

# Ethiopia's Recent Fiscal Performance: A Data Pack and some observations

## Macro Research Ethiopia

We put together a data pack on Ethiopia's recent fiscal performance, focusing on revenue performance over the past few years (including so far this year) and also taking a detailed look at the composition of government spending for the current budget year.

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### Revenue Performance

- **Revenue performance:** While conventional indicators of revenue collection in Ethiopia suggest a weak performance, a closer look at the data shows significant progress registered in recent years as well as a reasonably good record if one takes into account untaxed portions of the economy (agriculture) and tax incentives granted (by intent) for investment promotion purposes. For this year, while import-related taxes are flat or falling (as fx constraints are holding back import growth), taxes linked to *domestic activity* are showing strong growth and record levels of collection.
  - Government revenue is up from Birr 30bn ten years ago to Birr 270bn last year, a 9x jump over ten years. Growth rates in nominal terms have averaged 22 percent per year over the past ten years, while the number of tax payers has crossed 550,000 as of 2018. Specific revenue line-items with particularly strong yearly growth over the past decade include domestic indirect taxes (28 percent annual growth), direct taxes (26%), and non-tax revenue (24%) (see Table 1).
  - Ethiopia's revenue-to-GDP of just 12.2 percent (for FY 2017-18) is indeed low in a cross-country context, but a more appropriate measure of revenue performance is better captured by *revenue to non-agricultural GDP*, given that the agricultural sector remains essentially untaxed per long-standing practices. Accounting for this, revenue is around 23 percent of adjusted GDP, and much closer to the norms seen in other African countries (see Tables 2 and 3).
  - In addition, the extent to which one large foregone revenue item—tax incentives for investors—understates revenue figures is often not well recognized. The World Bank's detailed 2016 Public Expenditure Review finds tax exemptions and incentives have cost as much as 4 to 5 percent of GDP per annum in recent years, and adding back such exemptions would yield underlying revenue ratios—all else equal—of near 16-17 percent of GDP.

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- For the current 2018-19 fiscal year, six month data show just a 9 percent increase in revenue on a year-on-year basis, suggesting a slight decline in real terms (inflation was ~10 percent over the same period). However, a decomposition of the revenue data shows that it is *import-related* tax receipts that are showing a large drop (a 7% decline), reflecting flat/falling imports across many categories due to fx constraints. Excluding import-related items, tax collections linked to domestic economic activity are actually *up by 20 percent*, suggesting robust growth in both nominal and real terms (Table 4).
- Finally, looking at budget-related external grants, Ethiopia’s record shows comparatively low reliance on such funds. In Birr terms, grants have risen from 13.1 bn to 17.9 over the past ten years, but this amounts to a decline in USD terms (from USD 1.1bn to USD 0.7bn) and a significant decline relative to the size of the economy from 4.1 to 0.8 percent of GDP (see Table 5) . Relative to African countries at similar per capita income, Ethiopia also stands out for an unusually low grant-to-GDP ratio from a cross-country context.

Taken all together, the above indicators suggest that revenue collection may not be as weak as is commonly perceived. While the full range of revenue mobilization efforts currently underway remain largely appropriate—including efforts to expand the tax net, formalize business transactions, reduce evasion, and collect unpaid dues—it is equally worth recognizing the significant progress made to date and the relatively good standing seen after accounting for exempted sectors, policy-driven tax incentives and fx-related constraints. Moreover, with respect to grants, Ethiopia’s budget is currently a comparatively low recipient of such inflows, and there is potentially a significant scope for increases in this line-item following the closer re-engagement with external donors over the past year.

#### *Budget expenditure*

- **Government spending—the conventional breakdowns:** Per the annual budget document, government spending breakdowns are presented across four categories: (1) current spending; (2) capital spending; (3) subsidies to regions; and (4) support for MDGs. The first two items—current and capital spending—are further categorized into four sub-items: general services, economic services, social development and others. A breakdown on this (summary budget presentation) basis is presented in Table 6.
- **Government spending—detailed line items:** Based on a more detailed itemization of the Federal Budget passed by Parliament in June 2018, we present a more dis-aggregated view of this year’s budget that includes the allocations for the specific public agencies and/or government institutions

involved. For easy reference, we also tabulate the top 10 general expenditure items based on this dis-aggregated budget view

- From the total government expenditure of Birr 347bn as passed in the June 2018 budget, Birr 205bn are funds allocated by the federal government for current and capital expenses (see breakdowns in Table 7), while the remaining Birr 142bn represents lump-sum transfers to regions and MDG allocations.
- A breakdown of the Birr 205bn for the federal general budget shows the following Top 10 items (see Table 8):
  - **Roads** remain the single largest budget item, per the norm in recent years, receiving Birr 39bn in funds for FY 2017-18.
  - **Universities** are seen to receive a nearly identical amount as roads (Birr 37bn), spread out over 45 institutions, and with some of the largest recipients (eg AAU) getting almost Birr 2bn in annual allocations while the median size allocated to universities stands at Birr 800mn per year.
  - **Debt service** comprises the third largest federal expenditure allocation, at Birr 22.5bn, with around two-thirds of this paid out to external lenders.
  - **Defense spending** makes up the fourth largest recipient at Birr 15 bn, equivalent to 0.6% of current year GDP. Together with **security-related allocations** (Birr 6.7bn), these two areas receive a combined Birr 21.7bn in funds.
  - Three key **economic sectors** make up the 5<sup>th</sup>, 7<sup>th</sup>, and 10<sup>th</sup> largest budgetary recipients within the Top 10, given the following allocations for Agriculture (Birr 14.0bn), Energy (Birr 12.3bn), and Industry (Birr 6.4).
  - **Health allocations**, at Birr 10.8bn make up the 8<sup>th</sup> largest recipient within the Top 10, and the second largest social sector allocation after universities/education.
  - Finally, what may be termed **administrative and overhead outlays** of the federal government collectively received Birr 13.7bn, or the 6<sup>th</sup> largest allocation within the Top 10.

### *Conclusion*

**While Ethiopia's budget performance often generates weak headline numbers in certain areas (e.g. revenue ratios), a closer look at the figures shows some underlying strengths and qualities.** Most notably, revenue collection has shown consistent growth over the years in line with the macroeconomy and stands at a reasonable share of the relevant GDP, while government spending allocations and priorities have been and remain of substantially good quality, oriented as they are towards key public goods such as roads, higher education, and growth-enhancing investments in agriculture, energy, industry, and the social sectors.

**Table 1: Ten Years of Revenue Data(Birr mns)**

Revenue	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
<b>Total Revenue and Grants</b>	<b>57,258</b>	<b>61,984</b>	<b>85,611</b>	<b>115,659</b>	<b>137,192</b>	<b>158,077</b>	<b>199,639</b>	<b>243,672</b>	<b>269,106</b>	<b>287,562</b>
<b>Revenue</b>	<b>43,821</b>	<b>49,044</b>	<b>69,120</b>	<b>102,864</b>	<b>124,077</b>	<b>146,173</b>	<b>186,619</b>	<b>230,657</b>	<b>256,629</b>	<b>269,648</b>
Tax revenue	32,382	35,184	58,981	85,740	107,010	133,118	165,313	189,717	210,136	235,300
Direct taxes	11,108	11,751	19,550	28,858	36,393	47,021	60,154	71,127	81,410	97,646
Indirect taxes	21,274	23,433	39,431	56,882	70,618	86,098	105,158	118,590	128,725	137,583
Domestic indirect taxes	6,474	8,426	15,705	23,326	32,440	40,499	52,368	55,867	62,523	67,172
Import duties and taxes	14,800	15,008	23,726	33,556	38,177	45,599	52,790	62,723	66,202	70,411
Non-tax revenue	11,439	13,860	10,139	17,124	17,067	13,055	21,306	40,940	46,493	34,418
<b>Grants</b>	<b>13,437</b>	<b>12,940</b>	<b>16,491</b>	<b>12,795</b>	<b>13,115</b>	<b>11,904</b>	<b>13,020</b>	<b>13,014</b>	<b>12,477</b>	<b>17,913</b>
<b>Growth rates</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
<b>Total Revenue and Grants</b>	<b>44.2%</b>	<b>8.3%</b>	<b>38.1%</b>	<b>35.1%</b>	<b>18.6%</b>	<b>15.2%</b>	<b>26.3%</b>	<b>22.1%</b>	<b>10.4%</b>	<b>6.9%</b>
<b>Revenue</b>	<b>47.1%</b>	<b>11.9%</b>	<b>40.9%</b>	<b>48.8%</b>	<b>20.6%</b>	<b>17.8%</b>	<b>27.7%</b>	<b>23.6%</b>	<b>11.3%</b>	<b>5.1%</b>
Tax revenue	36.1%	8.7%	67.6%	45.4%	24.8%	24.4%	24.2%	14.8%	10.8%	12.0%
Direct taxes	58.3%	5.8%	66.4%	47.6%	26.1%	29.2%	27.9%	18.2%	14.5%	19.9%
Indirect taxes	26.7%	10.1%	68.3%	44.3%	24.1%	21.9%	22.1%	12.8%	8.5%	6.9%
Domestic indirect taxes	27.1%	30.1%	86.4%	48.5%	39.1%	24.8%	29.3%	6.7%	11.9%	7.4%
Import duties and taxes	26.6%	1.4%	58.1%	41.4%	13.8%	19.4%	15.8%	18.8%	5.5%	6.4%
Non-tax revenue	90.9%	21.2%	-26.8%	68.9%	-0.3%	-23.5%	63.2%	92.2%	13.6%	-26.0%
<b>Grants</b>	<b>35.6%</b>	<b>-3.7%</b>	<b>27.4%</b>	<b>-22.4%</b>	<b>2.5%</b>	<b>-9.2%</b>	<b>9.4%</b>	<b>0.0%</b>	<b>-4.1%</b>	<b>43.6%</b>
<b>Percent of GDP</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
<b>Total Revenue and Grants</b>	<b>17.0%</b>	<b>16.3%</b>	<b>16.6%</b>	<b>15.5%</b>	<b>15.8%</b>	<b>14.9%</b>	<b>15.4%</b>	<b>15.5%</b>	<b>14.7%</b>	<b>13.1%</b>
<b>Revenue</b>	<b>13.0%</b>	<b>12.9%</b>	<b>13.4%</b>	<b>13.8%</b>	<b>14.3%</b>	<b>13.8%</b>	<b>14.4%</b>	<b>14.7%</b>	<b>14.0%</b>	<b>12.2%</b>
Tax revenue	9.6%	9.3%	11.5%	11.5%	12.3%	12.5%	12.7%	12.1%	11.5%	10.7%
Direct taxes	3.3%	3.1%	3.8%	3.9%	4.2%	4.4%	4.6%	4.5%	4.4%	4.4%
Indirect taxes	6.3%	6.2%	7.7%	7.6%	8.1%	8.1%	8.1%	7.6%	7.0%	6.2%
Domestic indirect taxes	1.9%	2.2%	3.0%	3.1%	3.7%	3.8%	4.0%	3.6%	3.4%	3.0%
Import duties and taxes	4.4%	3.9%	4.6%	4.5%	4.4%	4.3%	4.1%	4.0%	3.6%	3.2%
Non-tax revenue	3.4%	3.6%	2.0%	2.3%	2.0%	1.2%	1.6%	2.6%	2.5%	1.6%
<b>Grants</b>	<b>4.0%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>1.7%</b>	<b>1.5%</b>	<b>1.1%</b>	<b>1.0%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.8%</b>
<b>Composition</b>										
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue</b>	<b>77%</b>	<b>79%</b>	<b>81%</b>	<b>89%</b>	<b>90%</b>	<b>92%</b>	<b>93%</b>	<b>95%</b>	<b>95%</b>	<b>94%</b>
Tax revenue	57%	57%	69%	74%	78%	84%	83%	78%	78%	82%
Direct taxes	19%	19%	23%	25%	27%	30%	30%	29%	30%	34%
Indirect taxes	37%	38%	46%	49%	51%	54%	53%	49%	48%	48%
Domestic indirect taxes	11%	14%	18%	20%	24%	26%	26%	23%	23%	23%
Import duties and taxes	26%	24%	28%	29%	28%	29%	26%	26%	25%	24%
Non-tax revenue	20%	22%	12%	15%	12%	8%	11%	17%	17%	12%
<b>Grants</b>	<b>23%</b>	<b>21%</b>	<b>19%</b>	<b>11%</b>	<b>10%</b>	<b>8%</b>	<b>7%</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>

Source: NBE

**Table 2: Revenue as Percentage of GDP, Non agri-GDP**

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Revenue, Birr bns	43.8	49.0	69.1	102.9	124.1	146.2	186.6	230.7	256.6	193.1
% of GDP	13%	13%	13%	14%	14%	14%	14%	15%	14%	9%
% of non agr GDP	20%	19%	23%	31%	33%	34%	38%	23%	23%	16%
Memo:										
<i>Total GDP</i>	336	380	515	747	867	1,061	1,298	1,568	1,833	2,202
<i>Non- Agricultural</i>	223	260	303	337	380	431	485	1,024	1,137	1,233

Source: NBE

**Table 3: Comparisons of Revenue to Non Agricultural GDP**

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Ethiopia	20%	19%	23%	31%	33%	34%	38%	23%	23%
Nigeria	14%	17%	23%	19%	14%	13%	10%	7%	8%
Ghana	25%	25%	27%	25%	22%	25%	26%	23%	23%
Tanzania	24%	24%	24%	25%	24%	23%	23%	24%	25%
South Africa	30%	30%	30%	31%	31%	31%	32%	33%	32%
Egypt	32%	28%	25%	23%	23%	27%	24%	19%	20%
Vietnam	32%	39%	38%	32%	32%	31%	33%	32%	28%
Bangladesh	12%	13%	13%	14%	14%	14%	12%	12%	12%
China	26%	27%	30%	31%	31%	31%	32%	31%	30%
Kenya	28%	30%	29%	29%	30%	30%	30%	30%	31%
Avg for 10 comparables	25%	26%	27%	25%	25%	25%	25%	23%	23%

Source: IMF, WB, NBE

**Table 4: Revenue Performance for the First Half of the Year (Birr bns)**

	H1: FY 2017/18	H1: FY2018/19	% Change
<b>Local Taxes</b>	<b>51.3</b>	<b>61.8</b>	<b>20%</b>
Direct taxes	28.0	35.3	26%
Indirect taxes	23.0	26.1	14%
Non tax revenue	0.4	0.4	10%
<b>External revenue</b>	<b>39.5</b>	<b>36.8</b>	<b>-7%</b>
Customs tariff and tax	38.6	35.7	-7%
Non tax revenue	0.9	1.0	16%
<b>Lottery sales</b>	0.1	0.1	32%
<b>Total Revenue</b>	<b>90.9</b>	<b>98.7</b>	<b>9%</b>

Source: ERCA

**Table 5: Budget Grants in Ethiopia: A Ten Year Perspective**

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Ethiopia Budget Grants										
Grants, USDmn	1,290	1,004	1,024	743	717	624	648	617	557	686
Grants, Birr mns	13,437	12,940	16,491	12,795	13,115	11,904	13,020	13,014	12,477	17,914
Grants, % GDP	4.0%	3.4%	3.2%	1.7%	1.5%	1.1%	1.0%	0.8%	0.7%	0.8%

Source: NBE, IMF reports

**Table 6: Government Spending by Main Categories  
Current Fiscal Year (Birr bn)**

Description	2018	% of Total
<b>Total Expenditure</b>		
By Budget Summary Presentation	<b>346.9</b>	<b>100%</b>
Federal Government Expenditure	205.3	59%
<i>Recurrent Expenditure</i>	91.7	45%
<i>Capital Expenditure</i>	113.0	55%
Subsidies To Regions	135.6	39%
SDGS	6.0	2%
By Economic Sector	<b>346.92</b>	<b>100%</b>
Economic	75.70	22%
Social	58.46	17%
General	35.48	10%
Others	35.67	10%
Subsidies To Regions	135.60	39%
SDGS	6.00	2%

Source: MoFEC

**Table 7A: Federal Government Expenditure Detail Categories(Birr Bn)**

<b>Total Expenditure</b>	<b>205.31</b>
<b>1 Administration and General</b>	<b>35.48</b>
<b>1.1 Organ of State</b>	<b>3.33</b>
Ministry Of Federal and Pastoral Development Affairs	1.58
Palace Administration	0.68
Office of The National Election Board	0.41
House of The People's Representatives	0.32
Office of the Prime Minister	0.13
Office of the Auditor General	0.10
House of the Federation	0.07
Office of The President	0.03
Council of Constitutional Inquiry	0.02
<b>1.2 Justice and Security</b>	<b>6.77</b>
Federal Police Commission	2.60
Information Network Security Agency	1.03
Federal Prison Administration	0.99
National Intelligence and Security Service	0.61
Federal Attorney General	0.57
Federal Courts	0.41
Documents Authentication and Registration Office	0.12
Vital Events Registration Agency	0.08
Ethiopian Human Right Commission	0.07
Federal Ethics And Anti-Corruption Commission	0.07
Institution of The Ombudsman	0.06
Justice and Legal System Research and Training Institute	0.05
Charities and Societies Agency	0.05
Cyber Army Development Institute	0.04
Financial Intelligence Center	0.03
Public Financial Enterprises Agency	0.02
<b>1.3 Defense</b>	<b>15.00</b>
Ministry of National Defense	15.00
<b>1.4 General Service</b>	<b>10.38</b>
Ministry of Foreign Affairs	2.98
Ethiopian Revenue and Customs Authority	2.49
Central Statistics Agency	1.27
Ministry of Finance and Economic Cooperation	1.13
Ministry of Science and Technology	0.94
Meles Zenawi Leadership Academy	0.30
Ministry of Public Service and Human Development	0.21
Ethiopian Broadcast Authority	0.16
Ethiopian News Agency	0.15
Ethiopian Biotechnology Institute	0.14
Ethiopian Space Science and Technology Institute	0.12
Policy Study and Research Center	0.08
Government Communication Affairs Office	0.07
Ethiopian Mapping Agency	0.06
National Planning Commission	0.05
National Metrology Institute of Ethiopia	0.04
The Accounting and Auditing Board of Ethiopia	0.04
Science and Technology Information Center	0.03
Ethiopian Radiation Protection Authority	0.03
Public Procurement and Property Disposal Service	0.02
Ethiopian Intellectual Property Office	0.02
Office of National Council for the Coordination of Public Particip	0.02
Ethiopian Development Research Institute	0.01
Public Procurement and Property Administration Agency	0.01
Board Of Trustees For Government Enterprises	0.01
Ethiopian Foreign Relation Strategic Studies Institute	0.01

<b>2 Economy</b>	<b>75.70</b>
<b>2.1 Agricultural and Rural Development</b>	<b>13.98</b>
Ministry of Agriculture and Livestock R	12.25
Ethiopian Agricultural Research Institu	0.80
Ethiopian Coffee and Tea Development	0.16
Agricultural Transformation Agency	0.13
Ethiopian Environment and Forest Res	0.12
Ethiopian Institute of Bio-Diversity	0.10
The National Institute for Control and I	0.08
Ministry of Environment, Forest and Cl	0.07
Ethiopian Horticulture and Agricultural	0.07
Veterinary Drug and Animal Feed Adm	0.06
Ethiopia Commodity Exchange Authori	0.05
Federal Cooperative Agency	0.05
Ethiopian Agricultural Research Counci	0.03
<b>2.2 Water Resources &amp; Energy</b>	<b>12.34</b>
Ministry of Water, Irrigation and Elect	11.69
Ethiopian Water Technology Institute	0.21
National Meteorology Agency	0.16
Awash Basin Authority	0.13
Abay Basin Authority	0.07
Rift Valley Lakes Basin Authority	0.04
Ethiopian Energy Authority	0.02
Office for Water Development Fund	0.01
<b>2.3 Trade and Industry</b>	<b>1.29</b>
Textile Industry Development Institute	0.26
Ministry of Trade	0.11
Ethiopian Standards Agency	0.11
Metals Industry Development Institute	0.10
Leather Industry Development Institute	0.10
Ministry of Public Enterprises	0.10
Ministry of Industry	0.09
Chemical and Construction Inputs Indu	0.09
Federal Small and Medium Manufactu	0.07
Ethiopian Investment Commission	0.06
Ethiopian Meat and Dairy Industry Dev	0.06
Food, Drink and Pharmaceutical Indust	0.06
Ethiopian Kaizen Institute	0.04
Trade Practice and Consumers' Protect	0.04
Ethiopian National Accreditation Offic	0.01
<b>2.4 Mines</b>	<b>0.21</b>
Geological Surveys of Ethiopia	0.14
Ministry of Mines, Oil and Natural Gas	0.08
<b>2.5 Transport and Communication</b>	<b>2.54</b>
Maritime Affairs Authority	0.71
Transport Authority	0.68
Ministry of Communication and Inform	0.53
Ethiopian Civil Aviation Authority	0.36
Ethiopian Press Agency	0.14
Ministry of Transport	0.10
Insurance Fund Administration Agency	0.02
<b>2.6 Urban Development and Construction</b>	<b>45.33</b>
Ethiopian Roads Authority	38.92
Ministry of Urban Development and Hc	3.22
Federal Urban Job Creation and Food S	2.54
Ethiopian Construction Project Manage	0.28
Federal Urban Land & Land Related Pr	0.19
Ministry of Construction	0.12
Integrated Infrastructure Development	0.06
Road Fund Office	0.01

**Table 7B: Federal Government Expenditure Detail Categories(Birr Bn)**

<b>3 Social</b>	<b>58.46</b>
<b>3.1 Education</b>	<b>43.31</b>
Ministry of Education	4.99
Addis Ababa University	1.98
Bahir Dar University	1.60
Jimma University	1.56
Mekele University	1.48
Hawassa University	1.43
Gonder University	1.43
Haramaya University	1.31
Arba Minch University	1.23
Dilla University	1.20
Ambo University	1.08
Addis Ababa Science and Technology University	1.07
Jigjiga University	1.04
Medewollabo University	1.03
Adama Science and Technology University	1.03
Wellega University	1.02
Wolayita Sodo University	1.02
Mizan/Teppi University	1.01
Wollo University	0.97
Debre markos University	0.96
Axum University	0.95
Semera University	0.94
Debrebirhan University	0.90
Wachemo University	0.86
Welkitie University	0.86
Dire Dawa University	0.86
Arsi University	0.84
Metu University	0.84
Adigrat University	0.83
Bule Hora University	0.79
Woldiya University	0.77
Debre Tabor University	0.75
Assosa University	0.73
Gambella University	0.53
Ethiopian Civil Service University	0.48
National Educational Assessment and Examination Agency	0.44
Technical Vocational Education and Training Institute	0.40
Technical Vocational Education and Training Agency	0.28
Oda Bultum University	0.19
Selale University	0.19
Dembi Dolo University	0.15
Kebridehar University	0.15
Raya University	0.15
Injibara University	0.15
Werabe University	0.15
Jinka University	0.15
Debark University	0.15
Bonga University	0.15
Mekdela Amba University	0.15
Education Strategy Center	0.05
Higher Education Quality and Relevance Agency	0.04

Source: MoFEC

**Table 7B: Federal Government Expenditure Detail Categories(Birr Bn)**

<b>3.2 Culture and Sport</b>	<b>3.48</b>
Ministry of Youth and Sport	2.68
National Archive and Library Agency	0.16
Ethiopian Youth Sports Academy	0.12
Ethiopian Wildlife Conservation Authority	0.12
Authority for Research and Conservation	0.10
Ministry of Culture and Tourism	0.09
Ethiopian Cultural Center	0.06
Ethiopian Tourism Organization	0.06
Catering and Tourism Training Center	0.05
National Theater	0.03
Ethiopia National Anti-Doping Office	0.01
<b>3.3 Health</b>	<b>10.84</b>
Ministry of Health	8.89
St. Paul Millennium Medical College	1.33
Ethiopian Food, Drug and Health Care Agency	0.21
Ethiopian Health Insurance Agency	0.18
Ethiopian Public Health Institute	0.13
National Blood Bank Service	0.08
National HIV/AIDS Prevention & Control	0.02
<b>3.4 Labor and Social Affairs</b>	<b>0.11</b>
Ministry of Labor and Social Affairs	0.06
Ministry of Women and Children Affairs	0.05
<b>3.5 Prevention and Rehabilitation</b>	<b>0.72</b>
The Strategic Food Reserve Agency	0.64
National Disaster Risk Management Center	0.08
<b>4 Others</b>	<b>35.67</b>
<b>4.1 Transfer</b>	<b>5.64</b>
Industrial Parks Development Corporation	5.10
Ethiopian Airports Enterprise	0.37
Public Service Employee Transport Service	0.10
Ethiopian Academy of Sciences	0.05
Ethiopian Patriotic Association	0.01
Ethiopian Red Cross Association	0.01
<b>4.2 Debt</b>	<b>22.51</b>
External Debt	14.25
Internal Debt	8.26
<b>4.3 Contingencies</b>	<b>7.52</b>
Provision For Salary and Operating Expenses	6.51
Commitments	1.00
Provision For Bank Charges	0.01



**TABLE 8: Ethiopia's Top 10 General Expenditure Items, Federal Budget of FY 2018-19**

Top 10 General Expenditure Items	Birr bn	Notes
1 Roads	38.9	Ethiopian Roads Authority allocation
2 Universities	37.1	Sum of allocations to 45 universities
3 Debt service	22.5	External and domestic debt service
4 Defence	15.0	Defence sector line-item
5 Agriculture	14.0	Sum of agriculture & rural development
6 Administrative functions/overhead	13.7	Sum of 'General Service' & 'Organs of State'
7 Energy	12.3	Energy and Water Resources line-item
8 Health	10.8	Health sector line-item
9 Security	6.7	Justice and Security' line item
10 Industry	6.4	Trade & Industry' plus IPDC allocation
Top 10 General Expenditure Items:	177.5	
All other Gen Expenditure Items:	27.8	
Total General Expenditure Items:	205.3	
Top 10 items share in Gen Expd Items:	86%	
Subsidies to Regions	135.6	
MDG allocations	6.0	
Total Expenditure--GRAND TOTAL:	346.9	