

MONTHLY REPORT ON **FISCAL POSITION**

(July FY2009-10)

ABSTRACT

The data generated by the Budgeting Information System has been used to prepare this report which put forward the following major findings:

- Up to July FY10, 10.4% of the **Revenue** target of the budget has been collected.
- **Revenue Expenditure** incurred over this time is 3.7 % of the Budget for FY 10.
- **Development Expenditure** during the same period is about 0.4% of the development budget for the FY 10, implying under utilization and possibly underreporting.
- **Overall Balance** up to July FY10 as % of the estimated GDP is about -0.23%.

Prepared by: Macroeconomic Wing
Finance Division
Ministry of Finance

Contributed by:
Shaikh Moniruzzaman
Senior Assistant Secretary

Guided by: Muslim Chowdhury, Joint Secretary
Finance Division, Ministry of Finance.

Monthly Report on Fiscal Position¹

July FY 10

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 (RB09) for the FY09 was 0.3% lower than the original budget (B09) and Actual Exp (A09) was 17.3% lower than that of RB09, B10 was 40.3% higher than A09 and 13.9% higher than B09.
- ⇒ Nominal Increase of B10 over RB09 was 16.0% and the largest increase was in the Public Administration sector (96.6%) followed by Social Security and Welfare (20.4%).

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

(In Crore Taka)

Sectors	B08	RB09	A09	Sector's Share of A09 (in %)	RB09 as % B09	A09 as% of RB09	B09	B09 as % of B08	A10 (up to July)	B10 as % of RB09	B10 as % of A09	A10 (up to July) as % B10
GPS	11521.6	8516.1	6284.6	11.0	73.9	73.8	16739.4	145.3	112.2	196.6	266.4	0.7
LGRD	2810.0	2979.7	2525.4	4.4	106.0	84.8	2927.1	104.2	49.0	98.2	115.9	1.7
Defence	6482.4	6787.2	6175.9	10.8	104.7	91.0	6790.4	104.8	197.4	100.0	109.9	2.9
POS	5327.3	5597.8	4906.2	8.6	105.1	87.6	5592.7	105.0	294.9	99.9	114.0	5.3
Edu	9602.6	9328.9	9022.2	15.8	97.2	96.7	10282.5	107.1	576.8	110.2	114.0	5.6
Hlth	3653.3	3581.1	3168.6	5.6	98.0	88.5	3905.2	106.9	171.4	109.1	123.2	4.4
SSW	6059.0	5968.5	2775.6	4.9	98.5	46.5	7188.7	118.6	18.0	120.4	259.0	0.3
Housing	649.7	649.5	650.9	1.1	100.0	100.2	683.2	105.2	15.9	105.2	105.0	2.3
RCRA	501.0	730.7	697.2	1.2	145.8	95.4	532.2	106.2	13.2	72.8	76.3	2.5
FE	30.9	31.3	29.9	0.1	101.2	95.5	32.2	104.0	1.3	102.7	107.5	4.1
Agri	6959.6	8410.8	7739.2	13.6	120.9	92.0	6575.7	94.5	99.0	78.2	85.0	1.5
IES	353.6	382.8	368.7	0.6	108.3	96.3	338.7	95.8	9.0	88.5	91.9	2.7
Trans	2672.0	2701.1	2379.9	4.2	101.1	88.1	2633.4	98.6	75.9	97.5	110.7	2.9
Interest	12565.2	13314.6	10317.5	18.1	106.0	77.5	15808.5	125.8	779.0	118.7	153.2	4.9
Total	69188.2	68979.9	57041.8	100.0	99.7	82.7	80030.1	115.7	2412.9	116.0	140.3	3.0

a.2 Ministry-wise Utilization Pattern

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

- ⇒ Actual spending up to July FY 10 was 17.4% higher than the corresponding period of the previous fiscal year.
- ⇒ Up to July FY10, 3.0% of the Revenue 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 FY10 (In Crore Tk.)

	A08	B09	RB09	A09 (July)	A09 (Up to July)	A09	B10	RB10	A10(July)	A10 (up to July)	A10 (up to July) as % B10	A10 as % A09(July)	A10 as % A09 (up to July)
Sub-total = GPS	7156.4	11521.6	8516.1	112.5	112.5	6284.6	16739.4	0.0	112.2	112.2	0.7	99.7	99.7
President	5.9	6.5	6.9	1.3	1.3	6.6	6.8	0.0	1.4	1.4	20.0	102.6	102.6
Parliamnet	17.5	40.7	45.3	0.8	0.8	33.2	59.4	0.0	3.1	3.1	5.2	366.0	366.0
PMO	80.9	87.8	94.5	4.2	4.2	79.6	92.8	0.0	3.8	3.8	4.1	89.5	89.5
Cabinet Div	13.3	15.8	16.0	0.5	0.5	12.2	18.5	0.0	0.8	0.8	4.3	143.7	143.7
Election Com	63.3	462.3	461.8	3.6	3.6	327.8	355.5	0.0	1.9	1.9	0.5	52.1	52.1
Estab	575.0	670.1	695.5	25.9	25.9	633.8	662.9	0.0	28.4	28.4	4.3	109.5	109.5
PSC	8.2	12.5	12.9	0.4	0.4	11.9	13.9	0.0	0.7	0.7	5.3	174.2	174.2
Finance Div	5274.8	8904.6	5762.4	19.0	19.0	3929.1	14178.3	0.0	21.8	21.8	0.2	114.6	114.6
IRD	664.7	826.1	877.8	17.0	17.0	750.9	784.9	0.0	16.2	16.2	2.1	95.6	95.6
ERD	62.2	85.0	87.3	1.2	1.2	65.5	78.9	0.0	1.3	1.3	1.6	104.9	104.9
Planning Div	89.4	95.9	104.9	5.8	5.8	97.7	121.1	0.0	6.2	6.2	5.1	106.0	106.0
IMED	6.0	6.1	8.0	0.3	0.3	6.7	8.8	0.0	0.4	0.4	4.7	125.3	125.3
Foreign Aff	295.2	307.6	341.9	32.2	32.2	328.9	356.7	0.0	26.2	26.2	7.3	81.3	81.3
Tax Ombudsman	0.0	0.0	0.0	0.0	0.0	0.9	1.0	0.0	0.0	0.0	2.8	#DIV/0!	#DIV/0!
Sub-total = LGRD	2463.2	2810.0	2979.7	45.3	45.3	2525.4	2927.1	0.0	49.0	49.0	1.7	108.1	108.1
LGD	979.6	1103.3	1189.4	18.1	18.1	1080.1	1195.9	0.0	19.5	19.5	1.6	107.8	107.8
RD Div	146.6	178.1	185.4	4.5	4.5	178.2	168.5	0.0	4.9	4.9	2.9	109.0	109.0
CHT	1337.1	1528.6	1604.9	22.7	22.7	1267.1	1562.6	0.0	24.5	24.5	1.6	108.1	108.1
Sub-total = Defence	6653.2	6482.4	6787.2	162.4	162.4	6175.9	6790.4	0.0	197.4	197.4	2.9	121.6	121.6
Def. Service	6533.2	6375.1	6676.8	157.1	157.1	6042.3	6675.3	0.0	191.3	191.3	2.9	121.8	121.8
Def.- Others	120.0	107.3	110.4	5.3	5.3	133.6	115.2	0.0	6.1	6.1	5.3	114.9	114.9
Sub-total=POS	4427.2	5327.3	5597.8	237.3	237.3	4906.2	5592.7	0.0	294.9	294.9	5.3	124.3	124.3
Law & Parlia.	227.6	335.9	292.6	14.0	14.0	286.2	278.8	0.0	17.7	17.7	6.3	126.1	126.1
Supreme Court	28.8	31.8	37.1	2.0	2.0	35.4	37.3	0.0	2.2	2.2	5.9	108.1	108.1
Home Aff.	4147.0	4940.2	5241.4	220.3	220.3	4562.9	5254.2	0.0	274.1	274.1	5.2	124.4	124.4
Anti Corruption Comr	23.8	19.4	26.8	0.9	0.9	21.8	22.4	0.0	1.0	1.0	4.5	114.6	114.6
Sub-total = Edu	8143.3	9602.6	9328.9	505.3	505.3	9022.2	10282.5	0.0	576.8	576.8	5.6	114.1	114.1
PME	2984.7	3602.7	3464.4	191.5	191.5	3284.1	3749.5	0.0	218.8	218.8	5.8	114.2	114.2
Education	5053.7	5868.3	5732.7	313.6	313.6	5613.5	6293.6	0.0	357.6	357.6	5.7	114.0	114.0
Sc. & Tech	104.9	131.6	131.8	0.1	0.1	124.6	239.5	0.0	0.4	0.4	0.1	293.9	293.9
Sub-total = Health	2614.4	3653.3	3581.1	146.2	146.2	3168.6	3905.2	0.0	171.4	171.4	4.4	117.2	117.2
HFW	2614.4	3653.3	3581.1	146.2	146.2	3168.6	3905.2	0.0	171.4	171.4	4.4	117.2	117.2
Sub-total = SSW	2745.8	6059.0	5968.5	16.3	16.3	2775.6	7188.7	0.0	18.0	18.0	0.3	110.6	110.6
Social Wel.	741.9	918.6	921.0	9.6	9.6	909.8	1191.2	0.0	10.1	10.1	0.8	104.6	104.6
Women Aff.	821.2	1215.5	1098.1	1.6	1.6	356.6	1129.7	0.0	2.0	2.0	0.2	129.8	129.8
Liberation Aff.	105.6	159.1	160.5	0.1	0.1	158.0	292.3	0.0	0.1	0.1	0.0	116.4	116.4
Food & Disaster Man	1077.1	3765.9	3788.9	5.0	5.0	1351.1	4575.5	0.0	5.8	5.8	0.1	116.0	116.0
Sub-total = HCS	604.8	649.7	649.5	16.6	16.6	650.9	683.2	0.0	15.9	15.9	2.3	95.8	95.8
Housing	604.8	649.7	649.5	16.6	16.6	650.9	683.2	0.0	15.9	15.9	2.3	95.8	95.8
Sub-total = RCRA	527.5	501.0	730.7	12.5	12.5	697.2	532.2	0.0	13.2	13.2	2.5	105.8	105.8
Information	296.3	245.4	457.7	8.9	8.9	452.7	265.3	0.0	7.4	7.4	2.8	82.3	82.3
Cultural Aff.	60.3	63.1	64.8	1.1	1.1	64.5	63.4	0.0	1.1	1.1	1.7	97.3	97.3
Religious Aff.	56.0	61.0	62.3	0.3	0.3	61.7	62.1	0.0	0.1	0.1	0.2	47.1	47.1
Youth	114.8	131.5	145.8	2.1	2.1	118.4	141.5	0.0	4.6	4.6	3.3	217.6	217.6
Sub-total = FE	27.1	30.9	31.3	1.0	1.0	29.9	32.2	0.0	1.3	1.3	4.1	136.1	136.1
Petroleum	24.4	26.9	27.7	0.8	0.8	26.7	27.7	0.0	1.1	1.1	3.9	132.3	132.3
Energy	2.7	4.0	3.6	0.1	0.1	3.2	4.4	0.0	0.2	0.2	5.2	157.0	157.0
Sub-total = Agr	6644.5	6959.6	8410.8	83.6	83.6	7739.2	6575.7	0.0	99.0	99.0	1.5	118.3	118.3
Agriculture	5333.3	5516.2	6867.8	37.6	37.6	6249.3	5069.6	0.0	46.4	46.4	0.9	123.5	123.5
Fisheries	323.0	379.8	406.4	13.8	13.8	357.3	398.4	0.0	17.1	17.1	4.3	124.0	124.0
Environment	157.9	177.9	178.7	8.6	8.6	168.8	190.7	0.0	9.6	9.6	5.1	112.0	112.0
Land	318.1	340.8	351.7	23.1	23.1	357.6	370.0	0.0	25.0	25.0	6.8	108.2	108.2
Water	512.3	544.9	606.2	0.5	0.5	606.1	547.1	0.0	0.8	0.8	0.1	153.0	153.0
Sub-total = IES	327.5	353.6	382.8	10.7	10.7	368.7	338.7	0.0	9.0	9.0	2.7	84.2	84.2
Indsuties	160.8	161.4	164.2	0.5	0.5	163.7	64.0	0.0	0.5	0.5	0.8	101.5	101.5
Jute and Text	50.7	48.6	55.7	2.1	2.1	55.7	48.8	0.0	1.6	1.6	3.3	76.7	76.7
Commerce	52.9	73.6	79.9	3.4	3.4	77.6	77.9	0.0	2.7	2.7	3.4	79.0	79.0
Labour	20.7	23.7	24.1	1.4	1.4	24.8	23.4	0.0	1.3	1.3	5.5	94.3	94.3
Expatriates	42.5	46.3	58.8	3.3	3.3	46.8	124.5	0.0	2.9	2.9	2.3	87.3	87.3
Sub-total = TC	2804.9	2672.0	2701.1	75.0	75.0	2379.9	2633.4	0.0	75.9	75.9	2.9	101.2	101.2
Roads/ Comm	1849.7	2288.2	2261.4	53.9	53.9	1919.4	2208.6	0.0	52.5	52.5	2.4	97.4	97.4
Shipping	55.3	71.4	100.5	0.7	0.7	99.3	103.8	0.0	0.8	0.8	0.8	115.1	115.1
Civil Aviation	6.8	6.3	6.5	0.6	0.6	9.9	6.4	0.0	1.1	1.1	17.9	196.9	196.9
Post&Tele.	893.1	306.2	332.7	19.8	19.8	351.4	314.6	0.0	21.5	21.5	6.8	108.3	108.3
Sub-total = Interest	8072.2	12565.2	13314.6	630.3	630.3	10317.5	15808.5	0.0	779.0	779.0	4.9	123.6	123.6
Domestic	6910.5	11274.0	12003.3	522.0	522.0	9188.1	14471.3	0.0	657.9	657.9	4.5	126.0	126.0
Foreign	1161.7	1291.3	1311.3	108.3	108.3	1129.3	1337.2	0.0	121.2	121.2	9.1	111.9	111.9
Total	53211.9	69188.2	68979.9	2054.9	2054.9	57041.8	80030.1	0.0	2412.9	2412.9	3.0	117.4	117.4

⇒ Regarding expenditures up to July FY10, 7 (seven) Ministries/Divisions show a utilization of revenue resources more than 6.0%.

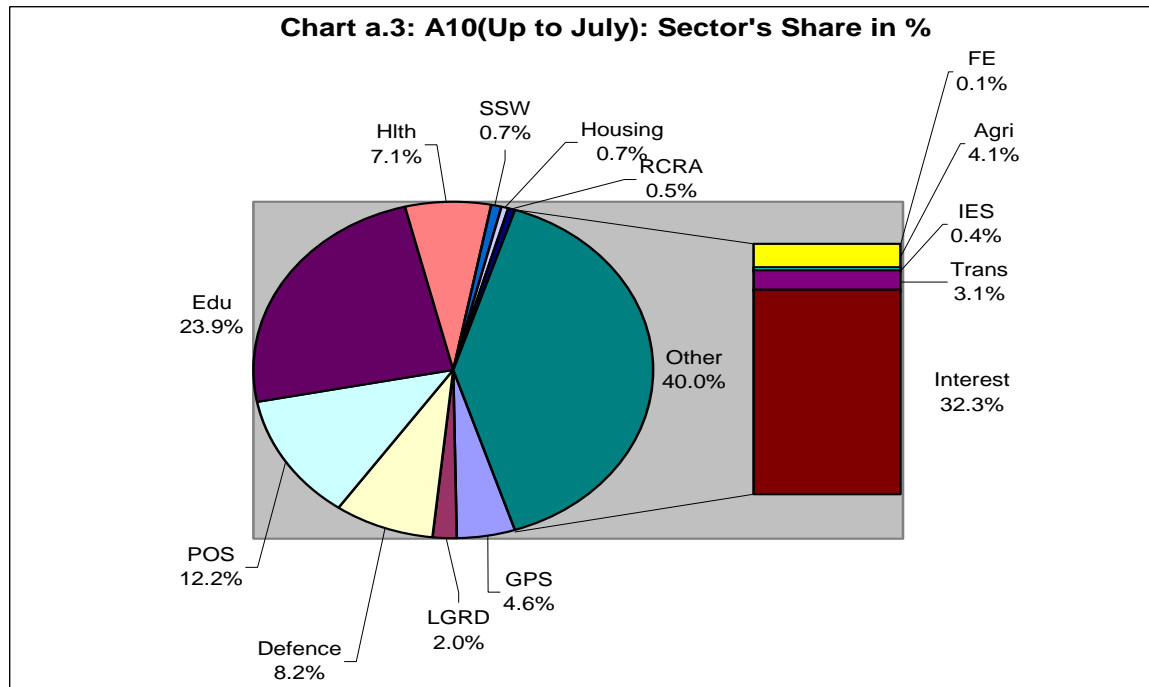


a.3 Revenue Expenditure: Broad Sector-wise Allocation

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

Broad Sectors	Admn	SIS	PIS	Agri	Others	Interest
Sector's Share of A09	30.4	31.8	4.2	13.6	1.9	18.1
Sector's Share of B10	36.4	31.2	3.3	8.2	1.1	19.8
Sector's Share of A10 (Upto July)	25.1	34.4	3.2	4.1	0.9	32.3

A detail of sector-wise share of revenue expenditure based on the account (up to July) for the FY10 is shown in Chart a.3. Individually, the largest share is in Interest (32.3%) followed by Education (23.9%), Public Order and Safety (12.2%) and Defence (8.2%) and Health (7.1%).



a.4 Utilization up to July FY10

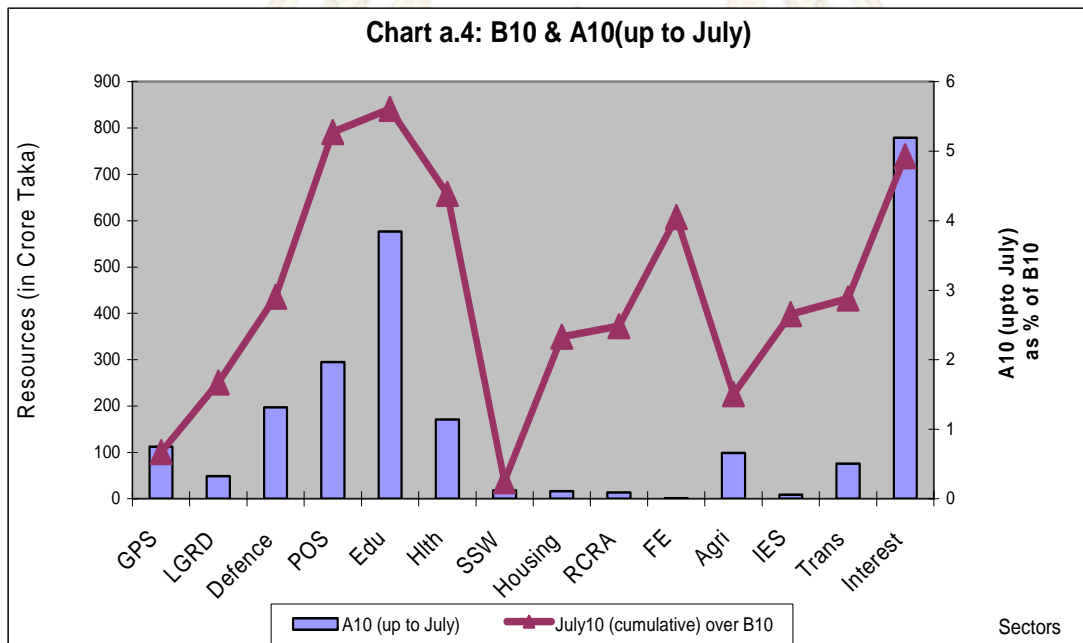
Sector-wise utilization of resources (up to July FY10) is shown in Table a.4 and Chart a.4 (presented in the next page). It appears that the following two sectors have a utilization rate more than 5.0%:

- ⇒ POS (5.3%)
- ⇒ Education (5.6%)

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 and up to July FY 10
(In Crore Taka)

Sectors	A09 (July)	A09 (Up to July)	A10 (July)	A10 (up to July)	July 10 over July'09 (in %)	Up to July10 over July 09	July10 (cumulative) over B10
GPS	112.5	112.5	112.2	112.2	99.7	99.7	0.7
LGRD	45.3	45.3	49.0	49.0	108.1	108.1	1.7
Defence	162.4	162.4	197.4	197.4	121.6	121.6	2.9
POS	237.3	237.3	294.9	294.9	124.3	124.3	5.3
Edu	505.3	505.3	576.8	576.8	114.1	114.1	5.6
Hlth	146.2	146.2	171.4	171.4	117.2	117.2	4.4
SSW	16.3	16.3	18.0	18.0	110.6	110.6	0.3
Housing	16.6	16.6	15.9	15.9	95.8	95.8	2.3
RCRA	12.5	12.5	13.2	13.2	105.8	105.8	2.5
FE	1.0	1.0	1.3	1.3	136.1	136.1	4.1
Agri	83.6	83.6	99.0	99.0	118.3	118.3	1.5
IES	10.7	10.7	9.0	9.0	84.2	84.2	2.7
Trans	75.0	75.0	75.9	75.9	101.2	101.2	2.9
Interest	630.3	630.3	779.0	779.0	123.6	123.6	4.9
Total	2054.9	2054.9	2412.9	2412.9	117.4	117.4	3.0



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). The following conclusions can be drawn on the basis of them:

- Until July FY10, maximum utilization of Revenue Expenditure as % of B09 has been carried out under two heads: Interest Payments (7.1%) and Pay and Allowance (6.1%).
- During the last Fiscal Year (A09), Domestic Interest Payments (22.1%) was 9.6 times larger than that of Foreign Interest Payment (2.3%).

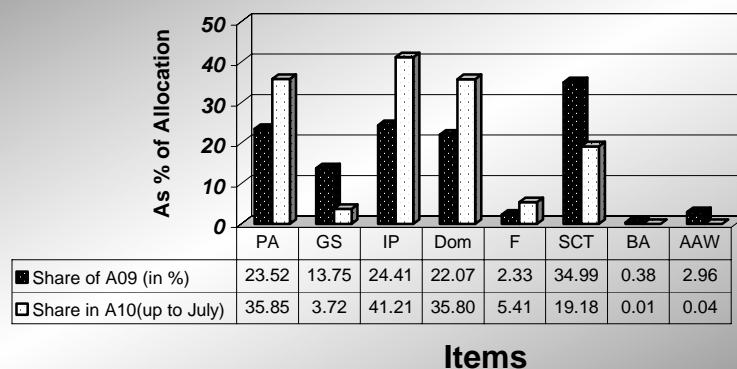
⇒ Up to July FY10, the following economic categories show a utilization rate of revenue expenditure more than 6.0%: Foreign interest payments (11.1%), Pay of officers (7.3%), Pay of establishment (7.2%) and Domestic interest payments (6.8%).

Table b: Revenue Expenditure by Economic Classification

In crore tk.

Description	RB09	B09	A09	A10 (up to July)	B10 as % of RB09	Share of A09 (in %)	A10 (up to July) as % B10
Pay and Allowances	15106.2	15989.0	13507.6	981.3	105.8	23.5	6.1
Pay of Officers	1249.5	1335.6	1196.7	97.1	106.9	2.1	7.3
Pay of Establishment	5771.9	6107.1	5374.8	442.1	105.8	9.4	7.2
Allowances	8084.7	8546.3	6936.1	442.0	105.7	12.1	5.2
Goods and Services	9163.9	8870.8	7895.1	101.8	96.8	13.7	1.1
Supplies and Services	6601.3	6323.9	5617.5	100.5	95.8	9.8	1.6
Repairs, Maintenance & Rehabilitation	2562.6	2546.9	2277.7	1.4	99.4	4.0	0.1
Interest Payments	13314.6	15808.5	14017.1	1128.2	118.7	24.4	7.1
Domestic	12003.3	14471.3	12676.2	980.0	120.6	22.1	6.8
Foreign	1311.3	1337.2	1340.9	148.2	102.0	2.3	11.1
Subsidies and Current Transfers	25888.9	25751.9	20097.1	525.0	99.5	35.0	2.0
Subsidies	8373.2	6988.7	6724.6	0.0	83.5	11.7	0.0
Grants in Aid	13852.9	15092.6	9790.1	305.2	108.9	17.0	2.0
Contributions to Intl Organisation	43.1	35.5	30.7	0.1	82.3	0.1	0.4
Pensions and Gratuties	3616.7	3632.1	3551.2	219.6	100.4	6.2	6.0
Block Allocation	420.5	4288.3	215.6	0.2	1019.8	0.4	0.0
Unexpected	183.0	900.0	32.1	0.0	491.8	0.1	0.0
Others	237.5	3388.2	183.5	0.2	1426.6	0.3	0.0
Acquisition of Assets and Works	2374.6	2270.1	1698.8	1.0	95.6	3.0	0.0
Acquisition of Assets	1803.7	1928.4	1113.5	1.0	106.9	1.9	0.1
Acquisition of Land Assets	279.0	44.8	277.9	0.0	16.1	0.5	0.0
Construction and Works	291.9	296.9	307.4	0.0	101.7	0.5	0.0
Net Total	67486.8	74183.7	57431.3	2737.5	109.9	100.0	3.7

Chart b: Rev Exp By Economic Classification



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.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 (RB09) of Development Expenditure for the FY09 was 12.9% less than the original budget (B09) and A09 was 26.8% less than RB09, B10 was 74.3% higher than A09 but only 29.3% higher than RB09.

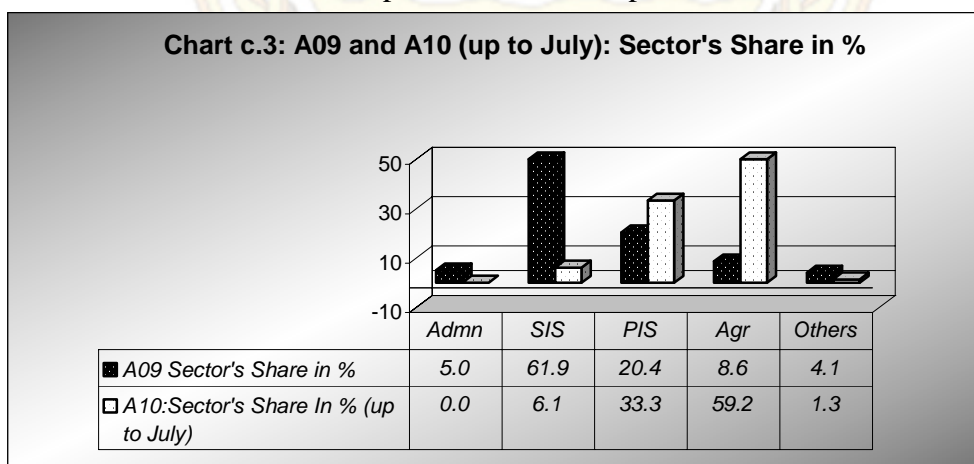
Table c.2: Development Expenditure Pattern by Sector⁵
(In Crore Taka)

Sectors	A08	B09	RB09	A09	B10	A10 (up to July)	A09 Sector's Share in %	A09 as% of RB09	B10 as % of RB09	RB09 as % of B09	B10 as % of A09	A10 as % of A09 (up to July)
GPS	771.8	1321.6	1432.2	430.9	1751.0	0.0	2.4	30.1	122.3	108.4	406.4	#DIV/0!
LG RD	4819.6	5745.3	5825.9	4898.9	7150.3	0.0	27.7	84.1	122.7	101.4	146.0	112.7
Defence	38.6	162.5	98.3	75.6	261.0	0.0	0.4	76.9	265.5	60.5	345.3	#DIV/0!
POS	251.2	574.0	506.6	382.7	721.2	0.0	2.2	75.6	142.4	88.3	188.4	46.7
Edu	2747.0	3495.9	3205.4	3078.5	4104.5	7.6	17.4	96.0	128.0	91.7	133.3	7617.6
Health	1949.7	2439.5	2615.0	1838.4	3075.3	0.0	10.4	70.3	117.6	107.2	167.3	24.0
SSW	707.1	2202.0	1597.2	401.6	1694.4	0.0	2.3	25.1	106.1	72.5	421.9	0.0
HCS	69.6	336.3	711.6	725.7	565.4	0.0	4.1	102.0	79.4	211.6	77.9	#DIV/0!
RCRA	237.7	395.9	269.1	218.1	339.5	0.1	1.2	81.0	126.1	68.0	155.6	124.4
FE	2832.7	4310.2	2876.3	1843.1	4278.5	18.8	10.4	64.1	148.8	66.7	232.1	28.6
AFL	1830.4	2316.0	2003.7	1528.4	2374.6	73.1	8.6	76.3	118.5	86.5	155.4	21762.5
IES	277.7	608.0	514.0	501.0	519.7	1.5	2.8	97.5	101.1	84.5	103.7	518.7
TC	2182.6	3466.5	2185.2	1766.6	3998.0	22.3	10.0	80.8	183.0	63.0	226.3	10933.7
Total	18715.7	27373.5	23840.5	17689.6	30833.2	123.4	100.0	74.2	129.3	87.1	174.3	184.9

Up to July FY10, actual development expenditure registers 84.9% increase compared to the corresponding period of the last year.

c.3 Development Expenditure: Sectoral Priority

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



- Sector-wise development expenditure up to July, FY10 indicates that the maximum share of expenditure has been spent by pro-poor sectors like agriculture (59.2%).

⁵ Notes: GPS = General Public Services, LG RD = 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 FY09 and FY10 (up to July)⁶.

Table d.1: Revenue Receipts: Reporting Scenario

(In Crore Taka)

	A08	B09	RB09	A09 (July)	A09 (Up to July)	A09	B10	A10 (July)	A10 (up to July)
Tax Rev(a+b)	48129	56789	55526	4423	4423	52858	63955	4464	4464
a. NBR	45816	54500	53000	4164	4164	50205	61000	4194	4194
a.1 Income	11669	13054	13538	988	988	13432	16560	1317	1317
a.2 VAT	16898	20249	20116	1631	1631	19116	22795	1501	1501
a.2i Import	6824	7174	8348	750	5893	8912	9670	810	7129
a.2ii Domestic	6531	8716	8665	617	5486	7963	10579	815	6052
a.3 Import	8768	10862	9570	840	840	8440	10430	627	627
a.4 Sup	7758	9528	9121	656	656	8534	10485	708	708
a.4i Import	1366	1402	1855	194	1515	2149	2122	185	1803
a.4ii Domestic	4605	5766	6115	482	4065	5609	7406	522	4239
a.5 EO	723	807	655	50	50	684	730	42	42
b. Non-NBR	2313	2289	2526	259	259	2653	2955	269	269
b.1 NL	51	50	52	5	5	55	55	5	5
b.2 Vehicles	517	550	550	50	50	655	660	49	49
b.3 Land	352	424	409	45	45	337	490	44	44
b.4 Stamp	1393	1265	1515	159	159	1606	1750	171	171
c. Non-tax Rev	11024	12592	13654	2278	2278	11121	15506	3838	3838
c.1 DP	2112	3426	3058	30	30	3093	3681	9	9
c.2 PO&R	442	795	800	35	35	550	858	29	29
c.3 T&T	1480	0	0	5	5	5	0	0	0
c.4 IFI	6990	8372	9797	2209	2209	7473	10968	3800	3800
Total Rev (a+b+c)	59153	69381	69180	6701	6701	63979	79461	8301	8301
d. GDP _{new}	535415.0	613111.0	614943	614943	614943	614943	686730	686730	686730
e. Tax-GDP Ratio	9.0	9.3	9.0	0.7	0.7	8.6	9.3	0.7	0.7
f. NBR (Source: NBR)	37219.32			3825.8	3825.8	52503.7		3729.8	3729.8
g. a as % of f	123.1			108.8	108.8	95.6		112.5	112.5

Table d.1 indicates that:

- In FY 09, the amount of the collected tax revenue was 8.6% of the estimated GDP.
- On monthly basis, the discrepancy between the data of NBR and CGA system is 12.5% in July FY10.

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

- While tax revenue collection estimates for the FY10 is 15.2% higher than RB09 of the FY09, it is 21.0% higher than the actual collection (A09).
- Up to July FY10, tax revenue collection for the FY10 registers 0.9% higher than the corresponding period of the previous FY09. At the same time, Non-NBR tax collection increased by 4.1% and Non-tax revenue collection increased by 68.5%.
- Up to July FY10, 10.4% of the budgeted revenue has been collected.

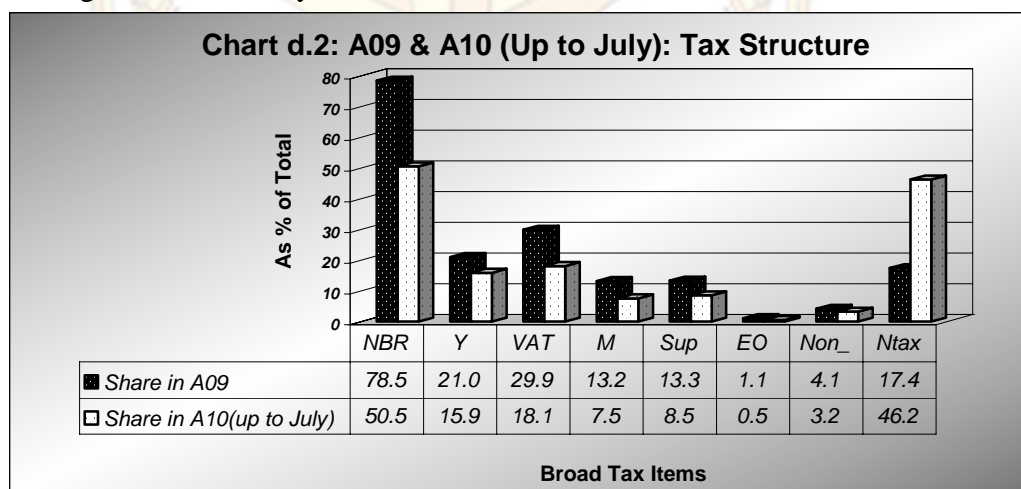
⁶ Notes: Income = Income/Profit/Property/Wealth, Sup=Supplementary + Excise, EO = Electricity + Others
 NL = Narcotics & Liquor, DP = Dividend & Profit, PO&R = Post Office + Railway
 IFT = Interest/Fees/Tolls & Other receipts

Table d.2: Revenue Receipts⁷: Growth and Structure

	(RB09/B09)*100	(B10/A09)*100	(B10/RB09)*100	Share in A09	(July'10/July'09)*100	(A10/A09)*100(up to July)	(A10 up to July/ B10)*100
Tax Rev(a+b)	97.8	121.0	115.2	82.6	100.9	100.9	7.0
a. NBR	97.2	121.5	115.1	78.5	100.7	100.7	6.9
a.1 Income	103.7	123.3	122.3	21.0	133.3	133.3	8.0
a.2 VAT	99.3	119.2	113.3	29.9	92.1	92.1	6.6
a.2i Import	116.4	108.5	115.8	13.9	108.0	121.0	73.7
a.2ii Domestic	99.4	132.8	122.1	12.4	132.1	110.3	57.2
a.3 Import	88.1	123.6	109.0	13.2	74.6	74.6	6.0
a.4 Sup	95.7	122.9	115.0	13.3	107.9	107.9	6.7
a.4i Import	132.3	98.8	114.4	3.4	95.2	119.0	84.9
a.4ii Domestic	106.1	132.0	121.1	8.8	108.3	104.3	57.2
a.5 EO	81.2	106.7	111.5	1.1	83.7	83.7	5.7
b. Non-NBR	110.4	111.4	117.0	4.1	104.1	104.1	9.1
b.1 NL	104.0	99.2	105.8	0.1	102.1	102.1	8.8
b.2 Vehicles	100.0	100.8	120.0	1.0	99.2	99.2	7.5
b.3 Land	96.5	145.7	120.0	0.5	97.9	97.9	9.0
b.4 Stamp	119.8	108.9	115.5	2.5	107.5	107.5	9.8
c. Non-tax Rev	108.4	139.4	113.6	17.4	168.5	168.5	24.7
c.1 DP	89.3	119.0	120.4	4.8	30.0	30.0	0.2
c.2 PO&R	100.6	156.0	107.3	0.9	82.6	82.6	3.4
c.3 T&T	#DIV/0!	0.0	#DIV/0!	0.0	0.0	0.0	0.0
c.4 IFT	117.0	146.8	112.0	11.7	172.0	172.0	34.6
Total Rev (a+b+c)	99.7	124.2	114.9	100.0	123.9	123.9	10.4

d.2 Revenue Structure

Chart d.2 presents tax structure for FY09 and FY 10 (up to July). Basic characteristics of the tax structure of Bangladesh can easily be seen from it.



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.

These are:

- There exists a huge dependence on indirect taxes.
- Only 15.9% of the revenue comes from income tax.
- The share of import revenue in total revenue has experienced a declining trend.

e. Budget Deficit

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

Table e.1: Budget Deficit over Time

(In Crore Taka)

Description	Accts. 2007-08	Year:2008-09			Accts. 2008-09 upto July	Year:2009-10			Accts. 2008-09	Accts. 2009-10 upto July
		Budget	Revised	Accts. July		Budget	Revised	Accts. July		
Revenues	59153.2	69380.9	69180.0	6700.9	6700.9	79461.4	0.0	8301.5	63979.1	8301.5
Tax Revenue	48128.8	56788.5	55525.6	4422.6	4422.6	63955.3	0.0	4463.8	52858.0	4463.8
Non-Tax Revenue	11024.4	12592.4	13654.4	2278.3	2278.3	15506.0	0.0	3837.7	11121.1	3837.7
Foreign Grants	2362.7	6346.0	4929.0	0.6	0.6	5130.0	0.0	1.1	1273.5	1.1
Revenue and Foreign Grants	61515.8	75726.9	74109.0	6701.5	6701.5	84591.4	0.0	8302.5	65252.6	8302.5
Non-Development Expenditure	61965.7	66756.0	67127.3	2740.5	2740.5	77246.3	0.0	2793.9	64955.1	2793.9
Net Outlay for Food Account	1416.8	699.9	4.1	154.9	154.9	326.2	0.0	45.4	4912.9	45.4
Loans & Advances (Net)	10970.1	1971.6	559.1	-66.3	-66.3	1630.6	0.0	-123.7	1832.7	-123.7
Development Expenditure	19467.2	29535.6	25701.4	67.6	67.6	34287.2	0.0	123.5	18273.5	123.5
Annual Development Programme	18282.7	25601.2	23000.0	66.8	66.8	30500.0	0.0	123.4	17559.9	123.4
Non-ADP FFW and Transfer	449.7	1777.8	1233.9	0.0	0.0	1138.8	0.0	0.0	145.1	0.0
Total Expenditure	89858.5	99963.1	94141.9	2731.1	2731.1	113822.3	0.0	2782.8	84236.5	2782.8
Overall Deficit (Including Grants)	-29774.8	-24236.2	-19234.0	2626.9	2626.9	-25052.6	0.0	1604.3	-15090.7	1604.3
(In percent of GDP)	-4.86	-3.95	-2.80	0.38	0.38	-3.65	0.00	0.23	-2.20	0.23
Overall Deficit (Excluding Grants)	-32137.5	-30582.2	-24163.0	2626.4	2626.4	-30182.6	0.0	1603.3	-16364.3	1603.3
(In percent of GDP)	-5.24	-4.99	-3.52	0.38	0.38	-4.40	0.00	0.23	-2.38	0.23

The above mentioned table provides the following aspects:

- Budget deficit up to July FY10 as % of the estimated GDP is 0.23%.
- Budget deficit (including grants) in FY09 as % of GDP is 2.2%.

f. Budget Financing

Table e.1 in the previous page presents the budget deficit position. The table presented below indicates the sources of financing the deficit and their shares.

Table f.1: Financing of Budget Deficit

(In Crore Taka)

Description	Accounts 2007-08	Year:2008-09			Accounts 2008-09 upto July	Year:2009-10			Accounts 2008-09	Accounts 2009-10 upto July
		Budget	Revised	Accounts July		Budget	Revised	Accounts July		
1.0 Foreign Borrowing-Net	6226.8	7236.0	5833.0	-204.3	-204.3	8672.4	0.0	-349.1	1484.3	-349.1
1.1 Foreign Borrowing	10599.3	11456.7	10214.8	187.1	187.1	13214.9	0.0	109.2	6149.7	109.2
1.2 Amortization	-4372.5	-4220.8	-4381.8	-391.4	-391.4	-4542.4	0.0	-458.4	-4665.4	-458.4
2.0 Domestic Borrowing	23548.1	17000.2	13401.0	-2422.7	-2422.7	16380.1	0.0	-1255.2	13606.4	-1255.2
2.1 Borrowing from Banking System (Net)	10329.5	13499.9	9901.0	1075.0	1075.0	12580.3	0.0	1172.6	9856.9	1172.6
2.1.1 Long-Term Debt (Net)	10265.9	-1799.8	9899.1	1075.0	1075.0	12577.4	0.0	1172.3	9900.3	1172.3
2.1.2 Short-Term Debt (Net)	63.6	15299.8	1.9	0.0	0.0	2.9	0.0	0.3	-43.3	0.3
2.2 Non-Bank Borrowing (Net)	5696.0	3500.3	3500.0	-3497.7	-3497.7	3799.8	0.0	-2427.8	3749.5	-2427.8
2.2.1 National Savings Schemes (Net)	2500.0	2786.0	2786.0	421.3	421.3	3276.9	0.0	911.6	3504.4	911.6
2.2.2 Others	3196.1	714.3	714.0	-3919.0	-3919.0	523.0	0.0	-3339.4	245.1	-3339.4
2.3 Non-Cash Bond (Liabilities of BPC)	7522.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total - Financing :	29774.8	24236.2	19234.0	-2626.9	-2626.9	25052.6	0.0	-1604.3	15090.7	-1604.3
(In percent of GDP) :	4.86	3.95	2.80	-0.38	-0.38	3.65	0.00	-0.23	2.20	-0.23
3.1 Non-Bank Borrowing (Source: NSD)				421.2	421.2			914.6		914.6
3.2 Bank Borrowing (Source: BB)								-933.7		-933.7
4.1 (2.2.1) as % of (3.1)				100.0	100.0			99.7		99.7
4.2 (2.1) as % of (3.2)								134.4		134.4

On annual and monthly basis, there are very small differences between NSD source and CGA source for Non-Bank borrowing. But data of bank borrowing from Bangladesh bank and CGA sources show a larger difference.

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 also for Revenue expenditure.

The major problematic areas are:

- Regarding expenditures up to July FY10, 7 (seven) Ministries/Divisions show a utilization of revenue resources more than 6.0%.
- Development expenditure remains underreported and poorly utilized.