

Table 1. Kosovo: Gross Domestic Product, National Income,
and Balance of Payments, 2000

	DM million	Percent of GDP
Gross domestic product	3,000	...
Consumption	4,380	146
Private	4,078	136
Public	303	10
Investment	1,161	39
Foreign	756	25
Domestic	405	13
Exports	0	...
Imports	2,540	85
Reconstruction	680	23
Energy	54	2
Humanitarian	312	10
Food and agriculture	155	5
Equipment	21	1
Emergency assistance	136	5
Households	104	3
Health	21	1
Education	10	0
Dutiable imports	1,496	50
Declared	823	27
Other	673	22
National income	4,512	150
GDP	3,000	100
Private remittances from abroad	1,200	40
Humanitarian assistance	312	10
Balance of payments		
Current account	-1,029	-34
Trade balance	-2,540	-85
Remittances	1,200	40
Humanitarian assistance	312	10
Financed by:		
Budgetary assistance 1/	273	9
Reconstruction aid	756	25

Sources: Central Fiscal Authority, UNMIK Departments, Food and Agriculture Organization; and staff estimates.

1/ Includes off-budget financing and draw down of cash balances.

Table 2. Kosovo: Recurrent Budget 1999-2000 1/

	1999	2000		Projection
	Sep-Dec.	Budget	Budget Revised 2/	
(Millions of DM, unless otherwise indicated)				
Total revenue	31	223	210	230
Tax revenue	30	197	180	222
Customs	9	38	35	56
Excises	2	21	18	38
Sales taxes	20	104	91	116
Payroll taxes	...	15	15	0
Other	...	19	21	12
Nontax revenue	1	27	30	8
Total expenditure	87	423	429	431
Education	32	116	116	111
Health	17	81	81	69
Defense and public order 3/	...	56	56	55
General public services	14	15	19	23
Social assistance	9	83	83	78
Other	14	73	75	95
Subsidies	...	32	32	52
Energy 4/	...	23	23	38
Other 4/	...	9	9	14
Municipalities	...	19	19	19
Other	...	22	24	24
Balance	-56	-200	-219	-201
Financing	56	200	219	201
Donor contributions 5/	85	170	189	191
Transfers from cash reserve	-29	30	30	10
Memorandum items:				
Total revenue, excluding grants (percent GDP)	...	7.4	7.0	7.7
Total expenditure (percent GDP)	...	14.1	14.3	14.4
Identified off-budget expenditure	...	...	56	78
Electricity imports	...	...	39	54
Equipment	...	...	5	5
University hospital	...	...	8	8
Other	...	...	4	11

Sources: United Nations Interim Administration Commission in Kosovo (UNMIK); and staff estimates.

1/ Does not include donor-financed reconstruction, which accounts for all capital spending.

2/ In April 2000 a revised budget added DM 6 million for the Joint Interim Administrative Structure, responsible for the administration of Kosovo since February 2000.

3/ Includes DM 20.7 for the Kosovo Protection Force.

4/ Subsidies to the Kosovo Electricity Company and for water/public heating increased by DM 15 million and DM 5 million, respectively. Increases reflected delays in reducing redundant staff, as well as higher oil import costs.

5/ Includes dedicated donor support of DM 17.7 million for the Kosovo Protection Corps.

Table 3. Government Expenditures for Selected Countries

(Average as percent of GDP)

	Kosovo 1/ 2000	Albania 1998	Bosnia and Herzegovina 1999	Bulgaria 1998	Croatia 1998	FYR Macedonia 1999	Romania 1999	Middle income 2/	Low income 3/
Expenditures by economic type (including net lending)	14.4	30.7	53.4	36.9	30.0	37.7	37.1	27.7	25.6
Current expenditures	14.4	25.5	46.5	34.2	25.2	35.1	34.1	21.9	18.6
Goods and services	8.9	10.2	30.9	16.5	16.4	12.4	11.8	11.5	12.6
Wages 4/	5.4	6.2	6.8	8.7	9.6	9.3	5.0	7.9	6.7
Other goods and services	3.5	4.0	24.1	7.8	7.0	3.1	6.7	3.6	5.9
Interest	0.0	7.8	2.0	4.4	1.4	1.6	5.5	2.5	3.2
Subsidies and transfers	5.5	7.5	13.7	13.3	7.4	21.1	15.4	7.9	2.8
Capital expenditures	0.0	5.2	6.9	4.0	4.8	2.6	2.9	4.7	6.0
Net lending 5/	0.0	0.0	0.0	-1.4	0.8	...	0.1	1.1	1.0
Expenditures by function 6/	14.4	30.7	...	41.3	29.9	37.7	35.7	26.7	26.3
Military and civil defense	1.8	1.2	...	2.7	5.3	2.4	3.6	3.4	3.0
Education	3.7	3.0	...	3.8	3.4	4.0	3.3	3.8	3.9
Health	2.3	1.7	...	3.6	0.6	6.1	3.0	2.0	1.7
Social security and welfare	2.6	7.4	...	11.6	5.8	13.6	10.6	4.6	1.3
Housing	0.6	1.3	...	1.7	1.9	0.0	1.7	1.1	0.7
Economic services	2.2	0.3	...	1.0	...	2.0	0.5	5.7	6.4
Other government services 7/	1.2	8.1	...	12.7	...	7.9	7.4	3.6	6.1
Interest	0.0	7.8	...	4.4	1.4	1.6	5.5	2.5	3.2
Number of countries								26	11

Sources: IMF Government Finance Statistics Yearbook (1995); and staff estimates.

1/ Budget 2000, subsidies and transfers include unallocated contingency reserves.

2/ Barbados, Botswana, Chile, Colombia, Costa Rica, Cyprus, Dominican Republic, Egypt, El Salvador, Fiji, Hungary, Iran, Jordan, Malta, Mauritius, Morocco, Panama, Paraguay, Peru, Romania, Swaziland, Thailand, Tunisia, Turkey, Uruguay, and Zimbabwe.

3/ Burkina Faso, Cameroon, Ghana, Kenya, Lesotho, Malawi, Mali, Sierra Leone, Sri Lanka, Zaire, and Zambia.

4/ Military wages included in other goods and services for Bosnia and Herzegovina in 1999.

5/ Data unavailable for FYR Macedonia.

6/ Does not include lending minus repayments.

7/ Services provided by Ministries of Agriculture, City Planning and Construction, Development, Economy, and Information, the Bureau of Statistics, and non-classified expenditures.

Table 4. Selected Transition Economies: Revenues as a Share of GDP 1/

	Total revenue	Nontax revenue	Tax revenue	Income and payroll tax	Corporate tax	Sales, turnover or VAT	Excises	Import duties	Social security taxes	Other taxes
Kosovo	7.7	0.3	7.4	0.0	0.0	3.9	1.3	1.9	0.0	0.4
Albania	18.6	3.6	15.0	0.2	1.1	4.7	1.2	2.7	3.9	1.2
Bosnia and Herzegovina	46.8	3.9	42.9	3.8	0.8	11.3	5.2	5.9	14.6	1.3
Bulgaria	33.1	7.6	25.5	2.6	4.0	7.1	2.3	1.9	7.1	0.4
Croatia	44.1	2.5	41.6	3.6	1.5	13.6	4.5	3.5	...	...
Czech Republic	33.6	1.5	32.1	2.0	2.8	6.9	3.8	1.0	14.8	0.8
Hungary	37.9	5.0	32.9	5.2	2.0	7.8	3.2	2.3	10.6	1.8
FYR Macedonia	39.0	2.9	36.2	...	...	5.4	7.2	3.7	13.0	...
Poland	36.7	3.3	33.4	6.8	2.8	7.7	3.9	1.7	10.4	0.1
Romania	30.4	3.5	26.9	5.9	...	4.8	1.5	1.4	7.3	...
Slovak Republic	45.0	6.1	38.9	5.6	4.5	8.2	3.4	1.8	14.4	1.0
Slovenia	42.6	2.5	40.1	6.7	1.1	13.0	0.3	2.2	14.1	2.8

Sources: IMF Government Finance Statistics Yearbook; and staff reports.

1/ Average share of GDP during 1996-98, excluding Romania (1996-97), Bosnia and Herzegovina (1998-99), and Kosovo (2000).

Table 5. Kosovo: Consolidated Budget Presentation--Main Scenario

(DM millions; percent of GDP)

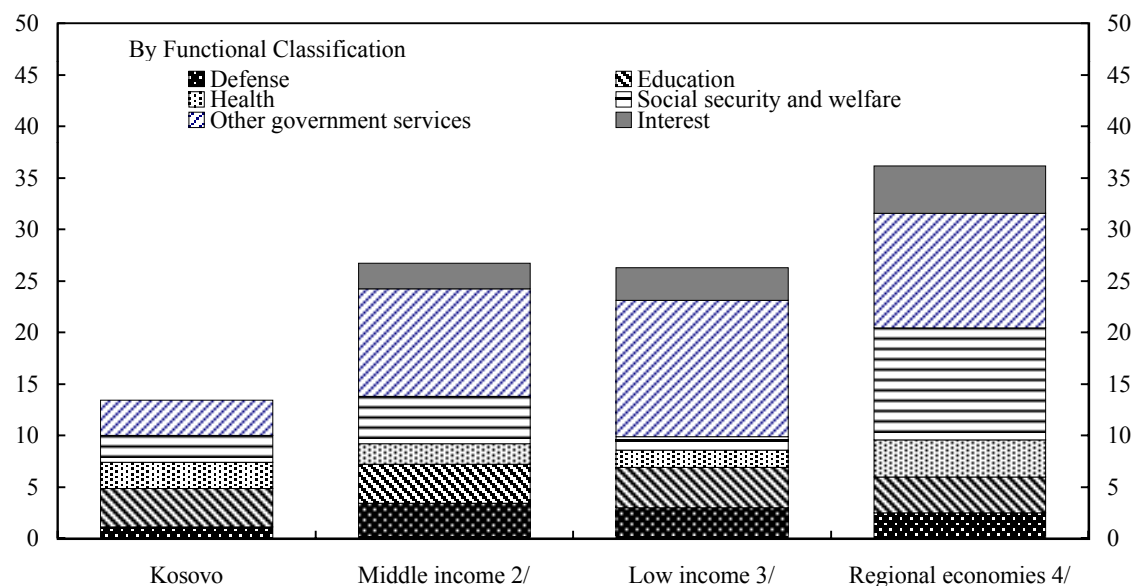
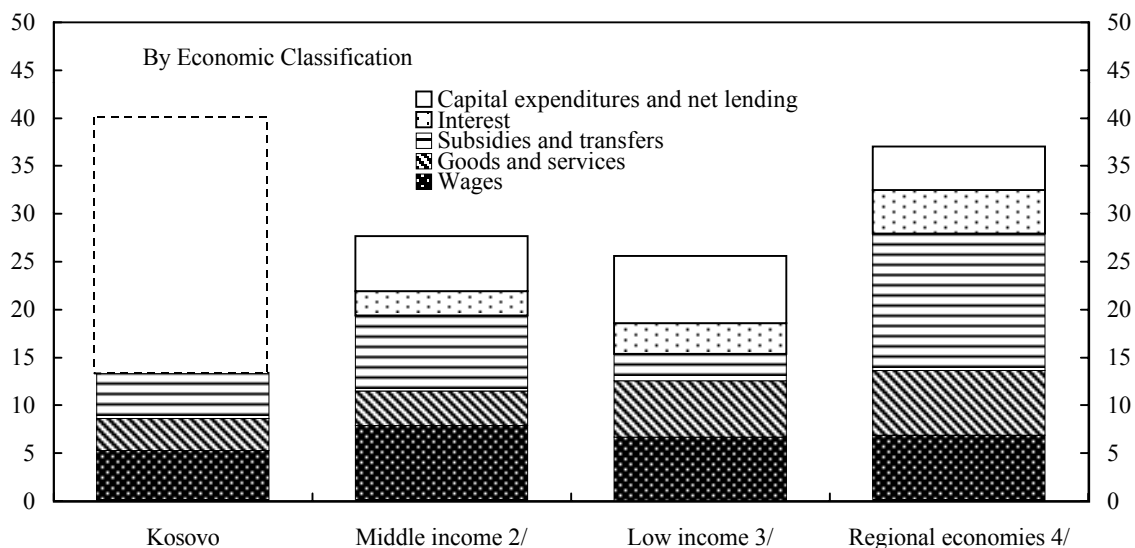
	2000	2001	2002	2003	2004	2005	2006
Revenue	230 <i>7.7</i>	330 <i>9.4</i>	449 <i>11.4</i>	516 <i>11.7</i>	612 <i>12.3</i>	725 <i>13.0</i>	893 <i>14.3</i>
Expenditure	1265 <i>42.2</i>	1291 <i>36.7</i>	1147 <i>29.1</i>	1004 <i>22.7</i>	995 <i>20.0</i>	1055 <i>18.9</i>	1171 <i>18.7</i>
Current spending	509 <i>17.0</i>	535 <i>15.2</i>	517 <i>13.1</i>	531 <i>12.0</i>	567 <i>11.4</i>	631 <i>11.3</i>	723 <i>11.6</i>
Underlying recurrent expenditure 1/	455 <i>15.2</i>	495 <i>14.1</i>	517 <i>13.1</i>	531 <i>12.0</i>	567 <i>11.4</i>	631 <i>11.3</i>	723 <i>11.6</i>
Electricity imports	54 <i>1.8</i>	40 <i>1.1</i>	0 <i>0.0</i>	0 <i>0.0</i>	0 <i>0.0</i>	0 <i>0.0</i>	0 <i>0.0</i>
Capital spending	756 <i>25.2</i>	756 <i>21.5</i>	630 <i>16.0</i>	473 <i>10.7</i>	428 <i>8.6</i>	424 <i>7.6</i>	448 <i>7.2</i>
Foreign-financed	756 <i>25.2</i>	756 <i>21.5</i>	630 <i>16.0</i>	473 <i>10.7</i>	368 <i>7.4</i>	315 <i>5.6</i>	263 <i>4.2</i>
Domestically financed	0 <i>0.0</i>	0 <i>0.0</i>	0 <i>0.0</i>	0 <i>0.0</i>	60 <i>1.2</i>	109 <i>2.0</i>	185 <i>3.0</i>
Balance	-1035 <i>-34.5</i>	-961 <i>-27.3</i>	-698 <i>-17.7</i>	-488 <i>-11.0</i>	-383 <i>-7.7</i>	-330 <i>-5.9</i>	-278 <i>-4.4</i>
Financing	1035	961	698	488	383	330	278
Donor budget support 2/	201	150	53	0	0	0	0
Foreign-financed reconstruction	756	756	630	473	368	315	263
Off-budget donor contributions	78	55	15	15	15	15	15
Memo items:							
Nominal GDP (DM millions)	3,000	3,519	3,948	4,430	4,970	5,577	6,257
Real GDP growth (percent)	...	15	10	10	10	10	10
Inflation (percent)	...	2	2	2	2	2	2

Sources: CFA; and staff estimates.

1/ Excluding electricity imports.

2/ Includes run down of cash balance (DM 10 million) in 2000.

Figure 1. Government Expenditure for Selected Countries
(Simple averages in percent of GDP) 1/



Source: "FYR Macedonia Technical Assistance Report: Some Options for Restructuring Government Expenditures," Fiscal Affairs Department, 1998; and staff estimates.

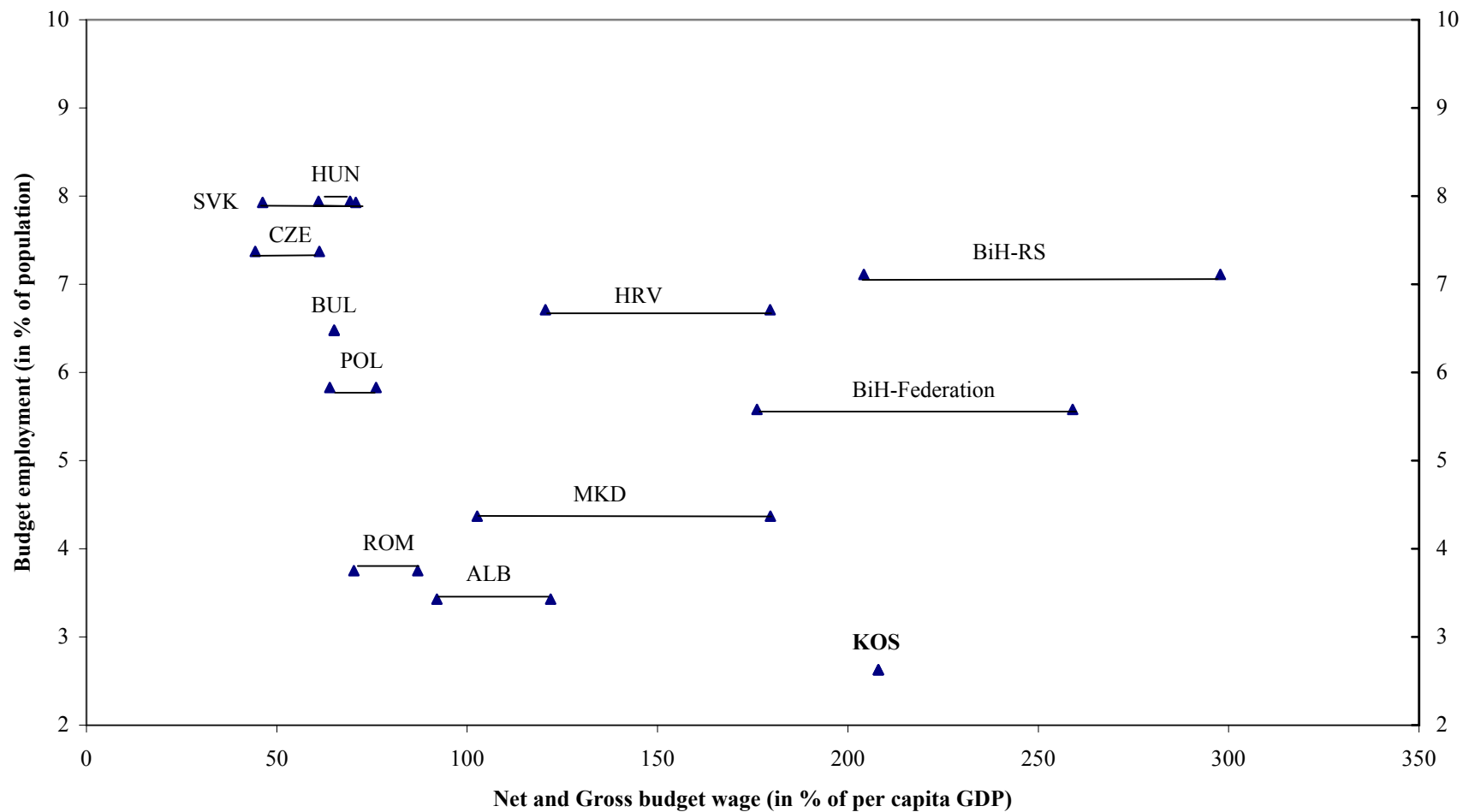
1/ Middle- and low-income countries based on Government Finance Statistics Yearbook (1995).

2/ Barbados, Botswana, Chile, Colombia, Costa Rica, Cyprus, Dominican Republic, Egypt, El Salvador, Fiji, Hungary, Iran, Jordan, Malta, Mauritius, Morocco, Panama, Paraguay, Peru, Romania, Swaziland, Thailand, Tunisia, Turkey, Uruguay, and Zimbabwe.

3/ Burkina Faso, Cameroon, Ghana, Kenya, Lesotho, Malawi, Mali, Sierra Leone, Sri Lanka, Zaire, and Zambia.

4/ Albania, Bulgaria, FYR Macedonia, and Romania.

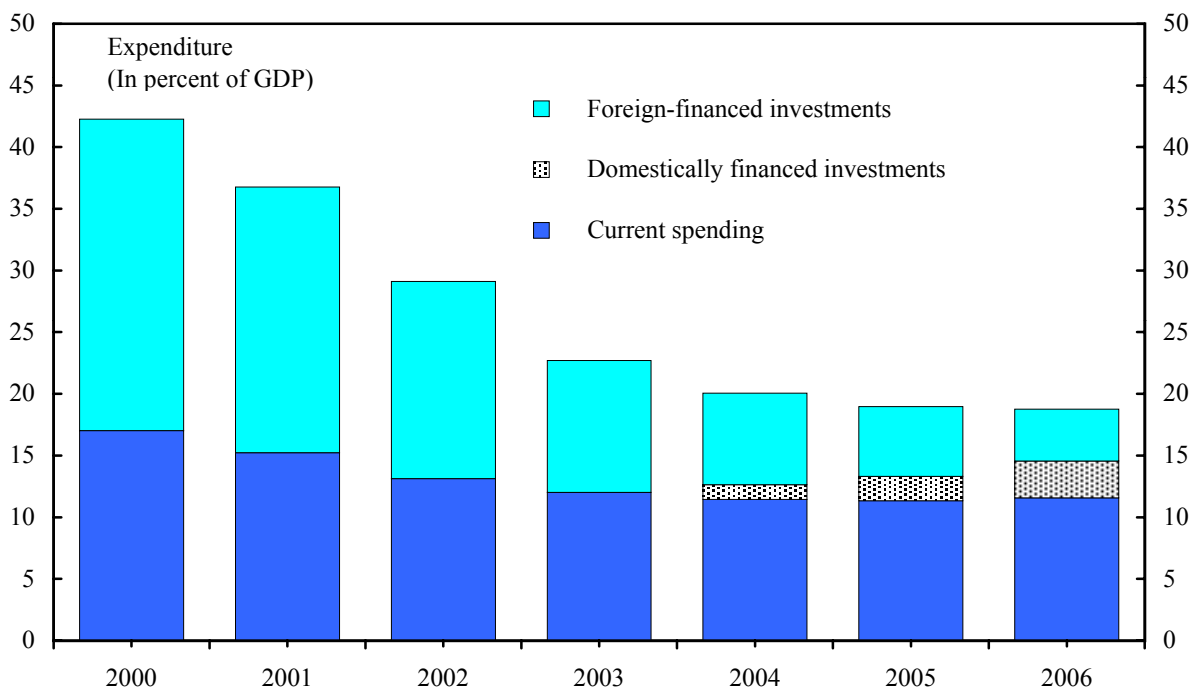
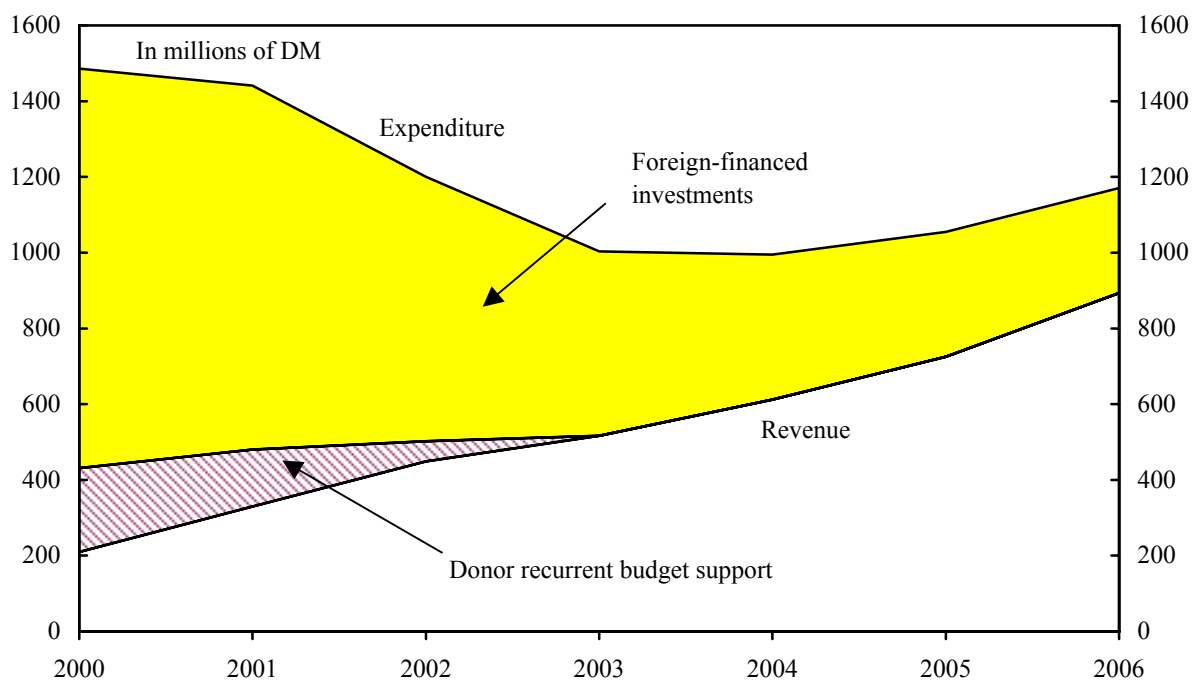
Figure 2. Selected Transition Economies: Budget Employment and Net and Gross Budget Wages 1/



Sources: Staff estimates.

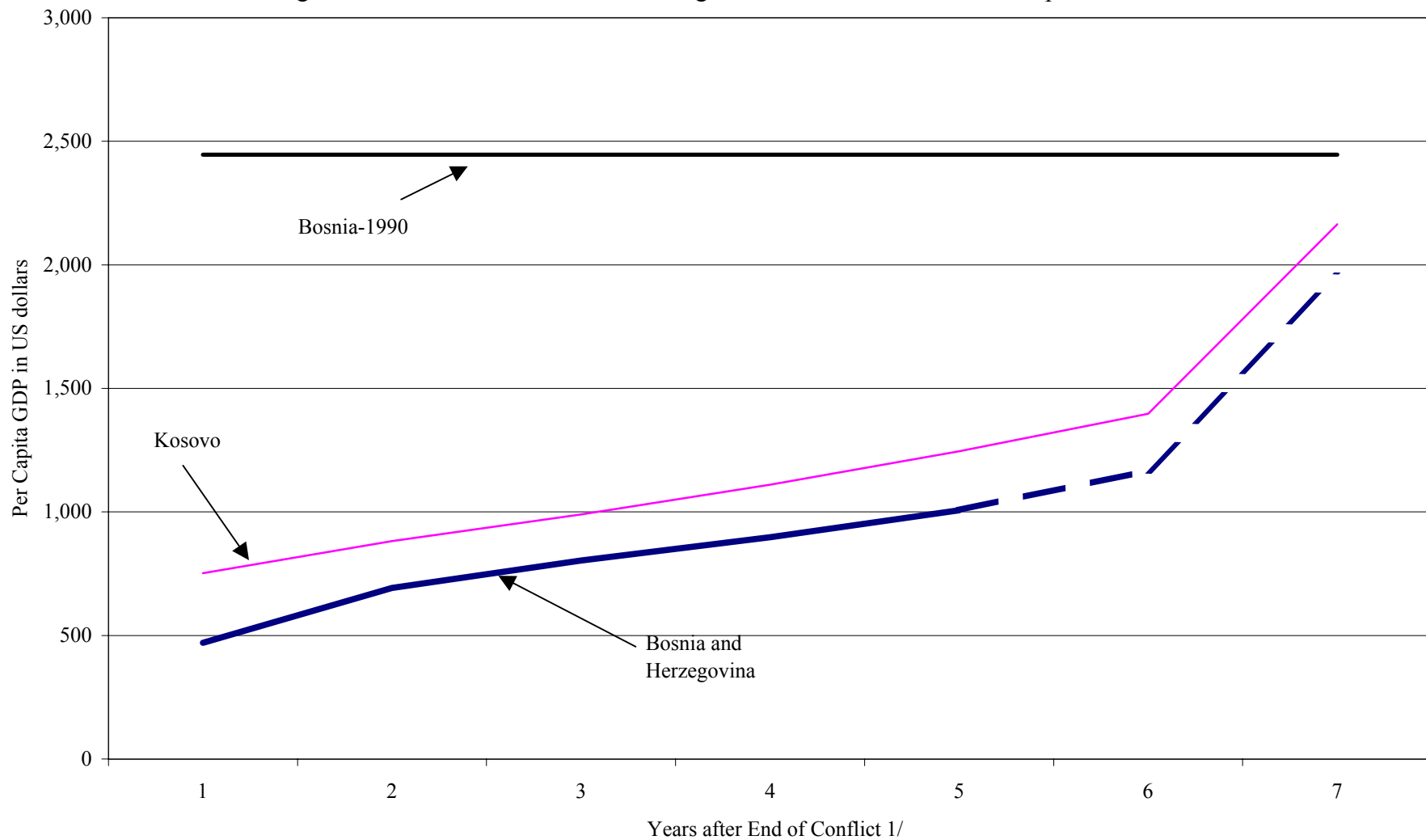
1/ The two observations for each entry denote net and gross budget wages.

Figure 3. Kosovo: Medium-Term Scenario



Source: Staff estimates.

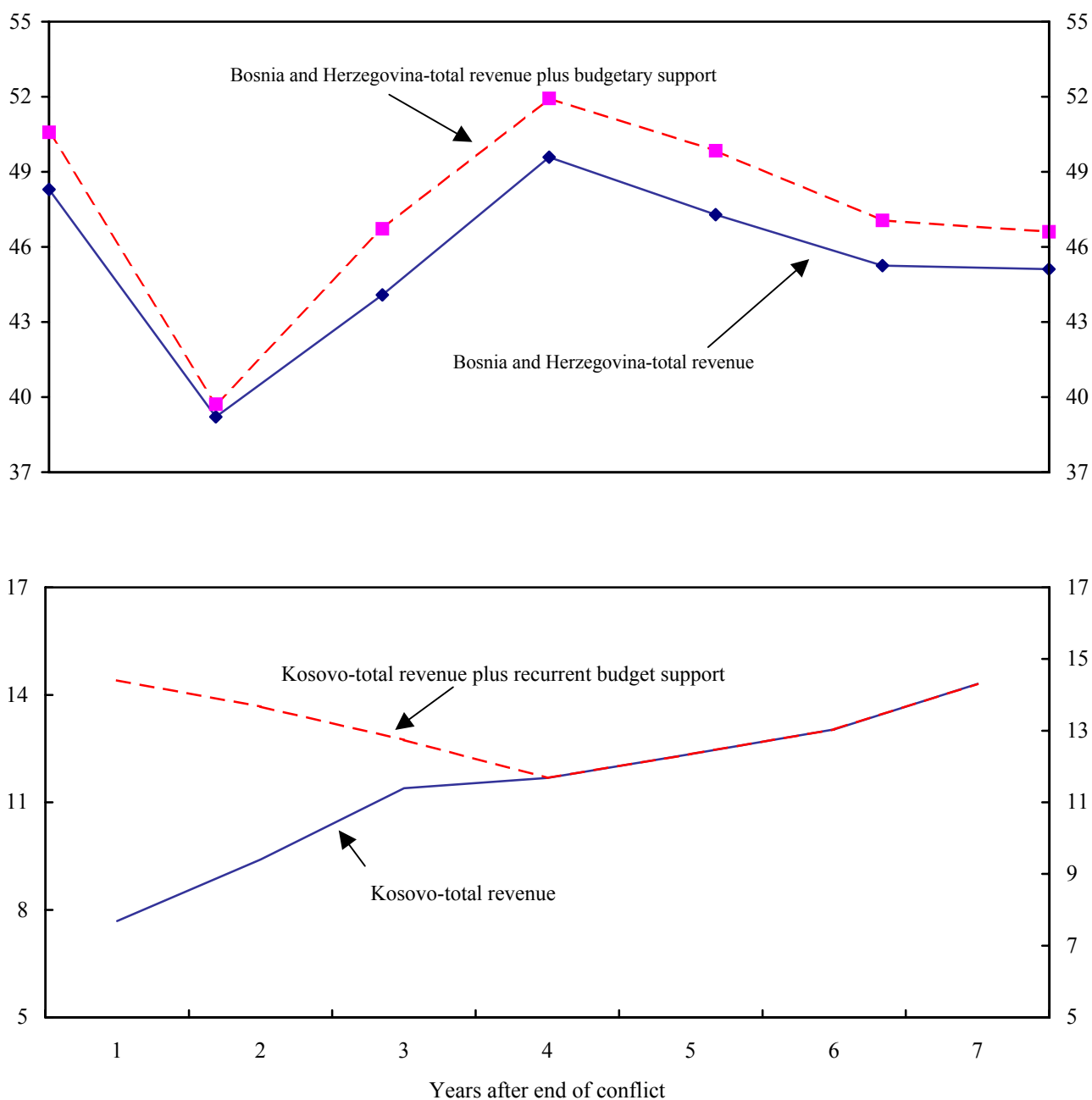
Figure 4 . Kosovo and Bosnia and Herzegovina: Post-conflict GDP Per Capita



Sources: Central Fiscal Authority; and staff estimates.

1/ Covers the first seven years after the end of the war in Bosnia and Herzegovina (BiH, 1995) and the Kosovo conflict (1999). Projections for Kosovo cover 2000-06. The seven year period for BiH includes staff estimates for 1996-99, and projections for 2000-02.

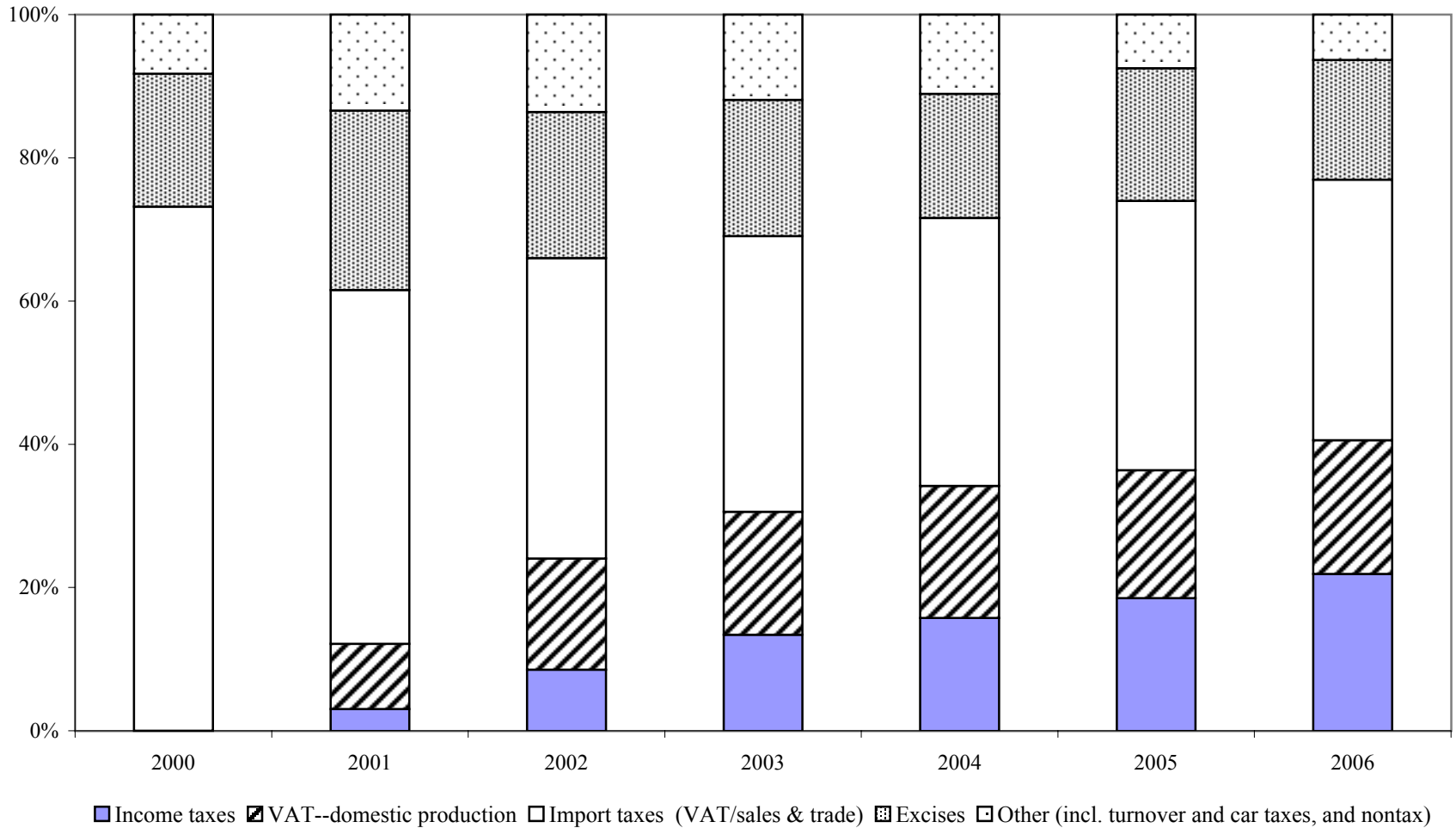
Figure 5. Kosovo and Bosnia and Herzegovina: Revenue and Budgetary Support 1/
(In percent of GDP)



Source: Kosovo Central Fiscal Authority; and staff estimates.

1/ Chart covers the first seven years following the end of the war in Bosnia and Herzegovina (BiH, 1995) and the conflict in Kosovo (1999), respectively. For Kosovo, projections cover 2000-06. The seven year period for BiH includes staff estimates for 1996-99 and projections for 2000-02.

Figure 6. Kosovo. Medium-term Revenue Composition, 2000-06
(In percent of total revenue)



Source: Central Fiscal Authority; and staff estimates.

