

Report on Social Sector Spending Calculation Towards Achievement of DLR 2.3



Prepared By:

**Scheme on Improving the Budget Process through Capacity Development of BMCs and BWGs
Strengthening Public Financial Management Program to Enable service Delivery
(SPFMS)**

Finance Division, Ministry of Finance

May 2024



1.0 Defining Social Sector

According to IMF, ¹“social spending is defined to comprise education and health spending”. The World Bank ²in its Bangladesh Economic Review Update 2015 has calculated social sector spending covering three components of budgetary allocations - education, health and social welfare and social security. As per the international practice and literature on Social Sector Spending, Social sector components can be shown as follows:

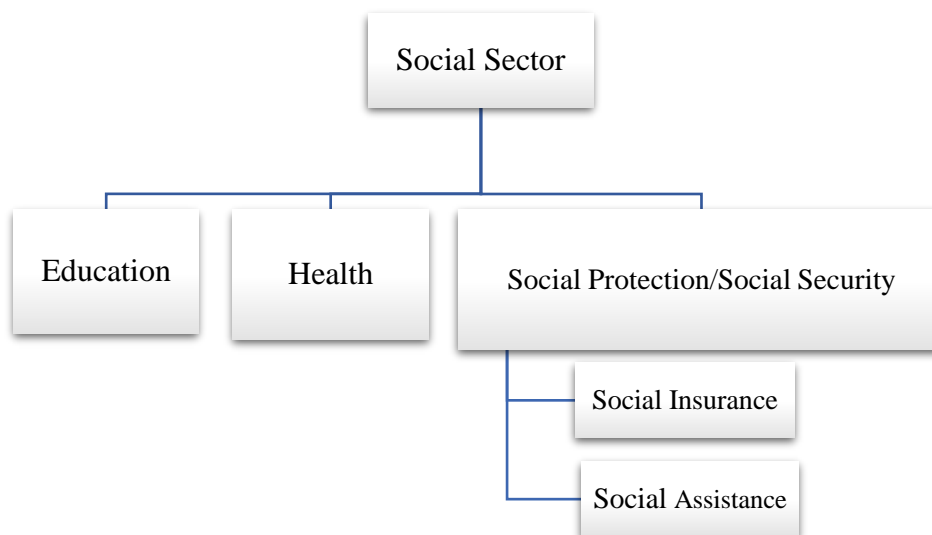


Figure 1: Social Sector Components

Now, DLI-2 consists 5 DLRs. They are:

- **DLR 2.1:** Monitoring Framework (including a performance scorecard) for the BMCs has been drafted, consulted and issued.
- **DLR 2.2:** 15% of BMCs have undertaken inter-ministerial peer-reviews in accordance with the protocols established pursuant to the monitoring framework development under DLR 2.1.
- **DLR 2.3:** The Recipient’s expenditure on Social Sectors has increased to 29% of total actual public expenditure (in the relevant fiscal year in which the DLR is being assessed).
- **DLR 2.4:** The average performance score of BMCs evaluated through inter-ministerial peer- reviews has improved by at least 25%
- **DLR 2.5:** The Recipient’s expenditure on Social Sectors has increased to 29.25% of total actual public expenditure (in the relevant Fiscal year in which the DLR is being assessed)
- **DLR 2.3:** The Recipient’s expenditure on Social Sectors has increased to 29% of total actual public expenditure (in the relevant fiscal year in which the DLR is being assessed).

In this report we are going to illustrate the Methodology and Calculation of Social Sector Expenditure for FY2021-22 in order to accomplish DLR 2.3.

¹ IMF, 2019. A Strategy for IMF Engagement on Social Spending

² Bangladesh Public Expenditure Review Update, June 2015. The World Bank, Dhaka.

2.0 Accomplishment of DLR 2.3

Social sector has been one of the priority areas of Bangladesh. The Government of Bangladesh has been allocated significant amount of resources every year in the budget to achieve the targets of poverty alleviation, social inclusion and human development. The 8th Five Year Plan and Perspective Plan 2021-2041 along with SDG Achievement Strategy put emphasis on gradual increase and better utilization of allocations in the Social sector. The *Scheme on Improving the Budget Process through Capacity Development of BMCs and BWGs* under Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS) has two DLRs related to actual public expenditure on Social sector.

DLR 2.3 and **DLR 2.5** are constituents of **DLI 2** PFM Action Plan. **DLR 2.3** states that “*The Recipient’s expenditure on Social Sectors has increased to 29% of total actual public expenditure (in the relevant fiscal year in which the DLR is being assessed)*”, and DLR 2.5 requires that “*The Recipient’s expenditure on Social Sector has increased to 29.25% of total actual public expenditure (in the relevant Fiscal year in which the DLR is being assessed)*”.

2.1 Social Sector Spending

A review of the definition of Social Sector given in Scheme Document and by IMF and World Bank shows that there are some differences in the coverage of Social Sector Spending. This is highlighted in the following sections:

2.1.1 Definition of Social Sector as per the Scheme Document

The Financing Agreement of the SPFMS mentions that, “social sector” means the health, education and family welfare sectors³. However, this definition does not reflect the Ministries/Divisions which are considered to have been spending on Social Infrastructure as per SPFMS Technical Note for DLI 2. The Technical Note defines Social sector spending as ‘...social infrastructure spending as per Table 6: Sectoral Allocation in the Budget in the Budget Speech, page 138 in the Budget Speech 2018-2019’ (this now refers to table 7 in the Budget Speech FY 21-22 and onwards). A close look at the table shows that the following 19 Ministries/Divisions spend for Social Infrastructure. The complete list is provided below⁴:

SL NO.	Ministry/Division
1.	Ministry of Primary & Mass Education (MoPME)
2.	Ministry of Education (SHED)
3.	Ministry of Science and Technology (MoST)
4.	Health Services Division (HSD)
5.	Information and Communication Technology Division (ICT)
6.	Ministry of Social Welfare (MoSW)
7.	Ministry of Women and Children's Welfare (MoWCA)
8.	Ministry of Labour and Employment (MoL&E)

³ Financing Agreement, SPFMS, Page 25

⁴ Source: Finance Division, MoF

SL NO.	Ministry/Division
9.	Ministry of Information
10.	Ministry of Cultural Affairs (MoCA)
11.	Ministry of Religious Affairs (MoRA)
12.	Ministry of Youth and Sports (MoY&S)
13.	Ministry of Expatriates Welfare and Overseas Employment (MoEW&OE)
14.	Post and Telecommunications Division (P&TC)
15.	Ministry of Liberation War Affairs (MoLWA)
16.	Technical and Madrasah Education Division (TMED)
17.	Medical Education and Family Welfare Division (ME&FWD)
18.	Ministry of Food
19.	Ministry of Disaster Management and Relief (MoDMR)

Table 1: List of Ministries Spending on Social Infrastructure as per Budget/Scheme document.

The spending for Social Infrastructure by the Ministries and Divisions (stipulated in Table 1) does not reflect the actual social sector spending scenario of Bangladesh. This is because social sector spending on education and health is often country specific and depends partly, on how the country defines the coverage of Social Protection. To illustrate the point, the expenditure of some of the Ministries/Divisions grouped under social infrastructure in the budget document (see Table 1 above) has little relevance to social sector, most notably those of MoST, ICT Division, P&TC, and Ministry of Information. At the same time, it should be noted that though Social Protection (SP) is an important component of Social Sector spending, it (SSP) is not fully counted in the coverage of the Social Sector contained in the existing Scheme. It is pertinent to mention that about 25 MDAs ⁵are implementing Social Protection programs in FY2022-23 and FY 2023-24 (according to FD Budget document and Document on Social Protection programs).

2.2 Social Sector Spending: Calculation Methodology

It is evident that there are some inconsistencies with regard to the term ‘Social Sector’. This creates confusions in its scope and coverage as well as in collecting expenditure data on it. Against this backdrop, a discussion meeting was held between the Finance Division and the World Bank team on redefining Social Sector and its Data capture methodology on 31 May 2022 and a consensus was reached on the definitional and coverage issues of Social Sector Spending. A Follow up meeting was held on 12 October 2022 and it was agreed that Data on Social Spending will be aligned with the standard definition reflecting the three components of Social Sector, namely, Education, Health and Social Protection and a data mapping tool for capturing expenditure data on Social Sector will be integrated into the iBAS++ system. Following the recommendations of the meeting between FD and The WB Team, the Social Sector Spending has been redefined to capture the following:

⁵ MDA stands for Ministry, Division and Agency.

Component	Spending Ministry/Divisions	Data Source and Calculation
Education	Ministry of Primary and Mass Education	iBAS++, Total Spending
	Secondary and Higher Education Division	iBAS++, Total Spending
	Technical and Madrasa Education Division	iBAS++, Total Spending
Health	Health Services Division	iBAS++, Total Spending
	Medical Education and Family Welfare Division	iBAS++, Total Spending
Social Protection (Excluding Education and Health. Also deducting Pension Management)	Concerned Ministries as per the Social Security budget document published by Finance Division.	IBAS++ and FSMU Program data of the social protection activities/programs as published in the budget document.

Table 2: Social Sector Spending calculation as per redefined methodology

2.2.1 Basis of the Calculation of Social Spending

Every year an official document on Social Security programs is prepared by Budget-1 Wing, Branch-9 of Finance Division (the document for 2021-22 can be obtained from the hyperlink https://mof.portal.gov.bd/sites/default/files/files/mof.portal.gov.bd/page/672e3d4d_09bb_4205_9afd_843de55481d1/Social%20Protection%20Programs_2021-22_English.pdf) which includes the total budget on social security programs for the that year. So, we can say, the operations, programs listed in this document are the Social Safety Net programs prioritized by the Government for that FY. As we are focusing mostly on the safety net expenditure for FY 2021-22, so we have enclosed the published document by the Finance Division for FY 2021-22 in our report which is our basis of calculation of Safety net budget and expenditure for this report. Now, in accordance with the concept of Social Safety Net, we are disclosing some facts on our calculation and methodology:

- 1) From Table-2 above, it is clear that we are taking whole expenditure of the ministries related with health and education, Namely:
 - a. Ministry of Primary and Mass Education,
 - b. Secondary and Higher Education Division,
 - c. Technical and Madrasa Education Division,
 - d. Health Services Division,
 - e. Medical Education and Family Welfare Division.

The Social Security Program budget document published by Finance Division also includes operations/programs of these ministries. If we include the budget and expenditure of them in our calculation, this will create duplication or double counting. So, we have excluded those programs, besides we have not considered Civil Service Pension also in our calculation.

- 2) Moreover, there are 2 special cases to be disclosed for Agriculture Subsidy and Interest Support for Savings Certificates. In this case the whole budget and expenditure are not considered as part of safety net. The logic is like that:
- a. For the Savings Certificate, the interest given excess to the bank rate is considered as safety net expenditure. [Calculation shown in [Annexure-1](#)]
 - b. For Agriculture Subsidy, subsidies given to Landless, Marginal and Small farmers are considered as safety net expenditure. [Calculation shown is [Annexure-2](#)]

So, when we take budget and expenditure data from iBAS++, we will get the whole budget/expenditure figure. As, this logic is not implemented there, iBAS++ will not exclude the excess budget/expenditure, which will inflate the budget and expenditure of total social spending. That is why, these two cases are exceptional.

3.0 Detailed Calculation of the Social Sector Spending

In the Social Security Programs published by the Finance Division there are 9 types of safety net programs undertaken by the government. They are:

- A. Cash Transfer (Various Allowances),
- B. Food Security and Employment Generation Programs,
- C. Stipend Programs,
- D. Cash/Transfer of Materials (Special Programs),
- E. Credit Support Programs,
- F. Assistance for Special Communities,
- G. Various Funds and Programs,
- H. Development Part: Ongoing Development Projects / Programs,
- I. Development Part: New Development Projects / Programs.

A. Cash Transfer (Various Allowances)

Cash transfer programmes, conditional or unconditional have expanded rapidly in recent years, and are of increasing importance for improving nutrition. They are highly complementary to other nutrition actions, and involve establishing eligibility, usually based on low income. Hence, they are positively targeted towards the poor and most vulnerable.

Table 3: Calculation showing Cash Transfer Programs

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ⁶
			Base Budget	Revised Budget	
1)	Old Age Allowance	MoSW	3444.54	3444.54	3440.73
2)	Allowances Programme for Widow and Distressed Women	MoSW	1495.4	1495.39	1495.39
3)	Allowances for the Financially Insolvent Disabled	MoSW	1820	1820	1818.53
4)	Program for Improving the Livelihood of Transgender, Bede and Disadvantaged Community	MoSW	46.31	46.33	45.31
5)	Maternity Allowance Program for the Poor Lactating Mothers	MoWCA	764.39	764.39	714.37
6)	Assistance for Working Lactating Mothers	MoWCA	276.65	276.65	261.51
7)	Honorarium for Freedom Fighter Heroes	MoLWA	4653.35	4653.35	4430.05
8)	Honorarium and Medical Allowances for Injured Freedom Fighter Heroes	MoLWA	464.66	456.66	435.95
9)	Pension for Retired Government Employees and their Families	Finance Division	Excluded from Calculation		
Total Cash Transfer			12965.32	12957.3	12641.84

B. Food Security and Employment Generation Programs

The safety net programs relating to food security included Open Market Sales (OMS), Vulnerable Group Feeding (VGF), Test Relief (food), Food for Work etc. These programs targeted low-income groups and poverty concentration areas. Because of resources constraints, the government needed external financing in addressing its food security concerns. Hence, it requested financial assistance from development partners to meet financing requirements for its social safety net programs.

⁶ Source: iBAS++

Table 4: Calculation Showing Food Security and Employment Generation Programs

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ⁷
			Base Budget	Revised Budget	
1)	Vulnerable Group Development	MOWCA	1893.04	1838.5	1758.06
2)	Vulnerable Group Feeding (VGF)	MoDMR	1455.54	1391.13	924.34
3)	Gratuitous Relief (Food)	MoDMR	590.75	572.60	824.75
4)	Food Assistance in Ctg-HTA	MoCHTA	337.31	339.54	339.54
5)	Food For Work (FFW))	MoDMR	809.3	826.44	306.31
6)	Work For Money (WFM)	MoDMR	1500	1500	1484.11
7)	Test Relief (TR) (Cash)	MoDMR	1450	1450	1447.75
8)	EGPP	MoDMR	1650	1925	1229.21
9)	Open Market Sales (OMS)	Food	3965.6	4995.46	4640.51
10)	Food friendly Program	Food			
11)	Food Subsidy (Others)	Food	1462.374	1589	1589
Total Food Security and Employment Generation Programs			15113.914	16427.67	14543.58

C. Stipend Programs

In order to establish the constitutional rights and to ensure the education aid of poor, helpless, underprivileged and disability child the government of Bangladesh started providing stipend for the students with disability school, (c) educational stipend; (d) rehabilitation services implemented under the Ministry of Social Welfare. The budget and outturn for Stipend programs (excluding the programs of SHED and TMED as stated before) are as below:

Table 5: Stipend Programs

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ⁸
			Base Budget	Revised Budget	
1)	Stipends for Physically Challenged Students	MoSW	95.64	95.64	72.84
2)	Stipend for Improving the Livelihood of Transgender, Bede and Disadvantaged Community	MoSW	26.35	26.33	24.26
Total Stipend Program			121.99	121.97	97.10

⁷ Source: iBAS++

⁸ Source: iBAS++

D. Cash/Transfer of Materials (Special Programs)

One critical element in determining the support program to the needy is the amount of transfer. Cash assistance is important to help people keep their consumption as diversified as possible. The statistics of budget and expenditure for the year 2021-22 is as below:

Table 6: Cash/Transfer of Materials (Special Programs)

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ⁹
			Base Budget	Revised Budget	
1)	Relief Goods	MoDMR	185	185	144.6
2)	Disaster Grant	MoDMR	100	50	0
3)	Relief Works (Flood, Drought, Cyclone and Others)	MoDMR	81.00	181	182.04
4)	Housing Support for Homeless People	MoDMR	27.50	27.5	1.8
5)	Interest subsidy for small and medium enterprises (including cottage industries) due to Corona Pandemic	Finance Division	2800.00	1400	1400
6)	Assistance for unemployed workers in the export-oriented garment and footwear industry due to Corona Pandemic	MoLE	45.00	10	3.47
7)	PM's rehabilitation assistance to the people of river erosion affected areas	Finance Division	100.00	100	49.8
8)	Savings Certificate Interest Assistance (Social Security Part) ¹⁰	Finance Division	6909.00	7907	7280.36
9)	Agricultural Subsidy ¹¹	Agriculture	7970.00	12000	13170.69
10)	Agricultural Rehabilitation	Agriculture	400.00	400	400
11)	Financial support for Cancer, Kidney and Liver Cirrhosis and other patients	MoSW	150.00	150	150
12)	Improving the living standards of tea workers	MoSW	25.00	25	25
13)	Grants for the families of government employees died on duty of service	MOPA	350.81	285	301.2
14)	Ration for Shaheed (Martyred) Family and Honorable Injured Freedom Fighters	Liberation War Affairs	70.00	70	30.13
15)	National Legal Aid	Law and Justice	25.88	25.65	25.65
16)	Grants to 8 CMSME organizations to accelerate economic recovery in response to Corona Pandemic	Finance Division	930.00	Expenditure shown in SI No.-5 in this table	
Total Cash/Transfer of Materials (Special Programs)			20169.19	22816.2	23164.746

⁹ Source: iBAS++

¹⁰ See [Annexure-1](#)

¹¹ See [Annexure-2](#)

E. Credit Support Programs

The statistics of credit support program is as below:

Table 7: Credit Support Programs

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹²
			Base Budget	Revised Budget	
1.	Micro-credit for Women Self-employment	MoWCA	6.00	6	5.97
2.	Interest Free Micro-Credit Program for RSS, RMC and Urban Centre	MoSW	60.82	61.48	49.15
3.	Palli Karma-Sahayak Foundation (PKSF)	FID	900.00	750	750
4.	Social Development Foundation (SDF)	FID	210.00	360	232.1044
Total Credit Support Programs			1176.82	1177.48	1037.2244

F. Assistance for Special Communities

It is evident that, Safety net programs in Bangladesh have been contributing to the reduction of poverty and vulnerability by addressing a range of population groups through different forms of assistance. These include the provision of income security for the elderly, widows and persons-with-disabilities, generating temporary employment for working age men and women, and supporting the healthy development of young mothers and children. The focus of this support has been on making the programs more pro-poor. This is being achieved by building and enhancing administrative systems to help identify the most vulnerable objectively, deliver benefits and services timely and efficiently, and strengthen citizen engagement. Investments in human capacity building and technology have been critical in this process. The overall statistics are as below:

Table 8: Assistance for Special Communities

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹³
			Base Budget	Revised Budget	
1.	Neuro-Developmental Disability Protection Trust	MoSW	30.89	30.89	30.89
2.	Welfare Trust for Physical Disabilities	MoSW	17.00	20	20
3.	Sheikh Russell Child Training and Rehabilitation Center	MoSW	24.34	26.59	24.37
4.	Service and Assistance Center for Disabled	MoSW	67.83	69.2	69.2
5.	Rehabilitation and Alternative Employment Generation for	MoSW	6.00	26.8	26.8

¹² Source: iBAS++

¹³ Source: iBAS++

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹³
			Base Budget	Revised Budget	
	Beggars				
6.	Grants for the School for Disabled	MoSW	34.82	37.82	37.82
7.	Cost of foods for Residents in Government Orphanages and Other Institutions	MoSW	80.39	89.28	55.41
8.	Capitation Grants for Orphan Students to non-government institutions	MoSW	254.40	254.4	251.6
9.	Joyeeta Foundation	MoWCA	7.21	27.06	27.06
10.	Women's Skill Based Training For Livelihood	MoWCA	7.99	8.32	7.76
11.	Street Children Rehabilitation Program and CDC	MoWCA	11.20	10.7	7.93
12.	Special assistance for development of people in chars, haors and backward areas	Finance Division	50.00	50	0
Total Assistance for Special Communities			595.12	651.06	558.84

G. Various Funds and Programs

In previous years, government created several funds in order to combat the outbreak of corona pandemic, special assistance from women development, farmers as well as risk management of earthquake etc. The statistics on these funds is as below:

Table 9: Various Funds and Programs

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁴
			Base Budget	Revised Budget	
1.	Funds to combat the outbreak of the corona pandemic	Finance Division	7300.00	7572	4218
2.	Fund for Climate Change	MoEF	100.00	100	99.95
3.	National Social Welfare Parishad	MoSW	77.44	77.55	77.55
4.	Special Assistance Fund for Women development and Women Entrepreneurs	Finance Division	125.00	125.00	0
5.	Fund to assistance for the Small-Scale Farmers and Poultry Farmers	Finance Division	50.00	50	0

¹⁴ Source: iBAS++

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁴
			Base Budget	Revised Budget	
6.	Welfare Fund for the Oppressed Women and Children and Fund for the Welfare of Burnt and Disabled	MoWCA and MoSW	6.93	6.93	6.93
7.	National Service	Youth and Sports	95.25	43.79	41.78
8.	Skills Development and Earthquake Risk Management Fund	MoDMR	150.00	150.00	50.00
9.	Funds to deal with economic and natural shocks	Finance Division	5000.00	4900	4328.69
Various Funds and Programs			12904.62	13025.3	8822.9

H. Development Part: Ongoing Development Projects / Programs

There are many development projects which are directly and indirectly implemented as part of Social Safety Net, such as construction rural roads, bridges, culverts are treated as social sector spending. Some of the projects budget and outturn are taken completely as social safety net part and, in some cases, there is defined portion of budget-outturn as part of social safety net. Now, we will see the statistics of ongoing development projects and in next section the new development projects will be shown.

Table 10: Development Projects (existing)

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁵
			Base Budget	Revised Budget	
1.	Ashroyan-2 and 3 Project	PMO	645.00	1064.00	912.38
2.	Development Assistance for Special Areas (Except CHT)	PMO	100.00	100	99.91
3.	Development of the Living Standard of the Marginal Communities of Bangladesh	MoSW	7.27	16.74	15.64
4.	Sarkari Shishu Paribar and Baby Home	MoSW	60.37	34.08	33.54
5.	Cash Transfer Modernization	MoSW	94.64	42.41	3.38
6.	Tattha Apa: Empowerment of women through information communication	MoWCA	92.09	92.09	92.09

¹⁵ Source: iBAS++

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁵
			Base Budget	Revised Budget	
	technology with the aim of building a digital Bangladesh				
7.	Urban based marginal Women Development Project	MoWCA	22.50	21.9	21.9
8.	Child protection and child welfare	MoWCA	21.74	41.59	65.47
9.	Multi-Sectoral Program to prevent violence against Women	MoWCA	17.56	26.5	21.92
10.	Capacity Building of Joyeeta Foundation and Joyeeta Tower	MoWCA	79.61	79.1	79.1
11.	Construction of Colony for the Cleaners of Dhaka City Corporation	LGD	40.01	40.01	30
12.	Income Support Program for the Poorest (Care+ Dream)	LGD	571.99	689.16	0.93
13.	Rural/Grameen Infrastructure Development	LGD	522.69	474.06	480.19
14.	Urban Resilience Project (DNCC and DDM)	LGD and MoDMR	178.56	113.75	55.54
15.	Bangladesh Rural Water Supply and Sanitation	LGD	100.00	150.63	134
16.	Construction of the Multiple Disaster Shelters	LGD	800.00	500	366.17
17.	Skills for Employment Investment Program	Finance Division	668.75	368	320.19
18.	Guchagram (Climate Victims Rehabilitation) Project	MoFFCC	140.00	137.5	124.25
19.	Infrastructure and livelihood Improvement in Haor and Costal Area	LGD	207.61	151.55	131.1
20.	Flood Management and Livelihood Improvement Project in Char/Haor Area	Water Resources	135.00	122.67	92.37
21.	Construction of Flood Shelter in the Flood and River Erosion Prone Area	MoDMR	385.00	385	360
22.	Improvement of Living Standard for low-income people	Housing and Public Works	40.02	55.02	52.49
23.	Investment Component for Vulnerable Group Development Program (ICVGD)	MOWCA	159.19	112.3	91.9
24.	Increasing the adaptability of coastal communities, especially women, to tackle salinity caused by climate change	MOWCA	107.11	69.26	67.25

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁵
			Base Budget	Revised Budget	
25.	Multi-sector Project to address the Rohingya crisis on an emergency basis	LGD	330.00	327.5	273.47
26.	Provision of working capital and modernization of weaving to improve the socio-economic condition of weavers	Textiles and Jute	35.00	35	34.53
27.	Integrated livestock development to improve the socio-economic and standard of life of the backward minorities living in the plain land	Fisheries and Livestock	32.00	32	31.91
Total Ongoing Development Projects / Programs			5605.99	5281.72	3991.62

I. Development Part: New Development Projects / Programs

Along with the ongoing projects, the following projects were new for the assessment year, which has significant budget and outrun in Social Safety Net.

Table 11: Development Projects (new)

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁶
			Base Budget	Revised Budget	
1.	Khurushkul Special Shelter Project	PMO	121.00	324	323.99
2.	Child Sensitive Social Protection in Bangladesh	MoSW	14.43	20.07	17.6
3.	Community Hospital/ Specialized Hospital for Disadvantaged People	MoSW	32.50	39.65	37.43
4.	Improving the living standards of the extreme poor through various trainings	MoSW	72.44	72.12	75.48
5.	Development programs for the distressed and neglected women and children	MoSW	43.51	38.97	27.8
6.	Development of women entrepreneurs in economic empowerment at the grass root level	MoWCA	79.29	76.4	76.4
7.	Improvement of work environment in readymade garment sector/ elimination of risky	Labor and Employment	80.23	92.58	54.7

¹⁶ Source: iBAS++

Sl. No	Description	Implementing Ministry/Division	Budget 2021-22 (in Crore Taka)		Actual Expenditure (in Crore Taka) ¹⁶
			Base Budget	Revised Budget	
	child labor in Bangladesh and welfare facilities and skill development activities for workers				
8.	Emergency assistance in water supply and sanitation activities at Upazila level	LGD	296.07	216.7	200.63
9.	Rural employment and road maintenance	LGD	428.30	427.3	425.29
10.	Poverty reduction of marginalized population and ensuring employment of the extreme poor in northern areas/ production and marketing of nutritious high value cereals	RDCD	156.32	140.46	133.23
11.	Provide driving training for employment	MoEWOE	58.00	60.26	52.1
12.	Production, storage and distribution of high-quality pulses, oil and spice seeds at farmer level/Farmer training for technology transfer at Upazila level	Agriculture	98.87	98.47	94.56
13.	Char development and settlement project-bridging	Water Resources	76.69	55.79	29.97
14.	Provision of household silos for safe food storage for the poor, backward minorities, and people in disaster-prone areas	Food	43.37	48.41	48.37
15.	Rural Infrastructure Development (Non-ADP)	MoDMR	1500.00	1500	1484.11
16.	Housing construction project for the insolvent freedom fighters	Liberation War Affairs	100.59	481.9	491.17
17.	Hilsa Resource Development and Union Level Fisheries/Indigenous Fish, Snail Cultivation/Agriculture Technology Program	Fisheries and Livestock	222.72	233.92	226.39
Total New Development Projects / Programs			3424.33	3927	3799.211

Result of the Calculation and Achievement of DLR 2.3

As we stated before in section 3.1.2, as per the definition of World Bank, the agreed framework on which social spending to be calculated can be summarized as follows:

- 1) Firstly, we have to consider whole budget and expenditure on Health and Education sector. That is why we will take complete budget and outturn figure for the following Ministries/Divisions:
 - a. Health Related Ministries:
 - i. Health Services Division;
 - ii. Medical Education and Family Welfare Division

- b. Education Related Ministries:
 - i. Ministry of Primary and Mass Education;
 - ii. Secondary and Higher Education Division;
 - iii. Technical and Madrasa Education Division;
- 2) Next, we will take the social safety net programs as per the budget documents on Social Security Programs published in Finance Division website for the year 2021-22. *Here, we see that, there are programs/projects of the Ministries/Divisions stated above included in the Safety net budget document. If we consider their budget and expenditure again, it will overstate budget and outturn figure for Social Sector Expenditure. So, we have excluded them. Besides, as per the requirement of the World Bank, we have excluded the Budget and Expenditure on Civil Service Pension.*
- 3) Next, we will get sum of the total figure obtained in Step-1 and Step-2 and then benchmark the expenditure figure with our target specified in DLR.

Now, we can see the result below:

Summary of Social Sector Spending

Table: Total Social Sector Spending Summary for the year 2021-22

		Amount in Crore	
Social Sector	Spending Ministry/Divisions	FY 2021-22	
		Budget	Actual Expenditure
Education	Ministry of Primary and Mass Education	28222	23463
	Secondary and Higher Education Division	32410	28971
	Technical and Madrasa Education Division	9009	7997
	1. Total Education	69641	60431
Health	Health Services Division	26165	20503
	Medical Education and Family Welfare Division	6109	4526
	2. Total Health	32274	25029
Social Protection (Excluding Education and Health)	3. Total Social Protection Expenditure) [A to F calculated above]	72077.29	68657.06
X: Total Social Sector Spending (1+2+3)			154117.06
Y: Total National Expenditure			518188
Percentage of Social Spending to Total National Expenditure			X/Y = 29.74%

We know that DLR 2.3 states that ‘The Recipient’s expenditure on Social Sectors has increased to 29% of total actual public expenditure (in the relevant fiscal year in which the DLR is being assessed’’, so we can see clearly that, the percentage of Social Spending to National Expenditure is 29.74%, which shows that the DLR has been achieved.

Annexure-1 (Calculation of Social Security Part of National Savings Scheme)

Type of Rates	Interest Rate (%)	Weight	Total Actual NSC Budget in Crore Taka	Bank Expenditure in Crore Taka	Interest Expenditure in Excess in Crore Taka	Actual NSC Expenditure in Crore Taka	Actual Bank Expenditure in Crore Taka	Actual Interest Expenditure in Excess in Crore Taka
Weighted Average rate of all NSC Scheme	11							
Maximum Bank Deposit rate	9	0.818	38000	31090.909	6909.091	40042	32761.636	7280.364
Excess Interest Expense for NSC	2	0.182			6909.091			7280.364

Annexure-2 (Calculation of Social Security Part of Agriculture Subsidy)

No. of Farmers (Source: DAE)		Total Land in Hector	Total usage of Fertilizer (in KG)	Total Subsidy(in Crore)	Subsidy per Farmer (in Taka)	Total SS Allocation
Nature	Number					
Landless<0.02	4364523	91613	29721387	3108.14643	7121.38858	13170.69
Marginal (0.02 to 0.2 Hector)	7980640	2321991	753307874	5683.32386		
Small (0.21 Hector)	6149394	8067414	2617256693	4379.22242		
Medium (1 to 3 Hecotr)	2386053	5362406	1739689198	1699.20106		
Large >3 Hector	425628	1851217	600577841	303.106238		
Total	21306238	17694641	5740552993	15173	7121.38858	13170.69