CLASSIFICATION

PROJECT EVALUATION SUMMARY (PES) — PART I

Report Symbol U-447

1. PROJECT TITLE	2. PROJECT NUMBER	3. MISSION/AID/W OFFICE
Increasing Revenue for Development	636-0108	USAID/Freetown
	4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 2 Mid Project Evaluation ☐ REGULAR EVALUATION ☐ SPECIAL EVALUATION	

5. KEY PROJECT IMPLEMENTATION DATES			6. ESTIMATED PROJECT FUNDING	7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY 78	B. Final Obligation Expected FY 80	C. Final Input Delivery FY 82	A. Total $1,042,000 B. U.S. $ 772,000	From (month/yr.) April, 1979 To (month/yr.) March, 1981 Date of Evaluation Review July, 1981

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
Budget review with view toward possible revision of budget, and extension of PACD due to start-up delays are needed.	C. Uphaus	Jan., 1982

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

- ☐ Project Paper
- ☐ Financial Plan
- ☐ Logical Framework
- ☐ Project Agreement
- ☐ Implementation Plan e.g., CPI Network
- ☐ PIO/T
- ☐ PIO/C
- ☐ PIO/P
- ☐ Other (Specify) ____________
- ☐ Other (Specify) ____________

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

- A. ☒ Continue Project Without Change
- B. ☐ Change Project Design and/or ☐ Change Implementation Plan
- C. ☐ Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

Charles Uphaus
Agr. Economist

12. Mission/AID/W Office Director Approval

Signature

Typed Name
Alex Dickie Jr., AAO

Date

AID 1330-15 (3-78)

PES - Part II

13. The project is slightly behind schedule in some areas, and ahead in others; overall progress is satisfactory.

14. This mid-project evaluation, specified in the PP, was carried out by a representative from IRS/TAAS and one representative from AID/W (DS/RAD). The evaluation team reviewed documents and reports and interviewed project and GOSL personnel. Progress was reviewed relative to the PP implementation plan goals for the first two years of the project.

15. External Factors: Unstable trends in overall development revenues and expenditures may cause severe analytical problems for measurement of the project's fiscal effects. (See report pp. 4-7)

16. Delays in AID documentation (PIO/T to amend PASA) necessitated postponement of short term technical assistance planned for the second year of the project. All other inputs are roughly on schedule.

17. All training outputs appear likely to be met or exceeded by PACD. Other outputs have not all yet been addressed, but appear achievable by PACD (see p. 8 of full report). Project achievements not specifically called for in PP are noted pp. 8-9 of report.

18. The project purpose is to upgrade the tax administration capacity of the GOSL to collect additional internal tax revenues. Progress relative to EOPs is cited pp. 2-7. All EOPs indicators appear to be valid with exception of No. 6, "Budgetable resources resulting from project increasing at the rate of 15% p.a." which, as pointed out above, may prove extremely difficult to verify.

19. The project goal is to improve the capability of the GOSL to generate and mobilize resources for development. The generation/mobilization of domestic financial resources is relatively straightforward and verifiable. However, specific analysis of the budgetory allocation of the increased revenues is much more problematic and, perhaps, inappropriate as an indicator. See report pp. 6-7 for detailed discussion of this point.

20. The direct beneficiaries are, as pointed out in the PP, the tax department and its employees. To the extent that the increased revenues are committed to development expenditures the citizens of Sierra Leone will ultimately benefit. Any benefit, however, would be extremely diffuse and, as pointed out above, virtually unverifiable.

21. There have been no noticeable unplanned effects. One unanticipated problem has been the removal of tax collection records from the tax office to the Ministry of Finance, which has set back implementation of the new system of account controls (See p. 3 of report).

22. It appears premature to attempt to derive lessons or conclusions from the experience to date of this project. Such conclusions should be left for the end of project evaluation.

Interim Project Evaluation

INCREASED REVENUE FOR DEVELOPMENT

636-0108

July 1981

Freetown, Sierra Leone

Charles O. Austin, IRS/TAAS

Robert E. Firestine, AID/ST/RAD

Evaluation of Sierra Leone Project 636-0108

"Increased Revenue for Development"

A. SUMMARY

In general, the project is showing satisfactory progress and is slightly behind schedule towards achieving program goals. The Senior Tax Advisor has won the confidence and respect of counterpart tax officials by demonstrating his desire to improve tax administration in Sierra Leone. His enthusiasm and his willingness to work at all levels within the organization is obvious to all.

B. MEASURE OF PROGRESS

The Project Implementation Plan was used to measure progress made towards stated goals during the first and second years of the project.

1. First Year (April 1979 - March 1980)

The implementation plan called for five months of TDY assistance this year for an audit and legal advisor, training program advisor, and a statistics specialist. Actually, only three months of short-term assistance was provided in the areas of audit and organization and methods.

Orientation to the US/IRS tax system for a top executive was included in the plan for the first year. As scheduled, an orientation program in the U.S. was provided to Commissioner of Income Tax, Mr. G.L. Thomas.

The first year implementation plan also provided for IRS/INTAX management training for four middle-management officials in the tax department. Only three officials were selected for this training in the U.S. The day before departure, one selectee broke his leg and had to cancel. Therefore, only two of the planned four tax officials participated in the INTAX training the first year.

The implementation plan scheduled 60 percent of commodities to be in place in the first year. As called for in the implementation plan, over 60 percent of the commodities were in place by the end of the first year.

The principal reason for falling behind schedule regarding TDY assistance and training can be attributed to normal start-up delays in which the resident advisor must win the confidence of host country officials before short-term advisors can be brought on-site and counterparts named for training.

2. Second Year (April 1980 - March 1981)

The implementation plan included eleven months of short-term TDY assistance during the second year of the project. No short-term assistance at all was provided during this year. The Senior Tax Advisor attempted to schedule TDY assistance for Audit, Organization and Methods, Internal Audit, and Files Management during this period. However, IRS/W (Tax Administration Advisory Services Division - TAAS) was prohibited from furnishing the technicians because of a lack of a PIO/T for FY 80 and FY 81. In March, 1981, the PIO/T's were received in Washington and approved; however, it was too late to bring TDY assistance on board to be included in the second year efforts.

In the second year the implementation plan scheduled a specialized academic program in tax administration for one high level administrative manager. Assistant Commissioner A.T.E. Thomas (no relation to the Commissioner) attended a twenty-two week academic program at the University of Southern California Institute for Tax Administration, meeting the implementation plan goal.

IRS/INTAX management training was not included in the implementation plan for the second year. However, three high level managers were selected for the INTAX course this year. This made up for the shortfall in management training in the first year, and put actual performance ahead of the plan regarding INTAX training.

Four weeks of in-country training in tax collection and advanced auditing techniques were scheduled in the plan. Six Weeks of in-country training were actually provided.

The plan called for approximately 85 percent of the commodities to be in place by the end of the second year. USAID/SL figures for commodity purchases for this project could not be verified with accuracy, but it appears that the project goal of 85 percent has been met.

C. VERIFIABLE INDICATORS OF PROGRESS

The objectively verifiable indicators in the Logical Framework of the Project Paper were used to measure progress towards end-of-project goals.

1. "Substantially all technical and managerial tax personnel will have received job-related training."

Twenty-two employees received training in tax collection techniques and thirty-six persons were trained in advanced audit techniques. Additional training of tax assessors in audit and examination of taxpayer records was planned but was postponed when an audit advisor could not be brought on board because there was no funding document (PIO/T). The funding problem has been resolved and arrangements will be made for the audit training to begin after the resident senior tax advisor returns to post following home leave.

On his own initiative and on his own time, the senior tax advisor has been conducting a typing class for lower level clerical employees after regular working hours. Eleven persons are participating in the training which is given three nights a week in two-hour sessions. The purpose is to provide upward mobility to unskilled employees by teaching them skills that will allow them to move up to more responsible, better paying positions. The evaluation team visited the class and believes the resident advisor should be commended for his efforts in this area.

2. "Assessment function to permit control of all tax assessments modernized and operational."

Because of its former British Colonial status the Sierra Leone tax system is modeled after the British Tax System. Under the British system the tax is assessed by the tax office and the taxpayer is notified of the amount of the assessment. The taxpayer may submit his financial data to the tax office before the assessment is made, in which case the data are examined, the tax assessed and the taxpayer notified of the amount of tax. If the taxpayer does not submit financial data, an assessment is arrived at by using estimates or standard percentages applied to prior year assessments. If the taxpayer disagrees with the assessment, he must produce books and records to substantiate his claim. The Tax Office will review the records and re-calculate the assessment. If the taxpayer agrees with the assessment, he only needs to pay the amount of tax assessed and does not have to file a return.

Additional training in audit techniques is badly needed, especially training to determine the correct tax liability where records are inadequate. This training is scheduled to be given by a future audit TDY and will help to strengthen the audit skills of the assessment area employees.

Controls do exist to ensure that all taxpayers are assessed each year. However, there appears to be slippage in the control system. This area needs to be strengthened and assistance in providing better controls over records is expected to come from a planned Organization and Methods (O&M) TDY.

3. "Modern tax administration functions, including registry and control of taxpayers, collection and document processing installed and operating."

A system to control the accounts of taxpayers who have not paid their tax and whose records are maintained in the tax collection section was developed with the assistance of the resident tax advisor. Implementation of the new system was delayed for several months when the collection records were removed from the tax office and transferred to the Ministry of Finance. At the time of the evalution, the records were being returned to the tax office. As the records are returned they will be brought into the new control system. In addition to providing better control of tax accounts, the new system will provide that penalties for late payment will be recorded and controlled.

The registration and control of taxpayers is a weak area, and assistance is needed here. Although each taxpayer is given an account number, a universal taxpayer identification number does not exist, and one must be developed. This is a must item if increased use is to be made of supplemental financial data in preparing tax assessments.

4. <u>"Written technical and procedural manuals for inspectors, collectors, and office managers adopted and in use."</u>

Detailed procedural manuals for collectors have been prepared and are in use. There are other written "guidelines," but in most areas written instructions do not exist. The resident tax advisor is working with his counterparts to prepare manuals for other operational areas. It is expected that short-term advisors scheduled for the balance of the project will assist in preparing manuals in their respective areas of expertise.

5. <u>"At least two on-site training programs operating."</u>

Three on-site training courses have been given in which fifty-eight employees have received training in audit and collecton techniques. (This figure does not include the eleven employees in the "upward mobility" typing class.)

A Short-term Files Management Specialist was on site at the time of this evaluation. A course in files and record management was scheduled as a part of that assignment. All other short-term specialists will conduct some training in their specialized fields during their assignments.

6. <u>"Budgetable resources resulting from project increasing at the rate of 15% per annum."</u>

a. <u>Evaluation Criteria</u>

The final measure of purpose achievement -- i.e., "end of project status" (EOPS) -- is that, as a result of project activities, "tax revenues from direct taxes will be rising at a minimum rate of 15 percent a year, after adjusting for inflation." The corollary criterion is further expressed that "these increased revenues will be available to satisfy growing revenue claims by the development budget activities." (PP, p, 17).

b. <u>Recommendation</u>

It is too soon in the implementation of the project to expect clear indications of its fiscal (revenue and expenditure) effects. However, the relatively unstable trends in overall development revenues and expenditures in recent years may well cause severe analytical problems in this regard for the final project evaluation two years hence. Careful adjustments of revenue data are needed to produce acceptable estimates of these fiscal effects. It may prove impossible to produce such estimates in the course of the Final EOP evaluation. Accordingly, for the final evaluation, consideration should be given to <u>deleting</u> the EOPS condition for budgetary resources (item 6 EOPS in the logframe) while <u>retaining</u> all the project goal statements as they presently appear.

c. Discussion

(1) The Revenue Objective

The stated objective of a 15 percent annual increment after inflation is a truly worthwhile but challenging target to be sought upon completion of this project. Given the necessarily cumulative effects of project activities, its most dramatic contributions should make themselves much more evident toward the end of the project period and thereafter. Thus, at this mid-point evaluaton, it is inappropriate to seek evidence of significant revenue growth of all direct taxes to be attributed to the project. That test should be made in the final project evaluation or even in the years immediately following completion of the project.

It is worth noting here that, in addition to inflation, adjustments for national economic growth and for changes in the rates and bases of the various direct taxes should also be considered in computing the ultimate revenue effects of this project. While the project paper assumed "no sharp decline in economic activity" (Logframe, Annex A of the PP), a significant change in net national product (NNP), in either direction, should ultimately have a corresponding effect on direct tax revenues -- though such an effect might well be subject to a lag in timing and perhaps some adjustment for untaxed portions of NNP. The same is true, of course, for changes in tax rates and tax bases, although estimates of these effects are often very tricky since some of the necessary data may not easily be obtained. That is the case in the present instance. However, it is worth noting that personal tax equity has apparently improved somewhat by a recent raising of the individual exemption level from Le 402 to Le 720 per year.

Perhaps the most reasonable estimates of the revenue effects of the project at this relatively early date should focus on the personal tax itself. This is so since the Senior Tax Advisor stressed important aspects of individual taxation from the outset, and the recent revenue patterns of the personal tax are much more stable than those of any other direct tax. The first full year of the project, 1979/80, showed a 27.8 percent nominal increase in personal tax revenues over the preceding year, which translates into a 7.2 percent real increase after adjustment for inflation (using the Consumer Price Index from the Central Statistics Office, averaged from quarterly data). For the second year of the project, provisional revenue estimates -- based on projections to a full year from data covering the first eight months of the tax year -- indicate that personal tax revenues grew at a 35.0 percent nominal rate and at a 22.3 percent real rate after adjusting for inflation. While no attempt is made here further to adjust these data for economic growth or for modifications in the rate-and-base parameters of the personal tax, these real rates of growth thus far could auger well for the future.

(2) The Expenditure Objective

Specific analysis of the budgetary allocation of increased revenues for development is a much more difficult and inexact task than is revenue analysis. Since all budgetary monies are fungible, it is -- in a practical sense -- impossible to identify the specific revenue sources which may have contributed to a given expenditure outcome, much less to estimate how a given expenditure item might have been affected if a particular revenue source had been of marginally lower magnitude than it was. Additionally, any general adjustment for significant variations in the level of overall economic activity would be of very limited utility, since proportionality of budgetary priorities -- even between "development" and "non-development" expenditure categories -- could not be expected to hold under substantially different annual circumstances of revenue availability.

This also suggests that, under conditions of highly variable annual flows in total development revenues, it is likely that the overall magnitude of these variations could completely overshadow, for analytical purposes, the incremental fiscal contribution from such a project as this.* Such an outcome appears to have occurred in this situation, as may be seen from the substantial variability in development resources over the last three years (see Table 1). Therein, the sharp increases in both external and domestic development resources for 1979/80 (which corresponded to the 1980 OAU Conference in Freetown) were followed by 1980/81 development revenue patterns which differ markedly from those of pre-project years. In such a situation, budgetary allocations for development are bound to be significantly destabilized, making attribution of incremental project revenue contributions for development a very subjective exercise, at best.

This irregularity in annual fiscal flows is indeed evident in the recent patterns of estimated development expenditures by ministerial function, shown in absolute amounts in Table 2 and in indices (relative to the last pre-project year) in Table 3. Through the course of the 1979/80 spending surge and in the more "normal" year immediately thereafter, it is encouraging to note (particularly from Table 3) that modest gains (relative to 1978/79) were made in such generally important development categories as Agriculture and Forestry, Development and Planning, and Education. Over this 2-year period, nonetheless, disappointingly sharp declines emerged both in Social Welfare and Rural Development (dropping to only 31 percent of its pre-project level) and in Lands, Housing, and Country Planning (which fell to only one-fourth of its earlier pre-project level). Health spending, as well, fell somewhat from its 1978/79 level.

As already explained, these discouragingly mixed results are certainly not definitive with regard to the GOSL's willingness to apply the incremental

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*That situation in no way detracts from the revenue-raising potential of such projects, whether or not the actual revenue effects are ever accurately quantified.

revenues from the project to development purposes. Indeed, given the relative instability of both expenditure and revenue flows during the first two years of the project, no reliable conclusion in this regard can be drawn at this time.

d. Concluding Comment on Fiscal Objectives of the Project

Whatever the recent budgetary expenditure patterns at present, it is clear that the analysis of the expenditure impacts of the project to be made during the final evaluation in 1983 may well be a frustrating and perhaps ultimately indeterminate exercise. The revenue-raising objective might possibly be analyzed more directly, however, using such adjustments as suggested here. Nevertheless, during the final EOP evaluation, it may not be possible to produce acceptable estimates of these fiscal effects. Accordingly, consideration should be given to deleting the EOPS condition for budgetary resources (item 6 EOPS in the logframe) while retaining all the project goal statements as they presently appear.

D. OUTPUTS

1. Goal at EOPS: More than 90% of managerial, supervisory, and technical employees will have received related training and will be returned to similar or more responsible positions.

Finding: More than 75% of the managerial, supervisory and technical employees have received job related training and have returned to similar or more responsible positions. Additional training will be provided by the Senior Tax Advisor and short-term technicians during their assignments to Freetown. It is most likely that all senior and technical level employees will have received job related training by project completion date. The person that attended the academic program in Tax Administration has been assigned for one year to Forah Bay College to teach Tax Administration and accounting.

2. Goal at EOPS: Eight senior policy and administration executives will have completed orientation programs.

Finding: Five middle management employees have received training in the U.S. through the IRS/INTAX program. In addition, the Commissioner of Income Tax attended an orientation program in the U.S. to modern tax administration systems.

3. Goal at EOPS: Approximately 30 employees receiving periodic in-house training in work simplification and effective communication.

Finding: More than 50 employees have received training in work simplification and communication with taxpayers. This training was included as part of the collection and audit techniques courses. These are on-going training programs and will be repeated during the next two years of the project life.

4. Goal at EOPS: Modernization of all files of registered taxpayers, delinquent and paid up accounts, locked current files for one-of-a-kind records, routine transmission and procedures and related documents to taxpayers and functioning improved assessment (audit) and collection procedures.

Finding: Some modernization of files has occurred but much remains to be done. At the time of the evaluation a Files Management Specialist was in Sierra Leone on TDY to review the record-keeping process and to make recommendations for establishing a modern files management system. Thirty-two locking metal file cabinets were purchased as part of the commodities for this project. One-of-a-kind records can now be more secure in locked files.

New record-keeping procedures were developed to provide better control over the delinquent tax account records. Implementation of the new procedures has been very slow because the delinquent tax account records had been transferred from the tax office. As the records are returned the tax accounts will be brought into the new control system.

5. Goal at EOPS: A centralized control for the five existing assessment functions will be in operation.

Finding: Centralized control of assessments has not taken place. This item will be addressed during the future planned Audit Specialist TDY assignment.

6. Goal at EOPS: Codes will be assigned to all taxpayers and incorporated into tax office records.

Finding: A special taxpayer identification code has not been developed for use by the tax office. Currently, an in-house account number is assigned to each taxpayer's file. The number is not usually known to the taxpayer and the number is not used outside of the tax office where it would be useful in cross checking for other income sources. More work remains to be done in this area, and this is one item that should be addressed by a future O&M TDY assignment.

7. Goal at EOPS: Internal Audit function conducting at least 20 audits per year.

Finding: An Internal Audit Unit for the tax office has been discussed with the Commissioner by the resident tax advisor. An Internal Audit specialist TDY is programmed for the third year of the project life.

E. POSITIVE INDICATORS OF PROGRESS

General improvement in tax administration was observed in other areas in the Income Tax office. The improvements were not specifically addressed in the project paper but are believed to be the direct result of initiative taken by the Senior Tax Advisor. They are:

1. Standardization of several letters to taxpayers. Wording in the letters has been made more concise and references to the tax law have been included. Other correspondence to taxpayers will be standardized during the remaining life of the project.

2. A Management Information System was designed to gather data on tax office operations. When it is fully operational it will provide tax office management with statistical information on tax assessments and other operational matters.

3. Procedures for obtaining a Tax Clearance, required for most business transactions and also required before a citizen can leave the country, have been improved. The time required to issue a tax clearance under the new procedures has been greatly reduced.

4. Penalties imposed for non-payment of tax were not recorded as part of the delinquent tax record. Under those conditions the penalty would either not be collected, or it could be collected and reported or collected and not reported. Under the new system for controlling delinquent tax accounts, the penalty will be recorded and must be accounted for.

5. A Taxpayer Education and Information program has been planned and is ready to be implemented. Samples of IRS news releases and radio and T.V. spot announcements were obtained by the Senior Tax Advisor to use as models to develop similar material for use in Sierra Leone. Before the program can begin it must be approved by the Ministry of Finance. Approval of the program has been requested but has not yet been received.

F. FACTORS HINDERING PROGRESS

Progress under the project was hindered because of the following:

1. Records used for the collection of delinqunt taxes were removed from the tax office and placed under control of the Ministry of Finance. This action occurred at about the time the new control system for the tax accounts was to be implemented and caused several months delay in the implementation of the tighter controls.

2. Because of the lack of a funding document (PIO/T), IRS/W was prohibited from furnishing short-term TDY services requested by the Senior Tax Advisor. The entire second year of the project passed without IRS/W able to clear short-term advisors for the Sierra Leone project. The PIO/T for FY '81 was received by IRS/W in April 1981. Steps will be taken by USAID/SL and the resident tax advisor to insure that the proper documents are prepared in advance for FY 1982.

3. Lack of staff in the tax office. There is a constant shortage of personnel in the tax office. For example, in FY 1980 and 1981, fifteen slots were approved for the position of Senior Tax Officer. In FY 1980 there were three Senior Tax Officers on board and in FY 1981 the number was four. Lengthy processing of requests to fill vacancies by both the Tax Department and the Public Service Commision, combined with financial constraints on hiring, act to hold down replacement of personnel.

4. Failure of management to use sanctions in the tax law. The tax law provides sanctions for non-compliance, for example, not furnishing returns and information of the taxpayer; failure to furnish third-party information; understatement of income and willful evasion; failure to pay assessed tax; publication of names of delinquent taxpayers in the Sierra Leone Gazette, a weekly government publication. Failure to use the legal sanctions available acts to encourage non-compliance with the law.

5. Failure of management to enforce compliance with the laws. An example is the entertainment tax. All indications are that payment of this tax is neither controlled nor enforced. When asked about a specific event for which it was known by the evalution team that the entertainment tax was not paid, the reply was that the office is understaffed and cannot always check to insure that the tax is paid.

6. Lack of statistical information. There is almost a complete absence of data regarding the number of tax returns filed, or the number and type of taxpayers by category of tax or by income level. Much statistical data could be compiled from assessments which would be useful in tax administration and also to the Ministry of Finance for tax policy purposes.

G. GENERAL COMMENTS

1. The project agreement requires tha the GOSL furnish the Senior Tax Advisor with secretarial services as part of the GOSL in-kind contribution. For various reasons this has not been done. The office of the Tax Advisor needs the full-time services of a secretary. This will become even more necessary in the final two years of the project when there will be several short-term advisors on site for extended periods of time. The Resident Tax Advisor should request that a full-time secretary be assigned to the advisor's office for the balance of the project life.

TABLE 2

SUMMARY OF ESTIMATED DEVELOPMENT EXPENDITURES
BY SECTOR AND MINISTRY
FROM DOMESTIC SOURCES ONLY
(in Le millions)

	77/78	78/79	79/80	80/81**	
				A	A&B
GRAND TOTAL	17.05	26.29	45.20	18.90	25.57
I. ECONOMIC SERVICES	(10.75)	(14.20)	(20.62)	(14.65)	(19.60)
Works	1.57	2.46	2.84	2.30	2.62
Agr. & Forestry	4.30	4.66	6.30	4.60	5.03
Natural Resources	--	--	.95	.34	.34
Transportation & Communication	.72	.71	1.41	.56	.56
Energy & Power	1.92	1.92	3.65	3.42	6.72
Trades & Industry	.13	.64	1.57	.04	.04
Tourism & Cultural Affairs	.01*	.02	.02	.01	.01
Mines	.36*	.49	.42	.23	.23
Development & Planning	1.74	3.30	3.49	3.17	3.38
II. SOCIAL SERVICES	(3.22)	(4.20)	(7.28)	(2.93)	(3.55)
Education	1.69	2.18	4.20	2.00	2.44
Social Welfare & Rural Development	.30	.42	.45	.13	.13
Health	.90	.95	1.84	.70	.82
Lands, Housing & Country Planning	.31*	.63	.75	.10	.16
Labour	.02	.04	.05	--	--
III. General Services	(3.00)	(7.89)	(17.29)?	(1.32)?	(2.42)?
Defense	1.40	.44	.37	.10	.10
Ofc. of President	.38	2.04	.75	.83	1.78
Info. & Broadcasting	.84	1.06	1.65	.20?	.25?
Finance	.08	3.45	13.77?	.04?	.04?
Foreign Affairs	.30	.90	.56	.15	.15
Interior	--	--	.20	--	--

*pro-rated estimate to conform with 79/80 government organization.

**Allocations under A based on current estimates of domestic funds available in 80/81. Allocations under A&B additionally include estimates of funds which may become available during later part of year if ceiling on domestic development expenditures initially fixed at Le 18.90 mil. for 1980/81 is relaxed.

"?" indicates a reported statistic of unusual magnitude for that series.

Source: GOSL, Development Estimates for various years.

TABLE 3

INDICES OF CHANGE IN DEVELOPMENT EXPENDITURES
FROM DOMESTIC SOURCES ONLY
(1978/79 = 100.00)

	78/79 (Le mil.)	indices 78/79	79/80	80/81 A&B*
GRAND TOTAL	26.29	100	171	97
I. ECONOMIC SERVICES	(14.20)	100	145	138
Works	2.46	100	115	107
Agr. & Forestry	4.66	100	135	108
Natural Resources	—	n.a.	n.a.	n.a.
Transportation & Communication	.71	100	199	79
Energy & Power	1.92	100	190	350
Trades & Industry	.64	100	245	6
Tourism & Cultural Affairs	.01	100	133	67
Mines	.49	100	85	47
Development & Planning	3.30	100	106	102
II. Social Services	(4.20)	100	173	85
Education	2.18	100	193	112
Social Welfare & Rural Development	.42	100	107	31
Health	.95	100	194	86
Land, Housing & Country Planning	.63	100	119	25
Labour	.04	100	125	—
III. GENERAL SERVICES	(7.89)	100	219?	31?
Defense	.44	100	84	23
Ofc. of President	2.04	100	37	87
Info. & Broadcasting	1.06	100	156	24?
Finance	3.45	100	399?	1?
Foreign Affairs	.90	100	62	17
Interior	--	n.a.	n.a.	n.a.

*A&B is the more optimistic treatment for 1980/81.

n.a. = not applicable.

"?" indicates a reported statistic of unusual magnitude for that series.