

NATIONAL ASSEMBLY



BUDGET AND FINANCE COMMITTEE OF PARLIAMENT

2002/03 POST-BUDGET REPORT

8th JULY 2002

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Post-Budget Report of the Budget and Finance Committee of Parliament

1.1 Introduction

The 2002/03 Budget Statement was ably delivered on 28th June 2002 by Honourable Friday A. Jumbe, Minister of Finance and Economic Planning. Members of the Budget and Finance Committee listened attentively to the budget estimates for the 2002/03 financial year and revised estimates for the 2001/02 fiscal year. The well-chosen title for the statement was "**Facing our Realities and Living Within Our Means in the Fight Against Poverty**". The title says it all.

Following the submission of the **Pre-Budget Report** submitted to Parliament and the delivery of the Budget Speech, the Budget and Finance Committee submits this **Post-Budget Report** to Parliament. This report is intended to inform Parliament on observations and recommendations of the Committee on the 2001/02 and the 2002/03 Budgets as presented by the Minister of Finance. The report is intentionally submitted before the 2002/03 Budget is adopted. The goal is to assist Members of Parliament to better understand contents of the Budget Documents in readiness for the deliberations in the House.

The report comments on the out-turn of the 2001/02 Budget. Special attention is devoted to the Priority Poverty Expenditures (PPEs) that the Committee has been monitoring during the 2001/02 financial year. The report will then analyse the 2002/03 Draft estimates as contained in the Budget Documents submitted to Parliament. The report wishes to underline the importance of monitoring the implementation cycle of the budget. Chapter 6 of the PRSP outlines a monitoring system, which, to the knowledge of the Committee is not yet operational. It is important that such a system be agreed upon and be institutionalised for all the stakeholders to be able to participate in monitoring the 2002/2003 Budget.

Distribution and Presentation of Budget Documents

The Budget and Finance Committee acknowledges the change of the format in some of the budget documents. The Ministry of Finance and Economic Planning is commended for preparing Budget Documents that are user-friendlier. The Committee wishes to note the following:

- 1.1.1 The Committee was presented with the following Budget Documents:
 - (1) 2002/03 Budget Statement
 - (2) Budget Document No.2: Economic Report 2002

- (3) Budget Document No.3: financial Statement for financial Year 2002/2003
- (4) Budget Document No.4A: Draft Estimates of Expenditure on recurrent and Capital Accounts for the Financial Year 2002/03 (Output Based).

The Committee wishes to know whether Budget Document No.4B is part of the 2002/2003 Budget Documents and whether copies shall be made available to the Committee.

1.1.2 The Committee noticed that there two versions of Budget Document No.4A for the 2001/02 Budget. The contents of the two versions were different. The Officers that the Committee contacted explained that the first version contained the budget estimates "as presented in Parliament" and the second one contained the "approved budget". The Committee only had one version with figures as presented. This deprived the Committee with the necessary tools for analysing the budget with figures "as approved". It is not common knowledge that there ought to be two versions and if this is true then the Ministry may wish to make both versions available to the Committee and to Parliament.

1.1.3 The Committee noticed that some budget lines bear different figures depending on the budget document used. For example, in Budget Document No. 3 (page 12), the drafts estimate for 2002/03 under the budget line of "Refunds and Repayments" is MK62.7 million whereas the same line is estimated at K50.0 million in Budget Document No.4A (page 35). The totals for 2002/03 tax revenue and for Development Expenditure contained in Budget Documents 3 and 2 differ. There is need that the corresponding figures in all the documents be the same.

1.1.4 It is commendable that the present format of the documents is much easier for users. The inclusion of additional tables on the Protected PPEs and allocation and uses of HIPC resources responds to the request in the earlier reports of the Committee and is appreciated.

1.2 Overall Performance of the 2001/2002 Budget.

The 2001/2002 Budget has performed badly. The revised estimates show that some votes were allowed to spend beyond their budgetary allocation whereas other votes suffered big expenditure cuts. The overall picture is that of failure to control the levels of expenditure notwithstanding the large drops in total revenue and grants. Total Revenue and Grants are expected to be some MK10 billion (7.5% of GDP) less than expected. Domestic revenue is expected to be down by MK4 billion (2.9% of GDP). Grants, which were estimated at MK15.6 billion, are now expected to be more than K6 billion (4.2% of GDP) less. At about MK12 billion (8.4% of GDP), the overall deficit including grants will therefore be the worst since the 1994/95 financial year. By registering lower revenues and grants in an atmosphere of uncontrolled expenditures,

Government was inclined to supplement its resources by increased borrowing from the domestic market. Net domestic borrowing which was originally to go down by 2.1% of GDP has increased beyond the MK10.2 billion mark or 7% of GDP. Gross Domestic Credit is already more than 14% of GDP with little prospects of improvement in the short term.

1.2.1 Total Revenue and Grants

The 2001/2002 approved Budget estimated total revenue and grants to be at K42.27 billion (29.9% of GDP) from K31.23 billion (29.8% of GDP) in 2000/2001. This would have represented a growth of 36% from last year. Unfortunately, the revised

Table 1: Malawi: Central Government Operations, 2000/01

	Table 13 : Revised Estimates for the 2001/2002 Budget						2002/03 Annual Proj.	2002/03 % growth (8 / 5) %	2001/02 % growth (8 / 3)
	2000/01 Annual Act.	2001/02 Estimated Budget	Est.Budget 2000/01 Actual	2001/02 Revised Projections	01/02 over 00/01 % growth	Difference (5-3)			
	2	3	4	5	6 (5/2)	7			
	(In millions of Kwacha)								
			% growth		% growth				
Total Revenue and Grants	31 233.1	42 489.6	36.0	31 944.3	2.3	-10 545.3	43 153.6	35.1	1.6
Revenue	20 879.9	26 653.2	27.7	22 603.8	8.3	-4 049.4	27 144.2	20.1	1.8
Tax Revenue	19 284.8	24 548.9	27.3	20 120.2	4.3	-4 428.7	24 258.7	20.6	-1.2
Taxes on income and profits	8 740.2	10 900.0	24.7	9 255.4	5.9	-1 644.6	10 584.0	14.4	-2.9
Taxes on goods and services	8 169.5	10 465.2	28.1	8 737.2	6.9	-1 728.0	11 076.8	26.8	5.8
Taxes on international trade	2 384.7	3 026.6	26.9	2 414.7	1.3	-611.9	2 928.1	21.3	-3.3
Miscellaneous Duties		768.3							
Other (including refunds)	-9.6	-611.2		-287.1		324.1	- 330.2	15.0	-46.0
Non-tax Revenue	1 595.1	2 104.3	31.9	2 483.6	55.7	379.3	2 885.5	16.2	37.1
Other Revenue	1 035.8	1 335.2	28.9	1 190.8	15.0	-144.4	1 329.9	11.7	-0.4
Receipts from PIL for NRA	559.3	769.1	37.5	1 179.8	110.9	410.7	1 231.7	4.4	60.1
Receipts from PIL for safety nets				113.0			323.9	186.6	
Grants	10 353.2	15 836.4	53.0	9 340.5	-9.8	-6 495.9	16 009.4	71.4	1.1
BOP support	6 209.2	7 711.5	24.2	2 375.1	-61.7	-5 336.4	9 041.8	280.7	17.3
Project	3 565.2	3 826.9	7.3	3 667.9	2.9	-159.0	3 558.1	3.0	-7.0
HIPC	578.8	4 298.0		3 297.5	469.7	-1 000.5	3 409.5	3.4	-20.7

estimates show that total revenue and grants are just 2.3% up from the 2000/01 level. At MK31.94 billion, total revenue and grants are MK10.5 billion (7.3% of GDP) less than the original estimates. The ratio of total revenue & grants to Gross Domestic Product (GDP) has gone down from 29.8% to 22.4%.

Tax revenue, which was estimated at K24.5 billion, is currently projected at K20 billion (6.4% of GDP). The nominal increase of 4.3% over last year is much less than the inflation rate, which means that tax revenue has decreased in real terms. Last year, tax revenue represented 7.2% of GDP. The main reasons for the under-performance in revenue could be summarised as the following:

- Taxable economic activity has not increased as much as anticipated due to the drought situation in Malawi. Some companies have closed due to the depression in Malawi. Malawi still has not managed to create a macroeconomic environment that is more conducive for private sector development.

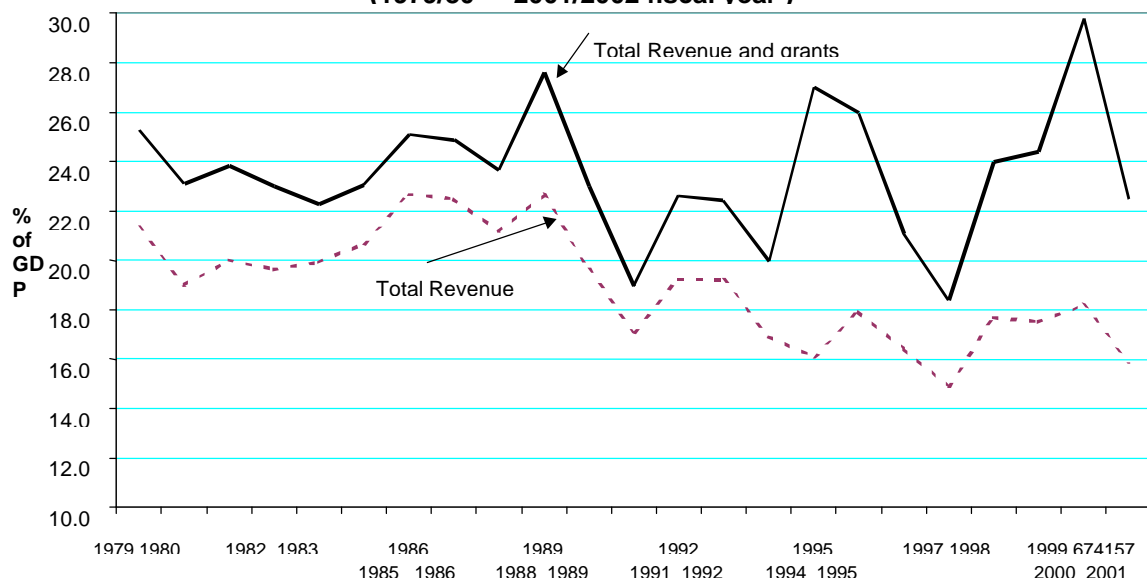
- ❑ There is a very high rate of tax evasion in Malawi. Unfortunately, the situation is rendered worse by some parastatals that do not pay their taxes and do not remit the surtax and income tax to the Malawi Revenue Authority. MRA should not be impeded in its quest to collect taxes from parastatals.
- ❑ There are outstanding cases of companies that evaded tax payments. The Anti-Corruption Bureau (ACB) is handling some of the cases. Judgement on such cases should be expedited and the debtors should be made to pay their dues.
- ❑ In the past, not all the repayments from parastatals to Government were included in the budget.
- ❑ The extended surtax has not yet been implemented and the provisional tax for minibus operators was reduced and delayed. There was too much haste in expecting these two taxes to start earlier simply because the ground for their successful implementation had not yet been laid. In future, we should learn not to count our chicks before they hatch.
- ❑ The dynamism of adjusting tax rates and licence fees does not seem to be applied in some sectors. The licence fee for holding a firearm is ridiculously low and needs to be revised. There are obviously other areas that could be reviewed for more revenue generation without being punitive.
- ❑ There are indications that the Malawi Revenue Authority (MRA) is still operating below its potential capacity. There are reasons to believe that MRA cannot be as efficient as it should be, given the legal and operational framework under which it operates. For example, the legal framework should permit the MRA to detain and prosecute tax evaders. However, the MRA currently can only impound the goods in question. All tax measures should be implemented only after extensive consultations with the MRA. The tax amnesty announced more than a year ago, for example, has never been implemented because it was announced before consulting MRA on the modalities of implementation.

Non-tax revenues were expected to increase based on the revenue-enhancing measures announced in the 2001/2002 Budget Statement. Departmental receipts were expected to increase by MK2.1 billion. Particular attention was focused on the Ministry of Lands, Housing, Physical Planning and Surveys. This ministry was expected to generate K778 million in 2001/02 up from K14 million in 2000/2001. Unfortunately, the Ministry of Lands and Housing did not have the capacity to generate this sum in a single year. In addition, K300 million was to be generated from the sale of old motor vehicles by tender and another K300 million from passport fees, driving licence fee and other departmental fees. Some K370 million was expected to come from parastatals that had accumulated arrears due to Government.

The IMF had its doubts as to whether Government had the capacity to implement all the measures. Consequently, the IMF did not include the K2.1 billion in their programme figures. Unfortunately, the IMF was right. This year, departmental receipts are expected to increase to only K1.2 billion, as compared to the K1.0 billion collected last year.

Taxes are a policy instrument and not just an avenue for revenue generation. It is not simply by increasing tax rates and departmental fees that one should necessarily expect more revenue. Policy-makers should be more concerned with the impact of tax policy on economic activity in the real sector and on whether the tax regime will have an impact on the distribution of wealth to benefit the poor in Malawi.

**Chart 1.2: Total Revenue and Grants as %age of GDP
(1979/80 - 2001/2002 fiscal year)**



Grants are expected to be K6 billion below the initial estimate of K15.6 billion. Balance of Payment (BOP) Support was initially estimated at MK7.0 billion. However, Malawi received only K1.56 billion during the whole financial year. The International Monetary Fund (IMF) withhold further funding from the Poverty Reduction and Growth Facility (PRGF) under which Malawi was supposed to receive Special Drawing Rights (SDR) of 45.11 million (about \$47.5 million US). The PRGF was approved on 21st December 2000 and will expire on 20th December 2003. To date, the amount drawn under the facility is SDR 20.44 million. It is probable that the facility will expire before Malawi withdraws the full-approved amount. The IMF will only release another tranche once they are convinced that Malawi's macroeconomic programme is back on track. Government over-expenditure and the continued accumulation of arrears are the underpinning factors for IMF's withholding of further aid flows.

Following the IMF's position with Malawi's performance under the PRGF, other donors also withheld their aid. Notably, the British Government has not released its pledge of £12.5 million of balance of payment (BOP) support. The European Union withheld their Structural Adjustment Facility (SAF) tranche of 15 million Euro (K700 million). The EU prepared an Audit report, which revealed anomalies in procurement procedures with the rehabilitation of Chileka Road, inadequate reporting on amounts spent by the Ministry of Health and Population (Medical Stores) and expenditure of funds on non-eligible items under agreements between the EU and the Government. In addition to cancelling their disbursements, the EU has requested Malawi to refund 7.43 million Euro (about MK500 million). Furthermore, the EU is requesting a refund of 2 million Euro (about MK150 million) expended under the Food Security programme. The Committee notes that the 2002/03 budget includes MK448 million under vote number 277 (Special Activities) for the repayment of European Union funds. The Committee wishes to know whether the amount estimated will be sufficient for the EU to resume its aid to Malawi?

Project grants are flowing as projected. At MK3.7 billion, projections for the financial year are just below the K3.9 billion initially projected. The revised estimate for 2001/2002 is just 3% above the project grants received in 2000/01.

HIPC Inflows and Outflows

The 2001/02 Budget projected HIPC inflows of MK4.7 billion. Inflows have been revised to K3.3 billion for the current budget. Details on the usage of HIPC resources are given in Section 7 of the Budget and Finance Committee's Pre-Budget Report to Parliament. It suffices to mention that HIPC resources are supposed to be supplementary to Government funds and should not be considered as a substitute. The experience this year has shown that Government reduced its expenditure on budget lines that had HIPC allocations. In other cases, Government stopped direct funding of poverty interventions and relied completely on HIPC resources.

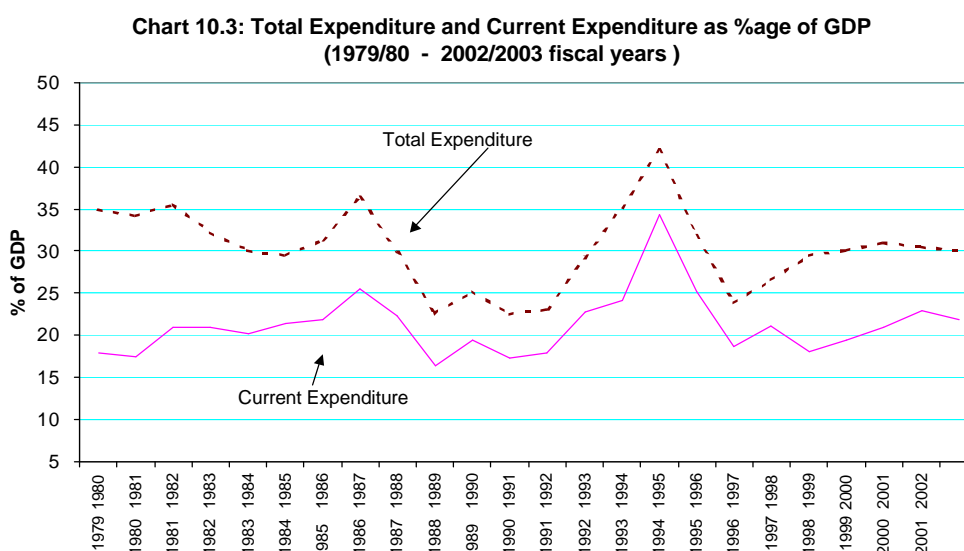
Table 2 (PPEs and HIPC Performance in 2001/02) from Budget Document No 4A gives the approved allocations for the beneficiary PPEs and the percentage of utilisation of HIPC resources. The table shows that total approved allocation of HIPC resources was MK2.93 billion but only MK1.985 billion (or 67.7% of the allocation) was utilised. The Committee wishes to raise the following questions concerning HIPC resources.

- ❑ Some ministries used much less than the amounts allocated to them from HIPC funds. For example, Ministry of Commerce & Industry only used 23%, Mining 47.3% and Ministry of Tourism 28.6%. None of the PPEs used 100% of its HIPC allocation. Was there a special reason why some Ministries were not funded as much as others were? What were the criteria for denying funds to those PPEs that received much less than others?
- ❑ HIPC inflows are estimated at MK3.3 billion for the 2001/02 financial year. How come only MK1.9 billion has been utilised. Does it mean that the HIPC account at the Reserve Bank of Malawi maintains the balance of MK1.4 billion?

- For the 2002/03 budget, total inflows are estimated at MK3.3 billion. Most of the funds have been already been allocated to different sectors except for MK184 million which remains unallocated. The Committee wishes to know what procedure the Ministry of Finance will use to allocate the remainder. Last year, there was MK1.7 billion unallocated and Parliament was not involved in deciding the activities to get allocations. Instead, it was the Cabinet Committee on the Economy that allocated some of the funds. The Committee thinks that the system of allocating HIPC funds should be more participatory and should therefore include additional stakeholders. The Committee is therefore keen to know the system that will be used instead of that of the Cabinet Committee on the Economy.
- The 2002/03 HIPC allocations are already posted. The question is, who made these allocations and what were the criteria used to determine the beneficiaries? The Committee notes that there are some new activities like 'small scale fish farming and the inspection of primary and secondary schools which are not part of the original list of priority poverty expenditures. The Committee may agree with the choice of these activities to be funded through the HIPC Initiative. However, it is concerned that the choice of activities to benefit from HIPC resources is not conducted in a transparent manner as advocated in the PRSP process. Will the Ministry of Finance be deciding on which activities to fund from HIPC resources without the involvement of any other stakeholder?
- How much is the balance in the HIPC account and how come Malawi did not get all the MK4.7 billion as estimated in the 2001/2002 budget?

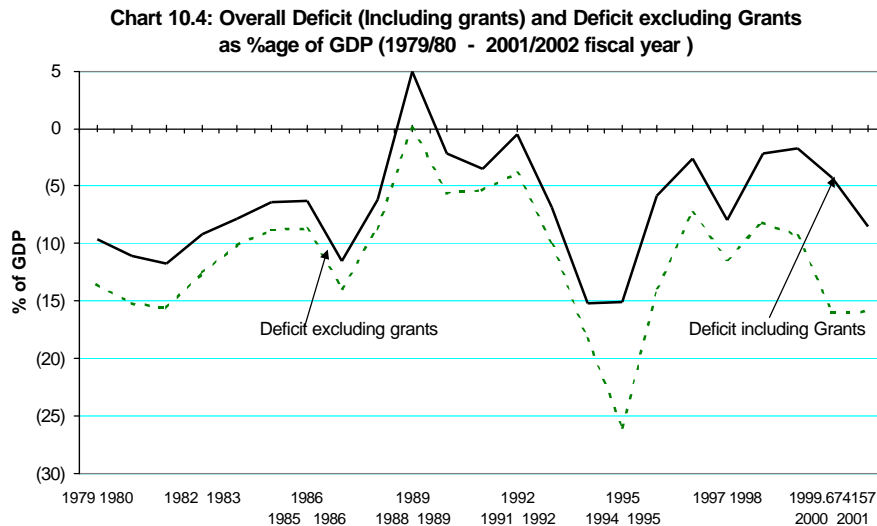
1.2.2 Total Expenditure

The 2001/2002 Budget Statement estimated total expenditure at K45.875 billion (or 32.5% of GDP). The amount included K3.5 billion (2.5% of GDP) for payment of arrears accumulated during the 2000/01 financial year. The 2002/03 Budget Documents show that the 'Approved Budget' for 2001/02 has MK40.9 billion in total



expenditure. Revised estimates project total expenditure to be MK44 billion and therefore to remain at more or less the same proportion of GDP (30.5% of GDP) as in the 2000/2001 Budget. Chart 10.3 graphs the total expenditure / GDP ratio from 1979/1980 to the 2002/2003 budget.

Given that total revenue and grants are projected to be K10.5 billion less than the initial estimates, expenditure should have been reduced proportionately. This is the



worst performance of the budget since 1994. The deficit excluding grants is at 15.9%

1.3 Total Recurrent Expenditure

Recurrent expenditure is composed of statutory expenditure, personal emoluments, and Other Recurrent Transactions (ORT). Total recurrent expenditure was initially estimated at K32.2 billion (22.8% of GDP). Revised estimates indicate an increase in recurrent expenditure to K33.1 billion (23.3% of GDP). The Recurrent Account included K3.5 billion to pay for contingent liabilities and other prior commitments for loans guaranteed by Government for parastatals. Expectations were that the whole amount of K3.5 billion was to be generated from additional cost-recovery and cost sharing measures. Unfortunately, the revenue-generating measures failed to generate that sum of money.

1.3.1.1 Statutory Expenditure

Statutory expenditures include the presidency, public debt, pensions and gratuities, compensation and refunds. These are charges whose payment from the Consolidated Account is provided for by Section 174 of the Constitution of Malawi. General Compensation and 'any moneys required to satisfy any judgement, decision or award made or given against the Government by any court or tribunal other than those provided for in the National Compensation Fund' constitute part of statutory expenditure.

The Approved budget included statutory expenditures of MK10.7 billion or 33% of the Recurrent Account. The Table below gives the list of payments approved and

2001/02 and 2002/2003 Statutory Expenditure				
Description	2001/02 Approved as Monitored by B. & F Committee *	2001/02 Approved Budget (as in budget Doc 4A)	2001/02 Revised Estimates	2002/03 Draft Estimates
The Presidency	750 000 000	750 000 000	750 000 000	750 000 000
General Compensation	140 725 600	650 725 600	130 393 594	50 000 000
APEX	300 000 000	300 000 000	0	
SECUCOM	528 000 000	52 800 000	0	
Land Rovers	168 000 000	168 000 000	180 521 524	
TATAs	450 000 000	939 000 000	60 000 000	
ADMARC Overdraft & Payment to NFRA	1 000 000 000	1 000 000	0	
MPs Vehicles	72 000 000	72 000 000	66 000 000	
Sub - total	2 658 725 600	2 183 525 600	436 915 118	50 000 000
Pensions & Gratuities	1 499 000 000	1 499 000 000	1 349 088 353	1 656 000 000
Pensions	570 000 000	570 000 000	580 000 000	598 000 000
Gratuities	929 000 000	929 000 000	769 088 353	1 058 000 000
Public Debt Charges	6 570 900 000	14 946 349 815	14 002 720 000	11 445 300 000
Interest	6 570 900 000	6 570 900 000	6 961 050 000	6 696 800 000
Principal (repayment)	8 375 449 815	8 375 449 815	7 041 670 000	4 748 500 000
	8 375 449 815		0	
Total Statutory Expenditure	10 728 625 600	10 253 425 600	15 788 723 471	13 151 300 000

* The figures are as they appear in 2001/02 Budget Document No4

Source: 2001/02 and 2002/03 Budget Documents No4A

Financial Statement for the Financial Year 2002/03.

revised estimates for statutory expenditure. The Committee observed that Government may still have to honour payments, which have not yet been paid.

The table contains a column with items in the 2001/02 Statutory Expenditure as originally approved by Parliament. The Committee notes that the amounts allocated to individual items (as reported in the 2002/03 Budget Documents) have been adjusted.

The table shows that some payments under general compensation are not yet made. The Committee wants to know why these payments were not paid and whether they will be carried forward into the 2002/2003 Budget.

The Budget provided for MK1.0 billion for an ADMARC overdraft and payment to NFRA. To finance the operation, Government issued special stocks worth K700 million to the Commercial Bank of Malawi and National Bank of Malawi at 25% interest negotiable over a 3-year window. This operation delays payment and will cost Government more money in interest upon maturity of the stocks. The Committee wishes to know upon what basis Government made this decision when the provision for immediate payment was there in the statutory expenditures?













The provision for public debt charges was projected at MK6.57 billion for interest payment and MK8.4 billion for the repayment of principal. The total of MK14.9 billion (10.3% of GDP) makes 'public debt charges' the single largest budget item in

the recurrent account. The official external debt is now at US\$2.7 billion (equivalent to MK206.82 billion) and the official domestic debt stock is at MK23.0 billion. The total debt therefore represents 172.2% of GDP. The total debt service for the 2002/03 year will represent 25.2% of the total budget.

1.3.1.2 Personal Emoluments and Other Recurrent Transactions

Based on the budget analysis, the Budget and Finance Committee makes the following observations:

- (1) The following votes exceeded their approved allocations (see annexe tables for the approved budgets per vote and revised estimates:

	State Residences: Has spent 70% more than the approved budget
	OPC: Has spent 2.7% more than the approved allocation
	Ministry of Defence: Has spent 7.2 % more than allocation
	Ministry of Agriculture & Irrigation: 12.3 % more than budget
	Office of the V. President: Has spent 31.4 % above the Budget
	Min. of Foreign Affairs: 41.6 % above budget
	Subventions: Funding to parastatals was 30.7 % above the budget
	Ministry of Information: ORT was 9.8 % above annual budget
	POLICE: 14.7 % above approved budget
	Commerce & Industry : 75.7 % above budget
	Prisons Department : ORT was 16.8 % above annual budget
	Geological Survey : 31 % above approved budget

In the 2001/02 Budget Statement, one of the expenditure control measures supporting the Budget was that "Disciplinary action to be taken against Controlling Officers who fail to adhere to the approved budget or exceed their provisions without Treasury authority." (Page 32)

- (2) The Ministry of Finance made the budget cuts single-handedly without considering PPE priorities. The Committee is concerned with some of the budget cuts as shown in the annexe tables. Of special mention are the following budget cuts, Judiciary (-38%), District & Local Government (-19%), District Assemblies (-50%), National Statistical Office (-19.2%) Ministry of Water Development (-38.7%) Ministry of Health (-8%), Women, Youth & Community Services (-30%), Ministry of Justice (-28%). The Committee wishes to know the criteria used to revise the recurrent budget and why Parliament was not engaged in this process?
- (3) The share of ORT expenditure in total recurrent expenditure has not improved for the major sectors of agriculture, health and education. The shares were expected to increase because of additional pro-poor funding from HIPC injected in these sectors. Actual expenditure in agriculture and in health remain at the same level of 4% and 9.9% of total recurrent expenditure, respectively. The share of education has actually dropped to 13.1% after reaching 21% in 1997/98 (see table 10.9).

	Table 10.9: Share of Agriculture, Education and Health Recurrent Expenditure In Total Recurrent Expenditure (1993/94 - 2001/2002)								
	1993/ 1994	1994/ 1995	1995/1996	1996/ 1997	1997/ 1998	1998/1999	1999/ 2000	2000/ 2001	2001/ 2002
Agriculture Expenditure	5.6	7.1	9.0	5.1	5.4	4.2	4.9	4.0	4.0
Education Expenditure	9.9	10.5	16.3	19	20.8	13.6	15.6	13.8	13.1
Health Expenditure	6	8.3	6.2	9.2	8.5	6.2	8.7	9.9	9.9

Source: World Bank: Malawi Public Expenditures, Issues and Options

(4) Vote number 277 (Special Activities) contained large payments that were not honoured even though they were provided for in the vote. The Committee wishes to know why the following payments were not made and whether their non-payment would mean their inclusion in the 2002/03 Budget.

- The Disaster Fund with MK100 million provision and only. Why was it not used during the floods and other calamities we have had in Malawi? How does the Disaster Fund work?
- Payment for graders is a lot higher than the budget. Did Malawi purchase more graders? Malawi paid out MK279 million when the budget was only MK180 million.
- The provision of K100 million for starter pack under vote 277 was done on the understanding that the amount was to pay for arrears accumulated during last year's budget. If this information is correct, then why was the whole amount not paid?
- For the 2002/03 budget, only K100 million has been estimated to be used for the payment of arrears on behalf of various Ministries /Departments. The amount seems modest in the light of the report in the Economic Report 2002 that Government owes utility companies more than MK696 million.

1.4 Poverty Priority Expenditures

Poverty Priority Expenditures (PPEs) were defined during the formulation of the PRSP *Findings to Date* document. PPEs are expenditure items that are believed to have the highest impact on poverty reduction. This is the first time that the Budget Documents make reference to the PPEs and the Committee acknowledges that the PPEs have been listed in the budget documents as "Protected Expenditure" [See Budget Document No.3 page 18]. The Budget and Finance Committee has always recommended that budget cuts should not affect the allocation given to the PPEs.

During the 2001/02 budget, there is no single PPEs that received all the funds originally allocated to it. Budget cuts affected each PPE, with teacher training and tourism using only 37% of the original allocations. Annex 1 lists the approved and revised allocations, and the utilisation rate of the funds for all the PPEs during the 2001/02 budget. The Committee notes the following:

- (i) The approved allocation for all PPEs was MK7.4 billion. Government was to fund MK4.46 billion or 60% of the total and the rest was to come from HIPC resources. According to Annex 2, Government funded 88% of its approved allocation whereas the utilisation rate for HIPC funds was only 68%, for an overall utilization rate of 80 %. Total HIPC inflows for the 2001/02 budget are estimated to be more than MK3.4 billion. The Committee wishes to know why only MK2.0 billion was utilised. Is the rest of the money still available in the HIPC account at the Reserve Bank of Malawi?
- (ii) The Committee and the PRSP considers *Agriculture Extension* as one of the highest priorities for pro-poor growth. According to the budget document No.4A; Government did not use any of its own resources to fund extension services. Instead, MK165.4 million of HIPC resources were utilised out of an approved allocation of MK202 million.

The information provided in Budget Document No.4A (page3) differs with that given on page 138 of the same document. According to the latter, the approved budget was MK62.6 million and total expenditure on Extension Services was MK318 million. In the budget document No. 3 page 18, the approved allocation was MK207 million and the revised expenditure is MK170.7 million. The Committee is concerned with such huge differences in the figures and wishes to know the correct figure?

- (iii) Agriculture Extension will have an allocation of MK100 million in 2002/03. This represents more than 50% reduction in the original allocation in 2001/02. The Committee recommended an increase for agriculture extension in 2002/03. The Committee strongly recommends that the proposed allocation of MK100 be revised upwards to a figure not less than that of the 2001/02 allocation.
- (iv) In the 2002/03 Budget, there are several new PPEs that were added to the original list. The initial list was arrived at in a consultative process as part of the PRSP process. It is critical that the same process be followed each time there may be need to add additional items to the list of PPEs. The Committee may agree with the choice of the additional items but that does not justify the single-handed approach taken in deciding the items to add as new PPEs. The allocation of HIPC resources to the different PPEs should be done in a consultative process.

1.5 Recommendations

The Committee wishes to make the following recommendations to Parliament and Government:

- All budget documents (including Budget Document 4B) should be made available to the Budget and Finance Committee and the Parliament during the debate on the budget.

- Any revisions to the 2002/03 Budget should be referred to the Budget and Finance Committee to review on behalf of and to report to Parliament.
- The allocation of HIPC resources and any revisions to the Priority Poverty Expenditures should be developed through a consultative process with Parliament and the public.
- The Committee applauds the work of the Ministry of Finance and Economic Planning in drafting a budget that lives within our means. We urge government ministries to abide by this document.

ANNEXES

Annex 1

PPEs and HIPC Performance 2001/2002 (in millions of Kwacha)

Pillar/Sector/Activity	Approved Allocation			Revised Expenditure			% Utilisation		
	GOM	HIPC	TOTAL	GOM	HIPC	TOTAL	GOM	HIPC	TOTAL
Pillar 1: Pro-Poor Growth									
Agriculture									
Agriculture Extension	0.0	202.0	202.0	0.0	165.4	165.4	0.0	81.9	81.9
Water									
Rural Water Supplies	22.2	0.0	22.2	17.8	0.0	17.8	80.2	0.0	80.2
Borehole/ Dam Construction & Rehabilitation	0.0	350.0	350.0	0.0	262.9	262.9	0.0	75.1	75.1
National Roads Authority									
Rural Feeder Roads	655.0	202.0	857.0	650.0	151.0	801.0	99.2	74.8	93.5
Mining									
Small Scale mining	17.5	60.0	77.5	16.0	28.4	44.4	91.4	47.3	57.3
Labour									
Technical and Vocational Training	23.9	195.7	219.6	16.2	97.9	114.1	67.8	50.0	52.0
Commerce									
Small Scale and Medium Enterprise Promotion	15.9	153.0	168.9	12.2	35.1	47.3	76.7	22.9	28.0
Tourism									
Promotion of tourism	30.3	65.0	95.3	17.1	18.6	35.7	56.4	28.6	37.5
Pillar 2: Human Capital Development									
Education									
Primary Education	820.5	0.0	820.5	822.3	0.0	822.3	100.2	0.0	100.2
Teaching and Learning Materials	171.9	457.0	628.9	275.0	403.5	678.5	160.0	88.3	107.9
Secondary Education	421.5	0.0	421.5	231.5	0.0	231.5	54.9	0.0	54.9
Teacher Training	62.6	285.0	347.6	0.0	130.0	130.0	0.0	45.6	37.4
Health									
Primary Health Care	627.8	199.2	827.0	530.9	121.9	652.8	84.6	61.2	78.9
Preventive Health Care	17.0	0.0	17.0	21.1	0.0	21.1	124.1	0.0	124.1
Secondary Curative Care	827.2	0.0	827.2	662.7	0.0	662.7	80.1	0.0	80.1
Health Workers' Training	62.0	88.0	150.0	51.5	73.5	125.0	83.1	83.5	83.3
Drugs	516.0	547.0	1,063.0	370.0	424.0	794.0	71.7	77.5	74.7
Gender, Youth & Community Services									
Family Welfare Services	3.6	13.0	16.6	3.9	7.4	11.3	108.3	56.9	68.1

Children Services	2.3	7.8	10.1	2.2	4.4	6.6	95.7	56.4	65.3
Adult Literacy Education	15.6	58.5	74.1	29.6	30.1	59.7	189.7	51.5	80.6
Pillar 3: Improving the Quality of Life for the Most Vulnerable									
Targeted Inputs Programme	130.0	0.0	130.0	196.0	0.0	196.0	150.8	0.0	150.8
Pillar 4: Good Governance									
Police									
Community Policing	3.2	0.0	3.2	2.8	0.0	2.8	87.5	0.0	87.5
Cross Cutting									
Gender Mainstreaming	13.6	50.7	64.3	12.5	31.7	44.2	91.9	62.5	68.7
TOTAL	4,459.6	2,933.9	7,393.5	3,941.3	1,985.8	5,927.1	88.4	67.7	80.2

Source: Budget document No.4A , Page 3

Malawi: Central Government Operations, 2000/01

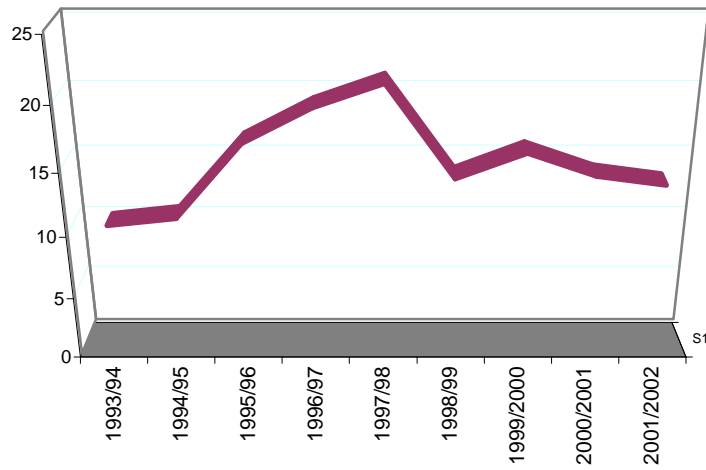
	Table 13: Revised Estimates for the 2001/2002 Budget						2002/03 2001/02 % growth (8 / 5) %	2002/03 2001/02 % growth (8 / 3)
	2000/01 Annual Act. 2	2001/02 Estimated Budget 3	Revised Projections 5	2000/01 to 2001/02 % growth 6 (5/2)	Difference (5-3) 7	Annual Proj. 8		
Total Revenue and Grants	31,233.1	42,489.6	31,944.3	2.3	-10,545.3	43,153.6	35.1	1.6
Revenue	20,879.9	26,653.2	22,603.8	8.3	-4,049.4	27,144.2	20.1	1.8
Tax Revenue	19,284.8	24,548.9	20,120.2	4.3	-4,428.7	24,258.7	20.6	-1.2
Taxes on income and profits	8,740.2	10,900.0	9,255.4	5.9	-1,644.6	10,584.0	14.4	-2.9
Taxes on goods and services	8,169.5	10,465.2	8,737.2	6.9	-1,728.0	11,076.8	26.8	5.8
Taxes on international trade	2,384.7	3,026.6	2,414.7	1.3	-611.9	2,928.1	21.3	-3.3
Miscellaneous Duties		768.3						
Other (including refunds)	-9.6	-611.2	-287.1		324.1	-330.2	15.0	-46.0
Non-tax Revenue	1,595.1	2,104.3	2,483.6	55.7	379.3	2,885.5	16.2	37.1
Other Revenue	1,035.8	1,335.2	1,190.8	15.0	-144.4	1,329.9	11.7	-0.4
Receipts from PIL for NRA	559.3	769.1	1,179.8	110.9	410.7	1,231.7	4.4	60.1
Receipts from PIL for safety nets			113.0			323.9	186.6	
Grants	10,353.2	15,836.4	9,340.5	-9.8	-6,495.9	16,009.4	71.4	1.1
BOP support	6,209.2	7,711.5	2,375.1	-61.7	-5,336.4	9,041.8	280.7	17.3
Project	3,565.2	3,826.9	3,667.9	2.9	-159.0	3,558.1	-3.0	-7.0
HIPC	578.8	4,298.0	3,297.5	469.7	-1,000.5	3,409.5	3.4	-20.7
Total expenditure	37,828.2	40,912.1	44,072.2	16.5	3,160.1	45,230.9	2.6	10.6
Current expenditure	25,713.3	30,165.2	33,086.2	28.7	2,921.0	32,792.3	-0.9	8.7
Wages and salaries	5,954.2	8,574.9	8,686.7	45.9	111.8	9,283.1	6.9	8.3
- of which: measures								
Interest payments	5,267.0	4,611.1	7,573.7	43.8	2,962.6	6,664.7	-12.0	44.5
Domestic	3,426.2	2,385.9	5,818.7	69.8	3,432.8	4,488.0	-22.9	88.1
Foreign	1,840.8	2,225.5	1,755.0	-4.7	-470.5	2,176.7	24.0	-2.2
Other recurrent transactions	13,809.9	16,979.2	16,708.0	21.0	-271.2	16,244.3	-2.8	-4.3
- of which: measures			-1,871.4		-1,871.4			
Additional pro-poor expenditure	66.0	4,715.0	0.0		-4,715.0	600.2		
Expenditure in arrears	616.2	3,501.0	117.8		-3,383.2	0.0		
Development Expenditure	11,530.5	10,746.9	10,986.0	-4.7	239.1	12,438.6	13.2	15.7
Part I (foreign financed)	9,789.5	7,823.1	8,806.1	-10.0	983.0	9,852.7	11.9	25.9
Part II (domestically financed)	1,741.0	2,923.8	2,179.9	25.2	-743.9	2,585.9	18.6	-11.6
- of which: measures		0.0	0.0					
Overall balance (including grants)	-6,595.1	1,577.5	-12,127.9	83.9	-13,705.4	-2,077.3	-82.9	-231.7
Overall balance (excluding grants)	-16,948.3	-14,258.9	-21,468.4	-8.2	-7,209.5	-18,086.7	17.5	-8.7
Total Financing	6,885.6	-1,577.3	11,587.0	68.3	13,164.3	1,978.4	-82.9	-225.4
Foreign (net)	5,484.6	1,396.3	1,305.6	-76.2	-90.7	5,300.6	306.0	279.6
Borrowing	10,456.1	9,923.3	5,138.2	-50.9	-4,785.1	9,881.1	92.3	-0.4
BOP support	4,520.6	7,711.5	0.0		-7,711.5	3,586.5		-53.5
Project loans	5,935.5	2,211.8	5,138.2		2,926.4	6,294.6	22.5	184.6
Repayments	-5,129.4	-8,375.4	-3,541.6		4,833.8	-4,771.1	34.7	-43.0
Special loans (net)	157.9	-151.6	-291.0		-139.4	190.6	-165.5	-225.7
Disbursement	588.7	454.6	152.4		-302.2	0.0	-100.0	-100.0
Repayment	-430.8	-606.2	-443.4		162.8	190.6	-143.0	-131.4
Domestic (net)	1,401.0	-2,973.6	10,281.4	633.9	13,255.0	-3,322.2	-132.3	11.7

Percentage of Gross Domestic Product (GDP)

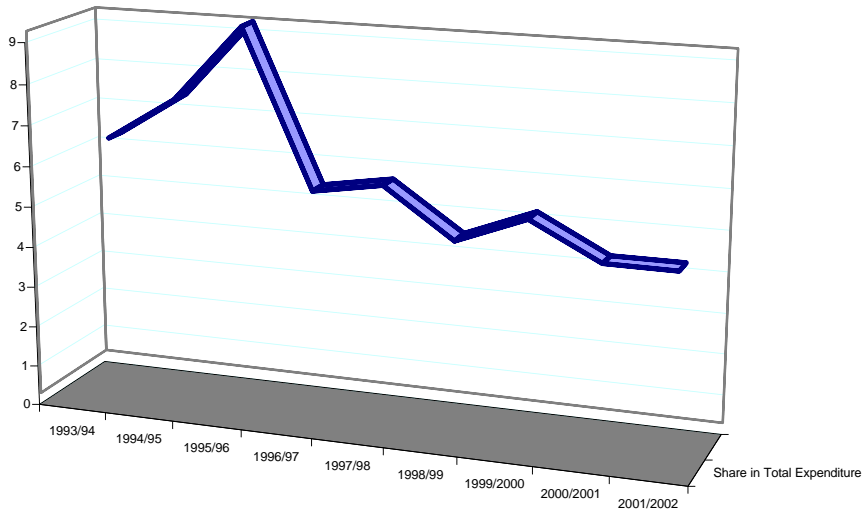
	2001/02	2001/02	2002/03
	Estimated	Prog.	Draft
	Budget	Feb. Mis.	Est.
Total Revenue and Grants	29.9	22.6	28.6
Revenue	18.8	16.0	18.0
Tax Revenue	17.3	14.3	16.1
Taxes on income and profits	7.7	6.6	7.0
Taxes on goods and services	7.4	6.0	7.4
Taxes on international trade	2.1	1.7	1.9
Other (including refunds)	-0.4	0.0	-0.2
Non-tax Revenue	1.5	1.7	1.9
Other Revenue	0.9	0.8	0.9
Receipts from PIL for NRA	0.5	0.8	0.8
Receipts from PIL for safety nets	0.0	0.0	0.2
Revenue measures	0.0	0.0	0.0
Grants	11.1	6.6	10.6
BOP support	5.4	1.6	6.0
Project	2.7	2.7	2.4
HIPC	3.0	2.3	2.3
Total expenditure and Net Lending	28.8	30.4	30.0
Total expenditure	28.8	30.4	30.0
Current expenditure	21.2	22.7	21.8
Wages and salaries	6.0	6.0	6.2
- of which: measures			
Interest payments	3.2	5.0	4.4
Domestic	1.7	3.8	3.0
Foreign	1.6	1.2	1.4
Other recurrent transactions	11.9	11.8	10.8
- of which: measures	0.0	-1.5	0.0
Additional pro-poor expenditure (ye	3.3	0.0	0.4
Expenditure in arrears	2.5	0.0	0.0
Unidentified expenditure measures	0.0	0.0	0.0
Development Expenditure	7.6	7.7	8.3
Part I (foreign financed)	5.5	6.1	6.5
Part II (domestically financed)	2.1	1.6	1.7
- of which: measures	0.0	0.0	0.0
Overall balance (including grants)	1.1	-7.9	-1.4
Total Financing	-1.1	7.8	1.4
Foreign (net)	1.0	0.7	3.3
Borrowing	3.9	3.4	6.3
BOP support	0.7	0.0	2.4
Project loans	3.3	3.4	3.9
Repayments	-2.7	-2.5	-3.2
Special loans (net)	-0.3	-0.2	0.1
Disbursement	0.2	0.2	0.0
Repayment	-0.4	-0.4	0.1
Domestic (net)	-2.1	7.0	-1.9
GDP at Market Prices	142,105.7		150,678.6

Discrepancy

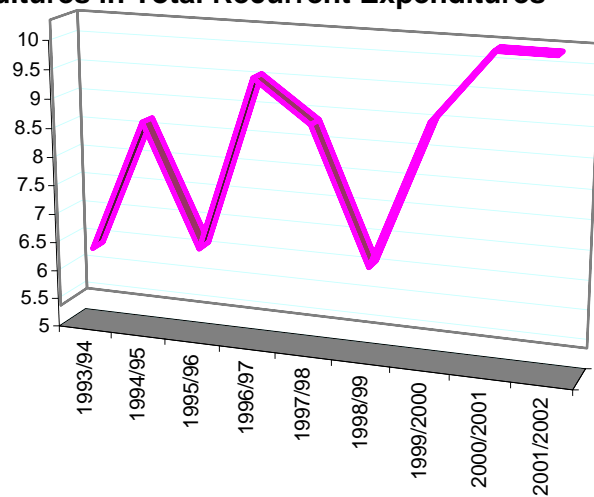
Share of Education Expenditures in Total Recurrent Expenditures



Share of Agriculture Expenditures in Total Recurrent Expenditures



Share of Health Expenditures in Total Recurrent Expenditures



Aggregated Allocations

Code No.	Description		Approved budget	Total Approved Budget	2002/03 Draft Estimate	Total Draft Estimate	CHANGE
50	State Residences	PE	33,269,250	306,878,991.00	64,045,731	256,915,900	-16.3
		ORT	273,609,741		192,870,169		
60	National Audit Office	PE	17,504,543	34,059,708.00	25,011,922	37,011,922	8.7
		ORT	16,555,165		12,000,000		
70	Judiciary	PE	240,400,202	317,981,520.00	158,408,225	209,945,000	-34.0
		ORT	77,581,318		51,536,775		
80	National Assembly	PE	142,360,394	346,222,809.00	156,903,657	292,328,200	-15.6
		ORT	203,862,415		135,424,543		
90	OPC	PE	131,812,849	433,841,442.00	180,600,848	485,164,681	11.8
		ORT	302,028,593		304,563,833		
91	District & Local Government Administration	PE	115,940,687	198,001,639.00	58,277,529	112,790,100	-43.0
		ORT	82,060,952		54,512,571		
92	Ministry of Statutory Corporations	PE	7,333,626	15,381,071.00	9,055,077	19,055,077	23.9
		ORT	8,047,445		10,000,000		
93	Dept. of Human Res. Man. & Development	PE	52,219,844	78,963,039.00	49,991,002	67,756,300	-14.2
		ORT	26,743,195		17,765,298		
94	District Assemblies	PE	35,000,000	249,652,600.00	56,000,000	298,592,400	19.6
		ORT	214,652,600		242,592,400		
95	National Intelligence Bureau	PE	22,954,507	94,177,035.00	0	60,312,702	-36.0
		ORT	71,222,528		60,312,702		
100	Ministry of Defence	PE	560,709,117	890,097,698.00	16,250,657	45,534,711	-94.9
		ORT	329,388,581		29,284,054		
101	Malawi Defence Force	PE	0	0.00	569,102,882	954,465,289	
		ORT	0		385,362,407		
110	National Economic Council	PE	17,810,572	38,099,655.00	22,973,017	36,450,900	-4.3
		ORT	20,289,083		13,477,883		
111	National Statistical Office	PE	25,374,691	59,906,536.00	23,299,341	57,831,200	-3.5
		ORT	34,531,845		34,531,859		
130	Lands, Housing Physical Planning & Survey	PE	133,208,388	424,788,458.00	73,884,699	358,838,900	-15.5
		ORT	291,580,070		284,954,201		
190	Agriculture & Irrigation	PE	522,581,523	1,218,784,114.00	624,605,371	1,507,088,600	23.7
		ORT	696,202,591		882,483,229		

Aggregated Allocations

Code No.	Description		Approved budget	Total Approved Budget	2002/03 Draft Estimate	Total Draft Estimate	CHANGE																																																																																																																																																																								
200	Responsible for People with Disabilities	PE	6,243,969	33,113,079.00	6,449,127	27,298,100	-17.6																																																																																																																																																																								
		ORT	26,869,110		20,848,973			210	Ministry of Water Development	PE	109,612,140	184,153,274.00	121,960,814	187,478,000	1.8	ORT	74,541,134	65,517,186	220	Ministry of Housing	PE	0	0.00	36,942,200	52,683,000		ORT	0	15,740,800	240	Office of the Vice President	PE	9,676,155	54,834,191.00	16,892,864	64,708,700	18.0	ORT	45,158,036	47,815,836	250	Education Science & Technology	PE	2,504,405,480	4,300,177,500.00	3,609,000,000	5,051,920,700	17.5	ORT	1,795,772,020	1,442,920,700	251	Department of Sports & Culture	PE	28,922,600	71,431,221.00	27,295,769	55,534,000	-22.3	ORT	42,508,621	28,238,231	260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0	ORT	537,292,136	303,911,000	270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167
210	Ministry of Water Development	PE	109,612,140	184,153,274.00	121,960,814	187,478,000	1.8																																																																																																																																																																								
		ORT	74,541,134		65,517,186			220	Ministry of Housing	PE	0	0.00	36,942,200	52,683,000		ORT	0	15,740,800	240	Office of the Vice President	PE	9,676,155	54,834,191.00	16,892,864	64,708,700	18.0	ORT	45,158,036	47,815,836	250	Education Science & Technology	PE	2,504,405,480	4,300,177,500.00	3,609,000,000	5,051,920,700	17.5	ORT	1,795,772,020	1,442,920,700	251	Department of Sports & Culture	PE	28,922,600	71,431,221.00	27,295,769	55,534,000	-22.3	ORT	42,508,621	28,238,231	260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0	ORT	537,292,136	303,911,000	270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933						
220	Ministry of Housing	PE	0	0.00	36,942,200	52,683,000																																																																																																																																																																									
		ORT	0		15,740,800			240	Office of the Vice President	PE	9,676,155	54,834,191.00	16,892,864	64,708,700	18.0	ORT	45,158,036	47,815,836	250	Education Science & Technology	PE	2,504,405,480	4,300,177,500.00	3,609,000,000	5,051,920,700	17.5	ORT	1,795,772,020	1,442,920,700	251	Department of Sports & Culture	PE	28,922,600	71,431,221.00	27,295,769	55,534,000	-22.3	ORT	42,508,621	28,238,231	260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0	ORT	537,292,136	303,911,000	270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																	
240	Office of the Vice President	PE	9,676,155	54,834,191.00	16,892,864	64,708,700	18.0																																																																																																																																																																								
		ORT	45,158,036		47,815,836			250	Education Science & Technology	PE	2,504,405,480	4,300,177,500.00	3,609,000,000	5,051,920,700	17.5	ORT	1,795,772,020	1,442,920,700	251	Department of Sports & Culture	PE	28,922,600	71,431,221.00	27,295,769	55,534,000	-22.3	ORT	42,508,621	28,238,231	260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0	ORT	537,292,136	303,911,000	270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																												
250	Education Science & Technology	PE	2,504,405,480	4,300,177,500.00	3,609,000,000	5,051,920,700	17.5																																																																																																																																																																								
		ORT	1,795,772,020		1,442,920,700			251	Department of Sports & Culture	PE	28,922,600	71,431,221.00	27,295,769	55,534,000	-22.3	ORT	42,508,621	28,238,231	260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0	ORT	537,292,136	303,911,000	270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																							
251	Department of Sports & Culture	PE	28,922,600	71,431,221.00	27,295,769	55,534,000	-22.3																																																																																																																																																																								
		ORT	42,508,621		28,238,231			260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0	ORT	537,292,136	303,911,000	270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																		
260	Ministry of Foreign Affairs	PE	284,317,339	821,609,475.00	517,290,000	821,201,000	0.0																																																																																																																																																																								
		ORT	537,292,136		303,911,000			270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3	ORT	94,067,163	85,488,257	271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																													
270	Ministry of Finance	PE	69,258,343	163,325,506.00	69,258,343	154,746,600	-5.3																																																																																																																																																																								
		ORT	94,067,163		85,488,257			271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5	ORT	29,137,179	25,245,640	272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																								
271	Accountant General	PE	41,795,860	70,933,039.00	41,795,860	67,041,500	-5.5																																																																																																																																																																								
		ORT	29,137,179		25,245,640			272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3		29,357,665	25,392,084	273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																			
272	Data Processing Department		13,410,518	42,768,183.00	18,781,116	44,173,200	3.3																																																																																																																																																																								
			29,357,665		25,392,084			273	Malawi Revenue Authority				845,000,000	845,000,000		275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8			1,672,000,000	277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																														
273	Malawi Revenue Authority				845,000,000	845,000,000																																																																																																																																																																									
275	Subventions		1,116,000,000	1,116,000,000.00		1,672,000,000	49.8																																																																																																																																																																								
					1,672,000,000			277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0	ORT	3,406,827,500	1,896,900,000	300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																																																	
277	Special Activities	PE	237,900,625	3,644,728,125.00	0	1,896,900,000	-48.0																																																																																																																																																																								
		ORT	3,406,827,500		1,896,900,000			300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319		ORT	0	19,071,991	310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																																																												
300	Ministry of Poverty Alleviation	PE	0	0.00	8,448,328	27,520,319																																																																																																																																																																									
		ORT	0		19,071,991			310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2	ORT	2,356,216,204	2,395,220,365	320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																																																																							
310	Ministry of Health & Population	PE	1,009,349,148	3,365,565,352.00	1,213,908,835	3,609,129,200	7.2																																																																																																																																																																								
		ORT	2,356,216,204		2,395,220,365			320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4	ORT	169,018,793	212,278,212	330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																																																																																		
320	Gender Youth & Community services	PE	84,239,656	253,258,449.00	100,309,388	312,587,600	23.4																																																																																																																																																																								
		ORT	169,018,793		212,278,212			330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1	ORT	38,892,285	25,835,933																																																																																																																																																													
330	Ministry of Information	PE	29,436,165	68,328,450.00	34,904,167	60,740,100	-11.1																																																																																																																																																																								
		ORT	38,892,285		25,835,933																																																																																																																																																																										

Aggregated Allocations

Code No.	Description		Approved budget	Total Approved Budget	2002/03 Draft Estimate	Total Draft Estimate	CHANGE
340	Ministry of Home Affairs	PE	12,790,199	33,769,049.00	12,790,199	31,726,300	-6.0
		ORT	20,978,850		18,936,101		
341	POLICE	PE	287,103,516	582,792,997.00	450,827,017	972,251,800	66.8
		ORT	295,689,481		521,424,783		
342	Prisons Department	PE	43,476,779	132,398,920.00	50,651,232	150,721,700	13.8
		ORT	88,922,141		100,070,468		
343	Immigration Department	PE	17,624,984	106,946,484.00	17,624,984	106,949,500	0.0
		ORT	89,321,500		89,324,516		
350	Ministry of Justice	PE	39,851,308	86,280,042.00	34,518,569	75,360,900	-12.7
		ORT	46,428,734		40,842,331		
352	Registrar General's Department	PE	5,410,039	20,821,331.00	5,410,039	20,821,300	0.0
		ORT	15,411,292		15,411,261		
353	Administraator General's Department	PE	1,711,962	3,977,762.00	3,239,571	7,744,800	94.7
		ORT	2,265,800		4,505,229		
370	Ministry of Labour & Vocational Training	PE	117,600,832	184,548,489.00	68,427,242	237,900,200	28.9
		ORT	66,947,657		169,472,958		
390	Commerce & Industry	PE	18,888,778	43,682,248.00	21,246,087	106,246,100	143.2
		ORT	24,793,470		85,000,013		
400	Ministry of Transport	PE	175,696,874	481,938,139.00	140,655,265	450,081,500	-6.6
		ORT	306,241,265		309,426,235		
420	National Roads Authority	PE	0	655 000 000 (Under vote 277)	0	1,431,700,000	
		ORT	655,000,000		1,431,700,000		
430	Human Rights Commission	PE	20,535,394	37,804,655.00	19,155,610	30,627,500	-19.0
		ORT	17,269,261		11,471,890		
460	Electoral Commission	PE	48,005,999	102,422,663.00	46,561,766	82,710,500	-19.2
		ORT	54,416,664		36,148,734		
470	Ministry of Forestry, Fishing & Environmental Affairs	PE	389,769,728	511,556,475.00	426,833,194	602,735,400	17.8
		ORT	121,786,747		175,902,206		
471	Department of Geological survey	PE	11,653,688	24,825,653.00	11,653,688	47,403,800	90.9
		ORT	13,171,965		35,750,112		
510	Anti-Corruption Bureau	PE	28,980,320	69,479,603.00	30,529,614	61,433,000	-11.6
		ORT	40,499,283		30,903,386		
550	Ombudsman	PE	12,781,284	27,984,229.00	20,012,482	28,111,700	0.5
		ORT	15,202,945		8,099,218		

Aggregated Allocations

Code No.	Description		Approved budget	Total Approved Budget	2002/03 Draft Estimate	Total Draft Estimate	CHANGE
560	Law Commission	PE	14,661,108	30,935,025.00	14,886,700	25,697,360	-16.9
		ORT	16,273,917		10,810,660		
570	Tourism Parks & Wildlife	PE	60,554,017	90,829,875.00	61,939,222	92,051,300	1.3
		ORT	30,275,858		30,112,078		
						24,313,018,561	
TOTAL VOTED EXPENDITURE			21,469,260,773			24,313,018,561	
Statutory Expenditures *			10,729,375,600			13,152,050,000	
			32,198,636,373			37,465,068,561	

Summary of 2001/2002 Approved and Revised Budget, 2002/03 Draft Estimates

Code No.	Description	Approved Estimates 2001/2002	Revised Estimates 2001/2002	2001/02 (Revised / Approved)	2002/2003 Draft Estimates	02/03 over 01/02 Revised
50	State Residences	306,878,991	521,968,799	70	256,915,900	-50.8
60	National Audit Office	34,059,708	33,610,673	-1.3	37,011,922	10.1
70	Judiciary	317,981,520	197,517,321	-37.9	209,945,000	6.3
80	National Assembly	346,222,809	333,720,875	-3.6	292,328,200	-12.4
90	OPC	433,841,442	445,724,641	2.7	485,164,681	8.8
91	Disctrict & Local Government Administration	198,001,639	160,469,136	-19.0	112,790,100	-29.7
92	Ministry of Statutory Corporations	15,381,071	13,363,510	-13.1	19,055,077	42.6
93	Dept. of Human Res. Man.& Development	78,963,039	72,549,226	-8.1	67,756,300	-6.6
94	District Assemblies	249,652,600	124,799,711	-50.0	298,592,400	139.3
95	National Intelligence Bureau	94,177,035	57,076,055	-39.4	60,312,702	5.7
100	Ministry of Defence	890,097,698	954,541,804	7.2	45,534,711	-95.2
101	Malawi Defence Force	0	0		954,465,289	#DIV/0!
110	National Economic Council	38,099,655	37,154,815	-2.5	36,450,900	-1.9
111	National Statistical Office	59,906,536	48,382,032	-19.2	57,831,200	19.5
130	Lands, Housing Physical Planning & Survey	424,788,458	301,468,271	-29.0	358,838,900	19.0
190	Agriculture & Irrigation	1,218,784,114	1,368,086,051	12.3	1,507,088,600	10.2
200	Ministry for People with Disabilities	33,113,079	25,617,929	-22.6	27,298,100	6.6
210	Ministry of Water Development	184,153,274	112,946,654	-38.7	187,478,000	66.0
220	Ministry of Housing	0	0		52,683,000	
240	Office of the Vice President	54,834,191	72,045,332	31.4	64,708,700	-10.2
250	Education Science & Technology	4,300,177,500	5,467,665,394	27.1	5,051,920,700	-7.6
251	Department of Sports & Culture	71,431,221	53,997,051	-24.4	55,534,000	2.8
260	Ministry of Foreign Affairs	821,609,475	1,163,486,533	41.6	821,201,000	-29.4
270	Ministry of Finance	163,325,506	163,179,398	-0.1	154,746,600	-5.2
271	Accountant General	70,933,039	51,209,510	-27.8	67,041,500	30.9
272	Data Processing Department	42,768,183	32,307,588	-24.5	44,173,200	36.7
275	Subventions	1,116,000,000	1,458,360,725	30.7	1,672,000,000	14.6

Summary of 2001/2002 Approved and Revised Budget, 2002/03 Draft Estimates

Code No.	Description	Approved Estimates 2001/2002	Revised Estimates 2001/2002	2001/02 (Revised / Approved)	2002/2003 Draft Estimates	02/03 over 01/02 Revised
277	Special Activities	3,644,728,125	1,556,468,220	-57.3	1,896,900,000	21.9
300	Ministry Responsible for Poverty Alleviation	0	0		27,520,319	
310	Ministry of Health & Population	3,365,565,352	3,143,718,140	-6.6	3,609,129,200	14.8
320	Gender Youth & Community services	253,258,449	207,287,689	-18.2	312,587,600	50.8
330	Ministry of Information	68,328,450	75,038,707	9.8	60,740,100	-19.1
340	Ministry of Home Affairs	33,769,049	25,651,035	-24.0	31,726,300	23.7
341	POLICE	582,792,997	668,623,082	14.7	972,251,800	45.4
342	Prisons Department	132,398,920	154,599,374	16.8	150,721,700	-2.5
343	Immigration Department	106,946,484	70,730,749	-33.9	106,949,500	51.2
350	Ministry of Justice	86,280,042	61,822,309	-28.3	75,360,900	21.9
352	Registrar General's Department	20,821,331	16,629,317	-20.1	20,821,300	25.2
353	Administrator General's Department	3,977,762	5,094,812	28.1	7,744,800	52.0
370	Ministry of Labour & Vocational Training	184,548,489	187,992,680	1.9	237,900,200	26.5
390	Commerce & Industry	43,682,248	76,749,578	75.7	106,246,100	38.4
400	Ministry of Transport	481,938,139	352,757,299	-26.8	450,081,500	27.6
420	National Roads Authority	655,000,000	1,048,830,000	60.1	1,431,700,000	36.5
430	Human Rights Commission	37,804,655	38,052,130	0.7	30,627,500	-19.5
460	Electoral Commission	102,422,663	82,796,019	-19.2	82,710,500	-0.1
470	Ministry of Forestry Fishing & Environmental Affairs	511,556,475	458,466,949	-10.4	602,735,400	31.5
471	Department of Geological survey	24,825,653	32,582,342	31.2	47,403,800	45.5
510	Anti-Corruption Bureau	69,479,603	67,676,428	-2.6	61,433,000	-9.2
550	Ombudsman	27,984,229	29,438,636	5.2	28,111,700	-4.5
560	Law Commission	30,935,025	28,809,004	-6.9	25,697,360	-10.8
570	Tourism Parks & Wildlife	90,829,875	85,274,172	-6.1	92,051,300	7.9
GRAND TOTAL		21,469,260,773	20,697,507,704		24,313,018,561	

Source : 2002/03 Budget Document No.4A

Protected Pro-Poor Expenditures (PPPE) Allocation (in thousands of Kwacha)

Pillar/Sector/Activity	2001 /2002		% Growth Rev / Appr.	Draft 2002/2003
	Approved	Revised		
Pillar 1: Pro-Poor Growth	806,304	646,862	-19.8	2,118,634
Agriculture	213,488	175,062	-18.0	325,352
Agriculture Extension	207,355	170,664	-17.7	100,219
Small Scale Irrigation	6,133	4,398	-28.3	225,133
Water	308,771	283,345	-8.2	200,022
Rural Water Supplies	8,771	5,390	-38.6	22
Borehole / Dam Construction & Rehabilitation	300,000	277,956	-7.3	200,000
National Roads Authority	251,113	151,000	-39.9	1,431,700
Rural Feeder Roads	251,113	151,000	-39.9	1,431,700
Natural Resources	31,337	25,304	-19.3	111,401
Small Scale mining	19,113	17,688	-7.5	54,874
Small Scale fish farming	12,224	7,616	-37.7	56,527
Commerce	1,595	12,150	661.6	50,160
Small Scale and Medium Enterprise Promotio	1,595	12,150	661.6	50,160
Pillar 2: Human Capital Development	2,669,430	2,299,721	-13.8	3,452,017
Education	972,124	959,786	-1.3	1,639,098
Primary Education	606,584	687,052	13.3	660,916
<i>Teaching and Learning Materials</i>	583,421	674,798	15.7	455,960
<i>Inspectorate</i>	23,163	12,254	-47.1	89,147
Secondary Education	45,547	60,200	32.2	373,693
<i>Teaching and Learning Materials</i>	45,547	60,200	32.2	100,000
Teacher Training (Primary Level)	319,994	212,534	-33.6	394,488
Teacher Training (Secondary Level)	-	-		100,000
Teachers Houses	-	-		110,000
Health	1,667,899	1,270,551	-23.8	1,612,874
Primary Health Care	627,808	511,803	-18.5	441,040
Preventive Health Care	17,034	21,058	23.6	16
Secondary Curative Care	827,224	661,873	-20.0	901,818
Health Workers' Training	195,834	75,817	-61.3	270,000
Drugs	1,100,000	1,109,955	0.9	1,002,222
Gender, Youth & Community Services	5,828	6,078	4.3	75,022
Family Welfare Services	3,561	3,869	8.7	25,004
Children Services	2,267	2,209	-2.6	25,002
Adult Literacy Education	-	-		25,016
Labour	23,579	63,306	168.5	125,024
Technical and Vocational Training	23,579	63,306	168.5	125,024
Pillar 3: Improving the Quality of Life for the vulnerables	130,000	196,000	50.8	556,000
	130,000	196,000	50.8	556,000
Targeted Inputs Programme	130,000	196,000	50.8	230,000
Safety-Nets - MASAF	-	-		326,000
Pillar 4: Good Governance	3,176	2,902	-8.6	255,490
Police	3,176	2,902	-8.6	255,490
Community Policing	3,176	2,902	-8.6	163,042
Police Officers Training	-	-		92,449
Cross Cutting	13,584	6,370	-53.1	25,014
Gender Mainstreaming	13,584	6,370	-53.1	25,014
TOTAL	3,622,494	3,151,855	-13.0	6,407,155

Source : Budget Document No.3: Financial Statement for Financial Year 2002/03 (page 18)

HIPC Debt Relief Allocations 2002/2003

Pillar/Sector/Activity	2002/03 Allocation (MK million)
Pillar 1: Pro-Poor Growth	971,000,000
Agriculture	325,000,000
Agriculture Extension	100,000,000
Small Scale Irrigation	225,000,000
Water	200,000,000
Borehole Construction	100,000,000
Dam rehabilitation/construction	100,000,000
Roads	400,000,000
Rural Feeder Roads	400,000,000
Natural Resources	100,000,000
Small Scale fish farming	50,000,000
Small Scale mining	50,000,000
Commerce	50,000,000
Small Scale and Medium Enterprise Promotion	50,000,000
Pillar 2: Human Capital Development	1,775,000,000
Education	800,000,000
Primary Education	575,000,000
<i>Teaching and Learning Materials</i>	275,000,000
<i>Inspection</i>	50,000,000
<i>Teachers' Training</i>	200,000,000
<i>Teachers' Houses</i>	50,000,000
Secondary Education	225,000,000
<i>Teaching and Learning Materials</i>	100,000,000
<i>Inspection</i>	25,000,000
Teacher Training	100,000,000
Health	800,000,000
Primary Health Care	100,000,000
Drugs	500,000,000
Health Workers' Training	200,000,000
Gender, Youth & Community Services	50,000,000
Adult Literacy Education	50,000,000
Labour	125,000,000
Technical and Vocational Training	125,000,000
Pillar 3: Improving the Quality of Life for the most vulnerables	150,000,000
Agriculture	100,000,000
Targeted Inputs Programme	100,000,000
Gender, Youth & Community Services	50,000,000
Family Welfare Services	25,000,000
Children's Services	25,000,000
Pillar 4: Good Governance	225,000,000
Police	225,000,000
Community Policing	150,000,000
Police Officers Training	75,000,000
Unallocated Funds	184,500,000
TOTAL	3,305,500,000