

 **THE UNITED REPUBLIC OF TANZANIA** 



**MINISTRY OF FINANCE**

**BUDGET FOR FISCAL YEAR 2003/04**

***QUARTERLY BUDGET EXECUTION  
REPORT  
FISCAL QUARTER 1  
July – September 2003***

**DECEMBER 2003**

## EXECUTIVE SUMMARY

Overall budget performance for the first quarter of the fiscal year 2003/04 was broadly in line with estimates. The cash budgeting system has continued operating efficiently, and significant frontloading of development partners' budget support disbursements (67% of pledges for the full fiscal year were received by end September), has allowed for quarterly allocations to be made to not only the PRS priority sectors as has been the allocation strategy for some years, but also to other Ministries Departments and Agencies (MDAs), as well as for local development expenditure. This development is expected to be a step towards improving budget planning and execution in spending agencies across Government. Annex A summarises central government operations during the first quarter.

### REVENUE

- Performance on total tax revenue and non-tax revenue collection in the first quarter was two percent above the first quarter estimates, and 20 percent above the outturn during the same period last year, mainly due to improved collections from petroleum taxes. The over performance is estimated to be mitigated in coming quarters due to effects of the drought on aggregate demand. Hence the outturn for the full fiscal year is expected to reach the budget estimate.

### EXPENDITURE

- Most expenditure items performed as per estimates. Priority sectors received their full quarterly allocation and first quarter performance was 92 percent of estimates. Debt interest payments, particularly foreign interest payments, were lower than expected due to the delay in creditors' demand notes being presented for repayment. Payments were also lower due to the actual average exchange rate during the quarter which was much lower than that projected in the budget for the full year.
- Emerging necessary expenditure needs are expected to arise in the coming fiscal quarters. These needs have arisen in the face of the drought in the country to support the Tanzania Electrical Supply Company, TANESCO and the Strategic Grain Reserve, as well as in order to fully compensate Local Governments for the abolishing of nuisance taxes in the 2003/04 budget.

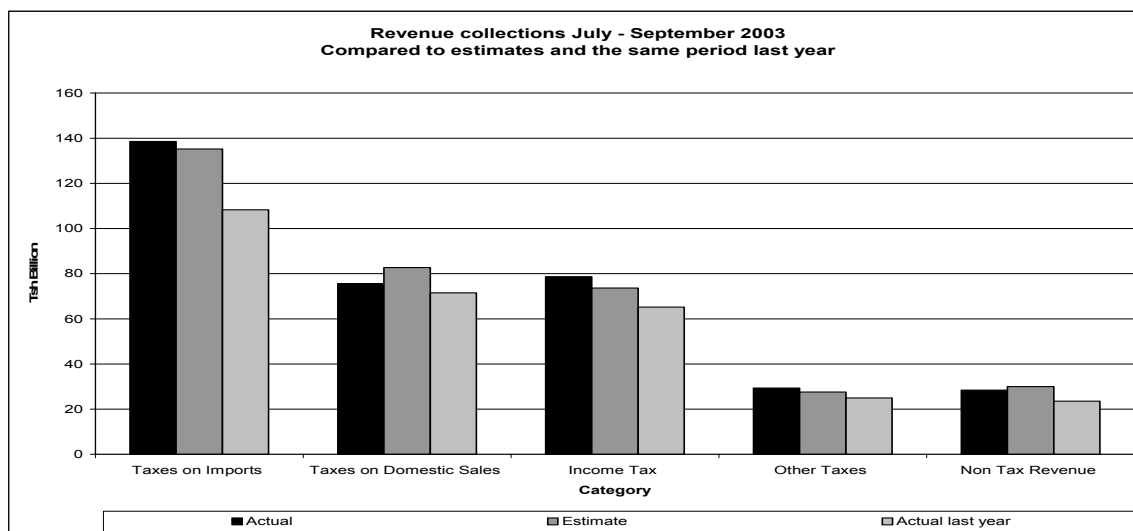
### FINANCING

- Foreign financed grants were primarily received through the Poverty Reduction Budget Support (PRBS) facility. Foreign financed loans consisted of the first tranche of the Poverty Reduction Support Credit (PRSC) from the International Development Agency of the World Bank. Overall outturn of foreign inflows by end June 2004 in T-Shillings is expected to be lower than the budget estimate due to a lower average exchange rate than estimated in the budget.
- The net domestic financing position in the quarter was a build up of Government deposits of Tsh 185.2 billion vis-à-vis the target of building up of deposits of Tsh 139 billion under the IMF supported Poverty Reduction Growth Facility adjusted (for shortfalls in foreign programme assistance).

## REVENUE

- Overall, revenue collection amounted to Tsh 343.9 billion, at 2 percent above estimates of Tsh 336.3 billion, and shows 20 percent growth over the outturn for the same period last year. Annex B presents details of revenue collections compared to estimates and performance in the same period of 2002/03.

**Figure 1**



- Taxes on imports, which showed weakest growth amongst other revenue categories in fiscal year 2002/03, are showing strongest growth in the first quarter of 2003/04. This is due to a 38 percent rise in the value of imports (c.i.f)<sup>1</sup> in the first quarter of 2003/04 to USD 599 million from USD 434 million in the July - September 2002 period. Among the imports, oil products in the intermediate goods category showed the strongest growth of 124 percent from USD 54.2 million in July – September 2002 to USD 121.4 million in the first quarter this year.
- Taxes on petroleum products showed strongest performance of all taxes on imports in the first quarter. Collections amounted to Tsh 54.8 billion, 15 percent above estimates of Tsh 47.8 billion, and represented 40 percent of

<sup>1</sup> Source of data on import values: Bank of Tanzania, International Economics Department and Tanzania Revenue Authority, Customs Department.

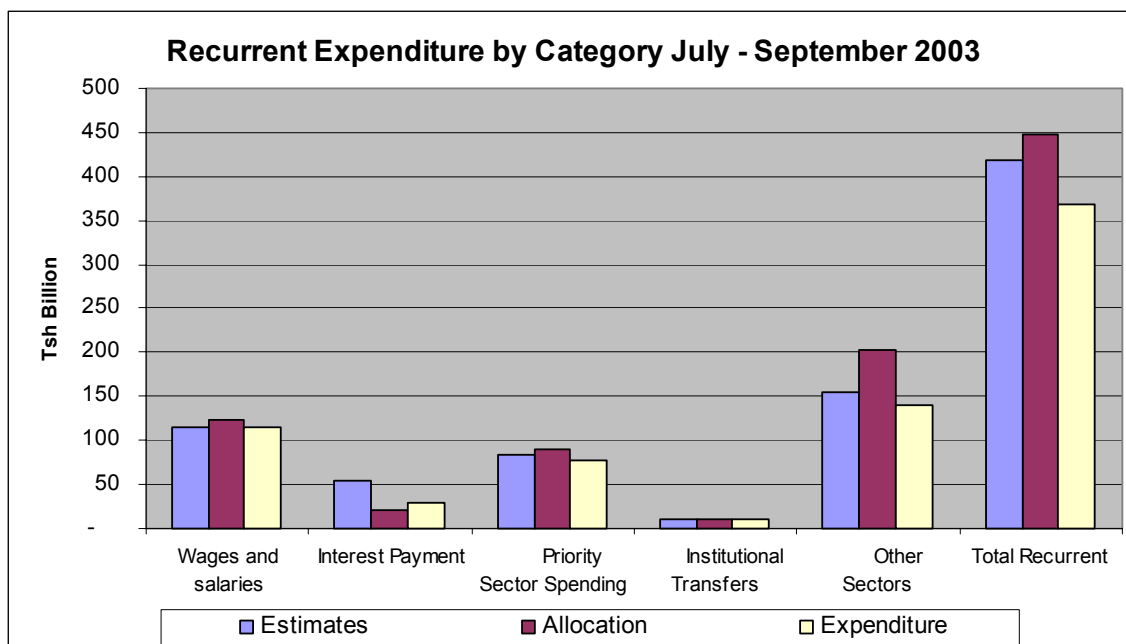
import taxes. The year on year growth was 34 percent over the similar quarter last year. This 34 percent year on year growth in petroleum taxes which is moderate compared to the 124 percent rise in the value of oil imports is likely due to two reasons. Firstly, a significant volume of oil imports are used in large scale donor funded construction projects which are tax exempt. Secondly, more stringent tax administration measures for petroleum products have been introduced in fiscal year 2003/04, such as replacing the system of storing petroleum imports in bonded warehouses with a system of tax liability due at the point of import but with a 30 day credit period for tax payment. This may have resulted in a lag in tax collections in the first quarter.

4. Income taxes and the Skills Development Levy are showing continued strong performance relative to estimates and relative to collections last year.
5. Taxes on domestic sales, which showed strong performance last year, are showing weak performance in this quarter, being short of estimates and with only 6 percent of growth over last year. This is likely due to the observed slower sales of beer and soft drinks.
6. The effects of the drought on aggregate demand may mean that this positive over-performance in the first quarter will not be sustained by end June 2004, unless new tax administration measures help to boost collections in the coming quarters. Hence performance only as per budget is expected for the full year outturn.

## **EXPENDITURE**

7. Total expenditure for the first quarter July – September 2003 of Tsh 505.6 billion stood at 88 percent of estimates of Tsh. 574.8 billion. Year on year actual expenditure increased by 26 percent over same period last year. Annex C shows the details of expenditure by category.

### **Figure 2**



8. Recurrent expenditures for July – September 2003 were Tsh. 368.5 billion, 88 percent of estimates, although year on year recurrent expenditures were 22 percent higher.
  
9. Government wages and salaries performance for the first quarter was at 99 percent of the estimate. New salary adjustments in the 2003/04 budget have been effected. Approved allocations for the quarter were higher than estimates due to estimated payments in July of new salaries that were not made until September due to technical delays in effecting the payroll exchequer issues. The higher allocations in each month were therefore not fully issued, and all salary payments and salary adjustments were made as per the quarterly budget estimate by the end of the quarter.
  
10. Domestic interest payments for the first quarter amounted to Tsh 15.8 billion, 85 percent of estimates. The domestic interest rate that will apply to outstanding securities falling due this fiscal year is expected to be approximately 2.5 percent higher than the interest rate estimated in the budget which was based on the rate for the outstanding securities at that time. This may result in higher than budgeted payments by end June 2004.

Foreign interest allocations were made on a monthly basis depending on the expected payments which would fall due. This was significantly lower than the quarterly budget estimate due to the lower than estimated exchange rates and the expected creditors' demand notes. The actual outturn of foreign interest payments for the quarter was Tsh 12.7 billion, 65 percent lower than the budget estimate. The actual outturn was based on the actual receipt of demand notes from creditors during the quarter. By end June 2004, all payments to creditors that were budgeted for are expected to be made, however the likely outturn will be biased downwards given the somewhat stabilized exchange rate in the first quarter, which has not shown the depreciation rate that was envisaged in the budget.

11. The Consolidated Funds Services (CFS) Others expenditure item in the first quarter was higher than the budget estimate by 36 percent due to the fact that budget estimates did not take into account the full effect of upward salary adjustments on pension contributions. The likely outturn for the fiscal year is expected to be above the budget estimate due to these additional spending needs falling under this category.
12. Transfers to the government institutions Tanzania Revenue Authority (TRA) and the Capital Markets and Securities Authority (CMSA), remained as per their respective estimates and at 14 percent higher than last year.
13. For priority sector spending in some sectors, allocations have been higher than the quarter estimate due to additional needs in the first quarter. For example in the education sector, full payment for examination expenses was required. Allocations will even out to the budget estimate by end June 2004. Total Other Charges actual expenditure revealed good progress, amounting to Tsh. 76.4 billion, at 92 percent of estimates and a 51 percent increase over the similar period last year. First Quarter performance in 2002/03 was only 70 percent of estimates, suggesting that execution has improved compared to last year. The overall 8 percent underperformance vis-à-vis estimates is mainly due to less than expected expenditure in the water sector, Judiciary,

and HIV/AIDS, typically a result of delays in procurement of goods and services, which are expected to pick up in the coming months. In addition, slow expenditure in HIV/AIDS interventions (68 percent of estimates) is due to delays in finalizing the action plans in TACAIDS. However expenditure is expected to pick up in the second quarter of the fiscal year when the action plans are expected to be ready.

14. Summaries of PRS priority sector spending for Other charges, Personal Emoluments and Development Expenditure for the full year budget estimates and for the First Quarter actuals are presented in Appendices E and F respectively. Actual total recurrent expenditure for the quarter, at Tsh 162.3 billion, was 24.9 percent of the full year budget estimate at Tsh 652.2 billion. This shows execution during the quarter which is on track with the budget.
15. Budget estimates for priority sector recurrent expenditure *items* delineated by Government Financial Statistics (GFS) codes have been identified for the full fiscal year. Annex G presents the July - September actuals for recurrent expenditure on items and compares the quarter performance with the 2003/04 budget estimate for each sector's total priority items. Agriculture and roads showed recurrent expenditure performance of 22 percent of the annual budget estimate, which is almost a quarter. Other sectors' spending on priority items was lagging in the first quarter. Trends in itemized expenditure will be analysed in the coming quarters' Budget Execution Reports.
16. The development budget for 2003/04 has been published in adherence to GFS codes and full year estimates for development expenditure priority items have been identified. However, the Integrated Financial Management System (IFMS) currently does not disaggregate local and foreign development actual expenditure, and for the first quarter, only a few priority items in the agriculture and water sectors were captured, limiting analysis of first quarter performance (See Annex H). Reporting from spending agencies on development expenditure is expected to improve in the coming quarters.

17. The cash budgeting system in the first quarter has provided quarterly allocations not only to priority MDAs, but also to non-priority MDAs, as a result of front loading of foreign budget support funds by the majority of development partners. This has allowed better spending plans and execution by spending agencies compared to fiscal year 2002/03. This is seen in actual expenditure in non-PRS priority MDAs for the first quarter, which amounted to Tsh. 79.8 billion, equivalent to 79 percent of estimates, where as in the first quarter last year, the actual of Tsh 38.6 billion was only 57 percent of estimates.
18. Development expenditures for July - September 2003 were Tsh. 137.1 billion, or 87 percent of the estimate of Tsh 156.7 billion. Quarterly allocations for local development funds were made in July to allow better procurement planning by MDAs. Underperformance on foreign development expenditure is on account of limited reporting of receipts of direct to project grants by benefiting MDAs and delays in disbursements.
19. The first quarter expenditure performance has been broadly in line with estimates of the approved budget. However, fiscal risks are imminent in the face of the ongoing drought in the country. There are therefore emerging spending needs which will be addressed through a supplementary budget in the coming quarters. Among the expected needs, one includes the provision of additional budgetary allocations to support TANESCO's operations in order to avoid power rationing in the country. TANESCO has been forced to reduce power production from hydro sources due to the drought, and hence relies on more power purchases from Independent Power Tanzania Limited (IPTL) and operating the thermal turbines at Ubungo. Secondly, additional funds will be needed to replenish the Strategic Grain Reserve due to the impact of drought on food supply. This is over and above the contingent budget of Tsh 8.7 billion. A third additional need is compensation to Local Governments from their loss in revenue arising from abolished nuisance taxes in 2003/04. The additional amount is over and above the Tsh 4 billion which was budgeted based on initial estimates. Funding of these additional

spending requirements will partly involve reallocation from other non-PRS priority spending items.

## FINANCING

20. Details of financing components in central government operations are presented in Annex D.
21. The deficit before grants in the first quarter of financial year 2003-04 was Tshs –161.7 billion compared to the projected deficit before grants of Tshs - 238.5bn due to an over-performance on revenue and underperformance in expenditure.
22. Foreign assistance in the form of programme grants in the first quarter was received through the PRBS facility and the PRSC grant element, totaling Tshs 140.5 billion, representing 99% of the budget estimate. This target was achieved despite a lower exchange rate of 1046 compared to the projected annual average of 1161 used for the budget estimate. This is due to some development partners disbursing more funds in foreign currency terms than expected in the first quarter. Total programme grants received at end September represent 54 percent of the total of Tsh 259.9 billion expected for fiscal year. This demonstrates significant front-loading with regard to the receipt of foreign grants in this fiscal year compared to the similar quarter in the previous fiscal year where only 9 percent of the total PRBS grants expected had been received.
23. Foreign assistance in the form of project grants for the quarter registered at Tshs 23.7 billion, 42 percent of the estimated Tshs 56.0 billion. This low performance is at least in part due to the continuing problem of capturing project fund disbursements from benefiting MDAs.
24. Foreign assistance in the form of basket support grants for the quarter over-performed by 240%. The health and education baskets received significant

- funds in order to allow implementation of the finalized sector basket action plans. The outturn is expected to reach the budget estimate by end June 2004.
25. HIPC relief grants amounted to Tshs 16.1 billion or 86 percent of the quarterly estimate, in part due to receipt at an exchange rate that was lower than that used to project the budget for the fiscal year. HIPC relief is also partly low due to lower than expected foreign amortization.
  26. Foreign programme loan financing in the first quarter saw an inflow of Tshs 107.3 billion, which was 79 percent of the estimate, from the IDA PRSC loan component. A Tsh 27 million loan disbursement from the African Development Bank estimated to be disbursed in the first quarter of 2003/04 is now expected to materialize in the third quarter.
  27. Foreign project loans were Tshs 46.6 billion or 86 percent of the first quarter budget estimate due to delays in disbursements and capturing of data.
  28. Foreign loans for basket support worth Tshs 1.9 billion were received in the first quarter although they were programmed to be received later in the year.
  29. Foreign loan amortisation in the first quarter totalled Tshs 17.9 billion, being 58 percent of the estimate. This shortfall was also due to the lower exchange rate experienced in the first quarter than budgeted for, and also due to delays in submission of demand notes from creditors. The full year likely outturn on foreign amortisation will be lower due to the projected lower exchange rate for end June 2004.
  30. Privatisation proceeds amounting Tsh 6.1 billion were received in the first quarter from Dar Es Salaam Airports Handling Company (DAHACO) and Tanzania Portland Cement (TPC).

31. The unadjusted PRGF NDF target for the end of the first quarter was a build up of Tshs 149.2 billion. Given total shortfalls in programme assistance (programme grants, loans and basket support) of Tsh 10.2 billion, the adjusted NDF target was a build up of Tshs 139 billion. The Government was therefore in a net favourable position with a higher deposit build up of Tsh 185.2 billion compared to the benchmark. Given the levels of expenditure cheques that have been written, but which have not been cleared at the Bank of Tanzania, the high deposit position is likely to fall. With a PRGF NDF target of a build up of deposits of Tsh 145 billion for end December 2003, the Government will maintain prudence in its cash budgeting system to ensure the cash position is sufficient to meet the half year fiscal programme target.

## Summary of Central Government Operations July - September 2003

(In billions of Tshs)

	Budget Estimate	July - September				
		Estimate	Actual	Percent of Estimate	July - September 2002/03 Actual	Year on year % change
<b>Total Domestic Revenue</b>	<b>1,393.0</b>	<b>336.3</b>	<b>343.9</b>	<b>102%</b>	<b>286.9</b>	<b>19.9%</b>
Tax Revenue	1,264.2	306.4	315.4	103%	263.3	19.8%
Taxes on Imports	561.6	135.3	138.5	102%	108.3	27.9%
Taxes on Domestic Sales	328.0	82.8	75.6	91%	71.5	5.7%
Income Tax	310.3	73.6	78.7	107%	65.2	20.7%
Other taxes	115.4	27.6	29.4	106%	25.0	17.5%
Net refunds	-51.1	-12.9	-6.8	53%	-6.7	
Non tax revenue	128.9	29.9	28.4	95%	23.5	20.8%
<b>Total Expenditure</b>	<b>2,418.3</b>	<b>574.8</b>	<b>505.6</b>	<b>88%</b>	<b>402.8</b>	<b>25.5%</b>
Recurrent expenditure	1,610.9	418.1	368.5	88%	302.2	21.9%
'Wages & salaries(Central & Local Gov't)	464.1	116.0	114.4	99%	98.7	15.9%
'Interest payment	134.8	54.7	28.5	52%	20.8	37.2%
Domestic	71.9	18.5	15.8	85%	12.6	25.5%
Foreign	63.0	36.2	12.7	35%	8.2	54.9%
CFS (Other)	84.9	21.2	28.9	136%	23.9	21.1%
Goods and services and Transfers	927.1	226.1	196.6	87%	158.8	23.8%
TRA	39.1	9.8	9.8	100%	8.5	14.4%
Parastatal wages	76.2	19.0	17.4	91%	16.3	6.5%
Retention scheme 1/	49.2	11.6	13.3	115%	10.5	26.6%
Retrenchment costs	4.0	1.0	0.0	0%	2.1	-100.0%
Population census	N/A	N/A	N/A	-	10.5	-
Other goods and services	758.6	184.7	156.2	85%	110.9	40.8%
Priority Sector Spending	334.5	83.4	76.4	92%	72.2	5.8%
Other Charges	424.1	101.3	79.8	79%	38.6	106.4%
<b>Development Expenditure</b>	<b>807.4</b>	<b>156.7</b>	<b>137.1</b>	<b>87%</b>	<b>100.6</b>	<b>36.3%</b>
Local	140.1	35.0	36.7	105%	11.0	234.8%
Foreign 2/	667.3	121.7	100.4	82%	89.6	12.0%
<b>Overall Deficit (before grants)</b>	<b>-1,025.3</b>	<b>-238.5</b>	<b>-161.7</b>	<b>68%</b>	<b>-115.9</b>	<b>39.5%</b>
<b>Grants</b>	<b>727.7</b>	<b>227.7</b>	<b>208.4</b>	<b>92%</b>	<b>114.0</b>	<b>82.8%</b>
Programme	259.9	141.3	140.5	99%	34.4	308.0%
Project	240.7	56.0	23.7	42%	67.1	-64.7%
Basket grants 2/	123.6	11.7	28.2	N/A	N/A	
HIPC Relief	103.4	18.7	16.1	86%	12.4	29.2%
<b>Overall Deficit (after grants)</b>	<b>-297.7</b>	<b>-10.8</b>	<b>46.7</b>	<b>-432%</b>	<b>-1.9</b>	<b>-</b>
Expenditure Float	0.0	0.0	-86.5	-	-74.4	16.3%
Adjustment to cash & other items	0.0	0.0	80.9		-30.5	-365.5%
<b>Overall balance</b>	<b>-297.7</b>	<b>-10.8</b>	<b>41.1</b>	<b>-380%</b>	<b>-106.7</b>	<b>-138.5%</b>
<b>Financing</b>	<b>297.7</b>	<b>10.8</b>	<b>-41.1</b>	<b>-380%</b>	<b>106.7</b>	<b>-138.5%</b>
Foreign (net)	287.3	158.3	138.0	87%	7.9	1657.8%
Programme loans	145.1	135.0	107.3	79%	2.4	4447.0%
Project loans	232.1	54.0	46.6	86%	22.5	107.5%
Basket loans 2/	71.0	0.0	1.9	N/A	N/A	
Amortization	-160.9	-30.7	-17.9	58%	-17.0	5.2%
Domestic (net)	10.4	-147.5	-179.1	121%	98.9	-281.1%
Net domestic financing	21.4	-149.2	-185.2	124%	99.1	-286.8%
Amortisation of contingent debt	-28.0	-0.1	0.0	0%	-0.3	-100.0%
Privatisation Proceeds	17.0	1.8	6.1	337%	0.0	

Source: Ministry of Finance

Notes: N/A refers to data that is not available due to reclassification of items

1/ Net of retention scheme funds for priority sectors

2/ Basket support grants and loans in 2003/04 are shown as individual line items rather than under programme grants and programme loans respectively as in 2002/03 Budget Execution Reports. In addition, baskets in 2003/04 are recorded under development expenditure rather than under recurrent expenditure as in 2002/03.

## Revenue Performance July - September 2003

(In billions of Tsh)

	Budget 2003/04 Estimates	July - September 2003				July - September 2002	
		Estimates	Actual	Difference	Actual as % of Estimates	Actual	Year on year % change
<b>Revenue</b>	<b>1,393.0</b>	<b>336.3</b>	<b>343.9</b>	<b>7.6</b>	<b>102%</b>	<b>286.9</b>	<b>20%</b>
<b>Tax Revenue</b>	<b>1,264.2</b>	<b>306.4</b>	<b>315.4</b>	<b>9.1</b>	<b>103%</b>	<b>263.3</b>	<b>20%</b>
<b>Taxes on Imports</b>	<b>561.6</b>	<b>135.3</b>	<b>138.5</b>	<b>3.3</b>	<b>102%</b>	<b>108.3</b>	<b>28%</b>
Import Duty	125.3	28.9	30.3	1.4	105%	24.3	25%
Petroleum	188.1	47.8	54.8	7.1	115%	41.0	34%
Excise	115.0	30.3	32.6	2.3	108%	25.5	28%
Value Added Tax (VAT)	73.1	17.4	22.2	4.8	127%	15.5	44%
Others	248.1	58.6	53.4	-5.1	91%	43.1	24%
Excise	9.1	1.5	1.3	-0.2	88%	0.8	66%
Value Added Tax (VAT)	239.0	57.1	52.1	-5.0	91%	42.3	23%
<b>Taxes on Domestic Sales</b>	<b>328.0</b>	<b>82.8</b>	<b>75.6</b>	<b>-7.1</b>	<b>91%</b>	<b>71.5</b>	<b>6%</b>
Excise	99.8	24.7	22.5	-2.3	91%	21.2	6%
Value Added Tax (VAT)	228.2	58.0	53.2	-4.9	92%	50.4	6%
<b>Income Tax</b>	<b>310.3</b>	<b>73.6</b>	<b>78.7</b>	<b>5.1</b>	<b>107%</b>	<b>65.2</b>	<b>21%</b>
PAYE	160.9	38.0	39.1	1.1	103%	32.9	19%
Corporate and Parastatals	82.0	20.3	23.6	3.4	117%	17.4	36%
Individuals	19.1	4.4	4.5	0.2	104%	3.8	21%
Withholding Taxes	38.5	9.0	8.6	-0.4	96%	8.6	0%
Rental Tax	6.7	1.5	2.3	0.8	151%	1.9	18%
Other Income	3.0	0.5	0.5	0.1	111%	0.6	-9%
<b>Other Taxes</b>	<b>115.4</b>	<b>27.6</b>	<b>29.4</b>	<b>1.8</b>	<b>106%</b>	<b>25.0</b>	<b>18%</b>
Business Skills Development Levy (net of transfer to VETA)	21.0	4.0	5.5	1.5	138%	4.8	15%
Fuel Levy	61.9	15.2	15.7	0.5	103%	14.1	12%
Stamp Duty	18.1	3.8	3.7	-0.1	98%	3	25%
Departure Service Charges	7.9	2.1	2.4	0.3	115%	2	18%
Motor vehicle taxes	4.5	2.0	1.8	-0.2	88%		
Gaming tax	0.6	0.1	0.2	0.1	143%		
Livestock Development Levy	1.3	0.3	0.0	-0.3	2%		
<b>Refunds</b>	<b>-51.1</b>	<b>-12.9</b>	<b>-6.8</b>	<b>6.1</b>	<b>53%</b>	<b>-6.7</b>	<b>1%</b>
Refunds - VAT	-39.6	-10.1	-7.1	3.0	70%	-7.2	-2%
Refunds - other	-11.5	-2.8	0.3	3.1		0.5	
<b>Non Tax Revenue</b>	<b>128.9</b>	<b>29.9</b>	<b>28.4</b>	<b>-1.5</b>	<b>95%</b>	<b>23.5</b>	<b>21%</b>
Parastatal Dividends	15.6	3.9	4.1	0.2	106%	1.6	159%
Treasury	9.3	2.5	2.5	0.0	98%	3.3	-26%
Ministries and Regions	87.4	20.7	21.1	0.5	102%	18.0	17%
Appropriation in Aid	0.0	0.0	0.0	0.0	89%	0.0	
TRA	16.5	2.9	0.7	-2.2	24%	0.6	8%

Source: Ministry of Finance

## Expenditure by Category (Estimates, Allocations and Actual Expenditures) July - September 2003

(In Billions of Tshs)

	Budget Estimate	July - September 2003					
		Estimate	Allocation	Actual Expenditure	Percentage of estimates	July - September 2002 Actual	Year on year % change
<b>Total Expenditure</b>	<b>2,418.3</b>	<b>574.8</b>	<b>483.4</b>	<b>505.6</b>	<b>88%</b>	<b>402.8</b>	<b>26%</b>
<b>Recurrent Expenditure</b>	<b>1,610.9</b>	<b>418.1</b>	<b>446.7</b>	<b>368.5</b>	<b>88%</b>	<b>302.2</b>	<b>22%</b>
Wages and salaries	464.1	116.0	122.8	114.4	99%	98.7	16%
Interest	134.8	54.7	21.6	28.5	52%	20.8	37%
Domestic	71.9	18.5	16.0	15.8	85%	12.6	26%
Foreign	63.0	36.2	5.6	12.7	35%	8.2	55%
CFS others	84.9	21.2	40.4	28.9	136%	23.9	21%
<b>Goods, services and transfers</b>	<b>927.1</b>	<b>226.1</b>	<b>261.9</b>	<b>196.6</b>	<b>87%</b>	<b>158.8</b>	<b>24%</b>
TRA	39.1	9.8	9.8	9.8	100%	8.5	14%
Parastatal wages	76.2	19.0	17.3	17.4	91%	16.3	7%
Retention scheme	49.2	11.6	12.5	13.3	115%	10.5	27%
Retrenchment costs	4.0	1.0	-	-	-	2.1	-100%
Population Census	N/A	N/A	N/A	N/A	-	10.5	-
<b>Other goods and services</b>	<b>758.6</b>	<b>184.7</b>	<b>222.3</b>	<b>156.2</b>	<b>85%</b>	<b>110.9</b>	<b>41%</b>
Priority sector expenditures	334.5	83.4	89.1	76.4	92%	72.2	6%
Education	103.1	25.8	26.9	24.4	94%	18.3	33%
Health	83.1	20.8	21.3	18.2	88%	6.7	170%
Water	12.8	3.2	4.2	2.4	75%	1.7	42%
Roads	75.0	18.5	19.9	18.3	99%	16.0	14%
Fuel levy	61.9	15.2	17.3	15.9	104%	15.3	4%
Other roads	13.1	3.3	2.7	2.5	76%	0.7	239%
Agriculture	28.9	7.2	8.9	7.1	98%	4.2	68%
Justice and legal services	17.9	4.5	4.5	3.9	87%	1.9	101%
Other social ministries	6.0	1.5	1.5	0.9	57%	0.7	23%
Other social - basket funds	N/A	N/A	N/A	N/A	-	21.6	-
HIV/AIDS	7.6	1.9	1.9	1.3	68%	1.1	16%
Other charges	424.1	101.3	133.2	79.8	79%	38.6	106%
<b>Development Expenditure</b>	<b>807.4</b>	<b>156.7</b>	<b>36.7</b>	<b>137.1</b>	<b>87%</b>	<b>100.6</b>	<b>36%</b>
Domestic	140.1	35.0	36.7	36.7	105%	11.0	235%
Foreign	667.3	121.7	-	100.4	82%	89.6	12%
o/w basket grants	123.6	11.7	-	28.2	-	-	-
o/w basket loans	71.0	-	-	1.9	-	-	-

Source: Ministry of Finance

Notes: N/A refers to data that is not available due to reclassification of items.

1/ Net of retention scheme funds for priority sectors

2/ Baskets in 2003/04 are recorded under development expenditure rather than under recurrent expenditure as in 2002/03.

## Financing by Source July - September 2003

(In billions of Tshs)

	Budget Estimates	July - September				
		Estimate	Actual	Actual as % of estimate	July - September 2002/03 Actual	Year on year % change
<b>Overall deficit before grants</b>	<b>-1025.3</b>	<b>-238.5</b>	<b>-161.7</b>	<b>68%</b>	<b>-115.9</b>	<b>40%</b>
<b>Grants</b>	727.7	227.7	208.4	92%	114.0	83%
Programme	259.9	141.3	140.5	99%	34.4	308%
Project	240.7	56.0	23.7	42%	67.1	-65%
Basket support (Grants) /1	123.6	11.7	28.2	240%	N/A	-
o/w Health Basket	18.7	2.2	10.8	494%	N/A	-
o/w Education Basket	92.8	8.5	16.9	200%	N/A	-
o/w Others	12.0	1.1	0.5	46%	N/A	-
HIPC Relief	103.4	18.7	16.1	86%	12.4	29%
<b>Overall deficit after grants</b>	<b>-297.7</b>	<b>-10.8</b>	<b>46.7</b>	<b>-432%</b>	<b>-1.9</b>	<b>-</b>
<b>Expenditure Float</b>	<b>0.0</b>	<b>0.0</b>	<b>-86.5</b>	<b>-</b>	<b>-74.4</b>	<b>16%</b>
<b>Overall Balance</b>	<b>-297.7</b>	<b>-10.8</b>	<b>41.1</b>	<b>-</b>	<b>-106.7</b>	<b>-</b>
<b>Financing</b>	<b>297.7</b>	<b>10.8</b>	<b>-41.1</b>	<b>-380%</b>	<b>106.7</b>	<b>-139%</b>
Foreign (net)	287.3	158.3	138.0	87%	7.9	1658%
Programme loans	145.1	135.0	107.3	79%	2.4	4447%
Project loans	232.1	54.0	46.6	86%	22.5	108%
Basket support (loans) /1	71.0	0.0	1.9	-	N/A	-
Amortisation Foreign	-160.9	-30.7	-17.9	58%	-17.0	5%
Domestic	10.4	-147.5	-179.1	121%	98.9	-281%
Net Domestic Financing	21.4	-149.2	-185.2	124%	99.1	-287%
Amortisation of contingent debt	-28.0	-0.1	0.0	0%	-0.3	-
Privatisation Proceeds	17.0	1.8	6.1	337%	0.0	-

Source: Ministry of Finance

## Notes:

1/ Basket support grants and loans in 2003-04 are shown as individual line items unlike in 2003-03 where they were shown under programme grants and programme loans respectively

## Summary of Priority Sector Budget Estimates, 2003/04

(In Tsh Mn)

Vote No.	Sector	OC	PE	PE Parastatal	Total Recurrent	Local Dev.	Foreign Dev	Foreign Dev. o/w Basket Funds	Total Dev 2003/04	Total Exp 2003/04
	<b>Education</b>	<b>103,129</b>	<b>189,807</b>	<b>28,263</b>	<b>321,199</b>	<b>5,949</b>	<b>175,202</b>	148,859	<b>181,150</b>	<b>502,350</b>
46	Ministry of Education and Culture	21,789	20,872	3,060	45,721	2,441	56,452		58,893	104,614
56	Pres. Office: Reg. Admin & L. Govt	-	-	-	-	130	104,338		104,468	104,468
67	Teacher Service Commission	1,084	1,021	-	2,105	-	-		-	2,105
68	Ministry of Science, Tech and Higher Education	43,691	643	25,203	69,536	2,192	14,412		16,604	86,140
70 - 89, 95	Regions	1,308	288	-	1,596	-	-		-	1,596
70 - 89, 95	Local Government	35,257	166,983	-	202,240	1,185	-		1,185	203,425
	<b>Health</b>	<b>83,061</b>	<b>46,743</b>	<b>18,543</b>	<b>148,347</b>	<b>6,537</b>	<b>42,385</b>	29,282	<b>48,922</b>	<b>197,269</b>
23	Accountant General's Department (Health insurance)	6,616	-	-	6,616	-	-		-	6,616
52	Ministry of Health	59,885	5,494	18,543	83,922	3,552	22,002		25,554	109,476
56	Pres. Office: Reg. Admin & L. Govt	-	-	-	-	20	17,850		17,870	17,870
70 - 89, 95	Regions	2,143	6,810	-	8,953	617	2,533		3,150	12,103
70 - 89, 95	Local Government	14,417	34,439	-	48,856	2,348	-		2,348	51,204
	<b>Water</b>	<b>12,778</b>	<b>4,677</b>	<b>-</b>	<b>17,455</b>	<b>7,932</b>	<b>38,980</b>		<b>46,912</b>	<b>64,367</b>
49	Ministry of Water (excluding livestock component)	7,520	1,865	-	9,385	6,487	37,536		44,023	53,408
70 - 89, 95	Regions	77	-	-	77	60	1,444		1,504	1,581
70 - 89, 95	Local Government	5,181	2,812	-	7,993	1,385	-		1,385	9,378
	<b>Agriculture</b>	<b>28,851</b>	<b>15,458</b>	<b>3,426</b>	<b>47,734</b>	<b>7,325</b>	<b>38,079</b>		<b>43,355</b>	<b>91,089</b>
24	Ministry of Cooperative and Marketing	4,398	256	2,178	6,832	169	226		395	7,227
37	Prime Minister's Office	-	-	-	-	-	2,049		-	-
43	Ministry of Agriculture and Food Security	17,756	3,626	1,247	22,629	6,436	25,082		31,518	54,147
49	Ministry of Water (livestock component)	4,021	2,022	-	6,043	610	6,121		6,731	12,774
70 - 89, 95	Regions	-	-	-	-	69	4,602		4,671	4,671
70 - 89, 95	Local Government (Extension Services)	2,676	9,554	-	12,230	40	-		40	12,270
	<b>Roads</b>	<b>75,043</b>	<b>4,815</b>	<b>4,634</b>	<b>84,492</b>	<b>44,519</b>	<b>83,988</b>		<b>128,507</b>	<b>212,999</b>
47	Ministry of Works - Fuel Levy	47,088	204	4,634	51,926	44,519	82,092		126,611	178,537
56	MLG & RA - Fuel Levy	20,494	-	-	20,494	-	-		-	20,494
70 - 89, 95	Regions	-	-	-	-	-	1,896		1,896	1,896
70 - 89, 95	Local Government	1,795	2,513	-	4,308	-	-		-	4,308
47 - subvotes 1003, 6001, 7001	Other Works	5,666	2,098	-	7,764	-	-		-	7,764
	<b>Judicial Services</b>	<b>17,945</b>	<b>6,704</b>	<b>248</b>	<b>24,898</b>	<b>2,000</b>	<b>5,777</b>		<b>7,777</b>	<b>32,675</b>
40	Judiciary	10,354	5,672	248	16,274	1,700	-		1,700	17,974
41	Justice and Constitutional Affairs	4,026	552	-	4,578	300	4,158		4,458	9,036
55	Commission for Human Rights and Good Governance	1,732	276	-	2,008	-	1,148		1,148	3,156
59	Law Reform Commission	417	66	-	483	-	220		220	703
60	Industrial Court	387	65	-	452	-	251		251	702
64	Commercial Courts	541	46	-	587	-	-		-	587
90	Land Court	433	28	-	461	-	-		-	461
70-89, 95	Judiciary Services Board Expenses (Regions)	55	-	-	55	-	-		-	55
	<b>HIV/AIDS</b>	<b>7,644</b>	<b>443</b>	<b>-</b>	<b>8,087</b>	<b>-</b>	<b>13,161</b>		<b>13,161</b>	<b>21,248</b>
92	TACAIDS	3,852	443	-	4,295	-	10,427		10,427	14,722
52	Ministry of Health	2,500	-	-	2,500	-	2,147		2,147	4,647
23-95	Other Ministries, Depts, Regions and LGAs	1,292	-	-	1,292	-	587		587	1,879
<b>TOTAL PRIORITY SECTOR EXPENDITURE (excluding other social)</b>		<b>328,451</b>	<b>268,647</b>	<b>55,114</b>	<b>652,212</b>	<b>74,262</b>	<b>397,571</b>	<b>179,142</b>	<b>469,784</b>	<b>1,121,997</b>

Summary of Priority Sector Actuals: July - September 2003

(In Tsh Mn)

Vote No.	Sector	OC	PE	PE Parastatal	Total Recurrent	Local Dev. 1/	Foreign Dev	Foreign Dev. o/w Basket Funds	Total Dev 2003/04	Total Exp 2003/04
	<b>Education</b>	<b>24,351</b>	<b>58,272</b>	<b>901</b>	<b>83,524</b>	<b>1,191</b>	<b>26,355</b>	<b>16,883</b>	<b>44,429</b>	<b>127,953</b>
46	Ministry of Education and Culture	2,872	5,918	722	9,512	610				
56	Pres. Office: Reg. Admin & L. Govt	-	-	-	-	33				
67	Teacher Service Commission	323	256	-	579	-				
68	Ministry of Science, Tech and Higher Education	9,560	5,990	179	15,729	548				
70 - 89, 95	Regions 1/	11,596	46,108	-	57,704	-				
70 - 89, 95	Local Government	-	-	-	-	296				
	<b>Health</b>	<b>18,180</b>	<b>12,536</b>	<b>4,241</b>	<b>34,957</b>	<b>1,047</b>	<b>6,376</b>	<b>12,684</b>	<b>20,107</b>	<b>55,064</b>
23	Accountant General's Department (Health insurance)	1,654	-	-	1,654	-				
52	Ministry of Health	11,274	1,166	4,241	16,681	888				
56	Pres. Office: Reg. Admin & L. Govt	-	-	-	-	5				
70 - 89, 95	Regions 1/	5,252	11,370	-	16,622	154				
70 - 89, 95	Local Government	-	-	-	-	587				
	<b>Water</b>	<b>2,399</b>	<b>1,467</b>	<b>-</b>	<b>3,865</b>	<b>1,983</b>	<b>5,864</b>		<b>7,847</b>	<b>11,712</b>
49	Ministry of Water (excluding livestock component)	756	692	-	1,447	1,622				
70 - 89, 95	Regions 1/	1,643	775	-	2,418	15				
70 - 89, 95	Local Government	-	-	-	-	346				
	<b>Agriculture</b>	<b>7,068</b>	<b>4,050</b>	<b>840</b>	<b>11,958</b>	<b>1,831</b>	<b>5,728</b>		<b>7,559</b>	<b>19,518</b>
24	Ministry of Cooperative and Marketing	1,216	78	545	1,839	42				
43	Ministry of Agriculture and Food Security	4,599	969	295	5,864	1,609				
49	Ministry of Water (livestock component)	404	370	-	774	153				
70 - 89, 95	Regions 1/	849	2,634	-	3,482	17				
70 - 89, 95	Local Government (Extension Services)	-	-	-	-	10				
	<b>Roads</b>	<b>18,340</b>	<b>1,323</b>	<b>1,150</b>	<b>20,812</b>	<b>11,130</b>	<b>12,634</b>		<b>23,764</b>	<b>44,576</b>
47	Ministry of Works - Fuel Levy	11,046	54	1,150	12,250	11,130				
56	MLG & RA - Fuel Levy	4,808	-	-	4,808	-				
70 - 89, 95	Regions	-	-	-	-	-				
70 - 89, 95	Local Government 1/	569	693	-	1,262	-				
47 - subvotes 1003, 6001, 7001	Other Works	1,917	575	-	2,492	-				
	<b>Judicial Services</b>	<b>3,907</b>	<b>1,786</b>	<b>55</b>	<b>5,748</b>	<b>500</b>	<b>869</b>		<b>1,369</b>	<b>7,117</b>
40	Judiciary	2,444	1,544	55	4,043	425				
41	Justice and Constitutional Affairs	858	164	-	1,022	75				
55	Commission for Human Rights and Good Governance	151	36	-	187	-				
59	Law Reform Commission	218	19	-	237	-				
60	Industrial Court	81	10	-	90	-				
64	Commercial Courts	87	10	-	97	-				
90	Land Court	67	4	-	71	-				
70-89, 95	Judiciary Services Board Expenses (Regions)	-	-	-	-	-				
	<b>HIV/AIDS</b>	<b>1,295</b>	<b>159</b>	<b>-</b>	<b>1,455</b>	<b>-</b>	<b>1,980</b>		<b>1,980</b>	<b>3,435</b>
92	TACAIDS	799	111	-	910	-				
52	Ministry of Health	474	49	-	523	-				
23-95	Other Ministries, Depts, Regions and LGAs	22	-	-	22	-				
	<b>TOTAL PRIORITY SECTOR EXPENDITURE (excluding other social)</b>	<b>75,539</b>	<b>79,593</b>	<b>7,187</b>	<b>162,319</b>	<b>17,682</b>	<b>59,806</b>	<b>29,567</b>	<b>107,055</b>	<b>269,374</b>

## Notes:

- 1/ Regions, local government expenditure and local development expenditure are recorded as per total exchequer issues, apportioned by each sector's budget estimate  
2/ Foreign development expenditure is as per total actual project loans and grants in FQ 1, apportioned by each sector's budget estimate.

## Priority Items Recurrent Expenditure Actuals: July - September 2003

(In millions of Tshs)

Sector	Description of Priority Items:	Vote	Subvote No.	GFS Item	2003/04 OC Estimate	2003/04 PE Estimate	2003/04 Recurrent Estimate	FQ 1 OC Actual	FQ1 PE Actual	FQ 1 Total Recurrent Actual	FQ 1 actual as % of 2003/04 budget
Agriculture:	<b>Priority Items - Agriculture Research and Extension:</b>										
	Subvention to Local Authorities - District & Urban Council (agriculture) 1/	70-89+ 95	1001	281001+ 281102+ 341001+ 341002	2,676.0	9,554.0	12,230.0	246	659	905	7.4%
	MoAFS - Crop Development Subvote	43	2001	All Items	8,088.1	1,376.0	9,464.1	1,423.5	264.1	1,687.6	17.8%
	MoAFS - Irrigation and Tech. Service Subvote	43	2002	All Items	3,587.1	16.5	3,603.6	377.9	-	377.9	10.5%
	MoAFS - Research Development Subvote	43	3001	All Items	1,802.0	1,537.0	3,339.0	335.2	366.4	701.6	21.0%
	MoAFS - National Food Security Subvote	43	5001	All Items	429.7	60.3	490.0	19.2	29.3	48.4	9.9%
	MoAFS - Strategic Grain Reserve Subvote	43	5002	All Items	2,915.0	204.3	3,119.3	2,272.7	-	2,272.7	72.9%
	MoCM - Cooperative Development Subvote	24	4001	All Items	4,294.4	70.0	4,364.4	-	-	-	0.0%
	MoCM - Marketing Development Subvote	24	4002	All Items	692.8	28.3	721.1	-	-	-	0.0%
	MoWLD - Livestock Research and Training Subvote	49	1004	All Items	1,096.0	1,289.1	2,385.0	2,756.2	80.7	2,836.9	118.9%
	MoWLD - Veterinary Services Subvote	49	7001	All Items	1,406.0	344.3	1,750.3	135.8	122.0	257.8	14.7%
MoWLD - Animal Production Subvote	49	8001	All Items	1,519.5	389.0	1,908.5	117.4	132.0	249.3	13.1%	
<b>Total</b>					<b>28,507</b>	<b>14,869</b>	<b>43,375</b>	<b>7,684.3</b>	<b>1,653.4</b>	<b>9,337.7</b>	<b>21.5%</b>
Education:	<b>Priority Items - Basic Education:</b>										
	Subvention to Local Authorities - District & Urban Council (education) 1/	70-89+ 95	1001	281101+ 281102+ 341101+ 341102	35,257	166,983	202,240	3,247.5	11,516.7	14,764.2	7.3%
	Examination expenses under RAS budget (Regions)	70-89+ 95	2004	260207	728	-	728	189.7	-	189.7	26.1%
	Other education expenditure items in the RAS budget (excluding exam. expenses)	70-89+ 95	2004	50 % of All Items (excl.260207+ 270101)	580	288	868	46.3	14.4	60.7	7.0%
	MOEC - Basic Education Subvote	46	3001	All Items	277	131	408	13.4	30.1	43.5	10.7%
	MOEC - Teacher Education Subvote	46	5001	All Items	2,104	2,807	4,911	177.0	980.4	1,157.4	23.6%
	MOEC - Inspectorate Subvote	46	2002	75% of All Items	983	1,710	2,693	60.5	257.4	318.0	11.8%
	Subvention to Institute of Adult Education	46	2001	280118	145	707	852	179.2	-	179.2	21.0%
	Subvention to National Examination Council (STD VII exam. Expenses)	46	1001	280510	1,032	310	1,342	1,643.9	-	1,643.9	122.5%
	Teacher's Service Commission (75%)	67	1001	75% of All Items	813	766	1,579	170.6	192.2	362.8	23.0%
	<b>Total</b>					<b>41,919</b>	<b>173,702</b>	<b>215,621</b>	<b>5,728.0</b>	<b>12,991.3</b>	<b>18,719.3</b>

Sector	Description of Priority Items:	Vote	Subvote No.	GFS Item	2003/04 OC Estimate	2003/04 PE Estimate	2003/04 Recurrent Estimate	FQ 1 OC Actual	FQ1 PE Actual	FQ 1 Total Recurrent Actual	FQ 1 actual as % of 2003/04 budget
Health	Preventive Service Subvote in RAS budget (Regions)	70-89+ 95	3002	All Items (less 260409)	139	171	310	8.5	16.9	25.4	8.2%
	Local Authorities drugs (kits) allocation budgeted under MoH	52	2001	260402	15,000	-	15,000	4,889.4	-	4,889.4	32.6%
	MoH Preventive Service Subvote	52	3001	All Items (less 260409)	14,789	398	15,187	1,295.2	82.2	1,377.5	9.1%
	<b>Total</b>				<b>29,928</b>	<b>569</b>	<b>30,497</b>	<b>6,193.1</b>	<b>99.2</b>	<b>6,292.3</b>	<b>20.6%</b>
Water	<b>Priority Items - Rural Water:</b>										
	Subvention to Local Authorities - District & Urban Council (water) 1/	70-89+ 95	1001	281401+ 281402+ 341401+ 341402	5181	2812	7,993	477	194	671	8.4%
	Water schemes maintenance expenses under RAS budget (Regions)	70-89+ 95		270101	7	-	7	-	-	-	0.0%
	Other water expenditure items in the RAS budget (excluding maintenance expenses)	70-89+ 95	2004	16.6 % of All Items (excl. 260207+ 270101)	77	-	77	15	5	20.2	26.2%
	MoWLD - Rural Water Supply Subvote	49	4001	All Items	2066	413	2,479	186	278	463.3	18.7%
	<b>Total</b>				<b>7331</b>	<b>3225</b>	<b>10,556</b>	<b>678</b>	<b>476</b>	<b>1,154.6</b>	<b>10.9%</b>

Sector	Description of Priority Items	Vote	Subvote No.	GFS Item	2003/04 OC Estimate	2003/04 PE Estimate	2003/04 Recurrent Estimate	FQ 1 OC Actual	FQ1 PE Actual	FQ 1 Total Recurrent Actual	FQ 1 actual as % of 2003/04 budget
Roads	<b>Priority Items - Rural Roads:</b>										
	Subvention to Local Authorities - District & Urban Council (roads) 1/	70-89+ 95	1001	281301+ 281302+ 341301+ 341302	2,513	1,795	4,308	231.5	123.8	355	8.2%
	Roads Fund budgeted for Local Authorities under PORALG	56	2001	280605							
	MoW - Rural Roads Subvote	47	7001	All Items	20,494	-	20,494	5,181.0	-	5,181.0	25.3%
	<b>Total</b>				1,133	130	1,263	232.1	20.6	252.7	20.0%
					<b>24,140</b>	<b>1,925</b>	<b>26,065</b>	<b>5,644.6</b>	<b>144.4</b>	<b>5,789.0</b>	<b>22.2%</b>
Judiciary:	<b>Priority Items - Judiciary:</b>										
	Judiciary Service Board Expenses under RAS budget (Regions)	70-89+ 95	1001	280818	55	-	55	3.7	-	3.7	6.7%
	Judiciary Department	40	All Subvotes	All Items	10,602	5,672	16,274	1,879.9	1,337.1	3,217.0	19.8%
	MoCA	41	All Subvotes	All Items	4,026	552	4,578	761.7	142.6	904.3	19.8%
	Commission for Human Rights & Good Governance	55	All Subvotes	All Items	1,732	276	2,008	109.9	30.3	140.2	7.0%
	Law Reform Commission	59	All Subvotes	All Items	417	66	483	208.2	19.2	227.4	47.1%
	Industrial Court of Tanzania	60	All Subvotes	All Items	387	65	452	68.1	10.6	78.8	17.4%
	Commercial Court	64	All Subvotes	All Items	541	46	587	96.6	10.2	106.7	18.2%
	Land Court	90	All Subvotes	All Items	433	28	461	57.4	1.3	58.7	12.7%
	<b>Total</b>				<b>18,193</b>	<b>6,705</b>	<b>24,898</b>	<b>3,185.5</b>	<b>1,551.3</b>	<b>4,736.8</b>	<b>19.0%</b>
HIV/AIDS	<b>Priority Items - HIV/AIDS:</b>										
	Subvention to Local Authorities - District & Urban Council (HIV/AIDS) 1/	70-89+ 95	1001	260409 of 281200	433	-	433	40	-	40	9.2%
	Preventive Service Subvote in RAS budget (Regions)	70-89+ 95	3002	260409	4	-	4	-	-	-	0.0%
	MoH Preventive Service Subvote	52	3001	260409	2,500	-	2,500	362.3	-	362.3	14.5%
	Tanzania Commission for AIDS	92	All Subvotes	All Items	3,852	443	4,295	489.9	69.3	559.2	13.0%
	Other Ministries and Departments	70-69+ 90-9	All Subvotes	260409	855	-	855	21.6	-	21.6	2.5%
<b>Total</b>				<b>7,644</b>	<b>443</b>	<b>8,087</b>	<b>913.7</b>	<b>69.3</b>	<b>983.0</b>	<b>12.2%</b>	

## Notes:

1/ Subventions to Local Authorities are recorded as per exchequer issues apportioned by each sector's budget estimate

## Abbreviations:

MoAFS: Ministry of Agriculture and Food Security  
 MoCM: Ministry of Cooperative and Marketing  
 MoEC: Ministry of Education and Culture  
 MoH: Ministry of Health  
 MoW: Ministry of Works  
 MoWLD: Ministry of Water and Livestock Development  
 PORALG: President's Office - Reg. Adm. and Local Govt.

## Development Expenditure Actuals: July - September 2003

(In Millions of Tsh)

Description of Priority Project:	Vote	Subvote	Project	2003/04 Local Estimates	2003/04 Foreign Estimates	Local and Foreign Estimates	Total FQ 1 Local and Foreign Actuals
		No.	Code				
<b>Priority Projects - Agriculture Research and Extension:</b>							
Nil	70-89: Transfers to Local Govt. Authorities	8091**	6230/6260	40	-	40	-
Southern Highland Dairy Dev. Project (Vote 73)	70-89: Regions	2002	4520	-	281	281	-
Small Scale Farmers (Vote77)		2003	4403	4	-	4	-
Agric. Sector Prog. Support - DADS (Vote 78)		2002	4404	-	1,473	1,473	-
Agriculture Transport (Vote 82)		1001	4457	-	587	587	-
Kagera Agric. & Envir. Mgt. Prog. (Vote 87)		1001	6209	65	2,261	2,326	16.3
Agriculture Marketing System Dev. Programme	37: Prime Minister's Office	1001	4456	-	2,049	2,049	-
Improv. of Cotton Market and Trade	24 Ministry of Cooperatives and Marketing	1003	4407	169	226	395	-
Agriculture Sector Programme Support	43 Ministry of Agriculture and Food Security	1003	4457	4,066	873	4,939	-
Agriculture Training Institute		1004	4406	320	350	670	-
National Agriculture Extension Project		2001	4426	400	1,900	2,300	-
Integrated Pest Management		2001	4456	100	125	225	-
Stabex Coffee		2001	4458	-	3,262	3,262	-
Special Programme for Food Security		2001	4466	-	493	493	-
Support to Agric. Ext. Service Reform		2001	4484	-	409	409	-
Lake Victoria Envir. Mgt. Project		2001	6259	50	120	170	-
Soil Fertility Rec. and Agric. Intesification		2001	6466	448	6,807	7,255	-
Participatory Irrigation Dev. Programme		2002	4436	220	4,689	4,909	-
River Basin Mgt and Smallholders		2002	6465	300	1,140	1,440	83.1
Soil and Water Conservation		2002	6474	62	63	125	-
National Irrigation Master Plan Study		2002	6475	-	121	121	-
Eastern Zone Client Orient Ries		3001	4485	-	410	410	-
Tanzania Agriculture Reseach Project (II)		3001	6261	400	4,150	4,550	-
National Coconut Research Programme		3001	6262	70	64	134	-
Tanzania Tea Research		301	6263	-	106	106	-
Rehabilitation of Livestock trade Institution	49:Ministry of Water and Livestock Dev.	1004	6456	128	-	128	40.0
Livestock Disease Control		7001	4540	237	1,160	1,397	-
Pan African Control of Plzodic		7001	4542	45	986	1,031	-
National Diary and Rangeland Development		8001	4506	-	239	239	-
Tanzania Livestock Marketing		8001	4552	200	3,736	3,936	-
<b>Total</b>				<b>7,324</b>	<b>38,080</b>	<b>45,404</b>	<b>139.4</b>
<b>Priority Projects - Basic Education:</b>							
Constr./Reh. of Classrooms & Teacher H'ses	70-89: Transfers to Local Govt. Authorities		6230/6260	1,185	-	1,185	-
Nil	70-89: Regions	Nil	Nil	-	-	-	-
Construction and Rehabilitation of Primary Schools	46: Ministry of Education and Culture	1003	6404	20	503	523	-
Community Interventions (CBAE/COBET)		2001	4370	224	514	738	-
Primary Educ.Programme Support (Basket)		3001	4321	50	37,882	37,932	-
Improvement of Primary Education		3001	6341	20	3,397	3,417	-
Whole School Development Programme		3001	6403	90	-	90	-
In-service Training		5001	4371	300	7,160	7,460	-
Primary Education Dev.Programme (PEDP)	56: Pres. Office: Reg.Admin & L. Govt.	2002	6403	30	104,338	104,368	-
<b>Total</b>				<b>1,919</b>	<b>153,794</b>	<b>155,713</b>	<b>-</b>

<b>Health</b>	<b>Priority Projects - Primary Health:</b>							
	Constr./Reh of Dispens./Health Ctr's/Distr Hosp.	70-89: Transfers to Local Govt. Authorities	8091**	6230/6260	1,884	-	1,884	-
	Child and Mother Survival Programme		8091**	6230/6260	433	-	433	-
	Child and Mother Survival Programme	70-89: Region	1001/2004/ 3001/3002	5405/5496/ 6261/6262/ 6240			3,213	-
	District Health Support project				680	2,533	-	-
	Control of Communicable Diseases	52: Ministry of Health	3001	5407	26	2,595	2,621	-
	National Institute for Medical Research		3001	5415	50	239	289	-
	Health Sector Development Programme		3001	5485	200	12,134	12,334	-
	Tanzania Food and Nutrition Centre		3001	5496	11	228	239	-
	Rehabilitation of Health Infrastructure Project	56: Pres. Office: Reg.Admin & L. Govt.	2002	5421	20	250	270	-
Health Sector Programme (Basket)		2002	6405	-	17,600	17,600	-	
<b>Total</b>				<b>3,305</b>	<b>35,579</b>	<b>38,884</b>	<b>-</b>	
<b>Roads</b>	<b>Priority Projects - Rural Roads</b>							
	Nil	70-89: Transfers to Local Govt. Authorities	8091**	6230/6260	-	-	-	-
	Road Sector Programme	70-89: Regions	1001	4102	-	1,896	1,896	-
	Rural Roads Rehabilitation	47: Ministry of Works	7001	4132	3,050	25,967	29,017	-
<b>Total</b>				<b>3,050</b>	<b>27,863</b>	<b>30,913</b>	<b>-</b>	
<b>Water</b>	<b>Priority Projects - Rural Water</b>							
	Construction/Rev. of Rural Water Supply	70-89: Transfers to Local Govt. Authorities	8091**	6230/6260	1,385	-	1,385	-
	Construction/Rev. of Rural Water Supply	70-89: Regions	2004	3217/3266/ 5432			1,504	-
	HESAWA				60	1,444	-	-
	Expansion of Rural Water Supply	49: Ministry of Water and Livestock Dev.	4001	3216	490	5,670	6,160	-
	Borehole Drilling and Dams Construction		4001	3223	300	-	300	90.0
	Rehabilitation of Rural Water Supply		4001	3252	367	3,174	3,541	95.0
	Rural Water Supply and Sanitation		4001	3280	1,157	18,843	19,999	-
<b>Total</b>				<b>3,759</b>	<b>29,131</b>	<b>32,890</b>	<b>185.0</b>	
<b>Judiciary:</b>	<b>Priority Projects - Judiciary</b>							
	Rehabilitation of Court of Appeal Building	40:Judiciary	2002	6204	500	-	500	-
	Acquisition of Building - High Court Mbeya		2006	6205	800	-	800	-
	Construction of Building - High Court Kagera		2013	6206	50	-	50	-
	Acquisition of Building - High Court Moshi		2015	6205	350	-	350	-
	Legal Sector Reform	41:Min. of Justice and Constitution Affairs	1001	6256	300	4,158	4,458	-
	Human Rights	55:Com. for Human Rights & Good Governance	1001	6198	-	827	827	-
	Human Rights Standards		1001	6199	-	321	321	-
	Law Reform Project	59:Law Reform Commission	1001	6098	-	220	220	-
	Rehabilitation of Building	64:Commercial Court	1001	2016	-	251	251	-
<b>Total</b>				<b>2,000</b>	<b>5,777</b>	<b>7,777</b>	<b>-</b>	
<b>HIV/AIDS</b>	<b>Priority Projects - HIV/AIDS</b>							
	HIV/AIDS	52: Ministry of Health	3001	5492	-	2,147	2,147	-
	Tanzania Multisectoral HIV/AIDS	92: Tanzania Commission for AIDS		5492	-	10,427	10,427	-
	Tanzania Multisectoral HIV/AIDS	23-95:Other Min's,Depts, Regions & L. Govts		5492	-	587	587	-
<b>Total</b>				<b>-</b>	<b>13,161</b>	<b>13,161</b>	<b>-</b>	
<b>Total Development priority items expenditure</b>					<b>21,356.1</b>	<b>303,384.3</b>	<b>324,740.4</b>	<b>324.4</b>

## Notes:

First quarter information on actual local and foreign expenditure is not available at the time of preparation of the report. Few expenditure items have been captured due to limited reporting from spending agencies.