

MONTHLY REPORT ON **FISCAL POSITION**

(November 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 November of FY09, about 38.0% of the **Budgeted Revenue** has been collected.
- **Revenue Expenditure** incurred over this time is about 33.33% of the Budget for FY 09.
- **Development Expenditure** during the same period is about 11.8% of the development budget for the FY 09, indicating under utilization and possibly underreporting.
- **Overall Balance** up to November FY09, measured from above the line, as % of estimated GDP is about -3.1%.
- **Net Financing** (budget deficit as defined from below the line) up to November FY 09 stands at about 3.1% of the GDP.

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Monthly Report on Fiscal Position¹

November FY 09

a.0 Revenue Expenditure

a.1 Sector-wise Utilization and Growth

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

- While Revised Budget (RB08) for the FY08 was 6.8% higher than the original budget (B08) and Actual Exp (A08) was 6.4% lower than that of RB08, B09 was 24.5% higher than A08 and 24.5% higher than B08.
- Nominal Increase of B09 over RB08 was 16.6%, the largest increase was in the Social Security and Welfare sector (70.4%) followed by General Public Services (64.8%).

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 % of B08	A08 as % of RB08	B09	B09 as % of B08	A09 (up to Nov)	B09 as % of RB08	B09 as % of A08	A09 (up to Nov) as % of B09
GPS	6288.2	4614.4	9458.0	18.5	73.4	205.0	7605.9	121.0	3096.2	164.8	80.4	40.7
LGRD	1307.2	1398.9	1136.5	2.2	107.0	81.2	1528.6	116.9	358.4	109.3	134.5	23.4
Defence	5282.9	5764.8	5996.5	11.7	109.1	104.0	6467.1	122.4	1715.7	112.2	107.8	26.5
POS	4321.4	4740.3	4313.7	8.4	109.7	91.0	5327.3	123.3	1867.5	112.4	123.5	35.1
Edu	8659.1	8658.8	8145.3	15.9	100.0	94.1	9602.6	110.9	3751.4	110.9	117.9	39.1
Hlth	2863.2	2888.0	2586.3	5.0	100.9	89.6	3441.3	120.2	1079.2	119.2	133.1	31.4
SSW	3085.1	3556.8	2168.6	4.2	115.3	61.0	6059.0	196.4	1648.2	170.4	279.4	27.2
Housing	626.4	620.4	447.8	0.9	99.0	72.2	649.7	103.7	171.7	104.7	145.1	26.4
RCRA	555.4	562.1	527.0	1.0	101.2	93.8	501.0	90.2	154.4	89.1	95.1	30.8
FE	28.4	28.1	27.1	0.1	98.8	96.4	30.9	108.8	7.2	110.1	114.2	23.4
Agri	4322.6	6362.7	6289.7	12.3	147.2	98.9	6959.6	161.0	2377.5	109.4	110.7	34.2
IES	207.4	232.7	226.5	0.4	112.2	97.3	353.6	170.5	195.0	151.9	156.1	55.2
Trans	2893.5	3296.5	2798.8	5.5	113.9	84.9	2672.0	92.3	666.6	81.1	95.5	24.9
Interest	10784.8	11967.4	7093.0	13.8	111.0	59.3	12565.2	116.5	4115.3	105.0	177.2	32.8
Total	51225.5	54691.9	51214.7	100.0	106.8	93.6	63763.8	124.5	21204.5	116.6	124.5	33.3
Increase over FY08 (%)	34.4	45.3	40.1									

a.2 Ministry-wise Utilization Pattern

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

- Actual spending up to November FY 09 was 20.8% higher than the corresponding period of the previous year.
- For the month of November FY 09, actual expenditure was 8.6% higher than the corresponding month of FY08.
- Up to November 09, 33.33% 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 November FY09

(in Crore Taka)

	A07	B08	RB08	A08 (Nov)	A08 (Up to Nov)	A08	B09	A09 (Nov)	A09 (up to Nov)	A09 (up to Nov) as % B09	A09 as % A08 (Nov)	A09 as % A08 (up to Nov)
Sub-total = GPS	8892.6	6288.2	4614.4	621.9	3644.3	9458.0	7605.9	749.5	3096.2	40.7	120.5	85.0
President	4.8	5.2	6.2	0.9	2.9	6.0	6.5	0.6	3.2	49.3	64.9	108.1
Parliament	30.1	20.7	19.9	1.4	6.6	17.6	40.7	2.0	7.1	17.4	140.9	108.1
PMO	74.3	101.9	100.4	4.3	29.2	80.8	87.8	7.5	29.1	33.1	173.4	99.3
Cabinet Div	17.2	16.1	15.6	1.6	6.4	13.3	15.8	1.0	4.3	27.3	59.9	67.5
Election Com	81.4	536.2	102.9	16.3	34.6	63.3	462.3	3.8	15.7	3.4	23.5	45.3
Estab	535.3	612.7	619.6	43.5	200.4	575.8	670.1	72.4	235.6	35.2	166.4	117.6
PSC	8.7	9.8	10.1	0.6	3.0	8.2	12.5	1.4	4.5	35.7	232.9	148.9
Finance Div	2697.2	3923.9	4851.0	154.2	572.0	5370.0	8905.0	50.1	518.0	5.8	32.5	90.6
IRD	5101.1	693.3	739.8	108.0	108.0	648.0	826.1	89.0	89.0	10.8	82.4	82.4
ERD	20.8	26.1	28.2	1.1	7.2	24.6	35.0	2.5	8.9	25.5	228.1	124.6
Planning Div	83.8	86.2	91.5	6.3	33.4	89.6	95.9	9.7	40.1	41.8	153.5	119.9
IMED	4.6	6.9	7.5	0.3	2.2	6.0	6.1	0.5	2.3	37.7	161.9	105.3
Foreign Aff	233.4	249.2	294.5	23.4	112.1	311.2	307.6	25.1	126.1	41.0	107.4	112.5
Sub-total = LGRD	1062.3	1307.2	1398.9	50.8	241.6	1136.5	1528.6	128.6	358.4	23.4	252.9	148.3
LGD	911.4	991.2	1033.5	42.5	176.7	981.5	1103.3	99.5	276.2	25.0	234.3	156.3
RD Div	141.7	154.5	152.3	8.3	62.5	146.6	178.1	28.6	80.4	45.2	345.9	128.6
CHT	9.2	161.4	213.1	0.1	2.4	8.4	247.2	0.4	1.8	0.7	482.1	74.1
Sub-total = Defence	5483.2	5282.9	5764.8	383.8	1420.3	5996.5	6467.1	426.4	1715.7	26.5	111.1	120.8
Def. Service	5362.2	5189.1	5671.1	374.7	1375.7	5876.5	6359.8	416.2	1668.2	26.2	111.1	121.3
Def. - Others	121.0	93.7	93.7	9.1	44.7	120.1	107.3	10.2	47.5	44.3	111.7	106.3
Sub-total = POS	3922.6	4321.4	4740.3	301.8	1445.7	4313.7	5327.3	520.3	1867.5	35.1	172.4	129.2
Law & Parlia.	203.2	213.6	264.4	16.1	83.4	227.5	335.9	25.2	117.3	34.9	157.2	140.6
Supreme Court	28.5	27.2	28.3	2.2	11.6	28.7	31.8	3.6	14.1	44.3	164.6	121.3
Home Aff.	3684.3	4065.5	4421.6	282.3	1345.8	4033.6	4940.2	488.4	1726.5	34.9	173.0	128.3
Anti Corruption Com	6.7	15.1	26.1	1.3	4.9	23.9	19.4	3.2	9.6	49.6	244.4	196.8
Sub-total = Edu	7524.1	8659.1	8658.8	612.8	3385.6	8145.3	9602.6	794.7	3751.4	39.1	129.7	110.8
PME	2817.0	3371.1	3386.3	218.9	1166.8	2987.7	3602.7	309.9	1346.3	37.4	141.6	115.4
Education	4615.3	5172.6	5161.1	392.2	2181.2	5052.8	5868.3	469.4	2362.0	40.2	119.7	108.3
Sc. & Tech	91.9	115.4	111.4	1.6	37.7	104.8	131.6	15.4	43.2	32.8	941.5	114.6
Sub-total = Health	2488.1	2863.2	2888.0	185.5	926.6	2586.3	3441.3	264.2	1079.2	31.4	142.4	116.5
HFW	2488.1	2863.2	2888.0	185.5	926.6	2586.3	3441.3	264.2	1079.2	31.4	142.4	116.5
Sub-total = SSW	1078.0	3085.1	3556.8	325.2	429.0	2168.6	6059.0	141.3	1648.2	27.2	43.5	384.2
Social Wel.	640.8	748.0	749.2	252.4	301.7	737.1	918.6	38.1	242.5	26.4	15.1	80.4
Women Aff.	214.9	730.6	1028.9	2.6	12.5	276.2	1215.5	87.8	102.3	8.4	3345.3	820.9
Disaster Man. & Relief	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	36.5	51.0	105.6	159.1	0.4	79.3	49.8	1.2	155.4
Food & Disaster Man	139.4	1501.2	1672.7	33.7	63.9	1049.6	3765.9	15.0	1224.2	32.5	44.6	1916.3
Sub-total = HCS	527.3	626.4	620.4	33.8	148.2	447.8	649.7	47.9	171.7	26.4	141.8	115.9
Housing	527.3	626.4	620.4	33.8	148.2	447.8	649.7	47.9	171.7	26.4	141.8	115.9
Sub-total = RCRA	445.8	555.4	562.1	42.2	133.5	527.0	501.0	42.8	154.4	30.8	101.3	115.7
Information	205.5	327.7	317.5	13.8	62.5	295.8	245.4	17.1	71.3	29.1	123.9	114.1
Cultural Aff.	60.5	59.2	61.1	5.7	16.4	60.3	63.1	9.8	22.2	35.3	171.6	135.2
Religious Aff.	59.8	54.3	59.8	14.8	21.0	56.0	61.0	6.8	24.2	39.7	46.0	115.1
Youth	120.0	114.1	123.7	7.9	33.6	114.8	131.5	9.1	36.7	27.9	114.5	109.3
Sub-total = FE	26.1	28.4	28.1	2.1	8.9	27.1	30.9	1.8	7.2	23.4	87.3	81.6
Petroleum	23.2	24.5	25.5	1.9	7.8	24.4	26.9	1.6	5.8	21.6	81.8	74.5
Energy	2.9	3.9	2.6	0.2	1.0	2.7	4.0	0.3	1.4	35.5	139.0	134.9
Sub-total = Agr	3491.0	4322.6	6362.7	792.4	1694.9	6289.7	6959.6	262.6	2377.5	34.2	33.1	140.3
Agriculture	2354.6	3142.9	5002.1	685.0	1279.6	4977.2	5516.2	125.6	1906.6	34.6	18.3	149.0
Fisheries	294.5	331.1	354.1	29.8	111.8	323.3	379.8	34.4	138.4	36.4	115.3	123.7
Environment	143.7	155.9	179.6	10.3	56.4	157.8	177.9	13.5	62.8	35.3	131.0	111.3
Land	293.9	322.3	313.5	23.2	125.0	319.2	340.8	34.8	149.3	43.8	149.7	119.5
Water	404.4	370.4	513.4	44.0	122.0	512.3	544.9	54.3	120.5	22.1	123.5	98.7
Sub-total = IES	210.7	207.4	232.7	25.9	86.4	226.5	353.6	22.5	195.0	55.2	87.0	225.7
Industries	39.9	62.2	62.3	11.6	25.9	60.8	161.4	2.6	117.1	72.6	22.4	451.5
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	5.7	14.8	50.3	48.6	6.3	20.5	42.3	110.3	138.9
Commerce	43.7	45.9	51.6	3.5	19.0	52.9	73.6	6.3	28.2	38.3	178.9	148.0
Labour	22.4	23.4	22.2	1.5	8.2	20.0	23.7	2.4	10.0	42.1	161.2	121.8
Expatriates	33.6	36.9	46.9	3.5	18.5	42.5	46.3	4.9	19.2	41.5	137.9	104.1
Sub-total = TC	2235.3	2893.5	3296.5	178.4	770.9	2798.8	2672.0	196.7	666.6	24.9	110.2	86.5
Roads/Comm	1407.9	2079.1	2266.6	115.4	442.6	1826.4	2288.2	151.7	503.0	22.0	131.5	113.6
Shipping	63.4	53.6	55.9	11.8	25.6	55.3	71.4	14.2	30.9	43.3	121.0	120.6
Civil Aviation	6.3	6.1	6.0	0.3	2.5	6.8	6.3	0.7	3.3	52.0	243.0	131.8
Post&Tele.	757.8	754.6	968.0	51.0	300.2	910.2	306.2	30.0	129.5	42.3	58.8	43.1
Sub-total = Interest	4771.9	10784.8	11967.4	481.1	3214.7	7093.0	12565.2	787.4	4115.3	32.8	163.6	128.0
Domestic	3525.8	9463.5	10621.1	385.6	2805.1	5931.3	11274.0	685.0	3622.5	32.1	177.6	129.1
Foreign	1246.2	1321.3	1346.3	95.6	409.6	1161.7	1291.3	102.4	492.9	38.2	107.2	120.3
Total	42159.1	51225.5	54691.9	4037.7	17550.6	51214.7	63763.8	4386.6	21204.5	33.3	108.6	120.8

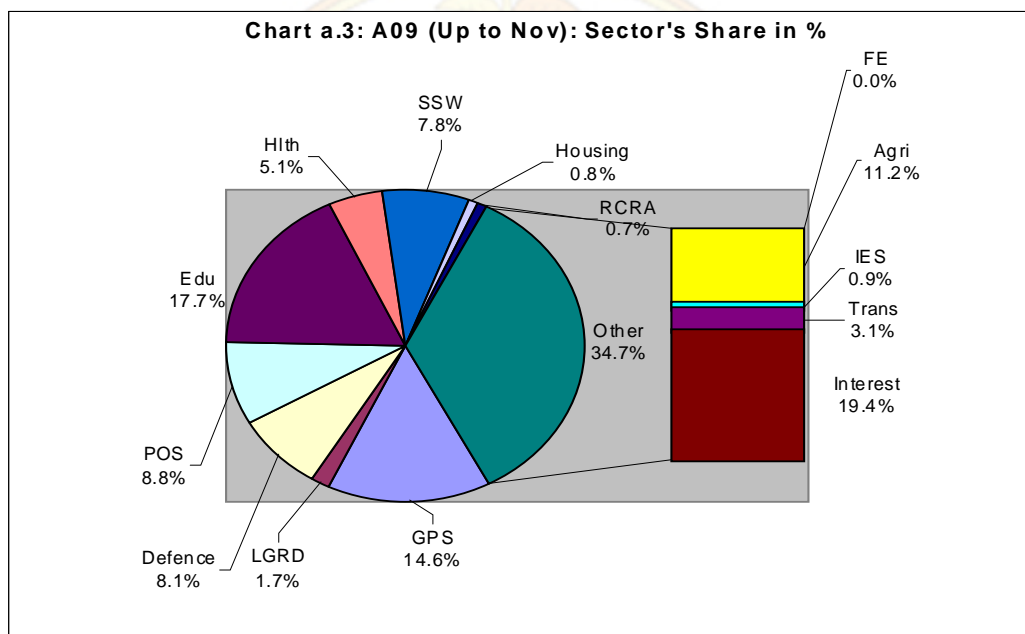
➤ Regarding expenditures up to November FY09, 17 (Seventeen) ministries/divisions show a utilization of revenue resources more than 40% of their respective budget.

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	38.6	28.3	5.5	12.3	1.5	13.8
Sector's Share of B09	30.4	33.4	4.2	10.9	1.3	19.7
Sector's Share of A09 (Upto Nov)	31.5	33.1	3.2	11.2	1.6	19.4

A detail of sector-wise share of revenue expenditure based on the Account (up to November) for the FY09 is shown in Chart a.3. Individually the largest share is: Interest (19.4%) followed by Education (17.7%), General Public Services (14.6%), Agriculture (11.2%), Public Order and Safety (8.8%), Defence (8.1%), SSW (7.8%), Health (5.1%), and Transportation (3.1%).



a.4 Utilization up to November FY09

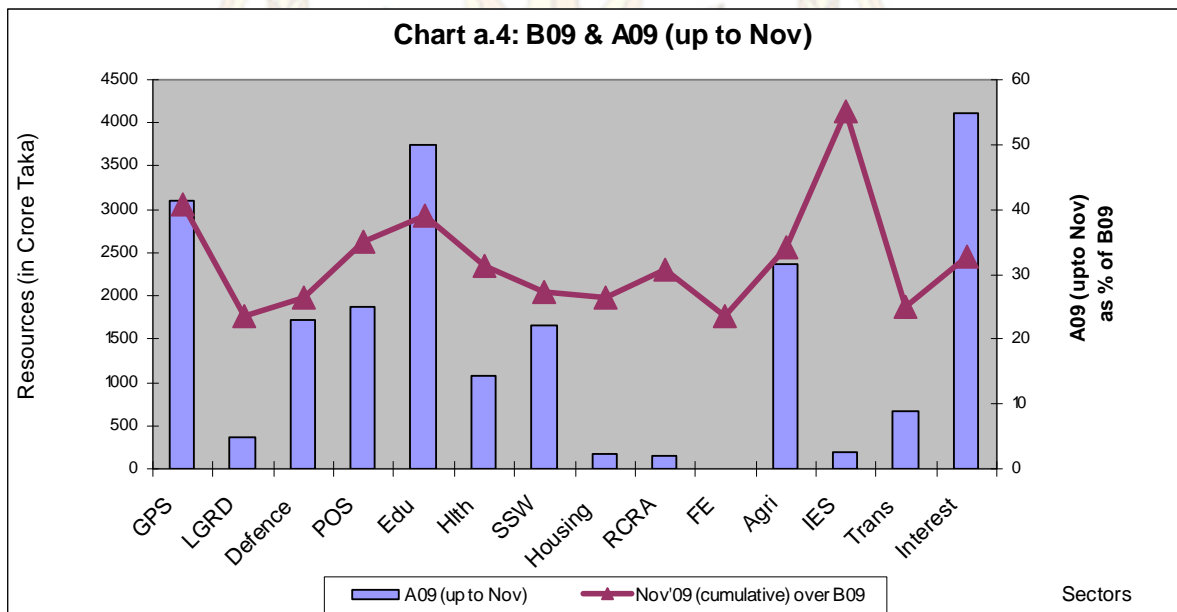
Sector-wise utilization of resources (up to November FY09) is shown in Table a.4 and Chart a.4 (presented in the next page). It appears that only three sectors have the utilization rate around 40%:

- IES (55.2% of B08 has been spent)
- GPS (40.7%)
- Education (39.1%)

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 November FY 09
(in Crore Taka)

Sectors	A08 (Nov)	A08 (Up to Nov)	A09 (Nov)	A09 (up to Nov)	Nov 09 over Nov'08 (in %)	Nov 09 over Nov 08 (cumulative)	Nov'09 (cumulative) over B09
GPS	621.9	3644.3	749.5	3096.2	120.5	85.0	40.7
LGRD	50.8	241.6	128.6	358.4	252.9	148.3	23.4
Defence	383.8	1420.3	426.4	1715.7	111.1	120.8	26.5
POS	301.8	1445.7	520.3	1867.5	172.4	129.2	35.1
Edu	612.8	3385.6	794.7	3751.4	129.7	110.8	39.1
Hlth	185.5	926.6	264.2	1079.2	142.4	116.5	31.4
SSW	325.2	429.0	141.3	1648.2	43.5	384.2	27.2
Housing	33.8	148.2	47.9	171.7	141.8	115.9	26.4
RCRA	42.2	133.5	42.8	154.4	101.3	115.7	30.8
FE	2.1	8.9	1.8	7.2	87.3	81.6	23.4
Agri	792.4	1694.9	262.6	2377.5	33.1	140.3	34.2
IES	25.9	86.4	22.5	195.0	87.0	225.7	55.2
Trans	178.4	770.9	196.7	666.6	110.2	86.5	24.9
Interest	481.1	3214.7	787.4	4115.3	163.6	128.0	32.8
Total	4037.7	17550.6	4386.6	21204.5	108.6	120.8	33.3



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:

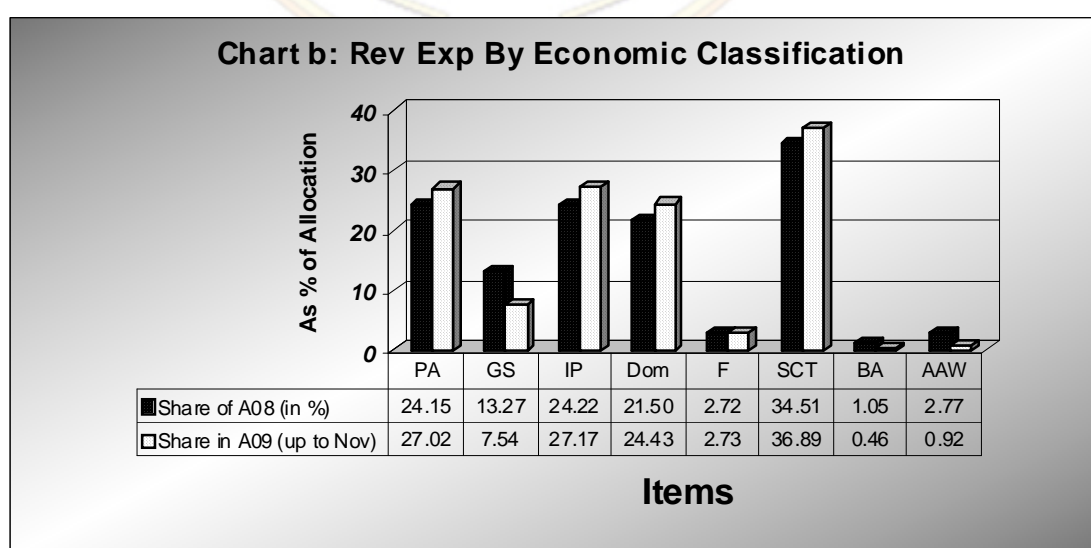
- Until November FY09, maximum utilization of Revenue Expenditure as % of B09, has been carried out under two heads: Transfers (55.2%) and General Public Services (40.7%).
- During the last Fiscal Year (A08), Domestic Interest Payments (21.5%) was 7.96 times larger than that of Foreign Interest Payment (2.7%).

- Up to November FY09, the following economic categories show a utilization rate more than 35.0%: Subsidies (84.2%), Acquisition of Land Assets (61.4%), Domestic Interest Payments (46.1%) and Foreign Interest Payment (45.1%), Pay of Officers (39.2%), Pension and Gratuities (38.9%), Pay of Establishment (37.1%), Allowances (37.1%).

Table b: Revenue Expenditure by Economic Classification

(in Crore Taka)

Description	RB08	B09	A08	A09 (up to Nov)	B09 as % of RB08	Share of A08 (in %)	A09 (up to Nov) as % B09
Pay and Allowances	13626.5	15431.6	12424.4	5754.4	113.2	24.1	37.3
Pay of Officers	1174.0	1248.1	1128.8	489.2	106.3	2.2	39.2
Pay of Establishment	5805.6	5881.8	5377.6	2181.9	101.3	10.5	37.1
Allowances	6646.9	8301.6	5918.0	3083.3	124.9	11.5	37.1
Goods and Services	8029.2	8303.5	6826.9	1605.8	103.4	13.3	19.3
Supplies and Services	5329.2	5784.0	4586.7	1375.7	108.5	8.9	23.8
Repairs, Maintenance & Rehabilitation	2700.0	2519.5	2240.1	230.2	93.3	4.4	9.1
Interest Payments	11967.4	12565.2	12461.9	5784.5	105.0	24.2	46.0
Domestic	10621.1	11274.0	11063.4	5202.8	106.1	21.5	46.1
Foreign	1346.3	1291.3	1398.5	581.7	95.9	2.7	45.1
Subsidies and Current Transfers	15393.9	19867.2	17758.2	7855.5	129.1	34.5	39.5
Subsidies	2029.2	2431.5	5726.8	2046.6	119.8	11.1	84.2
Grants in Aid	9973.3	13726.3	8499.4	4379.5	137.6	16.5	31.9
Contributions to Intl Organisation	36.9	41.8	24.5	5.1	113.3	0.0	12.2
Pensions and Gratuities	3351.5	3664.7	3507.2	1424.2	109.3	6.8	38.9
Block Allocation	714.5	2044.3	538.3	97.8	286.1	1.0	4.8
Unexpected	64.4	800.0	101.3	0.3	1242.9	0.2	0.0
Others	650.1	12443.3	437.0	97.5	191.4	0.8	7.8
Acquisition of Assets and Works	2138.4	2063.3	1425.9	195.1	96.5	2.8	9.5
Acquisition of Assets	1661.5	1534.9	1053.5	83.6	92.4	2.0	5.4
Acquisition of Land Assets	81.7	121.2	115.4	74.4	148.4	0.2	61.4
Construction and Works	395.2	407.3	257.0	37.1	103.1	0.5	9.1
Net Total	53240.1	61468.9	51453.2	21293.6	115.5	100.0	34.6



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 (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.

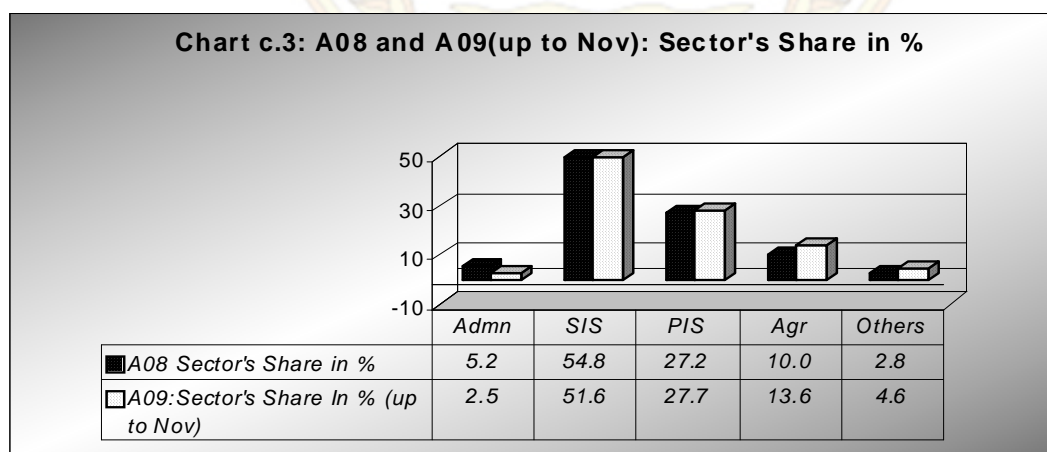
Table c.2: Development Expenditure Pattern by Sector⁵

(in Crore Taka)												
Sectors	A07	B08	RB08	A08	B09	A09 (up to Nov)	A08 Sector's Share in %	A08 as % of RB08	B09 as % of RB08	RB08 as % of B08	B09 as % of A08	A09 (up to Nov) as % of A08
GPS	404.8	1269.7	1692.7	716.4	1321.6	25.4	4.0	42.3	78.1	133.3	184.5	43.3
LGRD	4980.0	6153.2	5546.2	4730.0	5745.3	612.4	26.5	85.3	103.6	90.1	121.5	101.9
Defence	28.8	187.1	175.2	35.3	162.5	16.7	0.2	20.2	92.8	93.6	460.4	620.0
POS	203.0	461.2	388.7	185.3	574.0	37.8	1.0	47.7	147.7	84.3	309.8	174.4
Edu	2512.6	3710.2	2995.8	2754.0	3495.9	565.3	15.4	91.9	116.7	80.7	126.9	101.9
Health	1502.6	2606.3	2363.0	1586.3	2439.5	300.3	8.9	67.1	103.2	90.7	153.8	123.6
SSW	241.2	818.6	1069.8	654.3	2202.0	115.5	3.7	61.2	205.8	130.7	336.6	354.4
HCS	34.8	104.7	183.7	51.6	336.3	67.3	0.3	28.1	183.0	175.5	652.1	412.4
RCRA	237.3	380.3	276.5	237.1	395.9	65.9	1.3	85.8	143.2	72.7	167.0	95.1
FE	2689.8	4557.8	3556.3	2672.1	4310.2	648.8	15.0	75.1	121.2	78.0	161.3	94.7
AFL	1423.2	2221.9	1977.1	1776.8	2316.0	437.1	10.0	89.9	117.1	89.0	130.3	109.5
IES	216.6	386.9	319.2	270.5	608.0	83.5	1.5	84.7	190.4	82.5	224.8	154.5
TC	2591.3	4106.0	2744.9	2179.2	3466.5	243.9	12.2	79.4	126.3	66.9	159.1	101.0
Total	17066.0	26963.8	23289.1	17848.8	27373.5	3219.9	100.0	76.6	117.5	86.4	153.4	108.1

- While Budget for the FY 09 shows 17.5% increase over RB08, up to November FY09 actual expenditure registers 8.1% more 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 November)⁶.

Table d.1: Revenue Receipts: Reporting Scenario

	A07	B08	RB08	A08 (Nov)	A08 (Up to Nov)	A08	B09	A09 (Nov)	A09 (up to Nov)
	<i>(in Crore Taka)</i>								
Tax Rev(a+b)	38027	45838	48012	3349	17298	48090	56789	3803	19643
a. NBR	36172	43850	45970	3187	16489	45777	54500	3608	18596
a.1 Income	8622	10838	11005	629	4206	11653	13054	749	4448
a.2 VAT	13351	15890	17013	1129	5832	16875	20249	1396	7258
a.2i Import	6824	7174	8348	525	2921	8912	9670	787	3993
a.2ii Domestic	6527	8716	8665	604	2911	7963	10579	610	3265
a.3 Import	7581	9354	9300	755	3198	8768	10862	691	3346
a.4 Sup	5971	7168	7970	637	3008	7758	9528	704	3337
a.4i Import	1366	1402	1855	267	843	2149	2122	241	1102
a.4ii Domestic	4605	5766	6115	370	2165	5609	7406	463	2234
a.5 EO	647	600	682	38	245	723	807	67	207
b. Non-NBR	1855	1988	2042	162	809	2313	2289	196	1047
b.1 NL	44	50	50	4	19	51	50	5	22
b.2 Vehicles	418	441	495	41	194	517	550	51	230
b.3 Land	296	464	364	14	99	352	424	15	113
b.4 Stamp	1098	1034	1133	104	496	1393	1265	125	682
c. Non-tax Rev	8780	11407	12474	463	5194	10080	12549	379	6705
c.1 DP	1703	2475	2476	9	2033	2112	3426	5	2804
c.2 PO&R	399	762	762	28	110	427	795	52	186
c.3 T&T	1779	1927	1882	95	537	1480	0	0	5
c.4 IFT	4899	6244	7354	332	2514	6061	8329	321	3710
Total Rev (a+b+c)	46807	57246	60485	3812	22492	58170	69338	4182	26348
d. GDP _{new}	472477.0	530300.0	535415.0	41761.5	208807.3	541262.5	613111.0	47599.9	237999.7
e. Tax-GDP Ratio	8.0	8.6	9.0	8.0	8.3	8.9	9.3	8.0	8.3
f. NBR (Source: NBR)	37219.32			3487.97	16140.4	47289.12		3800.3	18614.5
g. a as % of f	97.2			91.4	102.2	96.8		94.9	99.9

Table d.1 indicates that:

- In FY 08, tax revenue collection is 8.9% 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 November FY09, tax revenue collection for the FY09 registers 13.6% higher than the corresponding period of the previous FY08. Whereas, Non-NBR tax collection increased by 29.5% and Non-tax revenue collection increased by 29.1%.
- Up to November FY09, 38.0% of the budgeted revenue has been collected.

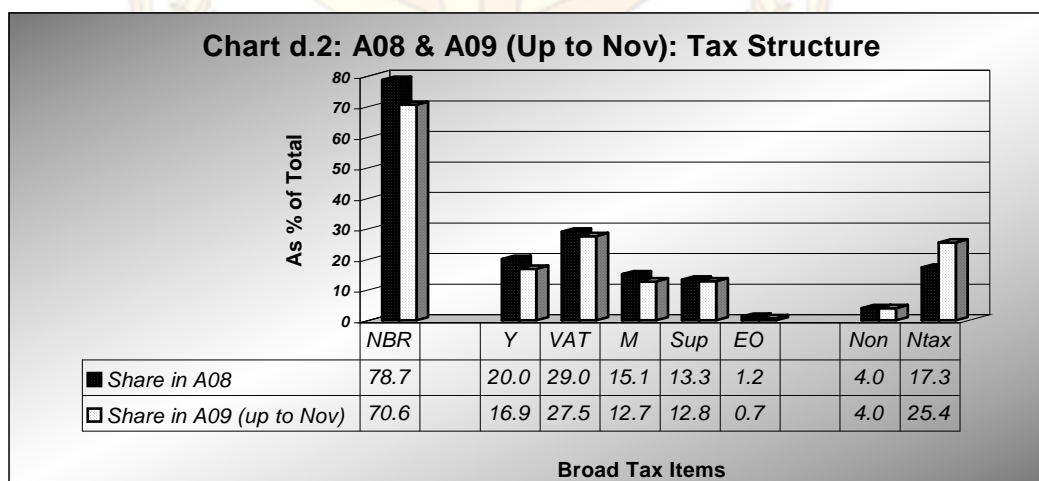
⁶ Notes: Income = Income/Profit/Property/Wealth, Sup=Supplementary + Excise, EO = Electricity + Others
 NL = Narcotics & Liquor, DP = Dividend & Profit, PO&R = Post Office + Railway
 IFT = Interest/Fees/Tolls & Other receipts

Table d.2: Revenue Receipts⁷: Growth and Structure

	(RB08/B08)*100	(B09/A08)*100	(B09/RB08)*100	Share in A08	(Nov'09/Nov'08)*100	(A09/A08)*100 (up to Nov)	(A09 up to Nov/B09)*100
Tax Rev(a+b)	104.7	118.1	118.3	82.7	113.5	113.6	34.6
a. NBR	104.8	119.1	118.6	78.7	113.2	112.8	34.1
a.1 Income	101.5	112.0	118.6	20.0	119.1	105.8	34.1
a.2 VAT	107.1	120.0	119.0	29.0	123.7	124.4	35.8
a.2i Import	116.4	108.5	115.8	15.3	149.7	136.7	41.3
a.2ii Domestic	99.4	132.8	122.1	13.7	101.0	112.2	30.9
a.3 Import	99.4	123.9	116.8	15.1	91.5	104.6	30.8
a.4 Sup	111.2	122.8	119.5	13.3	110.7	110.9	35.0
a.4i Import	132.3	98.8	114.4	3.7	90.3	130.8	52.0
a.4ii Domestic	106.1	132.0	121.1	9.6	125.3	103.2	30.2
a.5 EO	113.7	111.6	118.3	1.2	178.0	84.3	25.6
b. Non-NBR	102.7	99.0	112.1	4.0	120.6	129.5	45.8
b.1 NL	100.0	98.4	100.0	0.1	136.6	114.8	44.1
b.2 Vehicles	112.3	106.4	111.1	0.9	123.2	118.4	41.8
b.3 Land	78.4	120.3	116.5	0.6	107.1	113.8	26.6
b.4 Stamp	109.6	90.8	111.7	2.4	120.8	137.5	53.9
c. Non-tax Rev	109.4	124.5	100.6	17.3	81.8	129.1	53.4
c.1 DP	100.0	162.2	138.4	3.6	60.2	137.9	81.9
c.2 PO&R	100.0	186.0	104.3	0.7	187.3	168.9	23.4
c.3 T&T	97.7	0.0	0.0	2.5	0.0	0.9	#DIV/0!
c.4 IFT	117.8	137.4	113.3	10.4	96.8	147.5	44.5
Total Rev (a+b+c)	105.7	119.2	114.6	100.0	109.7	117.1	38.0

d.2 Revenue Structure

Chart d.2 presents tax structure for FY08 and FY 09 (up to November). 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 pertinent from it. These are:

- Too much dependence on indirect taxes (only 16.9% from income tax, about 16.6% 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 Nov	Accounts 2007-08 Up to Nov	Account 2008	Budget	Actual Nov	Accounts 2008-09 up to Nov
1.0 Total Rev	46806.6	57245.6	60485.5	3812.3	22491.8	58170.1	69337.8	4181.8	26348.2
2.0 Total Pub Exp	59932.0	79614.6	86081.7	4862.3	33714.5	84821.1	99960.9	6746.0	33695.2
2.1 Current Exp	40867.9	49709.0	51101.7	4026.7	17569.1	50027.3	59405.6	4316.1	21098.5
2.2 Net Outlay on Food A/C	488.0	202.0	809.0	546.0	674.0	2192.0	700.0	1387.0	1387.0
2.3 ADP Exp	15871.0	24988.8	21440.1	917.3	2970.9	17050.8	23438.5	862.1	3120.9
2.4 Non-ADP Cap & net lending	1971.5	11301.3	16062.0	29.3	8029.8	15892.3	12080.9	211.2	1958.5
2.4.1 Non ADP Capital Expenditure	3165.7	6173.2	6296.4	95.4	434.7	5110.3	9903.3	226.2	399.3
2.4.2 Net Lending	-1194.2	5128.1	9765.7	-66.1	7595.1	10782.0	2177.6	-15.0	1559.2
2.5 Extraordinary Exp	32.2	300.0	1700.0	76.9	594.8	788.3	1000.0	0.0	0.0
2.6 Check Float & discrepancy	701.3	-6886.5	-5031.2	-733.9	3875.9	-1129.7	3335.8	-30.3	6130.3
3.0 Overall Balance (2.0 - 1.0)	-13125.4	-22369.0	-25596.2	-1050.0	-11222.7	-26650.9	-30623.0	-2564.2	-7347.0
4.0 GDP _{new}	472477.0	530300.0	535415.0	41761.5	208807.3	541262.5	613111.0	47599.9	237999.7
5.0 Total Net Rev As % of GDP	9.9	10.8	11.3	9.1	10.8	10.7	11.3	8.8	11.1
6.0 Total Pub Exp As % of GDP	12.7	15.0	16.1	11.6	16.1	15.7	16.3	14.2	14.2
7.0 Overall Balance as % Of GDP	-2.8	-4.2	-4.8	-2.5	-5.4	-4.9	-5.0	-5.4	-3.1

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 November FY09, 17 (Seventeen) ministries/divisions show a utilization of revenue resources more than 40% of their respective budget.
- Development Expenditure remains underutilized or underreported. This underutilization may create an avenue for misutilization of development budget due to rush on at the later part of the fiscal year.

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 Nov	Accounts 2007-08 Up to Nov	Account 2008	Budget	Actual Nov	Accounts 2008-09 up to Nov
1.0 Net Foreign financing (1.1-1.2)	2790.0	10560.2	13144.2	-84.8	1001.1	7775.5	13582.0	-1.7	129.1
1.1 Grant	1037.4	4255.0	4388.2	46.0	142.6	2007.4	6346.0	45.2	172.9
1.2 Loan	5743.7	10403.0	13024.4	347.3	2495.7	10137.7	11456.7	361.3	1734.3
1.3 Amortisation	3991.1	4097.8	4268.4	478.1	1637.2	4369.5	4220.8	408.2	1778.1
2.0 Domestic Financing (2.1+2.2)	10335.4	11808.8	12452.1	1134.8	10221.6	18875.4	17041.1	2565.9	7217.9
2.1 Non-Bank Borrowing	4282.6	4500.0	2002.0	255.5	719.7	2501.4	3500.0	120.1	1050.0
2.2 Bank Borrowing	5982.3	7253.0	10398.0	877.9	9498.7	16349.3	13498.0	2416.0	6092.9
2.3 Sale of Assets	70.6	55.8	52.1	1.5	3.2	24.7	43.1	29.8	75.0
3.0 Total Financing (1+2)	13125.4	22369.0	25596.2	1050.0	11222.7	26650.9	30623.0	2564.2	7347.0
4.0 Total Financing as % GDP	2.8	4.2	4.8	2.5	5.4	4.9	5.0	5.4	3.1
4.1 Net Foreign financing (As % of GDP)	0.6	2.0	2.5	-0.2	0.5	1.4	2.2	0.0	0.1
4.2 Net Domestic Financing (As % of GDP)	2.2	2.2	2.3	2.7	4.9	3.5	2.8	5.4	3.0
4.2.1 Non-Bank Borrowing	0.9	0.8	0.4	0.6	0.3	0.5	0.6	0.3	0.4
4.2.2 Bank Borrowing	1.3	1.4	1.9	2.1	4.5	3.0	2.2	5.1	2.6
4.2.3 Sale of Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
5.0 Overall Balance as % of GDP	-2.8	-4.2	-4.8	-2.5	-5.4	-4.9	-5.0	-5.4	-3.1
6.1 Non-Bank Borrowing (Source: NSD)				22.87	344.78			583.5	1534.63
6.2 Bank Borrowing (Source: BB)								2439.5	6914.5
7.1 (2.1) as % of (6.1)				1117.1	208.7			20.6	68.4
7.2 (2.2) as % of (6.2)								99.0	88.1

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

- In FY09, Revenue collection of the government remains in the neighbourhood of 11.1% of GDP.
- Public expenditure hovers around 14.2% of GDP.
- Budget deficit in FY09, measured from above the line, as % of GDP is about 3.1%.
- Net foreign financing is around 0.1% of GDP.
- Net Domestic financing stands at 3.0% of GDP.

