PUBLIC FINANCES

(Rs. Billion)

HIGHLIGHTS		
CONSOLIDATED BUDGETARY POSITION	2009-10	2010-11 (B.E)
I. Total Expenditure	3,007.20	3259.30
i) Current	2,386.00	2519.10
ii) Development	517.90	610.00
iii) Net Lending to PSEs etc	39.40	6.60
II. Total Revenues	2,078.20	2,574.30
i) Tax Revenues	1,472.80	1,858.70
ii) Non-Tax revenues	605.30	715.60
III. Overall deficit	929.10	684.90
IV. Financing	929.10	684.90
i) External Borrowing	188.90	185.80
ii) Domestic	740.20	499.10
a) Non-Banking Borrowing	135.60	332.60
b) Bank Borrowing	304.60	166.50
c) Privatization Process	0.00	0.00
V. Domestic Debt	4,653.80	5,431.00
VI. Deb Servicing	858.10	889.60
VII. Overall Deficit as % of GDP	6.30	4.00

B.E : Budget Estimates

Source: Budget Wing, Finance Division

TABLE 4.1

FEDERAL GOVERNMENT OVERALL BUDGETARY POSITION

(Rs Million)

Fiscal Year/Item	2009-10	2010-2011 (B.E)
A. REVENUE		
FBR Tax Revenue (1 +2)	1,327,422	1,667,000
1 Direct Taxes	528,649	657,700
2 Indirect Taxes	798,773	1,009,300
i. Customs	161,489	180,800
ii. Sales Tax	516,102	674,900
iii. Federal Excise	121,182	153,600
Non-Tax Revenue	556,451	632,279
Gross Revenue Receipts **	1,974,458	2,410,994
B. EXPENDITURE		
Current Expenditure*	1,840,663	1,823,523
i. Defence	375,019	442,173
ii. Interest	642,269	698,556
iii. Grants	332,360	227,167
iv. Economic Affairs	83,627	66,897
vi. Other	367,437	346,947
Development Expenditure and Net Lending	432,402	405,659
Total Expenditure**	2,273,065	2,229,182

Source: Budget Wing, Finance Division, Islamabad

B.E.- Budget Estimates

* : Current expenditure includes earthquake related spendings

** : Includes other categories not shown here

TABLE 4.2

SUMMARY OF PUBLIC FINANCE (CONSOLIDATED FEDERAL AND PROVINCIAL GOVERNMENTS)

(Rs Million)

Fiscal Year/ Item	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	% Change 2010-11/ 2009-10
Total Revenues (i+ii)	*720,800*	*794,000*	*900,014*	*1,076,600*	*1,297,957*	*1,499,380*	*1,850,901*	*2,078,165*	*2,574,356*	*23.9*
Federal	673,600	741,000	842,900	992,200	1,215,730	1,380,599	1,721,028	1,955,457	2,394,356	*22.4*
Provincial	47,200	53,000	57,114	84,400	82,227	118,781	129,873	122,708	180,000	*46.7*
i) Tax Revenues	555,800	611,000	659,410	803,700	889,685	1,050,696	1,204,670	1,472,821	1,858,715	*26.2*
Federal	534,000	583,000	624,700	766,900	852,866	1,009,902	1,158,586	1,418,007	1,778,715	*25.4*
Provincial	21,800	28,000	34,710	36,800	36,819	40,794	46,084	54,814	80,000	*45.9*
ii) Non-Tax Revenues	165,000	183,000	240,604	272,900	408,272	448,684	646,231	605,344	715,641	*18.2*
Federal	139,600	158,000	218,200	225,300	362,864	370,697	562,442	537,450	615,641	*14.5*
Provincial	25,400	25,000	22,404	47,600	45,408	77,987	83,789	67,894	100,000	*47.3*
Total Expenditures (a+b+c)	*898,200*	*956,000*	*1,116,981*	*1,401,900*	*1,799,968*	*2,276,549*	*2,531,308*	*3,007,226*	*3,259,262*	*8.4*
a) Current	791,700	775,000	864,500	1,034,700	1,375,345	1,853,147	2,041,570	2,386,042	2,519,125	*5.6*
Federal	599,800	557,000	664,200	789,100	973,130	1,416,015	1,495,873	1,758,826	1,769,125	*0.6*
Provincial	191,900	218,000	200,300	245,600	402,215	437,132	545,697	627,216	750,000	*19.6*
b) Development (PSDP)	129,200	161,000	227,718	365,100	433,658	451,896	480,282	517,919	610,000	*17.8*
c) Net Lending to PSE's	-22,700	20,000	24,763	2,100	-9,035	-28,494	6,911	39,383	6,592	
d) Statistical Discrepancy	3,200	-32,000	0	-86,307	-124,510	0	2,545	-31,640	-	
Overall Deficit	-180,600	-130,000	-216,967	-325,300	-377,501	-777,169	-680,407	929,061	684,906	
Financing (net)	180,600	130,000	216,988	325,200	377,501	777,169	680,407	929,061	684,908	
External (Net)	113,000	-5,900	120,432	148,900	147,150	151,311	149,651	188,889	185,790	
Domestic (i+ii)	67,600	135,900	96,556	176,300	230,351	625,858	529,466	740,172	499,118	
i) Non-Bank	119,500	61,000	8,050	8,100	56,905	104,302	223,846	435,610	332,574	
ii) Bank	-55,600	63,690	60,179	70,900	101,982	519,906	305,620	304,562	166,544	
iii) Privatization Proceeds	3,700	11,210	28,327	97,300	71,464	1,650	1,290	0		
Memorandum Item										
GDP (mp) in Rs. Billion	4,876	5,641	6,500	7,623	8,673	10,243	12,739	14,668	16,975	*15.7*
	(As Percent of GDP at Market Price)£									
Total Revenue	14.8	14.1	13.8	14.1	15.0	14.6	14.5	14.2	15.2	
Tax Revenue	11.4	10.8	10.1	10.5	10.3	10.3	9.5	10.0	10.9	
Non-Tax Revenue	3.4	3.2	3.7	3.6	4.7	4.4	5.1	4.1	4.2	
Expenditure	18.5	16.9	17.2	18.4	20.8	22.2	19.9	20.5	19.2	
Current	16.2	13.7	13.3	13.6	15.9	18.1	16.0	16.3	14.8	
Development	2.2	3.2	3.9	4.8	4.9	4.4	3.8	3.5	3.6	
Overall Deficit Incl. E.quake Exp.	3.7	2.3	3.3	4.3	4.4	7.6	5.3	6.3	4.0	

B.E : Budget Estimate

Source: Budget Wing, Finance Division, Islamabad

£ : Due to change of base of GDP to 1999-2000 prior years are not comparable

TABLE 4.3

CONSOLIDATED FEDERAL AND PROVINCIAL GOVERNMENT REVENUES

(Rs Million)

Fiscal Year/ Item	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	% change 2010-11 / 2009-10
Total Revenue (I+II)	720,800	793,700	900,014	1,076,600	1,297,957	1,499,381	1,850,901	2,078,165	2,574,356	23.9
Federal	673,600	743,600	842,900	992,200	1,215,730	1,380,600	1,721,028	1,955,457	2,394,356	22.4
Provincial	47,200	50,100	57,114	84,400	82,227	11,878	129,873	122,708	180,000	46.7
I. Tax Revenues (A+B)	555,800	611,000	659,410	803,700	889,685	1,050,696	1,312,227	1,472,821	1,858,715	26.2
Federal	534,000	583,000	624,700	766,900	852,866	1,009,902	1,266,143	1,418,007	1,778,715	25.4
Provincial	21,800	28,000	34,710	36,800	36,819	40,794	46,084	54,814	80,000	45.9
A. Direct Taxes (1+2)	157,886	171,188	186,473	224,147	337,639	391,350	440,271	528,649	657,700	24.4
1 Federal	151,976	164,497	176,930	215,000	334,168	387,563	440,271	528,649	657,700	24.4
2 Provincial	5,910	6,691	9,543	9,147	3,471	3,787	0	0	0	
B. Indirect Taxes (3+4+5+6+7)	397,914	439,812	472,937	579,553	552,046	659,346	844,696	938,453	1,192,162	27.0
3. Excise Duty	45,437	47,538	60,813	58,702	74,026	86,549	119,517	125,368	158,100	26.1
Federal	44,002	45,823	58,670	55,000	71,575	83,594	116,055	121,182	153,600	26.8
Provincial	1,435	1,715	2,143	3,702	2,451	2,955	3,462	4,186	4,500	7.5
4. Sales Tax*	195,138	220,607	235,533	294,600	309,228	385,497	452,294	516,102	674,900	30.8
5. Taxes on International Trade	68,835	90,940	117,243	138,200	132,200	150,545	148,382	161,489	180,800	12.0
6. Surcharges*	68,230	61,381	26,769	50,800	64,546	35,178	126,026	88,742	110,000	24.0
6.1 Gas	21,358	16,770	16,165	26,300	34,888	20,708	14,015	0	0	#DIV/0!
6.2 Petroleum	46,872	44,611	10,604	24,500	29,658	14,470	112,011	88,742	110,000	24.0
7. Other Taxes **	20,274	80,727	59,348	88,051	36,592	36,755	20,408	46,752	68,362	46.2
7.1 Stamp Duties	6,631	10,329	10,573	10,211	10,268	11,123	11,290	11,693	17,511	49.8
7.2 Motor Vehicle Taxes	3,893	4,722	5,749	7,107	7,719	4,975	7,534	10,222	11,547	13.0
7.3 Foreign Travel Tax*	4,054	4,751	2,050	3,593	3,681	356	0	0	0	
7.4 Others	5,696	60,925	40,976	67,140	14,924	20,301	1,584	24,837	39,304	58.2
II. Non-Tax Revenues	165,000	182,700	240,604	272,900	408,272	448,685	454,885	605,344	715,641	18.2
Federal	139,600	160,600	218,200	225,300	362,864	370,698	454,885	537,450	615,641	14.5
Provincial	25,400	22,100	22,404	47,600	45,408	77,987	83,789	67,894	100,000	47.3

* : Revenues under these heads are exclusively Federal

Source: Budget Wing, Finance Division, Islamabad

** : Mainly includes Provincial Revenues

B.E : Budget Estimate

TABLE 4.4

CONSOLIDATED FEDERAL AND PROVINCIAL GOVERNMENT EXPENDITURES

(Rs million)

Fiscal Year/ Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Current Expenditure	*700,200*	*791,700*	*775,000*	*864,500*	*1,034,700*	*1,375,345*	*1,853,147*	*2,041,573*	2,386,042	2,519,125
Federal	524,600	599,800	557,000	664,200	789,100	973,130	1,416,015	1,495,876	1,758,826	1,769,125
Provincial	175,600	191,900	218,000	200,300	245,600	402,215	437,132	545,697	627,216	750,000
Defence	149,254	159,700	184,904	211,717	241,063	249,858	277,300	329,902	375,019	442,173
Interest	275,292	227,810	222,387	234,752	260,021	386,916	509,574	656,259	646,217	715,239
Federal	245,763	199,816	196,261	210,196	237,119	368,797	489,681	637,790	627,216	698,556
Provincial	29,529	27,994	26,126	24,556	22,902	18,119	19,893	18,469	19,001	16,683
Current Subsidies	29,221	57,114	67,920	66,673	101,238	76,039	423,685	225,610	228,992	126,683
Development Expenditure	*126,250*	*129,200*	*161,000*	*227,718*	*365,100*	*433,658*	*451,896*	*480,282*	613,441	733,545
Net Lending to PSEs	*-200*	*-22,700*	*20,000*	*24,763*	*2,100*	*-9,035*	*-28,494*	*6,911*	39,383	6,592
Total Expenditure	*826,250*	*898,200*	*956,000*	*1,116,981*	*1,401,900*	*1,799,968*	*2,276,549*	*2,531,308*	3,007,225	3,259,262
Memorandum Items:	(Percent Growth over preceding period)									
Current Expenditure	8.4	13.1	-2.1	11.5	19.7	32.9	34.7	10.2	16.9	5.6
Defense	13.8	7.0	15.8	14.5	13.9	3.6	11.0	19.0	13.7	17.9
Interest	9.9	-17.2	-2.4	5.6	10.8	48.8	31.7	28.8	-1.5	10.7
Current Subsidies	0.7	10.1	19.8	8.8	25.1	37.9	63.5	-46.8	1.5	-44.7
Development Expenditure	40.6	2.3	24.6	41.4	60.3	18.8	4.2	6.3	27.7	19.6
Total Expenditure	15.1	8.7	6.4	16.8	25.5	28.4	26.5	11.2	18.8	8.4
	As % of Total Expenditure									
Current Expenditure	84.7	88.1	81.1	77.4	73.8	76.4	81.4	80.7	79.3	77.3
Defense	18.1	17.8	19.3	19.0	17.2	13.9	12.2	13.0	12.5	13.6
Interest	33.3	25.4	23.3	21.0	18.5	21.5	22.4	25.9	21.5	21.9
Current Subsidies	3.5	6.4	7.1	6.0	7.2	4.2	18.6	8.9	7.6	3.9
Development Expenditure@	15.3	11.9	18.9	22.6	26.2	23.6	18.6	19.2	21.7	22.7
Total Expenditure	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

B.E : Budget Estimate

Source: Budget Wing, Finance Division

* : Also includes Law & Order, Social, Economic and Community Services.

** : Includes mainly Provincial Expenditures.

@ : Include Net Lending

TABLE 4.5

DEBT SERVICING

(Rs million)

Fiscal Year / Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 B.E.
A. Interest Payments	275,292	227,810	222,387	234,752	260,021	386,916	509,574	656,259	661,270	715,194
A.1 Federal	245,763	199,816	196,261	210,196	237,119	368,797	489,681	637,790	642,269	698,556
Interest on Domestic Debt	184,632	160,481	154,817	170,466	195,006	318,939	430,189	558,729	578,287	621759
Interest on Foreign Debt	61,131	39,335	41,444	39,730	42,113	49,858	59,492	79,061	63,982	76797
A.2 Provincial	29,529	27,994	26,126	24,556	22,902	18,119	19,893	18,469	19,001	16638
B. Repayment/Amortization of Foreign Debt	158,199	56,304	127,276	57,702	81,394	69,615	68,662	224,576	196,811	174369
C. Total Debt Servicing (A+B)	433,491	284,114	349,663	292,454	341,415	456,531	578,236	880,835	858,081	889,563
MEMORANDUM ITEMS	(As Percent of GDP)									
Interest on Domestic Debt	4.1	3.3	2.7	2.6	2.6	3.7	4.2	4.4	3.9	3.6
Interest on Foreign Debt	1.4	0.8	0.7	0.6	0.6	0.6	0.6	0.6	0.4	0.4
Repayment/Amortization of Foreign Debt	3.6	1.2	2.3	0.9	1.1	0.8	0.7	1.8	1.3	1.0
Total Debt Servicing	9.7	5.8	6.2	4.5	4.5	5.3	5.6	6.9	5.9	5.2

Source: Budget Wing, Finance Division

TABLE 4.6

INTERNAL DEBT OUTSTANDING (AT END OF PERIOD)

(Rs million)

Fiscal Year/ Type of Debt	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 B.E.	%Change 2009-10/ 2008-09
Permanent Debt	570,009	526,179	514,879	562,540	616,766	685,939	797,721	918,389	16.3
Floating Debt	542,943	778,163	940,233	1,107,655	1,637,370	1,903,487	2,398,568	2,569,050	26.0
Un-funded Debt	914,597	873,248	881,706	940,007	1,020,379	1,270,513	1,457,522	1,943,608	14.7
Total	2,027,549	2,177,590	2,336,818	2,610,202	3,274,515	3,859,939	4,653,811	5,431,047	20.6
Memorandum Items:					(Percent Share in Total Debt)				
Permanent Debt	28.1	24.2	22.0	21.6	18.8	17.8	17.1	16.9	
Floating Debt	26.8	35.7	40.2	42.4	50.0	49.3	51.5	47.3	
Un-funded Debt	45.1	40.1	37.7	36.0	31.2	32.9	31.3	35.8	
Total Debt as % of GDP (mp)	35.9	33.5	30.7	30.1	32.0	30.3	31.7	31.7	

Source: Budget Wing, Finance Division