



Budget Performance Report

January, 2024

Prepared by the Monitoring and Reporting Unit

Directorate of Budget

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¹ The data and analysis set out in this document are compiled by Ministry of Finance and Economic Affairs staff. Every effort is made to ensure accuracy and completeness. When errors are discovered, corrections and revisions are incorporated into the digital edition available on the Ministry’s website.

Rounding may affect totals throughout this document.

SUMMARY

ABOUT THIS REPORT

The Ministry of Finance and Economic Affairs (MOFEA) is strengthening fiscal consolidation through increased transparency and public accountability. The Directorate of Budget has adopted regular reporting processes to monitor and report on Government fiscal performance with respect to the National Budget. The report aims to provide complete information on Government Local Fund (GLF) budget performance and explain the reasons for deviation from fiscal targets, thereby supporting policy responses for the improvement of fiscal performance.

The budget performance report is prepared for the Central Government sector, using GLF transactions denominated in Gambian Dalasi (GMD) for revenues, expenditures, net lending and financing. The monthly review focuses on monitoring year-on-year (y-o-y) variations in cash flows and rates of budget execution.

A strong commitment to fiscal discipline across Ministries, Departments and Agencies (MDAs) is crucial for expenditure rationalization. These measures will serve to enhance budget credibility in the medium to long term.

EXECUTIVE SUMMARY

Government fiscal performance during the first month of the year compared to the same period last year demonstrates an upsurge in both revenues and expenditures. A gross deficit of GMD 825.2 million was recorded in January 2024. This compares to a gross deficit of GMD 255.2 million in the same period last year, a deterioration of GMD 570.0 million (table 1).

Total domestic revenue receipts registered 8 per cent of its budget, increasing by GMD 433.9 million (32 per cent y-o-y) to GMD 1.77 billion. Tax revenue receipts increased greatly by GMD 393.3 million to GMD 1.51 billion, which is 9 per cent of its budget. Non-tax revenue receipts increased slightly by GMD 40.5 million (18 per cent y-o-y) to GMD 263.3 million, which is 5 per

cent of its budget. Tax revenue performance is attributable to bolstered collections of taxes on profits and capital gains, taxes on goods and services, and taxes on international trade. This overall growth reflects enhanced consultation and coordination between MOFEA and the Gambia Revenue Authority (GRA) to broaden the tax base, as well as enhanced accounting and increased reliability of the ASYCUDA World digital system.

Total GLF expenditure and net lending for the month of January registered 10 per cent of its budget, increasing by GMD 1.00 billion (63 per cent y-o-y) to GMD 2.60 billion. This is due largely to significant increases in debt interest payments (primarily stemming from domestic interest payments) and other expenditures (due to prices increases). GLF Capital increased by GMD 146.1 million (36 per cent y-o-y) to GMD 554.6 million, which is 16 per cent of its total budget.

Consequently, the Central Government's fiscal performance for the month of January indicates a gross deficit that is more than three-times the gross deficit for the same period of the previous year. The substantial increase in gross deficit is due to expenditures growing at twice the rate as that of revenues. Correspondingly with no budget support, the gross deficit is substantially off track, reaching 139 per cent of its estimate during the period under review.

In financing the deficit a net surplus of GMD 516.5 million was recorded. As per the net domestic borrowing (NDB) monitoring agreement with the International Monetary Fund (IMF) the Government registered an NDB of GMD 963.6 million². This NDB is GMD 337.4 million below the Extended Credit Facility (ECF) Program end-year target of GMD 1.30 billion.

² As per the Central Bank of The Gambia calculations, which includes Government overdrafts.

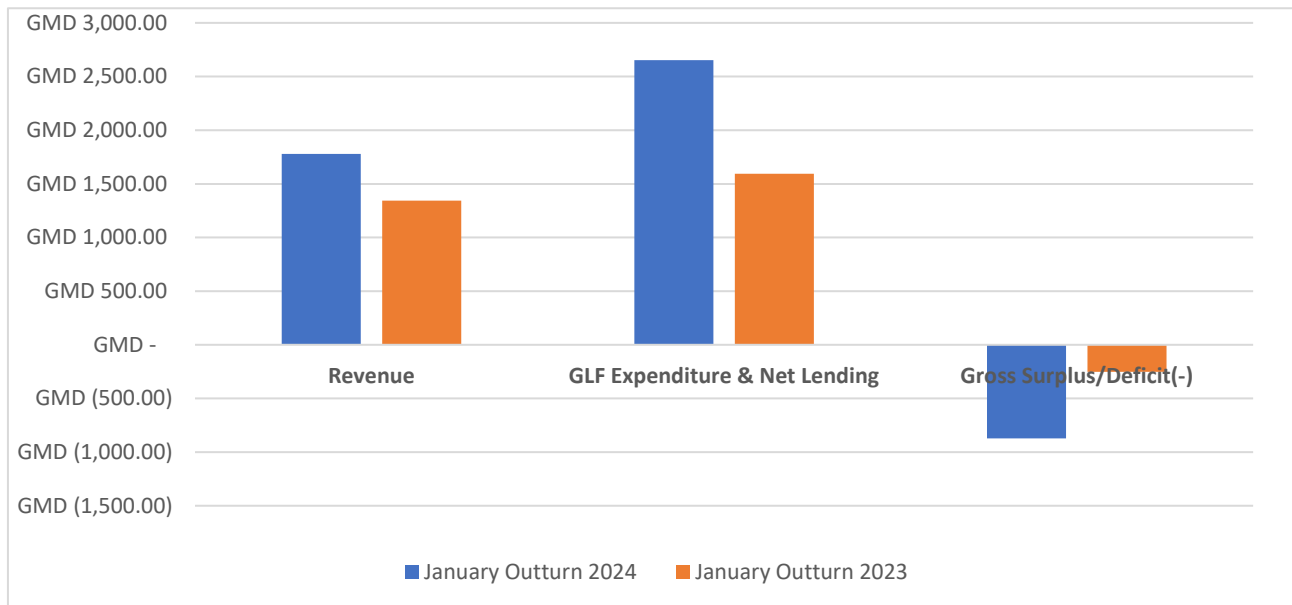
Table 1: Consolidated Fiscal Summary – January 2024, 2023

Budget Overview

Summary of GLF in Dalasi '000,000				Variance Analysis		Execution Rate (Outturn / Budget)
Consolidated Fiscal	Approved Budget 2024	January Outturn 2024	January Outturn 2023	Variance Y-O-Y	Variance Y-O-Y (%)	
Consolidated Revenue Fund (CRF)	25,931.5	1,773.2	1,339.3	433.9	32%	7%
Revenue	22,751.5	1,773.2	1,339.3	433.9	32%	8%
Tax	17,242.3	1,509.8	1,116.5	393.3	35%	9%
Non-Tax	5,509.2	263.3	222.8	40.5	18%	5%
Programme Grants (Budget Support)	3,180.0	-	-	-	-	0%
Current	3,180.0	-	-	-	-	0%
GLF Expenditure & Net Lending	26,526.2	2,598.3	1,594.4	1,003.9	63%	10%
Debt Interest	5,114.4	498.8	143.6	355.3	247%	10%
External	813.0	82.8	51.8	31.0	60%	10%
Domestic	4,301.4	416.1	91.8	324.3	353%	10%
Other Expenditure	21,139.3	2,087.7	1,450.9	636.8	44%	10%
Personnel	7,391.2	572.5	543.9	28.5	5%	8%
Use of Goods and Serices	4,845.8	274.2	58.8	215.4	367%	6%
Subsidies and Transfers	5,533.0	686.4	439.6	246.8	56%	12%
GLF Capital	3,369.3	554.6	408.6	146.1	36%	16%
Net Lending	272.5	11.8	-	11.8	-	4%
Other equity participation	272.5	11.8	-	11.8	-	4%
Gross Surplus/Deficit(-)	(594.7)	(825.2)	(255.1)	(570.0)	223%	139%
Financing	594.7	1,341.6	1,282.8	58.8	5%	226%
Domestic Borrowing	3,271.0	1,545.2	1,410.8	134.4	10%	47%
Foreign Amortisation	(2,376.3)	(54.1)	(128.0)	73.9	-58%	2%
Arrears & Guarantees	(300.0)	(54.7)	-	(54.7)	0%	18%
Domestic Amortisation	-	(94.7)	-	(94.7)	0%	0%
Net Surplus/Deficit(-)	0.0	516.5	1,027.7	(511.2)	-50%	

Source: MOFEA staff calculations.

Chart 1: Fiscal Summary for January (2024, 2023)



Source: MOFEA staff calculations.

REVENUES

1. CONSOLIDATED REVENUE PERFORMANCE

The Government remains committed to intensifying interventions to improve revenue administration and management. In the month of January this has translated into the deployment of an excise tax stamp/petroleum marketing solution for excisable goods, telecoms and energy products. Furthermore, the deployment of ASYCUDA World to all official border posts has streamlined revenue collections by improving data management through digitalization. Total domestic revenue receipts for end-January 2024 amounts to **GMD 1.77 billion** as compared to **GMD 1.34 billion** during 2023. This represents a 32 per cent increase in total receipts deposited into the Consolidated Revenue Fund (CRF). This is because of substantially increased deposits of tax revenues.

Table 2: Revenue Performance Analysis – January 2024, 2023

Revenue Overview

Summary of GLF in Dalasi '000,000				Variance Analysis		Execution Rate (Outturn / Budget) (%)
Consolidated Revenue	Approved Budget 2024	January Outturn 2024	January Outturn 2023	Variance Y-O-Y	Variance (%)	
Consolidated Revenue Fund	25,932.3	1,773.2	1,339.3	433.9	32%	7%
Domestic Revenue	22,752.3	1,773.2	1,339.3	433.9	32%	8%
Tax Revenue	17,243.1	1,509.8	1,116.5	393.3	35%	9%
Taxes profits & capital gains	5,051.0	509.5	336.0	173.4	52%	10%
Payable by Individuals	1,911.1	137.7	127.2	10.5	8%	7%
Taxes pay by corp. & other enterprises	3,139.0	371.7	208.9	162.9	78%	12%
Unallc tax on inc prof & cap	0.9	0.0	0.0	0.0	0%	0%
Taxes on payroll and workforce	72.5	14.0	10.9	3.1	28%	19%
Payroll tax	72.5	14.0	10.9	3.1	28%	19%
Taxes on property	204.7	12.5	8.4	4.1	49%	6%
Estate inheritance & gift taxes	204.7	12.5	8.4	4.1	49%	6%
Taxes on goods and services	7,449.3	620.4	488.4	132.0	27%	8%
General taxes on goods and services	6,075.2	538.1	437.4	100.7	23%	9%
Excises	1,283.4	81.1	49.8	31.2	63%	6%
Taxes on specific services	90.7	1.2	1.2	(0.0)	0%	1%
Taxes on intel trade and trans	4,403.2	349.5	269.7	79.8	30%	8%
Customs & other import duties	4,355.8	347.8	268.8	79.1	29%	8%
Taxes on exports	2.9	0.0	0.0	(0.0)	-100%	0%
Other taxes on intel trade	44.5	1.6	0.9	0.8	86%	4%
Other taxes	62.4	4.1	3.1	1.0	32%	6%
Payable solely by business	62.4	4.1	3.1	1.0	32%	6%
Non Tax Revenue	5,509.2	263.3	222.8	40.5	18%	5%
Sale of goods and services	5,497.4	263.3	222.8	40.5	18%	5%
Administrative fees	5,497.4	263.3	222.8	40.5	18%	5%
Fines, penalties and forfeits	11.8	-	-	-	-	0%
Fines	11.8	-	-	-	-	0%
Program Grants	3,180.0	-	-	-	-	0%
From International Org	3,180.0	-	-	-	-	0%
Current	3,180.0	-	-	-	-	0%

Source: MOFEA staff calculations.

1.1 Tax Revenues

Total tax revenue receipts increase by 34 per cent or GMD 385.1 million to GMD 1.51 billion, as compared to GMD 1.12 billion from the same period last year. This is 9 per cent of its total budget. Key developments underlying tax revenue performance for January 2024 relative to January 2023 include:

- Taxes on international trade increasing by 30 per cent or GMD 79.8 million due primarily to improvements in receipts for customs and other import duties.
- Taxes on profits and capital gains increasing by 52 per cent or GMD 173.4 million due mainly to improved receipts for taxes paid by corporations and other enterprises.
- Taxes on goods and services increasing by 27 per cent or GMD 132.0 million due to improvements in receipts for general taxes on goods and services, and excises.

1.2 Non-Tax Revenues

Total non-tax revenue receipts increased by 18 per cent or GMD 40.5 million to GMD 263.3 million as compared to GMD 222.8 million from the same period last year, predominantly from GRA Customs and Excise sources. This is 5 per cent of its total budget. Key developments underlying non-tax revenue performance for January 2024 relative to January 2023 include:

- Administrative fees from the sales of goods and services on international trade increasing by 66 per cent or GMD 45.4 million due primarily to improvements in receipts for customs processing fees, customs auction sales, and fuel levy.
- Improved receipts from the Senegambia Toll Bridge amounting to GMD 42.2 million in 2024 as compared to GMD 31.3 million in 2023.
- Receipts from GSM License, Spectrum and Gateway decrease by GMD 18.9 million from GMD 20.7 million in January FY2023 to GMD 1.8 million in January FY2024 – reflecting volatility in the timing of collection.

1.3 Budget Support

Following the IMF Board approval on January 12th of a new three-year ECF, worth about US\$100 million there is the expectation that such respective disbursement will commence sometime into the year. As of end-January there was no disbursement of budget support from any donor partner.

EXPENDITURES

2. CONSOLIDATED EXPENDITURE PERFORMANCE

The Government remains committed to narrowing the fiscal deficit underpinned by progress on fiscal consolidation, under the guidance of the ECF Program. Total expenditure and net lending for end-January 2024 amounts to GMD 2.60 billion as compared to GMD 1.59 billion during 2023 – representing a 63 per cent increase. This is 10 per cent of its total budget. This overall increase is mainly because of an increase in spending on Debt Interest and Other Charges.

Table 3: Consolidated Expenditures Summary – Variance Analysis

Expenditure Overview

Summary of GLF in Dalasi '000,000			Variance Analysis	
Consolidated Expenditure	January Outturn 2024	January Outturn 2023	Variance Y-O-Y	Variance (%)
Expenditure & Net Lending	2,598.3	1,594.4	1,003.9	63%
Current Expenditure	2,031.9	1,185.8	846.1	71%
Personnel Emoluments	572.5	543.9	28.5	5%
Other Charges	960.6	498.4	462.2	93%
Use of Goods and Services	274.2	58.8	215.4	367%
Subsidies and Transfers	686.4	439.6	246.8	56%
Interest	498.8	143.6	355.3	247%
External	82.8	51.8	31.0	60%
Domestic	416.1	91.8	324.3	353%
Capital Expenditure	554.6	408.6	146.1	36%
GLF Capital (Fixed Assets)	554.6	408.6	146.1	36%
Net Lending	11.8	-	11.8	0%
Lending and Equity Participation	11.8	-	11.8	0%

Source: MOFEA staff calculations.

Table 4: Consolidated Expenditures Summary – Budget Execution

Expenditure Overview

Summary of GLF in Dalasi '000,000			
Consolidated Expenditure	Approved Budget 2024	January Outturn 2024	Execution Rate (Outturn / Budget)
Expenditure & Net Lending	26,526.2	2,598.3	10%
Current Expenditure	22,884.4	2,031.9	9%
Personnel Emoluments	7,391.2	572.5	8%
Other Charges	10,378.8	960.6	9%
Use of Goods and Services	5,434.3	274.2	5%
Subsidies and Transfers	4,944.5	686.4	14%
Interest	5,114.4	498.8	10%
External	813.0	82.8	10%
Domestic	4,301.4	416.1	10%
Capital Expenditure	3,369.3	554.6	16%
GLF Capital (Fixed Assets)	3,369.3	554.6	16%
Net Lending	272.5	11.8	4%
Lending and Equity Participation	272.5	11.8	4%

Source: MOFEA staff calculations.

2.1 Current Expenditures

Current expenditures increased by 71 per cent or GMD 846.1 million to GMD 2.03 billion, as compared to GMD 1.19 billion from the same period last year. This is 9 per cent of its budget. **Personnel Emoluments** increased by 5 per cent, registering 8 per cent of its budget. **Other Charges** increased 93 per cent, due to *use of goods and services* increasing 367 per cent y-o-y (including settlement of remaining arrears for purchase of buses for Gambia Transport Service Company amounting to GMD 149.4 million and Organization of Islamic Cooperation counterpart funding amounting to GMD 63.0 million) and *subsidies and transfers* increasing 56 per cent y-o-y (including input subsidy for fertilizer amounting to GMD 320.4 million). Other Charges recorded 9 per cent of its total budget. **Debt Interest** increased 247 per cent due to external interest increasing 60 per cent y-o-y and domestic interest increasing 353 per cent y-o-y. In total, this is 10 per cent of its budget.

2.2 Capital Expenditures

Capital expenditures (acquisition of fixed assets) increased by 36 per cent or GMD 146.1 million to GMD 554.6 million, as compared to GMD 408.6 million from the same period last year. This is 16 per cent of its budget.

2.3 Net Lending

Net lending amounted to GMD 11.8 million in the month of January, 2024 resulting from equity participation. This is 4 per cent of its total budget.

2.4 Top Spending Budget Entities

The National Debt Service is the highest spending Budget Entity – due to interest payments, accounting for 19 per cent of total expenditure for the period under review. This is followed by the Ministry of Transport, Works and Infrastructure accounting for 15 per cent of total January 2024 expenditure mainly resulting from Interim Payment Certificates (IPCs) for contractors and consultants undertaking road construction. The top ten spending Budget Entities account for GMD 2.48 billion, representing 93 per cent of total expenditure for the period under review.

Table 4: Top Spending Budget Entities – January 2024, 2023

Budget Entity	January 2024 Outturn	January 2023 Outturn	2024 Total Exp. (%)	Variance (%)
National Debt Interest	498,832,975.68	301,394,396.22	19%	66%
Ministry of Transport, Works and Infrastructure	398,642,515.39	419,021,582.03	15%	-5%
Ministry of Basic and Secondary Education	379,339,669.78	265,770,639.10	14%	43%
Ministry of Agriculture	341,018,729.98	167,749,938.88	13%	103%
Centralized Services	204,158,020.92	-	8%	
Ministry of Foreign Affairs	181,622,464.15	82,509,988.41	7%	120%
Ministry of Health	152,416,992.00	108,390,802.44	6%	41%
Ministry of Interior	114,260,958.49	103,243,524.73	4%	11%
Ministry of Finance and Economic Affairs	108,301,047.04	81,251,961.76	4%	33%
Office of The President	101,408,348.25	34,752,759.13	4%	192%
Subtotal	2,480,001,721.68	1,564,085,592.70	93%	59%
Total Expenditure (Approx.)	2,653,100,000.00	1,594,400,000.00	100%	66%
Source: MOFEA staff calculations.				

FINANCING

3. FINANCING ACTIVITIES

The Government has financed its GLF deficit through domestic borrowing. A gross deficit of GMD 825.2 million was recorded for January 2024, as compared to GMD 255.1 million for January 2023. Domestic borrowing for January amounted to GMD 1.55 billion. This is 10 per cent or GMD 134.4 million more than was borrowed in the same period of last year and represents 47 per cent of its annual budget. Foreign amortization amounted to GMD 54.1 million as compared to GMD 128.0 million during the same period of last year. This is 2 per cent of its budget. Arrears and guarantees amounted to GMD 54.7 million, representing 18 per cent of its budget. Domestic amortization amounted to GMD 94.7 million.