SOUTHWEST STATE OF SOMALIA

MINISTRY OF FINANCE

MID YEAR BUDGET PERFORMANCE 2026

REPORT ON THE FIRST HALF OF THE FISCAL YEAR

JANUARY – JUNE 2026

ACCOUNTABILITY | RESULTS | DEVELOPMENT

PREPARED BY

BUDGET DEPARTMENT

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1. Summary Highlights

In December 2025, the Parliament of Southwest State approved the FY2026 budget totaling USD 39,448,942.91, During the fiscal year, the budget was increased by USD 869,667.09 through unexpected grant funding, bringing the total approved budget to USD 40,318,610.00. The budget is expected to be financed through domestic revenue amounting to $6.7 million and donor grants totaling approximately $33.5 million. To monitor the implementation of the budget, a mid-year performance report is produced to provide insights into the execution of its various components.
This report specifically reviews the performance of the Southwest State's budget during the first half of the 2026 fiscal year (January-June). It assesses the extent to which revenue and expenditure targets have been met, identifies deviations between projected and actual figures, and offers explanations for the variances observed.

2. Review of Macroeconomic Assumptions

Table 1 illustrates notable deviations in several key macroeconomic assumptions underlying the 2026 fiscal forecast, except for Foreign Direct Investment (FDI), which remains relatively stable. The most significant revision is observed in the real GDP growth rate, initially forecast at 4.1%, but now downgraded to 3.0%. This downward adjustment suggests a possible slowdown in economic activity, which could negatively impact the government's revenue performance and reduce the elasticity of tax collection.

Similarly, the inflation rate, originally projected at 4.2%, is now estimated at 4.9% for 2025. This increase signals mounting cost pressures, particularly on goods and services commonly procured by the government-such as fuel, food rations, and operational supplies-potentially requiring upward adjustments in recurrent expenditure allocations.

In terms of trade, exports of goods are now expected to decline slightly from $1,257 million in 2025 to $1,248 million in 2026, contrary to earlier expectations of continued growth. This modest dip may be attributed to weakened external demand or supply chain disruptions, with potential consequences for foreign exchange inflows and trade-related tax revenues.

Private remittances, a critical driver of household consumption, are also projected to decrease from $2,588 million to $2,525 million, which could dampen consumer spending and affect the performance of indirect taxes such as VAT and excise duties.

Conversely, imports of goods are anticipated to decline from $8,190 million to $7,766 million, which may help narrow the trade deficit. However, the decline in import volumes could reduce customs revenue and other taxes linked to international trade-an important source of government income.

While FDI is expected to decrease slightly from $703 million to $686 million, this variation is relatively small and reflects continued investor confidence in the medium term.

Generally, these revised assumptions suggest a more cautious economic outlook for 2026. The combination of slower growth and higher inflation presents risks to both revenue generation and expenditure control, underscoring the need for prudent fiscal management, spending prioritization, and strengthened domestic resource mobilization to safeguard fiscal sustainability.

Table 1: **Macroeconomic indicators (National Reference – IMF/FGS, July 2025)**

Indicator	2022	2023	2024	2025	2026
				Forecast	Projected
GDP ($m)	10,203	10,969	12,149	13,018	13,127
Real GDP growth rate	2.7%	4.2%	4.0%	4.1%	3.0%
Inflation rate	6.8%	6.2%	5.3%	4.2%	4.9%
Exports of goods ($m)	704	1009	1148	1257	1248
Imports of goods ($m)	-6,380	-6955	-7616	-8190	-7766
Private remittances ($m)	2,142	2102	2409	2588	2525
FDI ($m)	531	570	692	703	686

Source: *IMF ECF Report July 2025*

3. Revenue performance

During the first half of FY2026, the Ministry of Finance of Southwest State collected a total of $8,633,143.72 comprising $2,191,750.75 from domestic revenue and $6,441,392.97 from donor grants. This represents 21% of the annual revenue and grants target, significantly below the expected 50% mid-year benchmark. However, compared to the same period in 2025, total revenue and grants increased by **19%**.

The underperformance is largely attributed to weak disbursement of donor grants, which stood at only 21% of the annual target as of mid-year. While domestic revenue performed comparatively better, reaching 32% of its annual target-it still fell short of the expected mid-year mark.

A closer look at domestic revenue reveals mixed performance across tax categories:

These revenue sources have achieved relatively high levels of their annual budget by mid-year or recorded positive year-on-year growth:

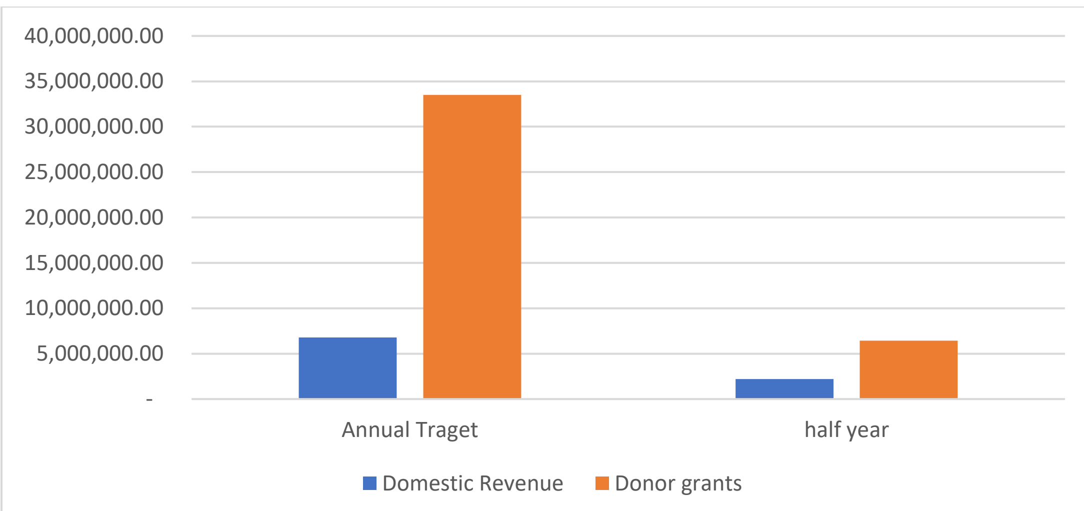
- **Income Tax** – **54%** of the annual budget collected, exceeding the expected **50% mid-year benchmark**, although collections were **1% lower** than the same period in 2025.
- **Other Taxes** – **80%** of the annual budget collected, making it the best-performing revenue category. Collections increased by **123%** compared to January–June 2025.

The following revenue sources remained below the expected 50% mid-year budget

 Taxes **on Payroll and Workforce** – **29%** of the annual budget collected, down **18%** from January–June 2025.
 Taxes **on Goods and Services** – **41%** of the annual budget collected, **26% lower** than the previous year.
 Taxes **on International Trade** – **23%** of the annual budget collected, declining by **50%** year-on-year.
 Other Revenue – **27%** of the annual budget collected, **11% lower** than the same period in 2025.

These trends indicate uneven performance across revenue streams, with some tax categories exceeding expectations while others significantly underdelivered, highlighting the need for targeted efforts to improve compliance and collection efficiency in underperforming.

Figure 1: **Half-year performance of domestic revenue and donor grants against annual target**



3.1. Income tax

3.1.1 Taxes on income, profits, and capital gains (person income tax on public employee):
Collections from personal income tax on public employees amounted to **54% of the annual budget target** by the end of June 2026, slightly exceeding the expected **50% mid-year benchmark**. Despite this strong budget execution, collections were **1% lower** than those recorded during the same period in 2025, indicating marginal year-on-year decline while remaining broadly on track to achieve the annual target.

Payroll non-Government(private payroll taxes on non civil servant):

of mid-year, collections from taxes on payroll and workforce amounted to 29% of the annual budget target, falling well below the expected 50% mid-year benchmark. Compared to the same period in 2025, collections declined by 18%, from 1.46 million to 1.21 million, indicating weaker-than-anticipated performance. The underperformance is largely attributable to the withdrawal or reduction of USAID funding, which prompted many international organizations and local non-governmental organizations (NGOs) to scale back their operations and reduce staffing levels. The resulting decline in employment and payrolls reduced the taxable wage base, leading to lower collections from taxes on payroll and workforce during the reporting period.

3.2. Taxes on goods and services

As of mid-year, revenue from taxes on goods and services 41% of the annual budget target of
This performance fell below the expected 50% mid-year benchmark, indicating that collections were behind schedule. Compared to the same period in 2025, revenue declined by 26%, reflecting weaker performance in this revenue category.

3.3. Taxes on international trade

As of mid-year, the Ministry of Finance collected 41% of the annual target for taxes on international trade, with most revenues derived from imports of khat and cigarettes. This performance indicates under-collection relative to the 50% prorated expectation, suggesting potential issues such as import volume fluctuations, enforcement gaps, or delays in customs processing.

Strengthening customs administration and improving compliance-particularly for high-volume goods like khat and tobacco-will be key to achieving full-year revenue targets in this category.

3.4. Other revenue

As of mid-year, the Ministry of Finance collected 27% of the annual target for other revenue, which includes sales of goods and services as well as fines and penalties. This represents an underperformance relative to the prorated benchmark of 50% at mid-year.

The shortfall may be attributed to delays in service delivery activities, limited enforcement of penalties, or lower-than-expected demand for government-provided goods and services. Strengthening enforcement mechanisms and enhancing service-related revenue streams could help improve performance in the second half of the fiscal year.

3.5. Other taxes

As of half-year, the Ministry of Finance collected 80% of the annual target for other taxes, significantly exceeding expectations. Compared to the same period in 2025, collections increased by **123%**, reflecting a substantial improvement in revenue performance. This performance indicates that the original revenue target was likely underestimated during the budget formulation process.

3.6. Donor grants

The ministry of finance -southwest state, the total donor grants received at mid-year, $6,441,391-equivalent to 11% of the annual target-was disbursed by international organizations. In contrast, grants received from other general government units, specifically the World Bank channeled through the Federal Government of Somalia (FGS), accounted for only 20% of the annual target.

This disparity suggests that while international organizations maintained relatively consistent disbursement schedules, disbursements from other government sources such as the World Bank through FGS were significantly delayed. The lower execution rate may be due to conditionality, administrative coordination challenges, or delayed project execution at the subnational level.

Strengthening intergovernmental coordination and ensuring timely fulfillment of grant conditions could help unlock the full value of committed donor funding in the second half of the fiscal year.

Table 2: **Revenue and Expenditure Performance as at end June 2026**

Fiscal Variable	2024	2025	2026				
		Actual	Budget	Actual Jan-Jun	Jan-Jun as % of annual budget	Year to Year Growth %	Jan-June 2025
Revenue and Grants	**23,090,181.64**	**25,720,091.24**	**40,318,610.11**	**8,633,143.72**	**21%**	**19%**	**7,226,068.77**
Domestic Revenue	5,926,390.17	5,186,282.68	6,799,293.00	2,191,750.75	32%	-19%	2,712,958.07
Income tax	65,269.53	69,583.05	64,880.85	35,003.76	54%	**-1%**	35,498.25
Taxes on payroll and workforce	3,357,463.33	2,922,842.33	4,140,248.28	1,206,968.60	29%	**-18%**	1,463,430.39
Taxes on property	210,200.00	90,300.00	0.00	0.00	0%	0%	0.00
Tax on goods & services	1,349,414.99	1,289,020.32	1,474,053.25	597,846.90	41%	**-26%**	804,533.25
Taxes on international trade	461,315.12	356,555.13	412,824.00	95,170.00	23%	**-50%**	190,225.00
Other Revenue	455,900.61	311,850.26	580,050.01	154,742.20	27%	**-11%**	173,453.06
Other taxes	26,826.59	146,131.59	127,236.61	102,019.29	80%	**123%**	45,818.12
Grants	17,163,791.47	20,533,808.56	33,519,317.11	6,441,392.97	19%	43%	4,513,110.70
From international organizations	2,770,341.87	2,624,858.51	2,901,183.20	327,259.23	11%	**-76%**	1,343,991.37
From other general government units	14,393,449.60	17,908,950.05	30,618,133.91	6,114,133.74	20%	**93%**	3,169,119.33
Expenditure	**22,092,476.90**	**25,425,274.77**	**39,918,610.11**	**9,065,955.04**	**23%**	**9%**	**8,282,475.19**
Compensation of employees	12,978,611.98	11,239,610.77	9,285,567.36	3,856,971.85	**42%**	**-4%**	4,024,175.99
Use of goods & services	8,511,750.68	11,858,565.49	22,976,651.86	3,611,355.37	**16%**	20%	3,018,806.86
Capital/Non financial assests	596,614.24	2,266,381.51	7,595,390.89	1,547,727.82	**20%**	25%	1,239,492.34
Subsidies					**0%**	0%	0
Transfers		49,717.00	50,000.00	49,900.00	**100%**	0%	0.00
Other expenses	5,500.00	11,000.00	11,000.00	0	**0%**	0%	0
Fiscal Balance	**997,704.74**	**294,816.47**	**400,000.00**	**-432,811.32**			**-1,056,406.42**

Source: MoF SWSS Website

4. Expenditure performance

The Southwest state Ministry of finance utilized 23% of the annual expenditure budget, which is significantly below the prorated benchmark of 50%. This low execution rate may reflect delays in fund disbursement procedures, or the implementation of planned activities and projects.

To improve budget execution in the second half of the fiscal year, there is a need to address operational bottlenecks and enhance coordination between implementing departments and project management team across in ministries.

4.1.Compensation of employees

As half year, compensation of employees utilized for 42% of the annual budget allocation, falling below the expected 50% utilization rate. This under-execution may be due to delays in recruitment, payroll processing, or the onboarding of new staff, particularly in newly approved positions or donor-funded projects.

Improving human resource planning and ensuring timely processing of salaries and benefits will be essential to align compensation expenditures with budget targets in the second half of the fiscal year.

4.2.Use of goods and services

As of mid-year, only 16% of the annual budget for goods and services was utilized, well below the expected 50%. This underperformance is mainly due to procurement delays, late work plan approvals.

Improving procurement planning, accelerating fund disbursement, and enhancing coordination are essential to boost execution in the second half of the fiscal year.

4.3. Capital expenditure (Non -Financial Assets).

As of mid-year, capital expenditure or non-financial assets utilized only 20% of the annual target, significantly below the expected 50% mid-year benchmark. This underperformance is likely due to delays in procurement and project implementation, as well as slow disbursement of donor funds for infrastructure and building ministries. To improve execution in the second half of the fiscal year, it will be critical to fast-track project startup processes, strengthen implementation capacity, and ensure timely release of funds for capital projects.

4.4. Grants (Transfer lower level of government)

By mid-year, transfers to lower levels of government reached 100% of the annual target, aligning with the prorated expectation. This performance reflects progress in implementing the intergovernmental transfer project, which currently covers Wajid district. The timely execution of these transfers demonstrates the government's commitment to enhancing service delivery at the local level and testing the effectiveness of fiscal decentralization mechanisms. Continued support and monitoring will be essential to assess the impact of the pilot and inform future scale-up across other districts.

4.5. Social benefits

As of mid-year, no expenditure was spent under social benefits, representing 0% utilization of the annual budget allocation. This complete underperformance may be attributed to delays in program design, beneficiary identification, or fund disbursement processes.

4.6.Other expenses

As of mid-year, no expenditure was utilized under other expenses, reflecting 0% utilization of the annual allocation. This underperformance may be due to the fact that expenditures under this expense are often paid as a one-time disbursement, typically scheduled for the second half of the fiscal year.

4.7. Expenditure by sector

As of mid-year, budget execution varied widely across sectors, with some performing close to expectations while others lagged significantly behind.

The **administration sector** spent the highest execution rate at 32%, followed by **General public Service** 28% **Public Order** at 28%, These figures suggest that administrative operations and community-level infrastructure projects progressed at a relatively steady pace.

On the other hand, critical service delivery sectors underperformed. Health and education recorded execution rates of only 25% and 18%, respectively indicating significant delays in the rollout of health and education programs, possibly due to procurement challenges, late disbursements, or project startup delays.

Economic affairs also showed weak performance at 19%, despite its importance in supporting livelihoods, infrastructure, and economic recovery. Similarly, social protection spending reached only 24%, suggesting slow implementation of safety net programs.

These disparities highlight the need for targeted interventions to accelerate spending in underperforming sectors, especially in health, education, and economic development, while sustaining progress in administrative and community infrastructure areas

Table 3: **Expenditure Performance by MDA/Sector as at end June 2026**

Expenditure Performance by Sector by MDAs Jan-June 2026

Sector/MDA	2024	2025	2026				
		Actual	Budget	Actual Jan-Jun	Jan-Jun as % of annual budget	Year to Year Growth%	Jan-June 2025
Administration	**3,771,821.83**	**5,610,319.70**	**6,582,467.44**	**2,097,373.73**	**32%**	**-18%**	**2,549,563.90**
State Ministry of President	2,589,013.03	4,033,095.00	3,071,320.00	1,375,290.43	45%	-22%	1,761,744.00
Parliament	117,320.00	31,320.00	816,920.00	210,660.00	26%	1245%	15,660.00
Ministry of Finance	1,065,488.80	1,545,904.70	2,694,227.44	511,423.30	19%	-34%	772,159.90
Public Order and Safety	**5,893,364.02**	**4,662,815.77**	**4,761,168.26**	**1,155,121.00**	**24%**	**25%**	**921,042.00**
Ministry of Internal Security	5,877,944.02	4,647,395.77	4,689,748.26	1,147,411.00	24%	26%	913,332.00
Ministry of Islamic Affairs & Endowments	15,420.00	15,420.00	17,420.00	7,710.00	44%	-	7,710.00
High Court	0.00		54,000.00		0	#DIV/0!	-
General Public Services	**1,856,800.91**	**2,226,943.32**	**2,798,614.40**	**791,784.35**	**28%**	**-11%**	**892,562.10**
Accountant General Office	0.00		8,400.00	-	0%	#DIV/0!	
Civil Service Commission	105,103.37	207,324.80	456,565.40	63,877.50	14%	-5%	67,297.30
Ministry of Interior & Local Governments	857,765.58	1,030,790.91	1,326,811.00	373,223.30	28%	-26%	501,934.46
Ministry of Justice & Judiciary	40,716.00	40,716.00	42,716.00	20,358.00	48%	0%	20,358.00
Office of Audit General	52,552.50	76,908.60	204,276.00	32,634.30	16%	75%	18,673.50
Ministry of Youth and Sport	58,065.00	31,080.00	33,080.00	15,540.00	47%	0%	15,540.00
Ministry of Planning and International Cooperation	717,542.46	815,067.01	699,710.00	273,623.25	39%	7%	256,230.84
Ministry of Reconciliation & Constitutional	25,056.00	25,056.00	27,056.00	12,528.00	46%	0%	12,528.00
Health	**3,614,577.30**	**3,184,472.47**	**3,216,316.83**	**809,917.00**	**25%**	**72%**	**471,124.00**
Ministry of Health	3,614,577.30	3,184,472.47	3,216,316.83	809,917.00	25%	72%	471,124.00
Education	3,242,487.48	3,113,149.88	7,187,250.15	1,308,186.00	18%	140%	544,185.74
Ministry of Education	3,242,487.48	3,113,149.88	7,187,250.15	1,308,186.00	18%	140%	544,185.74
Housing and community amenities	102,740.93	199,782.72	477,044.00	20,422.00	4%	-84%	127,732.27
Ministry of Public Works & Reconstruction	102,740.93	199,782.72	477,044.00	20,422.00	4%	-84%	127,732.27
Environmental and protection	244,576.00	435,169.80	704,460.00	101,370.00	14%	-49%	198,353.50
Ministry of Environment & Wildlife	244,576.00	435,169.80	704,460.00	101,370.00	14%	-49%	198,353.50
Economic Affairs	2,580,186.09	5,372,212.48	13,660,377.03	2,656,969.96	19%	17%	2,272,862.89
Ministry of Posts & Communications	8,185.93	5,140.00	17,420.00	7,710.00	44%	0%	0
Ministry of Fisheries & Sea Minerals	213,170.00	127,270.00	23,444.00	10,722.00	46%	-91%	116,548.00
Ministry of Industry & Commerce	21,444.00	105,754.00	38,634.00	25,912.00	67%	142%	10,722.00
Ministry of Information	58,706.96	78,056.00	150,256.00	33,528.00	22%	-11%	37,528.00
Ministry of Labour & Employment	107,142.00	497,419.70	489,999.40	124,669.23	25%	74%	71,772.35
Ministry of Livestock & Veterinary	480,011.96	1,217,178.60	5,012,084.63	562,564.12	11%	102%	277,870.90
Ministry of Seaports & Sea Transportation	18,970.00	15,560.00	18,420.00	7,710.00	42%	-2%	7,850.00
Ministry of Petroleum and Mineral	7,710.00	15,420.00	17,420.00	7,710.00	44%	20%	6,425.00
Ministry of Transportation & Airports	31,080.00	31,080.00	34,080.00	15,540.00	46%	0%	15,540.00
Ministry of Water & Energy	1,280,729.57	1,512,666.94	3,459,374.00	1,089,700.79	31%	-3%	1,123,951.04
Ministry of Agriculture	353,035.67	1,766,667.24	4,399,245.00	771,203.82	18%	28%	604,655.60
Social Protection	785,922.34	620,408.63	530,912.00	124,811.00	24%	-59%	305,048.79
Ministry of Aid & Disaster Management	515,435.20	338,584.80	192,082.00	72,197.00	38%	-60%	179,331.80
Ministry of Women & Human Rights	270,487.14	281,823.83	322,030.00	52,614.00	16%	-58%	125,716.99
Ministry of Ruler Development and Resilience			16,800.00	0	0%	0%	0

Source: MoF SWSS Website

5. Fiscal balance

The fiscal balance -deficit was 432,811.32 at half year indicates southwest state received domestic and donor fund 8,633,143.72 and spent 9,065,955.04 during the half year period which resulted in deficit of 432,811.32 The observed half-year deficit was mainly financed through a drawdown on the cash balances for 2025.

***Table 4:* – Fiscal Balance January -June 2026**

In Million	Budget	Actual Jan-Jun 2026	Column1
Revenue and Grants	40,318,610.11	8,633,143.72	
Domestic Revenue	6,799,293.00	2,191,750.75	
Grants	33,519,317.11	6,441,392.97	
Expenditure	39,918,610.11	9,065,955.04	
Fiscal Balance		(432,811.32)	

Source: MoF SWSS Website

6. Specific Policy Developments

During fiscal year 2026, the Ministry of Finance introduced a revised tax structure to strengthen domestic revenue mobilization. The reforms included a progressive Personal Income Tax (PIT) system with rates ranging from 0% to 18% depending on income levels, an 18% Corporate Income Tax, a 1.5% tax on small business profits, a flat US$150 tax for micro-businesses, and a 5% tax on rental income. These measures are intended to broaden the tax base, enhance tax compliance, and improve fiscal sustainability.

7. Conclusion and Recommendations

The report has shown that both domestic revenue collection and donor grants significantly underperformed at mid-year, falling short of the expected 50% benchmark. This underperformance poses challenges to budget implementation and highlights the need for strengthened revenue mobilization and improved coordination with project Management.

Expenditures also underperformed significantly at mid-year, with overall budget execution reaching only 23% of the annual target. Key spending categories such as goods and services (16%), capital Expenditure (Non -financial assets) (20%), social benefits (0%), and other expenses (0%) fell well below expected levels. This under-execution is largely attributed to procurement delays and slow implementation of planned activities, particularly in priority sectors like health, education, and economic affairs. Strengthening expenditure planning, streamlining administrative processes, and improving coordination among implementing entities will be essential to accelerate spending in the second half of the fiscal year.

We recommend the following:

- ✓ **Consider a Supplementary Budget**: Conduct a thorough assessment to determine whether a supplementary budget is necessary to realign expenditure priorities with actual revenue performance and emerging policy needs.
- ✓ **Enhance Domestic Revenue Mobilization**: Strengthen enforcement of existing tax measures and expand the tax base to reduce dependency on external grants.
- ✓ **Improve Donor Grant Absorption**: Engage proactively with development donor to address disbursement bottlenecks and improve the planning and execution of donor-funded project**Annexes**

Annex 1: Revenue & Expenditure performance in detail January-June 2026

Fiscal Variable	2024	2025	2026				
		Actual	Budget	Actual Jan-Jun	Jan-Jun as % of annual budget	Year to Year Growth %	Jan-June 2025
Revenue and Grants	**23,209,486.64**	**25,600,786.24**	**40,318,610.11**	**8,633,143.72**	21%	19%	**7,226,068.77**
Domestic Revenue	6,045,695.17	5,066,977.68	6,799,293.00	2,191,750.75	32%	-19%	2,712,958.07
Income tax	65,269.53	69,583.05	64,880.85	35,003.76	**54%**	**-1%**	35,498.25
Taxes on payroll and workforce	3,357,463.33	2,922,842.33	4,140,248.28	1,206,968.60	**29%**	**-18%**	1,463,430.39
Taxes on property	210,200.00	90,300.00	0.00	0.00	**#DIV/0!**	**#DIV/0!**	0.00
Tax on goods & services	1,349,414.99	1,289,020.32	1,474,053.25	597,846.90	**41%**	**-26%**	804,533.25
Taxes on international trade	461,315.12	356,555.13	412,824.00	95,170.00	**23%**	**-50%**	190,225.00
Other Revenue	455,900.61	311,850.26	580,050.01	154,742.20	**27%**	**-11%**	173,453.06
Other taxes	146,131.59	26,826.59	127,236.61	102,019.29	**80%**	**123%**	45,818.12
Grants	17,163,791.47	20,533,808.56	33,519,317.11	6,441,392.97	19%	43%	4,513,110.70
From international organizations	2,770,341.87	2,624,858.51	2,901,183.20	327,259.23	**11%**	**-76%**	1,343,991.37
From other general government units	14,393,449.60	17,908,950.05	30,618,133.91	6,114,133.74	**20%**	**93%**	3,169,119.33
Expenditure	**22,092,476.90**	**25,425,274.77**	**39,918,610.11**	**8,996,725.05**	23%	9%	**8,282,475.19**
Compensation of employees	12,978,611.98	11,239,610.77	9,285,567.36	3,787,771.85	**41%**	**-6%**	4,024,175.99
Use of goods & services	8,511,750.68	11,858,565.49	22,976,651.86	3,611,325.38	**16%**	20%	3,018,806.86
Capital/Non financial assests	596,614.24	2,266,381.51	7,595,390.89	1,547,727.82	**20%**	25%	1,239,492.34
Subsidies					**0%**	0%	0
Transfers		49,717.00	50,000.00	49,900.00	**100%**	0%	0.00
Social benefits				0	**#DIV/0!**	0%	0
Other expenses	5,500.00	11,000.00	11,000.00	0	**0%**	0%	0
Fiscal Balance	**1,117,009.74**	**175,511.47**	**400,000.00**	**-363,581.33**			**-1,056,406.42**

Annex 2: Expenditure performance in detail January-June 2026 (by cost center/MDA)

Expenditure Performance by Sector by MDAs Jan-June 2026

Sector/MDA	2024	2025	2026				
		Actual	Budget	Actual Jan-Jun	Jan-Jun as % of annual budget	Year to Year Growth%	Jan-June 2025
Administration	**3,771,821.83**	**5,610,319.70**	**6,582,467.44**	**2,097,363.73**	**32%**	**-18%**	**2,549,563.90**
State Ministry of President	2,589,013.03	4,033,095.00	3,071,320.00	1,375,290.43	45%	-22%	1,761,744.00
Parliament	117,320.00	31,320.00	816,920.00	210,660.00	26%	1245%	15,660.00
Ministry of Finance	1,065,488.80	1,545,904.70	2,694,227.44	511,413.30	19%	-34%	772,159.90
Public Order and Safety	**5,893,364.02**	**4,662,815.77**	**4,761,168.26**	**1,155,121.00**	**24%**	**25%**	**921,042.00**
Ministry of Internal Security	5,877,944.02	4,647,395.77	4,689,748.26	1,147,411.00	24%	26%	913,332.00
Ministry of Islamic Affairs & Endowments	15,420.00	15,420.00	17,420.00	7,710.00	44%	-	7,710.00
High Court	0.00		54,000.00		0	#DIV/0!	-
General Public Services	**1,856,800.91**	**2,226,943.32**	**2,798,614.40**	**791,784.35**	**28%**	**-11%**	**892,562.10**
Accountant General Office	0.00		8,400.00	-	0%	#DIV/0!	
Civil Service Commission	105,103.37	207,324.80	456,565.40	63,877.50	14%	-5%	67,297.30
Ministry of Interior & Local Governments	857,765.58	1,030,790.91	1,326,811.00	373,223.30	28%	-26%	501,934.46
Ministry of Justice & Judiciary	40,716.00	40,716.00	42,716.00	20,358.00	48%	0%	20,358.00
Office of Audit General	52,552.50	76,908.60	204,276.00	32,634.30	16%	75%	18,673.50
Ministry of Youth and Sport	58,065.00	31,080.00	33,080.00	15,540.00	47%	0%	15,540.00
Ministry of Planning and International Cooperation	717,542.46	815,067.01	699,710.00	273,623.25	39%	7%	256,230.84
Ministry of Reconciliation & Constitutional	25,056.00	25,056.00	27,056.00	12,528.00	46%	0%	12,528.00
Health	**3,614,577.30**	**3,184,472.47**	**3,216,316.83**	**809,917.00**	**25%**	**72%**	**471,124.00**
Ministry of Health	3,614,577.30	3,184,472.47	3,216,316.83	809,917.00	25%	72%	471,124.00
Education	3,242,487.48	3,113,149.88	7,187,250.15	1,308,186.00	18%	140%	544,185.74
Ministry of Education	3,242,487.48	3,113,149.88	7,187,250.15	1,308,186.00	18%	140%	544,185.74
Housing and community amenities	102,740.93	199,782.72	477,044.00	20,422.00	4%	-84%	127,732.27
Ministry of Public Works & Reconstruction	102,740.93	199,782.72	477,044.00	20,422.00	4%	-84%	127,732.27
Environmental and protection	244,576.00	435,169.80	704,460.00	101,370.00	14%	-49%	198,353.50
Ministry of Environment & Wildlife	244,576.00	435,169.80	704,460.00	101,370.00	14%	-49%	198,353.50
Economic Affairs	2,580,186.09	5,372,212.48	13,660,377.03	2,656,969.97	19%	17%	2,272,862.89
Ministry of Posts & Communications	8,185.93	5,140.00	17,420.00	7,710.00	44%	#DIV/0!	0
Ministry of Fisheries & Sea Minerals	213,170.00	127,270.00	23,444.00	10,722.00	46%	-91%	116,548.00
Ministry of Industry & Commerce	21,444.00	105,754.00	38,634.00	25,912.00	67%	142%	10,722.00
Ministry of Information	58,706.96	78,056.00	150,256.00	33,528.00	22%	-11%	37,528.00
Ministry of Labour & Employment	107,142.00	497,419.70	489,999.40	124669.23	25%	74%	71,772.35
Ministry of Livestock & Veterinary	480,011.96	1,217,178.60	5,012,084.63	562,564.12	11%	102%	277,870.90
Ministry of Seaports & Sea Transportation	18,970.00	15,560.00	18,420.00	7,710.00	42%	-2%	7,850.00
Ministry of Petroleum and Mineral	7,710.00	15,420.00	17,420.00	7,710.00	44%	20%	6,425.00
Ministry of Transportation & Airports	31,080.00	31,080.00	34,080.00	15,540.00	46%	0%	15,540.00
Ministry of Water & Energy	1,280,729.57	1,512,666.94	3,459,374.00	1,089,700.79	31%	-3%	1,123,951.04
Ministry of Agriculture	353,035.67	1,766,667.24	4,399,245.00	771,203.83	18%	28%	604,655.60
Social Protection	785,922.34	620,408.63	530,912.00	124,811.00	24%	-59%	305,048.79
Ministry of Aid & Disaster Management	515,435.20	338,584.80	192,082.00	72,197.00	38%	-60%	179,331.80
Ministry of Women & Human Rights	270,487.14	281,823.83	322,030.00	52,614.00	16%	-58%	125,716.99
Ministry of Ruler Development and Resilience			16,800.00	0	0%	#DIV/0!	0
Total	**22,092,476.90**	**25,425,274.77**	**39,918,610.11**	**9,065,945.05**		**9%**	**8,282,475.19**