

# MONTHLY REPORT ON **FISCAL POSITION**

(March FY2002-03)

## ***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 March'03, about 62% of the Budget estimates of **Revenue Receipts** have been collected.
- **Revenue Expenditure** incurred over this time is about 63.3% of the Budget for FY03.
- **Development Expenditure** during the same period is about 31.4% of the development budget for the FY03, implying under utilization and/or underreporting.
- **Budget Deficit** up to March'03, measured from above the line, as % of estimated GDP is about 1.0%.
- **Financing** (budget deficit as defined from below the line) up to March'03 stands at about 1.4% of the GDP.

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# Monthly Report on Fiscal Position<sup>1</sup>

## March FY03

### 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 (RB02) for the FY02 was 1.8% lower than the original budget (B02) and Actual Exp (A02) was 0.5% higher than that of RB02, B03 was 5.1% higher than A02 but only 3.7% higher than B02.
- Nominal Increase of B03 over RB02 was 5.6%, the largest increase was in the General Public Services (26.6%), followed by Public Order and Safety (3.6%).

**Table a.1: Revenue Expenditure Pattern by Sector<sup>2,3</sup>**

*(in Crore Taka)*

Sectors	B02	RB02	A02	Sector's Share of A02 (in %)	RB02 as % of B02	A02 as% of RB02	B03	B03 as % of B02	A03 (up to Mar)	B03 as % of RB02	B03 as % of A02	A03 (up to Mar) as % B03
GPS	4105.1	3507.9	3303.4	14.5	85.5	94.2	4441.9	108.2	2641.8	126.6	134.5	59.5
LGRD	520.8	559.1	551.1	2.4	107.4	98.6	572.7	110.0	291.7	102.4	103.9	50.9
Defence	3534.1	3391.0	3633.8	15.9	96.0	107.2	3393.6	96.0	1701.3	100.1	93.4	50.1
POS	1749.7	1738.1	1712.4	7.5	99.3	98.5	1800.7	102.9	1232.6	103.6	105.2	68.5
Edu	3707.3	3811.6	3744.3	16.4	102.8	98.2	3876.0	104.6	2823.9	101.7	103.5	72.9
Hlth	1252.1	1286.1	1205.5	5.3	102.7	93.7	1325.4	105.9	820.6	103.1	109.9	61.9
SSW	733.7	899.0	664.2	2.9	122.5	73.9	923.6	125.9	181.3	102.7	139.1	19.6
Housing	288.1	298.7	295.8	1.3	103.7	99.0	300.0	104.1	201.0	100.4	101.4	67.0
RCRA	217.3	237.5	228.6	1.0	109.3	96.3	239.1	110.0	146.3	100.7	104.6	61.2
FE	7.8	8.1	7.8	0.0	104.5	96.3	7.9	101.9	5.5	97.5	101.2	69.6
Agri	850.3	855.4	857.2	3.8	100.6	100.2	880.4	103.5	633.8	102.9	102.7	72.0
IES	110.5	113.0	112.1	0.5	102.2	99.2	115.4	104.4	79.3	102.1	103.0	68.7
Trans	1422.0	1466.1	1547.4	6.8	103.1	105.5	1481.6	104.2	1083.6	101.1	95.8	73.1
Interest	4608.5	4520.0	4947.4	21.7	98.1	109.5	4614.0	100.1	3335.2	102.1	93.3	72.3
<b>Total</b>	<b>23107.3</b>	<b>22691.7</b>	<b>22810.9</b>	<b>100.0</b>	<b>98.2</b>	<b>100.5</b>	<b>23972.3</b>	<b>103.7</b>	<b>15178.2</b>	<b>105.6</b>	<b>105.1</b>	<b>63.3</b>
Increase over FY01	117.7	109.8	107.1									

#### 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 Mar.'03 was 8.9% higher than the corresponding period of the previous year.
- However, only for the month of Mar.'03, actual expenditure was 8.3% higher than the corresponding month of FY02.
- Up to Mar.'03 only 63.3% of the Budget for the FY03 has been spent.

<sup>1</sup> This report is based on data generated in the Reforms in Budgeting and Expenditure Control (RIBEC) System and the analysis is based on gross basis.

<sup>2</sup> 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.

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

**Table a.2: Revenue Expenditure: Ministry-wise Expenditure Pattern Up to Mar.'03**

(in Crore Taka)

	A01	B02	RB02	A02 (Mar)	A02 (Up to Mar)	A02	B03	A03 (Mar)	A03 (up to Mar)	A03 (up to Mar) as % B03	A03 as % A02 (Mar)	A03 as % A02 (up to Mar)
<b>Sub-total = GPS</b>	<b>3019.6</b>	<b>4105.1</b>	<b>3507.9</b>	<b>270.6</b>	<b>2132.9</b>	<b>3303.4</b>	<b>4441.9</b>	<b>322.6</b>	<b>2641.8</b>	<b>59.5</b>	<b>119.2</b>	<b>123.9</b>
President	2.7	3.0	3.1	0.3	2.3	2.9	3.4	0.2	2.2	64.5	62.8	96.8
Parliament	33.2	35.6	30.7	2.1	12.1	27.4	35.9	2.0	15.9	44.3	91.8	131.3
PMO	50.1	50.5	57.5	3.1	31.8	53.8	53.5	5.2	35.6	66.5	166.1	111.7
Cabinet Div	13.7	8.4	10.4	0.8	5.6	9.3	10.9	2.1	8.4	76.4	249.8	148.3
Election Com	72.5	189.7	102.9	1.6	71.4	92.0	137.8	2.5	57.3	41.6	156.7	80.2
Estab	243.5	247.7	260.3	14.5	175.5	250.9	263.9	22.7	195.3	74.0	156.9	111.3
PSC	4.5	4.6	4.5	0.2	3.0	4.2	4.6	0.3	3.5	76.5	112.5	118.8
Finance Div	1426.5	2067.8	1760.2	116.5	1055.7	1710.9	3124.0	179.7	1931.8	61.8	154.3	183.0
IRD	930.0	1055.6	1029.3	112.0	599.0	904.5	557.8	87.1	224.1	40.2	77.7	37.4
ERD	19.0	22.1	24.3	1.3	13.4	20.1	21.4	0.8	13.5	63.3	64.6	101.2
Planning Div	9.7	10.0	48.4	0.8	6.4	46.6	49.0	4.5	27.0	55.1	587.8	421.1
IMED	2.5	2.7	2.8	0.3	1.9	2.7	2.8	0.2	1.8	65.8	76.3	98.3
Statistics Div	36.7	37.3	0.0	2.5	26.9	0.0	0.0	0.1	5.7		3.4	21.3
Foreign Aff	174.9	370.1	173.5	14.4	127.9	178.0	176.7	15.2	119.6	67.7	105.0	93.5
<b>Sub-total = LGRD</b>	<b>505.2</b>	<b>520.8</b>	<b>559.1</b>	<b>25.2</b>	<b>272.4</b>	<b>551.1</b>	<b>572.7</b>	<b>44.5</b>	<b>291.7</b>	<b>50.9</b>	<b>176.6</b>	<b>107.1</b>
LGD	337.4	363.9	376.8	20.1	220.9	374.8	387.9	31.4	232.4	59.9	155.9	105.2
RD Div	76.8	84.7	83.4	4.3	49.6	77.9	83.9	12.5	57.7	68.7	286.6	116.2
CHT	90.9	72.1	98.9	0.7	1.9	98.5	100.9	0.7	1.7	1.7	93.4	91.2
<b>Sub-total = Defence</b>	<b>3398.6</b>	<b>3534.1</b>	<b>3391.0</b>	<b>224.2</b>	<b>1723.3</b>	<b>3633.8</b>	<b>3393.6</b>	<b>222.1</b>	<b>1701.3</b>	<b>50.1</b>	<b>99.1</b>	<b>98.7</b>
Def. Service	3328.0	3460.5	3325.6	219.1	1665.8	3561.5	3336.4	218.4	1663.7	49.9	99.7	99.9
Def.- Others	70.6	73.7	65.4	5.1	57.4	72.3	57.2	3.8	37.6	65.8	73.9	65.5
<b>Sub-total = POS</b>	<b>1671.1</b>	<b>1749.7</b>	<b>1738.1</b>	<b>118.3</b>	<b>1165.4</b>	<b>1712.4</b>	<b>1800.7</b>	<b>130.2</b>	<b>1232.6</b>	<b>68.5</b>	<b>110.1</b>	<b>105.8</b>
Law & Parlia	119.3	118.9	118.3	7.9	89.8	114.2	117.6	8.1	82.9	70.5	102.7	92.4
Supreme Court	0.0	12.4	14.8	0.9	8.6	14.0	13.6	1.2	11.0	81.0	121.8	128.0
Home Aff.	1551.8	1618.4	1605.0	109.4	1067.0	1584.2	1669.5	121.0	1138.7	68.2	110.6	106.7
<b>Sub-total = Edu</b>	<b>3583.5</b>	<b>3707.3</b>	<b>3811.6</b>	<b>282.9</b>	<b>2727.6</b>	<b>3744.3</b>	<b>3876.0</b>	<b>292.2</b>	<b>2823.9</b>	<b>72.9</b>	<b>103.3</b>	<b>103.5</b>
PMED	1323.0	1402.7	1428.4	114.7	1009.9	1368.8	1476.7	102.6	1003.4	67.9	89.4	99.4
Education	2174.4	2232.8	2310.5	161.8	1676.0	2303.4	2325.4	189.5	1780.3	76.6	117.1	106.2
Sc. & Tech	86.1	71.8	72.7	6.3	41.7	72.1	73.9	0.1	40.2	54.4	1.9	96.5
<b>Sub-total = Health</b>	<b>1041.1</b>	<b>1252.1</b>	<b>1286.1</b>	<b>87.9</b>	<b>780.1</b>	<b>1205.5</b>	<b>1325.4</b>	<b>92.7</b>	<b>820.6</b>	<b>61.9</b>	<b>105.5</b>	<b>105.2</b>
HFV	1041.1	1252.1	1286.1	87.9	780.1	1205.5	1325.4	92.7	820.6	61.9	105.5	105.2
<b>Sub-total = SSW</b>	<b>966.9</b>	<b>733.7</b>	<b>899.0</b>	<b>22.3</b>	<b>150.5</b>	<b>664.2</b>	<b>923.6</b>	<b>9.7</b>	<b>181.3</b>	<b>19.6</b>	<b>43.5</b>	<b>120.5</b>
Social Wel.	173.6	199.7	201.7	18.4	118.9	194.1	253.2	5.2	109.9	43.4	28.6	92.5
Women Aff.	21.6	21.8	26.7	1.4	12.5	24.5	27.2	2.1	13.7	50.4	148.7	109.5
Disaster Man.	771.7	512.2	661.4	2.5	19.0	444.9	595.6	2.2	25.9	4.3	90.5	136.1
Liberation Aff.	0.0	0.0	9.2	0.0	0.1	0.7	47.6	0.1	31.8	66.9	359.1	33762.4
<b>Sub-total = HCS</b>	<b>290.6</b>	<b>288.1</b>	<b>298.7</b>	<b>18.7</b>	<b>184.2</b>	<b>295.8</b>	<b>300.0</b>	<b>14.6</b>	<b>201.0</b>	<b>67.0</b>	<b>78.0</b>	<b>109.1</b>
Housing	290.6	288.1	298.7	18.7	184.2	295.8	300.0	14.6	201.0	67.0	78.0	109.1
<b>Sub-total = RCRA</b>	<b>231.9</b>	<b>217.3</b>	<b>237.5</b>	<b>11.4</b>	<b>138.4</b>	<b>228.6</b>	<b>239.1</b>	<b>16.1</b>	<b>146.3</b>	<b>61.2</b>	<b>141.8</b>	<b>105.8</b>
Information	138.2	130.7	137.3	7.0	85.8	130.0	139.9	8.7	89.9	64.3	123.5	104.8
Cultural Aff.	30.7	31.4	31.8	1.5	16.6	31.5	32.5	2.5	21.2	65.2	167.6	127.7
Religious Aff.	26.3	23.7	29.5	1.2	10.3	28.2	24.1	0.4	7.4	30.5	30.3	71.5
Youth	36.7	31.5	38.8	1.6	25.6	38.9	42.5	4.6	27.9	65.6	278.0	108.8
<b>Sub-total = FE</b>	<b>7.2</b>	<b>7.8</b>	<b>8.1</b>	<b>0.5</b>	<b>5.7</b>	<b>7.8</b>	<b>7.9</b>	<b>0.5</b>	<b>5.5</b>	<b>69.6</b>	<b>99.6</b>	<b>96.8</b>
Petroleum	5.6	5.9	6.2	0.4	4.4	5.9	6.3	0.4	4.3	68.4	95.0	97.2
Energy	1.6	1.9	1.9	0.1	1.3	1.9	1.6	0.1	1.2	74.4	117.3	95.7
<b>Sub-total = Agr</b>	<b>831.6</b>	<b>850.3</b>	<b>855.4</b>	<b>87.5</b>	<b>596.4</b>	<b>857.2</b>	<b>880.4</b>	<b>66.1</b>	<b>633.8</b>	<b>72.0</b>	<b>75.5</b>	<b>106.3</b>
Agriculture	304.7	322.2	308.3	26.4	242.6	313.9	326.7	19.2	239.9	73.4	72.7	98.9
Fisheries	142.2	151.9	155.5	9.4	105.6	161.8	160.1	11.0	112.3	70.1	117.0	106.4
Environment	56.4	57.8	59.1	5.5	41.0	59.2	62.0	4.6	44.8	72.2	82.4	109.2
Land	149.0	163.6	164.9	11.2	114.6	154.8	170.5	11.7	116.6	68.4	104.6	101.8
Water	177.0	152.4	165.2	34.7	90.9	165.1	158.8	19.2	118.0	74.3	55.5	129.8
Food (Excl Food A/C	2.4	2.4	2.4	0.3	1.8	2.3	2.4	0.4	2.2	92.0	127.9	123.6
<b>Sub-total = IES</b>	<b>107.1</b>	<b>110.5</b>	<b>113.0</b>	<b>7.1</b>	<b>74.3</b>	<b>112.1</b>	<b>115.4</b>	<b>12.1</b>	<b>79.3</b>	<b>68.7</b>	<b>170.2</b>	<b>106.8</b>
Indsuties	28.4	28.9	29.7	0.4	16.3	29.8	30.0	5.0	21.0	69.8	1232.9	128.7
Jute	6.9	7.9	7.8	0.4	4.5	6.1	8.0	0.5	5.2	65.6	109.7	115.5
Textiles	13.6	14.3	16.0	1.4	9.9	15.9	15.3	1.8	11.2	73.5	126.8	113.7
Commerce	23.5	24.7	23.7	2.4	17.0	24.0	24.7	2.0	16.8	68.1	80.3	98.9
Labour	34.7	34.7	25.3	2.4	26.6	33.2	11.9	1.3	15.2	128.2	52.9	57.3
Expatriates	0.0	0.0	10.6	0.0	0.0	3.0	25.5	1.6	9.8	38.5		
<b>Sub-total = TC</b>	<b>1468.4</b>	<b>1422.0</b>	<b>1466.1</b>	<b>112.2</b>	<b>1047.3</b>	<b>1547.4</b>	<b>1481.6</b>	<b>104.7</b>	<b>1083.6</b>	<b>73.1</b>	<b>93.3</b>	<b>103.5</b>
Roads/ Comm	890.1	877.3	915.7	70.4	654.7	946.4	936.8	61.5	637.2	68.0	87.4	97.3
Shipping	26.8	28.4	29.1	5.9	20.9	28.6	28.8	6.1	21.4	74.1	103.7	102.3
Civil Aviation	1.5	1.3	1.4	0.1	0.9	1.4	1.4	0.1	1.2	84.9	130.8	123.5
Post&Tele.	550.1	515.0	519.8	35.9	370.8	570.9	514.6	37.0	423.9	82.4	103.1	114.3
<b>Sub-total = Interest</b>	<b>4176.5</b>	<b>4608.5</b>	<b>4520.0</b>	<b>292.8</b>	<b>2939.0</b>	<b>4947.4</b>	<b>4614.0</b>	<b>363.0</b>	<b>3335.2</b>	<b>72.3</b>	<b>124.0</b>	<b>113.5</b>
Domestic	3273.4	3644.0	3585.3	246.0	2499.8	4162.6	3588.5	300.8	2673.2	74.5	122.3	106.9
Foreign	903.1	964.5	934.8	46.8	439.2	784.8	1025.5	62.2	662.0	64.6	133.0	150.7
<b>Total</b>	<b>21299.3</b>	<b>23107.3</b>	<b>22691.7</b>	<b>1561.4</b>	<b>13937.4</b>	<b>22810.9</b>	<b>23972.3</b>	<b>1691.2</b>	<b>15178.2</b>	<b>63.3</b>	<b>108.3</b>	<b>108.9</b>

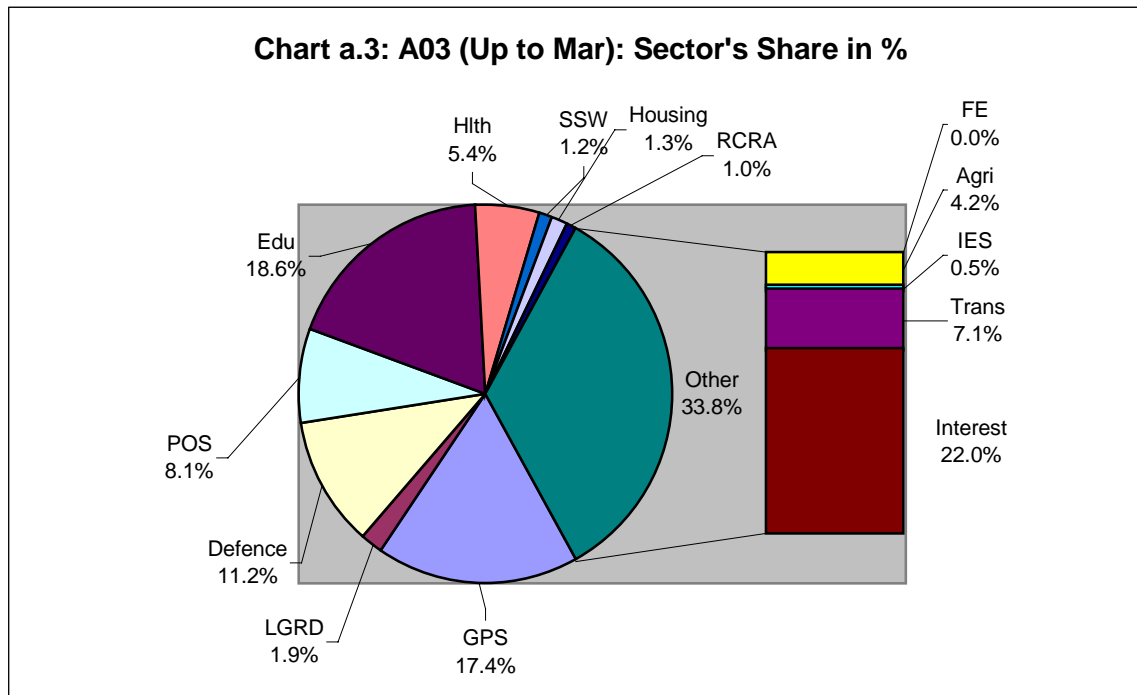
Regarding expenditures even up to Mar.'03, about 13 (thirteen) ministries/divisions show an utilization of revenue resources less than 60%: Parliament (44.3%), Election Commission (41.6%), IRD (40.2%), Planning Division (55.1%), LGD (59.9%), CHT (1.7%), Defense Service (49.9%), Science & Technology (54.4%), Women Affairs (50.4%), Social Welfare (43.4%), Expatriate welfare (38.5%), Religious Affairs (30.5%) & Disaster Management (4.3%). In some cases, there are some programmed expenditure which has not yet been carried out (e.g. CHT) and in others, there may be underreporting or lag in reporting of expenditure again with regard to programmed expenditure involving food with in other ministries/divisions.

### a.3 Revenue Expenditure: Broad Sector-wise Allocation

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

Broad Sectors	Admn	SIS	PIS	Agri	Others	Interest
Sector's Share of A02	37.9	28.3	6.8	3.8	1.5	21.7
Sector's Share of B03	40.2	29.2	6.2	3.7	1.5	19.2
Sector's Share of A03 (Upto Mar)	36.7	28.5	7.2	4.2	1.5	22.0

It appears that of share Interest Payments is on rise.



A detail of sector-wise share of revenue expenditure based on the Account (up to Mar.) for the FY03 is shown in Chart a.3. Individually the largest shares are: Interest (22.0%), Education (18.6%), General Public Services (17.4%), Defence (11.2%), Public Order and Safety (8.1%) and Transportation (7.1%).

### a.4 Utilization up to Feb.'03

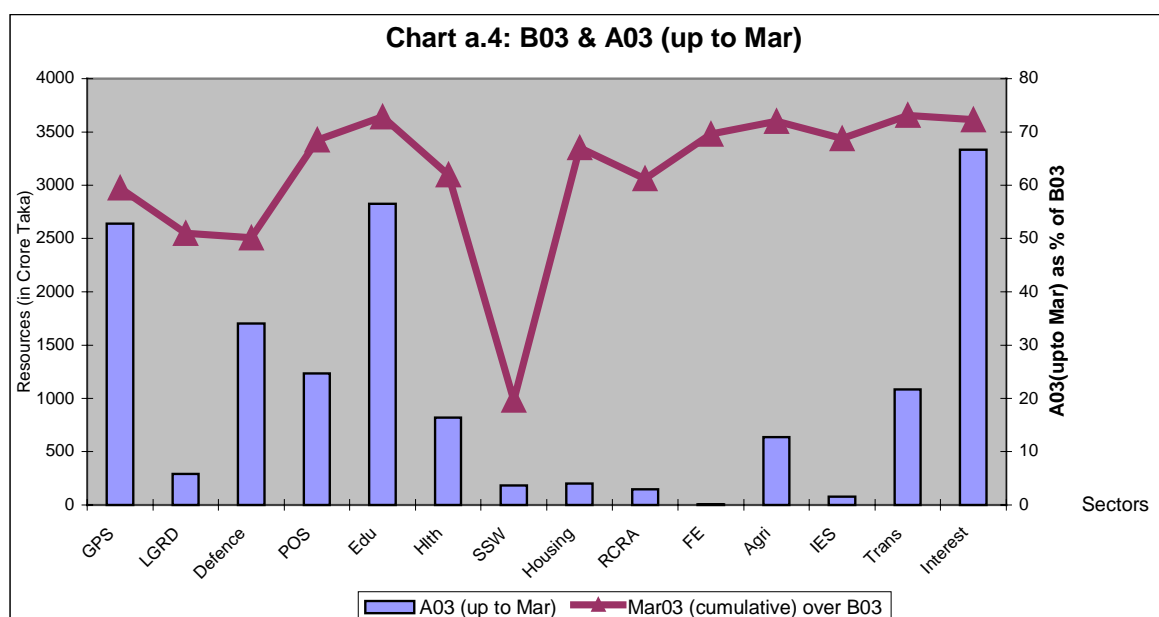
Sector-wise utilization of resources (up to Mar.'03) is shown in Table a.4 and Chart a.4 (presented in the next page). It appears that the following sectors have a utilization rate less than 55%:

- Social Security and Welfare (SSW) (19.6% of B03 has been spent)
- LGRD (50.9%)
- Defence (50.1%)

<sup>4</sup> 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 March and up to March of FY03**  
(in Crore Taka)

Sectors	A02 (Mar)	A02 (Up to Mar)	A03 (Mar)	A03 (up to Mar)	Mar03 over Mar02 (in %)	Mar03 over Mar02 (cumulative)	Mar03 (cumulative) over B03
GPS	270.6	2132.9	322.6	2641.8	119.2	123.9	59.5
LGRD	25.2	272.4	44.5	291.7	176.6	107.1	50.9
Defence	224.2	1723.3	222.1	1701.3	99.1	98.7	50.1
POS	118.3	1165.4	130.2	1232.6	110.1	105.8	68.5
Edu	282.9	2727.6	292.2	2823.9	103.3	103.5	72.9
Hlth	87.9	780.1	92.7	820.6	105.5	105.2	61.9
SSW	22.3	150.5	9.7	181.3	43.5	120.5	19.6
Housing	18.7	184.2	14.6	201.0	78.0	109.1	67.0
RCRA	11.4	138.4	16.1	146.3	141.8	105.8	61.2
FE	0.5	5.7	0.5	5.5	99.6	96.8	69.6
Agri	87.5	596.4	66.1	633.8	75.5	106.3	72.0
IES	7.1	74.3	12.1	79.3	170.2	106.8	68.7
Trans	112.2	1047.3	104.7	1083.6	93.3	103.5	73.1
Interest	292.8	2939.0	363.0	3335.2	124.0	113.5	72.3
<b>Total</b>	<b>1561.4</b>	<b>13937.4</b>	<b>1691.2</b>	<b>15178.2</b>	<b>108.3</b>	<b>108.9</b>	<b>63.3</b>



### **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:

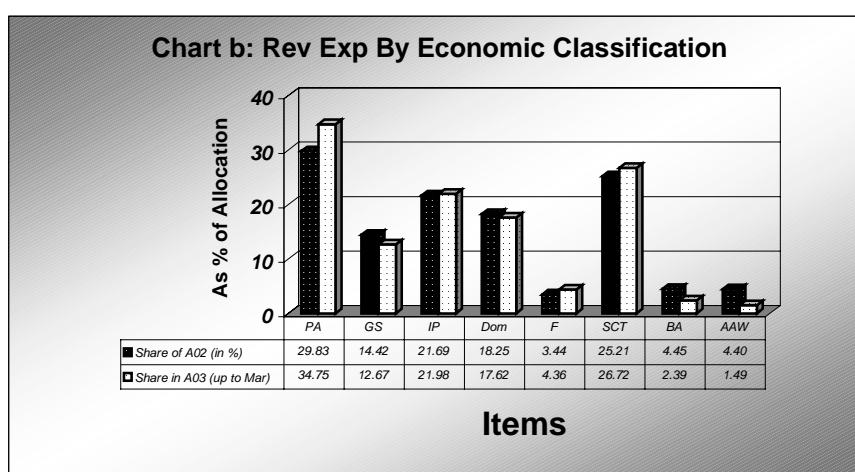
- Until Mar.'03, maximum utilization of Revenue Expenditure as % of B03, has been carried out under two heads: Interest Payments (72.3%) and Pay and Allowances (72.1%). Subsidies and Current Transfers come there after with 61.7%.
- During the last Fiscal Year (A02), Domestic Interest Payments (18.2%) was more than 5 (five) times larger than that of Foreign Interest Payment (3.4%).

- Up to Mar.'03, the following economic categories show an utilization rate less than 55%: Subsidies (52.6%), Contribution to International Organization (51.6%), Repairs, Maintenance and Rehabilitation (51.5%), Supplies and Services (53.9%), Unexpected Expenditure (26.6%), Others Expenditure (24%), Acquisition of Land Assets (19.1%), Acquisition of Asset (16.6%) and Constructions and Works (42.6%).

**Table b: Revenue Expenditure by Economic Classification**

(in Crore Taka)

Description	RB02	B03	A02	A03 (up to Mar)	B03 as % of RB02	Share of A02 (in %)	A03 (up to Mar) as % B03
<b>Pay and Allowances</b>	<b>6801.6</b>	<b>7318.7</b>	<b>6804.4</b>	<b>5273.9</b>	<b>107.6</b>	<b>29.8</b>	<b>72.1</b>
Pay of Officers	637.4	659.5	647.8	514.5	103.5	2.8	78.0
Pay of Establishment	2995.8	3125.0	2999.6	2260.5	104.3	13.1	72.3
Allowances	3168.5	3534.2	3157.0	2498.9	111.5	13.8	70.7
<b>Goods and Services</b>	<b>3451.6</b>	<b>3612.5</b>	<b>3289.8</b>	<b>1922.7</b>	<b>104.7</b>	<b>14.4</b>	<b>53.2</b>
Supplies and Services	2420.7	2562.0	2293.8	1381.2	105.8	10.1	53.9
Repairs, Maintainance & Rehabilitation	1030.9	1050.4	996.0	541.5	101.9	4.4	51.5
<b>Interest Payments</b>	<b>4520.0</b>	<b>4614.0</b>	<b>4947.4</b>	<b>3336.2</b>	<b>102.1</b>	<b>21.7</b>	<b>72.3</b>
Domestic	3585.3	3588.5	4162.6	2674.2	100.1	18.2	74.5
Foreign	934.8	1025.5	784.8	662.0	109.7	3.4	64.6
<b>Subsidies and Current Transfers</b>	<b>5914.6</b>	<b>6572.7</b>	<b>5750.4</b>	<b>4056.2</b>	<b>111.1</b>	<b>25.2</b>	<b>61.7</b>
Subsidies	680.8	1226.9	676.9	645.4	180.2	3.0	52.6
Grants in Aid	3648.0	3551.9	3415.4	2193.6	97.4	15.0	61.8
Contributions to Intl Organisation	21.5	20.7	12.1	10.7	96.4	0.1	51.6
Pensions and Gratuties	1563.8	1772.8	1646.0	1206.5	113.4	7.2	68.1
<b>Block Allocation</b>	<b>1230.8</b>	<b>1439.0</b>	<b>1014.6</b>	<b>363.0</b>	<b>116.9</b>	<b>4.4</b>	<b>25.2</b>
Unexpected	80.7	700.0	8.1	185.9	867.8	0.0	26.6
Others	1150.1	7390.0	1006.6	177.1	64.3	4.4	24.0
<b>Acquisition of Assets and Works</b>	<b>1105.8</b>	<b>1015.9</b>	<b>1004.3</b>	<b>226.0</b>	<b>91.9</b>	<b>4.4</b>	<b>22.2</b>
Acquisition of Assets	830.5	785.1	734.3	130.5	94.5	3.2	16.6
Acquisition of Land Assets	38.3	11.9	41.5	2.3	31.1	0.2	19.1
Construction and Works	237.0	218.9	228.4	93.3	92.4	1.0	42.6
<b>Net Total</b>	<b>22691.7</b>	<b>23972.3</b>	<b>22810.9</b>	<b>15178.1</b>	<b>105.6</b>	<b>100.0</b>	<b>63.3</b>



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 Mar. '03 only about 31.4% of the Budget for the FY03 has been spent implying under utilization and/or underreporting.

**Table c.1: Development Expenditure: Ministry-wise Expenditure Pattern Up to Feb. '03**

(in Crore Taka)

	A01	B02	RB02	A02 (Mar)	A02 (Up to Mar)	B03	A03 (Mar)	A02	A03 (up to Mar)	A03 (up to Mar) as % B03	A03 as % A02 (Mar)	A03 as % A02 (up to Mar)
<b>Sub-total = GPS</b>	<b>349.5</b>	<b>1122.6</b>	<b>348.6</b>	<b>4.2</b>	<b>103.0</b>	<b>703.8</b>	<b>4.0</b>	<b>186.0</b>	<b>68.5</b>	<b>9.7</b>	<b>94.9</b>	<b>66.4</b>
Parliament	0.1	1.9	2.1	0.5	2.1	1.3	0.0	2.9	0.0	0.0	0.0	0.0
PMO	177.4	123.2	153.7	0.9	39.3	141.3	0.1	72.7	34.9	24.7	6.2	88.8
Cabinet	0.0	1.5	1.3	0.0	0.1	4.1	0.5	1.1	2.2	54.3	7248.6	2274.7
Electron Com.	1.9	21.2	12.7	0.0	0.2	18.6	0.0	0.2	0.0	0.1	157.1	6.9
Establishment	50.7	121.0	70.3	1.1	15.7	86.2	2.5	54.5	22.3	25.9	229.7	142.2
Finance Div	25.9	14.2	21.8	0.1	25.7	48.6	0.0	14.3	2.0	4.2	0.0	7.8
IRD	12.2	30.3	30.3	0.1	7.3	29.2	0.0	13.9	1.0	3.5	0.0	14.0
ERD	2.7	3.4	11.2	0.0	0.7	13.5	0.0	1.2	0.3	2.3	1580.0	46.2
Planning Div	13.8	771.9	13.5	0.3	6.7	346.1	0.8	8.8	5.5	1.6	286.9	82.5
IMED	0.5	0.5	2.6	0.0	0.2	11.0	0.0	0.3	0.2	1.7	211.4	103.5
Statistics Div	64.1	31.6	27.2	1.2	5.2	0.0	0.0	16.2	0.0		0.0	0.0
Foreign Aff.	0.1	2.0	2.0	0.0	0.0	4.0	0.0	0.0	0.0	0.0		
<b>Sub-total = LGRD</b>	<b>3244.3</b>	<b>3470.1</b>	<b>3233.9</b>	<b>143.0</b>	<b>1139.6</b>	<b>3400.1</b>	<b>194.6</b>	<b>2880.2</b>	<b>1008.2</b>	<b>29.7</b>	<b>136.1</b>	<b>88.5</b>
LGD	3061.2	3170.3	3003.5	119.1	1032.9	3122.9	192.6	2639.0	945.3	30.3	161.7	91.5
RD	80.1	170.2	128.1	10.7	69.6	138.3	0.0	144.2	28.5	20.6	0.3	41.0
CHT	103.1	129.6	102.4	13.2	37.1	138.9	2.1	97.1	34.4	24.7	15.6	92.5
<b>Sub-total = Defence</b>	<b>7.5</b>	<b>15.5</b>	<b>11.1</b>	<b>0.0</b>	<b>1.3</b>	<b>15.9</b>	<b>0.1</b>	<b>5.9</b>	<b>0.5</b>	<b>3.4</b>	<b>303.7</b>	<b>41.7</b>
Defence Service	3.8	8.0	6.5	0.0	0.7	9.2	0.0	4.4	0.0	0.0		0.0
Def.-Others	3.7	7.5	4.6	0.0	0.6	6.7	0.1	1.5	0.5	8.0	303.7	91.5
<b>Sub-total = POS</b>	<b>81.7</b>	<b>106.1</b>	<b>103.3</b>	<b>3.2</b>	<b>23.5</b>	<b>156.3</b>	<b>0.8</b>	<b>78.0</b>	<b>30.8</b>	<b>19.7</b>	<b>23.7</b>	<b>131.3</b>
Law & Parlia. Aff.	21.8	29.4	33.6	0.2	3.3	50.0	0.1	12.5	2.6	5.1	60.2	78.7
Ministry of Home Aff.	59.8	76.7	69.7	3.1	20.2	106.3	0.7	65.5	28.3	26.6	21.9	139.8
<b>Sub-total = Edu</b>	<b>2254.0</b>	<b>2468.9</b>	<b>2198.0</b>	<b>202.7</b>	<b>877.3</b>	<b>2995.2</b>	<b>75.9</b>	<b>2114.1</b>	<b>1046.5</b>	<b>34.9</b>	<b>37.4</b>	<b>119.3</b>
PMED	1274.9	1434.9	1222.3	85.6	414.0	1778.7	27.9	1148.0	605.0	34.0	32.6	146.1
Education	893.5	956.5	915.4	116.7	439.0	1129.3	47.2	910.9	415.2	36.8	40.4	94.6
Sc. & Tech.	85.6	77.5	60.3	0.3	24.3	87.3	0.8	55.2	26.4	30.2	252.9	108.7
<b>Sub-total = Health</b>	<b>1151.8</b>	<b>1621.4</b>	<b>1363.3</b>	<b>31.8</b>	<b>353.2</b>	<b>1702.3</b>	<b>29.8</b>	<b>1192.2</b>	<b>211.4</b>	<b>12.4</b>	<b>93.6</b>	<b>59.8</b>
HFV	1151.8	1621.4	1363.3	31.8	353.2	1702.3	29.8	1192.2	211.4	12.4	93.6	59.8
<b>Sub-total = SSW</b>	<b>940.5</b>	<b>790.7</b>	<b>810.6</b>	<b>3.8</b>	<b>84.2</b>	<b>879.0</b>	<b>3.5</b>	<b>693.5</b>	<b>162.7</b>	<b>18.5</b>	<b>91.4</b>	<b>193.3</b>
SW	66.0	79.0	69.1	1.9	19.1	99.6	1.5	61.8	18.9	19.0	79.2	98.7
Women's Aff.	44.1	68.3	46.0	0.3	12.6	96.1	0.3	25.9	8.9	9.2	118.4	70.7
Disaster Manag.	825.4	638.5	689.6	1.6	52.5	667.4	1.6	600.8	132.0	19.8	101.9	251.6
Lib. Affairs	0.0	0.0	0.8	0.0	0.0	11.0	0.0	0.1	2.9	26.1		
SHAD	5.0	5.0	5.0	0.0	0.0	5.0	0.0	4.9	0.0	0.0		
<b>Sub-total = HCS</b>	<b>159.1</b>	<b>129.8</b>	<b>80.2</b>	<b>2.2</b>	<b>43.8</b>	<b>94.4</b>	<b>1.9</b>	<b>78.8</b>	<b>39.9</b>	<b>42.2</b>	<b>87.6</b>	<b>91.0</b>
Housing	159.1	129.8	80.2	2.2	43.8	94.4	1.9	78.8	39.9	42.2	87.6	91.0
<b>Sub-total = RCRA</b>	<b>204.0</b>	<b>291.8</b>	<b>203.6</b>	<b>7.0</b>	<b>75.0</b>	<b>312.2</b>	<b>10.1</b>	<b>179.4</b>	<b>87.1</b>	<b>27.9</b>	<b>144.0</b>	<b>116.2</b>
Information	24.3	74.2	33.9	0.1	9.5	85.4	0.2	18.4	6.0	7.1	165.5	63.6
Cultural Aff.	45.9	47.0	36.7	0.0	13.0	48.3	1.5	34.4	14.2	29.4	3982.0	109.4
Religious Aff.	7.0	30.5	24.0	0.0	5.3	35.5	4.4	23.5	12.8	36.1		240.9
Youth	126.8	140.1	109.0	6.9	47.2	143.1	4.0	103.0	54.1	37.8	58.2	114.6
<b>Sub-total = FE</b>	<b>2184.9</b>	<b>2904.2</b>	<b>2361.4</b>	<b>179.1</b>	<b>705.0</b>	<b>2849.6</b>	<b>140.3</b>	<b>1924.1</b>	<b>980.6</b>	<b>34.4</b>	<b>78.4</b>	<b>139.1</b>
Petroleum	379.3	654.3	451.5	11.5	217.3	574.2	0.1	381.9	97.2	16.9	0.4	44.7
Energy	1805.6	2250.0	1909.8	167.5	487.7	2275.4	140.3	1542.3	883.4	38.8	83.7	181.1
<b>Sub-total = Agr</b>	<b>2035.2</b>	<b>2069.6</b>	<b>1815.1</b>	<b>95.2</b>	<b>721.1</b>	<b>1930.8</b>	<b>64.1</b>	<b>1700.5</b>	<b>729.5</b>	<b>37.8</b>	<b>67.3</b>	<b>101.2</b>
Agriculture	480.4	504.9	420.0	16.4	233.5	474.3	20.6	416.4	192.6	40.6	125.3	82.5
Fisheries	199.9	309.9	242.8	4.0	87.6	264.3	8.2	194.1	72.2	27.3	206.1	82.5
Environment	171.2	219.7	161.7	15.5	88.3	175.7	12.9	180.2	90.1	51.3	83.0	102.0
Land	63.3	100.4	63.1	0.1	4.4	93.1	0.6	24.5	36.6	39.3	561.3	831.2
Water	1096.6	908.7	901.3	57.6	293.7	895.1	19.9	861.5	326.0	36.4	34.6	111.0
Ministry of Food	23.8	26.0	26.3	1.5	13.5	28.4	1.9	23.8	12.1	42.5	120.2	89.2
<b>Sub-total = IES</b>	<b>289.0</b>	<b>322.1</b>	<b>238.1</b>	<b>43.6</b>	<b>66.9</b>	<b>278.9</b>	<b>1.4</b>	<b>121.7</b>	<b>39.3</b>	<b>14.1</b>	<b>3.3</b>	<b>58.7</b>
Indsuties	235.5	198.6	125.1	42.0	55.0	121.3	0.5	78.8	22.3	18.4	1.1	40.5
Jute	5.8	5.8	4.8	0.1	1.5	5.7	0.0	3.9	0.2	3.8	14.0	14.2
Textiles	30.5	50.5	30.8	0.1	1.7	68.0	0.2	15.2	9.3	13.7	264.4	556.2
Commerce	0.4	43.6	58.4	0.0	5.0	57.5	0.0	7.5	2.4	4.2		47.8
Labour	16.8	23.5	19.0	1.4	3.7	26.5	0.7	16.2	5.1	19.1	51.9	136.1
<b>Sub-total = TC</b>	<b>3683.0</b>	<b>4059.2</b>	<b>3815.8</b>	<b>84.1</b>	<b>2352.9</b>	<b>4344.4</b>	<b>221.3</b>	<b>3950.0</b>	<b>1771.3</b>	<b>40.8</b>	<b>263.3</b>	<b>75.3</b>
Communication	2901.5	3054.3	2861.3	71.4	1622.2	3420.7	173.5	2767.0	1420.7	41.5	243.0	87.6
Jumuna Bridge	75.0	100.0	83.0	10.7	10.7	0.0	0.0	82.5	0.0		0.0	0.0
Shipping	36.3	143.3	66.6	0.0	46.3	31.5	0.0	79.2	16.1	51.0		34.7
Civil Aviation	198.5	112.1	101.3	0.0	73.5	26.5	0.0	162.7	6.0	22.7		8.2
Post and Tele.	471.7	649.6	703.7	2.0	600.3	865.7	47.9	858.6	328.5	37.9	2402.2	54.7
<b>a. Total</b>	<b>16584.4</b>	<b>19372.0</b>	<b>16583.0</b>	<b>799.9</b>	<b>6546.8</b>	<b>19663.0</b>	<b>747.8</b>	<b>15104.5</b>	<b>6176.2</b>	<b>31.4</b>	<b>93.5</b>	<b>94.3</b>
b. Total: Source IMED	15471							14900				
c. a as % of b	107.2							101.4				

- Underreporting has gone as far as annual data is concerned. However, it warrants the need of some sorts of integration of Budgeting Information System with the monitoring system of IMED and ERD. In FY01/02, CGA development expenditure is higher than IMED ADP expenditures as Development Expenditure is greater than the ADP by the amount of (Non-ADP FFW + Non-ADP Projects- Self-financing).

## 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 (RB02) for the FY02 was 14.4% less than the original budget (B02) and A02 was 8.9% less than RB02, B03 was 18.6% higher than RB02.

**Table c.2: Development Expenditure Pattern by Sector<sup>5</sup>**

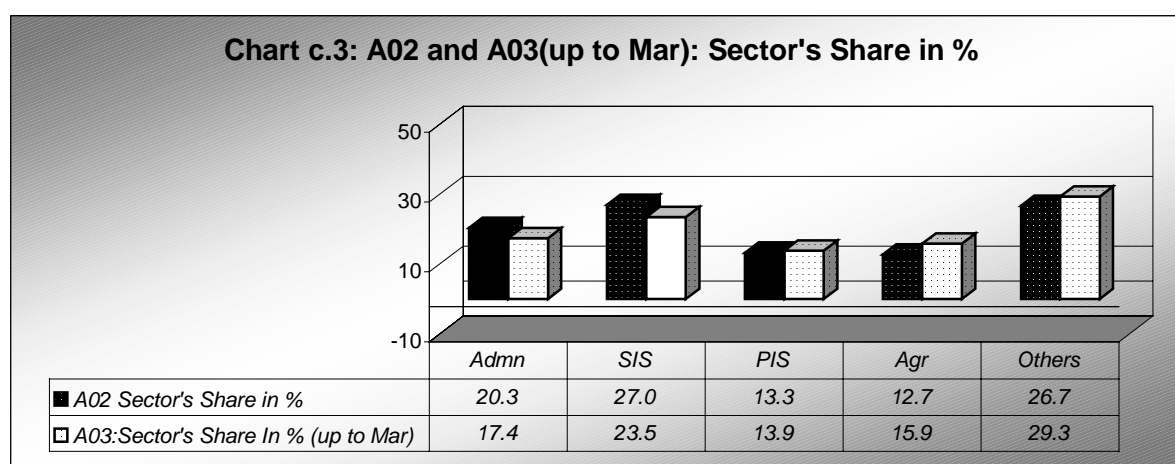
(in Crore Taka)

Sectors	A01	B02	RB02	A02	B03	A03 (up to Mar)	A02 Sector's Share in %	A02 as % of RB02	B03 as % of RB02	RB02 as % of B02	B03 as % of A02	A03 (up to Mar) as % of A02
GPS	349.5	1122.6	348.6	186.0	703.8	68.5	1.2	53.4	201.9	31.1	378.3	36.8
Defence	3244.3	3470.1	3233.9	2880.2	3400.1	1008.2	19.1	89.1	105.1	93.2	118.1	35.0
POS	7.5	15.5	11.1	5.9	15.9	0.5	0.0	53.3	142.5	72.0	267.4	9.0
Edu	81.7	106.1	103.3	78.0	156.3	30.8	0.5	75.5	151.3	97.4	200.5	39.5
Health	2254.0	2468.9	2198.0	2114.1	2995.2	1046.5	14.0	96.2	136.3	89.0	141.7	49.5
SSW	1151.8	1621.4	1363.3	1192.2	1702.3	211.4	7.9	87.5	124.9	84.1	142.8	17.7
HCS	940.5	790.7	810.6	693.5	879.0	162.7	4.6	85.6	108.4	102.5	126.8	23.5
RCRA	159.1	129.8	80.2	78.8	94.4	39.9	0.5	98.3	117.8	61.8	119.8	50.6
FE	204.0	291.8	203.6	179.4	312.2	87.1	1.2	88.1	153.4	69.8	174.1	48.6
AFL	2184.9	2904.2	2361.4	1924.1	2849.6	980.6	12.7	81.5	120.7	81.3	148.1	51.0
MMC	2035.2	2069.6	1815.1	1700.5	1930.8	729.5	11.3	93.7	106.4	87.7	113.5	42.9
TC	289.0	322.1	238.1	121.7	278.9	39.3	0.8	51.1	117.1	73.9	229.2	32.3
CLE	3683.0	4059.2	3815.8	3950.0	4344.4	1771.3	26.2	103.5	113.9	94.0	110.0	44.8
<b>Total</b>	<b>16584.4</b>	<b>19372.0</b>	<b>16583.0</b>	<b>15104.5</b>	<b>19663.0</b>	<b>6176.2</b>	<b>100.0</b>	<b>91.1</b>	<b>118.6</b>	<b>85.6</b>	<b>130.2</b>	<b>40.9</b>

- While Budget for the FY03 shows 18.6% increase over RB02, up to Mar.'03 actual expenditure registers only 40.9% of the 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.

<sup>5</sup> Notes: GPS = General Public Services, POS = Public Order and Safety, Edu = Education, SSW = Social Security and Welfare, HCS = Housing and Community Services, RCRA = Recreation, Culture and Religious Affairs, AFL = Agriculture, Fisheries and Livestock, FE = Fuel and Energy, MMC = Mining, Manufacturing and Construction, TC = Transport and Communication, CLE = Commerce, and Labor and employment



## 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 FY02 and FY03 (up to March)<sup>6</sup>.

**Table d.1: Revenue Receipts: Reporting Scenario**

	A01	B02	RB02	A02 (Mar)	A02 (Up to Mar)	A02	B03	A03 (Mar)	A03 (up to Mar)
	<i>(in Crore Taka)</i>								
<b>Tax Rev(a+b)</b>	19132	22023	21932	1910	14527	21030	25500	2108	16976
<b>a. NBR</b>	18129	20730	20732	1814	13772	19922	23750	2017	16268
a.1 Income	3166	4100	4102	328	2266	3516	4789	325	2470
a.2 VAT	6309	6980	6960	647	4898	7042	8071	936	7097
a.2i Import	37538	4070	4050	355	2775	3846	4465	384	3206
a.2ii Domestic	2555	2910	2910	292	2123	3195	3606	551	3891
a.3 Import	4830	5350	5350	461	3645	5169	5890	571	4757
a.4 Sup	3369	3850	3850	309	2642	3771	4375	135	1575
a.4i Import	1267	1400	1400	138	994	1368	1565	103	923
a.4ii Domestic	2102	2450	2450	172	1648	2403	2810	32	652
a.5 EO	455	450	470	69	321	424	625	50	369
<b>b. Non-NBR</b>	1003	1293	1200	96	755	1108	1750	90	708
b.1 NL	29	45	30	3	20	27	40	2	21
b.2 Vehicles	126	160	145	14	132	179	270	20	165
b.3 Land	190	233	214	16	101	200	326	13	100
b.4 Stamp	658	856	811	64	502	702	1114	55	423
<b>c. Non-tax Rev</b>	4564	6433	5740	420	3920	6714	7584	466	3547
c.1 DP	684	840	1162	15	1020	1147	1230	14	570
c.2 PO&R	479	522	522	31	257	518	538	32	274
c.3 T&T	1265	1763	1603	133	807	1586	1602	154	797
c.4 IFI	2135	3308	2453	240	1835	3464	4214	266	1906
<b>Total Rev (a+b+c)</b>	23696	28456	27672	2330	18447	27744	33084	2574	20523
d. NBR (Source: NBR)	18774.8			1816.04	13837	20224.4		2161.2	16659.3
e. a as % of d	96.6			99.9	99.5	98.5		93.3	97.7

Table d.1 indicates that:

- On annual basis, the discrepancy between NBR and CGA system has gone away to a great extent.
- On monthly basis as well as on cumulative basis, the gaps still exist and indicate the need for quick reporting and accumulation of data in CGA system with more coordination with NBR..

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

- While tax revenue collection estimates for the FY03, is 16.3% higher than RB02 of the FY02, it is 21.3% higher than the actual collection (A02).
- Up to Mar.'03, tax revenue collection for the FY03 registers 16.9% increase over the corresponding period of the previous FY02. Whereas, Non-NBR tax collection reduces by 6.2%. and Non-tax collection by 9.5%.
- Up to Mar.'03 only 62% of the Budget estimates have been collected.

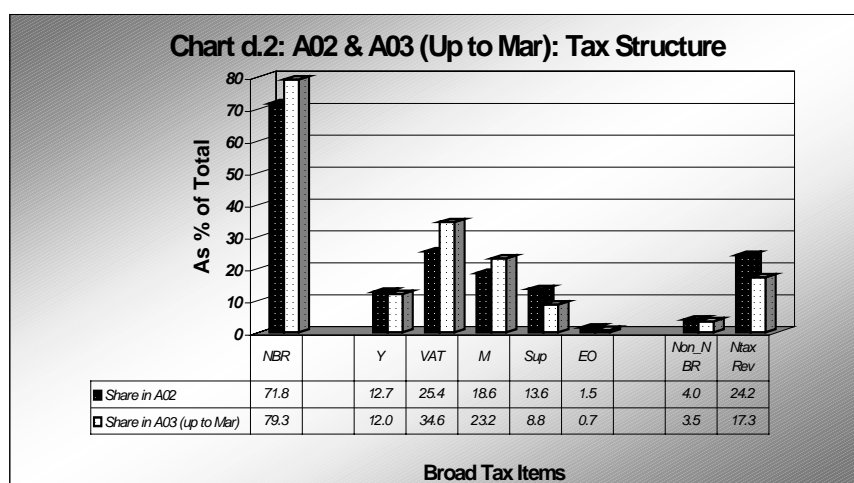
<sup>6</sup> Notes: Income = Income/Profit/Property/Wealth, Sup=Supplementary+Excise, EO = Electricity+Others  
 NL = Narcotics & Liquor, DP = Dividend & Profit, PO&R = Post Office+Railway  
 IFT = Interest/Fees/Tolls & Other receipts

**Table d.2: Revenue Receipts<sup>7</sup>: Growth and Structure**

	(RB02/B02)*100	(B03/A02)*100	(B03/RB02)*100	Share in A02	(Mar03/Mar02)*100	(A03/A02)*100(up to Mar)	(A03up to Mar/B03)*100
<b>Tax Rev(a+b)</b>	<b>99.6</b>	<b>121.3</b>	<b>116.3</b>	<b>75.8</b>	<b>110.3</b>	<b>116.9</b>	<b>66.6</b>
<b>a. NBR</b>	<b>100.0</b>	<b>119.2</b>	<b>114.6</b>	<b>71.8</b>	<b>111.2</b>	<b>118.1</b>	<b>68.5</b>
a.1 Income	100.0	136.2	116.7	12.7	99.1	109.0	51.6
a.2 VAT	99.7	114.6	116.0	25.4	144.6	144.9	87.9
a.2i Import	99.5	116.1	110.2	13.9	108.2	115.5	71.8
a.2ii Domestic	100.0	112.9	123.9	11.5	189.0	183.3	107.9
a.3 Import	100.0	114.0	110.1	18.6	123.9	130.5	80.8
a.4 Sup	100.0	116.0	113.6	13.6	43.6	59.6	36.0
a.4i Import	100.0	114.4	111.8	4.9	74.6	92.9	59.0
a.4ii Domestic	100.0	116.9	114.7	8.7	18.9	39.6	23.2
a.5 EO	104.4	147.2	133.0	1.5	73.4	114.8	59.1
<b>b. Non-NBR</b>	<b>92.8</b>	<b>157.9</b>	<b>145.8</b>	<b>4.0</b>	<b>93.9</b>	<b>93.8</b>	<b>40.5</b>
b.1 NL	66.7	148.3	133.3	0.1	92.6	102.3	51.3
b.2 Vehicles	91.0	151.0	186.2	0.6	148.7	125.2	61.1
b.3 Land	91.8	162.8	152.3	0.7	80.1	98.5	30.6
b.4 Stamp	94.7	158.7	137.4	2.5	85.9	84.3	38.0
<b>c. Non-tax Rev</b>	<b>89.2</b>	<b>113.0</b>	<b>132.1</b>	<b>24.2</b>	<b>111.2</b>	<b>90.5</b>	<b>46.8</b>
c.1 DP	138.4	107.2	105.8	4.1	92.4	55.9	46.4
c.2 PO&R	100.0	103.9	103.1	1.9	103.4	106.8	51.0
c.3 T&T	90.9	101.0	99.9	5.7	115.7	98.7	49.7
c.4 IFT	74.2	121.7	171.8	12.5	110.9	103.8	45.2
<b>Total Rev (a+b+c)</b>	<b>97.2</b>	<b>119.2</b>	<b>119.6</b>	<b>100.0</b>	<b>110.5</b>	<b>111.3</b>	<b>62.0</b>

#### d.2 Revenue Structure

Chart d.2 presents tax structure for FY02 and FY03 (up to Feb.). Basic characteristics of the



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.

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

- Too much dependence on indirect taxes (only 12.7% from income tax, about 20% from all direct taxes including income tax)
- Biased towards external sector (about 40%) and susceptible to external shocks.

<sup>7</sup> 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	2000-01	2001-02				2002-03			
	Account	Budget	Revised	Actual Mar	Actual Up to Mar	Account	Budget	Actual Mar	Actual Up to Mar
1.0 Total Net Rev	23695.7	28456.2	27671.9	2330.0	18446.6	27743.5	33083.7	2574.2	20523.0
2.0 Total Pub Exp	36556.4	42551.7	39734.3	2171.7	25733.5	39932.5	44706.6	2329.5	22781.9
2.1 Net Cur Exp	21299.3	23107.3	22691.7	1561.4	13937.4	22810.9	23972.3	1691.2	15178.2
2.2 Net Outlay on Food A/C	-121.0	395.0	-121.0	-10.1	-90.8	-121.0	360.0	20.0	179.8
2.3 Net ADP Exp	15811.4	18789.0	15810.0	735.5	5967.1	14331.5	19041.0	692.8	5681.4
2.4 Non_ADP Cap Exp	1098.7	857.0	849.1	-39.5	511.1	1499.5	993.0	-100.7	596.1
2.5 Check Float	-906.3	0.0	0.0	-5.0	181.0	201.9	0.0	10.0	22.4
2.6 Other Expenditures	-625.6	-596.6	504.5	-70.6	5227.7	1209.6	340.3	16.2	1124.0
[2.0 = (2.1+2.2+2.3+2.4+2.5+2.6)]									
3.0 Total Net Rev As % of GDP	9.3	11.0	10.7	10.4	9.2	10.2	11.0	10.5	9.3
4.0 Total Pub Exp As % of GDP	14.4	16.5	15.4	9.7	12.8	14.6	14.9	9.5	10.3
5.0 B/D Deficit (2.0 - 1.0)	12860.7	14095.6	12062.4	-158.3	7287.0	12188.9	11622.9	-244.7	2258.9
6.0 GDP <sub>new</sub>	253556.0	258068.0	258068.0	22357.5	201217.3	273201.0	300485.0	24472.0	220248.0
7.0 B/D Deficit As % Of GDP	5.1	5.5	4.7	-0.7	3.6	4.5	3.9	-1.0	1.0

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

The major problematic areas are:

- In revenue expenditure, up to Mar'03, about 13 (thirteen) ministries/divisions show an utilization of revenue resources less than 60%: Parliament (44.3%), Election Commission (41.6%), IRD (40.2%), Planning Division (55.1%), LGD (59.9%), CHT (1.7%), Defense Service (49.9%), Science & Technology (54.4%), Women Affairs (50.4%), Social Welfare (43.4%), Expatriate welfare (38.5%), Religious Affairs (30.5%) & Disaster Management (4.3%). In some cases, there are some programmed expenditure which has not yet been carried out (e.g. CHT) and in others, there may be underreporting or lag in reporting of expenditure again with regard to programmed expenditure involving food with in other ministries/divisions.
- Overall development expenditure remains unreported. There is also a probability that development expenditure remains under-utilized up to the first half of the year resulting misutilization at the end of the FY. This needs to be addressed.

Data regarding 'Foreign Loan and Grants' may still remain underreported. This year's prospect of Foreign aid flow is also expected to fall short of the budget estimate as evident from the table shown below.

## f. Budget Financing

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**

(in crore Taka)

Items	2000-01	2001-02				2002-03			
	Account	Budget	Revised	Actual Mar	Actual Up to Mar	Account	Budget	Actual Mar	Actual Up to Mar
1.0 Net Foreign financing (1.1-1.2)	4790.5	7697.7	6239.9	85.8	1844.7	4764.9	6173.1	-79.9	121.5
1.1 Gross Foreign Financing	7108.6	10221.8	8794.1	308.6	3807.6	7340.8	9180.5	125.7	2115.5
1.2 Repayment of Foreign Loan	2318.0	2524.1	2554.2	222.8	1962.9	2576.0	3007.4	205.6	1993.9
2.0 Domestic Financing (2.1+2.2)	6952.2	6162.1	5768.6	-107.0	4446.6	6916.4	5536.8	-156.8	2972.8
2.1 Borrowing from Public: NSD	4028.2	3881.8	4304.5	431.0	3258.1	4476.0	4140.3	281.2	2859.2
2.2 Borrowing from Banking System	2650.8	2158.0	1682.0	-538.0	1116.3	2463.0	1358.0	-438.0	195.7
2.3 Assumption of SOEs Debt	273.2	122.2	-217.9	0.0	72.2	-22.5	38.5	0.0	-82.2
3.0 Total Financing (1+2)	11742.7	13859.8	12008.4	-21.2	6291.3	11681.3	11709.9	-236.7	3094.3
4.0 Discrepancy	-1118.0	-235.8	-54.0	137.1	-995.6	-507.6	87.0	8.0	835.4
<b>5.0 Total Financing as % GDP</b>	<b>4.6</b>	<b>5.4</b>	<b>4.7</b>	<b>-0.1</b>	<b>3.1</b>	<b>4.3</b>	<b>3.9</b>	<b>-1.0</b>	<b>1.4</b>
5.1 Net Foreign financing(As % of GDP)	1.9	3.0	2.4	0.4	0.9	1.7	2.1	-0.3	0.1
5.2 Net Domestic Financing (As % of GDP)	2.7	2.4	2.2	-0.5	2.2	2.5	1.8	-0.6	1.3
5.2.1 From Public borrowing: NSD	1.6	1.5	1.7	1.9	1.6	1.6	1.4	1.1	1.3
5.2.2 From Banking Sys	1.0	0.8	0.7	-2.4	0.6	0.9	0.5	-1.8	0.1
5.2.2 Assumptions of SOEs Debt	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0

- In FY02, Revenue collection of the government remains in the neighbourhood of 10.2% of GDP.
- Public expenditure hovers around 14.6% of GDP.
- Budget deficit in FY02 tends to be below but very close to 4.5% (measured from above the line and 4.3% measured from bottom the line)( on the basis of final data received from CGA IS, this has been revised downward a little bit from previous projections).
- Net foreign financing of budget deficit is declining and it is around 1.7% of GDP
- Domestic borrowing stands at 2.5% of GDP, of which, public borrowing has a larger share and is near to 1.6%.

