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GOVERNMENT

BUDGET

**IN
STATISTICS
FINANCIAL YEAR
2008**

**MINISTRY OF FINANCE AND TREASURY
MALE'
REPUBLIC OF MALDIVES**

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Foreword

This handbook, 'Government Budget in Statistics' is prepared by the Fiscal Affairs and Economic Policy Division of the Ministry of Finance and Treasury. It is a concise presentation of the national budget estimates approved by the Citizen's Majlis (Parliament) for the year 2008.

This handbook is an attempt to present the Government Budget Estimates, summarised, analysed and compared in charts and graphs as well as in statistical tables, so that it may be easily understood. The handbook contains information selected to give an overview of the budget in the following broad areas:

- Part I: The Budget System and Processes
- Part II: Highlights of the 2008 Budget
- Part III: Economic and Fiscal Outlook for 2008
- Part IV: Budgetary Position, 2005 – 2008
- Part V: Receipts/ Resources
- Part VI: Expenditures
- Part VII: Review of the Budget, 2002 – 2008 (in GFS Format)

We welcome suggestions or comments to this publication, as these will provide scope for improvements in future issues. I would like to take this opportunity to extend my sincere appreciation to all the staff of the Fiscal Affairs and Economic Policy Division for the commitment and effort put into this publication.

Ibrahim Rasheed
Executive Director
Ministry of Finance & Treasury

Part I
The Budget System and Processes

THE BUDGET SYSTEM AND PROCESSES

The fiscal year of the Government of Maldives runs from 1st January to 31st December.

Basis of Accounting

The Budget is essentially based on cash accounting principles. Budget estimates are prepared on the basis of the total requirement to finance the expenditure of government keeping in view the revenue constraints for each year.

The Budget Process

The Minister of Finance and Treasury is responsible for the preparation and presentation of the budget to the Majlis for approval. The Government Budget consists of regular budget and extra-budgetary operations. The regular budget presents estimates of domestic revenue, current expenditure and domestically financed capital expenditure. Extra-budgetary operations are made up of two parts, one comprising expenditures for projects financed by foreign grants and the other comprising projects financed by foreign loans.

The Budget Formulation Process

The annual budget formulation process begins in late July when the Ministry of Finance and Treasury requests individual ministries and departments to provide information on actual out-turn for the past year, revised estimates for the current year, and expenditure proposals for the forthcoming year. The Ministry of Finance and Treasury also asks ministries and departments to provide information on their extra budgetary operations on foreign financed projects (loans and grants). The budget is then formulated and consolidated on the basis of the information provided by ministries and departments, in consultation with the Budget Committee and the Cabinet. The final budget is sent to the Majlis in early December for approval.

Scope of the Budget

The Budget records all receipts and expenditure by government ministries and departments, including sales of goods and services to the public, on a gross basis. Transactions between central government bodies and non-financial public enterprises are usually recorded in the budget on a net basis.

The Budget Classification

The revenue of the government falls into two broad categories.

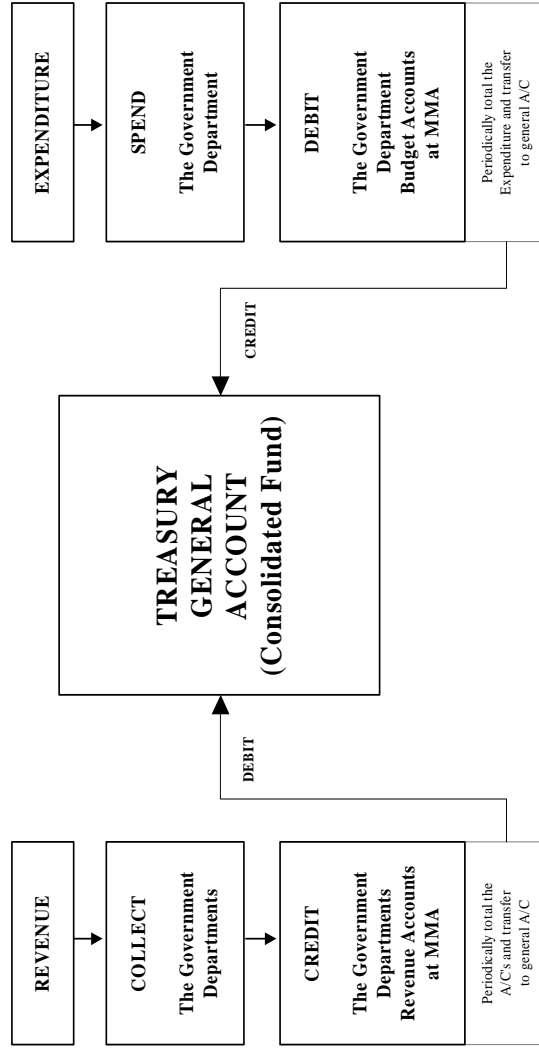
- 1- Revenues of the government, which are mainly domestic in nature and include, both tax and non-tax revenues.
- 2- Revenues of the government that are external in nature and include foreign grants and proceeds from foreign loans.

The expenditure of the government is divided into recurrent and capital expenditure. These are further classified into functions and economic activities (functional and economic classification).

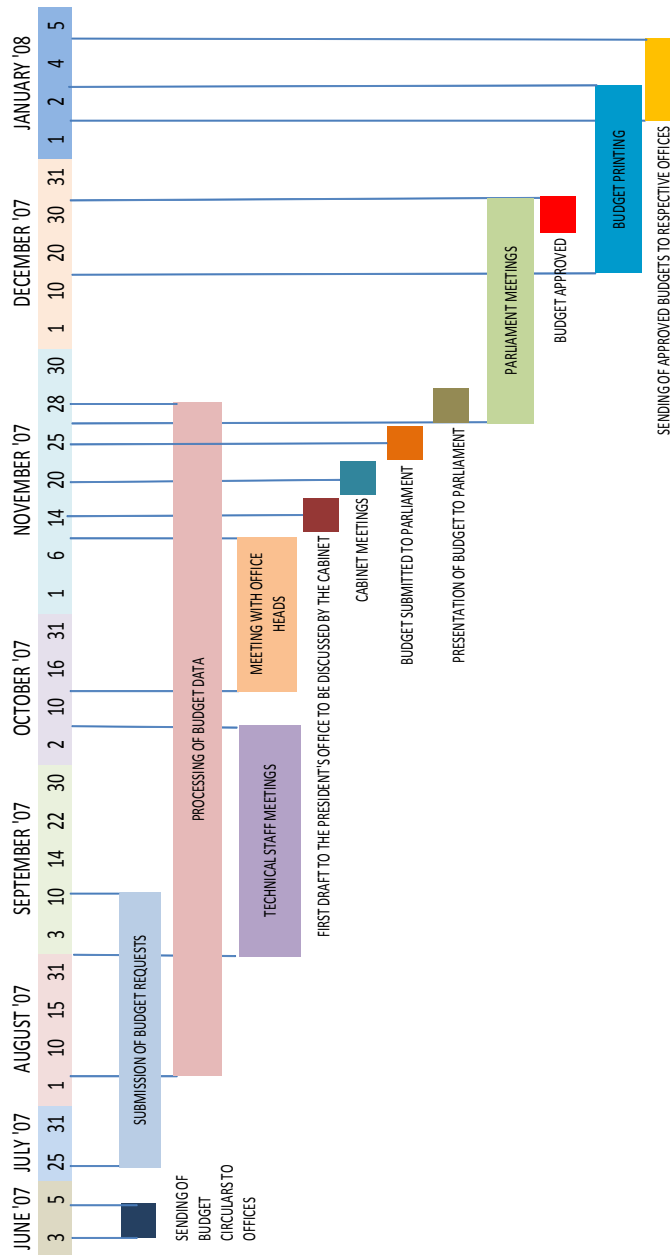
The economic classification of recurrent expenditure includes items such as salaries and wages, travel expenses, supplies and requisites, repairs and maintenance. The economic capital expenditure consists of equipment outlays, amortization, capital contribution and investment outlays.

Functional expenditure, of either a recurrent or capital nature is further subdivided into such categories as General Public Services, Social Development and Welfare, Economic Services and Debt-servicing.

Budget Accounting System



BUDGET PROCESS 2008



Part II
Highlights of the 2008 Budget

HIGHLIGHTS OF THE BUDGET - 2008

The principal aim of the 2008 Budget is to minimize domestic borrowing and improve the macro-economic position.

The total **Budget**, approved by the Majlis for 2008 is Rf. 12,000.3 million.

Total revenue for 2008 is estimated to be Rf.11.900.3 million, consisting of foreign aid grants and loans of Rf. 2,376.80 million and domestic internally generated revenues of Rf. 9,163.20 million. Domestic revenue is comprised of tax revenues of Rf. 3,291.50 million and non-tax revenues of Rf. 5,872.0 million.

Total expenditure is forecast at Rf. 12,000.3 million resulting in a deficit of Rf. 100.00 for the year. Within total expenditure, recurrent expenditure is estimated at Rf. 8,755.70 million and capital expenditure is expected to be Rf. 3,244.60 million.

Total **Recurrent Expenditure** in 2008, estimated at Rf. 8,755.70, is an increase of 24% over the revised recurrent expenditure of 2007. Commitments on interest, wages and pensions are Rf. 2,356.30 million, and subsidies are estimated at Rf. 535.3 million. Wages and salaries and other allowances account for 29% of the total budget.

Total **Capital Expenditure** in 2008, estimated at Rf. 3,244.60 million, increased by 36% over the revised capital expenditure estimates for 2007, and includes foreign loan repayments of Rf. 474.70 million, and domestic repayments of Rf. 0.4 million. Capital investment project (PSIP) accounts for Rf. 2,030.60 million, or 17% of total expenditure for the year.

Table 1: Summary of the 2008 Budget

The 2008 Budget

(In Million Rufiyaa)

Resources

Tax Revenue	3,291.5	
Non-tax Revenue	5,862.0	
		9,153.5
Loan A/cs	10.0	
Foreign Loans	1,924.3	
Foreign Aid Grants	812.5	
		2,746.8
		11,900.3

Expenditure

Recurrent

Operational Overheads	7878.7	
Domestic Loan Interest	124.3	
Foreign Loan Interest	217.4	
Food and Water Subsidies	535.3	
		8,755.7

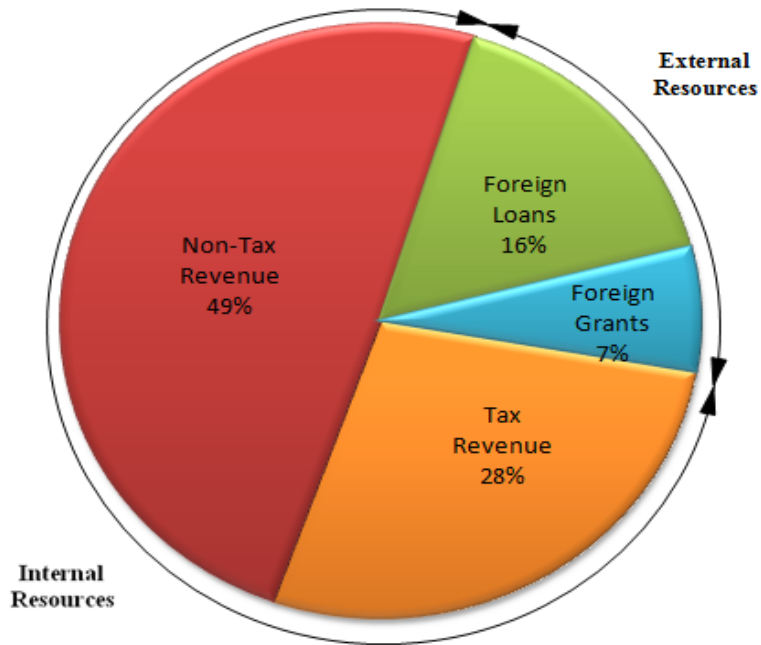
Capital

Capital Investment Projects	2030.6	
Other Capital Expenditure	724.8	
Loan A/cs	14.5	
Foreign Loan Repayments	474.7	
		3,244.6
		12,000.3
Excess of Expenditure over Income		(100.0)

Figure 1: Budget 2008, Rufiyaa Comes From

THE BUDGET 2008

RUFYAAA COMES FROM

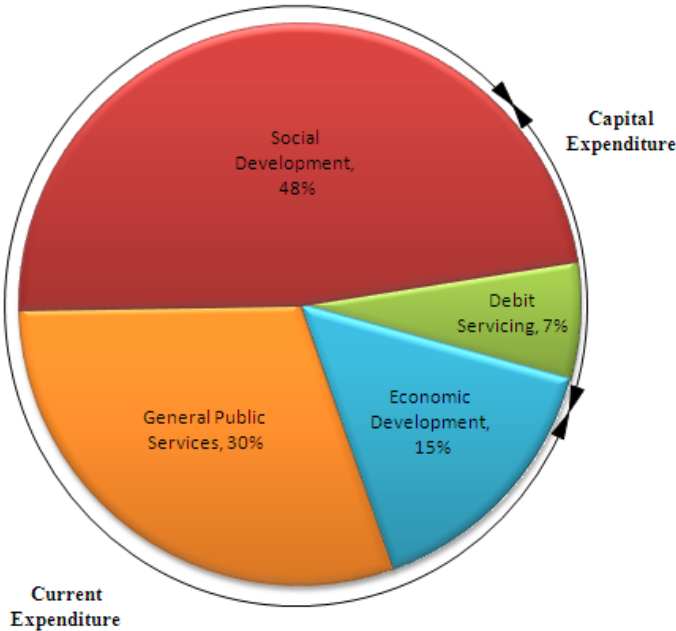


	Million	%
1. External Resources	2,736.8	23%
2. Internal Resources	9,163.5	77%
Total :	11,900.3	100%

Figure 2: Budget 2008, Rufiyaa Goes To

THE BUDGET 2008

RUFYAA GOES TO



	Million	%
1. Current Expenditure	8755.7	73%
2. Capital Expenditure	3244.6	27%
Total:	<u>12000.3</u>	<u>100%</u>

Part III
Economic and Fiscal
Outlook for 2008

Fiscal and Economic Outlook for 2008

Introduction

The Maldives' record of economic development is notable amongst most developing countries, especially within the South Asia region. In the past 30 years, Maldives has seen a number of economic and social developments, including average growth rates of 7 percent, declining child mortality rates, and high literacy rates.

Since the tsunami disaster of December 2004, the country has faced a number of challenges, both on the fiscal and economic front. These challenges, however, are not only due to the tsunami disaster, but also due to the rapidly evolving socio-economic and political situation of the country.

This paper is a translation of the economic outlook paper presented to the Citizen's Majlis with the budget papers for 2008.

Gross Domestic Product (GDP)

Table 2: Gross Domestic Product (GDP)

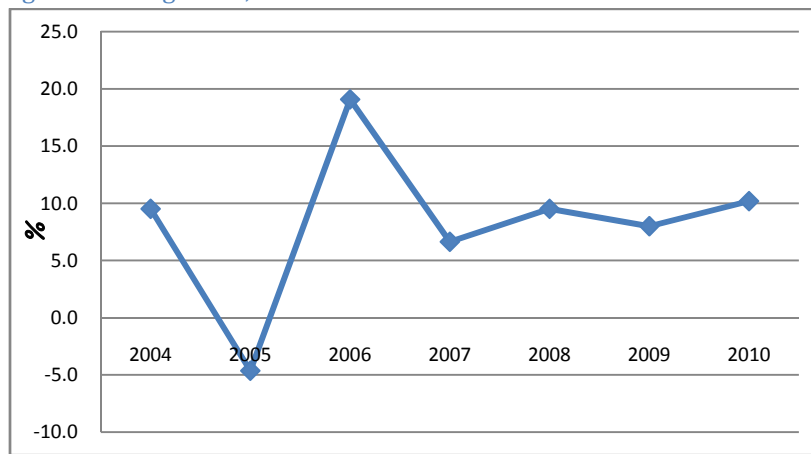
	2005	2006	2007	2008	2009	2010
	Est.	Proj.	Proj.	Proj.	Proj.	Proj.
Real GDP (millions of rufiyaa at 1995 constant prices)	7,927.6	9,440.6	10,067.4	11,025.7	11,908.1	13,121.8
Real GDP Growth (%)	-4.6	19.1	6.6	9.5	8.0	10.2
Nominal GDP (millions of rufiyaa at current prices)	9,596.6	11,885.4	13,426.1	15,395.3	17,408.8	20,084.8
Nominal GDP Growth (%)	-3.4	23.9	13.0	14.7	13.1	15.4

Source: Ministry of Planning and National Development

Gross Domestic Product (GDP), continued...

- GDP growth in 2005 registered at negative 4.6 percent. This was due to the tourism sector contracting by 33 percent in 2005, in the aftermath of the tsunami disaster of December 2004.
- The tourism sector grew by 42 percent in 2006, while the construction sector grew at 20 percent. These positive developments resulted in GDP growth in 2006 of 19.1 percent.
- GDP growth for 2007 was initially estimated at 7.3 percent. This has, however, been revised down to 6.6 percent, mainly due to the decline in the fisheries sector during the year.
- Based on estimated growth for the tourism, fisheries, construction, transport and communication, and other sectors related to tourism, growth for 2008 is estimated at 9.5 percent.
- Growth for 2009 and 2010 are estimated at 8 and 10 percent respectively.

Figure 3: GDP growth, 2004 - 2010



Source: Ministry of Planning and National Development

Tourism

- Tourist arrivals for 2007 are expected to increase by 12 percent. This is a 13 percent increase compared to arrivals in the pre-tsunami period.

- To further increase the opportunities for the tourism sector, 35 new islands were planned to be bid out in 2006. Further, to ensure the necessary infrastructure for tourism development, 10 new domestic airports, each with a 200 bed transit hotel and a 200 bed resort, have been bid out in 2007. With these developments, the capacity within the sector is estimated to increase considerably in the medium term.
- Tourism arrivals are expected to increase by 9, 12 and 14 percent for 2008, 2009 and 2010 respectively.
- In terms of GDP, growth is estimated at 9, 9.7 and 10.5 for 2008, 2009 and 2010 respectively.

Table 3: Tourism indicators, 2005 – 2010

Details	2005	2006	2007	2008	2009	2010
			Proj.	Proj.	Proj.	Proj.
Total arrivals ('000)	440	655	736	802	898	1024
of which :Tourists ('000)	395	602	675	736	824	940
Growth in tourist arrivals (%)	-35.9	52.3	12.2	9.0	12.0	14.0
Total tourist bed nights ('000)	3300	4829	5341	5858	6588	7487
(% change)	-35.43	46.12	10.57	9.51	12.05	14.28
Average stay (days)	8.3	8.0	7.9	8.0	8.0	8.0
Bed-night capacity ('000)	5093	5897	6371	6743	7973	10308
Capacity utilization (in percent)	64.5	81.8	83.9	86.7	82.7	72.9
Number of Resorts (end of period)	87	88	95	102	127	145

Source: Maldives Monetary Authority, Ministry of Planning and National Development, Department of External Resources, Ministry of Finance and Treasury

Fisheries

- Fish landings declined considerably in 2007. In terms of GDP, the fisheries sector is expected to decline by 23 percent in 2007.
- However, the sector has shown signs of recovery from October 2007. In addition, the private sector has also shown signs of increasing investments in fish processing capacity, and in ice plants. In light of these developments, growth for the sector in 2008 is estimated at 17 percent.

Construction

- The construction sector has seen positive growth in the past two years, due to reconstruction activities in the aftermath of the 2004 tsunami disaster, as well as development of the new islands leased for resort development in 2006. Growth is estimated at 20 and 19 percent for 2006 and 2007 respectively.
- In the medium-term, in addition to the above factors, the development of the 10 new domestic airports sees bright prospects for the sector. In this regard, the sector is expected to grow by 9 percent in 2008, and an average of 6 percent in 2009 and 2010.

Inflation

- The inflation rate (including fish) was 3.5 percent in 2006, and is expected to increase to 7 percent in 2007.
- It is expected to remain at 7 percent in 2008, and then decline to 6 percent in 2009 and 2010.

Nominal GDP

- Nominal GDP estimates for 2008 is at Rf. 15.4 billion, which compared to 2007 estimates, is a 14.7 percent increase.

Government Revenue and Expenditure

Revenue

- The 2007 budget passed by Parliament estimated domestic revenue at Mrf. 7,165 million, which included new revenue measures equivalent to Mrf. 1,427 million.
- These new revenue measures included development of 10 new domestic airports, relocation of the populations of 5 inhabited islands and releasing these 5 islands for tourism development, increasing work permit fees, increasing the duty on cigarettes, motorcycles, and cars.
- Not all of these measures were successful, and to fill the gap in domestic revenue due to these unsuccessful measures, the Cabinet recommended enhancing some of the more successful measures, such as the development of 10 new domestic airports. With these enhancements, domestic revenue for 2007 is now estimated to be Mrf. 6,716 million.
- Domestic revenues estimated for 2008 is Mrf. 9,080 million, a 35 percent increase compared to the revised domestic revenue for 2007.

Figure 4: Revenue breakdown, 2007 and 2008

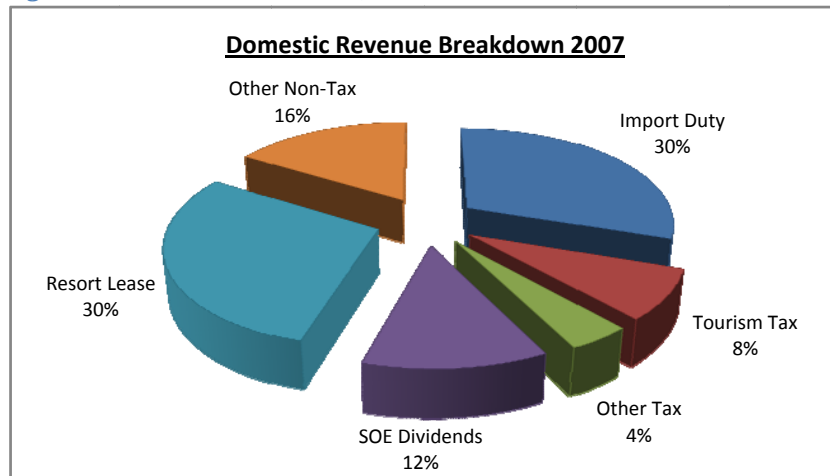
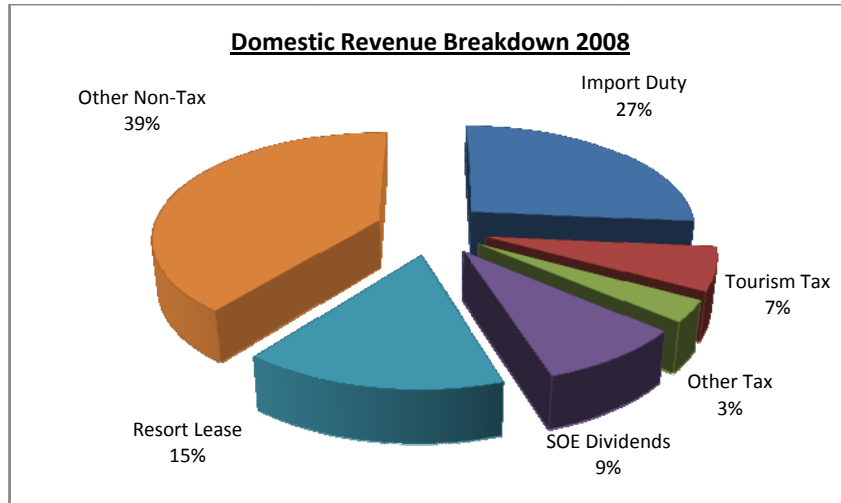


Figure 4: Revenue breakdown, 2007 and 2008, continued...



Source: Department of Inland Revenue

Tax Revenue

- Compared to 2007 revised figures, tax revenue in 2008 is estimated to increase by 15 percent. The major increases in tax revenue are from import duties (18%), banks profit tax (9%), and tourism tax (8%).
- Receipts from import duties are expected to increase in 2008 on the assumption that a large proportion of the construction activities of the new resort developments will be undertaken in 2008, and hence there will an increase in the imports of construction materials.
- Tourism tax increase is based on the estimated increase in tourist arrivals for 2008.
- Bank profit tax estimates are based on profit estimates provided by the banks and bank branches active in the country.

Non-Tax Revenue

- Non tax revenue in 2008 is expected to increase by 50 percent over 2007 revised numbers. This increase is mainly due to increased estimates for royalties (10%), government commercial land rents, loan repayments (65%) and service charges on loans (48%)
- Government commercial land rent is expected to increase significantly in 2008. This category includes US\$10 million as advance lease payments from Gulhifalhu development and Hulhumale' Phase 2 development. A further US\$ 180 million is also expected as payments for the development of the transshipment port and industrial zone at Ihavandhippolhu in the North.
- Royalty payments for 2007 declined due to the decline in the fisheries sector. However, for 2008, royalty payments are estimated to increase due to expected growth in the fisheries sector, the tourism sector, and increased receipts from the royalty on fuel as the price of oil increases.
- The following categories are expected to show a decline in 2008 compared to the revised estimates for 2007: transfer payments (dividends) from state owned enterprises (-7%), resort lease rents (-29%), and agricultural lease rents (-56%).
- SOE payments are expected to decline in 2008, as the 2007 revised figure is inflated due to a special dividend being paid by Dhiraagu for 2007.
- Resort lease rents are estimated to decline in 2008, compared to 2007, as the advance lease rents from the new resorts leased in 2006 and 2007 are included in the budget for 2007, whereas, there are no such payments anticipated for 2008.
- Similarly, agricultural lease rents in 2007 included advance lease payments from the new 11 islands leased for agricultural development in 2007. No such payments are scheduled or anticipated for 2008.

Expenditure

- The 2007 budget passed by Parliament estimated domestic expenditure at Mrf. 7,153 million. However, according to revised estimates in November 2007, expenditure as at year end is estimated to be Mrf. 6,661 million. Based on estimated domestic revenue for the end of the year, a Mrf. 116 million surplus is expected for the year.
- For the 2008 budget, domestic expenditure is proposed at Mrf. 9,069 million.

Grant Aid

- Project grant aid disbursements in 2006 were Mrf. 793.2 million, of which Mrf. 746.8 was for tsunami related projects.
- For 2007, project grant aid disbursements are expected to be Mrf. 1,086.6 million, of which Mrf. 991.46 million will be for tsunami related projects.
- Since a large part of post-tsunami reconstruction activities are now completed, grant aid received for tsunami related projects is expected to decline to Mrf. 508 million in 2008. Total project grant disbursements for 2008 are estimated at Mrf. 757.54 million.

External Debt

- The Debt to GDP ratio, compared to 2005, declined in 2006. This was due to higher GDP growth in 2006 compared to 2005.
- For 2007, Debt-to-GDP is expected to be 44 percent. This increase is due to a large part of the 2007 budget expenditures being earmarked for external loan financing.
- Debt-to-GDP for 2008 is estimated at 49 percent.
- While the average loan disbursements pre-tsunami was around US\$ 40 million, in 2006, disbursements were US\$ 62 million. This was mainly due to the increased number of reconstruction projects being carried out post-tsunami.
- Although in the budget for 2007, loan disbursements were initially estimated at US\$321 million, revised estimates now show that this is more likely to be US\$114.6 million. This is

mostly due to the delays in signing a number of loan projects scheduled for signing and implementation in 2007. These agreements are now expected to be signed in late 2007, with implementation flowing over to 2008. Further, there have also been delays in sourcing qualified contractors to carry out these projects, mainly due to the limited capacity of the construction industry, compared to the large number of both government and private projects on the market.

Table 4: External Debt Ratios

Debt Ratios (in %)	2005	2006	2007	2008
Debt to GDP	41%	39%	44%	49%
Debt to Exports	64%	52%	59%	66%
Interest to Exports	2%	1%	1%	2%
Debt Services to Exports	6%	5%	5%	6%
Debt Services to Domestic Revenue	11%	8%	7%	8%

Source: Ministry of Finance and Treasury

- External loan disbursements for 2008 are estimated at US\$ 156 million. This is higher than the revised loan disbursement estimates for 2007, mainly due to the planned implementation of the remaining works of a few large projects commenced in late 2007.

Balance of Payments and International Reserves

- Export earnings, compared to 2007, are estimated to increase by 21 percent in 2008. This is mainly due to expected improvements in the fisheries sector in the last quarter of 2007, which will see fish export earnings increasing in 2008.
- The current account deficit is expected to grow by 28 percent in 2007, mainly due to the large increase in the value of imports, and the decline in exports due to the decline in the fisheries sector. For year-end 2007, it is estimated that goods worth US\$ 935.7 million will be imported, while goods worth US\$231.6 million will be exported. As a result, the trade account is estimated to show a deficit of US\$ 704.1 million.
- According to the tourism sector, development of the new resorts leased in 2006 and 2007 are expected to continue for the next three years. As a result, the economy's reliance on oil is expected to increase. In addition, imports of construction materials and machinery are expected to increase in 2008, leading to a current account deficit of US\$628.2 million or a 33 percent increase in 2008.
- Although the impact on the balance of payments from the increase in the price of oil was negative in 2007, growth in the tourism sector contributed to an increase in international reserves. International reserves at US\$232.2 million as at end 2006 is expected to increase to US\$280.2 million at the end of 2007. In months of imports, this translates to 3.6 months.
- Further developments in the tourism sector in 2008, due to the increase in capacity following the lease of new resorts in 2006 and 2007, are expected to contribute positively to the international reserve position in 2008. Reserves at the end of the year 2008 are estimated to be US\$289.9 million.

Potential risks and challenges in 2008

- Tourism and fisheries together account for 30 percent of the Maldivian economy. Both these industries are extremely vulnerable to external factors. For instance, although fish landings in the Maldives may increase, export earnings from fish will be dependent on international fish prices. Similarly, tourism is affected by terrorism, exchange rate movements, and the economic stability of target markets. Further it is important that the political and social changes currently ongoing in the Maldives are carried out as smoothly as possible, and that all efforts are made to ensure the incidents such as the one that occurred on 29/09 will not be repeated.
- The tourism sector accounts for 27 percent of the Maldivian economy, 30 percent of government revenue and the major proportion of foreign exchange earnings for the country. There is an urgent need, therefore to diversify the economy, and reduce the dependence of the country on one sector.
- The Maldivian Rufiyaa is pegged to the US\$ at Mrf. 12.85 per US\$. As a result, as the dollar depreciates on the international markets, so does the value of the Maldivian Rufiyaa relative to other currencies. The dollar depreciation leads to an increase in the prices of goods imported to the Maldives, which worsens the Balance of Payments situation, especially given that Maldives is extremely imports-dependant. Estimates for 2008 show the current account deficit as a percentage of GDP to be 52 percent. Further increases in the value of imports will worsen the current account deficit.
- However, it should also be noted that the dollar depreciation has its benefits for the Maldives as well. Maldives' main tourism markets are Europe and to an increasing extent, East Asia and Japan. Since the dollar is depreciating vis-à-vis the currencies of

these countries, it will be relatively cheaper for tourists from these countries to vacation in the Maldives, leading to further growth in the tourism sector.

- Like other economies, the Maldivian economy is also highly dependent on oil and oil products. An increase in the price of oil may see an increase in the price of construction materials, imported goods, and the costs of government projects and services. An increase in the costs of government projects may lead to the budgeted outputs not being achieved, and hence some projects having to be re-prioritized. Further, an increase in the price of oil leading to increases in transportation costs may compel airlines to raise the prices of tickets, which may deter tourist arrivals to the Maldives.
- Government external debt as a percentage of GDP has increased considerably in the past decade or so. The debt to GDP ratio in 2000 was at 28 percent. This is expected to increase to 44 percent by the end of 2007, and 49 percent by the end of 2008, bordering on the severely indebted scenario on one indicator, if we consider the World Bank's indebtedness indicators. However, although debt-to-GDP has worsened in recent years, other indicators, such as the debt service ratio are still at a healthy level. It should also be kept in mind that this may be due to the concessional terms of the loans that Maldives, as a less developed country, has been availing.

Part IV

Budgetary Position

Table 5: Budgetary Position, 2006 – 2008

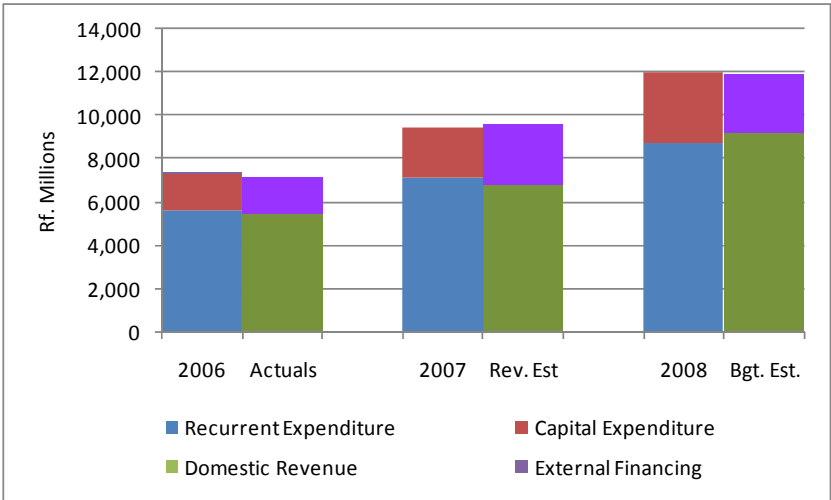
BUDGETARY POSITION

2006-2008

(In million Rufiyaa)

Particulars	2006	2007 Rev. Est.	2008 Bgt. Est.
<u>EXPENDITURE</u>			
1 Regular Budget	5626.7	6661.7	9169.1
2 Fund Accounts (Donations)	56.4	65.3	70.0
3 Gov. Loan A/c	2.5	6.2	7.5
4 Foreign Cash Grants	60.7	60.0	60.0
5 Development Project Grants	793.2	1086.6	757.5
6 Development Project Loans	806.1	1581.0	1924.3
	7345.6	9460.8	11988.4
Gov. Contributions to Political Parties	-	-	11.9
Total Budget	7345.6	9460.8	12000.3
<u>INCOME</u>			
1 Revenue	5328.3	6716.1	9081.0
2 Fund Accounts (Donations)	78.1	86.1	72.5
3 Gov. Loan A/c	15.6	10.5	10.0
4 Foreign Cash Grants	74.2	96.5	55.0
	5496.2	6909.2	9218.5
5 Development Project Grants	793.2	1086.6	757.5
6 Development Project Loans	806.1	1581.0	1924.3
Total income	7095.5	9576.8	11900.3
Excess of expenditure over income	(250.1)	116.0	(100.0)
Percentage of GDP	-2.1%	0.9%	-0.6%

Figure 5: Budgetary Position, 2006 – 2008



Part V
Receipts/ Resources

Government Receipts and Income

Government income or receipts are classified into the following sources:

1. **Domestic Revenue:** generated domestically, and used for spending by accountable government agencies for domestic expenditures.
2. **Fund Accounts:** donations by the public for social development programs, and extra budgetary operations. These include the education fund, zakat fund, children's fund, Thalassemia fund, etc
3. **Government Loan Accounts:** utilized for loans extended by the government
4. **Foreign Cash Grants:** cash grants received from bilateral and multilateral sources
5. **Foreign Project Grants:** disbursements of foreign grants from bilateral and multilateral sources
6. **Foreign Project Loans:** disbursements of foreign loans from bilateral and multilateral sources

Table 6: Government Receipts/ Income, 2006 - 2008

GOVERNMENT RECEIPTS AND INCOME

2006 - 2008

(In million Rufiyaa)

<u>INCOME</u>	2006	2007 Rev. Est	2008 Bgt Est
1 Domestic Revenue	5328.3	6716.1	9081.0
2 Fund Accounts	78.1	86.1	72.5
3 Gov. Loan A/c	15.6	10.5	10.0
4 Foreign Cash Grants	74.2	96.5	55.0
	5496.2	6909.2	9218.5
5 Development Project Grants	793.2	1086.6	757.5
6 Development Project Loans	806.1	1581.0	1924.3
Total income	7095.5	9576.8	11900.3
Total Income as a percentage of GDP	59.7%	71.3%	77.3%

Figure 6: Sources of Estimated Government Income, 2008

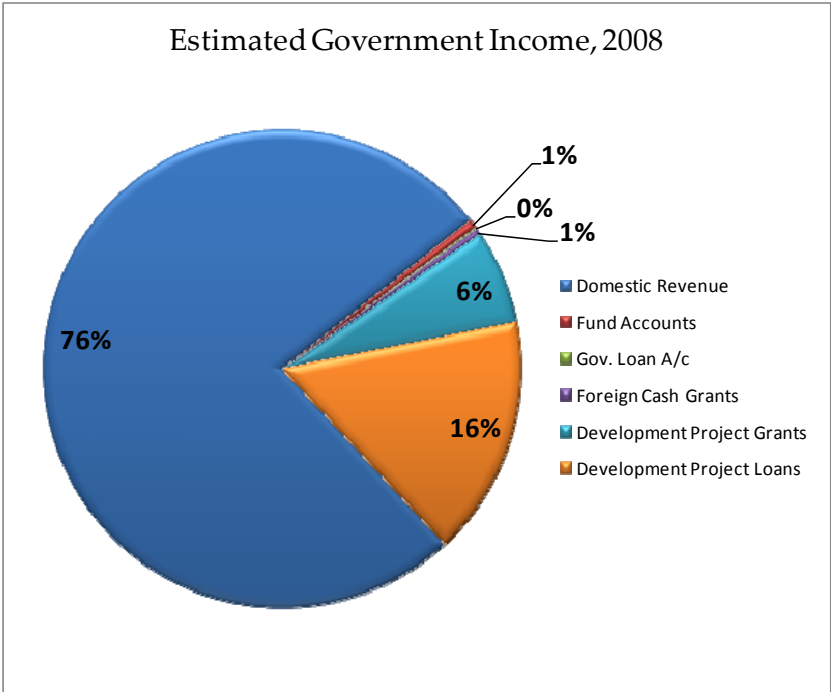


Table 7: Tax Revenue, 2006 – 2008

TAX REVENUE			
2006 - 2008			
(In million Rufiyaa)			
	2006	2007	2008
		Rev. Est	Bgt Est
Total Tax Revenue	2,370.4	2,855.5	3,291.5
Import duty	1,684.0	2,033.5	2,409.3
Tourism tax	495.7	547.3	589.7
Bank profit tax	91.4	169.0	185.0
Others	99.3	105.7	107.5
Trade fees	16.9	17.9	18.3
Motor vehicle & vessel fees	31.6	34.8	35.4
Vessel fees	5.1	5.6	5.8
Land Sales Tax	21.1	18.7	19.0
Revenue stamps	24.5	28.8	29.0

Figure 7: Tax Revenue, 2006 – 2008

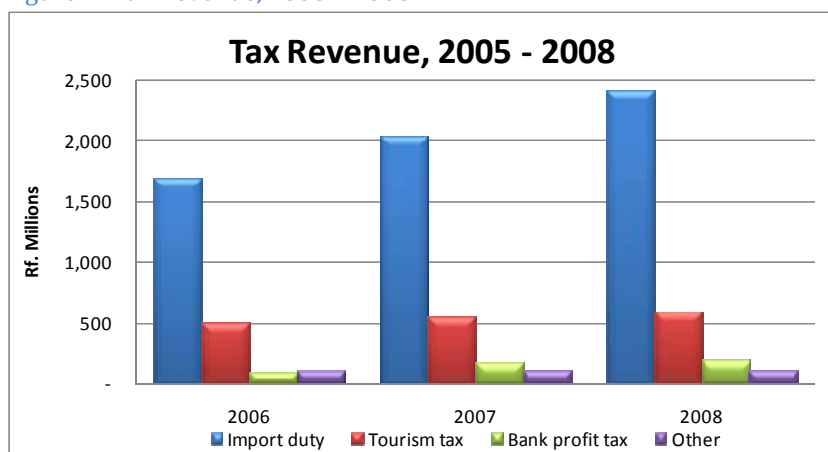


Table 8: Non-Tax Revenue, 2006 – 2008

NON - TAX REVENUE
2006 - 2008
(In million Rufiyaa)

Particulars	2006	2007 Rev. Est	2008 Bgt Est
Total Non - Tax Revenue	3,036.0	3,946.6	5,861.9
Transfers from SOEs	742.1	802.1	801.0
State Trading Organisation	57.2	85.3	69.9
Dhivehi Rajjeyge Gulhun Ptd.	280.8	355.0	188.0
Maldives Post Limited	3.6	6.4	6.6
Maldives Monetary Authority	205.1	100.0	150.0
Maldives Industrial Fisheries Company	1.4	3.0	9.9
Island Aviation Services Limited	8.0	15.0	37.9
Building Construction and Machanical Works	1.3	4.2	2.0
Maldives Transport & Contracting Co.	3.9	4.6	30.8
Maldives Ports Authority	50.0	60.0	60.0
Bank of Maldives	6.2	9.3	15.0
Maldives Airports Company Ltd	62.3	87.0	129.0
Government Hotels	3.0	3.8	8.3
Maldives Inflight Catering Services	19.5	19.5	20.0
Maldives Water & Swerage Company	39.9	46.3	47.6
Housing Development Finance Corporation	-	1.0	-
Maldives Tourism Development Corporation	-	-	23.8
Maldives National Shipping Limited	-	1.8	2.2
Resort lease rent	1,281.3	1,972.7	1,403.6
Land rent	43.4	84.5	2,502.7
Royalties	99.2	92.4	101.6
Interest	77.1	95.1	140.7
Subsidiary loan repayment	105.0	117.7	194.0
Work Permit Fee	140.5	169.4	192.3
Administrative fees & charges	190.0	182.7	190.9
Permit Fee	6.0	5.6	5.9
Fine & Forfeits	55.0	55.4	58.2
Sale of Capital Assets	49.5	32.4	33.0
Donations	78.1	86.1	72.5
Other	168.9	250.6	165.6

Figure 8: Sources of Non-Tax Revenue, 2006 – 2008, in percent of total

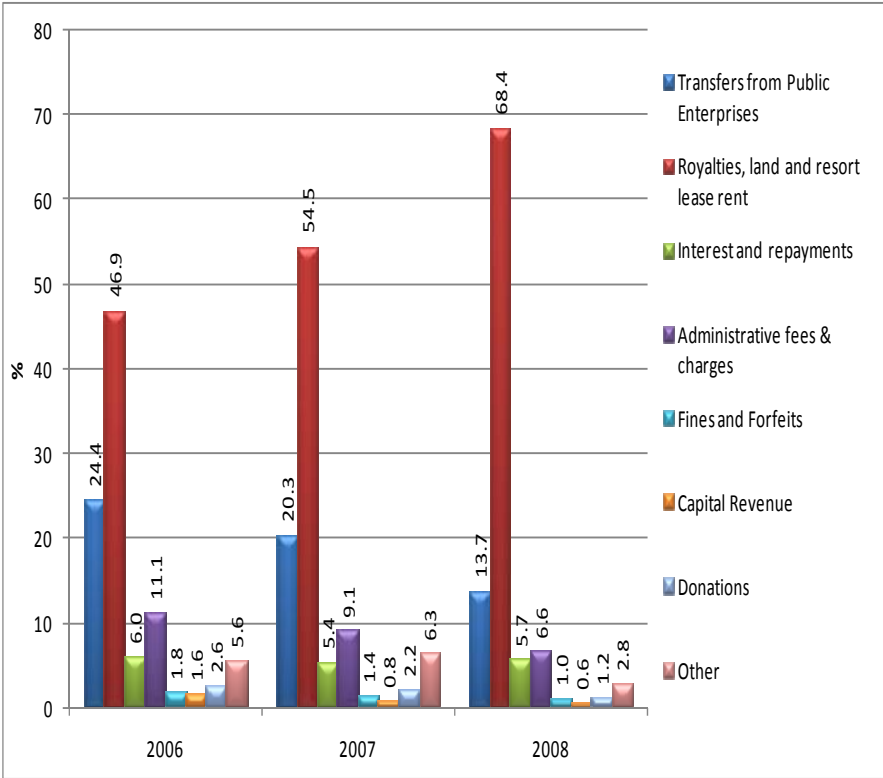


Table 9: Foreign Cash Grants, 2006 – 2008

FOREIGN CASH GRANTS
2006 - 2008
(In million Rufiyaa)

Particulars	2006	2007	2008
		Rev. Est.	Bgt. Est.
Total	74.2	96.5	55.0
JAPAN	14.01	8.84	8.00
INDIA	0.24	31.16	-
BANGLADESH	-	6.38	-
WHO	8.13	6.40	7.00
UNDP	16.35	15.39	15.00
UNESCO	0.63	0.76	2.00
UNICEF	17.40	16.43	15.50
UNFPA	1.09	1.71	1.50
OTHER	16.37	9.48	6.00

Table 10: Project Grant Disbursements, 2006 – 2008

Project Grant Disbursements
2006 - 2008
(In Million Rufiyaa)

Project	Donor	2006	2007 Rev Est	2008 Bgt Est
Ministry of Foreign Affairs Phase Lift	China	0.7		
National Museum	China			18.5
Faculty of Hospitality and Tourism Studies Building	India			64
Second Girls School	Japan			47.1
Hulhumale' School	Singapore	22.9	22.9	
Central Library	Sri Lanka	5.9	13.8	
Communication Network	Korea	17	17	
Electronic Voting System	India		2.2	
GA. Villingilli Reclamation and Harbour	Netherlands		39.4	119.7
Post Tsunami Recovery and Reconstruction	Various	746.8	991.5	508.2
Total		793.2	1086.6	757.5

Figure 9: Project Grant Disbursements for Tsunami and Other, 2006 – 2008

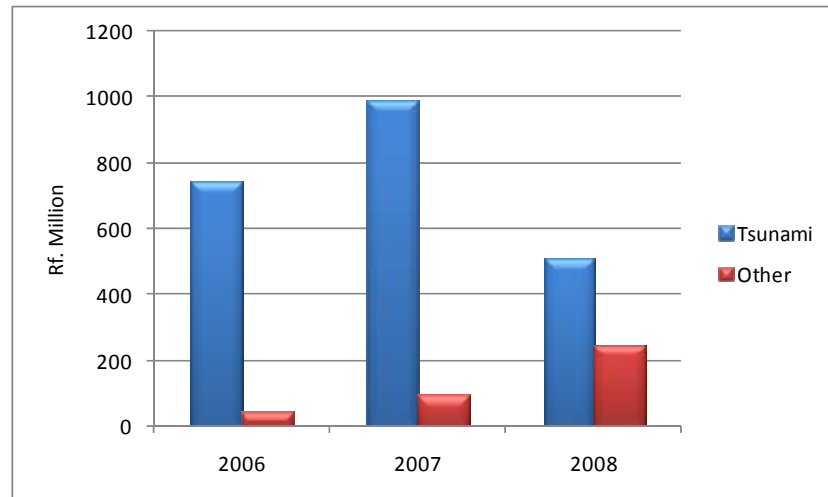


Table 11: Project Loan Disbursements, 2006, in million Rufiyaa

Project / Donor	ADB	OPEC Fund	IDA	Kuwait Fund	IDB	Saudi Fund	BOC/ Colombo	Society General, Italy	SBI	Total
Male International Airport Upgrading Project		3.2		21.2		11.7	4.6			40.8
Post Secondary Education Development Project	7.0									7.0
Regional Port Project				21.2						21.2
Regional Development Project, Phase II	5.4									5.4
Faculty of Health Sciences Building					1.9					1.9
Health and Education Project Phase II					0.1					0.1
Atoll Electrification Project	30.0									30.0
Information Technology Development Project	18.8									18.8
Health and Education Project					7.0					7.0
Integrated Human Development Project		5.3								5.3
Employment Skills Development	3.7									3.7
Fisheries Surveillance Vessel						20.7				20.7
Government Office Complex						45.5				45.5
Male' International Airport Radar Communication System								15.4		15.4
MMDF 9 Storey Accommodation Building									8.5	8.5
Trade Financing Loan					137.1					137.1
Total	64.9	3.2	5.3	42.5	146.2	77.9	4.6	15.4	8.5	368.4
Post-Tsunami Recovery and Reconstruction										437.7
Grand Total										806.1

Table 12: Project Loan Disbursements, 2007, in Million Rufiyaa

Project / Donor	ADB	OPEC Fund	IDA	Kuwait Fund	IDB	Saudi Fund	BOC/ Colombo	HSBC	ING	Society General Italy/ France	SBI	Total
Male' International Airport Upgrading Project		0.8		9.5		2.1	17.1					29.5
IGMH Extension						9.5						9.5
Post Secondary Education Development Project	14.7											14.7
Regional Port Project				9.5								9.5
Third Education and Training Project			9.1									9.1
Regional Development Project Phase II	8.6											8.6
Harbour Development Project		11.5			4.2							11.5
Health and Education Project Phase II												4.2
Atoll Electrification Project	4.1											4.1
Information Technology Development Project	18.9											18.9
Procurement of Construction Equipment							29.7					29.7
Health and Education Project			20.7		6.7							6.7
Integrated Human Development Project												20.7
Employment Skills Development Project	20.4											20.4
Fisheries Surveillance Vessel							34.8					34.8
Government Office Complex							25.6					25.6
Micro Credit for SMEs					12.8							12.8
Infrastructure Development Project (Facility Agreement)							288.0		40.2			288.0
GA Villingili Reclamation and Harbour Project												40.2
Male' International Airport Radar Communication System										8.1		8.1
Procurement of Communication Equipment										19.9		19.9
Police 9 Storey Accommodation Building												13.0
MINDF 9 Storey Accommodation Building												12.0
Hulumale' Project												68.7
Trade Financing Loan					12.6							12.6
Budget Support - Additional Project Loans						192.0						192.0
Total	66.7	12.3	29.8	18.9	36.2	203.5	107.3	288.0	40.2	28.0	28.0	924.8
Post Tsunami Recovery and Reconstruction												656
Grand Total												1,581

Table 13: Project Loan Disbursements, 2008, in Million Rufiyaa

Project / Donor	ADB	OPEC Fund	IDA	Kuwait Fund	IDB	Saudi Fund	BCC/ Colombo	HSBC	EXIM/ China	ING	DAVIDA	IFAD	Society General, Italy/ France	SBI	Other	Total
Majale' International Airport Upgrading Project				34.2		44.2										34.2
IGWH Extension																44.2
Regional Port Project	16.9			27.0												27.0
Regional Development Project Phase II		26.9														26.9
Habur Development Project						87.8									78.4	169.9
Access Program																26.9
Habour Construction Project					67.2											166.2
Health and Education Project Phase II	8.0				31.8											67.2
Atoll Electrical Project																31.8
Informational Technology Development Project	25.0															8.0
Fourth Powers Generation Project											220.8					25.0
Integrated Human Development Project			62.2													220.8
Employment Skills Development Project	16.7															16.7
Fisheries Surveillance Vessel							37.6									37.6
Government Office Complex							101.3									101.3
Micro Credit to SMEs					30.4											30.4
Infrastructure Development (facility Agreement)								172.8								172.8
Infrastructure Development Project																172.8
Infrastructure Development and Harbour Project		26.9														26.9
GA Villigilli Reclamation and Harbour Project									115.4							115.4
Majale' International Airport Radar Communication System																6.7
Procurement of Communication Equipment													6.7			6.7
Atoll Water and Sanitation Project					35.3								19.9			19.9
Police 9 Storey Accommodation Building														38.2		35.3
IMDF 9 Storey Accommodation Building														38.2		38.2
Mobile Phone Banking Project			6.8											43.5		43.5
S. Atoll Water and Sanitation System					9.5											9.5
Fisheries and Agriculture Project												11.2				11.2
Strengthening Economic and Financial Management	17.1															17.1
Domestic Maritime Transport Project	29.4															29.4
Hulumale' Project														59.3		59.3
SME Commercialisation Project	11.7															11.7
Waster Collection Equipment									41.0							41.0
Trade Financing Loan 2					106.2											106.2
	125.0	53.8	68.9	61.2	280.4	132.0	138.9	172.8	41.0	115.4	220.8	11.2	26.5	140.9	78.4	1,657.2
Post Tsunami Recovery and Reconstruction Project																257.1
Grand Total																1,924.3

Part VI

Expenditures

Functional Classification of Central Government Expenditure

Functional classification of government expenditures is carried out in the following categories:

1. Public Services
 - a. General Administration
 - b. Defence
 - c. Public Order and Internal Security
 - d. Environmental Protection
2. Social Services
 - a. Education
 - b. Health
 - c. Social Security and Welfare
 - d. Community Programmes
3. Economic Services
 - a. Fisheries and Agriculture
 - b. Transportation
 - c. Telecommunication
 - d. Tourism
 - e. Trade and Industries
 - f. Electricity
4. Debt Services
 - a. Interest payments
 - b. Amortization

Historically, a large percentage of government expenditure has been channeled into the social services, specially education and health. For 2008, allocations for social services are 47.8 percent of total expenditure, while public services, which include general administration, defense, public order and internal security and environmental protection, account for 30.1 percent.

Table 14: Functional Classification of Government Expenditure, 2006 – 2008

(In million Rufiyaa)

Particulars	2006		2007		2007		2008	
	Actual	%	Bgt Est	%	Rev Est	%	Bgt. Est	%
I Public services	2375.4	32.3	3180.0	25.8	2903.2	30.7	3615.8	30.1
1 General Administration	1384.0	18.8	1898.4	15.4	1690.9	17.9	1982.4	16.5
2 Defence	418.8	5.7	480.2	3.9	455.3	4.8	551.2	4.6
3 Public order & internal security	502.0	6.8	662.2	5.4	654.7	6.9	929.8	7.7
4 Environmental Protection	70.6	1.0	139.3	1.1	102.3	1.1	152.5	1.3
II Social services	3639.4	49.5	6095.7	49.4	5093.6	53.8	5731.3	47.8
5 Education	1051.8	14.3	1257.1	10.2	1285.4	13.6	1849.7	15.4
6 Health	688.0	9.4	890.0	7.2	733.7	7.8	1286.8	10.7
7 Social security and welfare	300.7	4.1	599.3	4.9	453.8	4.8	626.1	5.2
8 Community programmes	1598.9	21.8	3349.3	27.1	2620.7	27.7	1968.8	16.4
III Economic services	855.2	11.6	2300.1	18.6	752.1	7.9	1836.8	15.3
9 Fisheries & Agriculture	112.0	1.5	152.4	1.2	121.1	1.3	249.1	2.1
9 Transportation	413.5	5.6	1405.0	11.4	415.3	4.4	958.2	8.0
10 Telecommunication	53.2	0.7	152.8	1.2	54.3	0.6	58.8	0.5
11 Tourism	100.8	1.4	111.9	0.9	111.7	1.2	170.5	1.4
12 Trade & industries	145.6	2.0	149.3	1.2	45.5	0.5	179.5	1.5
13 Electricity	30.0	0.4	328.6	2.7	4.1	0.0	220.8	1.8
IV Debt services	475.7	6.5	768.0	6.2	711.9	7.5	816.3	6.8
13 Interest payment and amortization	475.7	6.5	768.0	6.2	711.9	7.5	816.3	6.8
Grand Total	7345.6	100.0	12343.8	100.0	9460.8	100.0	12000.3	100.0

Table 15: Functional Classification of Government Current Expenditure, 2006 - 2008

(In million Rufiyaa)

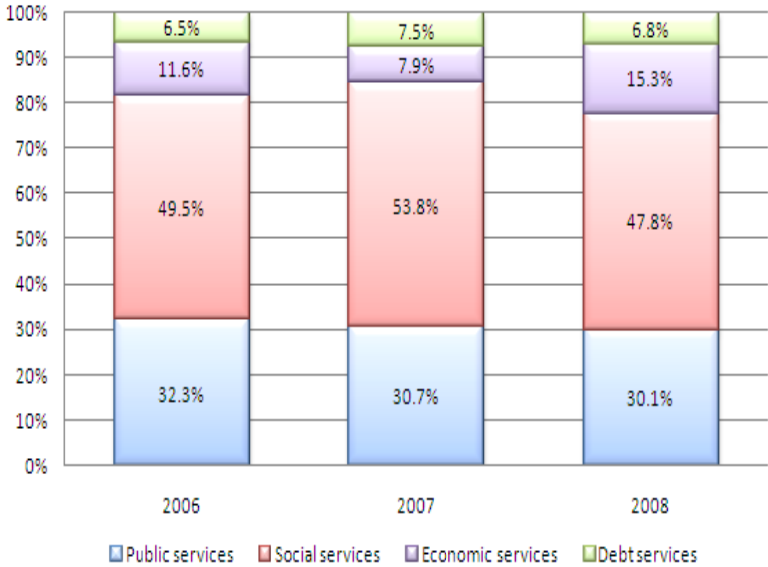
Particulars	2006		2007		2007		2008	
	Actual	%	Bgt Est	%	Rev Est	%	Bgt. Est	%
I Public services	1901.8	33.9	2300.7	33.8	2200.3	31.1	3031.6	34.6
1 General Administration	1042.9	18.6	1299.0	19.1	1185.5	16.7	1710.5	19.5
2 Defence	386.5	6.9	419.4	6.2	404.0	5.7	489.4	5.6
3 Public order & internal security	414.1	7.4	513.0	7.5	527.4	7.4	728.6	8.3
4 Environmental Protection	58.3	1.0	69.2	1.0	83.3	1.2	103.1	1.2
II Social services	3277.4	58.4	3908.9	57.5	4321.2	61.0	4961.1	56.7
5 Education	927.5	16.5	1128.6	16.6	1179.6	16.7	1668.4	19.1
6 Health	560.7	10.0	633.2	9.3	631.5	8.9	1106.1	12.6
7 Social security and welfare	299.5	5.3	594.8	8.8	449.5	6.3	625.4	7.1
8 Community programmes	1489.7	26.6	1552.2	22.8	2060.7	29.1	1561.1	17.8
III Economic services	229.9	4.1	282.0	4.1	268.6	3.8	421.5	4.8
9 Fisheries & Agriculture	24.9	0.4	35.2	0.5	22.1	0.3	131.7	1.5
9 Transportation	87.4	1.6	98.1	1.4	99.1	1.4	135.1	1.5
10 Telecommunication	10.0	0.2	19.2	0.3	16.9	0.2	23.8	0.3
11 Tourism	100.1	1.8	111.3	1.6	111.4	1.6	106.1	1.2
12 Trade & industries	7.4	0.1	18.1	0.3	19.0	0.3	24.7	0.3
13 Electricity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IV Debt services	198.8	3.5	305.6	4.5	293.7	4.1	341.7	3.9
13 Interest payment	198.8	3.5	305.6	4.5	293.7	4.1	341.7	3.9
Grand Total	5607.8	100.0	6797.2	100.0	7083.7	100.0	8755.8	100.0

Table 16: Functional Classification of Government Capital Expenditure,
2006 – 2008

(In million Rufiyaa)

Particulars	2006		2007		2007		2008	
	Actual	%	Bgt Est	%	Rev. Est	%	Bgt. Est	%
I Public services	473.5	27.2	879.3	15.9	702.9	29.6	584.3	18.0
1 General administration	341.1	19.6	599.3	10.8	505.4	21.3	271.9	8.4
2 Defence	32.2	1.9	60.8	1.1	51.2	2.2	61.8	1.9
3 Public order & internal security	87.9	5.1	149.2	2.7	127.2	5.4	201.2	6.2
4 Environmental Protection	12.3	0.7	70.1	1.3	19.0	0.8	49.4	1.5
II Social services	362.0	20.8	2186.8	39.4	772.5	32.5	770.3	23.7
5 Education	124.3	7.2	128.4	2.3	105.8	4.5	181.4	5.6
6 Health	127.3	7.3	256.7	4.6	102.3	4.3	180.7	5.6
7 Social Security and Welfare	1.2	0.1	4.5	0.1	4.4	0.2	0.6	0.0
8 Community programmes	109.2	6.3	1797.2	32.4	560.0	23.6	407.6	12.6
III Economic services	625.3	36.0	2018.1	36.4	483.5	20.3	1415.4	43.6
9 Fisheries & Agriculture	87.1	5.0	117.2	2.1	98.9	4.2	117.4	3.6
10 Transportation	326.1	18.8	1306.9	23.6	316.2	13.3	823.0	25.4
11 Telecommunication	43.2	2.5	133.6	2.4	37.4	1.6	34.9	1.1
12 Tourism	0.7	0.0	0.5	0.0	0.3	0.0	64.5	2.0
13 Trade & industries	138.1	7.9	131.2	2.4	26.5	1.1	154.7	4.8
14 Electricity	30.0	1.7	328.6	5.9	4.1	0.2	220.8	6.8
IV Debt services	276.9	15.9	462.4	8.3	418.2	17.6	474.7	14.6
14 Amortization	276.9	15.9	462.4	8.3	418.2	17.6	474.7	14.6
Grand Total	1737.8	100	5546.7	100.0	2377.1	100.0	3244.6	100
Memorandum item:								
Capital contributions to foreign institutions	0.0		1.7		0.0		1.7	

Figure 10: Functional Classification of Government Expenditure, 2006 – 2008



Economic Classification of Central Government Expenditure

Economic classification of government expenditures reflect the economic activities affected by government spending. These are classified as recurrent and capital expenditures, and further divided according to the following:

1. Recurrent
 - a. Personal Emoluments
 - b. Pensions, Retirement Benefits and Allowances
 - c. Travel Expenses
 - d. Supplies and Requisites
 - e. Repairs and Maintenance
 - f. Carriage, Communications, Utilities and Other Services
 - g. Interest Payments
 - h. Grants, contributions and Subsidies
2. Capital
 - a. Capital Equipment and Construction
 - b. Debt Amortization
 - c. Investment Outlays
 - d. Loans Outlay

Table 17: Economic Classification of Government Expenditure,
2006 – 2008

**ECONOMIC CLASSIFICATION OF
GOVERNMENT EXPENDITURE, 2006 - 2008**

(In million Rufiyaa)

	2006 Actual		2007 Bgt. Estimate		2007 Rev. Estimate		2008 Bgt. Estimate	
	Mrf	%	Mrf	%	Mrf	%	Mrf	%
RECURRENT EXPENDITURE	5,607.8	76.3	6,797.2	55.1	7,083.7	74.9	8,755.7	73.0
CAPITAL EXPENDITURE	1,737.8	23.7	5,546.6	44.9	2,377.1	25.1	3,244.6	27.0
TOTAL EXPENDITURE	7,345.6	100.0	12,343.8	100.0	9,460.8	100.0	12,000.3	100.0
RECURRENT EXPENDITURE								
1 Personal Emoluments	1,925.2	26.2	2,190.2	17.7	2,218.4	23.5	3,492.8	29.1
2 Pensions, Retirement Benefits & Allowances	74.4	1.0	85.4	0.7	85.2	0.9	100.7	0.8
3 Travel Expenses	120.0	1.6	160.4	1.3	165.9	1.7	184.5	1.5
4 Supplies and Requisites	414.8	5.7	492.5	4.0	504.3	5.3	534.3	4.5
5 Repairs and Maintenance	175.8	2.4	183.4	1.5	176.0	1.9	205.0	1.7
6 Carriage, Communications, Utilities & Other Services	807.9	11.0	1,056.2	8.6	1,061.2	11.2	1,155.9	9.6
7 Interest Payments	198.8	2.7	305.6	2.5	293.7	3.1	341.7	2.8
8 Grants Contributions and Subsidies	1,890.9	25.7	2,323.5	18.8	2,579.0	27.3	2,740.8	22.8
Total	5,607.8	76.3	6,797.2	55.1	7,083.7	74.9	8,755.7	73.0
CAPITAL EXPENDITURE								
9 Capital Equipment & Construction	1,074.6	14.6	3,788.2	30.7	1,512.4	16.0	2,459.3	20.5
10 Debt Amortization	276.9	3.8	462.4	3.7	418.2	4.4	474.7	4.0
11 Investment Outlays	378.2	5.2	1,283.4	10.4	433.7	4.6	296.1	2.5
12 Loans Outlay	8.1	0.1	12.6	0.1	12.8	0.1	14.5	0.1
Total	1,737.8	23.7	5,546.6	44.9	2,377.1	25.1	3,244.6	27.3
1 PERSONAL EMOLUMENTS								
1.01 Salaries and wages	1,085.1	14.8	1,222.4	9.9	1,234.9	13.1	1,948.2	16.2
1.02 Pocket money	0.1	-	1.0	0.0	0.1	-	0.1	0.0
1.03 Overtime pay	290.1	4.0	335.5	2.7	338.2	3.6	566.3	4.7
1.04 Higher education allowance	19.9	0.3	23.4	0.2	23.5	0.2	39.8	0.3
1.05 Technical allowance	46.4	0.6	51.8	0.4	52.1	0.6	83.3	0.7
1.06 Long term allowance	61.7	0.8	64.3	0.5	64.6	0.7	97.4	0.8
1.07 Special Allowance for the month of Ramadan	28.1	0.4	33.3	0.3	33.6	0.4	36.8	0.3
1.08 Medical and Domestic market allowance	44.3	0.6	18.3	0.1	46.9	0.5	54.4	0.5
1.10 Salary increment	4.2	-	6.3	0.1	4.3	-	2.6	0.0
1.12 Special allowance for the post	74.7	1.0	83.5	0.7	84.0	0.9	204.2	1.7
1.13 Food allowance	30.9	0.4	42.0	0.3	38.0	0.4	51.2	0.4
1.14 Committee allowance	7.1	0.1	12.8	0.1	12.8	0.1	11.8	0.1
1.15 Allowance for local non-residents	13.7	0.2	18.5	0.1	18.9	0.2	25.6	0.2
1.16 Commuting allowance for local non-residents	5.0	0.1	6.1	0.0	6.4	0.1	6.8	0.1
1.17 Dependent's allowance	84.6	1.1	115.0	0.9	105.0	1.1	167.7	1.4
1.18 Holiday allowance	57.5	0.8	62.5	0.5	64.7	0.7	86.8	0.7
1.19 Allowance for work other than assigned	41.2	0.6	46.1	0.4	41.5	0.4	39.4	0.3
1.20 Annual leave cancellation allowance	12.2	0.2	16.0	0.1	15.9	0.2	23.3	0.2
1.21 Other allowance	18.4	0.2	31.4	0.3	33.0	0.3	47.1	0.4
Total	1,925.2	26.2	2,190.2	17.7	2,218.4	23.5	3,492.8	29.1
2 PENSIONS, RETIREMENT BENEFITS AND GRATUITIES								
2.01 Pensions	47.5	0.7	55.7	0.5	55.7	0.6	66.4	0.6
2.02 Retirement benefits and gratuities	5.1	-	5.5	0.0	5.5	0.1	6.1	0.1
2.03 Social security allowances and other benefits	21.8	0.3	24.2	0.2	24.0	0.2	28.2	0.2
Total	74.4	1.0	85.4	0.7	85.2	0.9	100.7	0.8
3 TRAVELING EXPENSES BY LAND, SEA AND AIR								
3.01 Traveling expenses - local Sea Traveling	26.9	0.4	38.8	0.3	39.1	0.4	46.2	0.4
3.02 Traveling expenses - overseas	51.7	0.7	67.3	0.5	69.8	0.7	70.2	0.6
3.03 Traveling expenses - for foreigners	21.1	0.3	25.6	0.2	26.9	0.3	32.7	0.3

	2006 Actual		2007 Bgt. Estimate		2007 Rev. Estimate		2008 Bgt. Estimate	
	Mrf	%			Mrf	%	Mrf	%
3.05 Traveling expenses - local Land Traveling	1.8	-	2.1	0.0	3.0	-	2.9	0.0
3.06 Traveling expenses - local Air Traveling	11.0	0.1	17.6	0.1	17.9	0.2	21.3	0.2
3.07 Others	7.5	0.1	9.0	0.1	9.2	0.1	11.2	0.1
<i>Total</i>	120.0	1.6	160.4	1.3	165.9	1.7	184.5	1.5

4 SUPPLIES AND REQUISITES

4.01 Stationery and office requisites	35.3	0.5	37.4	0.3	39.4	0.4	43.9	0.4
4.02 Fuel and lubricants	60.4	0.8	75.7	0.6	76.3	0.8	83.5	0.7
4.03 Electrical items	7.4	0.1	8.0	0.1	8.0	0.1	9.3	0.1
4.04 Spare parts	22.4	0.3	28.6	0.2	27.8	0.3	26.5	0.2
4.05 Curtains, table clothes and similar items	3.9	0.1	6.9	0.1	6.1	0.1	8.2	0.1
4.06 Meals to employees during the office hours	97.8	1.4	99.1	0.8	99.0	1.0	111.9	0.9
4.07 Materials for uniforms	17.2	0.2	24.5	0.2	25.2	0.3	25.0	0.2
4.08 Office decoration materials	1.0	-	1.8	0.0	1.8	-	2.2	0.0
4.09 Supplies for office cleaning	5.6	0.1	7.4	0.1	7.5	0.1	8.3	0.1
4.10 Utensils and accessories	2.6	-	3.4	0.0	3.5	-	4.1	0.0
4.12 Materials for people under arrest and detention	22.5	0.3	33.5	0.3	39.4	0.4	40.1	0.3
4.13 Consumables for social service	103.1	1.4	106.4	0.9	110.8	1.2	113.1	0.9
4.14 IT related materials	12.6	0.2	28.5	0.2	28.5	0.3	28.2	0.2
4.15 Others	23.0	0.3	31.3	0.3	31.0	0.3	30.0	0.2
<i>Total</i>	414.8	5.7	492.5	4.0	504.3	5.3	534.3	4.5

5 REPAIRS AND MAINTENANCE

5.01 Buildings	130.3	1.8	109.1	0.9	104.5	1.1	132.5	1.1
5.02 Machinery and Equipment	14.8	0.2	17.7	0.1	21.8	0.3	21.5	0.2
5.03 Vehicles	6.2	0.1	11.7	0.1	11.7	0.1	12.4	0.1
5.04 Vessels	10.9	0.2	18.6	0.2	19.8	0.2	19.4	0.2
5.06 Furniture	2.2	-	2.6	0.0	2.8	-	3.1	0.0
5.08 Infrastructure	9.9	0.1	20.5	0.2	12.8	0.2	13.4	0.1
5.09 Others	1.5	-	3.2	0.0	2.6	-	2.7	0.0
<i>Total</i>	175.8	2.4	183.4	1.5	176.0	1.9	205.0	1.7

6 TRANSPORTATION, COMMUNICATION UTILITY & OTHER SERVICES

6.01 Carriage and conveyance	10.3	0.1	13.7	0.1	14.4	0.2	16.9	0.1
6.02 Telephone	83.7	1.1	95.4	0.8	95.0	1.0	99.0	0.8
6.03 Postage and message	2.7	-	3.6	0.0	4.1	-	3.7	0.0
6.04 Electricity	186.2	2.5	218.2	1.8	224.5	2.4	234.4	2.0
6.05 Building rents	74.5	1.0	106.7	0.9	108.7	1.1	123.1	1.0
6.06 Meetings related expenses	23.9	0.3	33.3	0.3	33.0	0.4	40.4	0.3
6.07 Water and sanitation services	31.0	0.4	33.6	0.3	36.6	0.4	28.3	0.2
6.08 Printing services	26.3	0.4	73.9	0.6	58.3	0.6	59.4	0.5
6.09 Lease lines and internet	17.8	0.2	30.1	0.2	30.5	0.3	27.0	0.2
6.10 Laundry services	1.4	-	3.6	0.0	3.0	-	2.8	0.0
6.11 Hire charges	1.8	-	1.8	0.0	2.0	-	2.2	0.0
6.12 Security for buildings and other	0.2	-	-	-	0.9	-	8.0	0.1
6.13 Announcements, subscriptions and advertisements	47.7	0.7	62.9	0.5	65.4	0.7	70.0	0.6
6.14 Annual fees to government	5.1	0.1	6.3	0.1	6.1	0.1	7.0	0.1
6.15 Visa, work permit	14.7	0.2	21.4	0.2	17.9	0.2	17.0	0.1
6.16 Fees for cleaning services and waste disposal	10.7	0.2	17.7	0.1	15.6	0.2	18.6	0.2
6.17 Social development programmes	51.5	0.7	47.3	0.4	59.6	0.6	63.7	0.5
6.18 Consultancy, translations and other related services	19.8	0.3	35.7	0.3	33.8	0.3	38.4	0.3
6.19 Medical expenses for staff	37.3	0.5	37.2	0.3	37.2	0.4	39.1	0.3
6.20 National competitions and ceremonies	12.1	0.2	14.1	0.1	16.1	0.2	21.5	0.2
6.21 Expenses on foreign dignitaries	5.7	0.1	7.8	0.1	8.7	0.1	10.6	0.1
6.22 Expenses on international and local fairs	32.8	0.5	30.9	0.3	30.9	0.3	30.8	0.3
6.23 Examination related expenses	39.5	0.5	46.7	0.4	45.8	0.5	74.3	0.6
6.24 Bank charges and commissions	4.4	0.1	8.1	0.1	6.3	0.1	7.6	0.1
6.25 Other services	66.8	0.9	106.2	0.9	106.8	1.1	112.1	0.9
<i>Total</i>	807.9	11.0	1,056.2	8.6	1,061.2	11.2	1,155.9	9.6

	2006		2007		2007		2008	
	Mrf	%	Bgt Estimate		Rev. Estimate	%	Bgt Estimate	%
7 INTEREST PAYMENTS								
7.01 Interest payments (Other sectors of gov.)	107.7	1.5	124.0	1.0	124.1	1.3	124.3	1.0
7.03 Interest payments (Foreign sources)	91.1	1.2	181.6	1.5	169.6	1.8	217.4	1.8
Total	198.8	2.7	305.6	2.5	293.7	3.1	341.7	2.8
8 GRANTS, CONTRIBUTIONS AND SUBSIDIES								
8.01 Subsidies	102.3	1.4	110.8	0.9	98.2	1.0	535.3	4.5
8.02 Welfare payments	30.9	0.4	86.3	0.7	30.0	0.3	129.0	1.1
8.03 Grants to private parties	106.2	1.5	85.9	0.7	91.0	1.0	169.9	1.4
8.04 Donations to foreign parties or foreign governments	-	-	0.7	0.0	0.7	-	-	-
8.05 Membership fees to organisations	-	-	-	-	-	-	-	-
8.06 Subscription contribution to Intl. organisations	17.3	0.2	23.9	0.2	17.8	0.2	28.7	0.2
8.07 Awards	9.1	0.1	12.7	0.1	8.5	0.1	13.0	0.1
8.08 Payments against losses and right-off to govt. agencies	152.8	2.1	31.1	0.3	29.0	0.3	13.0	0.1
8.09 Payments against losses and right-off to private parties	12.1	0.2	33.1	0.3	38.7	0.4	1.4	0.0
8.10 Assistance for community programmes	4.1	-	-	-	0.4	-	36.6	0.3
8.11 Indemnities and relief against natural calamities	1,257.1	17.1	1,447.8	11.7	1,842.6	19.5	1,331.7	11.1
8.12 Scholarship and fellowship assistance	104.1	1.4	255.5	2.1	214.5	2.3	222.2	1.9
8.14 Course fees and related expenses for local training	27.7	0.4	34.3	0.3	29.3	0.3	31.5	0.3
8.15 Conducting training courses	17.4	0.2	42.8	0.3	27.3	0.3	37.9	0.3
8.16 Assistance to associations and social organisations	34.8	0.5	109.1	0.9	106.4	1.1	101.7	0.8
8.17 Other assistance	15.0	0.2	49.5	0.4	44.6	0.5	88.9	0.7
Total	1,890.9	25.7	2,323.5	18.8	2,579.0	27.3	2,740.8	22.8
9 CAPITAL EQUIPMENT & CONSTRUCTION								
9.01 Furniture	30.2	0.4	30.8	0.2	25.7	0.3	32.2	0.3
9.03 Machinery and Equipment	143.5	2.0	189.4	1.5	169.9	1.8	205.1	1.7
9.04 Reference books and Exhibition goods	11.3	0.1	15.2	0.1	8.9	0.1	13.8	0.1
9.05 Vehicles	29.8	0.4	96.7	0.8	34.1	0.4	23.7	0.2
9.06 Vessels	49.0	0.7	84.8	0.7	59.0	0.6	108.3	0.9
9.08 Tools, Instruments apparatus	2.2	-	7.5	0.1	2.6	-	8.6	0.1
9.10 Land acquisition	9.2	0.1	1.4	0.0	1.0	-	60.8	0.5
9.11 Buildings and Building construction	372.7	5.1	590.5	4.8	761.3	8.0	794.6	6.6
9.12 Communication outlay	45.0	0.6	45.9	0.4	52.7	0.6	37.0	0.3
9.13 Roads and Ports, Water and Sanitation systems	381.7	5.2	2,726.0	22.1	397.2	4.2	1,175.2	9.8
Total	1,074.6	14.6	3,788.2	30.7	1,512.4	16.0	2,459.3	20.5
10 DEBT AMORTIZATION								
10.01 Short - term	9.3	0.1	-	-	50.9	0.5	-	-
10.02 Medium - term	-	-	95.6	0.8	0.4	-	0.4	0.0
10.03 Long - term	267.6	3.7	366.8	3.0	366.9	3.9	474.3	4.0
Total	276.9	3.8	462.4	3.7	418.2	4.4	474.7	4.0
11 INVESTMENT OUTLAYS								
11.01 Government agency assisting another govt agency	0.2	-	0.7	0.0	-	-	0.7	0.0
11.02 Equity Capital to Public enterprises	25.0	0.4	342.1	2.8	301.3	3.2	-	-
11.04 Capital contribution to profit oriented public agencies	0.2	-	30.1	0.2	20.0	0.2	9.2	0.1
11.05 Capital transfers to abroad	-	-	1.7	0.0	-	-	1.7	0.0
11.07 Local components for foreign assisted projects	15.5	0.2	25.1	0.2	8.2	0.1	31.8	0.3
11.09 Other economic development expenditure from govt budget	337.3	4.6	883.7	7.2	104.2	1.1	252.7	2.1
Total	378.2	5.2	1,283.4	10.4	433.7	4.6	296.1	2.5
12 LOANS OUTLAY								
12.02 Government Institution	8.1	0.1	12.6	0.1	12.8	0.1	14.5	0.1
Total	8.1	0.1	12.6	0.1	12.8	0.1	14.5	0.1

Figure 11: Economic Classification of Government Expenditure, 2006 – 2008, in percent

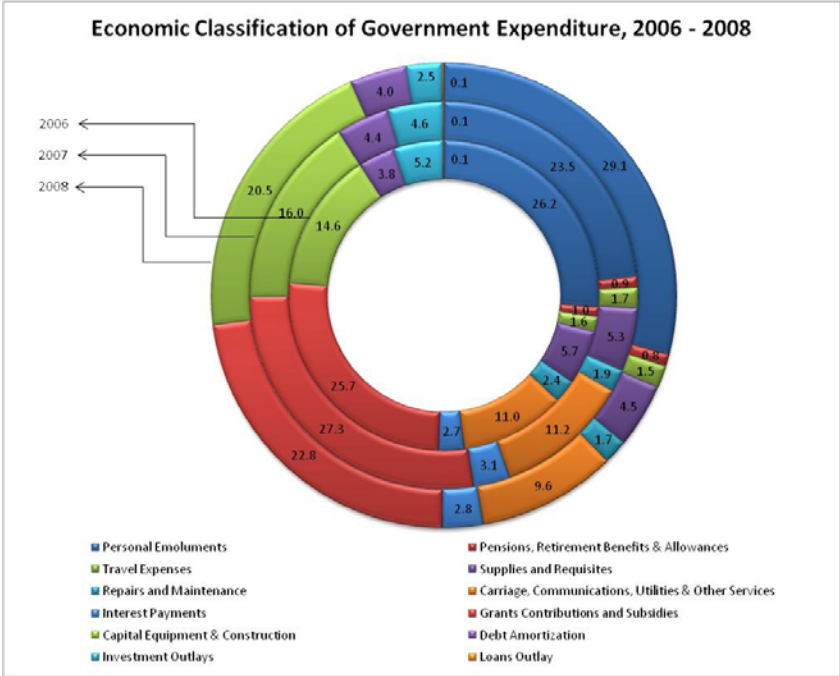


Table 18: Economic and Functional Cross Classification of Expenditure,
2008

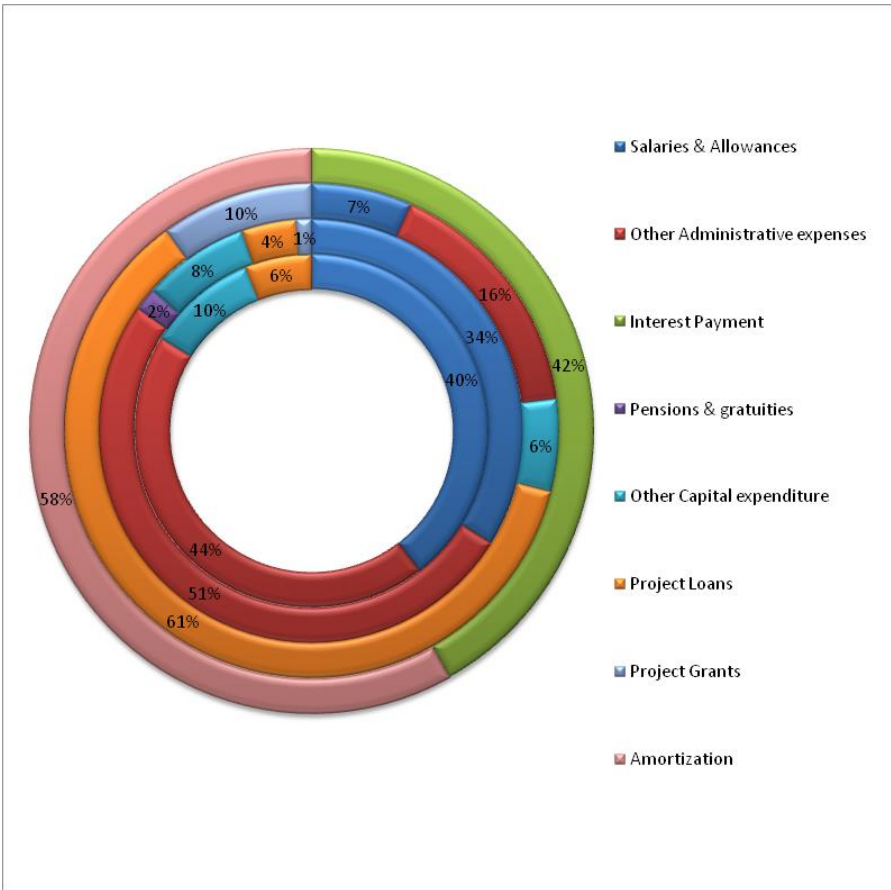
**ECONOMIC & FUNCTIONAL
CROSS CLASSIFICATION OF EXPENDITURE**

2008

(In million Rufiyaa)

	Public Services	Social Services	Economic Services	Debt Servicing	Total
CURRENT EXPENDITURE					
Salaries & Allowances	1,428.7	1,942.5	121.6	-	3,492.8
Other Administrative expenses	1,602.9	2,917.7	299.9	-	4,820.5
Interest Payment	-	-	-	341.7	341.7
Pensions & gratuities	-	100.7	-	-	100.7
	3,031.6	4,960.9	421.5	341.7	8,755.7
CAPITAL EXPENDITURE					
Other Capital expenditure	364.5	462.9	110.9	-	938.3
Project Loans	219.7	241.9	1,120.7	-	1,582.3
Project Grants	-	65.6	183.7	-	249.3
Amortization	-	-	-	474.7	474.7
	584.2	770.4	1,415.3	474.7	3,244.6
TOTAL EXPENDITURE	3,615.8	5,731.3	1,836.8	816.4	12,000.3

Figure 12: Cross Classification of Government Expenditure, 2008



Expenditures by Ministries

Table 19: Classification of Government Expenditure by AGAs

	2006 Expenditure Rf.	2007 Rev. Budget Rf.	2008 Est. Budget Rf.
1 President's Office	92,184,680	117,788,010	116,753,103
1.01 Raeesul Jumhooriyya ge Office	81,755,008	99,129,926	99,132,351
1.02 Public Services Division	5,625,545	8,315,653	7,989,516
1.03 Maldivian Government Trade Centre	4,804,127	4,792,929	5,914,462
1.04 Public Service Training Institute	-	5,549,502	3,716,774
2 Presidential Palace	161,041,807	177,702,581	175,943,673
2.01 Riyasee Gan'duvaru	158,263,320	173,626,344	172,589,977
2.02 Muleeaage	2,381,164	3,208,000	2,510,000
2.03 Hilaaleege	397,323	868,237	843,696
3 Supreme Council of the Islamic Affairs	83,813,640	125,299,134	100,746,555
3.01 Islaamee kanthah thakaa behey Emmemathee Majlis	83,709,309	125,033,459	100,746,555
3.02 Miskiy Thakaa Behey Qawmee Majlis	104,331	265,675	-
4 High Court	5,127,760	7,973,535	4,933,514
5 Peoples Majlis	43,768,270	62,692,349	45,271,717
6 Audit Office	7,036,712	13,398,424	28,499,651
7 Office of the Commissioner of Elections	12,468,279	38,559,753	55,712,029
8 Anti-corruption Board	3,929,775	5,154,334	7,310,375
9 National Council for Linguistic and Historical research	14,109,885	16,637,626	16,870,721
10 Council for Noble Quran	2,994,144	2,529,380	4,411,627
11 Government Employee's Club	3,159,839	2,731,899	3,041,226
12 Human Rights Commission of the Maldives	1,354,573	5,518,186	8,523,089
13 Public Complaints Bureau	1,947,337	2,558,147	3,103,416
14 Education National Majlis	488,650	721,263	713,798
15 Community Organisation Development Council	2,217,942	9,481,829	11,067,426
16 Judicial Services Commission	-	1,690,155	1,962,757
17 Civil Service Commission	-	4,554,601	16,768,802
18 Ministry of Atolls Development	411,244,951	394,299,145	379,582,921
18.01 Ministry of Atolls Development	49,898,174	102,374,496	97,318,796
18.02 Atoll Development Special Project	115,603,632	18,615,322	5,696,743
18.03 Northern Regional Office	568,027	-	-
18.04 Southern Regional Office	542,476	-	-
18.05 Thiladhunmathee Uthuruburi	12,728,939	13,678,153	15,091,598
18.06 Thiladhunmathee Dhekunuburi	14,350,510	18,269,302	17,182,974
18.07 Miladhunmadulu Urthuruburi	17,186,235	14,948,937	15,771,958
18.08 Miladhunmadulu Dhekunuburi	13,171,092	13,780,880	14,888,712
18.09 Maalhosmadulu Uthuruburi	12,793,688	13,414,452	14,591,592
18.10 Maalhosmadulu Dhekunuburi	11,066,861	13,431,123	13,103,000
18.11 Faadhippolhu	6,750,234	7,744,407	9,048,229
18.12 Male' Atholhu	9,308,277	11,306,309	10,995,067
18.13 Ari Atholhu Uthuruburi	8,092,303	9,253,931	9,983,039
18.14 Ari Atholhu Dhekunuburi	10,054,187	11,233,534	12,409,368
18.15 Felidhu Atholhu	4,617,924	5,747,343	6,054,280
18.16 Mulakatholhu	7,556,632	8,238,700	9,277,379
18.17 Nilandhe Atholhu Urthuruburi	7,735,678	10,605,458	10,577,507
18.18 Nilandhe Atholhu Dhekunuburi	8,439,822	10,501,448	10,561,388

	2006 Expenditure Rf.	2007 Rev. Budget Rf.	2008 Est. Budget Rf.
18.19 Kolhumadulu	12,487,502	14,299,674	15,401,614
18.20 Hadhdhunmathee	13,006,422	16,569,065	19,525,978
18.21 Huvadhu Atholhu Uthuruburi	10,091,845	11,599,610	11,805,504
18.22 Huvadhu Atholhu Dhekunuburi	10,735,849	13,857,750	14,387,505
18.23 Fuvahmulaku	7,048,613	9,940,152	8,720,518
18.24 Addu Atholhu	12,137,937	15,781,715	15,794,162
18.25 S. Gan Section	11,549,603	10,759,607	12,205,290
18.26 Resettlement Section	13,153,547	2,459,936	184,500
18.27 Lh. Maafileafushi Development Project	1,451,493	1,740,440	1,547,910
18.28 Northern Regional Development Project	1,112,814	1,237,233	1,316,380
18.29 Southern Regional Development Project	1,560,510	1,219,838	1,499,470
18.30 Regional Fire Service	6,444,125	11,690,330	4,642,460
19 Ministry of Environment, Energy and Water	82,842,263	94,950,796	148,343,827
19.01 Ministry of Environment, Energy & Water	49,919,305	53,312,052	87,580,624
19.02 Environment Section	4,580,409	5,576,840	8,032,497
19.03 Maldives energy Authority	-	1,024,757	1,010,716
19.04 Maldives Water and Sanitation Authority	3,837,766	2,320,816	3,223,792
19.05 Department of Meteorology	20,180,293	24,753,563	30,822,352
19.06 Environment Research Centre	4,324,490	7,962,768	17,673,846
20 Ministry of Construction and Public Infrastructure	159,553,939	95,400,462	66,698,312
20.01 Ministry of Construction and Public Infrastructure	140,252,352	76,758,820	41,567,458
20.02 Atolls Road Construction	19,301,587	18,641,642	25,130,854
20.03 Male' Harbour Maintenance	-	-	-
21 Ministry of Defence and National Security	433,048,107	668,811,532	753,060,544
21.01 Ministry of Defence & National Security	6,388,529	6,526,565	12,719,453
21.02 Maldives National Defence Force	406,182,793	438,214,237	424,715,098
21.03 National Disaster Management Centre	-	199,289,318	284,716,293
21.04 Global Maritime Distress Safety System	958,012	1,855,901	1,404,050
21.05 Department of Immigration & Emigration	19,518,773	22,925,511	29,505,650
22 Min. of Higher Education, Employment & Social Security	190,409,804	242,487,327	269,657,508
22.01 Min. of Higher Education, Employment & Soc. Sec.	16,349,103	19,233,542	31,806,044
22.02 Department of Higher Education and Training	40,847,030	65,654,927	71,672,001
22.03 Employment Skills Training Project	1,203,660	1,744,630	5,680,956
22.04 Home for the Aged & Disabled Person	11,270,500	16,537,194	14,542,512
22.05 Social Security	36,368,856	36,801,701	38,292,663
22.06 Maldives Accreditation Board	-	2,600,016	2,515,500
22.07 Maldives College of Higher Education	13,149,834	23,435,223	31,418,290
22.08 Faculty of Education	18,128,223	19,050,981	16,499,368
22.09 Faculty of Health Sciences	11,830,480	12,170,671	10,441,165
22.10 Faculty for Management and Computing	5,269,463	6,142,774	7,157,379
22.11 Faculty of Engineering Technology	11,526,503	10,763,206	11,420,517
22.12 Faculty of Hospitality and Tourism Studies	4,274,631	8,334,181	5,494,808
22.13 Kuhlithidhirasaathul Islaamiyya	8,598,091	10,587,565	10,602,745
22.14 Centre for Maritime Studies	2,533,725	2,213,826	2,821,033
22.15 Centre for Open Learning	1,193,908	1,226,886	1,328,048
22.16 Faculty of Shariah & Law	2,251,726	2,554,369	3,286,903
22.17 Inter Atoll Campus	5,614,071	3,435,635	4,677,576

	2006 Expenditure Rf.	2007 Rev. Budget Rf.	2008 Est. Budget Rf.
23 Ministry of Education	828,648,995	962,034,972	1,225,346,850
23.01 Ministry of Education	55,433,317	58,394,216	214,213,195
23.02 Projects Implementation Unit	8,143,859	4,903,896	2,179,453
23.03 Inter Atoll School Construction	29,917,562	20,645,838	57,458,339
23.04 Male' School Construction	8,875,983	8,656,588	8,530,203
23.05 Educational Development Centre	9,140,316	11,122,679	12,756,218
23.06 Department of Public Examination	14,714,931	17,307,303	19,222,496
23.07 Centre for Continuing Education	7,313,658	7,818,015	9,697,425
23.08 Majeediyya School	15,353,654	16,357,646	16,907,235
23.09 Dharamavantha School	14,444,503	15,234,368	15,235,238
23.10 Aminiya School	22,199,394	22,348,380	24,141,371
23.11 Iskandar School	14,185,269	14,983,179	15,725,487
23.12 Centre for Higher Secondary Education	18,011,552	17,858,788	21,499,042
23.13 Al-Madharasathul Arabiyyathul Islamiyya	5,744,897	6,497,134	6,860,790
23.14 Jamaluddeen School	12,992,515	14,098,998	13,878,088
23.15 Thaajuddeen School	10,395,730	11,449,714	11,961,409
23.16 Kalaafaanu School	11,157,925	11,887,568	12,206,946
23.17 Giyaasuddin School	11,145,768	10,847,624	12,090,931
23.18 Muh'uyiddin School	6,612,080	7,293,914	8,288,534
23.19 Imaadhuddeen School	11,921,247	12,324,011	12,964,003
23.20 Fareedhiyya School	11,958,636	12,992,403	10,321,106
23.21 Ghazee School	-	-	7,336,013
23.22 Centre for Children's Education and Training	5,712,776	5,422,996	6,251,739
23.23 Muhibbudhdeen School	12,252,621	13,337,460	13,083,049
23.24 Jalaaludhdeen School	9,775,987	10,545,564	11,161,951
23.25 Gn. Atholhu Tha'leemee Marukazu	12,219,989	12,692,602	10,975,197
23.26 GDh. Atholhu Tha'leemee Marukazu	8,766,686	9,678,972	9,440,519
23.27 B. Atholhu Tha'leemee Marukazu	8,902,559	9,959,448	10,258,533
23.28 Lh. Atholhu Tha'leemee Marukazu	7,619,833	7,925,012	8,519,006
23.29 Lh. Naifaru Madharasathul Ifithithaah	7,870,253	7,998,904	8,510,052
23.30 Hadhdhunmathee Dhanaal	726,903	884,476	821,325
23.31 HD. Atholhu Tha'leemee Marukazu	6,861,400	7,266,162	6,756,718
23.32 Al-Madharasathul Islamiyya	5,075,666	5,442,575	6,758,099
23.33 HA. Atholhu Tha'leemee Marukazu	6,606,436	6,976,334	7,018,348
23.34 S. Hithadhoo School	4,519,035	4,903,022	5,138,568
23.35 GA. Atholhu Tha'leemee Marukazu	7,125,844	7,488,311	7,472,274
23.36 S. Atholhu Tha'leemee Marukazu	4,411,654	4,775,971	5,081,112
23.37 Aboobakuru School	2,897,533	4,032,790	4,031,252
23.38 Hafiz Ahmed School	3,954,098	4,395,192	5,019,094
23.39 Afeefudhdeen School	3,397,770	3,986,581	3,800,344
23.40 HA. Ihavandhoo School	5,346,197	6,289,214	7,062,150
23.41 HA.Atholhu Madharusaa	5,603,695	5,778,982	5,918,924
23.42 SH. Atholhu Tha'leemee Marukazu	5,010,042	5,320,633	5,569,006
23.43 N. Atholhu Tha'leemee Marukazu	4,647,038	5,420,898	5,310,862
23.44 R. Atholhu Tha'leemee Marukazu	5,273,052	5,755,367	5,967,950
23.45 R. Ungoofaar School	5,331,058	5,629,853	6,099,941
23.46 R. Alifushi School	4,936,735	5,667,199	6,027,852
23.47 B. Thulhaadhoo School	4,855,033	5,806,294	5,804,842
23.48 ADH. Atholhu Tha'leemee Marukazu	4,864,530	5,341,120	5,266,360
23.49 DH. Atholhu Tha'leemee Marukazu	4,518,957	4,627,414	5,640,636

	2006 Expenditure Rf.	2007 Rev. Budget Rf.	2008 Est. Budget Rf.
23.50 L. Atholhu Tha'leemee Marukazu	4,354,910	4,877,245	4,850,842
23.51 Madharasathul Hamadhu Bin Khaleefaa Alsaanee	4,252,039	4,532,264	4,839,758
23.52 S. Feydhoo School	-	5,231,686	5,791,631
23.53 Sh. Atholhu Madharusa / Sh.Kanditheemu	-	4,610,954	4,391,622
23.54 Madharasathul Sheikh Mohamed Jamaaluddin / Gn.Fuvahm	-	4,995,156	4,848,029
23.55 L. Maavashu School	-	4,501,623	4,941,822
23.56 K. Atholhu Madharusa / K.Kaashidhoo	-	3,985,885	4,519,718
23.57 R. Madu'vari School	-	4,071,134	4,287,794
23.58 R. Hulhudhuffaar School	-	5,417,302	5,564,630
23.59 Sh. Funadhoo School	-	4,332,602	4,677,725
23.60 N. Kendhikuludhoo School	-	4,963,958	5,008,463
23.61 Hdh. Nohivaram School	-	4,065,252	3,993,419
23.62 Madharasathul Sheikh Ibrahim / Ha.Kelaa	-	4,058,136	4,131,806
23.63 Adh. Atholhu Madharusa / Adh.Maamigili	-	5,241,244	4,509,112
23.64 Meynaa School / N. Holhudhoo	-	6,067,733	5,799,113
23.65 Sh. Milandhoo School	-	-	4,641,336
23.66 Lh. Atholhu Madharusa	-	-	4,919,887
23.67 F. Atholhu Thauleemee Marukazu	-	-	4,283,568
23.68 Th. Atholhu Thauleemee Marukazu	-	-	4,965,894
23.69 North Zone Schools Budget	74,035,757	75,473,232	81,942,205
23.70 North Central Zone Schools budget	71,022,053	73,014,100	78,141,460
23.71 Central Zone Schools budget	67,713,520	84,225,028	96,658,743
23.72 South Central Zone Schools Budget	72,938,452	88,046,423	96,474,894
23.73 South Zone Schools Budget	65,586,088	83,952,407	78,924,154
24 Ministry of Finance and Treasury	1,133,263,259	1,393,346,752	2,655,478,039
24.01 Ministry of Finance and Treasury	17,480,347	39,398,231	31,575,814
24.02 Ministry of Finance and Treasury/Special A/c	896,518,152	1,175,284,431	2,439,552,138
24.03 Pensions and Provident Fund	74,432,967	85,213,000	100,756,000
24.04 Maldives Customs Service	61,356,521	68,329,816	65,988,056
24.05 Department of Inland Revenue	12,554,193	25,121,274	17,606,031
24.06 National Disaster Management Centre	70,921,079	-	-
25 Ministry Fisheries, Agriculture & Marine Resources	90,868,028	85,979,366	92,778,691
25.01 Ministry Fisheries and Agriculture	81,035,190	74,379,488	83,941,822
25.02 Marine Research Centre	7,197,509	7,616,451	6,366,817
25.03 Mendhoo Agricultural Project	2,635,329	3,983,427	2,470,052
26 Ministry of Foreign Affairs	94,922,638	131,594,839	153,042,407
26.01 Ministry of Foreign Affairs	32,251,869	33,968,632	33,527,691
26.02 Department of External Resources	5,825,020	5,752,470	10,358,396
26.03 High Commission of Maldives in Sri Lanka	23,919,524	8,009,563	8,916,611
26.04 Permanent Mission to the United Nation	8,109,171	9,674,546	9,879,320
26.05 High Commission of Maldives in U.K.	8,545,659	12,387,199	11,070,781
26.06 High Commission of Maldives in India	6,050,008	9,413,875	9,996,406
26.07 Consulate of Maldives in Thiruvananthapuram	1,309,922	2,124,760	2,840,438
26.08 High Commission of Maldives in Malaysia	8,911,465	9,853,313	9,402,350
26.09 High Commission of Maldives in Japan	-	10,634,557	9,169,564
26.1 High Commission of Maldives in America	-	9,055,035	9,888,313
26.11 High Commission of Maldives in China	-	8,859,589	8,908,861
26.12 High Commission of Maldives in Saudi Arabia	-	7,872,167	6,742,711
26.13 Permanent Mission in Geneva	-	3,989,133	6,213,264
26.14 High Commission of Maldives in Pakistan	-	-	2,396,940

	2005 Expenditure Rf.	2006 Rev. Budget Rf.	2007 Est. Budget Rf.
26.15 Permanent Mission to the European Community	-	-	5,212,709
26.16 High Commission of Maldives in Singapore	-	-	8,518,052
27 Ministry of Health	668,989,668	704,035,674	1,024,094,524
27.01 Ministry of Health	110,345,170	57,749,202	80,058,902
27.02 Department of Public Health	64,311,269	57,253,813	36,744,549
27.03 Department of Medical Services	85,181,717	156,382,086	329,630,161
27.04 Vector Bone Disease Control Unit	5,421,735	5,405,968	14,080,094
27.05 Indhira Gandhi Memorial Hospital	203,304,715	203,259,094	242,601,538
27.06 Maldives Food & Drug Authority	7,492,847	12,059,311	16,533,709
27.07 National Thalassemia Centre	10,609,571	11,163,295	13,324,288
27.08 Male' Health Centre	1,355,258	1,599,225	1,996,876
27.09 Villingili Health Centre	3,756,821	4,782,638	6,596,244
27.10 Hulhumale Hospital	10,114,844	10,493,833	31,181,363
27.11 H.DH Kulhudhuffushi Regional Hospital	16,569,335	16,008,172	20,756,553
27.12 R. Ungoofaaru Regional Hospital	13,232,210	14,789,222	19,132,544
27.13 S. Hithadhoo Regional Hospital	15,014,914	16,631,583	21,381,671
27.14 M. Muli Regional Hospital	10,915,217	10,790,888	12,756,163
27.15 G. DH Thinadhoo Regional Hospital	13,670,882	16,762,956	19,111,662
27.16 L. Gan Regional Hospital	16,100,695	17,446,771	19,360,226
27.17 HA. Atoll Hospital	6,681,419	6,787,348	11,506,732
27.18 SH. Atoll Hospital	6,911,420	6,534,964	10,067,532
27.19 N. Atoll Hospital	7,259,227	7,514,532	7,571,968
27.20 B. Atoll Hospital	8,000,123	7,785,642	11,220,194
27.21 LH. Atoll Hospital	7,423,143	10,026,085	11,626,567
27.22 AA. Atoll Hospital	4,497,575	6,008,573	12,198,387
27.23 A.DH. Atoll Hospital	6,442,995	6,080,854	10,500,661
27.24 V. Atoll Hospital	3,301,851	4,299,305	7,585,866
27.25 F. Atoll Hospital	3,833,256	7,225,494	10,693,965
27.26 DH. Atoll Hospital	6,548,562	7,134,099	10,972,310
27.27 TH. Atoll Hospital	6,836,892	6,906,289	12,668,742
27.28 GA. Atoll Hospital	6,991,642	7,878,277	8,785,676
27.29 GN. Atoll Hospital	6,864,363	7,276,155	13,449,381
28 Ministry of Home Affairs	500,133,232	602,944,022	692,652,831
28.01 Ministry of Home Affairs	16,855,796	20,274,215	12,826,479
28.02 Male' Municipality	43,359,182	45,736,612	38,130,848
28.03 Male' Road Construction	3,772,033	3,662,522	6,710,664
28.04 Waste Management Section	19,043,036	23,544,121	26,602,439
28.05 Henveiru ward Office	1,821,607	2,279,305	2,394,659
28.06 Maafannu ward Office	2,122,386	2,493,808	2,655,698
28.07 Galolhu ward Office	1,861,178	2,102,890	2,150,834
28.08 Machchangolhee ward Office	1,975,846	2,190,207	2,169,977
28.09 Villingili ward office	982,396	1,128,906	1,357,159
28.10 Department of Penitentiary and Rehabilitation	71,035,404	101,905,169	96,144,610
28.11 Department of National Registration	7,501,266	10,816,377	10,948,239
28.12 Maldives Police Service	322,351,222	373,690,014	472,593,356
28.13 Police Academy	7,451,880	13,119,876	17,967,869
29 Maldives Housing and Urban development	12,982,321	39,019,103	225,709,776
30 Ministry of Information and Arts	117,272,687	135,139,685	142,639,349
30.01 Ministry of Legal Reform, Information and Arts	6,720,145	13,855,141	17,897,173
30.02 Voice of Maldives	33,094,078	33,347,587	36,315,779
30.03 Television Maldives	61,830,001	62,500,634	58,192,925
30.04 National Library	6,605,799	6,792,884	9,257,560
30.05 National Bureau of Classification	1,717,801	2,155,752	2,228,897
30.06 National Art Gallery	926,043	1,784,145	2,186,632

	2005 Expenditure Rf.	2006 Rev. Budget Rf.	2007 Est. Budget Rf.
30.07 National Centre for the Arts	6,378,820	11,851,007	13,941,425
30.08 National Law Reform Commission	-	2,852,535	2,618,958
31 Ministry of Justice	75,651,927	94,490,152	130,536,575
31.01 Ministry of Justice	15,921,482	29,241,806	31,195,602
31.02 Atoll Courts	44,117,171	44,850,148	74,001,866
31.03 Civil Court	6,267,139	7,586,545	9,674,864
31.04 Criminal court	4,940,282	7,036,662	6,931,269
31.05 Family Court	3,562,988	4,656,658	5,714,884
31.06 Juvenile court	842,865	1,118,333	3,018,090
32 Ministry of Planning & National Development	27,858,918	17,327,927	28,680,652
32.01 Ministry of Planning & National Development	8,912,665	12,078,474	23,927,964
32.02 Dept. of Statistics	18,946,253	5,249,453	4,752,688
33 Ministry of Tourism and Civil Aviation	105,612,817	118,256,912	110,099,478
33.01 Ministry of Tourism	12,875,142	13,238,937	10,281,575
33.02 Civil Aviation Section	4,828,188	6,243,946	6,508,128
33.03 Maldives Government Tourist Office	7,359,175	5,634,197	2,461,156
33.04 Maldives Tourism Promotion Board	80,550,312	93,139,832	90,848,619
34 Ministry of Economic Development and Trade	8,439,640	20,105,875	25,645,469
34.01 Ministry of Economic Development and Trade	6,904,444	11,462,272	11,983,254
34.02 Foreign Investment Services Bureau	1,535,196	8,643,603	13,662,215
35 Ministry of Transport and Civil Aviation	110,211,652	94,954,686	112,253,580
35.01 Ministry of Transport and Civil Aviation	19,728,462	22,825,224	27,390,573
35.02 Regional Airports	72,977,475	53,674,134	67,525,211
35.03 National Centre for Information Technology	10,987,582	11,179,978	11,002,416
35.04 Telecommunication Authority of Maldives	6,518,133	7,275,350	6,335,380
36 Ministry of Youth & Sports	74,081,680	75,091,915	104,854,863
36.01 Ministry of Youth & Sports	55,154,398	55,360,839	82,497,074
36.02 Sports Division	12,569,210	12,381,860	13,171,215
36.03 Maldives Olympic Committee	506,292	845,500	1,621,043
36.04 Youth Centre	5,851,780	6,503,716	7,565,531
37 Ministry of Gender	52,919,284	84,530,773	113,359,710
37.01 Ministry of Gender & Family	17,557,487	18,156,206	36,938,007
37.02 National Narcotics Control Bureau	30,098,867	52,666,299	52,845,185
37.03 Kudakudhinge Ijuthimaace Marukazu	1,633,808	3,381,081	2,185,968
37.04 Children's Home	3,629,122	3,665,005	4,170,665
37.05 Child and Family Protection Authority	-	1,804,116	2,806,203
37.06 Social Protection Service Centre	-	4,858,066	14,413,682
38 Attorney General's Office	12,098,919	11,905,552	12,926,777
38.01 Attorney General's Office	7,936,445	11,030,090	11,805,262
38.02 Maldivian Law Commission	2,920,793	-	-
38.03 National Law Library	1,241,681	875,462	1,121,515
39 Fund Accounts (Donations)	56,401,852	65,306,403	70,000,000
40 Government Loan Account	2,500,000	6,236,000	7,500,000
41 Foreign Cash Grants	60,667,071	59,945,217	60,000,000
42 Development Project Grants	793,216,755	1,086,641,715	757,546,982
43 Development Project Loans	806,117,171	1,581,013,005	1,924,297,818
Government Contribution to Political Parties	7,345,600,871	9,460,841,013	11,888,420,962
	-	-	11,888,421
	7,345,600,871	9,460,841,013	11,900,309,383
Additional allocation made by the Majlis	-	-	100,000,000
	7,345,600,871	9,460,841,013	12,000,309,383

Part VII
Review of the Budget
2003 – 2008
In GFS Format

Budgetary Position

Table 20: Summary of Central Government Finance, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Total Revenue & Grants	3087.9	3424.7	4612.9	6154.1	7852.6	9757.0
Total Revenue	2964.3	3351.8	3788.3	5286.7	6669.4	8944.5
Current Revenue	2936.8	3331.1	3753.3	5237.2	6637.1	8911.5
Capital Revenue	27.5	20.7	35.0	49.5	32.4	33.0
Grants	123.6	72.9	824.6	867.4	1183.2	812.5
Expenditure and net lending	3388.2	3582.6	5657.6	6948.1	8914.3	11321.6
Total Expenditure	3551.9	3779.1	5775.4	7066.2	9036.3	11516.4
Current expenditure	2345.7	2788.1	4643.3	5607.8	7083.7	8755.7
Capital expenditure	1206.2	991.0	1132.1	1458.4	1952.6	2760.7
Net lending	-163.7	-196.5	-117.8	-118.1	-122.0	-194.8
Overall Balance	-300.3	-157.9	-1044.7	-794.0	-1061.7	-1564.6
Overall Balance excluding grants	-423.9	-230.8	-1869.3	-1661.4	-2244.9	-2377.1
Current balance	591.1	543.0	-890.0	-370.6	-446.6	155.8
Financing	300.3	157.9	1044.7	794.0	1061.7	1564.6
Foreign financing	419.2	403.7	235.0	529.2	1162.8	1449.6
Domestic financing	-118.9	-245.8	809.7	264.8	-101.1	115.0
Total debt (end of period)	4087.6	4282.8	5052.1	5965.5	7578.6	9189.8
Of which: Foreign	2622.9	3026.6	3261.6	3800.1	5014.3	6464.2

Figure 13: Budgetary Position, GFS Format, 2003 – 2008

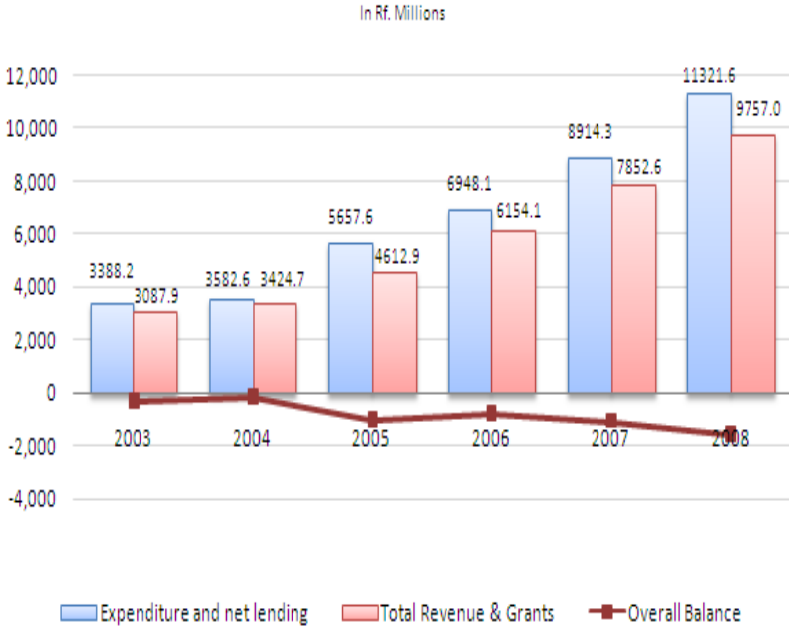


Table 21: Central Government Revenue and Grants, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Total Revenue and grants	3087.9	3424.7	4612.9	6154.1	7852.6	9757.0
Total Revenue	2964.3	3351.8	3788.3	5286.7	6669.4	8944.5
Current Revenue	2936.8	3331.1	3753.3	5237.2	6637.1	8911.5
Tax revenue	1268.7	1647.2	1722.8	2370.3	2855.5	3291.5
Import duty	817.1	1135.9	1245.7	1683.9	2033.5	2409.3
Tourism Tax	359.8	409.5	345.0	495.7	547.3	589.7
Bank profit tax	46.2	48.6	65.7	91.4	169.0	185.0
Other 1/	45.6	53.2	66.4	99.3	105.7	107.5
Nontax revenue	1668.1	1683.9	2030.5	2866.9	3781.6	5620.0
Entrepreneurial & property income	1320.4	1271.5	1369.2	2228.3	3031.8	4934.5
Net Sales to Public Enterprises	570.6	554.7	608.6	727.4	787.1	786.0
State Trading Organisation	122.7	114.4	72.8	57.2	85.3	69.9
State Electric Company	15.0	15.0	-	-	-	-
Dhivehi Rajjege Gulhun Ptd.	185.9	165.6	247.9	280.8	355.0	188.0
Maldives Posts Limited	8.4	8.5	6.8	3.6	6.4	6.6
Maldives Monetary Authority	31.2	10.0	23.6	190.4	85.0	135.0
Maldives Industrial Fisheries Corporation	-	0.9	1.4	1.3	3.0	9.9
Island Aviation Services Limited	8.5	16.3	2.1	8.0	15.0	37.9
Building Construction and Mechanical Worksho	0.3	0.2	-	1.3	4.2	2.0
Maldives Transport & Contracting Co.	3.3	3.5	3.3	3.9	4.6	30.8
Maldives Ports Authority	15.0	24.5	37.5	50.0	60.0	60.0
Bank of Maldives	5.3	5.6	5.9	6.2	9.3	15.0
Maldives Airports Company Ltd	125.5	143.8	171.0	62.3	87.0	129.0
Government hotels	1.5	2.4	3.2	3.0	3.8	8.3
Maldives Inflight Catering Services	16.3	19.5	-	19.5	19.5	20.0
Maldives Water & Swerage Company	31.7	24.5	33.1	39.9	46.3	47.6
Housing Development Finance Corporation	-	-	-	-	1.0	-
Maldives Tourism Development Corporatio	-	-	-	-	-	23.8
Maldives National Shipping Limited	-	-	-	-	1.8	2.2
Royalties, land & resort rent	649.8	645.5	674.9	1423.8	2149.6	4007.8
Resort lease rent	539.9	512.0	566.8	1281.2	1972.7	1403.6
Land rent	35.8	35.3	32.8	43.4	84.5	2502.6
Royalties	74.1	98.2	75.3	99.2	92.4	101.6
Interest	100.0	71.3	85.7	77.1	95.1	140.7
Administrative fees & charges	245.5	291.2	319.0	443.2	497.3	529.0
Permit fee	56.5	73.4	87.1	77.9	93.3	101.1
Administrative fees	75.3	87.8	89.9	193.0	185.8	194.2
Building rent	22.7	27.3	32.1	26.9	42.8	34.7
Non-industrial sales	91.0	102.7	109.9	145.4	175.4	199.0
Fine & Forfeits	18.2	35.6	25.5	55.0	55.4	58.2
Other	84.0	85.6	316.8	140.4	197.0	98.3
Capital revenue (sale of assets)	27.5	20.7	35.0	49.5	32.4	33.0
Grants 2/	123.6	72.9	824.6	867.4	1183.2	812.5
Cash grant	51.2	58.8	58.2	74.2	96.5	55.0
Project grant	72.4	14.1	766.4	793.2	1086.6	757.5

1/ Includes license fees, company registration fees, revenue stamps and motor vehicle taxes

2/ Includes grants-in-kind and cash but excludes direct expenditure by donors

Table 22: Economic Classification of Central Government Expenditure and Net Lending, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Total expenditure and net lending	3388.2	3582.6	5657.6	6948.1	8914.3	11321.6
Total expenditure	3551.9	3779.1	5775.4	7066.2	9036.3	11516.4
Current expenditure	2345.7	2788.1	4643.3	5607.8	7083.7	8755.7
Exp. on goods and services	2174.7	2600.8	4260.9	5259.2	6636.1	7812.3
Salaries and wages	564.1	718.7	974.3	1085.1	1234.9	1948.2
Other allowances	471.3	567.6	713.1	840.1	983.5	1544.6
Other benefits and gratuities	12.1	17.6	24.5	26.9	29.5	34.3
Travel expenses	58.7	67.2	91.4	120.0	165.9	184.5
Supplies and requisites	265.0	288.9	339.5	414.8	504.3	534.3
Repairs and maintenance	105.8	115.0	125.3	175.8	176.0	205.0
Transportation, communication and utilities	411.9	516.0	597.6	807.9	1061.2	1155.9
Subscriptions and membership fees to international organizations	12.4	12.1	19.4	17.3	17.8	28.7
Social welfare contributions	273.4	297.7	1375.8	1771.3	2463.0	2176.8
Interest payments	135.2	138.6	154.9	198.8	293.7	341.7
Subsidies and transfers	35.8	48.7	227.5	149.8	153.9	601.7
Food, medicine and other	4.2	12.2	186.9	102.3	98.2	535.3
Pensions	31.6	36.5	40.6	47.5	55.7	66.4
Capital expenditure and net lending	1042.5	794.5	1014.3	1340.3	1830.6	2565.9
Development expenditure	1206.2	991.0	1132.1	1458.4	1952.6	2760.7
Foreign Loan -financed	605.5	508.3	399.7	352.4	859.9	1588.3
Others 1/	600.7	482.7	732.4	1106.0	1092.7	1172.4
Net lending 3/	(163.7)	(196.5)	(117.8)	(118.1)	(122.0)	(194.8)
Memorandum item:						
Capital contributions to foreign institutions 2/	0.0	0.0	0.8	0.0	0.0	1.7

1/ Comprises development expenditure financed from domestic sources and by foreign grants.

3/ Net lending is not included in the regular budget

Table 23: Functional Classification of Central Government Expenditure,
2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Expenditure and net lending	3388.2	3582.6	5657.6	6948.1	8914.4	11321.6
Expenditure	3551.9	3779.1	5775.4	7066.2	9036.4	11516.4
Public services	1204.9	1317.7	1958.6	2372.8	2896.9	3606.6
General administration	650.9	687.1	1105.8	1381.5	1684.7	1973.2
Defence	-	-	416.3	418.7	455.3	551.2
Public order and internal security	532.1	598.0	391.9	502.0	654.6	929.7
Environmental Protection	21.9	32.6	44.6	70.6	102.3	152.5
Social Services	1667.6	1759.1	2983.6	3639.5	5093.7	5731.4
Education	723.6	755.1	849.6	1051.9	1285.4	1849.8
Health	363.3	427.3	526.6	688.0	733.7	1286.8
Social Security and welfare	141.3	176.2	495.5	300.7	453.9	626.0
Community programs	439.4	400.5	1111.9	1598.9	2620.7	1968.8
Economic services	544.2	563.7	678.3	855.1	752.1	1836.7
Fisheries and agriculture	26.2	25.2	61.7	112.0	121.0	249.1
Transportation	430.1	376.6	438.2	413.5	415.3	958.1
Communication	17.2	48.4	107.6	53.2	54.4	58.7
Tourism	34.9	56.3	57.4	100.8	111.8	170.6
Trade and industries	5.8	44.1	6.1	145.5	45.5	179.4
Electricity	30.0	13.1	7.3	30.1	4.1	220.8
Interest on public debt	135.2	138.6	154.9	198.8	293.7	341.7
Net lending	(163.7)	(196.5)	(117.8)	(118.1)	(122.0)	(194.8)

Table 24: Functional Classification of Central Government Current Expenditure, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Current expenditure	2345.7	2788.1	4643.3	5607.8	7083.7	8755.8
Public services	934.6	1096.2	1608.9	1901.8	2200.2	3031.6
General administration	468.7	573.0	896.6	1042.9	1185.5	1710.5
Defence	-	-	365.3	386.5	404.0	489.4
Public order and internal security	445.5	498.3	309.2	414.1	527.4	728.6
Environmental Protection	20.4	24.9	37.8	58.3	83.3	103.1
Social Services	1157.1	1411.8	2710.9	3277.4	4321.2	4961.1
Education	561.7	671.4	766.5	927.5	1179.6	1668.4
Health	289.3	362.9	441.9	560.7	631.4	1106.1
Social security & welfare	136.9	174.1	495.0	299.5	449.5	625.4
Community programs	169.2	203.4	1007.5	1489.7	2060.7	1561.2
Economic services	118.8	141.5	168.6	229.8	268.6	421.4
Fisheries and Agriculture	12.6	14.4	17.3	24.9	22.1	131.7
Transportation	58.1	56.8	74.8	87.4	99.1	135.1
Communication	8.1	9.9	13.8	10.0	16.9	23.8
Tourism	34.5	55.6	56.9	100.1	111.5	106.1
Trade and industries	5.5	4.8	5.8	7.4	19.0	24.7
Interest on public debt	135.2	138.6	154.9	198.8	293.7	341.7

Table 25: Functional Classification of Central Government Capital Expenditure, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Capital expenditure and net lending	1042.5	794.5	1014.3	1340.3	1830.7	2565.8
Capital expenditure	1206.2	991.0	1132.1	1458.4	1952.7	2760.6
Public services	270.3	221.5	349.7	471.0	696.7	575.0
General administration	182.2	114.1	209.2	338.6	499.2	262.7
Defence	-	-	51.0	32.2	51.3	61.8
Public order and internal security	86.6	99.7	82.7	87.9	127.2	201.1
Environmental Protection	1.5	7.7	6.8	12.3	19.0	49.4
Social Services	510.5	347.3	272.7	362.1	772.5	770.3
Education	161.9	83.7	83.1	124.4	105.8	181.4
Health	74.0	64.4	84.7	127.3	102.3	180.7
Welfare services	4.4	2.1	0.5	1.2	4.4	0.6
Community programs	270.2	197.1	104.4	109.2	560.0	407.6
Economic services	425.4	422.2	509.7	625.3	483.5	1415.3
Fisheries and agriculture	13.6	10.8	44.4	87.1	98.9	117.4
Transportation	372.0	319.8	363.4	326.1	316.2	823.0
Communication	9.1	38.5	93.8	43.2	37.5	34.9
Tourism	0.4	0.7	0.5	0.7	0.3	64.5
Trade and industries	0.3	39.3	0.3	138.1	26.5	154.7
Electricity	30.0	13.1	7.3	30.1	4.1	220.8
Net lending 1/	(163.7)	(196.5)	(117.8)	(118.1)	(122.0)	(194.8)
Memorandum item:						
Capital contributions to foreign institutions	0.0	0.0	0.8	0.0	0.0	1.7
Foreign-loans disbursements	594.1	595.8	467.3	806.1	1581.0	1924.3

Table 26: Foreign Grants by Principal Donors, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Total grants	123.6	72.9	824.6	867.4	1183.1	812.5
Current	51.2	58.8	58.2	74.2	96.5	55.0
Capital	72.4	14.1	766.4	793.2	1,086.6	757.5
Bilateral	97.1	35.0	51.4	61.4	143.1	257.3
Denmark	-	-	0.1	-	-	-
Germany	-	-	-	-	-	-
Japan	65.1	12.6	10.1	14.0	8.8	55.1
Kuwait	0.2	-	-	0.1	-	-
Norway	-	-	-	-	-	-
Saudi Arabia	6.4	0.9	-	-	-	-
United Kingdom	-	-	-	-	-	-
India	-	0.2	-	0.2	33.3	64.0
France	-	-	0.6	-	-	-
Oman	-	-	-	-	-	-
Australia	-	-	0.7	-	-	-
China	-	6.2	25.5	0.8	0.3	18.5
Sri Lanka	3.9	7.9	7.9	6.0	13.8	-
Qatar	19.9	6.4	6.4	-	0.0	-
America	0.6	0.7	-	0.3	-	-
South Korea	-	-	-	17.0	17.6	-
New Zealand	-	-	-	-	-	-
Sweden	-	0.1	-	-	-	-
Canada	-	-	-	-	-	-
Pakistan	-	-	0.1	-	-	-
Netherlands	-	-	-	-	39.4	119.7
Bangladesh	-	-	-	-	6.4	-
Other	-	-	-	23.0	23.4	-
Multilateral	26.5	37.9	773.2	806.0	1040.0	555.2
EEC	-	-	-	-	-	-
AGFUND	-	-	-	-	-	-
WHO	2.9	3.8	5.3	8.1	6.4	7.0
UNDP	8.5	9.7	10.4	16.4	15.4	15.0
UNESCO	0.3	1.0	0.3	0.6	0.8	2.0
UNICEF	3.0	3.7	3.7	17.4	16.4	15.5
UNCDF	-	-	-	-	-	-
UNFPA	0.8	1.8	2.2	1.1	1.7	1.5
WORLD BANK	-	-	-	0.1	-	-
UNEP	-	-	0.4	0.9	0.0	-
British Council	-	-	3.6	2.5	-	-
Asian Football Federation	-	-	3.6	2.9	0.9	1.5
IDB	-	-	-	-	0.0	-
ADB	-	-	-	0.8	-	-
Other	11.0	17.9	9.9	8.4	6.9	4.5
Tsunami Assistance	-	-	733.8	746.8	991.5	508.2

1/ Includes grants in-kind but excludes direct expenditure by donors.

Table 27: Expenditure on Major Projects Financed by Loans, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Total spending	594.1	595.8	467.3	806.1	1581.0	1924.3
Projects	594.1	595.8	467.3	806.1	1581.0	1924.3
Airports	13.8	56.5	140.7	40.8	29.5	34.2
Regional Secondary School	0.3	-	-	-	-	-
Male Primary School	10.7	-	-	-	-	-
Electricity	25.7	8.2	-	-	-	-
Regional Development Project	19.7	9.1	2.2	-	-	-
Human Resource Development	-	-	2.4	3.7	20.4	16.7
Development Banking	-	32.1	-	-	-	-
Coastal Surveillance Vessel	-	-	10.3	20.7	34.8	37.6
S. Atolls Development Project	0.4	1.7	-	-	-	-
Hulhu Male' Project	199.0	141.3	13.1	-	-	-
Regional Airports Upgrading Project	13.9	-	-	-	-	-
Fuah Mulaku Harbour Project	13.7	3.7	-	-	-	-
Stadium Lighting Project	-	1.6	-	-	-	-
Office Complex Project	-	-	19.2	45.5	25.6	101.3
Villingili Harbour Project	19.8	37.3	3.0	-	-	-
Regional Port Project	37.9	43.6	67.6	21.2	9.5	27.0
Information Technology Development Project	3.6	0.8	18.9	18.8	18.9	25.0
Health and Education Project	18.4	8.6	3.8	7.0	6.7	-
Health and Education Project Phase 2	-	-	-	0.1	4.2	31.8
Gan Airport Upgrading Project	124.1	105.6	-	-	-	-
Outer Island Electrification	4.3	4.9	7.3	30.0	4.1	8.0
Gan - Hithadhoo Link Road	17.8	1.3	-	-	-	-
Third Education Training Project	40.9	77.5	4.3	-	9.1	-
Post Secondary Education Development Project	20.2	9.9	9.8	7.0	14.7	-
Faculty of Health Science Project	9.9	14.9	13.0	1.9	-	-
Integrated Human Development Project	-	-	28.4	5.3	20.7	62.1
Atolls water supply and sewerage system	-	-	-	-	-	35.3
Surveillance Radar Communication System	-	37.2	66.5	15.4	8.1	6.7
MNDF 9 story Building	-	-	-	8.5	12.0	43.5
Police 9 story Building	-	-	-	-	13.0	38.2
Trade Finance Loan	-	-	-	137.1	12.6	106.2
Ga. Atoll Development project	-	-	-	-	40.2	-
Technical Assistance Loan	-	-	-	-	-	17.1
Atolls Harbour Project	-	-	-	-	11.5	94.1
IGMH Extension Project	-	-	-	-	9.5	44.2
Male' 4th power Project	-	-	-	-	-	220.8
Domestic Maritime transport Project	-	-	-	-	-	29.4
Waste Collecting Equipment	-	-	-	-	-	41.0
Atolls Harbour Excess Programme	-	-	-	-	-	166.2
Ga. Villingili Reclamation Project	-	-	-	-	-	115.4
Regional Development Project Phase 2	-	-	-	5.4	8.6	17.0
Procurement of construction equipment	-	-	-	-	29.7	-
SME development project	-	-	-	-	12.8	30.4
Infrastructure Development Project (Facility Agri	-	-	-	-	288.0	172.8
Procurement of communication equipment	-	-	-	-	19.9	19.8
Hulhumale' Project	-	-	-	-	68.7	59.3
Budget Support - Additional Project Loans	-	-	-	-	192.0	-
Infrastructure Development Project	-	-	-	-	-	26.9
Mobile phone banking	-	-	-	-	-	6.8
S. Atoll Sanitation Project	-	-	-	-	-	9.5
Fisheries and Agriculture Project	-	-	-	-	-	11.2
SME Commercialization Project	-	-	-	-	-	11.7
Tsunami Projects	-	-	56.8	437.7	656.2	257.1

Table 28 Foreign Loans by Lending Agency, 2003 – 2008

(In million Rufiyaa)

Particulars	2003	2004	2005	2006	2007	2008
					Prv. Est.	Bgt Est.
Total disbursements	594.1	595.8	467.3	806.1	1581.0	1924.3
Bilateral	49.8	80.0	161.9	120.4	228.1	305.0
Saudi Arabia	-	9.8	33.1	77.9	203.5	199.2
Kuwait Fund	49.8	70.2	128.8	42.5	18.9	86.5
Japan	-	-	-	-	5.7	19.3
Multilateral	544.3	515.8	305.4	685.7	1352.9	1619.3
OPEC Fund	2.3	5.1	8.1	3.2	12.3	53.8
IDA	40.9	77.5	58.3	43.7	42.8	100.5
ADB	62.9	28.0	63.3	64.9	66.7	125.0
IDB	76.9	62.0	19.8	146.1	36.2	336.9
IFAD	-	1.7	-	5.1	-	23.4
Bank of Ceylon	-	16.6	67.8	4.6	107.2	138.9
DDB	13.7	3.7	-	-	-	220.8
Rabo Bank	-	-	-	106.2	24.4	0.0
EU Investment Bank	-	-	-	256.0	613.4	0.0
Hong Kong Shanghai Bank	-	-	-	-	288.0	172.8
ING Bank	-	-	-	-	40.2	115.4
Uni Bank	10.6	5.0	-	-	-	-
Fortis Bank	1.5	-	-	-	-	-
HSBC london	91.4	105.6	-	-	-	-
HSBC Syndicated	32.7	-	-	-	-	-
EXIM Bank of Thailand	197.5	141.3	13.1	-	-	-
DEG	-	32.1	-	-	-	-
Seylan Bank	13.9	-	-	-	-	-
Society General Italy	-	37.2	75.0	15.4	27.9	26.6
French Development Agency	-	-	-	32.0	-	44.9
SBI	-	-	-	8.5	93.8	140.9
Exim Bank of China	-	-	-	-	-	41.0
Others	-	-	-	-	-	78.4

Part VIII
Historical Data
1997 – 2006
(in Budget Format)

Table 29: Budgetary Position, 1997 - 2006
(In Million Rufiyaa)

Year	Income	Expenditure	Surplus/ Deficit
1997	2127.14	2023.17	103.96
1998	2243.19	2234.76	8.42
1999	2498.74	2659.10	(160.36)
2000	2577.44	2865.57	(288.13)
2001	2884.53	3065.94	(181.41)
2002	3345.27	3320.17	25.10
2003	3900.71	3726.77	173.94
2004	4277.32	4014.80	262.51
2005	5229.81	6025.28	(795.46)
2006	7095.55	7345.60	(250.05)

Figure 14: Budgetary Position, 1997 - 2006

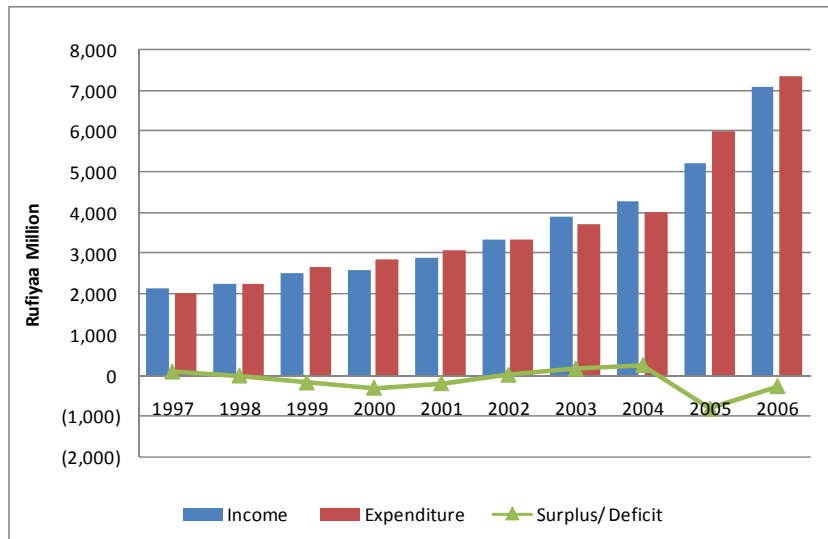


Table 30: Breakdown of Revenue and Expenditure, 1997 – 2006

Revenue/ Income	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Domestic Revenue	1,684	1,814	2,103	2,259	2,332	2,615	3,124	3,421	3,638	5,328
Fund Accounts	18	17	25	23	41	40	59	62	262	78
Government Loan Accounts	-	-	-	-	-	-	-	126	38	16
Foreign Cash Grants	21	30	23	36	44	60	51	59	58	74
Foreign Project Grants	147	134	140	130	168	72	72	14	766	793
Foreign Project Loans	257	248	208	129	300	557	594	596	467	806
Total	2,127	2,243	2,499	2,577	2,885	3,345	3,901	4,277	5,230	7,096

Expenditure	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Domestic Revenue	1,585	1,821	2,272	2,564	2,540	2,614	2,959	3,267	4,507	5,627
Fund Accounts	12	15	19	21	34	38	59	50	218	56
Government Loan Accounts	-	-	-	-	-	-	-	44	17	3
Foreign Cash Grants	22	16	20	21	25	39	42	45	50	61
Foreign Project Grants	147	134	140	130	168	72	72	14	766	793
Foreign Project Loans	257	248	208	129	300	557	594	596	467	806
Total	2,023	2,235	2,659	2,866	3,066	3,320	3,727	4,015	6,025	7,346

Table 31: Breakdown of Government Revenue/ Income, 1997 – 2006
(In Million Rufiyaa)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Tax Revenue	864.1	902.7	977.3	1,013.8	1,046.6	1,091.7	1,268.7	1,647.3	1,722.8	2,370.4
Import Duty	552.8	576.5	628.5	652.6	661.7	692.1	817.1	1,135.9	1,245.7	1,684.0
Tourism Tax	257.0	257.7	276.0	276.6	292.7	305.2	359.8	409.5	345.0	495.7
Government Banking Revenues	13.2	16.0	16.1	16.2	16.2	20.2	22.1	23.2	27.1	23.0
Resort Lease Rent	248.5	267.4	351.9	416.7	423.2	577.9	539.9	512.0	566.8	1,281.3
Land Rent	1.7	6.4	8.5	9.8	9.9	23.1	35.8	35.3	32.8	43.4
Royalty	31.9	30.5	34.4	43.6	46.7	64.8	74.1	98.2	75.3	99.2
Expatriate Visa Charges	36.3	45.0	49.5	52.6	13.2	4.0	4.2	4.3	4.3	4.9
Work Permit Fee	-	-	-	-	76.1	79.9	86.8	98.3	105.6	140.5
Subsidiary Loan Repayments	35.6	57.7	58.9	69.1	56.1	62.7	199.9	240.1	135.3	105.0
Subsidiary Loan Service Charge	132.3	96.3	91.5	85.2	79.1	92.5	100.0	71.3	85.7	77.1
Other Non-Tax	105.3	112.5	144.5	186.2	172.6	165.0	202.2	243.7	295.8	440.9
Fund Accounts	17.6	16.7	25.3	23.2	40.9	40.4	59.3	61.5	261.6	78.1
Government Loan Accounts	-	-	-	-	-	-	-	-	-	15.6
Domestic Total	1,701.6	1,830.5	2,128.4	2,282.2	2,373.2	2,655.9	3,183.0	3,608.6	3,937.9	5,422.1
Foreign Cash Grants	21.1	30.2	22.6	35.8	44.1	60.1	51.2	58.8	58.2	74.2
Foreign Project Grants	147.1	134.3	140.1	130.1	167.6	72.4	72.4	14.1	766.4	793.2
Foreign Project Loans	257.3	248.2	207.6	129.3	299.6	556.9	594.1	595.8	467.3	806.1
Total	2,127.1	2,243.2	2,498.7	2,577.4	2,884.5	3,345.3	3,900.7	4,277.3	5,229.8	7,095.6

Table 32: Recurrent and Capital Expenditure, 1997 – 2006
(In Million Rufiyaa)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Wages and Salaries	269.9	290.7	366.1	466.9	505.8	533.9	564.1	718.7	974.3	1,085.1
Other Allowances	189.0	212.4	282.3	363.1	413.7	438.9	471.3	567.6	713.1	840.1
Pensions and Gratuities	12.9	13.8	18.9	23.6	27.3	31.3	35.0	40.5	65.1	74.4
Travel Expenses	44.2	49.4	56.4	61.2	57.3	58.6	58.7	67.2	91.4	120.0
Supplies and Requisites	134.1	172.2	206.8	221.3	238.6	212.4	265.0	288.9	339.5	414.7
Repair and Maintenance	57.4	61.4	71.7	85.1	86.6	92.2	105.8	115.0	125.3	175.8
Telephone	24.9	31.3	44.4	59.1	61.3	58.8	58.1	71.2	76.7	83.7
Electricity	40.7	47.3	55.2	68.4	70.8	85.3	89.3	102.1	129.9	186.2
Other Communication and Service Charges	170.4	168.1	185.5	223.9	226.6	247.7	264.5	342.7	390.9	538.1
Domestic Loans Service Charges	49.1	44.8	54.1	65.2	75.7	85.4	80.1	70.6	75.7	107.7
Foreign Loan Service Charges	38.0	36.8	44.6	41.2	40.8	51.1	55.1	68.0	79.2	91.1
Subsidies	15.2	16.2	8.8	7.8	6.1	5.1	4.2	12.2	186.9	102.3
Grants to Private Parties/ Individuals	32.3	42.4	41.4	44.1	45.8	46.8	87.9	103.3	92.7	106.2
Subscriptions/ Contributions to Int. Orgs	10.8	8.4	9.9	9.0	9.8	10.3	12.4	12.1	19.4	17.3
Scholarship and Fellowship Assistance	56.0	60.6	52.9	60.3	23.2	80.1	105.0	135.9	129.4	148.7
Other Assistance and Awards	37.1	42.1	46.5	75.7	82.0	71.5	89.2	72.1	1,153.3	1,516.4
Recurrent Expenditure	1,182.0	1,297.9	1,545.5	1,875.9	1,971.4	2,109.4	2,345.7	2,788.1	4,642.8	5,607.8
Capital Expenditure - Operational	210.5	170.0	288.5	204.5	259.5	120.2	140.3	223.3	293.9	310.9
PSIP	489.4	623.7	618.1	604.4	620.4	807.2	941.1	688.3	772.0	763.6
Loan Repayments	85.1	118.9	150.9	125.7	153.8	184.5	174.9	192.1	232.8	276.9
Investment Outlays	56.2	24.3	56.1	55.1	60.8	98.9	124.8	77.3	61.2	378.3
Loans Outlay	-	-	-	-	-	-	-	45.7	22.6	8.1
Capital Expenditure	841.2	936.9	1,113.6	989.7	1,094.5	1,210.8	1,381.1	1,226.7	1,382.5	1,737.8
Total	2,023.2	2,234.8	2,659.1	2,865.6	3,065.9	3,320.2	3,726.8	4,014.8	6,025.3	7,345.6

Table 33: Functional Classification of Government Expenditure, 1997 - 2006

	1997		1998		1999		2000		2001		2002		2003		2004		2005		2006	
	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%	Rf. Million	%
I Public services	766.2	37.9	799.1	35.8	1,074.7	40.4	1,164.5	40.6	1,088.1	35.5	1,029.8	31.0	1,204.9	32.3	1,361.3	33.9	1,976.2	32.8	2,375.4	32.3
General Administration	429.2	21.2	428.8	19.2	547.6	20.6	715.6	25.0	624.2	20.4	610.5	18.4	650.9	17.4	730.6	18.2	1,123.4	18.7	1,384.0	18.8
Defence	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	416.3	6.9	418.8	5.7
Public order & internal security	337.0	16.7	370.3	16.6	527.1	19.8	448.9	15.6	463.9	15.1	396.3	11.9	532.1	14.3	598.1	14.9	391.9	6.5	502.0	6.8
Environmental Protection	-	-	-	-	-	-	-	-	-	-	23.0	0.7	21.9	0.6	32.6	0.8	44.6	0.7	70.6	1.0
II Social services	750.0	37.1	993.7	44.4	1,022.9	38.5	1,140.5	39.8	1,198.3	39.1	1,532.8	46.2	1,667.6	44.8	1,752.1	43.7	2,983.1	49.5	3,639.4	49.6
Education	318.4	15.7	432.1	19.3	450.8	17.0	541.2	18.9	515.6	16.8	636.8	19.2	723.6	19.4	755.0	18.8	849.7	14.1	1,051.8	14.3
Health and Welfare	278.5	13.8	295.5	13.2	329.4	12.4	376.2	13.1	400.5	13.1	415.9	12.5	504.6	13.6	596.6	14.9	1,021.5	16.9	988.7	13.5
Community programmes	153.1	7.6	266.1	11.9	242.7	9.1	223.1	7.8	282.2	9.2	480.1	14.5	439.4	11.8	400.5	10.0	1,111.9	18.5	1,598.9	21.8
III Economic services	334.8	16.5	241.5	10.8	311.9	11.7	328.5	11.5	509.2	16.6	436.6	13.1	544.2	14.6	570.7	14.2	678.3	11.3	855.1	11.6
Fisheries & Agriculture	21.8	1.1	22.0	1.0	23.2	0.9	47.7	1.7	39.3	1.3	17.9	0.5	26.2	0.7	25.2	0.6	61.7	1.0	112.0	1.5
Transportation	23.9	1.2	15.8	0.7	22.9	0.8	27.7	1.0	31.4	1.0	35.9	1.1	34.9	0.9	56.3	1.4	57.4	1.0	100.8	1.4
Telecommunication	217.2	10.7	159.1	7.1	215.6	8.1	166.2	5.8	305.9	10.0	306.3	9.2	430.1	11.5	376.6	9.4	438.3	7.3	413.5	5.6
Tourism	34.7	1.7	2.3	0.1	22.3	0.8	4.5	0.1	33.2	1.1	8.1	0.2	17.2	0.5	48.4	1.2	107.6	1.8	53.2	0.7
Trade & industries	8.1	0.4	6.3	0.3	7.0	0.3	6.1	0.2	4.7	0.1	5.0	0.2	5.8	0.2	44.1	1.1	6.0	0.1	145.6	2.0
Electricity	29.1	1.4	36.0	1.6	20.9	0.8	76.3	2.7	94.7	3.1	63.4	1.9	30.0	0.8	20.1	0.5	7.3	0.1	30.0	0.4
VI Debt services	172.2	8.5	200.5	9.0	249.6	9.4	232.1	8.1	270.3	8.8	321.0	9.7	310.1	8.3	330.7	8.2	387.7	6.4	475.7	6.5
Interest Payments	87.1	4.3	81.6	3.7	98.7	3.7	106.4	3.7	116.5	3.8	136.5	4.1	135.2	3.6	138.6	3.4	154.9	2.6	198.8	2.7
Debt Amortization	85.1	4.2	118.9	5.3	150.9	5.7	125.7	4.4	153.8	5.0	184.5	5.6	174.9	4.7	192.1	4.8	232.8	3.8	276.9	3.8
TOTAL	2,023.2	100	2,234.8	100	2,659.1	100	2,865.6	100	3,065.9	100	3,320.2	100	3,726.8	100	4,014.8	100	6,025.3	100	7,345.6	100