	300.6	5052.8	5868.3	313.7	313.7	5.3	104.4	104.4
Sc. & Tech	91.9	115.4	111.4	0.1	0.1	104.8	131.6	0.1	0.1	0.1	90.2	90.2
Sub-total = Health	2488.1	2863.2	2888.0	137.8	137.8	2586.3	3441.3	146.3	146.3	4.3	106.2	106.2
HFV	2488.1	2863.2	2888.0	137.8	137.8	2586.3	3441.3	146.3	146.3	4.3	106.2	106.2
Sub-total = SSW	1078.0	3085.1	3556.8	16.6	16.6	2168.6	6059.0	16.3	16.3	0.3	97.9	97.9
Social Wel.	640.8	748.0	749.2	9.9	9.9	737.1	918.6	9.6	9.6	1.0	97.4	97.4
Women Aff.	214.9	730.6	1028.9	1.8	1.8	276.2	1215.5	1.6	1.6	0.1	86.6	86.6
Disaster Man. & Relie	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Liberation Aff.	82.8	105.4	106.0	0.0	0.0	105.6	159.1	0.1	0.1	0.0	128.9	128.9
Food & Disaster Man	139.4	1501.2	1672.7	4.9	4.9	1049.6	3765.9	5.0	5.0	0.1	103.1	103.1
Sub-total = HCS	527.3	626.4	620.4	16.7	16.7	447.8	649.7	16.6	16.6	2.6	99.3	99.3
Housing	527.3	626.4	620.4	16.7	16.7	447.8	649.7	16.6	16.6	2.6	99.3	99.3
Sub-total = RCRA	445.8	555.4	562.1	10.5	10.5	527.0	501.0	12.5	12.5	2.5	119.5	119.5
Information	205.5	327.7	317.5	7.2	7.2	295.8	245.4	9.0	9.0	3.7	124.0	124.0
Cultural Aff.	60.5	59.2	61.1	1.1	1.1	60.3	63.1	1.1	1.1	1.7	97.4	97.4
Religious Aff.	59.8	54.3	59.8	0.1	0.1	56.0	61.0	0.3	0.3	0.5	461.3	461.3
Youth	120.0	114.1	123.7	2.0	2.0	114.8	131.5	2.1	2.1	1.6	104.2	104.2
Sub-total = FE	26.1	28.4	28.1	1.1	1.1	27.1	30.9	1.0	1.0	3.1	89.0	89.0
Petroleum	23.2	24.5	25.5	0.9	0.9	24.4	26.9	0.8	0.8	3.0	88.5	88.5
Energy	2.9	3.9	2.6	0.2	0.2	2.7	4.0	0.1	0.1	3.7	91.8	91.8
Sub-total = Agr	3491.0	4322.6	6362.7	78.7	78.7	6289.7	6959.6	83.7	83.7	1.2	106.3	106.3
Agriculture	2354.6	3142.9	5002.1	34.2	34.2	4977.2	5516.2	37.6	37.6	0.7	109.8	109.8
Fisheries	294.5	331.1	354.1	14.4	14.4	323.3	379.8	13.8	13.8	3.6	96.2	96.2
Environment	143.7	155.9	179.6	8.0	8.0	157.8	177.9	8.6	8.6	4.8	107.3	107.3
Land	293.9	322.3	313.5	21.8	21.8	319.2	340.8	23.2	23.2	6.8	106.2	106.2
Water	404.4	370.4	513.4	0.3	0.3	512.3	544.9	0.5	0.5	0.1	190.6	190.6
Sub-total = IES	210.7	207.4	232.7	8.8	8.8	226.5	353.6	10.7	10.7	3.0	121.3	121.3
Indsuties	39.9	62.2	62.3	0.5	0.5	60.8	161.4	0.5	0.5	0.3	102.2	102.2
Jute	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Textiles	71.1	39.0	49.8	1.5	1.5	50.3	48.6	2.1	2.1	4.3	137.5	137.5
Commerce	43.7	45.9	51.6	2.4	2.4	52.9	73.6	3.4	3.4	4.6	139.0	139.0
Labour	22.4	23.4	22.2	1.3	1.3	20.0	23.7	1.4	1.4	5.8	104.2	104.2
Expatriates	33.6	36.9	46.9	3.0	3.0	42.5	46.3	3.3	3.3	7.1	109.5	109.5
Sub-total = TC	2235.3	2893.5	3296.5	99.5	99.5	2798.8	2672.0	75.0	75.0	2.8	75.4	75.4
Roads/Comm	1407.9	2079.1	2266.6	53.1	53.1	1826.4	2288.2	53.9	53.9	2.4	101.6	101.6
Shipping	63.4	53.6	55.9	0.6	0.6	55.3	71.4	0.7	0.7	1.0	122.9	122.9
Civil Aviation	6.3	6.1	6.0	0.5	0.5	6.8	6.3	0.6	0.6	9.3	123.8	123.8
Post&Tele.	757.8	754.6	968.0	45.4	45.4	910.2	306.2	19.8	19.8	6.5	43.6	43.6
Sub-total = Interest	4771.9	10784.8	11967.4	372.0	372.0	7093.0	12565.2	630.3	630.3	5.0	169.4	169.4
Domestic	3525.8	9463.5	10621.1	316.7	316.7	5931.3	11274.0	522.0	522.0	4.6	164.8	164.8
Foreign	1246.2	1321.3	1346.3	55.3	55.3	1161.7	1291.3	108.3	108.3	8.4	195.8	195.8
Total	42159.1	51225.5	56964.8	2234.6	2234.6	48970.9	67629.2	2551.8	2551.8	3.8	114.2	114.2

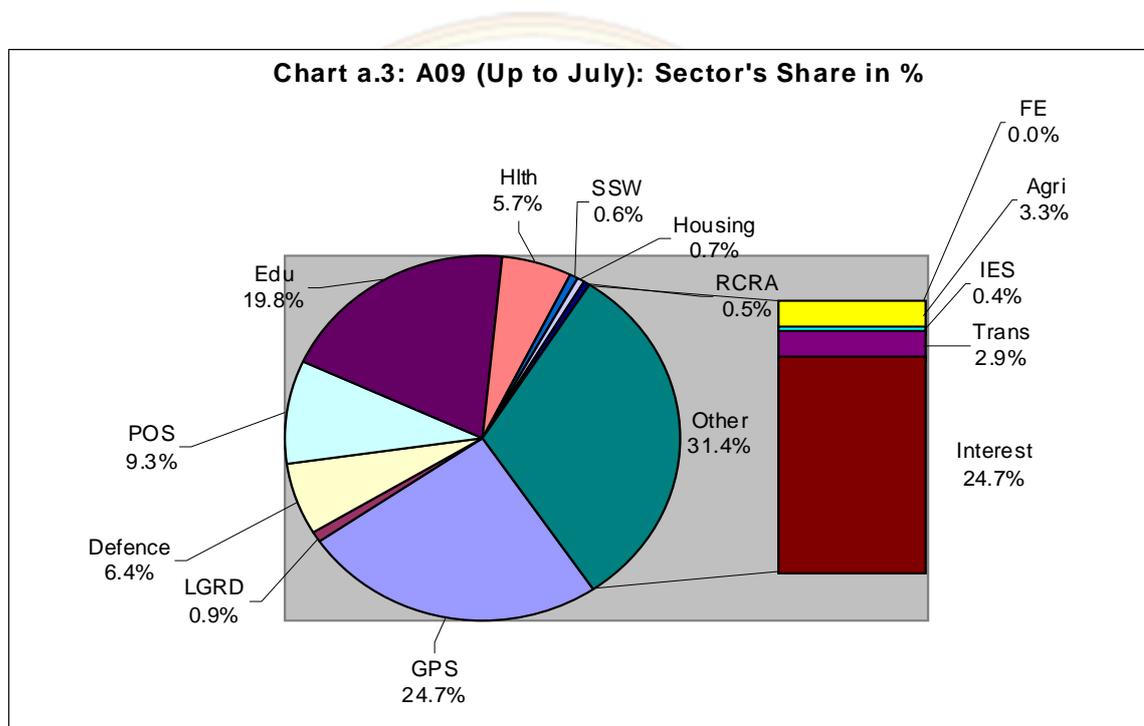
➤ Regarding expenditures up to July FY09, 15 (fifteen) ministries/divisions show a utilization of revenue resources more than 5%.

a.3 Revenue Expenditure: Broad Sector-wise Allocation

A comparative picture of broad sector-wise allocation of Revenue Expenditure is presented below:⁴

Broad Sectors	Admn	SIS	PIS	Agri	Others	Interest
Sector's Share of A08	35.8	29.6	5.8	12.8	1.5	14.5
Sector's Share of B09	34.4	31.5	4.0	10.3	1.3	18.6
Sector's Share of A09 (Upto July)	40.4	27.7	3.0	3.3	0.9	24.7

A detail of sector-wise share of revenue expenditure based on the Account (up to July) for the FY09 is shown in Chart a.3. Individually the largest share is: General Public Services (24.7%) & Interest (24.7%), followed by Education (19.8%), Public Order and Safety (9.3%), Defence (6.4%), Health (5.7%), Agriculture (3.3%), and Transportation (2.9%).



a.4 Utilization up to July FY09

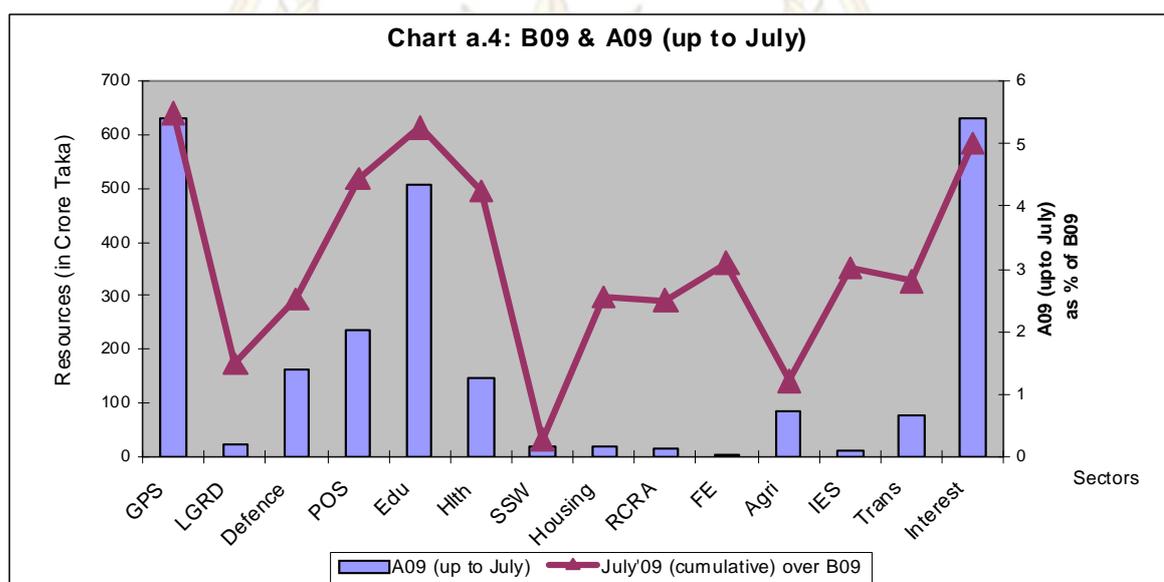
Sector-wise utilization of resources (up to July FY09) is shown in Table a.4 and Chart a.4 (presented in the next page). It appears that only two sectors have a utilization rate more than 5%:

- GPS (5.5 % of B08 has been spent)
- Education (5.3%)

⁴ Admn = General Public Services, Defence, and Public Order and Safety,
 SIS = Social Infrastructure, covers Edu, health, Housing and SSW & LGRD.
 PIS = Physical Infrastructure, covers FE and Trans; and Others include RCRA and IES

Table a.4: Resource Utilization Pattern of July FY 09 and up to July FY 09
(in Crore Taka)

Sectors	A08 (July)	A08 (Up to July)	A09 (July)	A09 (up to July)	July 09 over July'08 (in %)	July 09 over July 08 (cumulative)	July'09 (cumulative) over B09
GPS	624.3	624.3	630.9	630.9	101.0	101.0	5.5
LGRD	21.2	21.2	22.7	22.7	107.4	107.4	1.5
Defence	148.1	148.1	163.0	163.0	110.0	110.0	2.5
POS	215.9	215.9	237.4	237.4	109.9	109.9	4.5
Edu	483.3	483.3	505.5	505.5	104.6	104.6	5.3
Hlth	137.8	137.8	146.3	146.3	106.2	106.2	4.3
SSW	16.6	16.6	16.3	16.3	97.9	97.9	0.3
Housing	16.7	16.7	16.6	16.6	99.3	99.3	2.6
RCRA	10.5	10.5	12.5	12.5	119.5	119.5	2.5
FE	1.1	1.1	1.0	1.0	89.0	89.0	3.1
Agri	78.7	78.7	83.7	83.7	106.3	106.3	1.2
IES	8.8	8.8	10.7	10.7	121.3	121.3	3.0
Trans	99.5	99.5	75.0	75.0	75.4	75.4	2.8
Interest	372.0	372.0	630.3	630.3	169.4	169.4	5.0
Total	2234.6	2234.6	2551.8	2551.8	114.2	114.2	3.8



b.0 Revenue Expenditure: Economic Classification

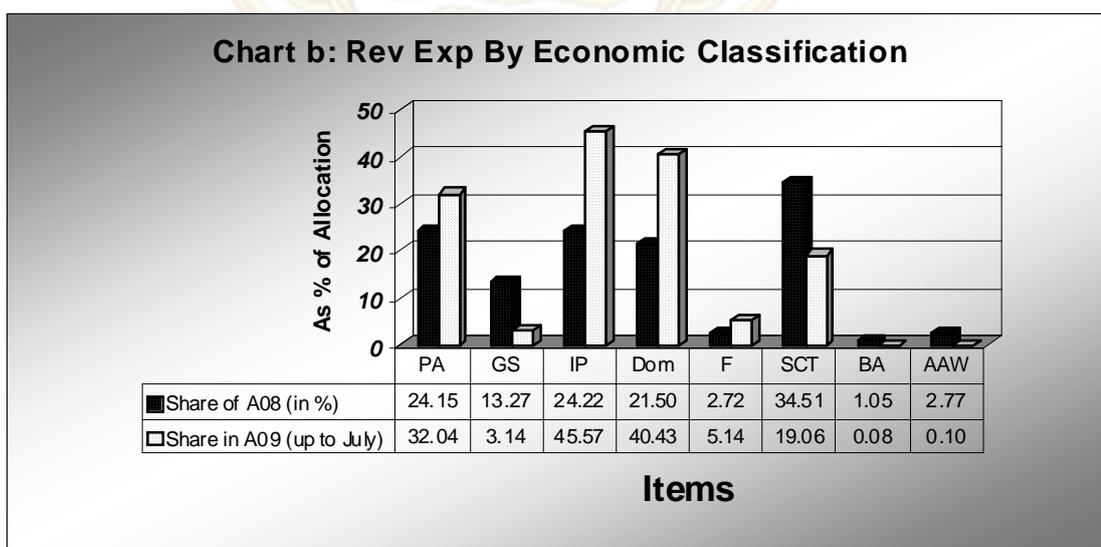
Structure and pattern of Revenue Expenditure according to economic classification are presented in Table b and Chart b (presented in the next page). Following conclusions can be drawn on the basis of them:

- Until July FY09, maximum utilization of Revenue Expenditure as % of B09, has been carried out under two heads: Interest Payments (9.3%) and Pay and Allowances (5.3%).
- During the last Fiscal Year (A08), Domestic Interest Payments (21.5%) was 7.96 times larger than that of Foreign Interest Payment (2.7%).

- Up to July FY09, the following economic categories show a utilization rate more than 5.0%: Pay of Officers (7.2%), Pay of Establishment (7.1%), Pension and Gratuities (6.4%), Domestic Interest Payments (9.2%) and Foreign Interest Payment (10.2%).

Table b: Revenue Expenditure by Economic Classification

Description	<i>(in Crore Taka)</i>						
	RB08	B09	A08	A09 (up to July)	B09 as % of RB08	Share of A08 (in %)	A09 (up to July) as % B09
Pay and Allowances	13626.5	15431.6	12424.4	825.4	113.2	24.1	5.3
Pay of Officers	1174.0	1248.1	1128.8	90.4	106.3	2.2	7.2
Pay of Establishment	5805.6	5881.8	5377.6	415.5	101.3	10.5	7.1
Allowances	6646.9	8301.6	5918.0	319.4	124.9	11.5	3.8
Goods and Services	8029.2	8303.5	6826.9	80.9	103.4	13.3	1.0
Supplies and Services	5329.2	5784.0	4586.7	79.2	108.5	8.9	1.4
Repairs, Maintenance & Rehabilitation	2700.0	2519.5	2240.1	1.7	93.3	4.4	0.1
Interest Payments	11967.4	12565.2	12461.9	1173.8	105.0	24.2	9.3
Domestic	10621.1	11274.0	11063.4	1041.5	106.1	21.5	9.2
Foreign	1346.3	1291.3	1398.5	132.3	95.9	2.7	10.2
Subsidies and Current Transfers	15393.9	19867.2	17758.2	491.0	129.1	34.5	2.5
Subsidies	2029.2	2431.5	5726.8	0.0	119.8	11.1	0.0
Grants in Aid	9973.3	13726.3	8499.4	256.9	137.6	16.5	1.9
Contributions to Intl Organisation	36.9	41.8	24.5	0.2	113.3	0.0	0.4
Pensions and Gratuities	3351.5	3664.7	3507.2	234.0	109.3	6.8	6.4
Block Allocation	714.5	2044.3	538.3	2.1	286.1	1.0	0.1
Unexpected	64.4	800.0	101.3	0.3	1242.9	0.2	0.0
Others	650.1	12443.3	437.0	1.8	191.4	0.8	0.1
Acquisition of Assets and Works	2138.4	2063.3	1425.9	2.5	96.5	2.8	0.1
Acquisition of Assets	1661.5	1534.9	1053.5	1.8	92.4	2.0	0.1
Acquisition of Land Assets	81.7	121.2	115.4	0.7	148.4	0.2	0.6
Construction and Works	395.2	407.3	257.0	0.0	103.1	0.5	0.0
Net Total	53240.1	61468.9	51453.2	2575.8	115.5	100.0	4.2



Notes: PA = Pay and Allowances, GS = Goods and Services, IP = Interest Payment, Dom = Domestic IP, F = Foreign IP, SCT = Subsidies and Current Transfers, BA = Block Allocation, AAW = Acquisition of Assets and Works.

c. Development Expenditure

c.1 Ministry-wise Utilization Pattern

Ministry-wise development resource utilization pattern is presented in Table c.1. It appears that:

- Up to July FY09 only about 0.2% of the Budget for the FY09 has been spent implying under utilization and/or underreporting.

Table c.1: Development Expenditure: Ministry-wise Expenditure Pattern Up to July FY09

(in crore Taka)

	A07	B08	RB08	A08 (July)	A08 (Up to July)	B09	RB08	A09 (July)	A08	A09 (up to July)	A08 (upto July) as % of B08	A09 (up to July) as % B09	A09 as % A08 (July)	A09 as % A08 (up to July)
Sub-total = GPS	404.8	1269.7	1692.7	1.4	1.4	1321.6	0.0	0.0	716.4	0.0	0.1	0.0	0.0	0.0
Parliament	8.4	8.9	10.8	0.0	0.0	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PMO	206.9	249.9	184.4	0.0	0.0	203.7	0.0	0.0	138.8	0.0	0.0	0.0	0.0	0.0
Cabinet	0.3	11.8	4.0	0.0	0.0	5.6	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Election Com.	6.5	0.0	411.2	0.0	0.0	88.4	0.0	0.0	330.2	0.0	0.0	0.0	0.0	#DIV/0!
Establishment	36.9	107.9	150.0	0.0	0.0	95.9	0.0	0.0	66.9	0.0	0.0	0.0	#DIV/0!	#DIV/0!
	9.2	2.0	3.0	0.0	0.0	5.2	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0
Finance Div	95.4	254.0	295.0	1.4	1.4	408.9	0.0	0.0	97.2	0.0	0.5	0.0	0.0	0.0
IRD	0.0	52.0	74.1	0.0	0.0	90.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
ERD	2.7	32.5	21.8	0.0	0.0	23.1	0.0	0.0	18.9	0.0	0.0	0.0	0.0	#DIV/0!
Planning Div	31.7	511.1	517.4	0.0	0.0	339.9	0.0	0.0	51.8	0.0	0.0	0.0	0.0	0.0
IMED	6.9	39.6	20.6	0.0	0.0	45.5	0.0	0.0	12.1	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Foreign Aff.	0.0	0.0	0.5	0.0	0.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sub-total = LGRD	4980.0	6153.2	5546.2	3.4	3.4	5745.3	0.0	0.0	4730.0	0.0	0.1	0.0	0.2	0.2
LGD	4668.3	5708.7	5037.1	0.0	3.4	5196.9	0.0	0.0	4310.7	0.0	0.1	0.0	#DIV/0!	0.2
RD	138.8	186.3	253.4	0.0	0.0	218.0	0.0	0.0	241.7	0.0	0.0	0.0	#DIV/0!	#DIV/0!
CHT	173.0	258.2	255.7	0.0	0.0	330.3	0.0	0.0	177.6	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Sub-total = Defence	28.8	187.1	175.2	0.0	0.0	162.5	0.0	0.0	35.3	0.0	0.0	0.0	0.0	#DIV/0!
Defence Service	8.8	60.6	64.7	0.0	0.0	49.5	0.0	0.0	20.7	0.0	0.0	0.0	0.0	0.0
Def.-Others	20.1	126.5	110.5	0.0	0.0	113.0	0.0	0.0	14.6	0.0	0.0	0.0	0.0	#DIV/0!
Sub-total=POS	203.0	461.2	388.7	0.0	0.0	574.0	0.0	0.0	185.3	0.0	0.0	0.0	99.5	99.5
Law & Parlia. Aff.	24.9	76.6	59.5	0.0	0.0	75.0	0.0	0.0	15.6	0.0	0.0	0.0	88.9	88.9
Ministry of Home Aff.	178.2	384.6	329.2	0.0	0.0	499.0	0.0	0.0	169.7	0.0	0.0	0.0	106.0	106.0
Anti Corruption Comm	0.0	0.0	4.2	0.0	0.0	2.2	0.0	0.0	0.0	0.0	#DIV/0!	0.0	#DIV/0!	#DIV/0!
Sub-total = Edu	2512.6	3710.2	2995.8	0.9	0.9	3495.9	0.0	0.1	2754.0	0.1	0.0	0.0	11.1	11.1
PMED	1519.1	2279.9	1886.6	0.7	0.7	2369.4	0.0	0.1	1742.7	0.1	0.0	0.0	10.1	10.1
Education	927.3	1315.9	1000.5	0.2	0.2	989.2	0.0	0.0	909.2	0.0	0.0	0.0	14.8	14.8
Sc. & Tech.	66.2	114.4	108.8	0.0	0.0	137.4	0.0	0.0	102.1	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Sub-total = Health	1502.6	2606.3	2363.0	0.2	0.2	2439.5	0.0	0.1	1586.3	0.1	0.0	0.0	37.4	37.4
HFV	1502.6	2606.3	2363.0	0.2	0.2	2439.5	0.0	0.1	1586.3	0.1	0.0	0.0	37.4	37.4
Sub-total = SSW	241.2	818.6	1069.8	0.6	0.6	2202.0	0.0	0.0	654.3	0.0	0.1	0.0	0.4	0.4
SW	29.5	61.8	52.6	0.0	0.0	74.2	0.0	0.0	26.0	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Women's Aff.	67.3	94.3	81.0	0.6	0.6	140.0	0.0	0.0	44.0	0.0	0.6	0.0	0.4	0.4
Disaster Manag.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lib. Affairs	6.4	9.7	10.3	0.0	0.0	40.5	0.0	0.0	6.4	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Food & Disaster	138.0	652.8	925.8	0.0	0.0	1947.3	0.0	0.0	577.9	0.0	0.0	0.0	#DIV/0!	#DIV/0!
SAD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sub-total = HCS	34.8	104.7	183.7	0.0	0.0	336.3	0.0	0.0	51.6	0.0	0.0	0.0	0.0	#DIV/0!
Housing	34.8	104.7	183.7	0.0	0.0	336.3	0.0	0.0	51.6	0.0	0.0	0.0	0.0	#DIV/0!
Sub-total = RCRA	237.3	380.3	276.5	1.2	1.2	395.9	0.0	0.1	237.1	0.1	0.3	0.0	9.2	9.2
Information	20.1	124.3	60.9	0.0	0.0	65.1	0.0	0.0	46.6	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Cultural Aff.	39.6	80.3	52.4	0.0	0.0	61.7	0.0	0.0	33.2	0.0	0.0	0.0	0.0	0.0
Religious Aff.	94.8	120.5	112.7	1.2	1.2	116.5	0.0	0.0	107.5	0.0	1.0	0.0	1.1	1.1
Youth	82.9	55.2	50.5	0.0	0.0	152.6	0.0	0.1	49.9	0.1	0.0	0.1	#DIV/0!	#DIV/0!
Sub-total = FE	2689.8	4557.8	3556.3	0.0	0.0	4310.2	0.0	65.6	2672.1	65.6	0.0	1.5	#DIV/0!	#DIV/0!
Petroleum	153.4	729.5	459.0	0.0	0.0	807.2	0.0	0.0	324.5	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Energy	2536.4	3828.3	3097.3	0.0	0.0	3502.9	0.0	65.6	2347.6	65.6	0.0	1.9	#DIV/0!	#DIV/0!
Sub-total = Agr	1423.2	2221.9	1977.1	9.2	9.2	2316.0	0.0	0.3	1776.8	0.3	0.4	0.0	3.7	3.7
Agriculture	617.0	838.1	748.5	0.0	0.0	1050.1	0.0	0.0	712.3	0.0	0.0	0.0	30.6	30.6
Fisheries	104.2	218.5	157.3	8.1	8.1	273.2	0.0	0.3	140.7	0.3	3.7	0.1	3.7	3.7
Environment	86.3	95.7	98.2	0.8	0.8	72.2	0.0	0.0	83.2	0.0	0.8	0.0	1.9	1.9
Land	18.2	28.8	35.2	0.2	0.2	91.3	0.0	0.0	13.6	0.0	0.8	0.0	9.8	9.8
Water	597.5	1040.9	937.9	0.0	0.0	829.2	0.0	0.0	826.9	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Sub-total =IES	216.6	386.9	319.2	0.3	0.3	608.0	0.0	0.3	270.5	0.3	0.1	0.0	95.8	95.8
Indsuties	52.4	169.8	110.0	0.2	0.2	406.6	0.0	0.0	135.5	0.0	0.1	0.0	13.2	13.2
Textiles	11.3	42.1	37.4	0.0	0.0	45.2	0.0	0.1	22.2	0.1	0.0	0.1	#DIV/0!	#DIV/0!
Commerce	94.4	80.8	75.1	0.0	0.1	45.3	0.0	0.0	64.6	0.0	0.1	0.0	#DIV/0!	0.0
Labour	58.4	94.1	96.7	0.1	0.1	110.9	0.0	0.2	48.2	0.2	0.1	0.2	239.2	239.2
Overseas Employment	0.0	0.0	10.3	0.0	0.0	3.4	0.0	0.0	16.7	0.0	#DIV/0!	0.0	#DIV/0!	#DIV/0!
Sub-total = TC	2591.3	4106.0	2744.9	0.8	0.8	3466.5	0.0	0.2	2179.2	0.2	0.0	0.0	24.5	24.5
Communication	2082.8	3421.8	2356.6	0.8	0.8	3093.2	0.0	0.2	1910.9	0.2	0.0	0.0	24.5	24.5
Shipping	80.2	205.3	66.6	0.0	0.0	141.0	0.0	0.0	60.4	0.0	0.0	0.0	0.0	#DIV/0!
Civil Aviation	28.1	17.7	19.5	0.0	0.0	27.0	0.0	0.0	16.4	0.0	0.0	0.0	0.0	#DIV/0!
Post and Tele.	400.3	461.2	302.2	0.0	0.0	205.3	0.0	0.0	191.6	0.0	0.0	0.0	#DIV/0!	#DIV/0!
a. Total	17066.0	26963.8	23289.1	17.9	17.9	27373.5	0.0	66.8	17848.8	66.8	0.1	0.2	372.9	372.9
b. Total: Source IMED	17917.0								18450					
c. a as % of b	95.3								96.7					

c.2 Development Expenditure: Growth and Allocation Pattern

Table c.2 presents sector-wise growth and allocation pattern of Development Expenditure. It shows:

- ❖ While Revised Budget (RB08) for the FY08 was 13.6% less than the original budget (B08) and A08 was 23.4% less than RB08, B09 was 53.4% higher than A08 but only 1.5% higher than B08.

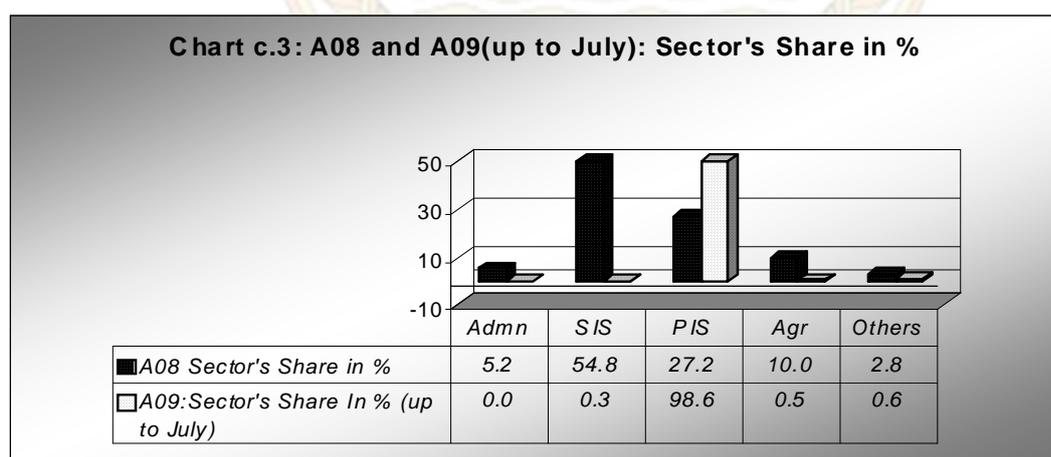
Table c.2: Development Expenditure Pattern by Sector⁵

(in Crore Taka)												
Sectors	A07	B08	RB08	A08	B09	A09 (up to July)	A08 Sector's Share in %	A08 as% of RB08	B09 as% of RB08	RB08 as % of B08	B09 as % of A08	A09 (up to July) as % of A08
GPS	404.8	1269.7	1692.7	716.4	1321.6	0.0	4.0	42.3	78.1	133.3	184.5	0.0
LGRD	4980.0	6153.2	5546.2	4730.0	5745.3	0.0	26.5	85.3	103.6	90.1	121.5	0.2
Defence	28.8	187.1	175.2	35.3	162.5	0.0	0.2	20.2	92.8	93.6	460.4	#DIV/0!
POS	203.0	461.2	388.7	185.3	574.0	0.0	1.0	47.7	147.7	84.3	309.8	99.5
Edu	2512.6	3710.2	2995.8	2754.0	3495.9	0.1	15.4	91.9	116.7	80.7	126.9	11.1
Health	1502.6	2606.3	2363.0	1586.3	2439.5	0.1	8.9	67.1	103.2	90.7	153.8	37.4
SSW	241.2	818.6	1069.8	654.3	2202.0	0.0	3.7	61.2	205.8	130.7	336.6	0.4
HCS	34.8	104.7	183.7	51.6	336.3	0.0	0.3	28.1	183.0	175.5	652.1	#DIV/0!
RCRA	237.3	380.3	276.5	237.1	395.9	0.1	1.3	85.8	143.2	72.7	167.0	9.2
FE	2689.8	4557.8	3556.3	2672.1	4310.2	65.6	15.0	75.1	121.2	78.0	161.3	#DIV/0!
AFL	1423.2	2221.9	1977.1	1776.8	2316.0	0.3	10.0	89.9	117.1	89.0	130.3	3.7
IES	216.6	386.9	319.2	270.5	608.0	0.3	1.5	84.7	190.4	82.5	224.8	95.8
TC	2591.3	4106.0	2744.9	2179.2	3466.5	0.2	12.2	79.4	126.3	66.9	159.1	24.5
Total	17066.0	26963.8	23289.1	17848.8	27373.5	66.8	100.0	76.6	117.5	86.4	153.4	372.9

- While Budget for the FY 09 shows 17.5% increase over RB08, up to July FY09 actual expenditure registers higher than last year's actual expenditure.

c.3 Development Expenditure: Sectoral Priority

Broad sector-wise utilization of development resources is presented in Chart c.3.



- Growth and Poverty Reducing biases are evident.

⁵ Notes: GPS = General Public Services, LGRD = LGD, RD & Cooperatives, CHTs, POS = Public Order and Safety, Edu = Education and Technology, Health = Health, SSW = Social Security and Welfare, RCRA = Recreation, Culture and Religious Affairs, AFL= Agriculture, Fisheries and Livestock, Land, Water Resources and Food, FE = Fuel and Energy, IES = Industries, Jute, Textiles, Commerce, Labor & Overseas, TC = Transport and Communication.

d.0. Revenue Collection Position

d.1 Growth and Relative Collection Position

Table d.1 portrays revenue collection and Table d.2 (presented in the next page) shows revenue structure and growth scenario for the FY08 and FY09 (up to July)⁶.

Table d.1: Revenue Receipts: Reporting Scenario

(in Crore Taka)

	A07	B08	RB08	A08 (July)	A08 (Up to July)	A08	B09	A09 (July)	A09 (up to July)
Tax Rev(a+b)	38027	45838	48012	3483	3483	48090	56789	4423	4423
a. NBR	36172	43850	45970	3284	3284	45777	54500	4164	4164
a.1 Income	8622	10838	11005	807	807	11653	13054	988	988
a.2 VAT	13351	15890	17013	1186	1186	16875	20249	1631	1631
a.2i Import	6824	7174	8348	563	563	8912	9670	964	964
a.2ii Domestic	6527	8716	8665	623	623	7963	10579	667	667
a.3 Import	7581	9354	9300	631	631	8768	10862	840	840
a.4 Sup	5971	7168	7970	587	587	7758	9528	656	656
a.4i Import	1366	1402	1855	118	118	2149	2122	216	216
a.4ii Domestic	4605	5766	6115	469	469	5609	7406	440	440
a.5 EO	647	600	682	73	73	723	807	50	50
b. Non-NBR	1855	1988	2042	199	199	2313	2289	259	259
b.1 NL	44	50	50	5	5	51	50	5	5
b.2 Vehicles	418	441	495	41	41	517	550	50	50
b.3 Land	296	464	364	34	34	352	424	45	45
b.4 Stamp	1098	1034	1133	120	120	1393	1265	159	159
c. Non-tax Rev	8780	11407	12474	737	737	10080	12549	2244	2244
c.1 DP	1703	2475	2476	17	17	2112	3426	30	30
c.2 PO&R	399	762	762	18	18	427	795	35	35
c.3 T&T	1779	1927	1882	130	130	1480	0	5	5
c.4 IFT	4899	6244	7354	571	571	6061	8329	2175	2175
Total Rev (a+b+c)	46807	57246	60485	4220	4220	58170	69338	6667	6667
d. GDP _{new}	472477.0	530300.0	535415.0	39855.3	39855.3	541919.0	613111.0	45654.3	45654.3
e. Tax-GDP Ratio	8.0	8.6	9.0	8.7	8.7	8.9	9.3	9.7	9.7
f. NBR (Source: NBR)	37219.32			2999.43	2999.4	47289.12		3693.3	3693.3
g. a as % of f	97.2			109.5	109.5	96.8		112.7	112.7

Table d.1 indicates that:

- In FY 08, tax revenue collection is 9.8% of the estimated GDP.
- On annual and monthly basis, the discrepancy between NBR and CGA system has already been reduced.

Table d.2 (presented in the next page) indicates that:

- While tax revenue collection estimates for the FY09 is 18.3% higher than RB08 of the FY08, it is 18.1% higher than the actual collection (A08).
- Up to July FY09, tax revenue collection for the FY09 registers 27% higher than the corresponding period of the previous FY08. Whereas, Non-NBR tax collection Increased by 29.7% and Non-tax revenue collection increased by 204.6%.
- Up to July FY09, 9.6% of the budgeted revenue has been collected.

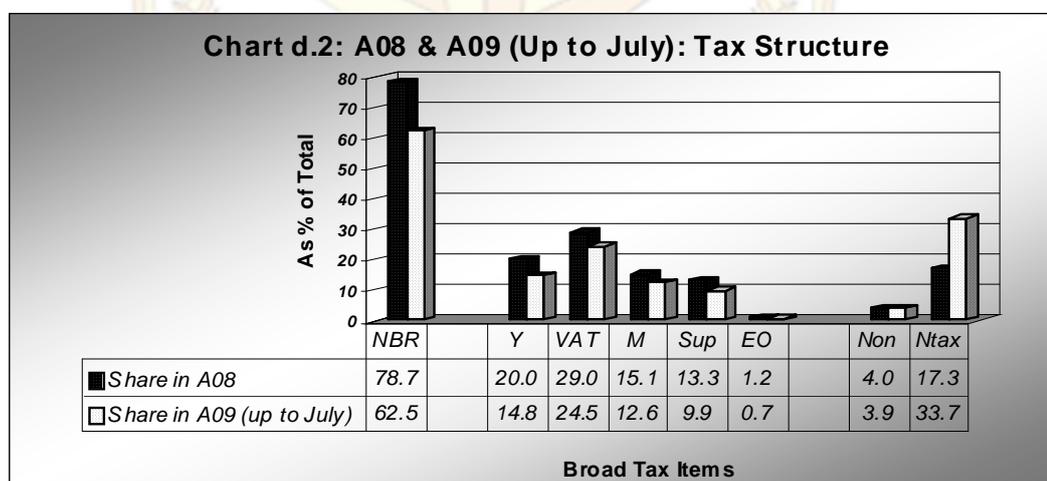
⁶ Notes: Income = Income/Profit/Property/Wealth, Sup=Supplementary + Excise, EO = Electricity + Others
 NL = Narcotics & Liquor, DP = Dividend & Profit, PO&R = Post Office + Railway
 IFT = Interest/Fees/Tolls & Other receipts

Table d.2: Revenue Receipts⁷: Growth and Structure

	(RB08/B08)*100	(B09/A08)*100	(B09/RB08)*100	Share in A08	(July'09/July08)*100	(A09/A08)*100 (up to July)	(A09 up to July/ B09)*100
Tax Rev(a+b)	104.7	118.1	118.3	82.7	127.0	127.0	7.8
a. NBR	104.8	119.1	118.6	78.7	126.8	126.8	7.6
a.1 Income	101.5	112.0	118.6	20.0	122.4	122.4	7.6
a.2 VAT	107.1	120.0	119.0	29.0	137.5	137.5	8.1
a.2i Import	116.4	108.5	115.8	15.3	171.1	171.1	10.0
a.2ii Domestic	99.4	132.8	122.1	13.7	107.1	107.1	6.3
a.3 Import	99.4	123.9	116.8	15.1	133.0	133.0	7.7
a.4 Sup	111.2	122.8	119.5	13.3	111.8	111.8	6.9
a.4i Import	132.3	98.8	114.4	3.7	183.5	183.5	10.2
a.4ii Domestic	106.1	132.0	121.1	9.6	93.8	93.8	5.9
a.5 EO	113.7	111.6	118.3	1.2	68.7	68.7	6.2
b. Non-NBR	102.7	99.0	112.1	4.0	129.7	129.7	11.3
b.1 NL	100.0	98.4	100.0	0.1	104.7	104.7	9.4
b.2 Vehicles	112.3	106.4	111.1	0.9	121.5	121.5	9.0
b.3 Land	78.4	120.3	116.5	0.6	132.3	132.3	10.6
b.4 Stamp	109.6	90.8	111.7	2.4	132.7	132.7	12.6
c. Non-tax Rev	109.4	124.5	100.6	17.3	304.7	304.7	17.9
c.1 DP	100.0	162.2	138.4	3.6	176.9	176.9	0.9
c.2 PO&R	100.0	186.0	104.3	0.7	192.8	192.8	4.4
c.3 T&T	97.7	0.0	0.0	2.5	3.7	3.7	#DIV/0!
c.4 IFT	117.8	137.4	113.3	10.4	380.6	380.6	26.1
Total Rev (a+b+c)	105.7	119.2	114.6	100.0	158.0	158.0	9.6

d.2 Revenue Structure

Chart d.2 presents tax structure for FY08 and FY 09 (up to July). Basic characteristics of



Notes: Y = All sorts of Income Tax, M = Import Duty, Sup = Supplementary Duty & Excise Duty, EO=Electricity and Other Taxes, Non-NBR=Non-NBR Taxes, and Ntax Rev=Non-tax Revenue.

the tax structure of Bangladesh can easily be seen from it. These are:

- Too much dependence on indirect taxes (only 14.8% from income tax, about 15.5% from all direct taxes including income tax)
- Biased towards external sector (about 40%) and susceptible to external shocks.

⁷ Notes: Income = Income/Profit/Property/Wealth, Sup=Supplementary+Excise, EO = Electricity+Others
 NL = Narcotics & Liquor, DP = Dividend & Profit, PO&R = Post Office+Railway
 IFT = Interest/Fees/Tolls & Other receipts

e. Budget Deficit

Following table e.1 shows budget deficit position over different time-spans. Budget deficit is calculated using guidelines of the IMF.

Table e.1: Budget Deficit over Time

(in crore Taka)

Items	Account 2006-07	2007-08					2008-09		
		Budget	Revised	Actual July	Accounts 2007-08 Up to July	Account 2008	Budget	Actual July	Accounts 2008-09 up to July
1.0 Total Rev	46806.6	57245.6	60485.5	4219.9	4219.9	58170.1	69337.8	6667.0	6667.0
2.0 Total Pub Exp	59932.0	79614.6	86081.7	4998.0	4998.0	84821.1	99960.9	6650.1	6650.1
2.1 Current Exp	40867.9	49709.0	51101.7	2262.1	2262.1	50027.3	59405.6	2573.3	2573.3
2.2 Net Outlay on Food A/C	488.0	202.0	809.0	128.0	128.0	2192.0	700.0	0.0	0.0
2.3 ADP Exp	15871.0	24988.8	21440.1	17.9	17.9	17050.8	23438.5	66.8	66.8
2.4 Non_ADP Cap & net lending	1971.5	11301.3	16062.0	-64.8	-64.8	15892.3	12080.9	-49.7	-49.7
2.4.1 Non ADP Capital Expenditure	3165.7	6173.2	6296.4	4.4	4.4	5110.3	9903.3	2.5	2.5
2.4.2 Net Lending	-1194.2	5128.1	9765.7	-69.1	-69.1	10782.0	2177.6	-52.2	-52.2
2.5 Extraordinary Exp	32.2	300.0	1700.0	213.2	213.2	788.3	1000.0	0.0	0.0
2.6 Check Float & discrepancy	701.3	-6886.5	-5031.2	2441.6	2441.6	-1129.7	3335.8	4059.7	4059.7
3.0 Overall Balance (2.0 - 1.0)	-13125.4	-22369.0	-25596.2	-778.1	-778.1	-26650.9	-30623.0	17.0	17.0
4.0 GDP _{new}	472477.0	530300.0	535415.0	39855.3	39855.3	541919.0	613111.0	45654.3	45654.3
5.0 Total Net Rev As % of GDP	9.9	10.8	11.3	10.6	10.6	10.7	11.3	14.6	14.6
6.0 Total Pub Exp As % of GDP	12.7	15.0	16.1	12.5	12.5	15.7	16.3	14.6	14.6
7.0 Overall Balance as % Of GDP	-2.8	-4.2	-4.8	-2.0	-2.0	-4.9	-5.0	0.04	0.04

Data generated under the Budgeting Information System still underreports development expenditure and it seems there is some time lag between actual expenditure and inputting the same in the System. This seems to be true both for Revenue expenditure and Development expenditure.

The major problematic areas are:

- Regarding expenditures up to July FY09, 15 (fifteen) ministries/divisions show a utilization of revenue resources more than 5%.
- Overall development expenditure remains unreported. There is also a probability that development expenditure remains under-utilized up to the second half of the year resulting misutilization towards the end of the FY. This needs to be addressed.

f. Budget Financing

Table e.1 in the previous page presents the budget deficit position. The table presented below indicates sources of financing the deficit and their shares. Following Values of major policy variables emerge from the above-mentioned two tables:

Table f.1: Financing of Budget Deficit

(Taka in crore)

Items	Account 2006-07	2007-08					2008-09		
		Budget	Revised	Actual July	Accounts 2007-08 Up to July	Account 2008	Budget	Actual July	Accounts 2008-09 up to July
1.0 Net Foreign financing (1.1-1.2)	2790.0	10560.2	13144.2	-57.6	-57.6	7775.5	13582.0	-203.7	-203.7
1.1 Grant	1037.4	4255.0	4388.2	22.4	22.4	2007.4	6346.0	0.6	0.6
1.2 Loan	5743.7	10403.0	13024.4	123.4	123.4	10137.7	11456.7	187.1	187.1
1.3 Amortisation	3991.1	4097.8	4268.4	203.4	203.4	4369.5	4220.8	391.4	391.4
2.0 Domestic Financing (2.1+2.2)	10335.4	11808.8	12452.1	835.7	835.7	18875.4	17041.1	186.8	186.8
2.1 Non-Bank Borrowing	4282.6	4500.0	2002.0	262.7	262.7	2501.4	3500.0	421.3	421.3
2.2 Bank Borrowing	5982.3	7253.0	10398.0	572.5	572.5	16349.3	13498.0	-268.4	-268.4
2.3 Sale of Assets	70.6	55.8	52.1	0.5	0.5	24.7	43.1	33.9	33.9
3.0 Total Financing (1+2)	13125.4	22369.0	25596.2	778.1	778.1	26650.9	30623.0	-17.0	-17.0
4.0 Total Financing as % GDP	2.8	4.2	4.8	2.0	2.0	4.9	5.0	-0.04	-0.04
4.1 Net Foreign financing(As % of GDP)	0.6	2.0	2.5	-0.1	-0.1	1.4	2.2	-0.4	-0.4
4.2 Net Domestic Financing (As % of GDP)	2.2	2.2	2.3	2.1	2.1	3.5	2.8	0.4	0.4
4.2.1 Non-Bank Borrowing	0.9	0.8	0.4	0.7	0.7	0.5	0.6	0.9	0.9
4.2.2 Bank Borrowing	1.3	1.4	1.9	1.4	1.4	3.0	2.2	-0.6	-0.6
4.2.3 Sale of Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
5.0 Overall Balance as % of GDP	-2.8	-4.2	-4.8	-2.0	-2.0	-4.9	-5.0	0.04	0.04
6.1 Non-Bank Borrowing (Source: NSD)				252.1	252.1			421.24	421.24
6.2 Bank Borrowing (Source: BB)								-268.5	-268.5
7.1 (2.1) as % of (6.1)				104.2	104.2			100.0	100.0
7.2 (2.2) as % of (6.2)								100.0	100.0

On annual and monthly basis, the discrepancy between NSD source and CGA source for Non-Bank borrowing data and Bank borrowing data has almost reduced.

- In FY09, Revenue collection of the government remains in the neighbourhood of 14.8% of GDP.
- Public expenditure hovers around 14.7% of GDP.
- Budget surplus in FY09, measured from above the line, as % of GDP is about 0.04%.
- Net foreign financing is around -0.5% of GDP.
- Net Domestic financing stands at 0.4% of GDP.

