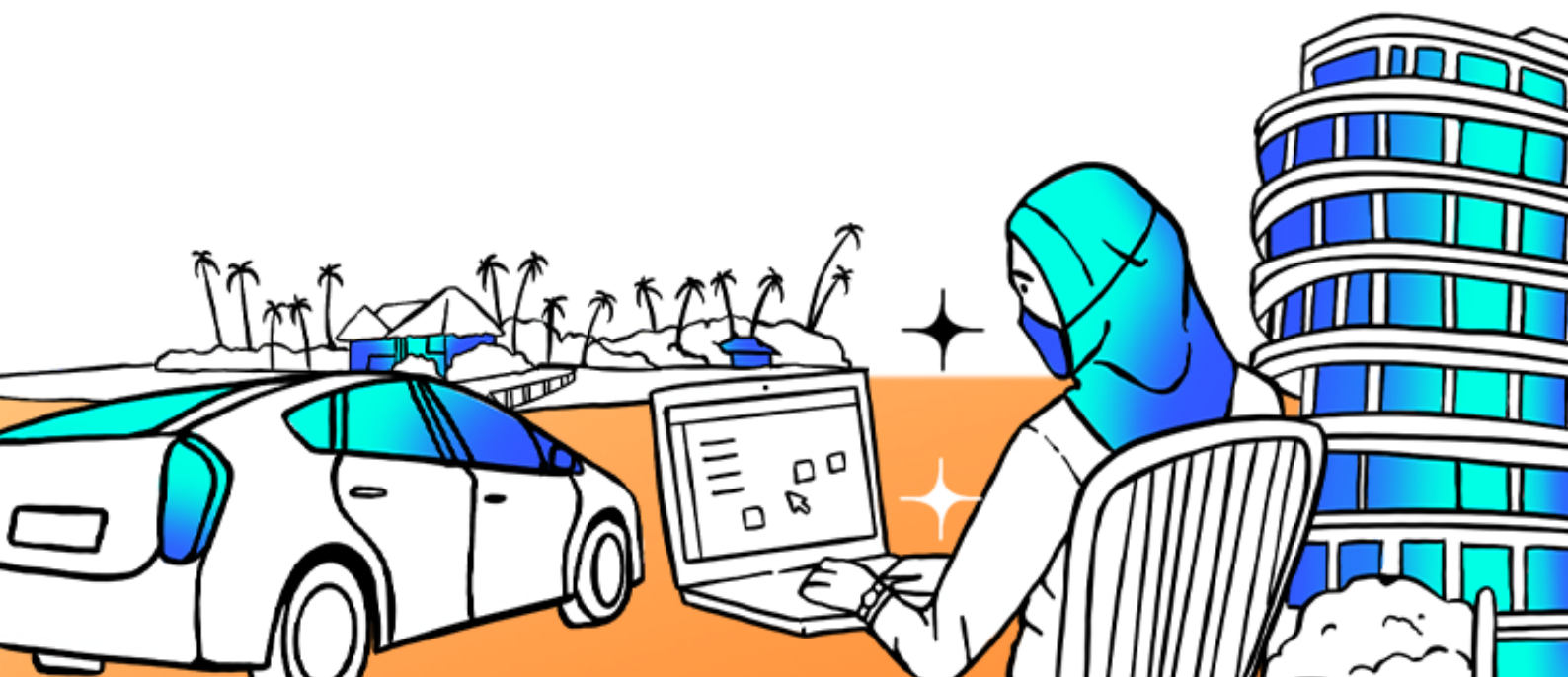




Ministry of Finance  
Male', Maldives

# Quarterly Economic and Fiscal Developments

Second Quarter, 2021



## **BUDGET**



### **Quarterly Economic and Fiscal Developments**

Prepared by

Fiscal Affairs Department, Ministry of Finance

Male', Republic of Maldives

Publication date: 04 January 2022

This Quarterly Economic and Fiscal Developments provides an overview of both the economic and fiscal developments. Economic developments are based on data available from the Ministry of Finance, Maldives Monetary Authority, Maldives Customs Service, Ministry of Tourism, Maldives Bureau of Statistics and the International Monetary Fund. Fiscal numbers are based on data available as at 30 June 2021. The quarterly analysis for 2021 is published bi-annually and this publication contains information for the first and second quarter of 2021. The next publication will contain information for third and fourth quarter of 2021. From 2022 onwards, quarterly report will be published four times during the year. This publication is past its publication date due to disruption of work amid the COVID-19 Pandemic. Expenditure and revenue are reported in the same format as the Monthly Fiscal Developments.

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# Abbreviations

<b>ADF</b>	Airport Development Fee
<b>AGA</b>	Accountable Government Agencies
<b>ASC</b>	Airport Service Charge
<b>BnPT</b>	Bank Profit Tax
<b>BPT</b>	Business Profit Tax
<b>GDP</b>	Gross Domestic Product
<b>GGST</b>	General Goods and Services Tax
<b>GIR</b>	Gross International Reserves
<b>GRT</b>	Green Tax
<b>IMF</b>	International Monetary Fund
<b>LACF</b>	Land Acquisition Conversion Fee
<b>MMA</b>	Maldives Monetary Authority
<b>MVR</b>	Maldivian Rufiyaa
<b>PSIP</b>	Public Sector Investment Program
<b>SME</b>	Small and Medium Enterprises
<b>SOE</b>	State Owned Enterprises
<b>TGST</b>	Tourism Goods and Services Tax

# Economic Overview and Outlook

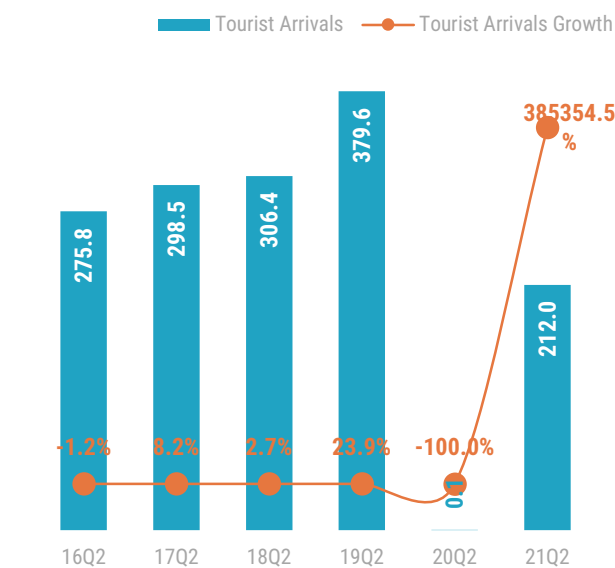
## Tourism

Total tourist arrivals and bednights at the end of second quarter of 2021 was 510,549 and 4,178,639 respectively. During this period, tourist arrivals grew by 33 percent and bednights grew by 53 percent compared to 2020. However, tourists arrivals and bednights are significantly lower than pre-pandemic levels. Tourist arrivals are at 59 % of 2019 level while bednights are at 77 percent of 2019 level.

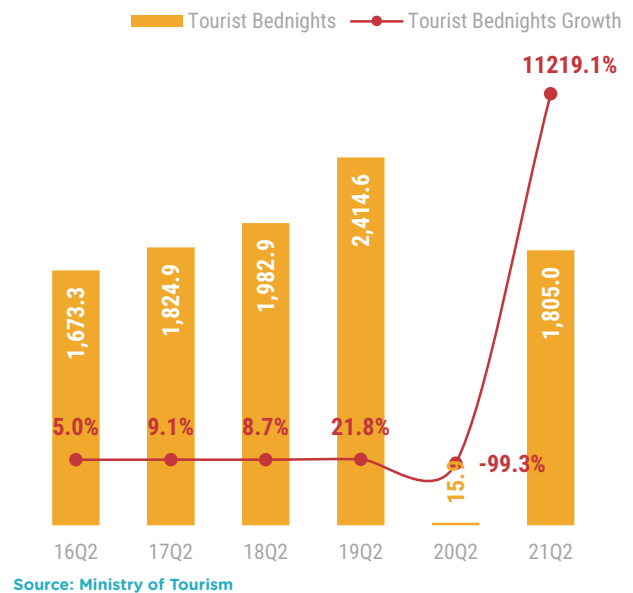
Following the recovery path of quarter 4 in 2020, arrivals and bednights at the end of 2020 continued

to grow into the first quarter of 2021. However, tourist arrivals began to decline in the second quarter of 2021, coinciding with the beginning of the traditional off-season for Maldives tourism and the decline in arrivals from India and other South Asian countries. The surge in Covid-19 cases in the Maldives during the period further aggravated the decline in arrivals as Maldives was put on travel restricted lists.

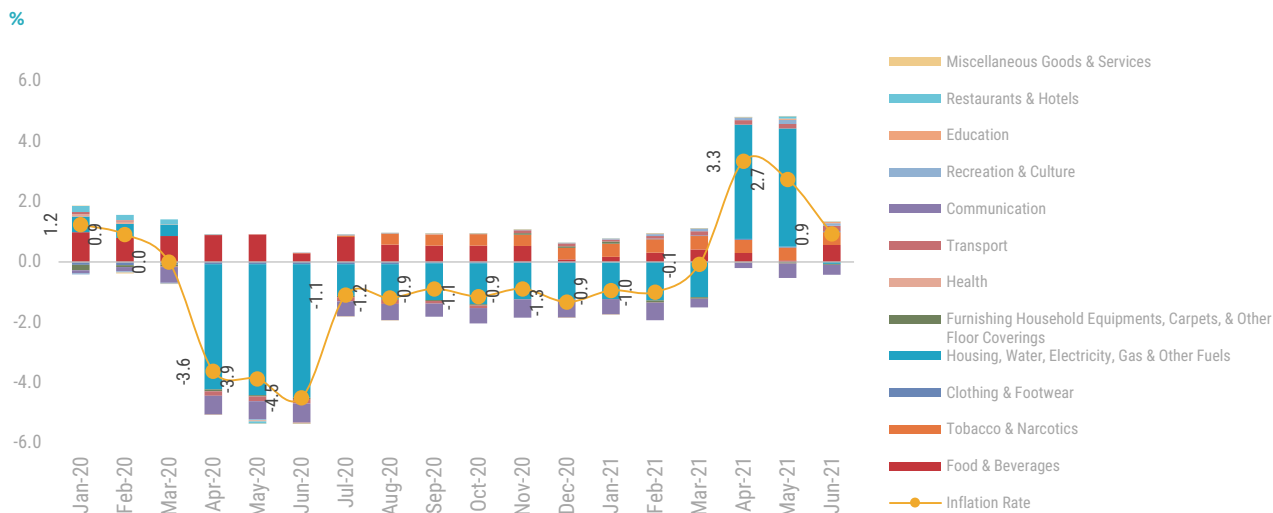
**Figure 1: Tourist Arrivals**  
'000s



**Figure 2: Tourist Bed Nights**  
'000s



**Figure 3: Inflation**



Source: Maldives Bureau of Statistics

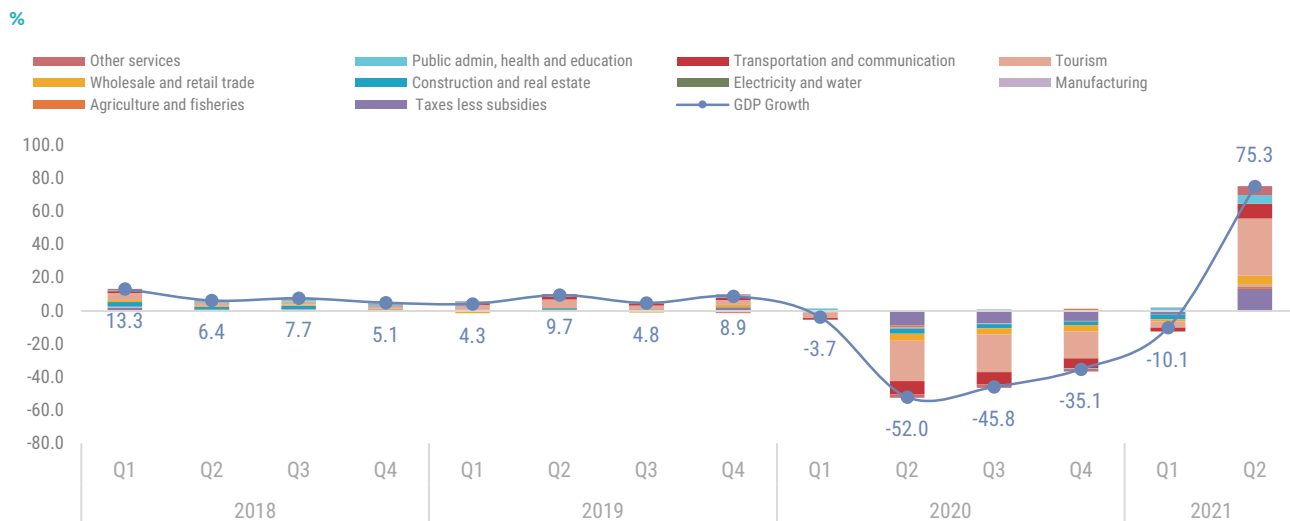
## Inflation

The deflation experience during the year 2020 continued into 2021. In quarter 1 of 2021, the prices declined by 0.7 percent while prices increased in quarter 2 of 2021 by 2.3 percent. One factor that contributed to the increase in prices is the elimination of the base effect of lower prices in 2020. The price levels declined significantly during second quarter of 2020 as a result of reduction in utility prices due to discounts given by government and reduction in rental prices due to the loan moratorium.

## GDP Growth

According to Quarterly National Accounts published for the first quarter of 2021, the Maldivian economy contracted by 8.6 percent in first quarter of 2021 compared to same period last year. This is the fifth consecutive quarter at which the economy registered a negative growth. The decline in this quarter was mainly contributed by the contraction in the sectors tourism, transport and communication and construction. Even though these sectors have started to recover in the past year and in 2021, it has not been able to reach pre-pandemic levels. The growth in tourism sector, transport and communication sector and construction sector were 118 percent, 38.5 percent and 6.1 percent respectively.

**Figure 4: Quarterly Real GDP (year on year growth)**



Source: Maldives Bureau of Statistics

## External Sector

As the economy started to recover from Covid-19 related recession, exports registered a growth of 55 percent in second quarter of 2021 compared to the same period in 2020 while exports declined by 18 percent in the first quarter. The growth in exports was mainly contributed by the growth in re-exports of jet fuels during the period. Re-exports increased by 198 percent during the first three months of 2021 compared to the same period in 2020. Similarly, exports of fish products also increased during the quarter.

Similar to exports, imports also registered a growth of 65 percent in second quarter of 2021 compared to the same period in 2020 while imports declined by 12 percent in the first quarter. Increase in import of food items, petrol and machinery contributed to the growth in imports during the first quarter of 2021.

## Global Economic Outlook

The IMF World Economic Outlook released in October 2021 indicates that as the world economy is recovering despite the continuation of the Covid-19 pandemic. The effects of Covid-19 will be felt in the next few years. According to the IMF, the main drivers of economic recovery are vaccines and policy interventions.

Global growth is now projected to be at 5.9 percent in 2021 after a 3.3 percent decline in 2020. The advanced economies are forecasted to grow at 5.2 percent while emerging and developing economies are forecasted to grow at 4.6 percent. Among emerging and developing economies, the Asian economies are forecasted to grow at 7.2 percent in 2021. Even though the growth of emerging and developing economies are higher than advanced economies, it is forecasted that emerging and developing economies will take longer to reach pre-pandemic economic levels. One

of the main reasons for this is the unequal accessibility to vaccines among advanced and emerging and developing economies.

According to IMF, the downwards risks to economic growth still persists as the risks of new variants remains high and policy responses have are becoming increasingly difficult as countries have limited room to maneuver.

**Table 1: World Growth**

%

	2017	2018	2019	2020	2021
World Output	3.8	3.6	2.8	(3.3)	6.0
Advanced Economies	2.5	2.3	1.6	(4.7)	5.1
Emerging and Developing Asia	6.6	6.4	5.3	(1.0)	8.6
China	6.9	6.7	5.8	2.3	8.4
India	6.8	6.5	4.0	(8.0)	12.5

Source: International Monetary Fund



# Overview of Fiscal Developments

## Trends in revenue

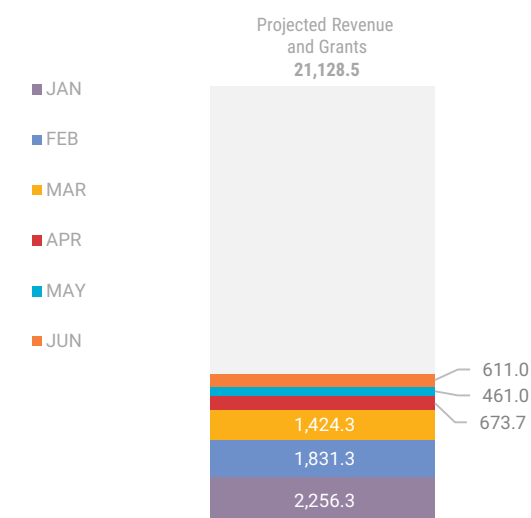
The cumulative government Revenue and Grants at the end of second quarter is MVR 9,743.4 million. This is an increase of 33.5 percent compared to the corresponding period of 2020. With most of the domestic and international economic activities recovering since the COVID-19 pandemic hit in 2020, tax revenues and non-tax revenues collected as well as grants received during the quarter increased, compared to the second quarter of previous year.

Similar to the previous years, tax revenues is the largest contributor to government revenues and it increased by 148.3 percent (MVR 2,549.2 million)

compared to the corresponding period of the previous year as both the tax revenue collection and non-tax revenue collection increased. With a faster recovery of the tourism sector, number of tourist arrivals during the quarter was higher than the forecasts. As a result, Tourism Goods and Service Tax (TGST) and Green Tax increased significantly. While TGST collection increased by 444.1 percent (MVR 987.7 million), Green Tax collection increased by 287.4 percent (MVR 137.0 million) compared to the corresponding quarter of 2020. During the second quarter of 2020, international borders were closed and thus, Airport Service Charge in the second quarter of 2021 was comparatively

**Figure 9: Cumulative revenue & grants as a portion of projection**

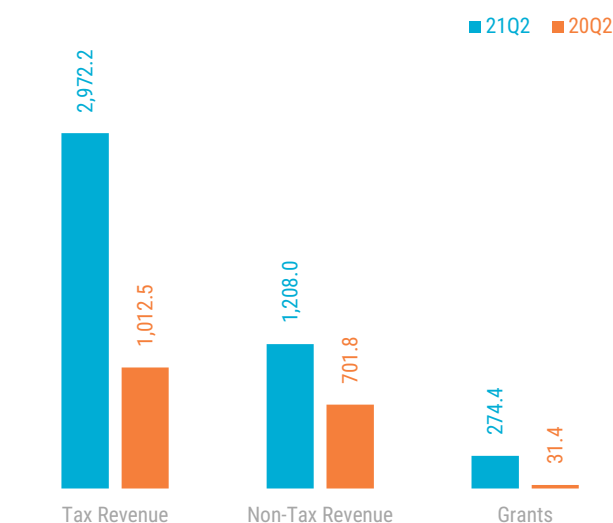
MVR millions



Source: Ministry of Finance

**Figure 10: Main Categories of Revenue and Grants, 21Q2**

MVR millions

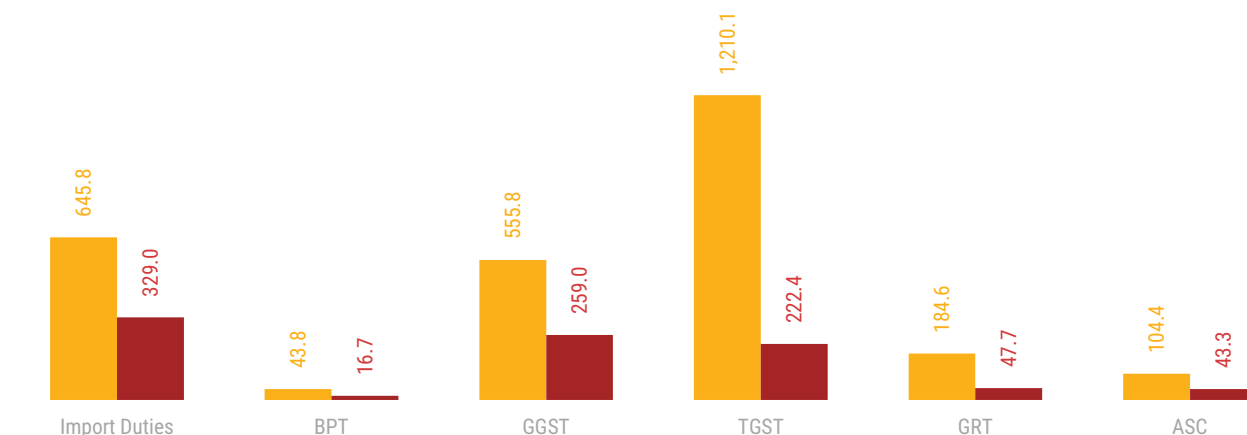


Source: Ministry of Finance

**Figure 11: Major components of Tax Revenue**

MVR millions

■ 21Q2 ■ 20Q2



Source: Ministry of Finance

141.0 percent (MVR 61.1 million) higher. As economic activities resumed after the easement of measures to prevent COVID-19, General Goods and Service Tax collected during the quarter was 114 percent (MVR 296.8 million) higher, compared to the collection of the second quarter of the previous year.

Individual income tax collected during the quarter summed up to MVR 34.8 million, which was MVR 30.2 million higher than the collection received during the second quarter of 2020. Majority of the revenue collected as income tax was received as Employee Withholding Tax, which increased due to reopening of the economy since after its implementation in April 2020. It should also be noted that the deadline for filing the income tax return and making payment for the year 2020 under the Income Tax Act was extended to 31 August 2021.

Similar to tax revenues, the collection of non-tax revenues also increased during the quarter. Compared

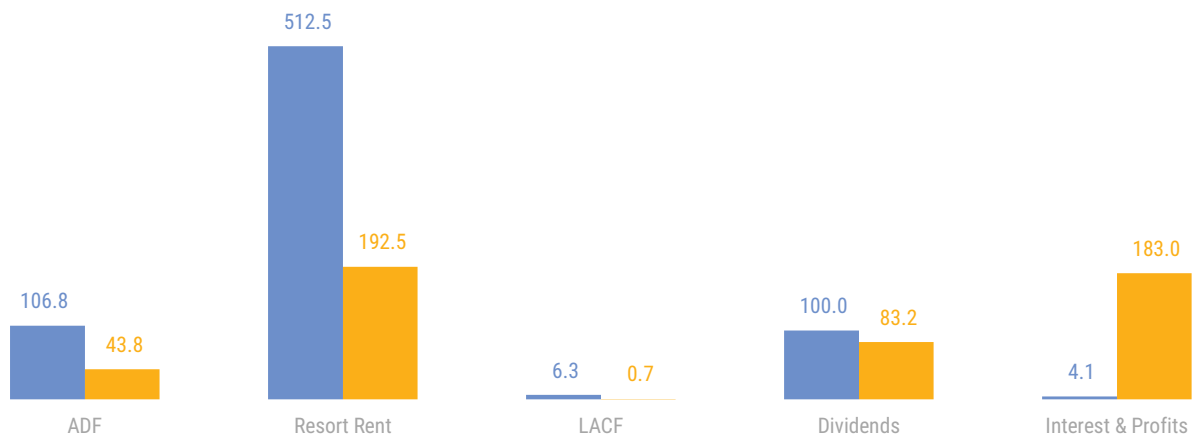
to the second quarter of 2020, non-tax revenue collection increased by 37.5 percent (MVR 300.8 million) and the largest share of non-tax revenues was collected as Property Income. The collection of property income was 170.7 percent (MVR 347.1 million) higher than the collection of the corresponding period of 2020. It should also be noted that the Ministry of Tourism deferred the payment deadline for lease rent of the resorts, hotels and guest houses to 30 June 2021, which would have contributed to the increase in collection. As a result, Rent from Resorts increased by 166.3 percent (MVR 320.0 million). The increase in arrivals was also reflected in the increase in Airport Development Fee, which increased by 144.2 percent (MVR 63.1 million), compared to the second quarter of 2020. In addition, the collection of land acquisition and conversion fee was also higher (785.1 percent) than the corresponding period of 2020.

The overall collections from Interests, Profits and

**Figure 12: Major components of Non-Tax Revenue**

MVR millions

■ 21Q2 ■ 20Q2



Source: Ministry of Finance

Dividends illustrated a decline of 86.1 percent (MVR 207.0 million), reflecting a significant decline in both SOE dividend received (87.2 percent) and Interests and Profits (63.5 percent).

Grants for the second quarter of 2021 increased by 777.1 percent (MVR 242.7 million), due to the increase in capital grants received during the period, compared to the corresponding period of 2020.

driven by the increase in Losses and Write-offs by 165.7 percent (MVR 134.4 million). The Administrative and Operational Expenses also increased by 14.9 percent (MVR 656.5 million). Along with it there was a 4.8 percent (MVR 239.4 million) increase in Salaries, Wages and Pensions during the period January to June.

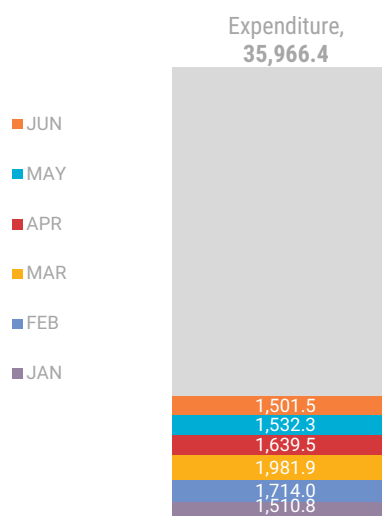
## Trends in Expenditure

Total government expenditure for the January to June period in 2021 has an increase of 2.4 percent worth MVR 315.4 million compared to the same period of last year.

Recurrent expenditure illustrates an increase of 10.9 percent compared to the corresponding period of 2020. The surge in recurrent expenditure is mainly

**Figure 13: Expenditure Utilization**

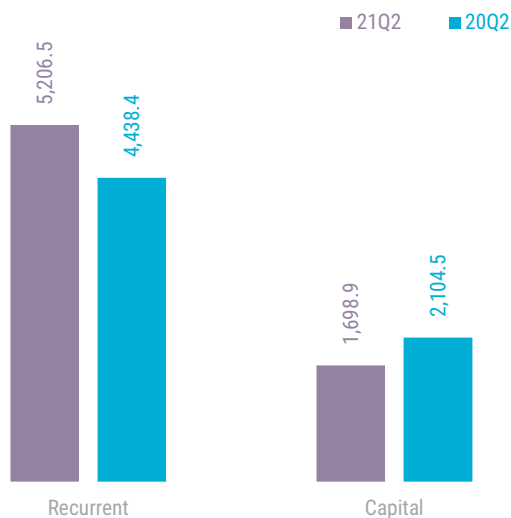
MVR millions



Source: Ministry of Finance

**Figure 14: Major Categories of Expenditure, Q2**

MVR millions



Source: Ministry of Finance

The Job Seeker's Allowance had a drastic increase of 1904 percent (MVR 191.3 million). The training expenses had an increase of 71.7 percent (MVR 91 million) out of which mainly accounts for Scholarship and Fellowship Assistance. Furthermore, this was followed by the increase in individuals seeking medical treatment outside of the country through

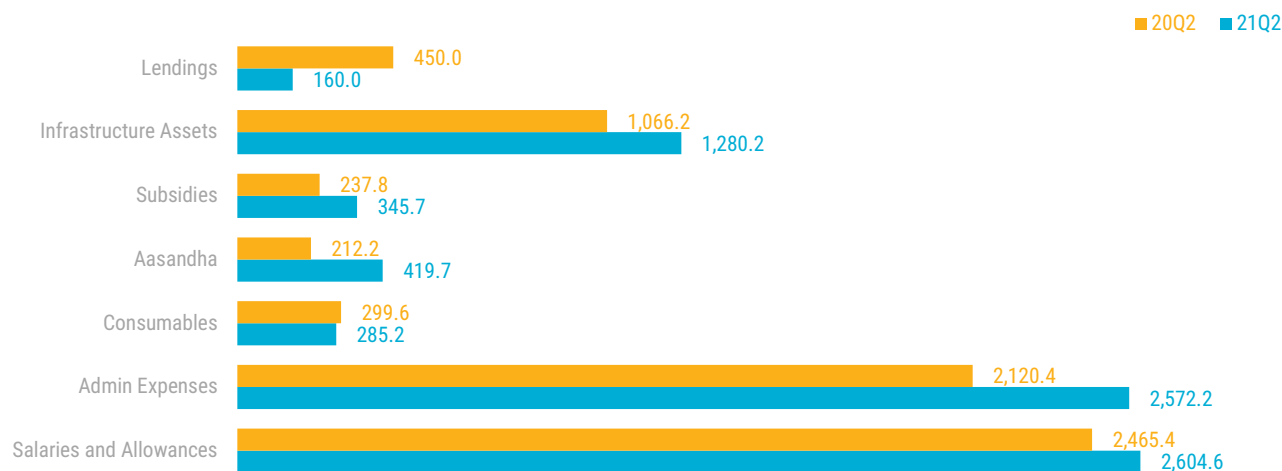
Aasandha, contributing to the increase in expenditure on the national health insurance scheme over this period. In this regard, spending on Aasandha posted a notable rise of 39 percent (MVR 213.7 million).

During this period, expenditure on Repairs and Maintenance increased by 2.7 percent (MVR 2.7 million). Similarly, spending on Administrative Services increased by 29.6 percent (MVR 212.7 million) and Operational Consumables by 31.1 percent (164.1 million) as a result of the lockdown being lifted and the offices were reopened.

There was a 15.2 percent (MVR 9.9 million) decline in Travelling Expenses due to the domestic and international travel restrictions imposed amid the Covid-19 pandemic. Furthermore, spending on other Grants and Contributions also decreased significantly by 38.1 percent (MVR 247.8 million) compared to the corresponding quarter of 2020, which is primarily attributed to the decline in spending on the Student

**Figure 15: Major components of Expenditure**

MVR millions



Source: Ministry of Finance

Breakfast Program due to school closure to prevent Covid-19 transmission.

To combat the fiscal impact of the pandemic and redistribute funding to new priority areas, the government reduced costs on personal emoluments by containing the expenditures spend on overtime and on new recruitment. However, spending on Allowances to Employees rose by 4.2 percent (MVR 81.9 million) which was mainly attributed by Frontline Allowance as there was a new wave of Covid-19 cases during this period.

During the first quarter of 2021, capital expenditure had a decline of 18.7 percent (MVR 714.9 million) compared to the same period of 2020. With respect to capital expenditure, expenditure on large scale Infrastructure Assets such as Land and Buildings was cut by 59.7 percent (MVR 667.2 million). Furthermore, spending on Roads, Bridges and Airports and Wharves, Ports and Harbors declined by 46.5 percent (MVR 224 million) and 10.4 percent (MVR 26.5) compared to the same period of the 2020. This is mainly due to the revision brought to the infrastructure budget following the pandemic. As a result, PSIP spending decreased significantly compared to the fourth quarter of the preceding year. However, the spending on Other Infrastructure Assets increased by 66.7 percent (191.1 million).

The spending on Development Projects increased by 84.4 percent (4.8 million) while spending on Investment Outlays (capital contributions paid to SOEs) illustrated an increase of 18.7 percent (MVR 201.1 million)

compared to the same period of previous year. Thus, the overall spending on Development Projects and Investment Outlays had an increase of 19.1 percent (205.9 million) during the period.

## Trends in expenditure by AGAs

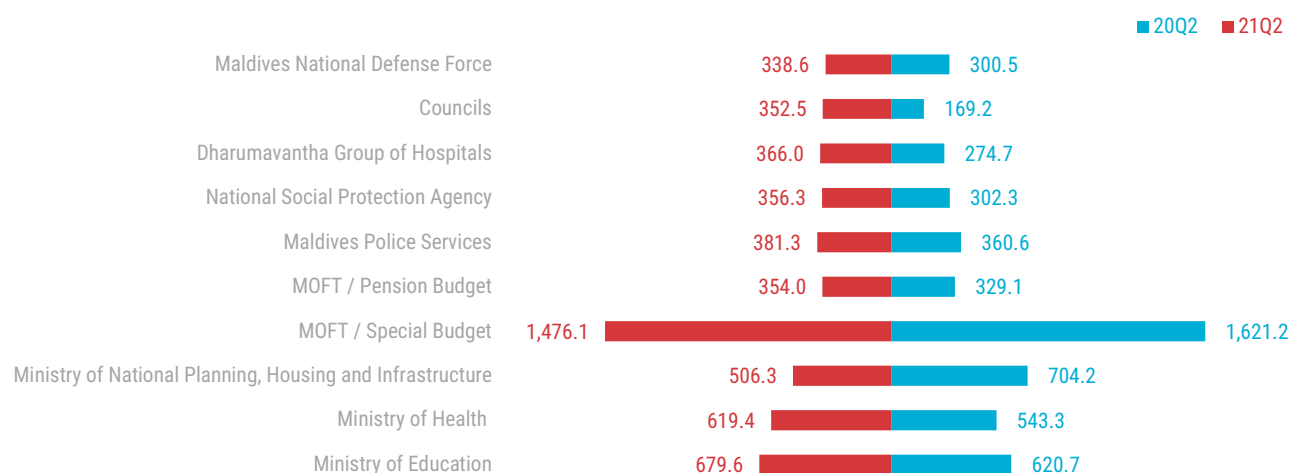
Accountable Government Agencies (AGAs) are the segments of ministries and state institutions who are responsible for the spending of the state budget in their respective sectors. There is a total of 57 AGAs for the period January to June 2021.

The cumulative expenditure by AGA's during the period January to June 2021 increased by 2 percent (MVR 315.4 million) when compared to the same period of year 2020. Majority of the expenditure during this period was by the Special Budget of Ministry of Finance, Ministry of Education, ministry of Health, Ministry of National Planning and Infrastructure, National Social Protection Agency, Maldives Police Services, Pension Budget, Maldives National Defense Force, Dharumavantha Group of Hospitals and Ministry of Economic Developments. These AGA's collectively accounted for 80.5 percent (MVR 10,514.9 million) of the total expenditure throughout the period. The Special Budget and Pension Budget are part of the Ministry of Finance budget but are treated as AGAs due to their high allocations and expenditure.

The Special Budget of the Ministry of Finance, had an increase of 24.14 percent (MVR 3,248.3 million) compared to the period of January to June 2020.

**Figure 16: Expenditure by AGA**

MVR millions



Source: Ministry of Finance

Furthermore, spending by the Ministry of Education during the review quarter amounted to MVR 620.7 million; an decrease of 0.08 percent compared to the same period of 2020. This is mainly as a result of the schools being reopened and Google workspace for Education license paid during this period.

Ministry of Health had an increase of 8.97 percent (MVR 1,108.9 million) and Dharumavantha Group of Hospitals had an increase of 4.79 percent (MVR 635.9 million) as the Covid-19 cases increased during the period of January to June 2021.

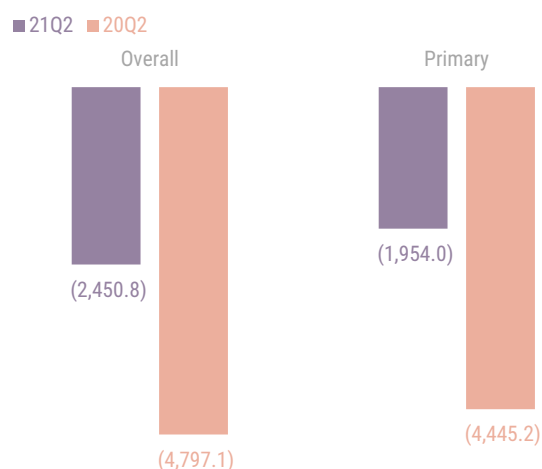
Spending by the Maldives National Defense Force and Maldives Police Services collectively amounted to MVR 1,350.8 million, an increase of 10.19 percent compared to the fourth quarter of 2019. The majority of expenditure by the national security bodies were spent on salaries and allowances of employees including the Covid-19 Frontline Allowance.

## Fiscal Balance

The overall balance during the second quarter of 2021 recorded a deficit of MVR 2,450.8 million while primary balance registered a deficit of MVR 1,954 million. Thus, the balance during the second quarter of 2021 is a 48.9 percent (MVR 2,346.4 million)

**Figure 17: Fiscal Balance**

MVR millions



Source: Ministry of Finance

decline in the overall deficit when compared to the corresponding period of the previous year.

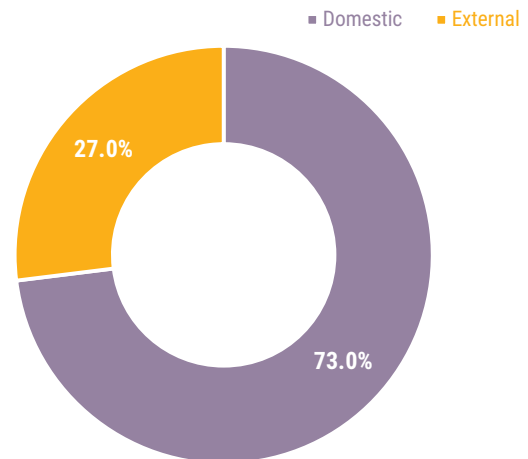
Revenue increased during the quarter, total expenditure also saw a decline, contributing to the slight improvement in overall deficit compared to the corresponding quarter.

## Public Debt

The total public debt (excluding sovereign guarantees) at the end of the second quarter of 2021 amounted to MVR 71,524 million, which stands at 92.9 percent of GDP. Total debt grew by 4.7 percent compared to the preceding quarter and by 39.7 percent compared to the corresponding quarter of 2020. The significant growth in total debt was mainly driven by borrowing through domestic securities.

Public debt by the end of the second quarter constituted of MVR 45,116 million as domestic debt

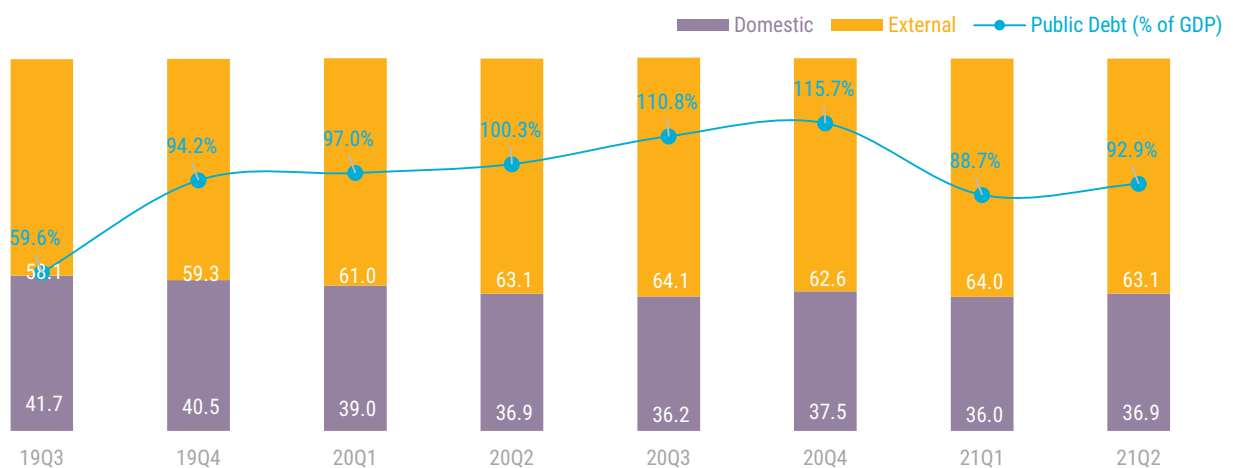
**Figure 18: Composition of Public Debt, 21Q2**  
MVR millions



Source: Ministry of Finance

and MVR 26,407 million as external debt. Domestic debt increased by 3.2 percent compared to the preceding quarter and by 52.2 percent compared to the corresponding quarter in 2020. External debt increased by 7.2 percent compared to the preceding quarter and by 22.9 percent compared to the corresponding quarter.

**Figure 19: Composition of Public Debt, 19Q3 to 21Q2**  
%



Source: Ministry of Finance

# COVID-19 Related Spending

## 20Q1-21Q2

### Social & Health

MVR

**1,804.9**  
million

### Economic Response Package

MVR

**1,772.9**  
million

During the second quarter of 2021, the Maldives experienced its third and largest Covid-19 wave thus far. After notable developments in the first quarter of 2021, the Covid-19 situation worsened during the second quarter.

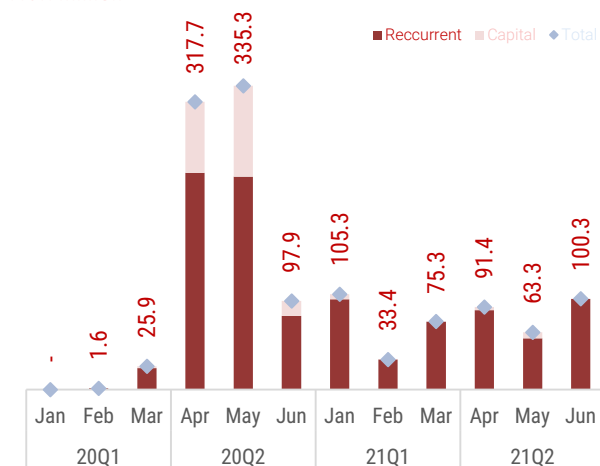
Tourism sector performed well during the first quarter of the year. However, as a result of new variants and new waves in major tourism source market such as

India, the arrivals declined in quarter 2 of 2021. The Maldives temporarily stopped issuing tourist visa for passengers travelling from South Asia in May 2021. Coupled with the worsening of Covid-19 situation in the Maldives, and off season for tourism sector the tourist arrivals declined significantly during quarter 2.

The government started mass vaccination program during quarter 1 of 2021 and successfully vaccinated

**COVID-19 Related Health Spending, Q1-Q4**

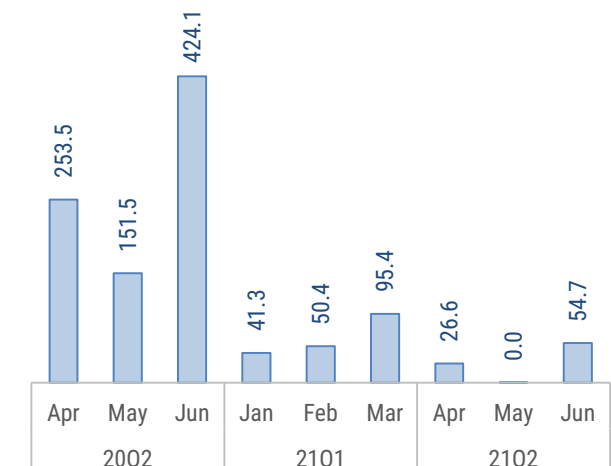
MVR million



Source: Ministry of Finance

**COVID-19 Related Economic Response Spending, Q1-Q4**

MVR million

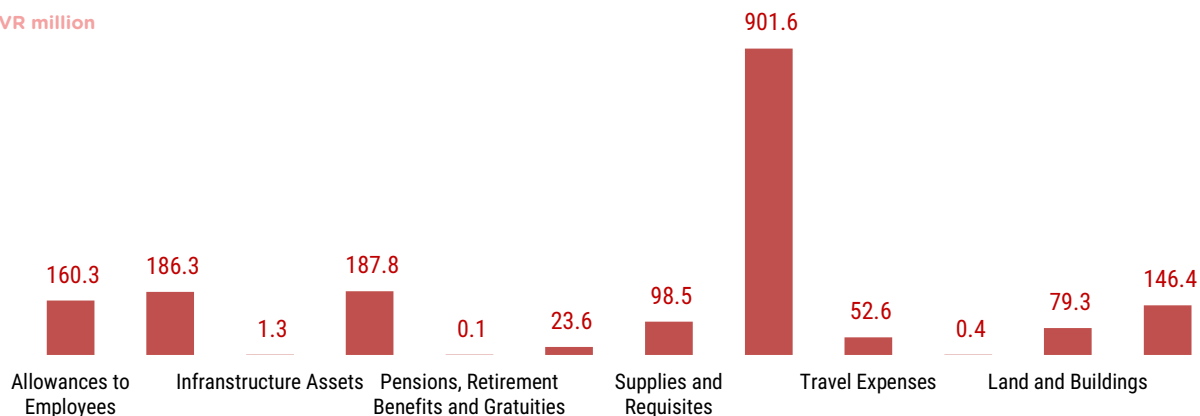


Source: Ministry of Finance



### COVID-19 Related Spending by Type, 2021Q2

MVR million



Source: Ministry of Finance

significant percentage of eligible population by the end of quarter 2.

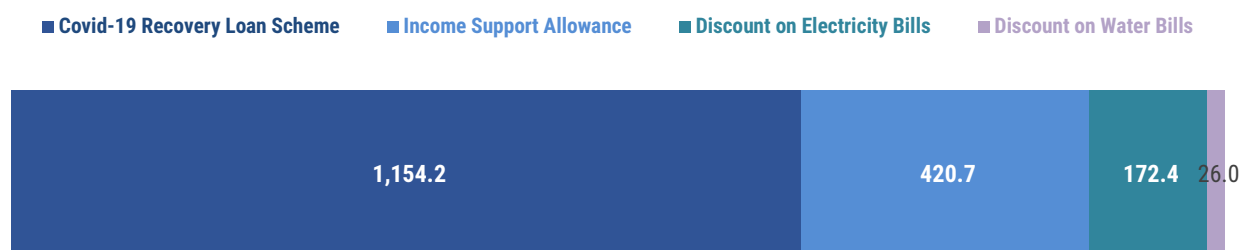
Covid-19 related social and health expenditure by the government reached a total of MVR 1,606.2 by the end of second quarter of 2021. About half of this spending is carried out by National Disaster Management Authority. Looking into the specific types of expenditure, the highest spending is on Supplies and Requisites for Service Provision. MVR 735.7 was spend on Supplies and Requisites for Service Provision as at second quarter 2021.

Total Economic Response Package (ERP) spending for the fourth quarter was MVR 1,554 million. MVR 257.6 million was disbursed towards the Income Support and Job Seeker Allowance, while MVR 143.7 million was disbursed towards Electricity Subsidies. Furthermore, this also includes MVR 1,153.5 million as expenditure on Covid-19 recovery loans by the government.

*Note: Social & health-related spending figures include committed spending on COVID-19 related activities. This is shown to provide the most accurate and timely information. Figures may vary from earlier reports due to differences in data cut-off date which may include adjustments and reconciliations.*

### COVID-19 Related Economic Response Spending by Type, 2021Q2

MVR million



## Statistical Appendix



## Table 1 : Key Economic Indicators

	2017	2018	2019	2020	2021 Forecast	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2
<b>Real Sector</b>											
Real GDP Growth Rate (%) <sup>1/</sup>	7.2	8.1	7.0	(29.3)	13.5	(4.2)	(51.8)	(44.6)	(36.1)	(8.6)	0.0
Nominal GDP (MVR millions)	73,155.2	81,567.7	86,787.9	57,941.6	66,371.9	na	na	na	na	na	na
Inflation - Republic (%)	2.8	(0.1)	0.2	na	0.04	0.7	(4.0)	(1.1)	(1.1)	(2.0)	7.0
Tourist arrivals (thousands)	1,390	1,484	1,703	na		383	-	19	154	299	212
Tourist bednights (thousands)	8,596	9,478	10,689	na		2,704	16	171	1,072	2,374	1,805
Fish Purchases (mt)	76,620.7	78,886.1	81,199.9	na		22,154.4	11,972.2	21,407.3	23,807.3	25,570.5	16,221.7
Volume of Fish Exports (mt)	72,000.4	65,813.9	56,421.9	na		16,773.0	13,629.7	10,074.9	27,226.2	15,667.2	21,790.3
Value of Fish Exports (USD millions)	193.1	173.8	150.1	na		40.1	32.2	30.2	52.7	31.7	36.5
Global Oil Prices (USD)	52.8	68.3	61.4	na		49.1	30.3	42.0	43.6	59.3	67.1
Global Food Index	(2.3)	(2.4)	7.1	na		4.5	0.1	6.7	13.7	25.9	41.7
<b>Monetary Sector</b>											
Broad Money (MVR millions)	32,005.9	33,088.3	36,241.4	na		37,354.3	37,753.7	37,181.9	41,394.8	44,428.7	45,608.2
Domestic Claims (MVR millions)	36,484.7	39,251.5	40,580.6	na		42,222.0	47,123.8	51,587.9	55,079.2	56,598.1	57,875.9
Net Claims on Central Government (MVR millions)	11,789.2	13,004.5	13,298.0	na		14,572.6	18,872.7	22,204.3	25,207.5	25,703.4	26,705.2
Claims on Private Sector (MVR millions)	20,723.4	23,084.4	24,788.6	na		25,162.1	25,729.2	26,751.0	27,142.6	27,468.1	28,003.4
<b>External Sector<sup>2/</sup></b>											
Merchandise Exports f.o.b. (USD millions)	318.3	339.2	360.7	256.4		90.1	42.0	80.2	73.4	73.6	64.8
Merchandise Imports c.i.f. (USD millions)	2,226.5	2,764.2	2,753.1	1,676.7		668.2	351.2	387.0	431.5	588.3	578.9
Official Reserve Assets (USD millions)	587.3	712.0	753.0	na	696.3	741.6	702.5	696.1	984.8	844.7	912.4

Notes:

1/ Annual Real GDP Growth Rate for 2020 are projected as at 02 October 2020 by the Ministry of Finance and the Maldives Monetary Authority

2/ 2019 figures are revised estimates for merchandise exports and imports. 2020 figures are estimated based on data available at October 2020.

## Table 2: Summary of Government Finances

	Actual 2020		Approved 2021		20Q2	Budget implementation 21Q2		Jan - Jun 2020	Jan - Jun 2021	Annual change to date			
<i>in millions of MVR unless stated otherwise</i>	MVR	share in %	MVR	share in %	MVR	MVR	MVR	MVR		%	MVR	%	MVR
A TOTAL REVENUES AND GRANTS	15,221.9	100%	17,792.2	100.0%	1,745.7	4,454.6	7,257.6	9,922.0	155.2%	2,708.9	36.7%	2,664.5	
Tax Revenues	10,959.2	72.0%	9,824.5	55.2%	1,012.5	2,972.2	5,488.1	7,241.6	193.5%	1,959.7	32.0%	1,753.5	
Non-Tax Revenues	3,478.2	22.8%	5,753.7	32.3%	829.2	1,206.5	1,840.2	2,321.9	45.5%	377.3	26.2%	481.7	
Capital Receipts	11.6	0.1%	14.8	0.1%	0.4	5.0	4.5	8.1	1208.5%	4.6	79.7%	3.6	
Grants	958.0	6.3%	2,211.5	12.4%	31.4	274.4	66.0	356.6	773.6%	243.0	440.0%	290.6	
less: Subsidiary Loan Repayment	(185.1)	-1.2%	(12.3)	-0.1%	(127.8)	(3.4)	(141.2)	(6.1)	-97.3%	124.4	-95.7%	135.1	
TOTAL BUDGET	30,372.9	100%	36,206.0	101.9%	6,898.5	7,410.1	14,321.7	14,811.4	7.4%	511.6	3.4%	489.7	
B TOTAL EXPENDITURE (C+D)	28,753.5	95%	33,296.5	92.0%	6,732.1	7,065.4	13,766.0	14,028.2	5.0%	333.3	1.9%	262.2	
C RECURRENT EXPENDITURE	20,307.4	66.9%	21,664.0	59.8%	4,589.6	5,206.5	9,823.1	10,295.6	13.4%	616.9	4.8%	472.5	
Salaries, Wages and Pensions	9,768.9	32.2%	10,007.8	27.6%	2,465.4	2,604.6	4,905.1	5,038.0	5.6%	139.3	2.7%	132.8	
Administrative and Operational Expenses	10,352.3	34.1%	11,555.9	31.9%	2,120.4	2,572.2	4,836.8	5,040.5	21.3%	451.8	4.2%	203.7	
Losses and Write-offs	186.2	0.6%	100.2	0.3%	3.8	29.6	81.1	217.0	681.3%	25.9	167.7%	135.9	
D CAPITAL EXPENDITURE	8,446.1	27.8%	11,632.6	32.1%	2,142.5	1,858.9	3,942.9	3,732.6	13.2%-	(283.6)	5.3%-	(210.3)	
Capital Equipments	417.4	1.4%	518.3	1.4%	87.5	88.3	138.0	183.1	0.9%	0.8	32.7%	45.2	
Public Sector Investment Program	4,791.2	15.8%	8,306.3	22.9%	1,066.2	1,280.2	2,418.4	2,291.8	20.1%	214.0	-5.2%	(126.6)	
Development Projects and Investments Outlays	2,227.6	7.3%	1,362.7	3.8%	538.8	330.4	926.5	1,049.9	-38.7%	(208.4)	13.3%	123.4	
Lendings	1,010.0	3.3%	50.0	0.1%	450.0	160.0	460.0	207.8	-64.4%	(290.0)	-54.8%	(252.2)	
Budget Contingency	-	0.0%	1,395.3	3.9%	-	-	-	-	-	-	-	-	
E PRIMARY BALANCE - SURPLUS / (DEFICIT) (F+G)	(11,927.8)	0%	(12,941.9)		(4,647.2)	(2,183.3)	(5,522.2)	(2,565.3)		2,463.8	-53.5%	2,956.9	
F OVERALL BALANCE - SURPLUS / (DEFICIT) (A-B)	(13,531.6)	0%	(15,504.3)		(4,986.4)	(2,610.8)	(6,508.4)	(4,106.2)		2,375.6	-36.9%	2,402.2	
G Financing and Interest Costs	1,603.9	5.6%	2,562.4	7.1%	339.2	427.4	986.2	1,540.8	26.0%	88.2	56.2%	554.6	
Memorandum Items:													
Loan Repayment	1,199.6	3.9%	2,887.9	8.0%	161.9	253.5	-	-	56.6%	91.6	0.0%	-	
Other Investments	419.7	1.4%	21.6	0.1%	4.5	91.2	-	-	1917.8%	86.7	0.0%	-	
Transfers to Sovereign Development Fund	-	0.0%	705.6	1.9%	-	95.8	542.7	550.9	-	95.8	1.5%	8.2	

### Table 3: Trends in Government Revenue and Grants

	Actual 2020		Approved 2021		Budget implementation				Annual change to date			
					20Q2	21Q2	Jan - Jun 2020	Jan - Jun 2021		Q2		Jan - Jun
<i>in millions of MVR unless stated otherwise</i>	MVR	share in %	MVR	share in %	MVR	MVR	MVR	MVR	%	MVR	%	MVR
TOTAL REVENUE AND GRANTS	15,221.9	100.0%	17,792.2	100.0%	1,745.7	4,454.6	7,257.6	9,922.0	155.2%	2,708.9	36.7%	2,664.5
Tax Revenues	10,959.2	72.0%	9,824.5	55.2%	1,012.5	2,972.2	5,488.1	7,241.6	193.5%	1,959.7	32.0%	1,753.5
Import Duties	2,263.6	14.9%	2,985.3	16.8%	329.0	645.8	1,109.6	1,314.7	96.3%	316.8	18.5%	205.0
Business and Property Tax	3,655.4	24.0%	2,001.2	11.2%	103.1	254.0	1,247.9	1,311.8	146.4%	150.9	5.1%	63.9
Business Profit Tax	2,134.0	14.0%	730.3	4.1%	16.7	43.8	946.1	549.1	162.3%	27.1	-42.0%	(397.0)
Non-Resident Withholding Tax	483.6	3.2%	585.8	3.3%	73.8	-	288.4	-	-100.0%	(73.8)	-100.0%	(288.4)
Individual Income Tax	83.2	0.5%	95.2	0.5%	4.6	34.8	4.6	98.3	649.5%	30.2	2015.6%	93.6
Other Business and Property Taxes	954.7	6.3%	589.9	3.3%	7.9	1.7	8.7	311.3	-78.9%	(6.3)	3462.3%	302.6
Goods and Services Tax	4,306.8	28.3%	4,077.5	22.9%	481.5	1,765.9	2,549.9	3,982.4	266.8%	1,284.4	56.2%	1,432.5
General Goods and Services Tax	2,086.6	13.7%	2,036.2	11.4%	259.0	555.8	894.2	1,181.7	114.6%	296.8	32.1%	287.5
Tourism Goods and Services Tax	2,220.2	14.6%	2,041.3	11.5%	222.4	1,210.1	1,655.6	2,800.7	444.1%	987.7	69.2%	1,145.0
Royalties	25.9	0.2%	81.1	0.5%	2.6	16.6	21.5	28.6	543.6%	14.1	33.1%	7.1
Revenue Stamp	63.3	0.4%	3.8	0.0%	5.4	0.8	20.9	2.7	-85.7%	(4.7)	-87.1%	(18.2)
Green Tax	351.8	2.3%	362.6	2.0%	47.7	184.6	283.7	399.0	287.4%	137.0	40.6%	115.3
Airport Service Charge	283.3	1.9%	312.9	1.8%	43.3	104.4	245.6	202.5	141.0%	61.1	-17.6%	(43.2)
Remittance Tax2/	9.0	0.1%	-	0.0%	-	-	9.0	-	-	-	-100.0%	(9.0)
Non-Tax Revenues	3,478.2	22.8%	5,753.7	32.3%	829.2	1,206.5	1,840.2	2,321.9	45.5%	377.3	26.2%	481.7
Fees and Charges	990.9	6.5%	1,405.7	7.9%	109.9	232.2	535.4	535.7	111.3%	122.3	0.1%	0.3
Airport Development Fee	285.9	1.9%	309.8	1.7%	43.8	106.8	247.7	206.8	144.2%	63.1	-16.5%	(40.9)
Resident Permit	250.7	1.6%	348.1	2.0%	36.3	3.9	111.1	47.7	-89.1%	(32.4)	-57.0%	(63.4)
Other Fees and Charges	454.3	3.0%	747.8	4.2%	29.8	121.4	176.6	281.2	307.5%	91.6	59.2%	104.6
Registration and Licence Fees	358.5	2.4%	679.5	3.8%	74.8	179.7	163.3	326.1	140.3%	104.9	99.8%	162.9
Property Income	806.7	5.3%	2,677.0	15.0%	203.4	551.0	420.6	1,016.6	170.9%	347.6	141.7%	596.1
Rent from Resorts	700.7	4.6%	1,897.7	10.7%	192.5	512.5	366.6	929.3	166.3%	320.0	153.5%	562.7
Land Acquisition and Conversion Fee	3.9	0.0%	462.0	2.6%	0.7	6.3	2.1	18.8	785.1%	5.6	774.7%	16.6
Other Property Income	102.0	0.7%	317.3	1.8%	10.2	32.1	51.8	68.6	214.4%	21.9	32.3%	16.8
Fines and Penalties	151.5	1.0%	43.9	0.2%	12.7	79.5	68.8	122.2	525.7%	66.8	77.6%	53.4
Interest, Profit and Dividends	807.6	5.3%	799.4	4.5%	266.2	104.0	423.7	189.5	-60.9%	(162.2)	-55.3%	(234.3)
SOE Dividends	324.0	2.1%	756.2	4.2%	83.2	100.0	104.7	181.4	20.1%	16.7	73.3%	76.7
Interest and Profits	483.6	3.2%	43.2	0.2%	183.0	4.1	319.0	8.0	-97.8%	(178.9)	-97.5%	(311.0)
Other Non-Tax Revenues	363.1	2.4%	148.3	0.8%	162.2	60.1	228.4	131.8	-62.9%	(102.1)	-42.3%	(96.7)
Capital Receipts	11.6	0.1%	14.8	0.1%	0.4	5.0	4.5	8.1	1208.5%	4.6	79.7%	3.6
Grants	958.0	6.3%	2,211.5	12.4%	31.4	274.4	66.0	356.6	773.6%	243.0	440.0%	290.6
Less: Subsidiary Loan Repayment	(185.1)	-1.2%	(12.3)	-0.1%	(127.8)	(3.4)	(141.2)	(6.1)	-97.3%	124.4	-95.7%	135.1

## Table 4: Trends in Government Expenditure

	Actual 2020		Approved 2021		20Q2	Budget implementation			Annual change to date			
	MVR	share in %	MVR	share in %	MVR	21Q2 MVR	Jan - Jun 2020 MVR	Jan - Jun 2021 MVR	Q2 %	MVR	Jan - Jun %	MVR
<i>in millions of MVR unless stated otherwise</i>												
<b>TOTAL RECURRENT AND CAPITAL EXPENDITURE</b>	<b>28,753.5</b>	<b>100.0%</b>	<b>33,296.5</b>	<b>100%</b>	<b>6,732.1</b>	<b>7,065.4</b>	<b>13,766.0</b>	<b>14,028.2</b>	<b>5.0%</b>	<b>333.3</b>	<b>1.9%</b>	<b>262.2</b>
<b>RECURRENT EXPENDITURE</b>	<b>20,307.4</b>	<b>70.6%</b>	<b>21,664.0</b>	<b>65.1%</b>	<b>4,589.6</b>	<b>5,206.5</b>	<b>9,823.1</b>	<b>10,295.6</b>	<b>13.4%</b>	<b>616.9</b>	<b>4.8%</b>	<b>472.5</b>
<b>Salaries and Wages</b>	<b>9,768.9</b>	<b>34.0%</b>	<b>10,007.8</b>	<b>30.1%</b>	<b>2,465.4</b>	<b>2,604.6</b>	<b>4,905.1</b>	<b>5,038.0</b>	<b>5.6%</b>	<b>139.3</b>	<b>2.7%</b>	<b>132.8</b>
Salaries and Wages	4,378.0	15.2%	4,509.5	13.5%	1,072.6	1,158.5	2,182.5	2,267.9	8.0%	85.9	3.9%	85.4
Allowances to Employees	3,827.8	13.3%	3,905.8	11.7%	1,006.9	1,033.8	1,947.0	1,952.0	2.7%	27.0	0.3%	5.0
Pensions, Retirement Benefits and Gratuities	1,563.1	5.4%	1,592.5	4.8%	385.9	412.3	775.7	818.1	6.8%	26.4	5.5%	42.4
Pensions	227.0	0.8%	250.9	0.8%	56.2	58.2	112.2	115.5	3.6%	2.0	3.0%	3.3
Retirement Benefits and Gratuities	1,336.1	4.6%	1,341.5	4.0%	329.7	354.1	663.5	702.6	7.4%	24.4	5.9%	39.1
<b>Administrative and Operational Expenses</b>	<b>10,352.3</b>	<b>36.0%</b>	<b>11,555.9</b>	<b>34.7%</b>	<b>2,120.4</b>	<b>2,572.2</b>	<b>4,836.8</b>	<b>5,040.5</b>	<b>21.3%</b>	<b>451.8</b>	<b>4.2%</b>	<b>203.7</b>
Travelling Expenses	140.7	0.5%	170.6	0.5%	31.3	25.8	65.1	42.4	-17.7%	(5.5)	-34.9%	(22.7)
Administrative Supplies	640.9	2.2%	608.3	1.8%	164.4	113.3	281.5	226.8	-31.0%	(51.0)	-19.4%	(54.7)
Administrative Services	1,620.3	5.6%	2,375.0	7.1%	349.7	419.9	709.9	846.5	20.1%	70.2	19.2%	136.5
Operational Consumables	1,124.5	3.9%	1,098.0	3.3%	299.6	285.2	527.9	525.5	-4.8%	(14.3)	-0.5%	(2.4)
Training Expenses	459.1	1.6%	623.0	1.9%	76.6	3.3	126.9	5.7	-95.7%	(73.3)	-95.5%	(121.2)
Repairs and Maintenance	215.1	0.7%	255.7	0.8%	40.5	45.5	93.8	86.3	12.4%	5.0	-8.0%	(7.5)
Financing and Interest Costs	1,603.9	5.6%	2,562.4	7.7%	352.0	496.8	751.9	919.7	41.2%	144.9	22.3%	167.9
Grants, Contributions and Subsidies	4,547.9	15.8%	3,863.0	11.6%	806.4	1,182.4	2,279.9	2,387.8	46.6%	376.0	4.7%	107.8
Aasandha	1,206.4	4.2%	717.8	2.2%	212.2	419.7	547.7	758.3	97.8%	207.5	38.4%	210.6
Job Seeker Allowance	221.0	0.8%	718.8	2.2%	10.0	(185.8)	10.0	(12.5)	-1948.6%	(195.8)	-224.2%	(22.5)
Subsidies	1,245.1	4.3%	719.8	2.2%	237.8	345.7	613.9	526.5	45.4%	107.9	-14.2%	(87.4)
Grants to Councils	928.1	3.2%	721.8	2.2%	177.2	256.0	573.1	442.7	44.5%	78.8	-22.8%	(130.5)
Other Grants and Contributions	-	0.0%	-	0.0%	-	-	-	-	0.0%	-	0.0%	-
<b>Losses and Write-offs</b>	<b>186.2</b>	<b>0.6%</b>	<b>100.2</b>	<b>0.3%</b>	<b>3.8</b>	<b>29.6</b>	<b>81.1</b>	<b>217.0</b>	<b>681.3%</b>	<b>25.9</b>	<b>167.7%</b>	<b>135.9</b>
<b>CAPITAL EXPENDITURE</b>	<b>8,446.1</b>	<b>29.4%</b>	<b>11,632.6</b>	<b>34.9%</b>	<b>2,142.5</b>	<b>1,858.9</b>	<b>3,942.9</b>	<b>3,732.6</b>	<b>-13.2%</b>	<b>(283.6)</b>	<b>-5.3%</b>	<b>(210.3)</b>
<b>Capital Equipments</b>	<b>417.4</b>	<b>1.5%</b>	<b>518.3</b>	<b>1.6%</b>	<b>87.5</b>	<b>88.3</b>	<b>138.0</b>	<b>183.1</b>	<b>0.9%</b>	<b>0.8</b>	<b>32.7%</b>	<b>45.2</b>
Furniture, Machinery and Equipment	388.8	1.4%	475.7	1.4%	87.1	71.8	135.2	152.1	-17.5%	(15.3)	13%	16.9
Vehicles	28.5	0.1%	42.6	0.1%	0.4	16.4	2.8	31.0	4380.6%	16.1	1012%	28.2
Minor extensions	-	0.0%	-	0.0%	-	0.0	-	0.0	-	0.0	-	0.0
<b>Infrastructure Assets</b>	<b>4,791.2</b>	<b>16.7%</b>	<b>8,306.3</b>	<b>24.9%</b>	<b>1,066.2</b>	<b>1,280.2</b>	<b>2,418.4</b>	<b>2,291.8</b>	<b>20.1%</b>	<b>214.0</b>	<b>-5.2%</b>	<b>(126.6)</b>
Land and Buildings	2,126.8	7.4%	2,455.8	7.4%	341.1	551.3	1,129.8	979.2	61.6%	210.2	-13.3%	(150.6)
Roads, Bridges and Airports	1,362.8	4.7%	2,231.9	6.7%	425.7	112.4	666.5	259.4	-73.6%	(313.3)	-61.1%	(407.1)
Wharves, Ports and Harbours	543.8	1.9%	890.9	2.7%	161.8	79.1	255.2	229.2	-51.1%	(82.7)	-10.2%	(26.0)
Other Infrastructure Assets	757.8	2.6%	2,727.6	8.2%	137.7	537.4	366.9	824.0	290.3%	399.7	124.6%	457.1
<b>Development Projects and Investments Outlays</b>	<b>2,227.6</b>	<b>7.7%</b>	<b>1,362.7</b>	<b>4.1%</b>	<b>538.8</b>	<b>330.4</b>	<b>926.5</b>	<b>1,049.9</b>	<b>-38.7%</b>	<b>(208.4)</b>	<b>13.3%</b>	<b>123.4</b>
Development Projects	27.2	0.1%	3.1	0.0%	2.5	0.1	5.7	0.2	-95.7%	(2.4)	-96.7%	(5.5)
Investment Outlays	2,200.4	7.7%	1,359.6	4.1%	536.3	330.3	920.8	1,049.7	-38.4%	(206.1)	14.0%	128.9

	Actual 2020		Approved 2021		20Q2 MVR	Budget implementation 21Q2		Jan - Jun 2020 MVR	Jan - Jun 2021 MVR	Annual change to date			
	MVR	share in %	MVR	share in %		MVR				Q2 %	MVR	%	Jan - Jun MVR
<i>in millions of MVR unless stated otherwise</i>													
<b>Lendings</b>	<b>1,010.0</b>	<b>3.5%</b>	<b>50.0</b>	<b>0.2%</b>	<b>450.0</b>	<b>160.0</b>	<b>460.0</b>	<b>207.8</b>	<b>-64.4%</b>	<b>(290.0)</b>	<b>-54.8%</b>	<b>(252.2)</b>	
Domestic Lendings	1,010.0	3.5%	50.0	0.2%	450.0	160.0	460.0	207.8	-64.4%	(290.0)	-54.8%	(252.2)	
Foreign Lendings	-	0.0%	-	0.0%	-	-	-	-	-	-	-	-	-
<b>Budget Contingency</b>	<b>-</b>	<b>-</b>	<b>1,395.3</b>	<b>4.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Memorandum Items:</b>													
Loan Repayment	1,199.6	-	1,469.9	-	161.9	253.5	542.7	550.9	0.6	91.6	0.0	8.2	
Other Investments	419.7	-	21.3	-	4.5	91.2	13.1	232.4	19.2	86.7	16.7	219.2	
Transfers to Sovereign Development Fund	-	-	309.8	-	-	95.8	-	189.0	-	95.8	-	189.0	

## Table 5: PSIP Expenditure by Function

	Actual 2020		Approved 2021		20Q2	Budget implementation 21Q2		Jan - Jun 2020	Jan - Jun 2021	Annual change to date		
in millions of MVR	MVR	share in %	MVR	share in %	MVR	MVR	MVR	MVR	%	MVR	%	MVR
TOTAL PSIP EXPENDITURE	4,012.3	100.0%	8,441.5	100.0%	886.8	676.7	2,080.8	1,450.6	-23.7%	(210.1)	-30.3%	(630.3)
National Security & Public Order	111.6	2.8%	184.0	2.2%	26.2	14.7	66.6	19.7	-43.8%	(11.5)	-70.4%	(46.9)
Police	27.8	0.7%	57.9	0.7%	5.5	2.1	12.7	6.1	-61.8%	(3.4)	-52.1%	(6.6)
National Security	26.5	0.7%	16.3	0.2%	6.4	-0.4	15.2	-0.4	-107.0%	(6.8)	-102.8%	(15.6)
Penitentiary	28.4	0.7%	55.1	0.7%	10.4	6.6	10.7	7.2	-36.9%	(3.9)	-33.3%	(3.6)
Court Building	-	0.0%	21.5	0.3%	-	0.7	-	0.7		0.7		0.7
Rehabilitation	28.0	0.7%	25.7	0.3%	3.9	5.8	27.9	6.2	49.3%	1.9	-77.9%	(21.8)
Customs	0.8	0.0%	7.5	0.1%	0.0	0.0	0.0	0.0				
Health & Social Services	407.6	10.2%	875.9	10.4%	114.7	86.8	165.9	206.4	-24.3%	(27.9)	24.4%	40.5
Health	233.8	5.8%	479.8	5.7%	78.9	41.5	102.6	129.9	-47.4%	(37.4)	26.6%	27.2
Social Service	4.5	0.1%	68.3	0.8%	0.6	2.0	1.2	3.6	257.6%	1.4	199.7%	2.4
Sports	169.3	4.2%	327.8	3.9%	35.2	43.3	62.1	73.0	22.8%	8.0	17.6%	10.9
Education	132.2	3.3%	370.2	4.4%	31.5	45.9	58.9	87.5	46.0%	14.5	48.7%	28.7
University	3.1	0.1%	29.6	0.4%	0.0	4.8	0.0	5.4		4.8	31365.3%	5.3
Education	129.1	3.2%	340.7	4.0%	31.5	41.1	58.8	82.2	30.8%	9.7	39.6%	23.3
Environmental Protection	168.5	4.2%	746.9	8.8%	31.0	8.8	67.2	51.2	-71.5%	(22.2)	-23.7%	(15.9)
Waste Management	95.3	2.4%	390.4	4.6%	20.9	4.5	50.4	35.6	-78.7%	(16.5)	-29.3%	(14.8)
Coastal Protection	14.1	0.4%	168.8	2.0%	0.8	1.6	0.9	12.6	96.6%	0.8	1315.5%	11.7
Water Drainage System	11.3	0.3%	40.2	0.5%	6.0	2.8	7.3	3.1	-53.9%	(3.3)	-58.3%	(4.3)
Renewable Energy	47.8	1.2%	147.5	1.7%	3.2	0.0	8.6	0.0	-100.0%	(3.2)	-100.0%	(8.6)
Water and Sewerage	334.8	8.3%	1,249.4	14.8%	61.3	166.7	149.3	289.7	171.8%	105.4	94.0%	140.4
Sewerage System	95.5	2.4%	250.9	3.0%	20.1	26.6	48.5	61.8	32.6%	6.6	27.6%	13.4
Water/Sewerage	166.6	4.2%	857.3	10.2%	31.4	95.1	86.6	171.6	202.5%	63.7	98.2%	85.0
Water System	72.7	1.8%	141.2	1.7%	9.8	44.9	14.3	56.3	358.1%	35.1	294.0%	42.0



	Actual 2020		Approved 2021		20Q2	Budget implementation 21Q2		Jan - Jun 2020	Jan - Jun 2021	Annual change to date		
in millions of MVR	MVR	share in %	MVR	share in %	MVR	MVR	MVR	MVR		MVR	%	Jan - Jun MVR
Transport	979.9	24.4%	2,806.8	33.2%	323.2	91.3	519.2	357.3	-71.8%	(231.9)	-31.2%	(161.9)
Harbours	533.1	13.3%	437.2	5.2%	161.3	77.6	256.2	225.3	-51.9%	(83.7)	-12.1%	(30.9)
Bridges	306.6	7.6%	469.9	5.6%	142.2	7.4	192.5	30.0	-94.8%	(134.8)	-84.4%	(162.5)
Airports	140.1	3.5%	1,351.2	16.0%	19.7	6.2	70.4	50.0	-68.6%	(13.5)	-29.0%	(20.4)
Transport	0.0	0.0%	72.5	0.9%	0.0	0.0	0.0	52.0		0.0	237530.0%	52.0
Development of Ports	0.0	0.0%	476.0	5.6%	0.0	0.0	0.0	0.0				
General Administration	56.1	1.4%	131.9	1.6%	2.3	25.0	15.0	58.1	999.6%	22.8	286.0%	43.0
Office Buildings	47.1	1.2%	103.7	1.2%	0.7	21.6	12.2	49.0	3078.7%	20.9	300.2%	36.8
Development of Councils	9.0	0.2%	28.2	0.3%	1.6	3.5	2.8	9.0	116.4%	1.9	223.6%	6.3
Housing & Infrastructure	137.6	3.4%	725.0	8.6%	27.2	33.2	79.6	84.0	22.0%	6.0	5.5%	4.3
Housing	137.6	3.4%	725.0	8.6%	27.2	33.2	79.1	84.0	22.0%	6.0	6.2%	4.9
Electricity Systems	1.2	0.0%	0.0	0.0%	0.0	0.0	0.6	0.0			-100.0%	(0.6)
Mosques	42.8	1.1%	31.9	0.4%	14.9	11.4	31.0	15.1	-23.1%	(3.4)	-51.5%	(16.0)
Construction of Mosques	42.8	1.1%	31.9	0.4%	14.9	11.4	31.0	15.1	-23.1%	(3.4)	-51.5%	(16.0)
Land Reclamation & Road Construction	1,004.3	25.0%	1,034.7	12.3%	237.4	179.3	402.0	266.4	-24.5%	(58.2)	-33.7%	(135.6)
Road Construction	189.6	4.7%	411.0	4.9%	39.4	98.8	102.7	179.4	150.6%	59.4	74.7%	76.7
Land Reclamation	814.8	20.3%	623.6	7.4%	198.0	80.5	299.3	87.0	-59.3%	(117.5)	-70.9%	(212.3)
Fisheries & Agriculture	119.3	3.0%	184.4	2.2%	16.6	6.1	39.5	7.6	-63.5%	(10.5)	-80.7%	(31.9)
Fisheries/ Agriculture	119.3	3.0%	184.4	2.2%	16.6	6.1	39.5	7.6	-63.5%	(10.5)	-80.7%	(31.9)
Others	517.7	12.9%	100.4	1.2%	0.5	7.4	486.6	7.6	1443.6%	6.9	-98.4%	(479.0)
Land Acquisition	485.9	12.1%	0.0	0.0%	0.0	0.0	485.9	0.0			-100.0%	(485.9)
Others	31.8	0.8%	100.4	1.2%	0.5	7.4	0.8	7.6	1443.6%	6.9	912.1%	6.9

**Note:**

This table is newly added to the 2020 Monthly Fiscal Developments and will highlight PSIP Expenses by type of project. Negative figures are a result of reversal entries. Electricity Systems under Housing and Infrastructure line-item added as of 01 April 2020.

## Table 6: Trends in Government Expenditure by AGA

	Actual 2020		Approved 2021		20Q2	Budget implementation			Jan - Jun 2021	Q2	Annual change to date		
	MVR	share in %	MVR	share in %		21Q2	Jan - Jun 2020				Jan - Jun		MVR
<i>in millions of MVR unless stated otherwise</i>										%			
	28,753.5	100%	33,431.5	100%	6,732.1	7,065.4	13,766.0		14,028.2	5%	333.3	2%	262.2
S01 Presidents Office	142.1	0.5%	171.2	0.5%	31.8	38.9	68.5		74.2	0.2	7.1	0.1	5.8
S02 People's Majlis	170.2	0.6%	182.1	0.5%	41.3	36.4	83.1		72.9	(0.1)	(4.9)	(0.1)	(10.2)
S03 Judicial Service Commission	14.5	0.1%	18.1	0.1%	3.2	3.5	7.7		7.3	0.1	0.3	(0.0)	(0.3)
S04 Department of Judicial Administration	417.8	1.5%	502.4	1.5%	101.7	118.6	214.1		222.2	0.2	16.9	0.0	8.1
S05 Elections Commission	65.8	0.2%	76.1	0.2%	17.5	92.5	36.1		105.5	4.3	75.0	1.9	69.4
S06 Civil Service Commission	22.6	0.1%	26.2	0.1%	5.2	7.1	11.2		14.0	0.4	2.0	0.3	2.8
S07 Human Rights Commission	22.4	0.1%	26.9	0.1%	5.2	5.1	10.8		10.5	(0.0)	(0.0)	(0.0)	(0.3)
S08 Anti-Corruption Commission	34.4	0.1%	38.7	0.1%	7.1	8.8	15.2		17.6	0.2	1.6	0.2	2.4
S09 Auditor Generals Office	45.1	0.2%	81.8	0.2%	10.9	12.0	22.8		22.4	0.1	1.1	(0.0)	(0.3)
S10 Prosecutor Generals Office	57.9	0.2%	61.3	0.2%	13.5	15.3	29.0		30.8	0.1	1.8	0.1	1.8
S11 Maldives Inland revenue Authority	85.0	0.3%	99.8	0.3%	21.8	24.5	43.1		45.5	0.1	2.8	0.1	2.5
S12 Employment Tribunal	8.3	0.0%	10.6	0.0%	1.5	2.1	3.2		5.1	0.4	0.6	0.6	1.9
S13 Maldives Media Council	3.9	0.0%	5.0	0.0%	0.9	1.0	1.8		1.9	0.1	0.1	0.1	0.1
S14 Maldives Broadcasting Commission	8.2	0.0%	11.2	0.0%	2.0	4.2	3.9		6.1	1.1	2.2	0.6	2.2
S15 Tax Appeal Tribunal	6.1	0.0%	10.8	0.0%	0.9	2.3	2.5		3.9	1.5	1.3	0.6	1.4
S16 Local Government Authority	37.0	0.1%	78.6	0.2%	8.3	8.1	13.7		18.2	(0.0)	(0.2)	0.3	4.5
S17 Information Commissioners Office	3.4	0.0%	4.5	0.0%	0.8	0.7	1.7		1.5	(0.2)	(0.2)	(0.1)	(0.2)
S18 National Integrity Commission	8.5	0.0%	9.4	0.0%	2.1	2.2	4.5		4.6	0.0	0.1	0.0	0.0
S20 Ministry of Finance	858.7	3.0%	1,261.2	3.8%	219.2	18.0	375.6		53.5	(0.9)	(201.2)	(0.9)	(322.1)
S21 Ministry of Defense	11.5	0.0%	24.8	0.1%	3.1	3.1	5.8		5.9	(0.0)	(0.0)	0.0	0.1
S22 Ministry of Home Affairs	78.3	0.3%	101.6	0.3%	19.1	11.7	51.0		19.2	(0.4)	(7.4)	(0.6)	(31.7)
S23 Ministry of Education	2,586.4	9.0%	3,054.8	9.1%	620.7	679.6	1,358.5		1,313.5	0.1	59.0	(0.0)	(45.1)
S24 Maldives Islamic University	39.7	0.1%	44.2	0.1%	8.0	10.5	16.0		19.8	0.3	2.4	0.2	3.9
S25 Maldives National University	170.9	0.6%	181.7	0.5%	36.8	46.5	76.9		85.1	0.3	9.8	0.1	8.3
S26 Ministry of Foreign Affairs	284.1	1.0%	344.2	1.0%	52.9	33.2	179.0		99.2	(0.4)	(19.7)	(0.4)	(79.7)
S27 Ministry of Health	2,179.5	7.6%	2,560.7	7.7%	543.3	639.3	1,022.0		1,215.4	0.2	96.0	0.2	193.4
S28 Ministry of Economic Development	225.6	0.8%	425.3	1.3%	19.8	245.1	48.5		261.1	11.4	225.3	4.4	212.5
S29 Ministry of Tourism	75.7	0.3%	27.5	0.1%	24.5	23.6	48.4		29.8	(0.0)	(0.9)	(0.4)	(18.6)
S30 Ministry of Youth, Sports and Community Empowerment	320.2	1.1%	454.9	1.4%	66.0	80.9	143.6		156.1	0.2	14.9	0.1	12.4
S31 Ministry of National Planning and Infrastructure	2,645.2	9.2%	5,328.6	15.9%	704.2	506.3	1,245.9		1,052.3	(0.3)	(197.9)	(0.2)	(193.5)
S32 Ministry of Fisheries, Marine Resources and Agriculture	103.6	0.4%	232.0	0.7%	16.9	26.2	40.5		70.2	0.6	9.3	0.7	29.8
S33 Ministry of Islamic Affairs	226.3	0.8%	278.0	0.8%	49.1	59.1	109.6		111.3	0.2	10.0	0.0	1.8
S34 Ministry of Environment	378.3	1.3%	871.1	2.6%	93.0	122.7	184.1		279.2	0.3	29.6	0.5	95.1
S35 Attorney Generals Office	28.7	0.1%	58.8	0.2%	6.5	8.2	13.7		14.7	0.3	1.8	0.1	1.0

	Actual 2020		Approved 2021		20Q2	Budget implementation		Jan - Jun 2021	Q2	Annual change to date			
	MVR	share in %	MVR	share in %		21Q2	Jan - Jun 2020			Jan - Jun 2021	%	MVR	%
in millions of MVR unless stated otherwise													
S36 Ministry Of Gender, Family and Social Services	147.9	0.5%	232.4	0.7%	36.7	57.1	69.0	98.6	0.6	20.4	0.4	29.6	
S37 MOFT / Special Budget	6,985.6	24.3%	6,689.1	20.0%	1,621.2	1,476.1	3,419.7	3,122.1	(0.1)	(145.1)	(0.1)	(297.5)	
S38 MOFT / Pension Budget	1,332.8	4.6%	1,340.0	4.0%	329.1	354.0	662.3	702.3	0.1	24.9	0.1	40.0	
S39 Maldives Police Services	1,439.8	5.0%	1,515.5	4.5%	360.6	381.3	674.4	717.3	0.1	20.7	0.1	42.9	
S40 Maldives Customs Services	217.5	0.8%	229.8	0.7%	50.4	57.6	99.5	105.8	0.1	7.2	0.1	6.3	
S41 National Social Protection Agency	1,666.9	5.8%	1,199.7	3.6%	302.3	356.3	733.8	981.6	0.2	54.0	0.3	247.8	
S42 Dharumavantha Group of Hospitals	1,220.3	4.2%	986.5	3.0%	274.7	366.0	542.8	649.8	0.3	91.2	0.2	107.0	
S43 Councils	952.3	3.3%	1,316.2	3.9%	169.2	352.5	535.8	682.9	1.1	183.3	0.3	147.1	
S52 Ministry of Arts, Culture and Heritage	45.8	0.2%	59.2	0.2%	9.8	13.3	22.4	22.8	0.4	3.5	0.0	0.5	
S45 Maldives National Defense Force	1,275.4	4.4%	1,307.5	3.9%	300.5	338.6	575.6	664.5	0.1	38.1	0.2	88.9	
S47 Maldives Immigration	128.6	0.4%	153.6	0.5%	39.7	33.9	56.9	53.3	(0.1)	(5.7)	(0.1)	(3.6)	
S46 Maldives Correctional Services	331.0	1.2%	335.0	1.0%	72.8	63.6	133.4	129.5	(0.1)	(9.2)	(0.0)	(3.9)	
S50 Ministry of Transport & Civil Aviation	227.7	0.8%	60.3	0.2%	38.3	16.1	106.4	76.5	(0.6)	(22.2)	(0.3)	(29.9)	
S51 Ministry of Communication, Science and Technology	-	0.0%	-	0.0%	-	-	-	-	-	-	-	-	
S44 Family Protection Authority	5.9	0.0%	9.4	0.0%	1.4	1.6	3.2	3.1	0.1	0.2	(0.0)	(0.1)	
S48 Ministry of Higher Education	484.7	1.7%	687.7	2.1%	84.1	117.4	135.5	232.4	0.4	33.3	0.7	96.9	
S53 National Disaster Management Authority	436.3	1.5%	13.4	0.0%	148.8	11.0	242.3	12.8	(0.9)	(137.8)	(0.9)	(229.5)	
S49 Ministry of Housing and Urban Development	-	0.0%	-	0.0%	-	-	-	-	-	-	-	-	
S55 Aviation Security Command	124.7	0.4%	6.0	0.0%	1.0	0.7	2.1	1.4	(0.3)	(0.3)	(0.3)	(0.7)	
S56 Maldives International Arbitration Center	4.1	0.0%	139.6	0.4%	31.3	43.1	63.2	77.3	0.4	11.8	0.2	14.1	
S57 Children's Ombudspersons Office	0.5	0.0%	5.0	0.0%	-	0.9	-	2.2	-	0.9	-	2.2	
S58 Kulhudhuffushi Regional Hospital	132.2	0.5%	184.6	0.6%	35.7	46.6	68.6	89.6	0.3	10.9	0.3	21.1	
S59 Addu Equitorial Hospital	127.3	0.4%	192.5	0.6%	39.2	50.9	75.8	91.9	0.3	11.7	0.2	16.1	
S60 Office of Ombudsperson for Transitional Justice	-	0.0%	-	0.0%	-	1.8	-	2.1	-	1.8	-	2.1	
S61 Gan Regional Hospital	100.5	0.3%	104.3	0.3%	26.5	27.7	51.9	57.6	0.0	1.1	0.1	5.8	

## Table 7: Trends in Public Debt

	2019				2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<i>in millions of MVR unless stated otherwise</i>										
<b>Public Debt</b>	<b>49,894.0</b>	<b>51,128.0</b>	<b>51,381.3</b>	<b>54,248.1</b>	<b>55,824.3</b>	<b>57,739.1</b>	<b>63,762.1</b>	<b>66,591.1</b>	<b>68,337.9</b>	<b>71,523.9</b>
External	21,067.5	21,490.4	21,459.0	22,021.1	21,766.5	22,048.5	23,000.8	24,962.8	24,626.9	26,407.4
Domestic	28,826.5	29,637.6	29,922.3	32,227.0	34,057.8	35,690.6	40,761.3	41,628.3	43,711.0	45,116.5
<b>Public debt (% of GDP)</b>	<b>58%</b>	<b>59%</b>	<b>60%</b>	<b>63%</b>	<b>97%</b>	<b>100%</b>	<b>111%</b>	<b>116%</b>	<b>89%</b>	<b>93%</b>
Gross Domestic Product (GDP)	86,258.6	86,258.6	86,258.6	86,258.6	57,568.7	57,568.7	57,568.7	57,568.7	77,013.2	77,013.2

## Table 8: Government Borrowing by Type of Instrument and Maturity

	Opening Balance	Borrowing	Repayment	Exchange Rate Adjustment	Closing Balance	Net Issuance / (Redemption)
<i>in millions of MVR unless stated otherwise</i>	End Jun (21Q1)	21Q2	21Q2		21Q2	21Q2
Domestic	42,867.3	1,416.3	19.5	(7.5)	44,256.7	1,389.3
Treasury bills <sup>1</sup>	25,363.4	1,042.3			26,405.7	1,042.3
Islamic Instruments <sup>2</sup>	350.0	350.0			700.0	350.0
Fixed Coupon Bonds	7,513.5			(7.5)	7,506.0	(7.5)
Amortizing Bonds <sup>3</sup>	5,991.2		19.5		5,971.7	(19.5)
Pension Accrued Rights Bond	3,649.3	24.0			3,673.3	24.0
External	5,372.5	4,596.0	2,951.4	-	7,017.1	1,644.6
Fixed Coupon Bonds	5,372.5		2,951.4	-	2,421.1	(2,951.4)
Islamic Instruments <sup>4</sup>	-	4,596.0			4,596.0	4,596.0

Notes:

1- Treasury bills denominated in MVR, RDC and USD are aggregated and shown as Treasury bills

2- Domestic Islamic Instruments include Mudharaba and Ijara certificates issued to domestic market

3- Amortizing bonds include the bond issued to MMA

4- External Islamic Instruments include the Sukuk issued to international debt capital market

5- Data Source: Debt Management Department, Ministry of Finance

## Table 9: Summary of COVID-19 Health Spending by Business

<i>in millions of MVR unless stated otherwise</i>		20Q1-21Q2
<b>TOTAL</b>		<b>1,879.5</b>
Ministry of Health		661.4
National Disaster Management Authority		778.2
Indira Gandhi Memorial Hospital		134.2
Maldives Immigration		0.9
Maldives National Defence Force		67.6
Maldives Police Services		31.2
Ministry of Foreign Affairs*		6.8
Ministry of Gender, Family and Social Services		4.5
Ministry of National Planning, Housing and Infrastructure		40.8
National Social Protection Agency		35.0
National Drug Agency		1.2
Ministry of Higher Education		3.3
Disaster Management Fund		84.1
Tourism Activities Implementation Fund		28.8

**Notes:**

1/Spending data are as at 26 August 2021 and are likely to vary as reconciliation work is ongoing.

\* As of 24 Aug 2020, the previously presented Zakat Fund figure will be included in the Ministry of Foreign Affairs spending figure.

This table shows the relevant 2 trust funds disaggregated from their respective business areas. Respective business areas of these trust funds: National Disaster Fund under National Disaster Management Authority; and Tourism Activities Implementation Fund under Ministry of Tourism.

## Table 10: COVID-19 Health Expenditure Details

<i>in millions of MVR unless stated otherwise</i>		20Q1-21Q2
<b>TOTAL COVID-19 HEALTH SPENDING</b>		<b>1,879.5</b>
<b>Ministry of Health</b>		<b>661.4</b>
Allowances to Employees		48.5
Capital Equipment		80.8
Infrastructure Assets		1.3
Operational Services		60.3
Pensions, Retirement Benefits and Gratuities		0.1
Repairs and Maintenance		8.2
Supplies and Requisites		5.8
Supplies and Requisites for Service Provision		437.7
Travel Expenses		10.6
Salaries and Wages		0.4
Land and Buildings		7.7
<b>National Disaster Management Authority</b>		<b>862.3</b>
<b>Domestic Budget</b>		<b>778.2</b>
Allowances to Employees		36.0
Capital Equipment		112.5
Grants, Contributions and Subsidies		17.5
Land and Buildings		31.2
Operational Services		108.6

in millions of MVR unless stated otherwise

20Q1-21Q2

Repairs and Maintenance	6.3
Supplies and Requisites	63.8
Supplies and Requisites for Service Provision	362.7
Travel Expenses	39.8
<b>Disaster Management Fund</b>	<b>84.1</b>
Grants, Contributions and Subsidies	84.1
<b>Indira Gandhi Memorial Hospital</b>	<b>134.2</b>
Capital Equipment	4.5
Operational Services	10.6
Repairs and Maintenance	0.8
Supplies and Requisites	8.6
Supplies and Requisites for Service Provision	109.8
<b>Maldives Immigration</b>	<b>0.9</b>
Capital Equipment	0.3
Operational Services	0.0
Repairs and Maintenance	0.2
Supplies and Requisites	0.3
<b>Maldives National Defence Force</b>	<b>67.6</b>
Allowances to Employees	48.4
Capital Equipment	0.5

in millions of MVR unless stated otherwise

20Q1-21Q2

Operational Services	0.0
Repairs and Maintenance	2.7
Supplies and Requisites	16.0
<b>Maldives Police Services</b>	<b>31.2</b>
Allowances to Employees	27.4
Capital Equipment	0.6
Operational Services	0.5
Repairs and Maintenance	0.9
Supplies and Requisites	1.7
Travel Expenses	0.0
<b>Ministry of Foreign Affairs*</b>	<b>6.8</b>
Grants, Contributions and Subsidies	6.8
<b>Ministry of Gender, Family and Social Services</b>	<b>4.5</b>
Capital Equipment	0.4
Operational Services	0.1
Repairs and Maintenance	0.0
Supplies and Requisites	0.1
Supplies and Requisites for Service Provision	3.8
Travel Expenses	0.1
<b>Ministry of National Planning, Housing and Infrastructure</b>	<b>40.8</b>
Land and Buildings	40.4



<i>in millions of MVR unless stated otherwise</i>		20Q1-21Q2
Repairs and Maintenance		0.0
Supplies and Requisites		0.4
<b>Ministry of Tourism</b>		<b>28.8</b>
<b>Tourism Activities Implementation Fund</b>		<b>28.8</b>
Capital Equipment		1.6
Operational Services		10.3
Repairs and Maintenance		4.8
Supplies and Requisites		1.8
Supplies and Requisites for Service Provision		7.4
Travel Expenses		2.9
<b>National Social Protection Agency</b>		<b>35.0</b>
Grants, Contributions and Subsidies		35.0
<b>National Drug Agency</b>		<b>1.2</b>
Operational Services		0.2
Supplies and Requisites		0.7
Supplies and Requisites for Service Provision		0.3
<b>Ministry of Higher Education</b>		<b>3.3</b>
Grants, Contributions and Subsidies		3.3

1/Spending data are as at 26 August 2021 and are likely to vary as reconciliation work is ongoing.

\* As of 24th Aug 2020, amendment has been made to present the sum of domestic budget and Zakat Fund spending figures.

## Table 11: Economic Response Package Spending By Component

<i>in millions of MVR unless stated otherwise</i>		20Q1-21Q2
<b>TOTAL</b>		<b>1,772.8</b>
Covid-19 Recovery Loan Scheme		1,153.5
Income Support Allowance		420.9
Discount on Electricity Bills		172.4
Discount on Water Bills		26.0

*Notes:*

*Information in this table reflects the realised figures in the Public Bank Account on the specified date.*

**Table 12: Definitions**

Total Revenue and Grants	Sum of all taxes, non-tax revenue, capital receipts, grant inflows, and other realised gains, less subsidiary loan repayment
Total Expenditure	Sum of recurrent and capital expenditure (excluding loan repayments and payments to multilateral institutions)
Recurrent Expenditure	Expenditure incurred for salaries and wages and other operational expenses
Capital Expenditure	Expenditure incurred for capital equipments, PSIP, development projects and loan outlays
Public Sector Investment Program	PSIP does not include recurrent project costs
Primary Balance	Overall fiscal balance excluding financing and interest costs
Overall Balance	Total revenue and grants less total expenditure
Nominal GDP	GDP not adjusted for inflation
Total Revenue to GDP	Total revenue expressed as a percentage of GDP
Total Expenditure to GDP	Total expenditure expressed as a percentage of GDP
Primary Balance to GDP	Primary balance expressed as a percentage of GDP

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Overall Balance to GDP	Overall balance expressed as a percentage of GDP
Committed Spending	Total value of Purchase Orders and Invoices not paid yet for an account.
Total COVID-19 Spending	Sum of Recurrent and Capital spendings towards COVID-19 activities.
Recurrent Spending	Spendings committed to COVID-19 related operational expenses such as medical consumables (e.g. masks and gloves).
Capital Spending	Spendings committed to COVID-19 related capital such as ventilators, medical facilities and isolation facilities.

#### ***COVID-19 Report Definitions***

Supplies and Requisites for Service Provision	This category primarily includes spendings on medical consumables, test kits and Personal Protective Equipment (PPE)
Grants, Contributions and Subsidies	This category primarily includes spendings which extend direct assistance to those in need, and spending from the Disaster Management Fund to stock up staple food.
Land and Buildings	This category includes spendings on the construction of structures used to treat and counter COVID-19. It primarily includes medical, isolation and quarantine facilities.
Capital Equipment	This category includes spendings on COVID-19 related diagnostic equipment, medical equipment for medical facilities, and furniture for new medical and isolation facilities.
Purchase Order	Transaction for which purchase orders are raised in the public accounting system.

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Invoices Not Paid Yet	Goods and Services are received and Invoices are posted in the public accounting system.
Payments	Funds have been paid and the transaction is closed.
Income Support	This scheme will provide allowances to Maldivian workers who are unemployed or had their salaries (earnings for self-employed/freelance workers) affected due to the COVID19 pandemic.
COVID-19 Recovery Loan Scheme	The scheme is designed to provide financing for large businesses, SMEs, self-employed and freelance individuals affected by the COVID-19 pandemic. Ministry of Finance has partnered with Bank of Maldives and SME Development Finance Corporation to support

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