

MONTHLY REPORT ON **FISCAL POSITION**

(June 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 June FY10, 93.8% of the **Revenue** target of the budget has been collected.
- **Non-development Revenue expenditure** incurred over this time is 88.9 % of the Budget for FY 10.
- **Development Expenditure** during the same period is about 76.3% of the development budget for the FY 10
- Expenditure data presented in this report is on preliminary basis. Final expenditure data will be public later on.
- **Overall Balance** up to JuneFY10 as percentage of the estimated GDP is about -3.02%.

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Monthly Report on Fiscal Position¹

June 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: Non-Development 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	B10	B09 as % of B08	A10 (up to June)	B10 as % of RB09	B10 as % of A09	A10 (up to June) as % RB10
GPS	11521.6	8513.6	6376.0	8.0	73.9	74.9	16736.1	145.3	7925.4	196.6	262.5	47.4
LGRD	1528.6	1604.9	1489.7	1.9	105.0	92.8	1562.6	102.2	1404.9	97.4	104.9	89.9
Defence	6482.4	6787.2	7074.3	8.8	104.7	104.2	6790.4	104.8	7202.3	100.0	96.0	106.1
POS	5327.3	5597.8	5299.7	6.6	105.1	94.7	5592.7	105.0	5458.1	99.9	105.5	97.6
Edu	9602.6	9328.9	9007.4	11.2	97.2	96.6	10282.5	107.1	11651.1	110.2	114.2	113.3
Hlth	3653.3	3581.1	3168.9	4.0	98.0	88.5	3905.2	106.9	3791.0	109.1	123.2	97.1
SSW	6059.0	5968.5	6272.7	7.8	98.5	105.1	7188.7	118.6	2850.1	120.4	114.6	39.6
Housing	649.7	649.5	643.6	0.8	100.0	99.1	683.2	105.2	710.2	105.2	106.2	103.9
RCRA	501.0	730.7	706.1	0.9	145.8	96.6	532.2	106.2	624.5	72.8	75.4	117.3
FE	30.9	31.3	29.4	0.0	101.2	93.9	32.2	104.0	111.4	102.7	109.4	346.5
Agri	6959.6	8410.8	7742.2	9.7	120.9	92.1	6575.7	94.5	8728.2	78.2	84.9	132.7
IES	353.6	382.8	369.6	0.5	108.3	96.6	338.7	95.8	378.1	88.5	91.6	111.6
Trans	2673.0	2701.1	2477.3	3.1	101.1	91.7	2634.4	98.6	2532.3	97.5	106.3	96.1
Interest	12565.2	13314.6	15363.2	19.2	106.0	115.4	15808.5	125.8	13204.4	118.7	102.9	83.5
ISE	3905.0	2074.4	5469.4	6.8	53.1	263.7	5565.8	142.5	3561.2	268.3	101.8	64.0
PFNDB	1151.8	477.7	1420.4	1.8	41.5	297.3	1008.4	87.6	641.5	211.1	71.0	63.6
NDRE	69059.7	68080.4	80083.8	100.0	98.6	117.6	75579.9	109.4	67213.5	111.0	94.4	88.9

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, PFNDB=Program Financed from Non-Development Budget, TNDRE=Total Non-Development Revenue Expenditure

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

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 June FY 10 was 12.3% higher than the corresponding period of the previous fiscal year.
- ⇒ Up to June FY10, 88.9% of the Revenue Budget for the FY 10 has been spent.

Table a.2: Ministry-wise Expenditure Non-Development Expenditure: Up to June FY10 (Tk.Crore)

	A08	B09	RB09	A09 (June)	A09 (Up to June)	A09	B10	RB10	A10(June)	A10 (up to June)	A10 (up to June) as % RB10	A10 as % A09(June)	A10 as % A09 (up to June)
Sub-total = GPS	7232.5	11521.6	8513.6	2038.1	6284.6	6376.0	16736.1	12712.5	3837.4	7925.4	62.3	188.3	126.1
President	5.9	6.5	6.9	0.6	6.6	6.6	6.8	8.8	0.7	8.1	93.0	109.9	124.0
Parliament	17.5	40.7	45.3	9.6	33.2	33.6	59.4	73.1	11.1	64.4	88.1	115.8	194.3
PMO	80.9	87.8	94.5	15.2	79.6	79.3	92.8	150.8	41.9	139.1	92.3	275.5	174.8
Cabinet Div	13.3	15.8	16.0	1.9	12.2	12.2	18.5	31.3	4.1	20.2	64.7	217.9	165.9
Election Com	78.6	462.3	461.8	14.8	327.8	336.5	355.5	338.8	9.0	44.1	13.0	60.8	13.4
Estab	578.4	670.1	695.5	94.7	633.8	643.5	662.9	740.4	137.8	676.2	91.3	145.5	106.7
PSC	8.2	12.5	12.9	2.0	11.9	11.8	13.9	17.4	3.4	16.5	95.3	174.2	139.5
Finance Div	5282.1	8904.6	5759.9	1694.8	3929.1	3918.6	14175.1	9618.3	3460.6	5592.2	58.1	204.2	142.3
Banking Division			0.0	0.0	0.0	0.0	0.0	281.3	111.2	0.0	0.0	0.0	0.0
IRD	714.2	826.1	877.8	130.0	750.9	833.2	784.9	861.6	138.0	783.4	90.9	106.1	104.3
ERD	62.2	85.0	87.3	19.7	65.5	65.7	78.9	127.7	1.2	113.6	88.9	6.2	173.5
Planning Div	89.3	95.9	104.9	12.3	97.7	97.9	121.1	133.6	16.2	134.0	100.3	132.3	137.2
IMED	6.0	6.1	8.0	1.4	6.7	6.6	8.8	10.3	1.7	9.6	92.9	126.2	143.6
Foreign Aff	295.7	307.6	341.9	40.8	328.9	329.6	356.7	571.2	0.4	310.5	54.4	0.9	94.4
Tax Ombudsman	0.0	0.0	0.0	0.2	0.9	0.9	1.0	1.3	0.1	1.1	89.1	70.6	126.7
Sub-total = LGRD	1337.8	1528.6	1604.9	192.7	1267.3	1489.7	1562.6	1632.3	264.4	1404.9	86.1	137.2	110.9
LGD	980.3	1103.3	1189.4	154.3	1080.3	1082.2	1195.9	1253.3	217.2	1204.7	96.1	140.7	111.5
RD Div	146.6	178.1	185.4	36.0	178.2	177.9	168.5	188.5	42.8	187.7	99.5	118.8	105.3
CHT	210.8	247.2	230.1	2.4	8.8	229.6	198.2	190.4	4.3	12.5	6.6	183.6	142.2
Sub-total = Defence	6635.9	6482.4	6787.2	1672.6	6175.9	7074.3	6790.4	7743.4	2714.6	7202.3	93.0	162.3	116.6
Def. Service	6535.1	6375.1	6676.8	1651.1	6042.3	6938.6	6675.3	7612.0	2676.2	7038.4	92.5	162.1	116.5
Def.- Others	100.8	107.3	110.4	21.5	133.6	135.7	115.2	131.3	38.4	163.9	124.8	178.3	122.6
Sub-total=POS	4483.9	5327.3	5597.8	725.1	4905.4	5299.7	5592.7	6190.9	921.7	5458.1	88.2	127.1	111.3
Law & Justice	228.9	335.9	292.6	40.0	286.2	286.2	278.8	377.8	53.2	373.1	98.8	132.9	130.4
Legislative & Parliament			0.0	0.0	0.0	0.0	0.0	53.3	5.9	0.0	0.0	0.0	0.0
Supreme Court	28.8	31.8	37.1	3.1	35.4	35.4	37.3	54.5	7.9	53.1	97.4	255.9	150.1
Judiciary Service Commission			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	#DIV/0!	0.0	0.0
Home Aff.	4202.3	4940.2	5241.4	679.7	4562.1	4956.4	5254.2	5729.3	856.6	5007.8	87.4	126.0	109.8
Anti Corruption Commission	23.8	19.4	26.8	2.3	21.8	21.8	22.4	23.9	3.4	23.5	98.3	148.1	107.6
Sub-total = Edu	8143.3	9602.6	9328.9	949.0	9022.2	9007.4	10282.4	11796.0	1332.4	11651.1	98.8	140.4	129.1
PME	2984.5	3602.7	3464.4	386.1	3284.1	3281.8	3749.5	4019.3	495.6	4139.0	103.0	128.3	126.0
Education	5053.9	5868.3	5732.7	534.1	5613.5	5601.3	6293.6	7519.9	784.6	7360.7	97.9	146.9	131.1
Sc. & Tech	104.9	131.6	131.8	28.8	124.6	124.3	239.5	256.8	52.2	151.3	58.9	181.2	121.4
Sub-total = Health	2613.8	3653.3	3581.1	645.4	3168.6	3168.9	3905.2	4003.6	838.2	3791.0	94.7	129.9	119.6
HFW	2613.8	3653.3	3581.1	645.4	3168.6	3168.9	3905.2	4003.6	838.2	3791.0	94.7	129.9	119.6
Sub-total = SSW	2753.1	6059.0	5968.5	241.1	2774.2	6272.7	7188.7	2897.3	111.7	2850.1	98.4	46.3	102.7
Social Wel.	741.9	918.6	921.0	72.3	909.8	909.8	1191.2	1202.6	61.3	1189.3	98.9	84.9	130.7
Women Aff.	821.1	1215.5	1098.1	92.0	356.6	1118.9	1129.7	1058.3	22.3	446.2	42.2	24.2	125.1
Liberation Aff.	105.7	159.1	160.5	-0.1	158.0	158.1	292.3	307.5	11.2	303.0	98.5	-14193.8	191.7
Food	1084.4	3765.9	3788.9	76.9	1349.7	4085.8	4575.5	329.0	16.9	911.7	277.1	22.0	67.5
Disaster Management	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35645.3	1376.4	0.0	0.0	0.0	0.0
Sub-total = HCS	607.1	649.7	649.5	187.5	648.2	643.6	683.2	713.2	218.5	710.2	99.6	116.5	109.6
Housing	607.1	649.7	649.5	187.5	648.2	643.6	683.2	713.2	218.5	710.2	99.6	116.5	109.6
Sub-total = RCRA	531.3	501.0	730.7	341.3	697.2	706.1	532.2	724.2	145.2	624.5	86.2	42.5	89.6
Information	296.7	245.4	457.7	279.2	452.7	454.3	265.3	310.8	59.7	310.6	99.9	21.4	68.6
Cultural Aff.	60.5	63.1	64.8	14.7	64.5	64.5	63.4	82.2	16.9	75.8	92.1	115.3	117.5
Religious Aff.	59.3	61.0	62.3	18.7	61.7	61.7	62.1	76.1	28.1	70.9	93.1	150.1	114.8
Youth	114.8	131.5	145.8	28.7	118.4	125.6	141.5	255.1	40.5	167.2	65.6	141.3	141.3
Sub-total = FE	32.7	30.9	31.3	6.9	29.9	29.4	32.2	36.9	83.0	111.4	301.7	1205.2	372.5
Energy	24.4	26.9	27.7	6.6	26.7	26.7	27.7	32.5	82.3	107.0	329.4	1253.8	400.7
Power	8.4	4.0	3.6	0.3	3.2	2.7	4.4	4.4	0.7	4.4	99.1	204.7	137.6
Sub-total = Agr	6649.6	6959.6	8410.8	1787.6	7739.2	7742.2	6575.7	8108.1	3004.1	8728.2	107.6	168.1	112.8
Agriculture	5337.5	5516.2	6867.8	1375.5	6249.3	6253.3	5069.6	5751.8	2540.6	6444.3	112.0	184.7	103.1
Fisheries	323.0	379.8	406.4	61.4	357.3	357.4	398.4	473.1	86.9	413.2	87.3	141.6	115.6
Environment	159.1	177.9	178.7	26.9	168.8	168.4	190.7	769.0	41.2	760.7	98.9	153.3	450.6
Land	317.7	340.8	351.7	42.2	357.6	357.1	370.0	415.9	54.1	410.3	98.7	128.4	114.7
Water	512.3	544.9	606.2	281.6	606.1	606.1	547.1	698.3	281.2	699.7	100.2	99.9	115.4
Sub-total = IES	327.5	353.6	382.8	47.1	368.7	369.6	338.7	396.2	150.2	378.1	95.4	318.9	102.6
Industries	160.8	161.4	164.2	17.6	163.7	163.6	64.0	77.5	27.8	78.8	101.7	158.6	48.1
Jute and Text	50.8	48.6	55.7	11.6	55.7	55.7	48.8	63.2	15.2	61.6	97.4	131.6	110.5
Commerce	53.0	73.6	79.9	11.8	77.6	78.9	77.9	82.4	24.4	76.6	93.0	207.3	98.7
Labour	20.6	23.7	24.1	2.7	24.8	24.6	23.4	35.4	7.0	33.1	93.7	264.8	133.8
Expatriates	42.4	46.3	58.8	3.5	46.8	46.9	124.5	137.7	75.7	128.0	92.9	2144.8	273.3
Sub-total = TC	3030.1	2673.0	2701.1	599.4	2371.1	2477.3	2634.4	2970.7	579.6	2532.3	85.2	96.7	106.8
Roads & Railways	1992.9	2288.2	2261.4	503.0	1910.5	2047.7	2208.6	2443.0	478.2	2025.5	82.9	95.1	106.0
Bridges Division			0.0	10.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0
Shipping	55.3	71.4	100.5	45.9	99.3	99.3	103.8	142.2	52.0	130.1	91.5	113.4	131.0
Civil Aviation	6.8	6.3	6.5	0.7	9.9	9.9	6.4	8.3	2.3	11.5	139.7	333.1	117.1
Post&Tele.	975.1	306.2	332.7	49.9	351.4	320.5	314.6	377.3	47.0	365.2	96.8	94.3	103.9
Sub-total = Interest	13738.7	12565.2	13314.6	1145.7	14017.1	15363.2	15808.5	14646.2	1151.9	13204.4	90.2	100.5	94.2
Domestic	12314.3	11274.0	12003.3	1027.5	12676.2	14022.3	14471.3	13255.0	1022.4	11963.5	90.3	99.5	94.4
Foreign	1424.4	1291.3	1311.3	118.3	1340.9	1340.9	1337.2	1391.2	129.5	1241.0	89.2	109.5	92.6
Investment in Share and Equities	2886.4	3905.0	2074.4	1183.4	1663.2	1663.1	5469.4	5565.8	3048.7	3561.2	64.0	257.6	214.1
Augmented Non-Development Revenue Expe	58117.3	67907.8	67602.6	10579.6	59469.4	66020.0	78663.4	74571.5	15353.0	66572.1	89.3	145.1	111.9
Programmes Financed from Non-Dev. Budget	427.0	1151.8	477.7	137.9	386.6	393.4	1420.4	1008.4	342.1	641.5	63.6	248.1	165.9
Non-Development Revenue Expenditure	58544.3	69059.7	68080.4	10717.4	59856.1	66413.4	80083.8	75579.9	15695.1	67213.5	88.9	146.4	112.3

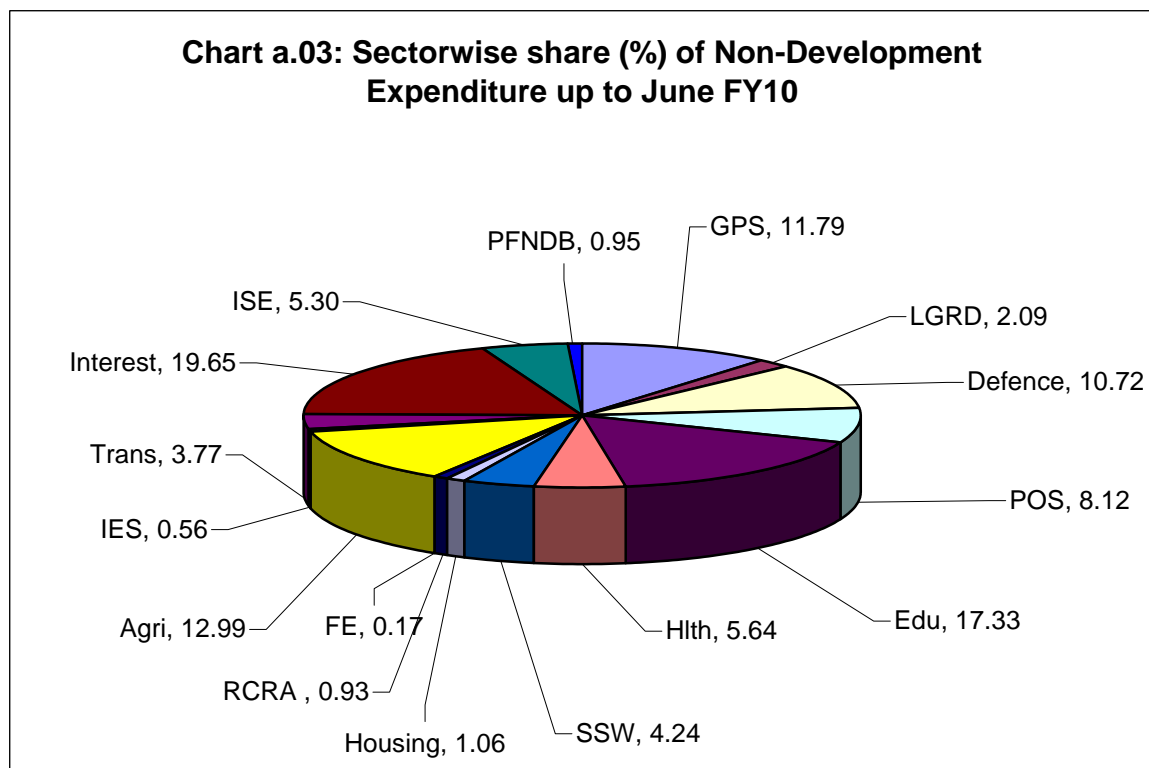
⇒ Regarding expenditures up to June FY10, 23 (twenty six) Ministries/Divisions show a utilization of revenue resources more than 95%.

a.3 Revenue Expenditure: Broad Sector-wise Allocation

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

Broad Sectors	Admn	SIS	PIS	Agri	Interest
Sector's Share of A09	23.4	25.7	3.1	9.7	19.2
Sector's Share of B10	38.5	31.3	3.5	8.7	20.9
Sector's Share of A10 (Upto June)	30.6	30.4	3.9	13.0	19.6

A detail of sector-wise share of revenue expenditure based on the account (up to June) for the FY10 is shown in Chart a.3. Individually, the largest share is in Interest (19.65%) followed by Education (17.33%), Agriculture (12.99%), Defence (10.72%) and Public Order and Safety (8.12%).



a.4 Utilization up to June FY10

Sector-wise utilization of resources (up to June FY10) is shown in Table a.4 and Chart a.4 (presented in the next page). It appears that the following seven sectors have a utilization rate more than 100%:

- ⇒ Education (113.3%)
- ⇒ Defense (106.1%)
- ⇒ Housing (103.9%)

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

- ⇒ RCRA (117.3%)
- ⇒ FE (346.5%)
- ⇒ Agriculture (132.7%)
- ⇒ IES (11.6%)

Table a.4: Resource Utilization Pattern of Non-Development Expenditure up to June, FY10 (In Crore Taka)

Sectors	A09 (June)	A09 (Up to June)	A10 (June)	A10 (up to June)	June10 over June'09 (in %)	Up to June10 over June 09	June10 (cumulative) over B10
GPS	2038.1	6284.6	3837.4	7925.4	188.3	126.1	47.4
LGRD	192.7	1267.3	264.4	1404.9	137.2	110.9	89.9
Defence	1672.6	6175.9	2714.6	7202.3	162.3	116.6	106.1
POS	725.1	4905.4	921.7	5458.1	127.1	111.3	97.6
Edu	949.0	9022.2	1332.4	11651.1	140.4	129.1	113.3
Hlth	645.4	3168.6	838.2	3791.0	129.9	119.6	97.1
SSW	241.1	2774.2	111.7	2850.1	46.3	102.7	39.6
Housing	187.5	648.2	218.5	710.2	116.5	109.6	103.9
RCRA	341.3	697.2	145.2	624.5	42.5	89.6	117.3
FE	6.9	29.9	83.0	111.4	1205.2	372.5	346.5
Agri	1787.6	7739.2	3004.1	8728.2	168.1	112.8	132.7
IES	47.1	368.7	150.2	378.1	318.9	102.6	111.6
Trans	599.4	2371.1	579.6	2532.3	96.7	106.8	96.1
Interest	1145.7	14017.1	1151.9	13204.4	100.5	94.2	83.5
ISE	1183.4	1663.2	1663.1	3561.2	140.5	214.1	64.0
PFNDB	137.9	386.6	393.4	641.5	285.3	165.9	63.6
NDRE	10717.4	59856.1	15695.1	67213.5	146.4	112.3	88.9

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 June FY10, maximum utilization of Revenue Expenditure as % of B10 has been carried out in two heads: Pay and Allowance (89.3%) and Interest Payments (90.2%).
- During the last Fiscal Year (A09), Domestic Interest Payments (22.1%) was 9.6 times larger than that of Foreign Interest Payment (2.3%).

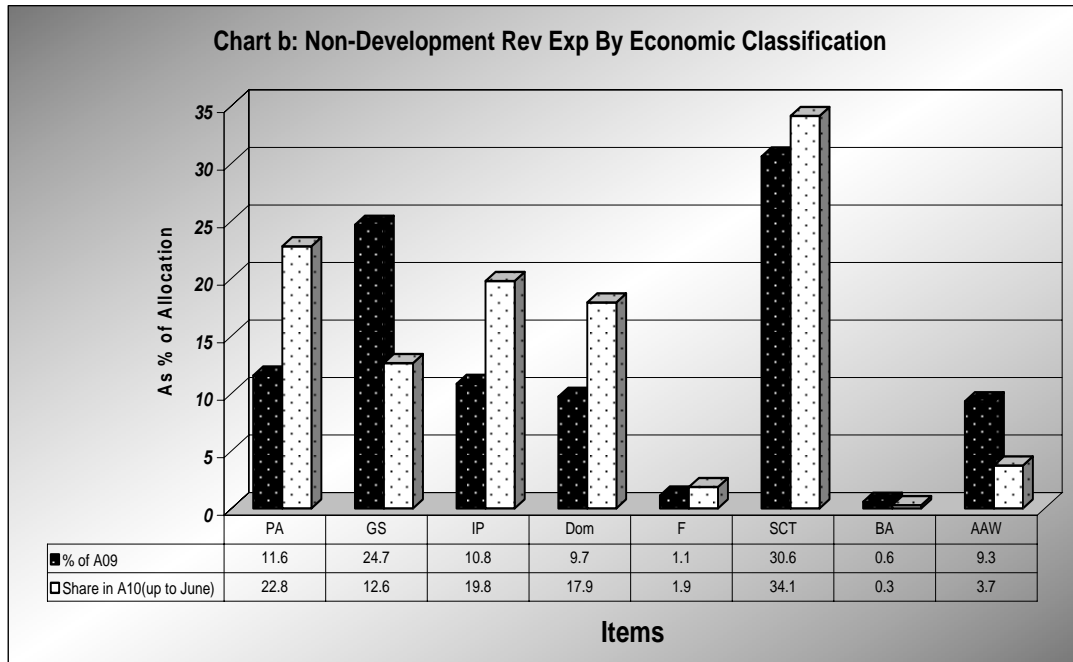
⇒ Up to June FY10, the following economic categories show a utilization rate of revenue expenditure more than 100%: Repairs, maintenance and rehabilitation (104.6%), Pension and gratuities (110.6%), Equity investment (130.2%), Investment and Recapitalization (100.0%) and Block Allocation (141.4%)

Table b: Non-Development Revenue Expenditure by Economic Classification

In crore tk.

Description	RB09	B09	A09	A10 (up to June)	B10 as % of RB09	% of A09	A10 (up to June) as % RB10
Pay and Allowances	15106.2	15989.0	13864.2	15221.7	105.8	11.6	89.3
Pay of Officers	1249.5	1335.6	1196.0	1675.6	106.9	1.0	91.1
Pay of Establishment	5771.9	6107.1	5476.9	7227.6	105.8	4.6	86.8
Allowances	8084.7	8546.3	7191.2	6318.4	105.7	6.0	91.9
Goods and Services	9163.9	8870.8	8226.8	8437.9	96.8	24.7	87.1
Supplies and Services	6601.3	6323.9	5927.6	5545.3	95.8	14.9	80.1
Repairs, Maintenance & Rehabilitation	2562.6	2546.9	2299.3	2892.6	99.4	9.7	104.6
Interest Payments	13314.6	15808.5	15363.2	13204.4	118.7	10.8	90.2
Domestic	12003.3	14471.3	14022.3	11963.5	120.6	9.7	90.3
Foreign	1311.3	1337.2	1340.9	1241.0	102.0	1.1	89.2
Subsidies and Current Transfers	25888.9	25751.9	24646.1	22792.2	99.5	30.6	81.6
Subsidies	8373.2	6988.7	7388.2	6353.1	83.5	15.4	83.1
Grants in Aid	13852.9	15092.6	13520.6	12255.5	108.9	11.7	74.6
Contributions to Intl Organisation	43.1	35.5	34.1	20.5	82.3	0.1	23.8
Write-off of loans & advances	3.0	3.0	0.6	1.1	100.0	0.0	37.6
Pensions and Gratuities	3616.7	3632.1	3702.7	4162.0	100.4	3.4	110.6
Block Allocation	420.5	4288.3	183.9	357.6	1019.8	0.6	59.8
Unexpected	183.0	900.0	2.6	142.9	491.8	0.2	44.2
Others	237.5	33883.2	181.4	214.7	1426.6	0.4	78.1
Deduct	-1218.1	-1197.0	0.0	0.0	98.9	0.0	0.0
Recoveries	-1218.1	-1197.0	0.0	0.0	98.9	0.0	0.0
Non-Development Revenue Expenditure (A)	62675.9	60745.2	62284.2	60013.9	110.9	78.2	87.3
Acquisition of Assets and Works (B)	2374.6	1890.5	1677.9	2497.1	95.6	9.3	87.6
Acquisition of Assets	1803.7	1481.2	1123.3	2115.0	106.9	6.4	87.6
Acquisition of Land Assets	279.0	121.2	285.0	51.4	16.1	1.3	55.3
Construction and Works	291.9	288.1	269.6	330.7	101.7	1.7	96.7
Augmented Non-Development Revenue Expenditure (A+B)	65050.5	62635.7	63962.1	62511.0	110.3	87.5	87.4
Investments in Shares and Equities (C)	2074.4	4117.0	1663.1	3561.2	263.7	11.2	64.0
Share Capital	349.4	3170.0	35.2	87.5	586.6	0.2	3.3
Equity Investment	215.0	215.0	125.0	2473.7	1116.3	0.0	130.2
Investment for Recapitalisation	1500.0	500.0	1482.3	1000.0	66.7	10.8	100.0
Others	10.0	232.0	20.7	0.0	200.0	0.2	0.1
Programmes Financed from Non-Development Budget (D)	477.7	1151.8	393.4	727.4	297.3	1.3	72.1
Detail Estimates	243.6	199.4	210.2	381.3	88.8	0.8	49.9
Block Allocation	234.2	952.4	183.2	346.1	514.2	0.5	141.4
Total - Non-Development Expenditure (A+B+C+D) :	67602.6	67904.6	66018.7	66799.6	116.4	100.0	85.5

Chart b presents Non-Development Revenue Expenditure by Economic Classification of FY09 and FY10.



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

Table c.1 presents the Ministry-wise development resource utilization pattern indicating that:

- ⇒ Up to June FY10, 76.3% of the Development Budget for the FY10 has been spent. But the June final development expenditure will be more as some of the expenditure is yet to be included in the database now.

Table c.1: Development Expenditure: Ministry-wise Expenditure Pattern Up to June, FY10

- ⇒ 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

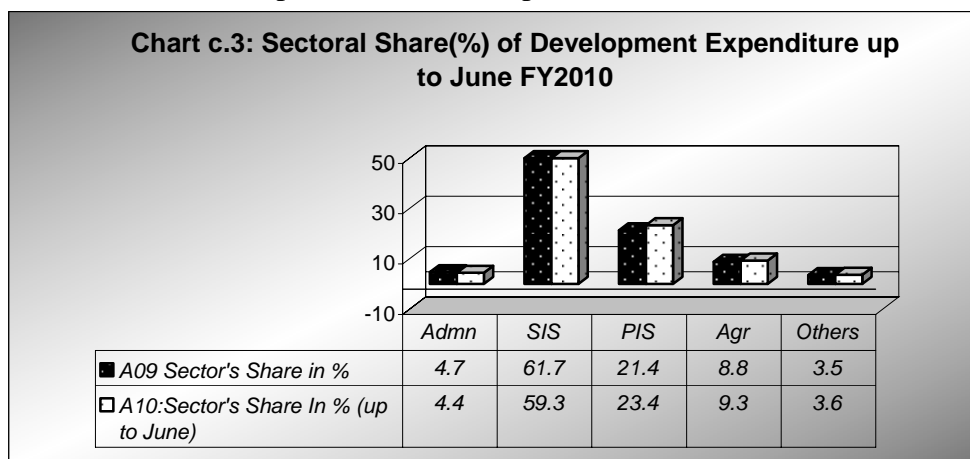
(In Crore Taka)

Sectors	A08	B09	RB09	A09	B10	A10 (up to June)	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 June)
GPS	783.0	1321.6	1432.2	500.7	1751.0	487.2	2.4	35.0	122.3	108.4	349.7	113.1
LGRD	4816.2	5745.3	5825.9	5416.0	7150.3	6662.6	26.1	93.0	122.7	101.4	132.0	136.0
Defence	130.3	162.5	98.3	82.1	261.0	55.2	0.4	83.5	265.5	60.5	317.8	73.0
POS	251.0	574.0	506.6	388.3	721.2	526.7	1.9	76.7	142.4	88.3	185.7	137.3
Edu	2747.0	3495.9	3205.4	3090.7	4104.5	4188.9	14.9	96.4	128.0	91.7	132.8	136.1
Health	1960.1	2439.5	2615.0	1932.4	3075.3	2374.8	9.3	73.9	117.6	107.2	159.1	129.2
SSW	754.3	2202.0	1597.2	1612.3	1694.4	545.0	7.8	100.9	106.1	72.5	105.1	135.2
HCS	167.8	336.3	711.6	728.6	565.4	537.1	3.5	102.4	79.4	211.6	77.6	73.7
RCRA	237.7	395.9	269.1	218.1	339.5	399.4	1.1	81.0	126.1	68.0	155.6	183.1
FE	2829.8	4310.2	2876.3	2519.9	4278.5	2851.5	12.2	87.6	148.8	66.7	169.8	154.7
AFL	1826.7	2316.0	2003.7	1817.5	2374.6	2239.8	8.8	90.7	118.5	86.5	130.7	146.5
IES	284.5	608.0	514.0	506.2	519.7	478.5	2.4	98.5	101.1	84.5	102.7	95.5
TC	2243.7	3466.5	2554.0	1903.8	4798.8	2784.8	9.2	74.5	187.9	73.7	252.1	155.1
Total	19032.1	27373.5	24209.3	20716.6	31634.0	24131.5	100.0	85.6	130.7	88.4	152.7	136.2

Up to June FY10, actual development expenditure registers 36.2% 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 June FY10 indicates that the maximum share of expenditure has been spent by pro-poor sectors like social infrastructure related ministries (59.3%), followed by Physical infrastructure related ministries (23.4%).

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 FY09 and FY10 (up to June)⁶.

Table d.1: Revenue Receipts: Reporting Scenario

	A08	B09	RB09	A09 (June)	A09 (Up to June)	A09	B10	A10 (June)	A10 (up to June)
	<i>(In Crore Taka)</i>								
Tax Rev(a+b)	48132	56789	55526	6985	52858	52869	63955	8993	62463
a. NBR	45819	54500	53000	6643	50205	50216	61000	8670	59720
a.1 Income	11669	13054	13538	2502	13432	13434	16560	3495	16227
a.2 VAT	16901	20249	20116	2351	19116	19119	22795	2929	23063
a.3 Import	8768	10862	9570	842	8440	8440	10430	1017	8866
a.4 Sup	7758	9528	9121	909	8534	8538	10485	1183	10798
a.5 EO	723	807	655	39	684	684	730	46	765
b. Non-NBR	2313	2289	2526	342	2653	2653	2955	323	2743
b.1 NL	51	50	52	7	55	55	55	7	58
b.2 Vehicles	517	550	550	122	655	655	660	81	648
b.3 Land	352	424	409	71	337	337	490	75	401
b.4 Stamp	1393	1265	1515	141	1606	1606	1750	160	1636
c. Non-tax Rev	11337	12592	13654	804	11121	11699	15506	1106	12063
c.1 DP	2112	3426	3058	230	3093	3093	3681	81	2126
c.2 PO&R	717	795	800	69	550	810	858	103	548
c.3 T&T	1516	0	0	0	5	5	0	0	0
c.4 IFT	6992	8372	9797	505	7473	7791	10968	923	9389
Total Rev (a+b+c)	59469	69381	69180	7789	63979	64567	79461	10099	74526
d. GDP _{new}	535415.0	613111.0	614943	614943	614943	614943	686730	686730	686730
e. Tax-GDP Ratio	9.0	9.3	9.0	1.1	8.6	8.6	9.3	1.3	9.1
f. NBR (Source: NBR)				7821	52527.0	52525.61		9351.0	62007.0
g. a as % of f				84.9	95.6	95.6		92.7	96.3

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 7.3% in June FY10.
- On cumulative basis, the discrepancy between the data of NBR and CGA system is 3.7% up to June 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 June FY10, tax revenue collection for the FY10 registers 18.2% growth over the corresponding period of the previous FY09. At the same time, Non-NBR tax collection increased by 3.4% and Non-tax revenue collection increased by 8.5%.
- Up to June FY10, 93.8% 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	(June'10/June'09)*100	(A10/A09)*100(up to June)	(A10 up to June/ B10)*100
Tax Rev(a+b)	97.8	121.0	115.2	81.9	128.7	118.2	97.7
a. NBR	97.2	121.5	115.1	77.8	130.5	119.0	97.9
a.1 Income	103.7	123.3	122.3	20.8	139.7	120.8	98.0
a.2 VAT	99.3	119.2	113.3	29.6	124.5	120.6	101.2
a.3 Import	88.1	123.6	109.0	13.1	120.8	105.0	85.0
a.4 Sup	95.7	122.8	115.0	13.2	130.1	126.5	103.0
a.5 EO	81.2	106.7	111.5	1.1	119.7	111.9	104.8
b. Non-NBR	110.4	111.4	117.0	4.1	94.5	103.4	92.8
b.1 NL	104.0	99.3	105.8	0.1	101.8	103.7	104.6
b.2 Vehicles	100.0	100.8	120.0	1.0	66.0	99.0	98.2
b.3 Land	96.5	145.7	120.0	0.5	105.9	119.3	81.9
b.4 Stamp	119.8	108.9	115.5	2.5	113.0	101.8	93.5
c. Non-tax Rev	108.4	132.5	113.6	18.1	137.6	108.5	77.8
c.1 DP	89.3	119.0	120.4	4.8	35.1	68.7	57.8
c.2 PO&R	100.6	105.9	107.3	1.3	148.3	99.7	63.9
c.3 T&T	0.0	0.0	0.0	0.0	-610.5	0.3	0.0
c.4 IFT	117.0	140.8	112.0	12.1	182.8	125.6	85.6
Total Rev(a+b+c)	99.7	123.1	114.9	100.0	129.7	116.5	93.8

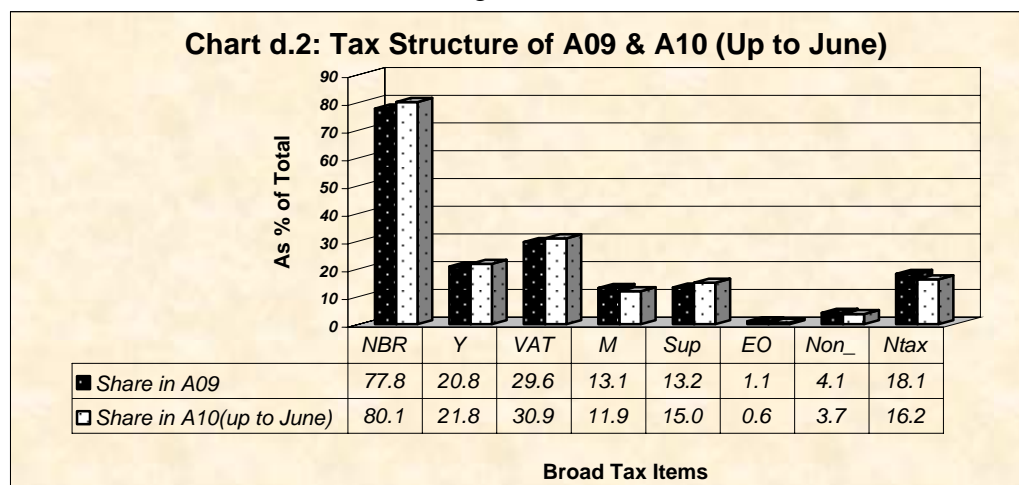
Notes: Income = Income/Profit/Property/Wealth, Sup=Supplementary+Excise, EO = Electricity+Others

NL = Narcotics & Liquor, DP = Dividend & Profit, PO&R = Post Office+Railway

IFT = Interest/Fees/Tolls & Other receipts

d.2 Revenue Structure

The following Chart d.2 presents tax structure for FY09 and FY 10 (up to June) which portrays the basic characteristics of the tax structure of Bangladesh.



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:

- Indirect taxes account for the major share of total tax revenue and NBR revenue represents around 80% of the total revenue. Only 21.8% 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 June	Year:2009-10			Accts. 2008-09	Accts. 2009-10 upto June
		Budget	Revised	Accts. June		Budget	Revised	Accts. June		
Revenues	59469.4	69380.9	69180.0	7788.9	63979.1	79461.4	79481.4	10099.0	64567.3	74525.8
Tax Revenue	48132.1	56788.5	55525.6	6985.4	52858.1	63955.3	63956.1	8993.1	52868.6	62462.6
Non-Tax Revenue	11337.3	12592.4	13654.4	803.5	11121.0	15506.0	15525.3	1105.9	11698.7	12063.3
Foreign Grants	2445.0	6346.0	4929.0	450.9	1273.5	5130.0	3742.0	290.5	2130.7	1753.2
Revenue and Foreign Grants	61914.4	75726.9	74109.0	8239.8	65252.6	84591.4	83223.4	10389.5	66698.1	76279.1
Non-Development Expenditure	57690.3	66756.0	67124.9	10441.7	59082.8	77243.0	77127.5	15148.5	65626.6	66073.5
Net Outlay for Food Account Operation	1420.7	699.9	4.1	966.6	4912.9	326.2	60.8	810.3	57.0	2707.9
Loans & Advances (Net)	10968.9	1971.6	559.1	516.8	1832.7	1630.6	1187.1	839.3	1833.0	941.9
Structural Adjustment Programme	788.3	1000.0	750.0	15.0	121.8	332.0	332.0	56.0	121.8	237.4
Development Expenditure	19826.5	29535.6	25701.4	6248.9	18362.3	34287.2	31816.7	6653.4	21685.1	25316.0
Development Program financed from Revenue Budget										
Non-ADP Project	427.0	1151.8	477.7	137.9	386.6	1420.5	1009.1	375.3	393.4	727.4
Annual Development Programme	348.9	1004.7	989.8	145.6	237.1	1227.9	1180.0	89.1	558.4	454.8
Non-ADP FFW and Transfer	18546.7	25601.2	23000.0	5954.5	17593.5	30500.0	28500.0	6188.8	19438.2	24060.9
Total Expenditure	90694.7	99963.1	94139.5	18188.9	84312.4	113819.0	110524.2	23507.5	89323.5	95276.7
Overall Deficit (Including Grants)	-28780.3	-24236.2	-20030.4	-9949.1	-19059.8	-29227.6	-27300.8	-13118.0	-22625.4	-18997.6
(In percent of GDP)	-4.69	-3.95	-2.92	-1.45	-2.78	-4.26	-3.95	-1.91	-3.29	-2.77
Overall Deficit (Excluding Grants)	-31225.3	-30582.2	-24959.4	-10400.0	-20333.3	-34357.6	-31042.8	-13408.5	-24756.1	-20750.9
(In percent of GDP)	-5.09	-4.99	-3.63	-1.51	-2.96	-5.00	-4.50	-1.95	-3.60	-3.02

The above mentioned table provides the following aspects:

- Budget deficit up to June FY10 (excluding grants) as percentage of the estimated GDP is 3.02%.
- Budget deficit (excluding grants) in FY09 as percentage of GDP is 3.60%.

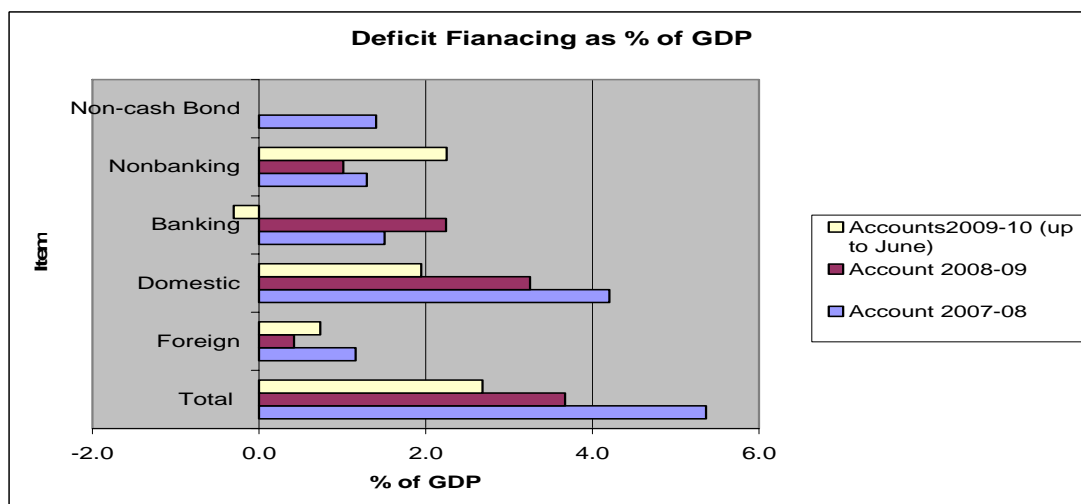
f. Budget Financing

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 June	Year:2009-10			Accounts 2008-09	Accounts 2009-10 upto June
		Budget	Revised	Accounts June		Budget	Revised	Accounts June		
1.0 Foreign Borrowing-Net	6204.1	7236.0	5833.0	304.4	1484.3	8672.4	9972.3	-666.9	2602.5	5044.1
1.1 Foreign Borrowing	10586.1	11456.7	10214.8	781.8	6149.7	13214.9	14492.0	-162.1	7267.9	9476.5
1.2 Amortization	-4382.0	-4220.8	-4381.8	-477.4	-4665.4	-4542.4	-4519.7	-504.7	-4665.4	-4432.4
2.0 Domestic Borrowing	22509.4	17000.2	14198.0	9648.6	17598.8	20555.6	17324.2	13806.9	20019.1	13368.2
2.1 Borrowing from Banking System (Net)	8059.7	13499.9	10698.0	4564.4	13793.4	16755.7	8660.4	-1576.2	13793.4	-2092.5
2.1.1 Long-Term Debt (Net)	9491.8	-1799.8	9899.1	-227.6	9900.3	12577.4	6510.9	218.6	9900.3	5768.9
2.1.2 Short-Term Debt (Net)	-1432.2	15299.8	798.9	4792.0	3893.2	4178.3	2149.5	-1794.9	3893.2	-7861.4
2.2 Non-Bank Borrowing (Net)	6927.2	3500.3	3500.0	5084.2	3805.3	3799.8	8663.8	15383.2	6225.7	15460.7
2.2.1 National Savings Schemes (Net)	2500.0	2786.0	2786.0	741.1	3504.4	3276.9	8406.5	1133.1	3496.1	11698.8
2.2.2 Others	4427.1	714.3	714.0	4343.1	300.9	523.0	257.3	14250.1	2729.6	3761.8
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 :	28713.5	24236.2	20031.0	9953.0	19083.1	29228.0	27296.6	13140.1	22621.6	18412.3
(In percent of GDP) :	-4.70	-3.95	-2.92	0.02	-0.91	-4.26	-3.95	0.09	-3.29	-0.21
3.1 Non-Bank Borrowing (Source: NSD)				780	3633			1155.2		11591.0
3.2 Bank Borrowing (Source: BB)								-1500.0		-2101.0
4.1 (2.2.1) as % of (3.1)				95.0	96.5			98.1		100.9
4.2 (2.1) as % of (3.2)								105.1		99.6



On annual and monthly basis, there are small differences between NSD source and CGA source for Bank and Non-Bank borrowing.

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.