



Four Years of Progress: Bangladesh Marches on

Budget Speech 2013-14

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Appendices

In the name of Allah, Most Gracious, Most Merciful

Honorable Speaker

1. I seek your kind permission to present the Supplementary Budget for the fiscal year 2012-13 and the Budget Estimates for the fiscal year 2013-14 before this august House.

Permission

2. At the very outset, please accept my warmest felicitations for making history by being elected uncontested as the first woman speaker of the country. My heart is filled with a deep sense of pride, may be even more than you, as I see you in that plakhe. I fondly recollect my warm association with your illustrious father Rafiqullah Chowdhury and your equally reputed mother Nayer Sultana. Both of them were close to my heart. I also had similar level of proximity with their previous generation. The height that you have reached today is a tribute to the academic excellence that you have maintained throughout, together with your amiable disposition and the high level of wisdom and efficiency that you have shown throughout your career. Having said so let me throw a bit of caution in the wind; your journey may not follow a silken path from here on. It may well turn out to be an uphill task for you to run the affairs of this parliament congenially and neutrally in the face of violence, intolerance and corruption that have engulfed our political arena. But I repose my confidence on you and firmly believe that you will be successful in this tough assignment against overwhelming odds.

Chapter I

Introduction and Background

Honorable Speaker

3. At the outset of presenting the last budget of the grand alliance government, I wish to pay homage to the architect of our independence, the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman. At the same time, I recall with high esteem his close associates – the four martyred national leaders of Bangladesh. I also remember with profound respect the countless martyrs who laid down their lives during the Language Movement, the Liberation War and anti-autocratic movement and also those who were brutally killed by the fundamentalist forces who are out to thwart the war crimes trials. Their noble sacrifice for truth and justice will never be forgotten; they will inspire us in our journey forward.

Tribute

4. Today, I remember with profound respect and love late President Mr. Md. Zillur Rahman, a devoted comrade of Bangabandhu. A man of gentle and amiable disposition, he elevated himself to an extraordinary stature, without incurring animosity from anyone, irrespective of party affiliations and beliefs. In his sad demise - the country has lost an honest and dedicated leader; the nation has lost its guardian. There is none to fill this void. I pray for divine peace of his departed soul.

5. I would like to express my deepest condolence to the victims' families of the Tazreen fire incidents and Rana Plaza collapse. I pray for salvation of the departed souls who embraced untimely death in these tragic incident. In this context, I would like to firmly assure you that as in the past the Government will stand by you. We will do everything in our capacity to compensate your damages and arrange re-employment for you. In order to prevent recurrence of such incidents in future, we pledge to take all possible measures for improvement of working conditions and safety standards in factories in conjunction with all stakeholders.

6. I take this opportunity to express my sincere gratitude to Hon'ble Prime Minister Sheikh Hasina for reaffirming her trust on me in disposing this important task of budget preparation. At the same time, she helped us to take the whole process forward by providing invaluable guidance and advice. Like the previous years, this year too, I shared views on the budget with honourable members of **Acknowledgement** parliamentary standing committees including the Standing Committee on Ministry of Finance, the social elites, renowned economists, professionals, trade bodies, NGO leaders, journalists and secretaries of all the ministries and divisions. Besides, I attended a discussion meeting outside Dhaka at *Munshiganj*, to listen to the farmers where they expressed their frank views about the upcoming budget. They obliged me by providing insightful suggestions. Though, we tried to reflect in the budget as many recommendations as possible, they *en masse* have enriched our budget introspection. Finally, I would like to thank all the officers and staff of the Finance Division and National Board of Revenue for their hard work and sincere cooperation in managing the arduous task of budget preparation.

7. Similar to earlier years, our budget estimates are based on a dispassionate assessment of current domestic and global economic perspectives. We juxtaposed our resource position against the demand for huge resources required to fulfill people's aspirations. Now, I will sequentially present, before this august House, the progress so far made against our commitments, the macroeconomic and global economic perspectives, the revised budget for FY 2012-13, budget estimates for FY 2013-14, allocation of resources to important sectors and the revenue proposals.

Chapter II

Implementation of commitments

Honorable Speaker

8. On 11 June 2009, as Minister for Finance of the grand alliance government led by Hon'ble Prime Minister Sheikh Hasina, I brought to

Our Commitments

 the fore the basic economic policies and strategies of our tenure. I pronounced my budget statement in the light of our election manifesto as well as the overwhelming mandate that we obtained from the people in the election. The salient features of my statement included, *inter alia*, the following:

- Sustaining higher growth trajectory confronting the challenges of global recession
- Maintaining price stability to keep it within the people's purchasing power
- Enhancing the rate of investment and raising it to at least 30 percent of GDP from 24 percent. This calls for strategies like augmenting domestic revenues, forging public-private partnership, increasing flow of external resources and scaling up foreign investment
- Raising GDP growth rate to 8 percent by 2014 and 10 percent by 2017
- Undertaking a 3-year special program to mitigate the power and energy sector deficit and bring about overall development of these sectors
- Curbing corruption and bringing in reforms for good governance and
- Attaching highest priority to the agenda for establishing 'Digital Bangladesh'

At the same time, we were pledge-bound to finalize the 3-year PRSP, formulate perspective plan and five year plan. In addition, we were also committed to (1) formulate Medium Term Budget Framework for each ministry, (2) work out unified budget, (3) formulate gender sensitive budget and (4) report district wise budget allocation. In the subsequent years, I reported to the parliament as to the progress of implementing these commitments together with the pronouncement on certain new initiatives.

9. This is the last budget of our government in the current tenure. We began our journey in 2009 keeping in view the goals set out in ‘Vision 2021’. Today, we are almost half way through. From the very beginning, our aim was to transform Bangladesh into a middle income country. Every budget we announced was a tool for realizing this goal. Many critics commented that our budgets are ambitious. However, the reality turned out quite differently. I am pleased to let you know that we have attained outstanding success in achieving the targets as set out in the budgets. All major economic indicators during our tenure show positive developments in the economy. **I wish to present these indicators in Table 1 annexed to the speech.** You will find from this table that in the last four years our economy has made remarkable progress.

Overall evaluation of implementation progress

10. At the very outset, therefore, let me recount our achievements before this august House. **The details have been presented in Table 2 annexed to the speech.** As it is a long list, I would like to draw your attention to some of the landmark achievements.

11. When we took office in early 2009, the global economy was reeling from the onslaught of recession. We, therefore, had to concentrate immediately on working out measures to tackle this crisis. We came up with appropriate stimulus packages and policy supports after taking on board all stakeholders including the business community, experts and economists. As you all know, we could sustain an average GDP growth rate of more than 6.0 per cent amidst global economic meltdown. However, we could not achieve the desired growth rate as we targeted and I apprehend that achieving 7 percent growth in FY 2012-13 would be difficult. We have been successful in taming

Facing Recession

inflation. In tandem, we could manage to expand import and export despite sluggish global economic growth. Remittance inflows also increased. During this period, the credit rating agencies ranked Bangladesh, in terms of its capacity to service debts, at par with the Philippines, Indonesia and Vietnam. You will agree that our prudent economic management was the crucial factor behind this economic success.

Madam Speaker

12. In all my previous budget speeches, I firmly stated our government's commitment to put in place an acceptable solution to power crisis. I am pleased to apprise you today that we have achieved major milestones of success in this area. During this time, as many as 54 power plants have been installed. We have so far supplied 3,845 **Power and Energy Sector** MW of additional electricity to the national grid. The beneficiary coverage of electricity has been raised from 47 to 60 per cent. At the same time, per capita electricity production has increased from 220 kwh to 292 kwh. Meanwhile, we have installed 2 million solar home systems. New electricity connections have been provided to 3 million consumers. We have also taken necessary steps for installing a coal-based 1,320 MW power plant. We have signed an agreement with Russia to install two nuclear power plants of 1,000 MW capacities each, at *Ruppur* in Pabna. By 2015, the total power generation capacity will reach 14,500 MW, Insha-allah.

13. Along with power, we have also given special priority to ensuring energy security. We have strengthened the only state-owned petroleum exploration and production company - BAPEX. We are extracting 2,260 mmcft of natural gas daily from 19 gas fields. In our tenure, we have added 680 mmcft natural gas to the national grid. Recently, we have withdrawn the ban on gas connections for domestic consumers. We have created a fund named 'Gas Development Fund' for investment in and development of oil and gas exploration, production and distribution activities. In order to enhance energy security, the storage capacity of Bangladesh Petroleum Corporation has been enhanced to 9.83 lakh MT.

14. I would like to state firmly that our progress towards building 'Digital Bangladesh' is highly satisfactory. We have already established Union Information Centers in more than 4,000 unions with a view to introducing e-Governance by 2014. We have launched e-Service centers in all districts. The task of establishing 24,000 web-portals at districts, upazila, and union levels is at the final stage of completion. We have introduced e-Payment and mobile banking to make delivery of services easy and transparent. Besides, we have taken steps to launch electronic money order and mobile cash card. The process of completing government purchase online is being institutionalized. The target of connecting Bangladesh with the second sub-marine cable has made significant headway. We have brought nearly all upazilas under internet connectivity. The commercial operation of 3-G mobile technology has also been initiated. Following various steps that we undertook in the telecommunication sector, the number of mobile users has increased to 9.86 crore and internet users to 3.40 crore. Side by side, tele-density and internet density have increased to 64.6 and 19.9 percent, respectively.

Digital Bangladesh

15. We pledged to make the country self-sufficient in food production by 2013. In the 4 years of our tenure, rice production has gone up by 50 lakh metric ton. We are keen to uphold this success. To this end, we have distributed 143.75 lakh input assistance cards to farmers. In order to keep fertilizer price within farmers' reach, price of non-urea fertilizer has been reduced by about 70 to 79 percent in three phases. We have been continuing the program of agricultural subsidy. In the revised budget of the current fiscal year, we have allocated Tk. 12,000 crore for agricultural subsidy. Besides, the capacity of BADC has been strengthened to supply quality seeds. BADC now distributes nearly 60 percent *boro* seeds in plakhe of a meager 18 percent in FY 2008-09. In the last three fiscal years, irrigation facilities have been extended to about 1.0085 lakh hectares land and water logging of 11,550 hectares of land has been removed. Apart from achieving food autarky, we have attached due importance to ensuring food security. At present, public food storage capacity has been enhanced to about 16 lakh MT which is expected to reach 20 lakh MT by 2015. In addition, in the last four years, on an average, the growth of fish production was 5.08 percent and that of meat was 3.44 percent.

Agriculture and Food Security

Madam Speaker

16. We have been relentless in expanding quality education. We formulated the National Education Policy, 2010. The Education **Education Sector** Assistance Trust Act, 2012 has been passed and the Education Assistance Trust established to benefit the underprivileged meritorious students.

17. We have appointed an additional 2,000 head teachers and 69,404 assistant teachers in government primary schools and 9,500 assistant teachers in registered non-govt primary schools with a view to raising the teacher-student ratio. In all primary schools, pre-primary education programs have been launched. For this purpose, recruitment of 37,672 assistant teachers is in progress. A guideline has been prepared for inclusive education with a view to ensuring education for all. Besides, a program for imparting basic education is underway covering around 1.66 lakh working children through more than 6,000 learning centers at 7 divisional cities. We have nationalized 26,193 primary schools and initiated nationalization of jobs of about 1.04 lakh primary school teachers. Every year, we have been distributing books free of cost to all students at primary and secondary levels. We have also been continuing stipend programs for students from primary to higher secondary levels. Besides, stipend programs have been extended up to graduation and equivalent levels. Notably, about 70 percent of the total stipend recipients are female students.

18. We framed the National Health Policy, 2011 with a view to revamping the health sector. 'National Population Policy 2012 has also been finalized. We have launched 12,217 community clinics to expand **Health Sector** health services to the grassroots level. As many as 275 upazila hospitals have been upgraded to 50 beds. About 2,000 beds have been added to all medical colleges and district hospitals. We have employed about 40,000 people in different posts in the health sector. Five new medical colleges have also been established.

19. In the previous budget speeches, I laid emphasis on integrated **Communication Sector** development of the communication sector. To this end, preparation of 'National Integrated Multi-modal Transport Policy' is in the final

stage. A 20-year Road Master Plan and the ‘National Road Safety Strategic Action Plan, 2011-13’ have been prepared. At this stage, I would like to draw the attention of this august House to a number of tangible achievements in the communication sector. We have already completed construction of the much awaited roads under the *Hatirjheel* Project, *Mirpur-Banani* flyover, and the *Banani* level crossing overpass. The construction work of 10 km-*Mayor Mohammad Hanif* flyover extending from Jatrabari to Palashi and about 3 km-Kuril flyover are at the final stage of completion. We have completed the rehabilitation work of the *Meghna* and *Gomti* bridges connecting southern and eastern regions of the country. As many as 820 buses and 25 articulated buses have been added to BRTC bus fleet for improving the public transport system. We have established a separate ministry for the long-neglected railway sector. Railway budget has been enhanced by about 121 percent in last four years. We have completed dredging of 1.28 crore cubic meter to keep the waterways navigable. We have also added two new generation Boeing aircrafts to our existing fleet.

20. Since 2011, we have reopened four industrial production units under the policy of reopening of shut-down industries. The reopening of two more mills is in the offing. Mandatory Packaging Act, 2010 has been passed to encourage the use of jute. We have assumed the past liabilities of the Bangladesh Jute Mills Corporation (BJMC) amounting to Tk. 2,316 crore. We have taken steps to make BJMC profitable. Hopefully, it will turn out to be a profitable entity in future.

Trade and Commerce

21. We are leading the least developed countries in international negotiations on mitigating the adverse impacts of climate change. Thanks to our effective diplomacy, Green Climate Fund under the Cancun Agreement 2010 has been established for supporting the probable victim countries of climate change. We have taken steps to disseminate weather updates through mobile phones. In order to exchange information on relief distribution, all divisional headquarters, districts and 310 upazilas have been brought under the coverage of information technology infrastructure.

Climate Change & Environment

22. We have enhanced various rates and widened the coverage of allowances given to senior citizens, widows, destitute women, expecting and lactating mothers and insolvent disabled persons in fulfillment of our election pledge on expanding social security programs for the extreme poor. Around Tk. 22,750 crore has been allocated for social safety net programs in FY 2012-13 compared to the allocation of Tk. 13,845 crore in FY 2008-09. The Household Income and Expenditure Survey, 2010 reveals that about 24.5 percent of total population was brought under the social safety net by 2010. Poverty ratio declined by 10 percent in 2010 compared to 2005 due to various measures aimed at reducing poverty.

**Social Safety
Net Programs**

Madam Speaker

23. Presently, around 86 lakh Bangladeshi workers are employed in 157 countries. We are striving to create new labor markets and expand the existing ones. A memorandum of understanding for scaling up manpower export has recently been signed with the Government of Malaysia. We expect, within next 5 years, nearly 5 lakh laborers will get employment in Malaysia incurring nominal expenses. In addition, agreements on manpower export have been signed with Hong Kong and Jordan. An expatriate welfare bank has been established to provide low interest loan to the migrant workers. Meanwhile, branches of this specialized bank have been opened in 7 divisional cities with high concentration of migrant population. As of April 2013, migration loan to the tune of Tk. 14.15 crore has been disbursed by this bank. In the first year of assuming office, we pledged to reform relevant acts, rules and regulations meant for regulating manpower export. A new act is being drafted repealing the old Immigration Ordinance of 1982. We have strengthened the labor wings in 16 Bangladesh missions abroad and set up 17 new labor wings to take care of our expatriate nationals.

Expatriate Welfare

24. With a view to ensuring overall development of women, we have formulated the 'National Women Development Policy, 2011. In addition, during this tenure, the 'Domestic Violence (Protection and Prevention) Act 2010 and National Child Policy 2011 have been framed to prevent violence against women and

**Woman and Children
Development**

children. One stop crisis cells have been established in 20 upazila health complexes and 40 district headquarters hospitals. As many as 6 child development centers have been established for disabled, orphan, and hapless street children. Besides, gender responsive budgets have been compiled for 40 ministries/divisions for the next fiscal year. The Hon'ble Prime Minister, Sheikh Hasina has been awarded 'United Nations South-South Award' for her special contribution to enhancing life standards of women and children.

25. At the behest of Hon'ble Prime Minister, after 40 years of independence, we have undertaken a program to honor the countries and respectable foreign nationals who stood by us during the war of liberation. Our highest national award 'Bangladesh Independence **Commemorating Friends of Liberation War** Award' has been posthumously conferred on the former Indian Prime Minister Indira Gandhi for her outstanding contribution to the country's liberation war. Besides, including the incumbent President of India, Shree Pranab Mukharjee, 210 other foreign nationals and organizations have been awarded the 'Bangladesh Liberation War Award' and 'Liberation War Friendship Award'. We have a plan to honor another 366 foreign friends and organizations in the next fiscal year.

26. We have taken a wide range of measures to modernize the land management system. The digitization of 4,41,506 khatians and 4,089 mouja map-sheets have been completed covering 191 moujas under the Dhaka Metropolitan City Survey. We expect that digitization of **Land Management** existing mouja maps and khatians in 55 districts will be completed by June 2014. The report on digital land zoning maps of 152 upazilas in 21 districts has been prepared to secure planned and effective use of land. The digital land zoning work in 40 other districts is progressing. Besides, the 'Agricultural Land Protection and Land Use Act, 2012' has been drafted.

27. A complete statement on the implementation of pledges made in the budget speeches of FY 2009-10 to 2012-13 including **Assessment of progress** a list of incomplete and running schemes has been appended as **Tables 3 and 4**.

28. Here, I would like to draw your attention to some important issues from these lists:

- Finally, we formulate the **district budget**. However, this time we are presenting, on an experimental basis, a budget for the district of Tangail. In this budget, we are presenting the allocations for both development and non-development spending for the field offices located in this district. However, this is not a district budget per se. In this document, we will find a reflection of what activities are being carried out with the budget allocations and how much is being spent in the district. The purpose of this document is to inform the public the impact of government programs on a district and how the people of a district are benefitted. I expect this will enhance transparency and accountability of government actions. I also hope that in future, the opinions and programs that will be proposed from within the district will gradually find place in the district budget. However, there is a pre-condition for this process to work and this is the presence of a strong district council. Further, I would like to mention that in next couple of months we will be able to publish another 6 district budgets of 6 divisions in line with what we are presenting today.
- In my first budget speech, I expressed my optimism about the **PPP** program. By the end of 2nd year we could work out relevant strategies and policies for this initiative. It took quite a while to establish the new PPP office. That is why, this program could not make much headway. Currently, the law framed for PPP is under active consideration of the cabinet. Meanwhile, the selection process of PPP projects has gathered pace. The following steps are extremely important for PPP initiatives: selecting projects after preliminary scrutiny, listing of projects, conducting feasibility study and appointing consultants and commencing implementation of projects. Up to mid-May this year, 30 projects have been selected, of which 17 have been listed, consultants have been appointed in 14 projects and implementation has begun in 6 projects. In the next fiscal year the numbers will increase to 35, 30 and 20 respectively. **I am presenting the status of 17 projects in Table 5.**

- We have made significant progress in augmenting **investments**. We must remember that we are not a self-sufficient island. We have fared better than our neighbors in the wake of global financial crisis and its aftermath. I have already talked about PPP. On FDI, the Board of Investment has submitted two encouraging reports. It is observed that the FDI flows have increased over the last two years. In calendar year 2011, FDI flows stood at USD 1,136 million which is expected to increase to USD 1,700 million in 2012. However, in a couple of days UNCTAD will publish a report on FDI. In the current year, however, the private investors are a bit hesitant because of the upcoming election related political tensions. This might lower down private investment. But, with the increase of public investment this year, the investment GDP ratio will move up to 26.85 percent which is the highest ever ratio so far. In the past, we extended a number of facilities for investment of undisclosed income which did not yield any tangible outcome. The current regulatory regime stipulates that such undisclosed income can be invested by paying extra 10 percent tax together with applicable tax rates which may come around to 2.5 percent of income. Considering the difficult period experienced last year we have allowed special facilities for investing in plots or flats. Besides, we have enhanced the tax rebate facilities for investment by firms or individuals to a large extent i.e. 15 percent tax rebate will be allowed for investment of 30 percent of income.
- We have made remarkable strides in the development of ICT. However, I feel personally aggrieved as progress in **land management digitization** has not been as expected. Our aim was to renew land records in all districts and attest them within three years through PPP initiative. We have plans to carry out field survey and aerial survey using satellite technology, match these two sets of survey findings and provide land records to the actual owners. Based on this, we will create a central database which will form the basis of record corrections, record renewals and mutations. I believe that within a short period of time this standard system could be introduced and consequently, land related disputes will fall drastically.

- We have formulated the **power and energy sector policies** and implemented most of these policies. According to Power Sector Master Plan we have taken steps to generate electricity from different sources. This will help diversify energy sources. We have concluded a number of agreements on installation of coal-based power stations. We hoped that during our tenure we would be able to import and supply LNG. However, this project has been delayed. We expect that in the next one and a half year, it would be possible to construct the LNG terminal and transmission line. At the same time, we have taken steps to explore hydrocarbon resources in the coastal belt. The process of appointing contractors is underway for this purpose. We have completed the preparatory work for formulating the coal policy. The major question is whether we will use open pit method of coal extraction for *Boro Pukuria* or *Fulbari* coal mine. This will necessitate rehabilitation of many families in a densely populated country like ours. Even more critical issue is the impact of open pit mining on environment, and underground aquifers and water layers. Most of the contracts that we concluded for coal-based power plants are dependent on imports. Opportunities are lacking for importation of coal. If we can extract coal from our own mines and ensure smooth supply, our dependence on import will gradually diminish. Considering all these, we have prepared a report on coal policy. However, we would like to leave this report for decision to be taken by the next government.
- In the later part of my speech, I would like to reflect on three major issues. These are: Special initiatives, Devolving power to the Local Government and Administrative Reform Program.

Chapter III

Macro Economy and Global Perspective

Honorable Speaker

29. Now, in the backdrop of global economic context, I would like to briefly reflect on our macroeconomic performance.

30. You might recall that we took office at a time when global recession was raging across the globe. The intensity of recession which began in 2008-09 gradually has weakened over the years; the negative impacts however still lingers on. In fact, the world economic trend was never in our favor during this whole tenure.

31. However, the redeeming feature is that towards the later part of 2012, world economy began to show signs of steady recovery. The global growth performance has somewhat improved, thanks to ongoing financial supports to debt-ridden EU countries, warding off fiscal cliff by the US economy and adopting expansionary monetary programs by Japan. Given this perspective, according to the latest outlook, the global growth is likely to be 3.3 and 4.0 percent in 2013 and 2014 respectively. The developing Asian economies may attain 7.1 and 7.3 percent growth respectively in these two years. Despite the recessionary shocks, in keeping with developing and emerging Asian economies we were able to sustain satisfactory economic growth by pursuing cautious and prudent macroeconomic strategies. Over the past four years, average real GDP growth in Bangladesh was 6.2 percent. In FY 2011-12, our economy posted real GDP growth of 6.23 percent. Bangladesh Bureau of Statistics has recently released the provisional estimate of GDP for FY 2012-13 which is 6.03 percent. Now, I would like to briefly reflect on this provisional estimate. **This estimate has been presented in Table 6 annexed to the speech.** With the steady recovery of trade partner economies from the latter part of 2012, the external demand picked up and our export posted 10.1 percent growth. In tandem, remittance inflows grew by 16.0 percent. Though growth of government

consumption expenditure and investment remained satisfactory during July-March period, private sector credit growth was 7.0 percent during this period against 13.6 percent growth over the corresponding period of the last fiscal. The provisional estimate is based on 8 months' actual production statistics which exclude data on *Boro*, potato and maize harvest. We assume production of these crops to be impressive this year leading me to believe that inclusion of all these data would definitely push up GDP growth number to at least last year's level. Another important point that you may like to note is that this year the private investment may slightly slide down. However, the public investment as percentage of GDP is going to rise to 7.85 percent from 6.5 percent. This will certainly make positive contribution to overall growth rate. Our projection for GDP this fiscal year is within the range of 6.3-6.8 percent.

32. At present we estimate GDP considering 1995-96 as the base year. Already, there is an initiative to change the base from 1995-96 to 2005-06. New base year shall take effect from July 2013. This would further expand the base of GDP. You are aware that in the meantime, several new sectors have been added to the existing base. Moreover, various sectors' contribution to GDP has also changed. Here, I would like to raise a point. As you all know, four national elections took place after 1990. It's a common knowledge that in the election year, GDP decelerates and falls below the average level. Table 7 will reveal that the growth rate in the election year reduces between 0.3 - 2.6 percent. You might also have noted that this year, neighboring India and the emerging Asian economy Vietnam both have achieved GDP growth close to 5 percent. This is also the regional average. In my opinion, given the adverse global economic and domestic scenario, real GDP growth of 6.3 percent is not a mean feat. However, I firmly believe that if we could prevent the recent violent political programs, GDP growth for the current fiscal would be higher.

33. According to projections, growth will accelerate in agriculture, industry and service sectors propelled by the positive momentum in the world economy in 2013 and afterwards. Side by side, steps taken by us in tackling supply side constraints in power, energy and communication sectors will considerably mitigate the infrastructure deficit. Based on these underlying assumptions and expectations and also keeping in view the trends of other emerging Asian economies, we

have re-fixed the real economic growth target at 7.2 percent for FY 2013-14.

Madam Speaker

34. I would like to inform this august House through you that our untiring efforts have been successful in bringing down inflation to a tolerable level, returning comfort to peoples' lives. At the end of April this fiscal, inflation dropped to below 7.9 percent on point to point basis, which was 9.9 percent in the corresponding period of the last

Inflation

 fiscal. Here, we should remember that the last four years was a period of turmoil for both global and regional economy. Even in such a situation, we could rein in inflation by taking measures like building up satisfactory food stock, distributing food grains among the poor at a fair price, providing continuous policy support to the agriculture sector and removing supply side constraints in different sectors like power and energy. In addition, tight monetary policy has been undertaken for the first and second half of this fiscal year to keep the non-food inflation under control. I mentioned earlier that we currently estimate inflation taking 1995-96 as the base year; we will estimate inflation taking 2005-06 as base year from the next fiscal.

35. The first and the second half-yearly monetary policy of this fiscal year was announced with a view to ensuring proper monetary management, contain inflation and targeted credit flow. Recently, increased remittance inflows coupled with negative import growth led

Money and Credit

 to a significant rise in the NFA (Net Foreign Assets). As a result, growth of reserve money (RM) and broad money slightly overshoot the program targets despite tight credit policy adopted. I expect that broad money growth will stand nearby 18.0 percent at the end of the current fiscal. As regards private sector credit disbursements, we have been constantly watchful of disbursing adequate loans to agriculture, non-farm and productive industrial sector. Around Tk. 32 thousand crore was disbursed as industrial term loans during July-April of the current fiscal year, which is 28 percent higher compared to the same period of the last fiscal. During the same period, Tk. 10,400 crore has been disbursed as agricultural credit against Tk. 9,000 crore distributed in the corresponding period of the last fiscal. In addition, non-farm credit disbursement was Tk. 1,305 crore during first 10 months of FY13

against 1,272 crore over the same period of FY12. Bangladesh Bank will announce its 'Monetary Policy' next month. We expect that the broad money growth will remain below 18.0 percent in the next fiscal year.

36. In the last four years, we achieved, on an average, export growth of 14.6 percent. In current fiscal year, up to April 2013, export growth stood at 10.1 percent compared to the corresponding period of the previous fiscal year. To sustain the rising export growth, we are ceaselessly trying to diversify our product and market as well as enhance regional trade. Moreover, we have plashed emphasis on liberalizing trade, removing institutional and infrastructural limitations and increasing productivity. Separately, import growth was on an average 14.4 percent in the last four years which though registered negative growth up to March in FY 2012-13. Import of goods and services in the current fiscal dipped by 6.1 percent compared to the corresponding period of the previous fiscal. Import posted some signs of picking up from January 2013 and hopefully, the pace will increase in the coming months. I expect, as per the outlook, positive changes in the global economy will accelerate our foreign trade. We expect that export receipts will rise by 15.0 percent and import payments over minimum 10.0 percent next year.

Export and Import

37. Remittance grew by 12.8 percent on an average in the last four years. It continues to sustain this momentum in the current fiscal as well, widening the Balance of Payment (BOP) surplus, especially surplus in the Current Account. In current fiscal year, up to April, remittance inflows were USD 12.3 billion which was 16.0 percent higher than the corresponding period of the previous fiscal year. When we took office, it was about USD 7.0 billion. The signing of memoranda of understanding with Malaysia and Bahrain and the interests shown by Hong Kong and Jordan to recruit female workers, are surely expected to boost up the flow of remittance in future. We expect 15.0 percent growth of remittance inflows in the next fiscal year.

Remittance and Manpower Export

38. Foreign exchange reserve continues to pile up on account of higher remittance growth and negative import trend. Though the value of Taka remains market based, it has slightly appreciated against USD in the recent months. Bangladesh Bank is, however, mindful that this appreciation does not affect the export competitiveness and impact the remittance flow negatively. As of 28 May 2013, the exchange rate of Taka was 77.8 against US Dollar. At the same time, foreign exchange reserve stood at around USD 14.5 billion which is sufficient to foot the import bill of more than four months. Let me point out, at the time we assumed office, the foreign exchange reserve was only USD 5.6 billion.

Foreign Exchange Reserve and Exchange Rate

Chapter IV

Budget for FY 2012-13: Adjustments and Revisions

Honorable Speaker

39. In the last two and a half months, there have been attempts to make the country's political situation unstable. This was a major hindrance to the smooth operation of trade and commerce. The foreigners who came to visit the country for negotiating contracts faced difficulties during their movements. In this situation, we faced a dilemma whether to retain the positive outlook that we gave to this august House on 11 March this year on the revised budget. It appears that the violence created during *hartals* and the state of anarchy triggered by Jamat-Shibir is gradually coming under control. In the first half, though collection of import and supplementary duties declined, supplementary duties picked up in the latter half of the fiscal year. Buoyancy in direct taxes is continuing. The manpower of NBR is being scaled up after three decades and the organogram is being restructured to bring momentum in revenue collection. Non tax revenue collection is satisfactory. The activities of the government sector have gained further momentum. **In consideration of these factors, I am presenting the revised budget in Table 8 annexed to this speech.**

Revised Budget for FY 2012-13

- In the budget of FY 2012-13, the target for revenue income was set at Tk. 1,39,670 crore (13.4 percent of GDP). In the revised budget, the target for revenue income is kept unchanged. I hope the revenue collection target of **Revised Revenue Targets** this fiscal year will be achieved. At the same time, it will also be possible to increase revenue income (1 percent of GDP) compared to the actual collection of the previous fiscal year.
- The total government expenditure was estimated at Tk. 1,91,738 crore in the current fiscal year's budget (18.4

percent of GDP). Now, it has been decreased to Tk. 1,89,326 crore (18.2 percent of GDP) by reducing Tk. 2,412 crore. Due to reduction in project aid the **Revised Expenditure Targets** allocation of Annual Development Program (ADP) now stands at Tk. 52,366 crore. However, the revised ADP size will actually be Tk. 57,120 crore taking into account Tk. 4,754 crore of the self-financed projects of the autonomous bodies and corporations. The allocation for subsidy in the original budget was Tk. 35,046 crore which includes subsidies for agriculture, power and energy sectors. In the revised budget, the amount of subsidy has been increased to Tk. 38,808 crore after an additional allocation of Tk. 3,762 crore. In fact, this increase is attributable to payment of arrears accumulated over the last few years. In order to reduce the size of public expenditure, we adjusted administered prices of electricity and fuels to harmonize them with international prices which we expect to continue in future too. The additional allocation for subsidy has been provided for by re-appropriating funds allocated for PPP initiatives and investments in share and equities and, by slashing down discretionary expenditures.

- In the FY 2012-13 original budget, deficit was estimated at 5.0 percent of GDP, which has been marginally reduced to 4.8 percent of GDP in the revised **Budget Deficit** budget. Out of this, 1.7 percent of GDP will be financed from external sources and rest 3.1 percent from domestic sources. Again out of this 3.1 percent, 2.7 percent will be financed by borrowing from banking system.
- Since we assumed office, we have been diligent in speeding up the ADP implementation processes by enhancing project aid absorption capacity. In this regard, Planning Commission has been closely **Revised ADP** monitoring the progress of project implementation of 10 large ministries. I personally met the officials of all the ministries and divisions on different occasions. Tripartite meetings were held among Economic

Relations Divisions, project implementing ministries and development partners. Field monitoring of projects facing implementation problems is going on. In the meantime, we have started reaping the benefits of these programs. The utilization of project aid in this fiscal year is very encouraging. While in FY 2008-09 actual ADP spending was Tk.19,438 crore (3.2 percent of GDP), in the current fiscal year, it has grown to Tk. 52,366 crore (5.0 percent of GDP).

Madam Speaker

40. I would like to apprise the citizens through you that the gap between the estimates that we worked out at the beginning of the fiscal year and the revisions that we made at the end of the fiscal year has significantly reduced. This means that our implementation capacity has enhanced and our cooperation with the development partners has improved.

41. However, there is a risk in this assumption. I would like to make an appeal to the citizens through you and this august house to resist all kinds of violent protests, activities leading to the damage of public property, vandalism by Jamaat-Shibir, arson and killings and bring an end to the political impasse through dialogue.

Chapter V

FY 2013-14 Budget Structure

Medium Term Assumptions

Honorable Speaker

42. Now I would like to reflect briefly on the overall budget structure of FY 2013-14. I have prepared the budget for next fiscal year based on a Medium Term Macroeconomic Framework. The building blocks of this framework are - continuity in pursuing existing monetary and fiscal policy strategies and sustaining macroeconomic stability. It is presumed that the global growth will fairly increase in 2013 and afterwards. As a result, Bangladesh's trade, investment and manpower export will gain further momentum. In the Table 9 of Appendix A, a matrix on budget structure and in Tables 10 and 11, data on the overall budget and sector wise ADP allocations have been presented.

43. We are widening fiscal space by scaling up the revenue collection program through comprehensive reform initiatives and ensuring public expenditure control. Our aim is to channelize **Fiscal and Monetary Space** additional resources to vital growth-supportive projects. In case of investment expenditure, we are focusing on implementing quality projects. Besides, we are continuing reforms with a view to increasing the monetary space. We expect the space created by fiscal and monetary sectors will have a conducive impact on investment environment and facilitate 7.2 percent growth in FY 2013-14, raising it to 8 percent in FY 2014-15.

44. A number of factors will buttress agricultural growth – such as innovation in high yielding rice and paddy seeds, extension at the field level, provision of target based agricultural assistance, increase of agricultural credit flow and inspection, supply of uninterrupted power for irrigation, diversification of agricultural products along with extension of marketing facilities. **Growth in Agriculture Sector**

45. According to the projection, stability in energy prices currently prevailing in international markets will continue in 2014 as well. Besides, fertilizer and food prices may slightly fall. I expect food inflation will come down to a tolerable level due to satisfactory

Containing Inflation

domestic agricultural production and downward trend of food prices in the international market. On the other hand, we will keep on pursuing our strategies of tight monetary policy and fiscal consolidation. In addition, the increase of foreign exchange supply will keep the exchange rate of Taka stable. In these circumstances, I hope that overall inflation will be reduced to 7.0 percent in the next fiscal year and to 5.5 percent in the medium term.

Budget Structure: Table 9

46. Now I will briefly present the proposed revenue and expenditure estimates for FY 2013-14:

47. The revenue income for FY 2013-14 has been estimated at Tk. 1,67,459 crore which is 14.1 percent of GDP, of which NBR tax revenue is Tk. 1,36,090 crore (11.4 percent of GDP). Revenue from Non-NBR sources has been estimated at Tk. 5,129 crore (0.4 percent of GDP). In addition, Tk. 26,240 crore (2.2 percent of GDP) will be collected as Non Tax Revenue (NTR).

Estimates of Revenue Income

48. The total expenditure for FY 2013-14 has been estimated at Tk. 2,22,491 crore (18.7 percent of GDP). The allocation for non-development and other expenditure has been estimated at Tk. 1,56,621 crore (13.2 percent of GDP). Expenditure for ADP has been estimated at Tk. 65,870 crore (5.5 percent of GDP).

Estimates of Expenditure

49. The overall budget deficit will be Tk. 55,032 crore which is 4.6 percent of GDP. Of this amount, Tk. 21,068 crore (1.8 percent of GDP) will be financed from external sources and Tk. 33,964 crore (2.9 percent of GDP) from domestic sources. Of the domestic financing, Tk. 25,993 crore (2.2 percent of GDP) will come from the banking

Budget Deficit and Financing

system and Tk. 7,971 crore (0.7 percent of GDP) from savings certificates and other non-banking sources.

50. Following our usual practice, we have determined the size of ADP by taking into account regional parity, improved infrastructure and quality of expenditure. Country's development got precedence over election targets. For the sake of transparency, we have included the self-financed projects of autonomous bodies in the next year's ADP. We strongly believe in our citizen's right to information. As **ADP Implementation** these entities are public enterprises, people have a right to know about their overall activities. In the past, the development programs of autonomous bodies used to be included in the ADP. These projects pass through the regular project approval process. I trust the future government will pursue the same policy. The total investment scenario has been presented showing the activities of the autonomous bodies separately, as the budget has been prepared on the basis of the revenue mobilization possibilities. In the ADP for FY 2013-14, human resource sector (education, health, and other related sectors) will receive 23 percent, overall agricultural sector (agriculture, rural development and rural institution, water resources and other related sectors) 25.4 percent, power and energy sector 17.2 percent and communication sector (road, railway, bridges, and other related sectors) 23.1 percent and other sectors 11.3 percent of total allocation.

Overall Expenditure Structure: Table 10

51. Now, I would like to give a brief outline of the overall expenditure (development and non-development) structure of the proposed budget. We have classified different ministries/divisions into **Overall Expenditure Framework** three groups based on their functions - social infrastructure, physical infrastructure and general service sectors. In the proposed budget, 23.17 percent has been allocated to social infrastructure sector, of which 19.6 percent has been proposed for human resource (education, health, and other related sectors), 30.18 percent of total allocation has been proposed for physical infrastructure sector, of which 14.50 percent has been proposed for overall

agriculture and rural development, 8.66 percent for overall communication sector and 5.1 percent for power and energy sector. 22.45 percent of total allocation has been proposed for general services sector. 3.29 percent of total allocation has been proposed for Public-Private Partnership (PPP), financial assistance for different industries, subsidy, and equity investment in nationalized banks and financial institutions. 12.47 percent has been proposed as interest payments. Remaining 8.44 percent will be spent for net lending and other expenditures. Hopefully, the budget framework proposed in view of the domestic and global perspectives will support growth, contain inflation and reflect aspirations of the mass people.

Chapter VI

Resource Allocation in the key Sectors of the Economy

Honorable Speaker

52. We have been allocating resources to different sectors using the Medium Term Budget Framework in the light of government policy directives and performances. Your continuous support and cooperation has strengthened the process of these qualitative changes in resource allocation. It has also brought about a positive change in the culture of resource allocation. In addition, this process enables the ministries/divisions to have a prior indication of expected income and expenditure in the coming years as the budget is prepared for a medium term time horizon. As a result, the implementing ministries/departments are also acquiring efficiency in planning and will pay more attention in determining their strategy in future. Now, I would like to present my proposals for resource allocation to important sectors of the economy.

(1) Power and Energy

Madam Speaker

53. While providing resources we attached highest priority to the power and energy sector. You might have noticed, right from the beginning how we allocated resources to revitalize the economy. Our endeavors have paid off and we see some visible achievements. Today, I have planked a booklet titled “Roadmap on Power and Energy Sectors: Trend of Progress” before this house, where detail information including data on our achievements and future plans for the power and energy sector have been captured. Once all the power plants that we have decided to install are in place, we will have a generation capacity of 19,701 MW of electricity by 2017 and supply and demand of power will be in equilibrium.

54. Considering the demand and importance of power and energy sector, I propose to allocate Tk. 11,351.20 crore for FY 2013-14, development and non-development budgets combined, for the Ministry of Power, Energy and Mineral Resources.

(2) Digital Bangladesh

Madam Speaker

55. Information Technology is the key driving force for socio-economic development in this century. In our election manifesto, we pledged to build a “Digital Bangladesh” by 2021. The milestone achievements in this area in fulfillment of our commitments have been presented in a separate booklet which I have already plashed before this House.

(3) Agriculture and Rural Development

Madam Speaker

56. Agriculture and rural development sectors are inextricably linked with each other in Bangladesh. I have, therefore, treated rural infrastructure, rural housing, sanitation, land and water resources, fisheries and livestock, rural electrification and development of small and medium scale industries as an integral part of agriculture. Bearing this in mind, I have proposed necessary budget allocation for this sector under a comprehensive plan

Agriculture Sector

Madam Speaker

57. Agriculture sector has grown annually at an average growth rate of 3.9 percent during our tenure. Consistent with this, we have fixed the production target at 374.59 lakh metric tons (MT) of food

grains in FY 2012-13, of which *Aush* constitutes 23.70 lakh MT, *Boro* 187 lakh MT, *Aman* 133 lakh MT, wheat 10.36 lakh MT and maize 20.42 lakh MT. If this trend continues, hopefully the desired growth will be achieved in this sector in the upcoming years.

**Growth in
Agriculture Sector**

58. We are providing all possible support to the farmers to sustain our achievements in the agriculture sector. I am pleased to inform you that the introduction of agricultural input assistance card has been praised highly both at home and abroad. Following Bangladesh example, Indian government has also taken an initiative to introduce agricultural input assistance card. In 35 districts, we have arranged to

**Agricultural Input
Assistance**

supply tractors, power tillers, harvesters and other agricultural equipment at 25 percent subsidized prices. Under the agriculture rehabilitation program, we continue to supply seeds and fertilizers to the farmers free of cost. As part of this program, with a view to producing '*Ufshi Aush* and *Bona Aush*' (Nerica), we have distributed free seeds and fertilizers to as many as 3,32,500 farmers in FY 2012-13 at the cost of Tk. 43 crore. As a result, an additional 1.11 lakh metric ton paddy will be produced this fiscal, Inshallah.

59. Besides keeping the price of fertilizer within the farmers' reach, we have planked special emphasis on ensuring balanced use of

**Balanced use
of Fertilizer**

fertilizer. In order to maintain soil quality, we have taken various steps to increase production of organic fertilizer in addition to the inorganic one. For this purpose, in the past years, we set up 18 lakh compost pile annually in the homestead of farmers. We have fixed a target of setting up compost pile to additional 15.50 lakh homesteads in FY 2012-13.

60. We have provided a total of around Tk. 23,000 crore as agriculture subsidy for the development of agriculture sector in the past four fiscal years. In the budget of current FY 2012-13, we have

**Agriculture
Subsidy and Credit**

allocated Tk. 9,500 crore for agriculture subsidy, which has been increased to Tk. 12,000 crore in the revised budget. In line with this, for FY 2013-14, I propose to allocate Tk. 9,000 crore as agriculture subsidy. In FY 2012-13, a total of Tk. 10,206 crore has been disbursed as agricultural credit till March 2013, which is 72.2

percent of the target. The targets of distributing agricultural credit for FY 2012-13 and FY 2013-14 are Tk. 14,130 crore and Tk. 14, 595 crore respectively.

61. We have dedicated all possible efforts to meet the increasing demand of food by emphasizing innovation of new varieties of paddy and wheat and widening the area of cultivable land. We have also strengthened the agricultural research activities. In my previous budget

**Other Initiatives in
Agriculture Sector**

speech, I mentioned in detail the other innovative steps we have taken in the agriculture sector including introduction of agriculture insurance, formation of agriculture marketing group and agriculture club and introduction of beet-sugar cultivation as a substitute of sugar. In addition, I mentioned the formulation of national agricultural policy and invention of high yielding varieties of jute. These steps have further strengthened the agriculture sector.

62. I propose to allocate Tk. 12,275.98 crore for FY 2013-14, development and non-development budgets combined, for the Ministry of Agriculture.

Fisheries and Livestock

Madam Speaker

63. The contribution of Fisheries and Livestock subsector to GDP is about 7 to 8 percent, which is about 35 to 40 percent of total revenue received from agriculture. In addition, these two sub-sectors contribute to poverty reduction by creating employment and meeting people's demand for animal protein through increase of fish, meat, milk and egg production. They also play an important role in earning foreign exchange through export of these products.

64. We have further strengthened our program for releasing fish

**Development in
Fisheries Sector**

fries in open water bodies. The number of fish-sanctuaries in the rivers and water bodies has been increased to 500 and it will be further increased in future. We have expedited the program for preventing the netting of 'Jatka' (undersized *Hilsha*). We have promoted

environment-friendly shrimp culture. We are also putting emphasis on conservation of virtually extinct species of fish. We are expecting that total fish production will increase to 33.90 lakh metric ton in this fiscal year which will continue in future as well. Moreover, our continuous efforts to identify fresh fishing areas in the newly delimited maritime boundary in the Bay of Bengal will significantly increase fish production.

65. For development of livestock, we have attached special importance to research. We have also given emphasis on the production of vaccine and its availability for the poultry and livestock sectors, expansion of artificial insemination program, and prevention of avian influenza and other diseases. We have established a fund for cash incentives to the poultry farmers as well. We have made **Livestock Development** arrangements for providing soft loans to the small poultry farmers. The poultry farms will be exempted from paying income taxes as before. In addition, poultry and fish feed will be allowed to be imported duty-free. Due to the steps we have taken, the yearly production of milk, meat and eggs have increased manifold in comparison with previous years. In FY 2009-10, the yearly production of milk, meat and eggs were 23.65 lakh liters, 12.64 lakh metric ton and 574.24 crore respectively. Whereas, the yearly production of milk, meat and eggs in FY 2011-12 have increased to 34.63 lakh liters, 23.32 lakh metric ton and 730.38 crore respectively.

66. I propose to allocate Tk. 1062.66 crore for FY 2013-14, development and non-development budgets combined, for the Ministry of Fisheries and Livestock.

Food Security

Madam Speaker

67. We have been working relentlessly to ensure food security since we assumed office. I am pleased to inform you that the demand for food under OMS program has substantially reduced due to our success in maintaining food price stability. At the same time, we are

also mindful that the farmers do not suffer any loss due to price reduction. To ensure fair price for the farmers, we have procured 15 lakh MT of rice and 1.50 lakh MT of wheat from the domestic market in FY 2012-13. In tandem, we have taken steps to enhance the capacity for the storage of food grains. Hopefully, the capacity will be enhanced to 18.50 lakh MT by the end of this month. It is worth mentioning that if we can complete the construction of silo and multistoried warehouse as per the plan, the food storage capacity will be enhanced to 20 lakh MT by FY 2013-14.

68. Apart from the aforementioned steps, we are conducting research on food security on a regular basis to ensure inter-generational food security. Currently, we are researching on different parameters for integrated planning and effective public food distribution system to find means to reduce the existing gap between demand and supply of food. In addition, The Pure Food Ordinance 1959 is being amended to ensure unadulterated food supply. To this end, a draft has already been prepared.

69. I propose to allocate a total of Tk. 16,916.89 crore, development and non-development budgets combined, for the Ministry of Food, Disaster Management and Relief in the budget for FY 2013-2014.

Water Resources

70. Integrated management and development of water resources has been the priority of this government right from the beginning. To advance the cause, the Bangladesh Water Act, 2013 has been passed.

71. We have always been diligent about extending irrigation facilities and increasing food production. A number of measures were taken in this connection that culminated into the production of an additional 97.60 MT food grains in FY 2011-12 and FY 2012-13. In the current fiscal, another 6 such projects have been introduced. We hope, the successful completion of these projects will yield an additional 18 lakh MT food grains.

<p>Extending Irrigation Facilities and Increasing Food production</p>
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72. We have always tried sincerely to prevent river erosion. Over time, we reinforced our efforts and have succeeded in saving 20 towns, 70 upazilas, and 500 sites of historic importance from river erosion.

Preventing river bank erosion

We have a plan to construct another 1200 kilometer embankments, repair and maintain over 15000 kilometer river banks, construct and repair over 4000 flood control structures and preserve and repair afresh 1500 kilometer of river banks in the next five years including FY 2013-14.

73. In order to restore the navigability of big rivers, we have given particular emphasis on capital dredging. A 15-year master plan has been adopted to complete capital dredging of the main rivers. You will be heartened to know that we have kick started the second phase of the

Restoring navigability of the big rivers

Garai River Reclamation Project with our own funds to save south-western Bangladesh from environmental degradation. Side by side, we are continuing the regular dredging of other rivers. Besides, the Buriganga river reclamation project is going on in full pace. Once the project is completed, the navigability and water flows of rivers around Dhaka will be increased and the quality of environment will be improved as well.

74. You are aware that the socio-economic patterns and activities of southern Bangladesh are significantly different from the rest of the country. We have, therefore, taken up coastal area policy, coastal

Mitigating the impacts of climate change

development strategy and prioritized investment programs, to facilitate the development of that region. We have taken up plans to construct cross dams and other infrastructures to reclaim land from the sea. In addition, we have a plan to establish a permanent observation network to identify the entry points of saline water.

75. We have recovered a huge area of char lands from illegal

Prevention of saline water intrusion and desertification and land reclamation

encroachers and allocated nearly 16,000 acres permanently to 11,298 landless families. In the next five years, we hope to rehabilitate another 9,000 families by recovering more than 13,590

hectares land. Besides, we will take steps to reclaim 50,000 acres of land by building cross dams in the coastal area, in which 16,000 will be rehabilitated in 27,000 acres of land. Afforestation drive will also go on in full vigor to mitigate the process of desertification.

76. I firmly believe that optimum utilization of water resources is possible through regional and international cooperation. Upon this understanding, we have been involved in constructive engagement with our neighbors ever since we took office. We are in a process of

**Equitable water share
of common rivers**

continuous negotiation with India on the water sharing of 54 common rivers, where equitable share of *Tista* river water will remain high on the agenda. In the meantime, framework for *Tista* Water Sharing Treaty has been finalized. Deliberations are well on course about finalizing Water Sharing Treaties in respect of other common rivers. In September 2011, during the visit of the Indian Prime Minister, we signed a landmark agreement named 'Framework Agreement on Cooperation for Development' to address the issues of mutual concern. We have reached a settlement towards increasing water flows at *Farakka* barrage and generating hydro-electricity by making reservoir at the Ganges basin. Responding to our persistent requests, India has finally conceded to conduct a joint survey on 'Tipaimukh Hydro-electricity' project.

77. The "Haor Development Master Plan and Database" has been formulated to ensure sustainable development of 2 crore inhabitants of haor areas covering 7 north-eastern districts at the costs of Tk.79.36

**Haor Development
Master Plan**

crore. Under this master plan, we have identified 17 special areas for development which will be implemented over a period of 20 years. I propose to allocate Tk. 50 crore for this purpose in the next fiscal year which has been included against the allocation for special programs under Finance Division. Side by side, special allocation will be given to *Haor* Development Board against specific schemes aiming to provide education, health and safety to flood affected people of *haor* region.

78. I propose to allocate Tk. 2,592.64 crore, development and non-development budgets combined, for the Ministry of Water Resources.

Rural Development

Madam Speaker

79. We have been following a master plan spanning up to 2021 to ensure equitable development of rural Bangladesh and develop and maintain its road network. In the last four years, nearly 21,500 km of rural roads and 1.40 lakh meters of bridges and culverts have been constructed alongside the repair and maintenance of over 12,000 km existing roads. Moreover, 700 km canal has been re-excavated in order to ensure proper management of surface water and extension of irrigation facility. A total of 368 sluice gates have been constructed. 382 km river bank has been re-constructed as a result of which an additional 74,000 hectares of arable land could be brought under irrigation facility. Furthermore, over 1,000 growth centers and haat-bazars have been developed.

Construction and Development of Rural Infrastructure

80. Supply of arsenic free safe drinking water throughout the country is one of our priorities. Following our persistent endeavors, we have been able to raise pure drinking water coverage in rural and municipal areas respectively to 88 percent and 99.4 percent. We have built 1,45,000 arsenic free water sources in rural areas including the arsenic affected areas. We have also adopted a long term Sector Development Plan 2011-2025 to improve water supply and sanitation coverage. Around 90 percent families have been brought under the sanitation coverage. Meanwhile, 100 percent sanitation has been achieved in five districts, 114 upazilas, 58 municipalities and 1,387 unions. I expect this coverage to widen further.

Supply of safe drinking water

81. Considering the possible environmental impacts, we are gradually increasing our dependence on surface water rather than underground water. Meanwhile, supply of surface water has gone up to 22 percent from 12 percent. Construction of Padma (*Jashaldia*) Water Treatment Plant and *Khilkhet* Water Treatment Plant are underway with supply capacity of 45 crore and 50 crore liters respectively per day. Alongside, we have undertaken a couple of projects namely, *Sayedabad* Water Treatment Plant (3rd

Enhancing utilization of surface water

phase) and Well field construction project at *Savar* with daily supply capacity respectively of 45 crore and 15 crore liters. Construction work of 28 tube-wells, 4 surface water treatment plant and supply lines are underway to ensure supply of safe drinking water in Barisal and Sylhet. This project is likely to be completed by 2013. As a result, supply coverage of safe drinking water will be increased from 36 to 75 percent in the case of Sylhet and from 15 to 75 percent in the case of Barisal. It's my firm belief that once these projects are completed the ratio of under-ground and surface water use will stand at 50:50.

82. We have a firm resolve to mitigate the poverty level of 10 lakh ultra-poor population by 2015. We think that strengthening cooperatives movement can be the best means to achieve this goal. Realizing that, we have prepared the draft "National Cooperatives policy". We are trying to bring man and woman from all professions of 4,000 villages of 64 districts under one umbrella of Integrated Rural Development Cooperative Agency. The Bangabandhu Academy for Poverty Alleviation and Rural Development (BAPARD) is being established under the Bangabandhu Academy for Poverty Alleviation and Rural Development Act 2012 as a signature of our commitment to carry forward the tasks of poverty alleviation and rural development. We are also encouraging the policy makers, lawyers, legislators, members of the civil society and different professional groups to join hands with us and engage themselves in our pro-poor activities.

83. Implementation of the second phase of the Char Livelihood Project is in progress. Under this project, homesteads of the beneficiaries have been elevated, healthcare services have been provided and pure drinking water and sanitation facilities have been ensured. Efforts are on to bring them out of the clutches of poverty by training them in various trades and by inspiring them to form cooperatives. During the first phase, about 2.5 lakh ultrapoor belonging to 55,000 families from char areas of Kurigram, Jamalpur, Gaibandha, Bogra and Sirajganj districts were directly benefitted, with nearly 10 lakh people reaping indirect benefits. In the second phase, the number of direct beneficiaries will reach to more than 3 lakhs people of 67,000 families. I expect more than 10 lakh people will be indirectly benefitted in this phase. Moreover, we are committed to allocate funds if specific programs are taken up to construct and maintain roads, bus stations and launch terminals in the *char* lands.

84. I propose to allocate Tk. 1,085.31 crore, development and non-development budgets combined, for the rural development sector.

(3) Human Resources Development

Madam Speaker

85. We all appreciate the fact that a healthy, educated, efficient and conscious population is a pre-requisite for sustainable development of a country. Optimum development of human resources, therefore, had been an area of special attention for us over the last four years. Considering the great importance of this sector, I propose an allocation of Tk. 43,615 crore which will constitute 19.60 percent of the total GDP.

Overall Education Sector

86. Education is one of the fundamental rights of citizens and the main driver of realizing the goals of Vision 2021. Considering the great importance of education we are unflinchingly committed to enhance the quality of education and also to create opportunity for higher education.

87. I have tried to give you an idea about our achievements, so far, in the development and expansion of education and how these achievements have been acclaimed by the global community. This is for the first time that we have hunted best talents by organizing a program called creative talent hunting with great enthusiasm across the country. It was a big challenge to encourage originality in thinking by setting creative questions for the students. Thanks to the earnest support of the students and their guardians, we have met the challenge successfully.

88. We have also taken care to make the environment of educational institutions more congenial for learning. For this, we have improved infrastructure and made other facilities available to ensure better education. Projects are underway to improve infrastructural facilities of over 5,500 secondary schools, 1,000 madrasas and 1,500 colleges. Construction of new academic buildings for 2,719 secondary schools and 125 madrasas has been completed. Construction and other physical infrastructure work are going on at a rapid pace in more than 1,000 secondary schools, 325 madrasas and 600 colleges. We hope to start construction work in the remaining institutions soon. In my previous budget speech, I announced to transform 306 schools into model schools in as many upazilas, where there is no government high school, in an attempt to reduce the rural-urban divide in education. Construction and other work have already been completed in 19 schools. Besides, Upazila ICT Training and Resource Centers have been established. We have made necessary arrangements to supply one laptop and one multimedia with internet facility in 20,500 schools.

**Infrastructural development
in education system**

89. I propose to allocate Tk.13,179.23 crore, development and non-development budgets combined, for the Ministry of Education.

Primary and Mass Education

Madam Speaker

90. We are pledge-bound to eradicate illiteracy by 2014. With this end in view, the primary education curricula has been substantially improvised and updated. The history of liberation war and the life-sketch of the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman have been incorporated in the curriculum. School managing boards, upazila and town committees and other bodies have been reorganized in a bid to bring about qualitative changes in education management. Besides, we have adopted new rules for transfer and posting of government primary school teachers. In addition, a policy on non-formal education has been formulated to eradicate illiteracy.

Primary education for all

91. We are implementing the Primary Education Development Program-3 (PEDP-3), in order to expand and improve primary education. Appointment and training of teachers, supply of text books and learning materials will be regulated under this project. Besides, construction of new class rooms, toilets and tube-wells are also being

**Expansion and improvement
of primary education**

done under this project. Furthermore, 255 primary school-cum-cyclone shelters will be constructed. In the meantime, construction of 59 such structures has been started. We have selected 1,383 villages without primary schools, to establish primary schools there. Moreover, we are establishing Primary Teacher Training Institutes (PTIs) in 12 districts to improve their skills and capacity. The C-in-Ed course has been elevated to Diploma in order to further improve the standard of training.

92. When we assumed office, the rate of primary enrolment was 94.6 percent while the drop-out rate was 49.3 percent. In this context, we took a number of steps including the introduction of school feeding programs to encourage more enrolment and prevent drop-outs. This has brought about a significant improvement in this area. According to

**Under privileged children
and reducing drop-out**

our estimate, around 97 percent children are now attending school. The drop-out rate, on the other hand, has reduced to 29.7 percent. Meanwhile, each student in all primary schools of 82 upazilas is being given 75 gram fortified biscuit on every school day. We are planning to bring more than 7 lakh children out of those who are not attending school under the 'Education for All' program between 2013 and 2017. We propose to make a special allocation for this purpose to widen this facility allowing access to education for all. Side by side, we have opened the opportunity for education of 83,000 retarded children by enrolling them in primary schools across the country. At the moment the number of children eligible to go to school is 1 crore 82 lakhs. I propose special allocation unschooled children to widen the opportunity of education.

93. I propose to allocate Tk.11,935.37 crore, development and non-development budgets combined, for the Ministry of Primary and Mass Education.

Health and Family Welfare

Madam Speaker

94. We have been working relentlessly to extend the facilities of public health and nutrition to the grass-root level, in the fulfillment of our election pledges. National Health Policy-2011 has recently been formulated. The Cabinet has approved the National Population Policy-2012 and Control of Smoking and Tobacco Use (Amendment) Act 2012. As a result of various policies and strategies, our progress in this sector has been quite remarkable.

95. Our success in reducing child mortality rate has been outstanding. You must be aware that Hon'ble Prime Minister Sheikh Hasina has been awarded the United Nations MDG Award 2010 for our achievements in this area. We have been able to retain this success in the succeeding years as well. According to the "Bangladesh Demographic and Health Survey 2011", the under-five infant mortality rate has been reduced to 53 from 65 per thousand over the **Child and maternal health** last four years. Besides, maternal mortality rate has also gone down to 1.94 from 3.48 per thousand. But, let me admit, we are still lagging behind the target set out in the MDG. To overcome this, we have provided 179 nurses with 6 month long training on midwifery and posted them in different upazila headquarters. This year 525 female students have been enrolled in 3 year midwifery course. In addition, we have started the process of appointing 3,000 midwives as a further boost to this sector. We have also initiated 'Maternal Health Voucher Scheme' in 53 upazila community clinics to provide health service to the poor, destitute and pregnant women with complications. This scheme will shortly be extended to another 20 upazilas.

96. However, we have few blots to go with our successes. One such area is nutrition where we are running substantially behind the MDG nutrition targets. Currently, 36 percent of under-five children are **Nutrition program** under-weight. We have taken a number of measures to overcome this problem of malnutrition during our tenure. The Breast-Feeding Foundation is working relentlessly to drum up awareness on the benefits of breast feeding. The rate of dependence on only breast-feeding up to six

months of child birth has gone up from 42 percent to 64 percent. Besides, rate of administering Vitamin – A capsules to children between 6 months and 5 years has risen to 95 percent.

97. In order to bring the poor city dwellers within the purview of government health care, we have started 27 urban maternity clinics, 267 urban health centers and 656 satellite clinics in six city corporations and 5 large municipalities under the 2nd Urban Health Care Project. Health workers are providing services in every house, educational institute and garment factory within the project area. These measures apart, we are preparing a list of pregnant women, ultra poor, slum-dwellers and risk-prone population and giving them health card to help them avail government healthcare facilities.

Urban health care

98. In the earlier part of my speech I recounted the achievements in the area of medical infrastructure. Here, I would like to mention a few more achievements. A 500 bed general hospital has started operation in Kurmitola, Dhaka. Another 500 bed hospital will start functioning soon in Khilgaon, Dhaka. Furthermore, we have established a 300 bed Institute of Neurosciences at Agargaon, Dhaka.

Health care Infrastructure

99. In the previous budget speeches, I laid emphasis on raising the doctor, nurse and health worker ratio to 1:3:5 in consonance with international standard. However, we have not been able to maintain, all along, this ratio. You may be aware that in the past, though a number of government and private medical colleges have been established, the number of Nursing Institute and Health Technology Institute did not increase proportionately. We have started academic sessions in 12 new Nursing Institutes and 4 Health Technology Institutes. Seven Nursing Institutes have been upgraded to colleges. To raise their professional dignity and social status, the post of nurse has been upgraded from class III to class II. So far, 5,730 doctors and 1,747 senior staff nurses have been appointed. Appointment of additional 7,000 doctors and 5,000 nurses is underway.

Human Resource Development in the Health sector

100. Our success in population control has been remarkable. The population growth rate has now declined to 1.37 percent which was 1.41 percent in 2008. As pledged, we want to raise the rate of contraceptive use to 80 percent by 2021. 6,500 employees have been recruited to make the Directorate of Family Planning more dynamic.

Family Planning Programme

101. I admit that we are yet to complete the task of upgrading and modernizing the 'National Drug Policy 2005'. Hopefully, it will be done soon. We have made necessary amendments to the Drug Control Ordinance, 1982. Following the latest Model List of World Health Organization, we have updated the essential drug list. Furthermore, in line with the GMP guideline of World Health Organization, Inspection Check List has been published and distributed. Due to our policy supports, the pharmaceuticals have become one of the major exporting industries in Bangladesh. Presently, about 97 percent of domestic requirement is produced locally. 187 brands of medicine are now being exported to 87 countries including USA and UK.

Pharmaceutical Industry

102. I propose to allocate Tk. 9,495 crore, development and non-development budgets combined, for the Ministry of Health and Family Planning in FY 2013-14.

Culture

Honorable Speaker

103. We are firmly committed to uphold our non-communal democratic tradition. We have been celebrating *Pahela* (1st) *Baishakh* since 1417 BS as a national program. At the same time, in order to develop the traditional folk culture, we have taken initiatives to collect information on rural culture from 64 districts. We have taken up programs to train artisans in the *Karushilpa* village of Bangladesh *Lok O Karushilpa* Foundation. This initiative is facilitating production and display of handicrafts of artisans hailing from different parts of the country. I have proposed additional

Promoting indigenous and folk culture

allocations for some special initiatives. We have decided to establish National Art Gallery in one floor of Shipakala Art Gallery. I propose a *thok* allocation of taka 20 crore for collecting art works. This fund will be allocated from the special *thok* allocation of the Finance Division against specific programs.

104. We believe that archaeological excavation has a vital role to play in tracing the roots of a nation. For this, we continue to allocate **Archaeological excavation** resources to work related to archaeological excavation since FY2008-09. In continuation, we have allocated Tk. 1.75 crore in FY 2012-13 for the exploration and excavation work in several areas viz. Wari-Bateshwar, Bikrampur, Bhitorghar and other sites.

105. I propose to allocate Tk. 235.41 crore, development and non-development budgets combined, for the Ministry of Cultural Affairs in FY14.

Religion

Madam Speaker

106. We are diligently working to improve the ethical standards and socioeconomic conditions of our people by facilitating the development of religious culture. We have granted Tk. 12.15 crore in current fiscal for the purpose of repair, preservation and conservation of different religious institutions.

107. *Hajj* management system is now more streamlined and the number of pilgrims is increasing every year. More than one lakh pilgrims have performed *Hajj* in 2012, the highest in recent times. We are expecting that this number will increase further this year. The government has taken steps to further improve the *Hajj* management system.

108. We have been laying particular emphasis on mosque and **Mosque and Temple based education** temple based pre-primary, adult and religious education programs and are trying to spread it across the country. In FY 2012-

13, 7.2 lakh students were imparted pre-primary education, 19,200 mass education and 4.2 lakh were imparted teaching of the Holy Quran under the Mosque Based Child and Mass Education Program. In addition, 1.50 lakh students were imparted pre-primary education and 6,250 students mass education under the Temple Based Child and Mass Education Program. We plan to impart similar education to equal number of children and persons this year.

109. I propose to allocate Tk. 291.25 crore, development and non-development budgets combined, for the Ministry of Religious Affairs in FY 2013-14.

Youth and Sports

Madam Speaker

110. We have introduced national service to involve the unemployed youths - both male and female in the national development process. Thereby, temporary employment opportunities have been created for

National Service

 them for two years. The program has been introduced in Kurigram, Borguna and Gopalganj districts on pilot basis. So far, temporary employment opportunities have been created for 16,000 youths. Of them, more than 7,000 are now participating in a three month long training program.

111. Skill-enhancement training programs have been organized in

Training and Microcredit

 111 institutions throughout the country and by mobile training centers in 476 upazilas in order to make the male and female youth self-dependent. As of 2012, a total of around 40 lakh youths have been imparted skill development training. In order to encourage self-employment as well as to reduce the scarcity of capital, we are offering soft loan as microcredit to the trained youths. Since inception of this program, more than Tk. 1,000 crore has been disbursed as microcredit to 8 lakh trained youths.

112. We have allocated around Tk. 111 crore in FY 2012-13 for the development of sports related infrastructure. For the development of

Sports Infrastructure and Management	games/events rooted in our rural culture, different kinds of competition are being organized at the district, upazila and union levels. We are trying our best to bring the athletes from grassroots to the national level.
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113. In continuation of previous fiscal year, in FY 2012-13, we have taken steps to bring more than 30,000 children from grassroots level and 1.38 lakh children from school level under the sports motivational

Promoting talents in sports	programs. Besides, activities are underway for further development of existing sport related facilities, sports talent hunt from grassroots and imparting intensive training. We have trained around 4,000 athletes under a long-term training program by selecting them from a potential group of athletes from grassroots level.
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114. The athletes with physical and intellectual disabilities have always brought rare honor for the country by demonstrating their sports ability and skills in Para Olympics. In order to develop their

Patronizing athletes with disabilities	skills, the Hon'ble Prime Minister has made a commitment to establish an international standard sports complex for such athletes. Meanwhile, 12.01 acres of land has been allotted at <i>Savar</i> , Dhaka for construction of the sports complex. Side by side, I propose to allocate a special incentive for the athletes with physical and intellectual disabilities.
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115. I propose to allocate Tk. 709.59 crore, development and non-development budgets combined, for the Ministry of Youth and Sports in FY2013-14.

(4) Physical Infrastructure

Roads and Bridges

Honorable Speaker

116. I have already mentioned about some of the visible achievements in the communication sector. At this stage, let me share with you some more information on our achievements in this sector.

117. We have adopted several programs to improve the public transport system of Dhaka and Chittagong city. In the meantime, following the passage of 'Dhaka Transport Coordination Authority Act 2012' the Dhaka Transport Coordination Authority (DTCA) has been formed. A project has been approved with the objective of implementing 20 km long MRT Line – 6 from *Uttara* to *Motijheel* with a capacity to carry nearly 35,000 passengers per hour. In my previous

Expansion of communication infrastructure
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budget speech, I mentioned that we would be implementing 20 km long Bus Rapid Transit (BRT) from Hazrat Shahjalal (Rh.) International Airport to *Gazipur*. The project has already been approved. Side by side, the feasibility study for the construction of Dhaka - Ashulia expressway, from Airport to *Chandra* under PPP has been completed. We have started construction of the *Moghbazar-Mouchak* flyover. In fulfillment of my last year's budget commitment to connect the Mayor Mohammad Hanif flyover with the elevated expressway, we have finalized almost all the processes including the change of design of the elevated expressway required for this purpose. We are now working to ease traffic congestion of Chittagong city under a number of projects, namely, Chittagong city outer ring road, flyovers at Bahadderhat junction and other areas and expansion of existing roads. Moreover, feasibility study for construction of a tunnel underneath the *Karnaphuli* river in Chittagong has been completed.

118. Under the 20 year Road Master Plan, we are giving more emphasis on repair and maintenance of existing roads rather than on construction of new

Maintenance, development and extension of roads
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roads. We have plans to raise a fund to ensure regular funding needed for road maintenance. A draft on 'Road Maintenance Fund Board Act, 2013 has been finalized. Moreover, we have taken steps to convert nationally important highways into four lanes. Under this plan, the conversion of Dhaka-Chittagong Highway and *Nabinagar-DEPZ-Chandra* road into four lanes, development of *Joydevpur-Mymensingh* road and some other important projects are going on in full pace. Besides, work is going on for the conversion of SAARC Highway Corridor-4 and 8, and 70 km long road from *Joydevpur to Alenga* in to four lanes as part of Asian Highway Route-2, under the SASEC Road Connectivity Project. Steps have been taken to construct 3 four lane bridges alongside the existing bridges of *Katchpur, Meghna and Gomti* to maintain consistency with the four lane Dhaka-Chittagong highway. Moreover, we are hopeful that we will be able to start the construction of *Bekutia* bridge over the river *Kocha* across the *Pirojpur-Jhalokathi* road on time.

119. I consider it to be a high time to ensure road safety. The citizens of the country are raising their voices demanding road safety. I propose to allocate Tk. 20 crore in FY 2013-14 for 'Safe Road Campaign' which has been included in the allocation for Finance

Ensuring road safety

Division against special programs. Allocation for specific projects to ensure road safety will be given from this block allocation. We have introduced retro-reflective number plate, Radio Frequency Identification (RFID) tag and Digital Registration Certificate method to improve the security system for motor vehicles as well as to prevent tax/revenue evasion, stealing, hijacking and accidents. We have also plan to establish a modern Data Centre for proper preservation of data as well as to bring different services of BRTA to the doorstep of common people.

120. The construction of Padma Multipurpose Bridge is one of the prioritized development projects of the present government. I mentioned earlier that the project implementation schedule that we

Padma Bridge

made for the construction of Padma bridge did not match with that of the World Bank. In order to avoid delay in implementation we have initiated the preliminary work with our own funds. I presume that the World Bank or the Canadian Authority will take longer than expected to settle the

allegations brought against this deal. We cannot wait for an indefinite period. We expect that ACC will be able to unravel the mystery soon through speedy investigation. In the meantime, work on Janjira Approach Road and river training has begun. The work on establishing service areas at Mawa and Janjira has begun and the purchase proposal for Mawa Approach Road will be approved soon. Let me add that there is only a few firms across the world which are capable of handling the work of a large construction project like the 6.15 km long Padma Multipurpose Bridge together with the task of river training. We are therefore inviting proposals from the pre-qualified contractors. I am confident that we will be able to start the main bridge and river training-related work of the Padma Multipurpose Bridge Project, during the tenure of the present government. We will be using an Indian grant of USD 200 million for this project. I also expect that we will be able to mobilize funding from Islamic Development Bank and from few other development partners. We had no other alternative but to begin the implementation of this project with our own funding arrangements. Apart from the question of expediency, it is important to ensure international competitive bidding for implementation of such a complex project from engineering point of view. I urge upon all the citizens including our diaspora community to come forward and join hands in implementing this grand initiative.

Railways

Madam Speaker

121. We have drawn out a master plan for Bangladesh Railways with an objective to expand and modernize railway. Under the short, medium and long term programs under this master plan, the long-neglected railway will be revitalized and connected with the regional and international railway network. In a separate publication 'Development of Railway Communication: Present and Future' presented before this August House, we have discussed in detail various aspects of this plan. We are taking immediate steps to mobilize support from Asian Development Bank, World Bank, China and India. This plan will be implemented over the next five years. We are proposing a special allocation for the preparatory phase. During the

past four years, we have undertaken 50 new and revised projects worth Tk. 24,000 crore for the expansion and modernization of railway system. By this time, we have introduced 45 new trains and expanded necessary services in the existing 22 trains.

122. As part of Railway Master Plan, we have taken initiatives to connect our railway network with India, Nepal and Bhutan. At the same time we are finalizing our design and study for construction of new railway lines to establish connectivity with the Trans-Asian Railway. Upgrading Dhaka - Chittagong railway corridor a double lane one are underway. Alongside, work for finalizing the detailed design and feasibility study for construction of 2nd Bhairab and 2nd Titas Bridge is underway. Besides, feasibility study for the construction of a separate dual gauge rail bridge parallel to the Bangabandhu Bridge is in progress.

Expansion of railway infrastructure

123. I propose to allocate Tk. 18,232.73 crore, development and non-development budgets combined, for the road communication and railway sector in FY 2013-14. This includes a special allocation of Tk.6,852 crore for the Padma Multipurpose Bridge.

Water Transportation

Honorable Speaker

124. Considering the importance of Chittagong sea port in the economic development, all operational activities of this port have been computerized. Its security system has also been strengthened. Computerized Container Terminal Management System (CTMS) has been established to introduce the system of online documentation in the port. Mongla, the second biggest port of the country also plays an important role in expanding trade and commerce in the north-western part of the country as well as in the border area of India and Nepal. Considering its importance, we have taken up 5 projects at a total budget of Tk. 465 crore. We expect that after the implementation of these projects, operational efficiency of Mongla port will improve.

Enhancing capacity of sea port

125. We took an initiative to construct a deep sea port at Sonadia, Cox's Bazar. This project was designed to be implemented in various phases. Meanwhile Sonadia Deep Sea Port Authority Act, 2012 has been approved by the Cabinet. However, as the progress is not satisfactory, we have begun implementation of this project following a different strategy. At this moment, negotiations are underway with several states and their relevant agencies. In the meantime China and Dubai Port Authority have expressed their interest.

126. Presently, the number of land ports operating under the control of land port authority is 18, of which Sona Mosjid, Hilli, Tekhnaf and Bibirbazar land posts operate on Build, Operate and Transfer (BOT) basis. We have taken steps to modernize Benapole land port. Subsequently, its storage capacity will be raised from 30,000 to 36,000 MT. We have been continuing the automation program in the land ports to facilitate trade and safety. We have also been continuing the development work of Bhomra and Nakugaon land ports. The capacity of land ports will increase manifold after completion of these projects. In addition, we have taken steps to draw up development plans for the Thegamukh and Ramgarh land ports.

Improvement of Land Ports

127. We are earning huge foreign currency by employing skilled manpower in foreign vessels. The Maritime examination and certification system of Bangladesh has been included in the International Maritime Organization's (IMO) 'white list'.

**Creating Skilled Manpower
in the Maritime Sector**

128. I propose to allocate Tk. 812.55 crore, development and non-development budgets combined, for the Ministry of Shipping in FY 2013-14.

Civil Aviation and Tourism

Madam Speaker

129. As part of our development plan, the work for expansion and up-gradation of runways of various airports including Hazrat Shahjalal (Rh) International Airport is going on. Steps have been taken to build

Upgrading Airport Services and Security
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two more boarding bridges, holding lounge and connecting corridors for improving the quality of passenger services. A project has been undertaken to upgrade Cox's Bazar Airport to international standard. Besides, steps have been taken to install necessary equipment to ensure takeoff safety at Hazrat Shahjalal (Rh) and Shah Amanat (Rh) International airports. We will have to construct a bigger airport within the next five years. We have given special emphasis on the development of Hajrat Shahjalal (Rh) International airport to ensure free movement of air traffic in the interim period.

130. I mentioned in the previous budget speech that we would add ten more aircrafts to the Biman fleet. Two aircrafts have already been

Enhancing Capacity of Biman

procured. Two more will be delivered by the Boeing Company next February and March. A qualitative change is likely to take place in the flight operations of Biman to different destinations after the planned addition of the new aircrafts to the fleet.

131. We have taken steps to publish a book featuring various tourist sites scattered around the country. For this purpose, the process of collecting relevant data is in progress. We have primarily identified

Development of Tourism industry
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several projects to be implemented under public private partnership for developing infrastructure for tourism industry and improving management of this sector. A couple of such programs has been planned to be implemented at Cox's Bazar and Teknaf. Besides, a proposal for comprehensive duty rebate on importation of commodities required for promotion of tourism industry has been made.

Housing and Planned Urbanization

Madam Speaker

132. The pace of urbanization is getting intensified with the acceleration of economic growth. Presently, around one-fourth of our population lives in urban areas. Every passing day witnesses **Planned Urbanization** considerable influx of population to the urban areas. Since assumption of office, we have been attaching due importance to the issue of unplanned urbanization. By this time, Detailed Area Plan (DAP) for Dhaka, Chittagong and Khulna metropolitan cities and Structure Plan for Sylhet and Barisal divisional towns have been prepared. At the same time to encourage private sector land zoning program is underway and providing soft loan is under active consideration.

133. We are committed to ensure 'Housing for All' by 2021. Accordingly, we have started developing around 44,000 plots and constructing 32,000 flats in Dhaka for middle and low income people. Besides, we have started developing four satellite towns surrounding **Housing for All** Dhaka to mitigate the continuing pressure of migration to the capital. An MOU has been signed between the governments of Bangladesh and Malaysia to build satellite towns at *Dhamrai* and *Kamrangirchar* in Dhaka district. Another project has been approved to construct low-cost flats by using modern technology at *Mirpur* in Dhaka under public-private-partnership (PPP). In addition, there is a plan to register private real estate companies to promote good governance in housing sector.

134. We established a housing fund for the poor during our previous tenure. A total amount of Tk. 145.66 crore as housing loan has been **Housing Fund** disbursed up to January 2013 from this revolving fund managed by Bangladesh Bank. As many as 55,159 houses have been built from this fund which have benefited about 2,75,845 persons.

135. In order to solve the housing problem and protect arable land **Housing Policy** through its planned utilization, we have approved 'National Housing Policy 2012'. Similarly, to ensure construction of risk-free, safe and environment-

friendly building, we are revising the Bangladesh National Building Code (BNBC). A law titled 'Real Estate Development and Management Act, 2010' has been enacted and related Rules 2011 has also been formulated. The Land Development Rules, 2004 for private housing projects has also been amended. 'Urban and Regional Planning Act, 2012' is being drafted as well. In the meantime 'Cox's Bazar Development Authority Act' has been approved by the cabinet. Besides, for the purpose of planned development and expansion of tourism industry, necessary legislation to establish four different development authorities at Kuakata, Barishal, Sylhet and Rangpur has been drafted.

(5) Industrialization

Honorable Speaker

136. You are aware that we formulated the Industrial Policy 2010 with an objective to increase the contribution of industry sector to national income from 30 to 40 percent which is one of the preconditions for transforming Bangladesh to a middle-income country by 2021. In the light of that policy, we have taken various short, medium and long term programs to develop industry sector. An initiative has been taken to draft Industrial Act, 2013 as well.

137. We are committed to protect the interests of laborers and improve their life standards. We exerted all our efforts to provide assistance to the affected workers of Tazreen Fire and Rana Plaza collapse at Savar. Hon'ble Prime Minister, herself came forward as a savior. We are determined to take all possible measures to avert this kind of incident in future. Meanwhile, a cabinet committee has been constituted under the chairmanship of Hon'ble Minister for Jute and Textile to ensure safe working environment, preventing accidents and creating labor unions. Let me mention here that immediately after assumption of office during this tenure, we fixed

Ensuring interest of the Labors
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minimum wage at Tk. 3,000 for RMG workers. We have constituted a minimum wage board to revise once again the wage structure.

138. SARSO (South Asian Regional Standards Organization) has been formed to standardize, control and improve quality of industrial

Quality Control of the Industrial Goods

goods to international standard. Mobile court and surveillance activities are being strengthened to prevent food adulteration. Around 12,000 cases were filed by conducting nearly 4,000 mobile court operations during the last three years. We will continue similar activities in upcoming fiscal year.

139. We have signed bilateral treaties with India, Denmark, Turkey, Belarus and United Arab Emirates to enhance foreign investment in

Bilateral Investment Treaty

industrial sector. The process of signing similar treaties with Saudi Arabia, Finland, Oman, Russia, Ukraine, Cambodia and Bahrain is at the final stage.

140. A total of Tk. 2,792.60 crore has been provided to 33,000 entities from the refinancing fund managed by Bangladesh Bank for

Small and Medium Enterprises (SME)

small and medium enterprises. Each bank and non-bank financial institution has opened a desk dedicated for providing refinancing facility to women entrepreneurs. In order to involve more women in the economic activities, special training programs have been arranged for them in association with the development partners.

141. Along with industrial development, we have taken initiatives to expand trade and commerce at both national and international level. We have finalized the draft for Import Policy 2012-15 and Export Policy 2012-15. Side by side, in order to increase export, I propose to allocate Tk. 2,592 crore as export incentive.

142. The head office and 7 divisional offices of the Directorate of National Consumer Rights Protection (DNCRP) have been established

Ensuring Consumer Rights

to ensure consumer rights. District Consumer Rights Protection Committees have been formed in all districts. The Consumer Rights Protection Act 2009 is being implemented at the field level. Through market surveillance, more than 5,000 organizations were penalized

under various sections of this law and fined with Tk. 5.46 crore. Alongside, we have been campaigning about consumer rights to raise public awareness. We are importing essential commodities on a government to government level to control the price and maintain competition in the local market. To this end, we are also working on strengthening TCB to make it more effective.

Climate Change and Environment

Madam Speaker

143. Bangladesh is a disaster-prone region because of its geographical location and climatic conditions. The critical change in climate over the last few decades has raised the level of risks of natural disaster in this country to a large extent. We have sustained a total loss of USD 2,189 million due to natural disaster during 1990-2008 which was equivalent to around 1.8 percent of our GDP. We have, therefore, attached special importance to mitigating the impacts of climate change, preservation of environment and disaster management.

144. We have formulated Bangladesh Climate Change Strategy and Action Plan (BCCSAP) 2009 to mitigate impacts of climate change. We have created Climate Change Trust Fund with our own resources to implement this action plan. Climate Change Trust Fund Act, 2010 has already been passed. We have allocated a total of Tk. 2,355 crore to the trust fund from FY 2009-10 to FY 2012-13. As many as 194 projects have been taken up under this fund until February 2013. Besides, Bangladesh Climate Change Resilience Fund (BCCRF) has been created with the assistance from development partners. So far, total amount of assistance to this fund is USD 189.5 million.

Climate Change Trust Fund

145. In order to maintain ecological balance, we have planked special emphasis on afforestation. Following the implementation of various programs, the total area under the coverage of afforestation has increased from 7-8 percent to 17.08 percent. We want to take these programs forward.

146. Industrial waste and waste from urban sewage is taking heavy toll on the aquatic environment and its surroundings. The level of pollution in rivers surrounding Dhaka is so high that aquatic creatures cannot live in some of the rivers. We have declared Buriganga, Shitalakshya, Balu and Turag as ecologically critical water bodies to protect them from pollution. We have prepared a draft instruction

**Controlling
Industrial Pollution**

manual with a view to preserving and developing environment and controlling pollution. We have fixed timeline for installation of waste treatment plant for all factories disposing liquid waste. As a result of this initiative, 381 ETP has been installed in various industries and installation of ETP in another 42 units is in progress. We have taken steps to shift the tannery industry from Hazaribag of the capital to Savar to protect river Burignaga from pollution. There were some hiccups in the process, but we have resolved them. The final notice for shifting has already been served to all the firms of tannery industry. We expect that by next fiscal year installation of ETP in all tannery industry will be completed. We have also created a fund of Tk. 200 crore to provide soft loans to industrial units for installing ETP and adopting other pollution control measures.

147. Bio-diversity is an invaluable resource for the country's environmental and ecological balance. In order to conserve our

**Conservation of
Bio-diversity**

valuable biological resources, we have taken steps to draft National Action Plan, 2020 and formulated national bio-safety framework. Updating of the National Biodiversity Strategy and Action Plan adopted under the strategic plan 2011-2020 drawn up as per the United Nations Biodiversity charter is in progress.

148. Around 650 hectare of mangrove forest and 860 hectare of

**Conservation of Coastal
and Wetland Bio-diversity**

wetland forest at *Hakaluki haor* have been earmarked to conserve bio-diversity in coastal and wetland areas. Besides, bio-diversity programs are underway in St. Martin's island and *Tanguar haor*.

149. We have taken initiatives to bring disaster management activities under a legal and institutional framework. Disaster Management Act, 2012 has been passed, the building maintenance and management of cyclone shelter policy 2011 has been circulated and the National Disaster Management Plan 2010-2015 has been approved. With an objective to strengthen disaster management, 48,000 volunteers have been trained under the cyclone preparedness program.

Disaster Management

150. Construction work of 74 flood shelters in flood-prone and river erosion areas, and 100 cyclone shelters in coastal areas is going on. Equipment worth Tk. 69 crore has been procured to facilitate preparedness for disasters arising from earthquake and other calamities. A building code is being drafted which will include earthquake risk map, contingency plan for quick rescue and recovery after disaster together with technical details for constructing earthquake resistant buildings.

Chapter VII

Special Welfare Programs

Poverty Alleviation and Social Safety

Honorable Speaker

151. Poverty in Bangladesh has dramatically reduced following inclusive growth strategy. Generally, economic growth in any developing country creates inequality. It is a great challenge for any emerging economy to bring the backward section of population within **Inclusive growth** the fold of the mainstream economic activities. I would like to firmly state that we have been successful in meeting this challenge. It has also received international recognition. A recent World Bank publication titled 'Bangladesh Development Update' also mentioned that poverty in Bangladesh is reducing at a faster rate.

152. We have significantly expanded the scope and coverage of social safety net programs to bring down poverty. Efforts are continuing to ensure regional parity. We have taken steps to ensure **Social safety net strategy** optimum utilization of public money by avoiding overlaps in safety net programs. A cabinet committee has been formed to oversee the social safety net programs. At the same time, we have taken steps to prepare a national social safety strategy. Along with preparation of 'National Population Register', we have taken up the task of preparing hardcore poor listing.

153. Now, I am presenting a list of social safety net and poverty **Social safety net program** reduction programs (and corresponding allocations) that we have taken up to empower the underprivileged:

- Considering the miseries of pregnant women in rural areas, to meet the nutrition need of the expectant mothers and their babies, a monthly allowance of Tk. 350 is being provided to

1,01,200 poor pregnant women all over the country. In the coming fiscal year, I propose to raise the number of beneficiaries by 15 percent.

- A monthly allowance of Tk. 350 is being provided to 77,625 working lactating mothers of 61 district headquarters including Dhaka, Narayanganj and Gazipur garments areas. In the coming fiscal year, I propose to raise the rate of allowance by Tk. 50 and the number of beneficiaries by 10 percent.
- In FY 2012-13, an allocation of Tk. 891 crore was made as old age allowance to distribute among 24.75 lakh beneficiaries at a monthly rate of Tk. 300. I propose to widen the beneficiary coverage by 10 percent.
- In FY 2012-13, as many as 9.20 lakh widows, divorced and distressed women received monthly allowance at the rate of Tk. 300. I propose to widen the beneficiary coverage by 10 percent.
- In FY 2012-13, under Vulnerable Group Development (VGD) program 30 kg rice or 24 kg wheat per month was provided to around 7 lakh poverty affected and vulnerable rural women to improve their socio-economic status. I propose to continue this program in the next fiscal year.
- In FY 2012-13, under Vulnerable Group Feeding (VGF) program, a total of 4 lakh MT food grains was distributed to meet the food demand of hardcore poor. I propose to continue this program in FY 2013-14.
- Steps have been taken to mainstream the *Hijra, Dalit, Harijon* and *Bede* communities by providing stipend to their children, imparting skill training to adults and involving them in income-generating activities and providing allowance to senior, disabled and insolvent members. I propose to allocate Tk. 12.30 crore for this purpose in FY 2013-14.
- In continuation of previous year, in FY 2012-13, 80 days employment was generated for 7.46 lakh hardcore poor by spending Tk. 1,200 crore. I propose to allocate Tk. 1,400 crore to this program in FY 2013-14.

154. In FY 2012-13, we have allocated 4 lakh MT food grains in favor of Food for Work program to generate employment for the rural unemployed along with building rural infrastructure and improvement of rural communication system. I propose to allocate the same quantity of food grains for this program in FY 2013-14. On the other hand, 4 lakh MT food grains has been allocated under rural infrastructure maintenance (TR) program in the current fiscal year to generate employment for the unemployed, develop educational/religious institutions and extend sanitation facilities. I propose to allocate the same quantity of food grains to this program for FY 2013-14. Besides, we are thinking of introducing a voucher scheme in plakhe of distribution of food grains directly. In FY 2012-13, 80,000 MT food grains was allocated for GR, in FY 2013-14 we propose to allocate the same quantity of food grains for this program.

FFW and TR

155. Over the last 4 years, we have implemented various innovative programs for alleviating poverty and ensuring rural development. Under 'One House One Farm' program, around 11 lakh families from more than 17,000 villages throughout the country have been involved in various economic activities. Steps were taken to encourage them to save. Through these efforts, the amount of their total savings has now reached Tk. 1,150 crore.

156. In my previous budget speech, I mentioned about a plan for conducting a census to identify disabled persons with a view to providing services according to the type and level of disability. In this connection, a pilot survey has been completed. Identity cards will be issued to the disabled persons after the countrywide census is conducted this year. Information for all the disabled persons will be preserved in a national database through interactive software.

Survey on identification of Disability

157. So far, free physiotherapy and other medical services have been provided free of costs to 1.25 lakh disabled persons through Disabled Services and Help Center (one stop service center). In each of these centers, an autism corner has also been introduced. I propose to allocate Tk. 12.50 crore in FY 2013-14 to run

Service and Assistance for Disabled Persons

this program successfully. In addition to these permanent infrastructures, provision of free physiotherapy, occupational therapy, hearing aid, visual test, counseling, training and related equipment to the disabled persons of remote areas, one stop mobile physiotherapy service has been made available. We have taken steps to supply books printed in braille press for visually impaired students through vocational training and rehabilitation centers. We are also taking steps to introduce special quota for the disabled persons for their admission into private tertiary educational institutions.

158. In order to ensure proper coordination and close monitoring of all activities meant for the disabled persons, Hon'ble prime minister made a pronouncement on 2 April 2013 to convert the National Foundation for Development of the Disabled Persons into a full-

Separate directorates for welfare of Disabled Persons

fledged directorate. Once a separate directorate is established, it would be easier to take up targeted programs to ensure the rights and welfare of the disabled persons. We are still lagging behind in building disabled-friendly infrastructures. I believe time has come to pay attention to these issues. I am requesting the Ministry of Housing and Works and the autonomous bodies to make arrangements for special toilets and construct ramp at the entrance of offices for the disabled persons. In the case of government offices, we will make additional allocation for creating these facilities. I expect that the private organizations will also create similar facilities.

159. An Autism Resource Centre has been set up in the campus of National Foundation for Development of the Disabled Persons with a view to raising social awareness about autism. From this center, so far 500 autistic children/adults have received different kinds of services

Autism Resource Centre

free of cost. Following the establishment of the Autism Resource Centre, a full-free autistic school has been established in the same campus in 2011. Side by side, the government has established a separate outfit called 'Centre for Neuro-development and Autism in Children' to improve the life standard of autistic children. In this area Bangladesh has established itself as a role model due to sincere efforts of the researchers and physicians. Hopefully, the autistic children will

be brought to the mainstream of the society through successful implementation of various programs.

160. In FY 2012-13, an amount of Tk. 28.50 crore was allocated as subsistence allowance for the inmates/residents of different government organisations/institutions. In addition, in FY 2012-13, an amount of Tk. 66 crore was allocated as capitation grants to private orphanages. For the next fiscal, I am proposing a total of Tk.102.28 crore for this purpose.

Employment

Madam Speaker

161. On assumption of office, we took steps to create employment opportunities in an attempt to reduce poverty at a faster pace. Over the past four and a half years, consistent higher growth in agriculture and rural sector has made significant contribution to employment generation. The policy strategies that we adopted for export of skilled and un-skilled manpower abroad have started showing visible

Creating Employment Opportunity
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outcome. We are having access to new labor markets while receiving the benefit of increased demand in existing ones.

Besides, establishment of labor intensive industries and development of SMEs through channeling credits are playing significant role in generating employment. We have been able to remove seasonal unemployment in rural areas by implementing targeted programs for the ultra-poor. I take this opportunity to acknowledge with thanks the contribution of fast growing private sector in creating employment opportunities in the past years. Because of our timely interventions in the last fiscal year, an employment opportunity of 6.12 crore man-months has been created. We have a target to create around 6.24 crore man-months of employment in FY 2013-14. I hope with the collective support from all concerned, we will be able to create new opportunities and areas for employment for the unemployed in future.

162. It has been revealed from demographic analysis that we have immense economic potential. Since the 1980s, the age-dependency ratio gradually declined. In 1972, this ratio was 95 percent which came down to 55 percent in 2011. The babies born in the 80s and 90s are **Skill Development** now entering into labor market. We can enhance our economic capacity manifold by using this demographic dividend. This calls for skill development of the new labor force. Bearing in mind the existence of this potential, we have already taken a number of steps. We have formulated Skill Development Policy 2011 to create skilled manpower. In order to create skilled manpower in the ICT sector we have taken steps to establish e-Governance ICT Skill Trust Fund. I propose to allocate Tk. 50 crore for ICT sector development in FY 2013-14.

Expatriate Welfare and Foreign Employment

Madam Speaker

163. Thanks to our continued efforts, more than 21 lakh workers got employment opportunities abroad from January 2009 to March 2013. Compared to this, only 11 lakh workers went abroad during the tenure **Overseas Employment** of 4-party alliance regime, which is only half of what stands as of now. In 2009, remittance by the migrant workers stood at US\$ 10.72 billion. In 2012, it increased to US\$ 14.17 billion which is 11 percent of GDP, six times of foreign aid and 13 times of foreign investment.

164. Currently, about 36,000 Bangladeshi female workers get overseas employment in different professions every year. During the whole tenure of 4-party alliance regime, a total of 29,000 female workers went abroad. During our tenure, so far more than one lakh female workers have got overseas jobs. Hopefully, because of their enhanced skills, overseas demand for Bangladeshi workers is rising day by day.

165. I mentioned earlier that one of the main successes of the present government is the establishment of Expatriate Welfare Bank for the welfare of expatriate workers. **Expatriate Welfare Bank** By providing ‘Migration Loan’, this newly established Bank has supported a number of migrant workers in getting employment in the Middle Eastern countries including Bahrain and Jordan along with other countries like Malaysia, Singapore, Italy, Mauritius and South Korea.

166. We have taken up a number of programs under the Bureau of Manpower, Employment and Training (BMET) for sending skilled workers to foreign countries. As **Skill Development Training** many as 65,000 workers skilled in different trades pass out every year from 38 Technical Education Centers under BMET. It would be possible to train more than one lakh workers annually once another 35 such centers are established in different districts. I informed this House earlier that this task of strengthening of labor wings or creation of new labor wings in some of the Bangladesh missions have already been taken up to look after the Bangladeshi migrants.

167. Migration management has been digitized on a massive scale. **Digitalization of Immigration Management** A database network has been established and migrating workers are now being selected from the databank.

168. We are firmly committed to safeguard the interests and welfare of the migrants. Bangladesh signed the UN Convention 1990 on 4 October 1998 proposed by the United Nations for safeguarding the interests of migrant workers. However, it was not been ratified for long 13 years. The present government ratified it on 24 August 2011. All interests related to the migrants and their families are being protected through this Convention. Besides, amendment of Immigration Ordinance has been initiated in accordance with the ratified UN Convention and a draft has already been prepared. **Ratification of UN Convention**

Women and Children Welfare

Madam Speaker

169. We have attached special importance to the development of women. Because of the wide range of initiatives we have taken up, Bangladesh, according to Global Gender Gap Report 2012, has ranked 8th in the world in terms of political empowerment of women. Now I would like to present a brief account of programs we have implemented for the development of women.

170. In order to determine the share of women in the national budget, gender budget has been prepared for 40 ministries in FY2013-14. For providing assistance to women entrepreneurs, an allocation of Tk. 100 crore was made for Women Development Fund in the budget for FY 2012-13. Against this allocation, a 2-year long program at a cost of Tk. 10 crore has been taken up in this fiscal for imparting training to women entrepreneurs. I propose an allocation of Tk. 80 crore for this purpose in the budget for FY 2013-14. Two shops are in operation under PPP for display and sale of products manufactured by the associations registered with Women Affairs Directorate. Construction work of district complexes under Jatio Mahila Sangstha (National Women Organization) has begun in Gopalganj, Kishoreganj, Moulvibazar, Narail and Dinajpur with full financial assistance from the government.

Preparation of Gender Budget

171. In order to develop IT skills, training centers have been established in all district towns for imparting computer training to 9,000 women every year. Skills trainings have been arranged for women in 15 districts in unconventional trades/professions such as food processing, beautification, housekeeping and interior decoration, mobile phone and other electronic device servicing, including English language learning which have high demand abroad. Side by side, information centers have been established for women in 10 upazilas on pilot basis.

Training for Skill Development of Women
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172. The Domestic Violence (Prevention and Protection) Act 2010 was passed to establish equal rights of women in all walks of life and eradicate all kinds of disparities. The National Children Policy 2011 and the National Women Development Policy 2011 have been approved by the Cabinet. A set of guidelines has been issued at the initiative of the Ministry of Women and Children Affairs for preparation and review of development projects to make them gender sensitive.

**Preventing Violence
against Women**

173. The Union and Upazila Parishads are providing assistance to different initiatives aimed at preventing early marriage in many plakhes. Many philanthropic organizations are also playing a commendable role. We will provide support to such initiatives.

174. Along with women, we have attached equal importance to the overall development of children – the future of our nation. During our tenure, we have experimentally introduced Child Protection Information Management System. Up to 2012, more than 20 thousand street children have been provided social protection services through Drop in Centers, Emergency Night Centers, Children-friendly Plakhes and Schools in Open space. A total of 11,370 are being imparted awareness training on many areas including education, health, social and legal rights through 379 clubs in seven divisions.

Child Development

175. Child-Helpline program is being implemented experimentally for distressed and hapless children in eight police stations of old Dhaka. We have a plan for providing such services to 60,000 children under the program coverage by extending it to Chittagong and Barisal Divisions. We have initiated the task of forming 250 Community-Based Child Protection Committees. Side by side, 7 Integrated Child Protection Service Centers have been established in 7 Divisions. There are 14 Drop-in-Centers in total – one for boys and one for girls in each of these Integrated Child Protection Service Centers.

**Child-Helpline and
Child Protection**

Welfare of Freedom Fighters

Madam Speaker

176. We have been attaching special importance on preserving the memories of Liberation War. The construction work of the Independence Mausoleum is at the final stage. We hope we will be able to open it to public soon. For ensuring welfare of the freedom fighters, we have taken up a project for constructing freedom fighters complex buildings in 11 districts and the implementation of this project has already begun in 10 districts.

Preserving Memories of Liberation War

177. We have continued the programs for providing allowance and ration along with honorarium to the war-wounded veterans and the families of martyred freedom fighters for their welfare. A program for providing overseas medical treatment to the war-wounded veterans is also continuing. From the next fiscal year, we have initiated a program for providing honorarium at a higher rate to the freedom fighters with title of honor. In order to make the freedom fighters and their family

Privileges for the Freedom Fighters

members self-reliant, we have continued the credit scheme along with training on various trades under a revolving fund. At the same time, we are providing allowance to 1.5 lakh freedom fighters. According to the estimate of the Ministry of Liberation War Affairs, the number of freedom fighters still alive is 2 lakh. Subject to awarding of certificates, we will provide allowance to additional 50,000 freedom fighters from the next fiscal year. Considering the issue of welfare of the freedom fighters and their dependents, the services provided to them by the government have been expanded. In addition, the length of service of the freedom fighters working in the government has been extended by one year.

178. We are implementing a project for constructing residential and commercial buildings for the welfare of the families of the martyred

Housing for the Freedom Fighters

freedom fighters at Mohammadpur of the capital city. We expect that the project will be completed by the next fiscal year. Besides, a project titled "Construction of Housing for Landless and Insolvent Freedom Fighters" has recently been approved by the ECNEC to

provide residential accommodation for the valiant freedom fighters. Simultaneously, we are working on a program to hand-over abandoned properties at 1972 prices to the families of injured and deceased freedom fighters. In addition, we have taken initiatives to build multi-storied buildings on different abandoned properties on a partnership basis with the private sector. Of the total apartments, the government's share will be allotted to the families of the martyred freedom fighters /injured freedom fighters. In the meantime, a project has been approved for construction of Freedom Fighter Complex Building in every upazila and around Tk. 30 crore has been allocated for this project in the budget for FY 2013-14.

Minority and Underprivileged Community

Madam Speaker

179. A secular Bangladesh is deeply embedded in our conscience. We are, therefore, working unswervingly to build a liberal, democratic and progressive Bangladesh for all irrespective of religion, caste and creed. You are aware that one of our election pledges is to conduct trials of the war criminals. Since the beginning of this trial, the extremist communal factions are trying to re-enact the activities they committed during 1971. The whole country was stunned by the attacks on the Buddhist temple at Ramu and, on the Buddhist community. Later on, this same group attacked the Hindu community and their plakhes of worship. However, the secular people of Bangladesh along with the government resisted this extremist communal group. Our government has taken effective measures to protect the minority communities as well. I must tell you unequivocally that this fundamentalist group shall not be spared. Accordingly, our government has taken initiatives to bring these culprits to justice. At the same time, we have allocated an amount of Tk. 25.65 crore for maintenance and rebuilding the temples.

**Maintaining
Communal
Harmony**

180. Our government has been trying relentlessly to ensure the welfare of the ethnic minorities. We have taken up several projects this year to ensure better quality of life for them. Steps have been taken to build 166 km of rural approach road with the support of these projects to provide economic opportunities for the ethnic minorities. The

**Welfare of the
Ethnic Minority**

culture of the ethnic minorities is an inseparable part of our enriched traditional culture. Therefore, our endeavor in the past years to support the culture of our ethnic minorities was also noteworthy. We will continue this effort in the future. Accordingly, we are trying to streamline the activities of the cultural centers in the districts inhabited by ethnic minorities. Simultaneously, programmes have been undertaken to strengthen the cultural activities in inaccessible parts of the country. To this end, a project has been taken up to establish a regional center for the Cultural Institute of the Ethnic Minorities in the remotest part of Ruma upazila of Bandarban district. Hopefully, these efforts will contribute positively to the cultural awakening of the ethnic minorities.

181. Our government is exerting all out efforts to bring about welfare of the underprivileged community. By identifying them, we are implementing targeted programs for uplifting their standard of life. The members of the underprivileged community though suffer from

**Welfare of the
Underprivileged
Community**

deprivation both socially and economically, are involved in occupations that are essential for the society. Within the remit of our programs, we shall provide scholarships to the hermaphrodite, hariyan and gypsy students above 5 years, skill development training for those people who are above 18 years and allowances for those who are 40 years of age or above. I hope that in future when the scope of these programs will be widened, we will be able to integrate these communities into the mainstream of the society.

Chapter VIII

Reform and Good Governance

Public Expenditure Management

Honorable Speaker

182. During the tenure of our government, as the revenue collection has increased substantially, public expenditure has doubled simultaneously. We have brought about extensive reforms in the public expenditure management to ensure optimum use of resources. I would like to reflect briefly on the progress of these reforms, our ongoing agenda and the future plan for taking them forward.

183. We have begun the process of evaluating performance of the ministries/divisions/departments/organizations within medium term budget framework while allocating resources in light of policies and priorities of the government. We have created budget management outfits in all ministries/divisions. Besides, we have taken up the task of formulating medium term strategy and business plan for the ministries/divisions. At the same time, we have taken steps to formulate budget implementation work-plan by all the ministries/divisions. In addition, we have taken necessary steps to publish annual reports of the Ministry of Education and Ministry of Health and Family Welfare on a pilot basis. The process of revising the budget classification framework in line with the international standards is almost complete. Primary work has begun to create a database consisting of information on pay and allowances for all the officers/staffs of the Republic.

Reforms in Budget Management

184. A database has been created to streamline the accounting system of government's share and equity and a modern software has been put in place to improve public debt management. Work is in progress to create a macro-economic model and database to enhance the capacity of macro-economic management of the Government. In addition, a draft guideline has been finalized to assist in proper

formulation, implementation and evaluation of the development projects.

Financial Sector

185. We have laid emphasis on the regulatory reforms and modernization of the management of the banks and the financial sector. 'Bank Companies (Amendment) Act 2013' has already been plakhed before the Parliament. Grameen Bank (Amendment) Act 2012 has been framed to simplify the process of appointing of the Managing Director of Grameen Bank. In addition, 'Money Laundering Prevention (Amendment) Act 2012 and Anti-Terrorism (Amendment) Act 2012 have been formulated along with a national strategy paper to prevent money laundering and financing of terrorism. Now we are framing the 'Insurance Corporations Act 2013'. Above all, we have turned Bangladesh Bank, the guardian of the financial sector, into a modern IT-based organization.

Capital Market

186. I must admit that despite our sincere efforts, the capital market could not be kept stable. However, I want to declare unequivocally that we are firm in our commitment to protect the interest of the small investors and give the capital market a solid institutional foundation through legal reform, managerial excellence and ensuring good governance. In the meantime appropriate steps have been taken by Bangladesh Bank, Merchant Banks and ICB. We have completed the task of amending the 'Securities and Exchange Commission Act 1990' and 'Securities and Exchange Ordinance 1969'. 'Securities and Exchange Commission (Private Plakhement of Debt Securities) Rules 2012' has been framed along with the amendment of the Securities and Exchange Commission (Mutual Fund) Rules 2001. We have also installed surveillance software of international standard. Side by side, we have updated the Corporate Governance Guidelines. From 28 February 2013 onwards, all omnibus accounts have been converted into separate Beneficiary Owners (BO) accounts. A special tribunal has

been constituted to dispose of the capital market related cases. We expect to finalize the Financial Reporting Act.

187. Our government wants to build the capital market as a dynamic source of capital. This prompted us to pay due attention to the development of the capital market from the very beginning. In the first year of our current tenure, I shared my proposal for demutualization with the Dhaka Stock Exchange. They firmly declined my proposal.

**Stability in
Stock Market**

However, when our capital market collapsed towards the end of 2011, they changed their opinion. In fact, now at their initiative, the demutualization Act has been passed by the Parliament. I believe that the capital market is a bit stable at the moment. However, let me mention that the purpose for which we wanted reform and consolidate capital market is broadly successful. Between FY 2001-02 to FY 2005-06, a total of Tk. 430 crore was raised from the capital market through IPOs. Against this, a total of Tk. 4,280 crore has been raised between 2009 till date. Likewise investment through the issuance of rights share has now been raised from Tk. 302 crore to Tk. 5,800 crore. The achievements in our textile sector, particularly in the RMG sub-sector is attributable to the raising of capital from the capital market. I believe that once actions are in place to take forward the demutualization process, the capital market will become more stable. However, we must remember that capital markets across the world are replete with risks.

Business Environment

188. In order to remove legal hassles from doing business in Bangladesh we have introduced alternative dispute resolution mechanism and incorporated necessary stipulations in income tax, VAT and Customs Acts and started amending the Code of Civil Procedure. A data center has been established in the Supreme Court to introduce automation in the judicial system. Overall custom related activities are being automated for speedy service delivery to the importers and exporters. Besides, I have already informed you about the enactment of the 'Competition Act 2012' to ensure healthy competition in trade. Apart from this, we have decided to establish 5

economic zones in various parts of the country within the remit of 'Economic Zones Act 2010'.

Permanent Pay and Service Commission

189. We significantly enhanced the pay and allowances of the government employees with effect from 2009 following the recommendations of the Pay Commission. At that time, we said that instead of constituting Pay Commission in such a discrete manner, we may constitute a permanent Pay Commission that may recommend salary adjustment commensurate with inflation and also address the issue of salary discrepancies. Constituting another pay commission will be due in the next year. Let me inform this august House, we shall constitute a Permanent Commission next year which will be tasked to provide recommendations to the government from time to time on the issue relating to pay structure. In the next fiscal, we are going to introduce separate pay structure for Bangladesh Bank and the state-owned commercial banks. Such separate pay structure may have to be fixed for other services. The Permanent Commission will also give recommendations on these pay structures.

Revenue Sector

190. In a short while, I will be dwelling upon the revenue proposals. However, what I would like to put at this stage in a nutshell is that following NBR reforms the manpower of this outfit has increased, appropriate logistics has been put in plakhe, revenue growth has been quite impressive and the people at large are being motivated to pay taxes.

Good Governance

Parliamentary Activities

Honorable Speaker

191. Right from the beginning, the 9th Parliament is working relentlessly to make every session more meaningful and effective to

uphold the dignity of parliamentary democracy. As many as 380 committee meetings were held in FY 2012-13. Approximately 3,000 recommendations and decisions have been sent to the relevant ministries for necessary action. In the current fiscal year, the standing committees on the Ministry of Social Welfare, Ministry of Agriculture and Ministry of Power, Energy and Mineral Resources for the first time had dialogue with all stakeholders through public hearings.

192. In the Parliament, we have established a system to determine the order of the questions through digital ballot. As a result, every honorable Member of the Parliament gets an opportunity to raise his/her questions sequentially. A media centre has been established at the Parliament to disseminate information regarding parliamentary activities. Regular press briefing takes place on committee and other important proceedings of the Parliament and the activities of the committees that are sent to the public and private media immediately. In addition, 5 digital information boards to display various parliamentary programmes and CCTV camera to strengthen security and renovation and re-installation of ICT network at the parliament secretariat are underway.

**Making National
Parliament more
Effective**

193. The major problem that we encounter in conducting the business of Parliament is that we boycott parliament continuously as a mark of protest. Although I admit that all relevant Members of Parliament do take part in the proceeding of parliamentary committee meetings. The culture of boycotting is altogether unacceptable in parliamentary practice. Voters eventually are denied their rights if the parliamentarians do not speak or pay attention to what is being discussed on the floor of the House. Those who appear in the House only occasionally to save their membership, salaries and other attendant benefits should think of relinquishing their responsibilities. The grounds upon which they boycott parliament sessions are quite flimsy. If anyone fails to raise his/her issue can stage a walk out which is a decent and acceptable democratic norm. What hurts me is that I have presented four budgets so far, all in the absence of the main opposition. **Madam Speaker**, you have newly assumed this position and therefore I would request you to exert your influence

**Culture of Boycotting
National Parliament**

to do away with the culture of boycotting parliament. I assure, we will be behind you in this attempt.

194. Among 350 Members of Parliament (MP) of the 9th Parliament, 69 are women; of them, 19 are elected by the direct popular vote and 50 are selected for the reserved seats. Representation of women in the Parliament has ensured political empowerment of women of Bangladesh.

Land Management

Madam Speaker

195. Weakness in land management is the main barrier to our industrial development. Since assumption of office, we have been working to make land management modern and time-befitting. Now, the establishment of Digital Land Management System (DLMS) in 45 upazilas of 7 Districts is in progress. Besides, steps have been taken to establish 20 Land Information Service Centers in 20 upazilas.

Land Management

196. We have passed “Vested Property (Amendment) Act 2011” and framed “Vested Property Release Rules 2012” to resolve the disputes arising from vested property management. Under this law, list of vested properties listed in schedule A and B of 61 districts have been published in the official Gazette. Apart from this, we have enacted a piece of legislation titled “Balu Mahal and Mati Management Act 2010” and framed Balu Mahal and Mati Management Rules, 2011 for proper management of Balumahal and Jal Mahal.

Vested Property (Amendment) Act

197. Since assumption of office, the present government has distributed 52,424 acres of khas land among 1.2 lakh landless families.

Rehabilitation of Landless People

More than 2,000 flats at Bhashantek of the capital have been constructed for rehabilitating rootless slums dwellers and low-income people. Another more than 11,000 flats are under construction for the same purpose. We have constructed 164 cluster villages (guchcha gram) where 8,222 landless families have been

rehabilitated. Apart from this, around 8,000 landless families of 436 upazila have been allotted 6,583 acres of khas land. Construction of additional 40 cluster villages (guchcha gram) is going on to rehabilitate as many as 1,050 landless families. Besides, allocations for organizing income generating training activities together with micro-credit programs are made for socio-economic development of the rehabilitated families. We hope to distribute additional 5,000 acres khas land among 21,000 landless families in this fiscal year.

Combating Corruption

Madam Speaker

198. We are committed to establish a corruption-free society by preventing, controlling and combating corruption. We stand tough in dealing with the issue of preventing corruption. However, we are also especially careful that in the name of combating corruption, anyone's fundamental rights are not infringed. We have ensured passage of the "Anti-corruption commission (Amendment) Act, 2011" in Parliament to enable the Commission to take effective measures against corruption. We have provided the Anti-Corruption Commission with adequate administrative, financial and legal autonomy to make it independent and strong. For maintaining integrity and justice at all levels of the society the "National Integrity Advisory Committee" and its "Executive Committee" have already been formed. Hopefully, with concerted efforts of all, we will be able to establish a corruption-free society, Inshallah.

Public order

Madam Speaker

199. We are obligated to establish public safety and security. As part of modernizing and strengthening the police force during the tenure of the present government, around 37,000

Modernization of Law Enforcing Agencies
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individuals under different categories have been recruited by the police department. As many as 2,000 posts have been created for Ansar and VDP. Industrial Police has been raised to ensure law and order including production-friendly environment in the industries particularly in garments sector. Besides, the process for raising specialized police units like tourist police and marine police is almost completed.

200. The Fire Service has been strengthened with modern logistics and equipments to use in rescue operation during fire and earthquake.

**Modernization of
Fire Service & Civil
Defence force**

A project for construction of 156 Fire Stations has been taken up with a view to establish at least one Fire Station at each upazila. On implementation of this project, the total number of fire stations will stand at 549. Moreover 2 harbor patrol boats, 10 high speed boats and 4 pontoons have been acquired to strengthen the operations of the Coast Guard.

Right to Information

Madam Speaker

201. We have taken up various programs to ensure free flow of information. In order to ensure citizen's right to information, we have made more than 13,000 persons responsible for providing information in different government and private offices. They are ever ready to make information available to meet the demand of the public. The Information Commission is working relentlessly to establish people's right to information in Bangladesh.

202. As of now, we have permitted 15 private television channels since the assumption of office by the present government. Besides, we

**Development of
Broadcasting Media**

have launched the broadcasting of "Sangsad Bangladesh Television" and "BTV National" under the Development Channel project of BTV. Moreover, we have accorded approval to the broadcasting of 2 community radio and 2 FM radio in FY 2012-2013.

All these activities have opened up new opportunities for free flow of information.

203. We have taken up various initiatives to ensure welfare of the journalists. “Journalist Assistance Allowances /Grant Policy 2012” has

**Improving quality
of Journalism**

been framed to extend support to the financially insolvent journalists. Within the remit of this policy, providing assistance to journalists has already taken off. In order to improve their skills, Press Institute of Bangladesh has imparted training of different tenures to 20,461 journalists by organizing as many as 781 training courses/workshops/seminars.

Foreign Policy

Madam Speaker

204. We have achieved remarkable success in forging international relations during the last 4 years. After the assumption of office, the prime challenges that the present government under the leadership of Hon’ble Prime Minister Sheikh Hasina encountered were to re-establish the foreign policy imbued with the spirit of liberation war and

Image Redemption

restore Bangladesh’s image in international arena. With successful diplomatic efforts, we have been able to uphold the interest and image of Bangladesh in the comity of nations. Now Bangladesh is well known as a progressive, democratic, and non-communal state to the world. We have been able to leave our mark not only in bilateral diplomacy but also in multilateral diplomacy. As our successful diplomatic efforts have brightened up Bangladesh’s image in the UN and other international organizations, so have they added new dimensions to our bilateral relations.

205. Foreign policy of Bangladesh, founded on the principles of the

**Regional and Sub-
regional Cooperation**

Father of the Nation Bangabandhu Sheikh Mujibur Rahman “Friendship with all and malice towards none” served much success in the regional arena. Bangladesh has been able to bring

momentum in the areas of cooperation under SAARC and BIMSTEC. Thanks to our successful diplomatic initiatives we have got a decision in our favor as to the establishment of permanent BIMSTEC secretariat in Dhaka. It is expected that the task of establishing this important office will begin this year. We have played a strong role in OIC and our clear position in connection with issue of rights of minority Muslims in Myanmar, fundamental rights of Palestinian Muslims and peaceful resolution of ongoing civil war in Syria has been highly acclaimed. We have also been able to settle several issues under dispute like border demarcation, Tin Bigha Corridor and so on with neighboring India. Our relationship with Middle Eastern countries has also improved. We have been successful in protecting our interest in these countries in the area of manpower export, raising workers wage rate and similar such cases.

206. Our government has been laying emphasis on economic diplomacy, over and above, bilateral and multilateral diplomacy. Bangladesh has been making valuable contributions to the resolution of many issues being faced by the contemporary world by protecting its own interest. These include issues like trade and investment, migration and employment, energy security, meeting the adverse impact of climate change, setting sustainable post-MDG targets, economic governance of different international organizations and so on.

National Defence

Madam Speaker

207. We are committed to build a strong and modern defense force capable of meeting the challenges of the 21th century. Today our armed forces, which made glorious contribution to our liberation war, are discharging their overseas peace-keeping duties with reputation. Currently Bangladesh tops the list of countries sending troops to UN peace keeping mission. As many as 6,987 Bangladeshi peacekeepers are engaged in UN peace keeping missions. Over the last three years, Bangladeshi Peace Keeping Missions earned foreign exchange

equivalent to a total of Tk. 5,354 crore. This year's foreign exchange earnings from this source is equivalent to Tk. 561 Crore.

208. We have taken initiatives to modernize the armed forces and to enhance operational capacity of units and headquarters by procuring modern arms and war weapons after assuming office. We have formed a Naval Commando Unit and added different equipment for capacity enhancement and modernization of Bangladesh Naval Forces. In order to strengthen and enhance operational capacity of the Air Force, a new air base has been established and new aircrafts, helicopters and other sophisticated logistics have been procured.

**Strengthening the
Capacity of Arm Forces**

209. I propose to allocate Tk. 14,565.51 crore for the Ministry of Defence including Armed Forces Division for FY2013-2014.

New thoughts

Madam Speaker

210. Before parting, let me share with you my thoughts on three issues. The first one is related to this government's special initiative on public welfare and of the other two one is the Local Government and the other is Public Administration reform. I believe these two sectors can play a defining role in taking the country forward. We need to think hard and deep on these two sectors to take ourselves where we want to be.

211. In every budget of this government, we tried our best to take some new initiatives. In 2009, we took an initiative to bring an end to the begging profession. In 2010, we made a special allocation of Tk. 100 crore for the development of our culture; in 2011 we took yet another initiative to establish the National Art Gallery. In 2012, we again made an allocation of Tk. 100 crore to promote women entrepreneurs. These initiatives though made significant contribution, did not turn out to be quite effective. This time round, I have again made proposals for a number of new initiatives. Against some of the initiatives we have

Special Initiatives

made special allowances, say for instance, for the development of haor areas, we have made an allocation of Tk. 50 crore. However, for other initiatives, the allocations have been included in the overall allocations for the Finance Division. Our purpose is to fully implement all these initiatives. The relevant ministries will of course come forward to implement them.

Local Government

212. We focused on strengthening the local government right at the inception of our country under the leadership of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman. And we had our commitment enshrined in Article 59 and 60 of the constitution. Our Union Parishad system, though is more than a century old, is severely constrained by its lack of capacity to deliver expected services. However, we have undertaken some programs in certain areas which I would like to announce here—

- The grand alliance government, at the beginning of its tenure , conducted elections in nearly 400 upazilas.
- Free and fair elections were conducted in nearly 4500 union parishads.
- Arrangements have been made to provide block allocations directly to Unions during the period from 2011 and 2016.
- Union Information Service Centers have been established in 4500 union parishads across the country.
- New laws, rules and circulars have been issued to bring momentum in the services of upazilas.
- District administrators have been appointed to pave the ways for having elected public representatives
- Birth registration has been a great success. Online registration is possible now and so far 96 percent birth registration has been completed across the country.

213. We have transferred quite a few tasks to the upazila parishads, but yet to yield visible successes in those areas. Presently, the

coordination of government activities at the upazila level has advanced quite significantly. With the appointment of administrators, the citizens' involvement in the development activities at this layer has increased. Let me add that in a densely populated country like ours it is extremely difficult to govern and deliver services centrally from Dhaka. We, therefore, would like to effect more decentralization and more delegation in course of time, at the district, upazilla and union levels. We therefore need to come to a consensus on certain issues as follows:

- First, division of responsibilities of all these entities and coordination among them has to be ensured.
- Secondly, we have to identify some responsibilities, both regulatory and development in nature, to be performed by the different layers of local government
- Thirdly, we have to create an effective and inspirational bureaucracy for local governance. For this we need to transfer nearly 11 lakh government officials to the district level administration.
- Lastly, regular revenue collection at the local level has to be ensured and a fixed portion of the central revenue has to be transferred.

214. This issue, I understand, is extremely important one and requires serious engagement and debate at the national level. I would like to thank the Honorable Prime Minister to allow me to put on record these thoughts of mine in this august parliament which, I think, will be a tough task for the next government to address, no matter who assumes the power. We will prepare a concept paper on this issue in the light of the opinions to be found in the budget session and then will arrange for a national debate.

Public Administration

215. We set a number of goals, over the years, for administrative reforms. But we could not make much progress as yet. Framing of Civil Service Act, Government Servant Act 2013,

Promotion Policy, Posting and Transfer Policy, field administration reforms, clustering of Ministries, framing new audit law etc. are well on course. The draft National training policy has been finalized. Works on digital file tracking system is going on at full pace. Officers are being recruited every year in the civil service. In addition, we have rearranged manpower structure of different organizations and filled in the vacant posts. A total of 2 lakh 52 thousand posts have been created in different ministries from 2009-2012 to add vitality and dynamism in administration. We extended the retirement age of government servants to 59 from 57 and for freedom fighters it is made 60. Moreover, a 150-bed modern hospital has been constructed in Dhaka for the government employees.

216. The following are the areas where we should pay attention to in future-

- Desired reforms in cadre services have to be carried out
- The central bureaucracy has to be downsized and a bureaucracy at the local government level has to be engaged. This means centralized governance and decentralized service system at the local level have to be ensured
- We could not free the bureaucracy from political influence/interference which requires structural change in civil service.
- Awareness has to be built as to the role of bureaucracy in implementing political decisions under parliamentary system
- Training has to be strengthened to widen the skill base of bureaucracy to enable them to make contribution towards socio-economic development in a modern state.

217. These issues are also subject to discussions and debate. This is, therefore, going to be another challenge for the next government. We, however, will publish a white paper reflecting our thoughts within the next three months.

Chapter IX

Revenue Sector

Revenue Mobilization

Madam Speaker

218. I have so far presented to this august house the action program relating to the proposed expenditure for FY 2013-2014. While presenting these, I have tried to highlight the impact these expenditure proposals would have on the social and economic development of the country. Now, I shall present the plan and proposals of the coming year relating to revenue income. Before that I want to give an account on the objectives, strategies and achievement of last four years of our tenure. Since assumption of office, we have tried to focus on increasing revenue collection through modernization and development of the existing tax system and tax culture. When we came to power in 2009, the revenue- GDP ratio was 10.78 percent and the tax-GDP ratio was 8.98 percent. At present, the revenue-GDP has grown to 12.84 percent and the tax-GDP ratio to 10.80 percent. In FY 2013-14 the revenue GDP ratio will be 13.5 percent. During our four year tenure, revenue has been doubled and average annual growth of revenue is 24.94 percent.

Fundamental Principles of Tax Collection

219. We have attached special importance to the overall development of the revenue department as we did for other important departments. Having considered the reforms of revenue department as a vital part of the strategy of overall economic policy, we have taken initiatives to effect planned reforms in this sector. At the very outset, I would like to highlight the fundamental principles we have adopted for revenue augmentation:

- to increase revenue-GDP and tax-GDP ratio by strengthening collection;
- to undertake appropriate steps to reform and modernize tax policy, law and procedure; and
- to reform and modernize tax administration and management with aim to increase the tax base and tax net, improve the tax compliance culture and the quality of tax payers' services and also to bring transparency in the tax administration through digitization.

Reform Activities

220. We have attached top priority to delivering tax-related services to the door steps of the taxpayers. For that purpose we have to undertake several actions, such as, reduction of complexities in respect of tax payment, introduction of taxpayers-friendly culture between the taxpayers and the tax administration and motivation of taxpayers for the payment of tax. These necessitate modernization of tax payment system, expansion of the tax department, imparting training programs and practice high tax culture for greater changes. Now, I would like to provide an account on the measures taken during last four years for the modernization of the revenue department-

- I have mentioned at the beginning of my speech that after about long 30 years we have increased the manpower and logistic support of NBR. Initiatives have been taken to fill in all vacant posts of Assistant Revenue Officers and Assistant Commissioners of Customs and VAT department. More time is required to complete this process. This initiatives need to be evaluated from time to time.
- We have initiated integrated modernization program in the revenue department based upon the international best practices. This will ensure effective coordination and cooperation among three wings of revenue earning i.e. Customs, VAT and income tax department.

- The contribution of import based revenue in FY 2007-08 was 42%. In the first budget of our tenure we decided to liberalize the trade regime with the consequential impact of reduction of import revenue and to protect the domestic industries from pressure because of with simultaneous application of supplementary duty. These two objectives are conflicting but we have designed and implemented our program in such a way that in FY 2011-12 import based revenue has come down to 33 percent, whereas the domestic VAT contribution has reached to 37 percent with a 4 percent growth.
- The mandatory PSI system in customs management will come to an end in 30 June, 2013. Installation ASYCUDA World software (customized software) will help customs to resolve problems associated with classification and valuation of imported goods. Creation of a valuation database is underway. Moreover, with the support of the Asian Development Bank all the important land customs stations are being brought under the ASYCUDA World System. However, in order to ensure hassle free customs valuation and assessment of imports and also to continue the support and co-operation of the PSI company for preparation and development of the said valuation database, optional PSI system is being proposed from July, 2013. With this end in view, appropriate steps are being taken to amend The Customs ACT, 1969 and the relevant rules as well
- In the last budget, I announced the full automation of the customs administration with ASYCUDA World software technology. Insha-Allah, this technology is expected to be inaugurated on pilot basis in Custom House, Chittagong from 1st July this year. This new technology will facilitate the online submission of Bill of Entry and Bill of Exports. In the second phase it will facilitate the online issuance of Utilization Declaration (UD) of export-oriented industries, online payment of taxes and exchange of documents. We are hopeful that a paperless customs management system

will be in place by June, 2014, if the project as planned is implemented.

- Under the ASYCUDA world software system, steps for the automation of the existing bond management have also been taken. The annual entitlements of the diplomatic bonded ware houses have been rationalized. Information exchange system has been developed between the foreign ministry and the bond commissionerate for verification of tax exemption certificates issued by the former. Specially designed security pass books are issued for the privileged persons.
- We have incorporated provisions relating to intellectual property in The Customs ACT, 1969 by amending its section 15.
- For the speedy disposal of tax related disputes, we have introduced Alternative Dispute Resolution (ADR) systems. In order to make the system more effective, we have constituted an ADR cell in NBR in addition to the measures taken for increasing awareness among stakeholders.
- As part of the total reform of the revenue system a new VAT law, named VAT and Supplementary Duty Act, 2012 has already been enacted. This new law will be finally implemented from 1 July 2015. For its effective implementation, an implementation plan has already been drawn and approved. Under this new plan, ICT based countrywide computerized tax system will be established. This new VAT law and its implementation will remain as a significant milestone in the history of Bangladesh revenue system. Once implemented fully, it will help remarkably increase the government revenue and the establishment of a modern, ideal, revenue and trade-friendly VAT system. It is imperative to use information technology which helps in curbing corruption/malpractice through the universal use of appropriate business accounts. We are expecting to achieve this goal by 2015. With a view to taxing on board the concerned stakeholders and imparting them training, NBR

has taken up necessary programs. As a member country of the World Customs Organization (WCO), we have revised the Bangladesh Customs Tariff Schedule incorporating therein the latest decisions and amendments of the WCO regarding classification of goods. We have also prepared a strategic action plan document for the modernization of the customs department to be implemented during next three to four years, i.e. 2013-2016.

- We have started framing up a time befitting Direct Tax Act replaking the existing one. Second draft of the Direct Tax Act has in the meantime been posted in the NBR website for public opinion. Customs Act is too underway for updating in accordance with international norms and practices.
- To combat malpractices of transfer pricing in an era of a globalized economy, we have inserted provisions for transfer pricing in Bangladesh IT Ordinance. As a result, Bangladesh tax laws have attained global standard.
- We have started establishing a data center at the Central Tax Survey Zone. Information from BRTA, Registration offices, RAJUK, DESA and other offices will be stored here. This will enable a tax officer, sitting at his office, to know the details of a taxpayer just by using his/her name and TIN.
- An audit cell at NBR has been established. 'Revenue Risk-based Audit Manual' is being drafted in order to ensure transparency in auditing.
- We aspire to complete the process of automated system of online return receiving and its processing by 2014. We are hopeful of introducing this system experimentally at the end of 2013. Apart from this, online TIN registration process will start functioning using National ID Card information of the Election Commission by June, 2013. Taxpayers will be able to get TIN registration and TIN Certificates from home though this system.

- Income tax returns have been made simple so that taxpayers can avoid hassle in submitting returns. Tax fairs are organized every year in Dhaka and all divisional and district headquarters for widening the tax net.
- For recognition of dignity in the Society, the highest tax-paying persons are awarded Tax Cards. Arrangements for paying taxes from bank accounts are underway.
- As part of tax reforms and reorganization tax base has been extended to Upazila level, we have set up new tax offices in 85 Upazilas. Consequently, new taxpayers may be brought into the net and there will be an ample scope for revenue collection.
- With a view to transforming the existing territory type tax administrative structure into a functional one, we are planning to set up another Large Taxpayers Unit (LTU) in Chittagong like the existing one in Dhaka. Similar functional type of administration will also be introduced in Rajshahi and Khulna Zone in the next year.
- To provide better services to the taxpayers, Tax Information and Service Centers have been set up in Dhaka, Khulna, Rajshahi and Chittagong. More such centers will be set up in other areas of the country in phases.
- We have undertaken the drive to broadening the tax net by registering new taxpayers and enhance the scope of revenue thereby. Two programs are underway to this end. Fake TIN Identification process is almost nearing end and will be completed next year. As a result of TIN cleansing, the number of TIN has come down to 20 lakh from 37 lakh. Intensive tax survey program will continue. We will, thereby, be able to enlist about 3 lakh new taxpayers this year. Survey teams have been formed under the head of zonal commissioners for making the program successful. The number of taxpayers was 6.45 lakh actually in 2007-2008; this will surpass 11.64 lakh in 2012-2013. Yet, I stick

to the target of 30 lakh new taxpayers and that of 50 lakh TIN registration.

Future Plans

Madam Speaker

221. With utmost sincerity and integrity the present government is constantly engaged in implementing the promises and aspirations it pledged to the people while assumed office. The present Government is committed to build a happy and prosperous Bangladesh earned through so many sacrifices. This has driven the government to take many initiatives since assumption of office to foster growth of internal resources and balanced development. Remarkable success has been achieved in the fields of expansion and modernization of tax administration in an effort to build a time-befitting and service-oriented tax administration.

222. We look forward to a bright future beyond the limitations of the present. We want to put in place a vision of taxation system for the days ahead. We have plans to make corporate tax rate more rationalized and time-befitting. Taxpayers have already started reaping the benefits of initiatives taken by the government. We want to continue this journey of success sequentially. We believe that momentum in tax management will be added and the tax department will be able to contribute to achieving economic prosperity alongside exposing itself as a service-oriented organization if all of these measures taken are implemented.

223. Now I would like to place before this august House our revenue proposals.

Direct Tax

Income Tax

Honorable Speaker

224. At the very outset, I would like to plakhe the proposals on income tax slabs for individual taxpayers and rates applicable for all taxpayers for FY 2013-2014. Considering the issues of prevailing inflation, increasing living expenses and the necessity of reducing tax liability of marginal taxpayers, I would propose to increase the threshold of tax free income for individual taxpayers from taka 2 lakh to taka 2 lakh 20 thousand. I would also propose to increase such threshold for women taxpayers and also senior citizens aged over 65 years from Tk. 2 lakh 25 thousand to taka 2 lakh 50 thousand and for the physically challenged taxpayers from taka 2 lakh 75 thousands to taka 3 lakh.

Income Tax Rates

Table -1		
Proposal of Income Threshold for Individual Taxpayers		
Status	Threshold of Taxable Income	
	Existing	Proposed
Tax exempted income threshold	2,00,000/-	2,20,000/-
Women and aged taxpayers (65 years of age and above)	2,25,000/-	2,50,000/-
Physically Challenged	2,75,000/-	3,00,000/-

225. Besides, in line with the pledges of the present government to establish a society based on equity and justice through reduction of economic disparity, I would propose to reduce and fix the minimum tax for the individual taxpayers living in the Paurashava area of district town at taka 2 thousand and the taxpayers belonging to other plakhes including villages at taka 1 thousand while retaining the minimum tax

at taka 3 thousand for the taxpayers living in the city corporation areas. Such reduction in payment of minimum tax, I believe, would motivate the taxpayers in the rural areas to pay tax with effectual impact in widening the tax net.

Table - 2		
Proposed Individual Tax Rates and Income Slabs		
Existing Income Slabs	Proposed Income Slabs	Tax rate
On first Tk. 2,00,000 of taxable income	On first Tk. 2,20,000 of taxable income	Nil
On next Tk. 3,00,000 of taxable income	On next Tk. 3,00,000 of taxable income	10%
On next Tk. 4,00,000 of taxable income	On next Tk. 4,00,000 of taxable income	15%
On next Tk. 3,00,000 of taxable income	On next Tk. 3,00,000 of taxable income	20%
On the balance of taxable income	On the balance of taxable income	25%

Table - 3		
Proposal of Minimum Tax for Individual Taxpayers Based on Location		
Location of Taxpayers	Existing	Proposed
City Corporation Area	3,000/-	3,000/-
Paurashava at District Town	3,000/-	2,000/-
Other plakhes including Upazillas	3,000/-	1,000/-

226. With a very minor exception, I would propose to retain the corporate tax rate for the financial year 2013-2014 same as the financial year 2012-2013. However, considering the public health and environmental hazards, I would propose to increase the tax rate for publicly traded and non-traded cigarette manufacturing company along with rationalization of tax at source on banderole of biri. Apart from that, I would propose to reduce the gap of tax rates between publicly traded and non-publicly traded mobile company.

Table – 4		
Proposal of Tax Rate for Company		
Company Tax Payers	Existing Rate	Proposed Rate
Publicly Traded Company (subject to certain conditions)	27.5%	27.5%
Non-Publicly Traded Company	37.5%	37.5%
Bank, Insurance and Financial Institution (other than Merchant Bank)	42.5%	42.5%
Merchant Bank	37.5%	37.5%
Publicly Traded Cigarette Manufacturing Company	35%	40%
Non-Publicly Traded Cigarette Manufacturing Company	42.5%	45%
Publicly Traded Mobile Phone Company	35%	40%
Non-Publicly Traded Mobile Phone Company	45%	45%
Dividend Income	20%	20%

Madam Speaker

227. Considering the significant contribution of investment in industrialization and economic development present government is firmly committed to create investment-friendly regime to stimulate **Investment Incentives** economic growth. With this end in view, I would propose to increase the investment ceiling for the individual taxpayers in certain cases from taka 1 crore to taka 1.5 crore. I would also propose to increase the ceiling from 20 percent to 30 percent of the total income eligible for tax rebate and the rate of tax rebate from 10 percent to 15 percent.

Table - 5		
Proposal of Tax Rebate on Investment for Individual		
	Existing	Proposed
Investment Ceiling in taka	1 crore	1.5 crore
Investment ceiling as percentage of total income	20%	30%
Percentage of Tax rebate	10%	15%

228. The present government is firmly committed to maintain the stability of the capital market along with its continual expansion and solidification. Along this line, I would propose to continue the existing provision of exemption of tax on gains from transactions of shares by individual taxpayers in addition to other fresh incentives. For that end,

Investment in Capital Market

I would propose to rescind the existing provision of charging 3 percent tax on the premium over the face value of shares of a company. This step will, I believe, motivate the new companies to be enlisted in the capital market. Moreover, I would propose to repeal the provision of charging 0.05 percent tax at source on the total income from bond sale and also allow 15 percent tax rebate on investment in private alongside public mutual fund. Apart from that, I would propose to increase the threshold of tax-exempted income from dividend from taka 5 (five) thousand to taka 10 (ten) thousand. Furthermore, government has a plan to consider tax exemption when the proposed demutualization of stock exchanges is effected.

Table-6		
Proposal for Capital Market		
Issues	Existing	Proposed
Tax deductible at source on the premium over face value of share of a company	3%	Nil
Tax deductible at source on bond sale	0.05%	Nil
Tax rebate on the investment in private mutual fund	Nil	15%
Tax exempted dividend income threshold	5,000/-	10,000/-

229. In line with electoral pledges of the present government of enhancing investment and creating employment opportunities, I would propose to extend existing tax-holiday facilities from June, 2013 to June, 2015 with a view to providing incentives to new industries and creating employment berths. I would, however, propose to gradually and proportionately decrease the facilities based on the years of tax-holiday period. This step would not only benefit the entrepreneurs but also bolster revenue gradually.

Tax-Holiday, Investment and Employment

Table - 7		
Proposal of Tax-Holiday and Tax Exempted Income		
Issues	Existing	Proposed
Tax-Holiday for 17 Industrial Undertakings	30 June, 2013	30 June, 2015
Tax-Holiday for 17 Physical Infrastructure Facilities	30 June, 2013	30 June, 2015
15% Tax on Income Derived from Production of Jute Goods	30 June, 2013	30 June, 2015
15% Tax on Income from Fabric, Dying industry etc.	30 June, 2013	30 June, 2015
50% Tax Rebate on Export of Handicrafts	30 June, 2013	30 June, 2015
Tax Exemption in Poultry Sector	30 June, 2013	30 June, 2015
Tax Rate on Income from Fisheries, Hatchery etc.	5%	3%
Tax Rate on the Income from Production of Peletted Feed for Fish, Shrimp and Cattles	37.5%	3%

230. Providing housing facility for every citizen in a densely populated country like ours poses a great challenge to the government. With this challenge on the rocks present government has taken various steps to encourage private housing sector apart from its own initiatives. To bring forth more dynamism in the stagnant housing sector, I would, therefore, propose to simplify the

Tax on Investment in Flat/Land/House Property

procedure of taxation on investment in apartment/house/land on payment of certain amount of tax on the basis of location of the property. I would also propose to reduce the rate of tax at source from the Real Estate Developers.

Table – 8		
Proposal of Tax on Investment in House/ Flat		
Location of the Property	Rate on per sq. meter up to 200 Sq. meter	Rate on per sq. meter above 200 Sq. meter
Gulshan Model Town, Banani, Baridhara, Motijheel Commercial Area and Dilkusha Commercial Area of Dhaka.	5,000/-	7,000/-
Dhanmandi Residential Area, Defence Officers Housing Society (DOHS), Mahakhali, Lalmatia Housing Society, Uttara Model Town, Bashundhara Residential Area, Dhaka Cantonment, Kawran Bazar, Bijaynagar, Segunbagicha, Nikunja of Dhaka and Panchlaish, Khulshi, Agrabad and Nasirabad Area of Chittagong.	4,000/-	5,000/-
Other areas of City Corporation	2,000/-	3,000/-
Paurasabha of any district headquarters	1,000/-	1,500/-
Other Areas including Upazilla	750/-	1,000/-
More than one house/flat	Additional 20%	Additional 20%
In Case of Plot/land Purchase:		
Tax Rate on Total Value	10%	
In case of more than one Plot/Land additional tax on payable sum	20%	

231. It is now imperative to make some changes to ease the taxation procedure for the salaried individuals as well as people with low income. With that perspective in view, I would propose to increase the threshold of tax-exempted house rent allowance from taka 1 lakh 80 thousand to taka 2 lakh 40 thousand), increasing the tax exempted conveyance allowance from taka 24 thousand to taka 30 thousand as well. In addition to this, I would propose to introduce a simplified two-page income tax return particularly for the taxpayers deriving income from salary and small business alongside the existing tax returns. Moreover, it is also proposed to make provision for adjustment of the tax paid in advance for private vehicle and any other sources by civil, military and private service holders with the tax payable on salary income.

Income tax for Professionals and simplified Tax Return

Issues	Existing	Proposed
Income Tax Return	8 pages	2 pages
Adjustment of Tax Payable on Salary Income With Other Tax Deducted/Collected at Source	not adjustable	adjustable
Tax-exempted House Rent Allowance for Salaried Taxpayers	1,80,000/-	2,40,000/-
Tax-exempted Conveyance Allowance	24,000/-	30,000/-

232. Considering the agrarian economic endowment, present government has taken multidimensional initiatives with a view to diversifying agricultural sector. To ensure supply of protein and nutrition for the benefit of public health I would propose some tax incentives. Firstly, I would propose to extend the period of existing tax exemption on income from poultry industry from June, 2013 to June, 2015. I would also propose to reduce the tax rate on hatchery, dairy firm and dairy industry from 5 percent to 3 percent. Besides, I would propose to extend the existing provision of charging lower rate of 15 percent tax on jute and textile sector from June, 2013 to June, 2015.

Tax Incentive to Dairy, Poultry and Fisheries

Import Duty and Tax

Madam Speaker

233. In continuation of the practice of the previous years and also keeping in mind the economic, industrial and consumer interest of the country and poverty reduction issue, I am presenting to the nation through this august parliament the budget proposals on import based customs, supplementary, regulatory duty and VAT, which we prepared after receiving those from different stakeholders and detailed examination thereof.

234. Without changing the present four slab duty structure and for the interest of investment and industrialization, I am proposing the present 3 percent customs duty on the importation of capital goods and 12 percent on intermediate raw materials to be reduced to 2 percent and 10 percent respectively. I propose conserving the present exemption notifications on regulatory duty and extension of the same to new items. I also propose to

Import Duty and Supplementary Duty

continue the present 5 percent regulatory duty on goods chargeable to 25 percent customs duty to preserve the interests of domestic industry. For the same considerations, 5 percent regulatory duty is proposed on a few items which are chargeable to 10 percent customs duty but by nature are not intermediate goods. In addition to that, it is proposed to rationalize the present 9 slab supplementary duty structure with the objective to discourage infiltration of socially undesirable and luxury goods and also to safeguard the legitimate concerns of the domestic industries. All the proposals on customs duty, regulatory duty, supplementary duty and VAT are shown at Annexure. Out of this I am mentioning the important ones for the consideration of this august parliament.

235. The present full exemption of customs duties applicable to

Duty on essential commodities

essential goods such as rice, pulse, wheat, onion, agricultural inputs such as fertilizer, insecticides, seeds and life-

saving drugs, industrial raw materials of primary nature such as cotton and also the concessionary facility of 10 percent VAT at import point on edible oil are being proposed to be continued for the next year.

236. The present government is giving emphasis on the sustainable development of agriculture and industry. Initiatives have been taken to award more facilities to these sectors consolidating the existing benefits.

(a) Agriculture and Food industry sector:

- (1) Potato chips, made out of domestic potatoes, produced at high cost by the general farmers are facing uneven competition from the imported chips as

SD on Potato chips

 there has no supplementary duty on it at the import stage, although there exists supplementary duties on similar agricultural and food processing products. So to preserve the interest of the domestically produced potato chips, I propose imposition of 60 percent supplementary duty on imported chips;
- (2) To reduce the use of firewood and chemical fertilizer and also to increase the use of biogas plants such as solar home system in the county, the present import duty rates of 12 and 25 percent on a few identified raw materials of biogas plant are proposed for reduction to 5 and 10 percent respectively;

CD exemption of Biogas plant input

- (3) Milk and milk-based products are the main source of mass nutrition. Dairy sector is gradually developing in the country with the appropriate support of the government and thanks to the efforts of entrepreneurs. Despite these, production falls far behind our needs. To

Dairy Industry

encourage production of milk and milk-based products in the country, it has become imperative to rationalize the tariff structure of milk imported in retail packs and in bulk. Considering the above, I propose to increase the present 5 percent customs duty to 10 percent on commercial import of powder milk, maintaining the existing 5 percent duty on VAT registered and taxable goods manufacturing industries unchanged. On the same considerations, milk tanker used in the dairy sector is being proposed to be brought in the notifications of capital goods attracting only 2 percent customs duty from its present level of 5 percent customs duty, 15 percent value added tax, amounting to 31.07 percent total tax incidence.

- (4) The country has huge potentials for cattle and poultry sector. In order to take this sector to sustainable growth and development for increasing supply of nutrition and Livestock employment through the continuous support and incentives to be given by the government, the existing concessionary facility of duty and taxes enjoyed by this sector is being proposed to be enhanced further on some new items.

(b) Industrial Sector:

237. Our government has been attaching importance to the intensive, qualitative more value adding and employment orienting activities of the industrial sector. So out of the proposals, made after evaluation of the requests, received from the industrial sector and also incorporated in the budget of 2013-2014, I think it is rational to bring the important proposals to the notice of this august parliament.

(1) Paper Industry and Print Media:

- Bamboo, the main raw material for the production of pulp is presently chargeable with 12 percent customs duty, while the intermediate product pulp is subject to no customs duty. This being an anomaly and for the greater interest of the pulp and paper industries as large, this item is proposed to be fully exempted from payment of any customs duty.
- Presently there are 67 paper industries in the country. They can annually produce almost 3 lakh metric tons of newsprint, while there has an annual demand for about 1.2 lakh

Paper Industry

 metric tons. Newspaper and publication industries together import about 0.50 lakh metric tons annually enjoying concessionary rate of custom duty. Total tax incidence for the newsprint for publication industry is 23.45 percent including 3 percent customs duty, whereas the total taxes incidence for commercial importers is 61.09 percent. As a result, domestic paper producing industries are facing uneven competition. In view of this situation the concessional facility applicable to newsprint when imported by newspaper and publication sector is being proposed to be withdrawn.

(2) Textile Sector:

- Acrylic yarn, a raw-material of sweater, is made from artificial filament tow which is chargeable to 5 percent CD. The demand of acrylic

Textiles

 yarn made products including sweater is increasing inside and outside the country. For this reason, I propose to exempt fully the present 5

percent CD applicable to artificial filament tow to be enjoyed by textile mills on certain conditions.

- Woven fabrics, made of different raw materials and classifiable under different headings of Bangladesh customs tariff schedule are presently chargeable to 131.33 percent duty and tax incidence including 45 percent SD. Its legitimate import is not increasing proportionately to the demand simply because of this high tariff. There are allegations that for these reasons, fabrics imported under bond system without payment of duty and taxes are being leaked to the open market. Therefore, in order to encourage commercial import of fabrics through plugging the leakage from bond, I propose to reduce 45 percent SD to 20 percent.

(3) Ceramic and Glass Industry:

- Bangladesh is almost self-sufficient in the production of ceramic and glass products. Float glass among other products is now being manufactured in the domestic industries. These products have started to be

Ceramic and Glass

 exported after meeting domestic demand. On these considerations and with a view to protecting these industries further from uneven competition the existing 30 percent SD on float glass at import point is proposed to be increased to 45 percent and duty of cobalt oxide used in this sector as raw materials is proposed to be charged to 5 percent from the existing 12 percent.
- Flint, grinding pebbles, silex/lining/abrasive/polishig disc are used in the ceramic industries as nearly machinery parts. These

are chargeable to 25 percent CD and 5 percent RD with other taxes. These being essential for ceramic industries, I propose to reduce the present 25 percent CD to 10 percent and impose 5 percent RD on the same.

(4) Iron, Steel and Engineering Sector:

- (i) Presently importable billets are subject to Tk 2500 as specific duty and taxes per m. ton. Recently huge investment worth to the tune of 18/20 lakh m.ton production capacity annually has been made in this sector. For this reason that is to protect this industry from uneven competition, I propose to impose ad valorem duty at reasonable rate and 15 percent VAT instead of the existing specific duty on this item at import stage once these industries start operating in full swing. However, for the interim period, the existing specific duty at Tk. 2500 per m.ton is proposed to be increased to Tk. 3500 to protect the growing new industries from uneven competition of foreign billets.
- | |
|-------------------------------|
| Billet and Alloy Steel |
|-------------------------------|
- (ii) Alloy steel, a basic raw material of highly potential sector of industrial Moulds and Dies is now chargeable to 12 percent CD whereas Moulds itself is subject to only 3 percent duty and taxes as capital goods. This uneven duty structure is impeding the growth of this sector. Hence I propose to exempt existing 12 percent customs duty on Alloy Steel making it applicable only to VAT Registered Moulds & Dies industries.
- (iii) Cold rolled coil (CR Coil) is presently produced in the country. It attracts 25 percent customs duty and

5 percent regulatory duty on its import. This product is also used as raw material in prefabricated building industry. On the other hand, there is only 12 percent CD on the import of prefabricated building. In order to reduce this gap between finished product and raw materials, it is proposed to exempt 5 percent RD applicable to CR Coil of specific specifications and H.S. Codes, while maintaining the other duty and taxes unchanged.

- (iv) Gas Cylinder, having capacity below 5000 litre is presently subject to only 3 percent CD. This item is now

LPG Cylinder

 locally produced. Hence for the interest of domestic industries I propose to impose 10 percent CD on gas cylinder of the said capacity.
- (v) Generator parts being essential for the maintenance and operation of generators. But these are chargeable to high duty when imported commercially. In order to make it available to all users at cheaper price, it is proposed to allow the benefit of capital goods with 2 percent customs duty only when imported commercially.

(5) Computer and Tourism Sector:

Building Digital Bangladesh is the political commitment of the present government. Several steps were taken during past years towards the fulfillment of this objective. I propose the following measures for the next year.

- Digital cameras and web camera presently attract 25 percent customs duty. In order to fulfill our vision of making a digital Bangladesh, I propose to reduce the above customs duty to 10 percent.

- Server Rack generally imported with server for its maintenance is subject to 61.09 percent duty and tax incidence including 25 percent **ICT Sector** CD. This high duty tax incidence and rates are against the govt. policies, pursued for the expansion of ICT. On these considerations the 25 percent CD on Server Rack is proposed to be reduced to 10 percent.
- Keeping in mind the interest of local SIM Cards producers, 30 percent SD was imposed on import of SIM Cards. This rate is in force for a good number of years. Considering its importance to the expansion of telephone sector, this high rate of 30 percent SD is being proposed to be reduced to 20 percent.
- In keeping with the recommendation of the Cabinet committee on tourism, the government has taken initiative to allow import at concessionary rate some machines and items **Tourism Industry** deemed to be necessary for the development of tourism sector. For this purpose it is proposed to exempt the existing customs duty and taxes applicable over 5 percent on the items recommended by the cabinet committee. It is expected that this will promote investment in the sector.
- Optical Fibers are essential for computerization and building Digital Bangladesh. At present, It is imported as well as **Optical Fiber Cable** locally produced. To ensure smooth supply of quality optical fibre to the users at cheaper price, it is proposed to reduce its import duty from 12 percent (proposed 10 percent) to 5 percent and that of its identified raw materials

to 0 percent as well from existing 25 percent and 12 percent customs duty.

(6) Public Health Sector:

- FEP/Teflon Tube raw materials of medical equipments and instruments manufacturing industries, are subject to 25 percent CD in spite of the fact that import of medical equipments are in most cases exempted from duty and taxes. In order to remove this inconsistency between finished goods and raw materials, the 25 percent CD on the above raw materials is proposed to be reduced to 10 percent CD, while leaving the existing 5 percent RD unchanged.

(7) Power Sector:

- Solar lantern and LED lamp are chargeable to 12 percent CD. The govt. has undertaken programs to reach solar lantern to the low income group people at reasonably reduced price. These programs will help in the reduced use of kerosene and subsidy, improvement of public health and increase in the work hours in the rural areas. Moreover, LED Lamps is a environment and electricity consumption friendly device. In consideration of these I propose to reduce the existing 12 percent CD on solar lantern and LED lamp to 5 percent, keeping other taxes unchanged.

(8) Transport Sector:

- Presently CBU Minibus is chargeable to 12 percent CD. On the other hand, Minibus chassis is subject to 25 percent CD. This anomalous duty structure

hampers the growth of domestic Bus building industry. In order to address this disparity, I propose to reduce the 25 percent CD on Minibus Chassis to 10 percent.

- Windshield glass is essential for vehicles. Many such glasses are broken/ destroy for different reasons particularly at the time of political unrest. This product is not yet locally produced. It is now chargeable to 12 percent CD. For these reasons its duty is proposed to be reduced from 12 percent to 5 percent.
- In order to discourage the use of private vehicles along with increasing govt. revenue, the duty and taxes on Motor vehicles were restructured in the

Recondition Vehicles

 year 2009-2010 and 2010-2011. No significant change was made in this sector in the 2011-2012 and 2012-2013 financial years. We propose no change in the existing duty and tax structure on vehicles in the next year.
- Presently five years old car can be imported as reconditioned vehicles. On such vehicles a total of 25 percent depreciation, that is, with 10 percent dealers commission a consolidated amount of 35 percent depreciation is allowed. This consolidated depreciation is not just as because under the system the tax incidence of a older car becomes higher than a newer car. So instead of this consolidated depreciation system I am proposing the following year based system:
 - (1) Less than one year old- 0(zero) percent
 - (2) Above 1 (one) year but less than 2 (two) year old vehicles - 30 percent.

(3) Above two (2) year but less than three (3) years old - 35 percent

(4) Above three (3) years but less than four (4) years old vehicles - 40 percent.

(5) Above four (4) years but up to five (5) years old vehicles - 45 percent.

It is to be mentioned here that under this new system importers will not be separately entitled to dealers commission. The value of old cars on which depreciation will be allowed would not be more than that of new cars.

(9) Other Industries:

- In spite of its importance in urban and industrial areas, Fire Extinguishers are chargeable to 39.47 percent duty and tax incidence including 12 percent CD. In order to make it **Fire Extinguisher** available to the users as and when necessary, I propose to reduce the existing 12 percent CD to 5 percent.
- For the expansion of supershops in the country the preservation of perishables at certain temperature is very important. For this they need different types such as chests, cabinet, showcase, display counter and so on type of refrigerators. These are now subject to **Super Shop** 107.09 percent duty and tax incidence including 30 percent SD. With a view to encouraging the expansion of supershops in the country I propose to fully exempt the currently applicable 30 percent SD for VAT registered supershops only.

- Some inputs of leather sector such as preparations of treatment of leather sulphates of chromium, **Input of Leather Industry** casein, other casein and prepared binders for foundry moulds are now chargeable to 12 percent CD. For this sector to be more competitive, I propose to reduce this duty to 5 percent.

(10) Infrastructure and Ship building Industry:

- Ship building is a growing export industry sector. This sector can now export ship to other countries. To help this sector to grow, the government exempted all duty and taxes above 5 percent on the raw materials it uses. In order to further help this sector, a few essential items generally used in this sector, such as Anchor Chain with standard accessories, Life boat, Rafts and Navigation Lights are proposed to be allowed the same concessionary duty and tax benefit under the same notification.
- Ships up to 5000 DWT can now be produced in the country. But ships above 3000 DWT are exempt from CD, SD and VAT. At this, the **Ship Building Industry** legitimate interests of domestic ship builders are affected. In such situations it is proposed to exempt ships of above 5000 DWT.
- Dump truck is chargeable to 25 percent customs duty. Considering its importance in construction industry, it is proposed to reduce this duty to 10 percent.

238. In order to make the existing provisions on Alternative Dispute Resolution (ADR) more transparent and workable, necessary amendments are proposed to section 192C of the Custom ACT, 1969. Moreover, the entitlements under different Baggage Rules are also proposed to be enhanced.

239. Excepting the provision proposed under section 25B of the Custom ACT, 1969, all proposals made above are proposed to be effective from the date of budget announcement.

Indirect Tax

Value Added Tax (VAT)

Madam Speaker

240. Over the years domestic Value Added Tax (VAT) has emerged as the single largest source of government revenue collected by the National Board of Revenue (NBR). Revenue collection keeps growing as expected as an outcome of multifaceted reform interventions made by our government in the last four years, positive change in the mindset of the taxpayers and officials. This domestic source of revenue has got high growth potential in the context of our growing economy. Considering the growth potential of local VAT, the prospect of economic growth and interests of business communities and consumer, now, I would like to plakhe before this august House the following proposals relating to Value Added Tax:

241. Small and Medium Enterprise (SME) has got great contribution to our economy. This SME would be able to play a robust role in the development of our economy if appropriate policy support is provided to this sector. Considering the contribution made by this sector, the government is committed to support the small producers and traders of this sector by providing

Turnover Tax

 necessary assistance and protection to them. Accordingly, the government raised the annual turnover to Taka 70 (seventy) lakh from Taka 60 (sixty) lakh in the last budget. With a view to further supporting this sector, I propose to raise the annual turnover to Taka 80 (eighty) lakh in the next financial year.

242. (a) Many domestic manufactures have been able to raise the quality of their product to international standard. As a result, many entrepreneurs have emerged as import substituting entity by competing with imported merchandise through participation in **Regulatory Reforms** the international tenders. In order to enhance the competitive edge of these kind of entrepreneurs in international tender and to encourage them to produce import substitutes, I propose that the supply of goods under international tender to be treated as "deemed export" and there should be no duty on such supply.

(b) In the event of any dispute in respect of the tax demanded or fine charged the taxpayer can prefer an appeal to the Commissioner (Appeal) by paying 10 percent of the tax demanded or fine charged. If the person is aggrieved by the decision of the Commissioner (Appeal), he can prefer a second appeal to the Appellate Tribunal and shall have to pay 10 percent again at the time of filling his appeal. I propose to abolish this system of payment twice in respect of a single case and make provision for one-time payment of 10 percent of tax demanded or fine charged until the case is finally disposed of. This measure would definitely encourage the taxpayers to speed-up the disposal of the pending cases and would pave the way to realize the much needed stuck up revenue.

(c) Presently, manufactures may take from 60 percent to 80 percent rebate of input VAT paid on the use of some services. I propose to raise this facility to 80 percent in respect of all such services. This measure would reduce both the cost of doing business and the price of the goods they produce.

Madam Speaker

243. In order to protect the legitimate interest of agriculture, industry, health, education and export sectors and also to encourage the development of domestic industry, I propose to allow VAT exemption or reduction at different transaction points of the following goods and services:

- (a) VAT on crude and refined palm oil, soybean oil and Crude Sun flower and Safflower oil at the import stage was reduced from 15 percent to 10 percent on certain condition and for up to 30 June, 2013. With a view to keeping the price of edible oil stable and within the buying capacity of the people, I propose to allow this concession up to 30 June, 2014.
- (b) Presently, ocean going vessel capacity exceeding 3000 DWT is enjoying VAT exemption at the import stage. With a view to protecting the interest of the local ship-building industry, I propose to allow this exemption to vessels capacity exceeding 5000 DWT both at the import and local manufacturing stages.
- (c) Some locally produced goods are enjoying VAT exemption at the import stage, such as:
 - (i) Poultry/ Dairy/Fish feed, all kinds of fertilizer, Insulin, Insulin pen. Streptokinase Injection, Wheel chair and carriages for disabled persons, Watches for blind and Hospital bed etc.. I propose to withdraw VAT from those items at the manufacturing level.
 - (ii) In order to supply LP gas for domestic uses, create employment opportunities, develop local industry and save foreign currency-the local manufacturing of LPG cylinder has been exempted from the payment of VAT for up to 30 June, 2013. I propose to extend this VAT exemption facility for up to 30 June, 2017 for the reasons as I mentioned earlier.
- (d) Huge number of poor people make their living by collecting cullet and plastic waste. In order to reduce the import-dependency of raw materials of glass and plastic goods manufacturing industries these foreign currency saving waste products are recycled. Considering these factors, I propose to withdraw local VAT from these two items.

244. The ongoing policy support and assistance of the government, for the development and protection of domestic industries, shall continue to be in force for the next year. The rate of supplementary duty on locally manufactured beauty and make-up preparations, preparations for the care of skin and hair, shaving preparations and other toiletries is at par with the imported merchandise of similar description. Huge number of middle class and lower middle class people are the principal users of those cosmetic and toiletries. With a view to protecting the interest of the local industry and to make the locally produced goods competitive, I propose to reduce the rate of supplementary duty on the goods, as I mentioned earlier, from 20 percent to 10 percent.

245. (a) Considering the health-risk and harmful effects of tobacco products, we are committed to reduce the use of tobacco and maximize revenue collection from this sector, I propose to enhance the existing value slabs of cigarettes from premium to lower segment by 21.21 percent, 19.32 percent, 13.13 percent and 15.70 percent respectively.

(b) Considering the interest of the local Bidi industry workers no reform or change in tariff value and tax structures of handmade bidi has been brought about for the last four years. On the basis of the existing tax structure, the price of 25 sticks of non-filter and 20 sticks of filter Bidi stands at Taka 4.36 and Taka 4.93 respectively. Because of being less expensive and easily available large number of people smoke this product and get sick. Taking all these factors into consideration, it is proposed to rationalize the existing tariff value and tax structure of Bidi, which will raise the price of 25 sticks of non-filter and 20 sticks of filter Bidi to Taka 5.80 and Taka 6.30 respectively.

**Change in
Supplementary Duties**

246. Imposition of a single rate of VAT following uniform rule at all points of supply namely, import, production, service rendering, whole sale and retail sale can deliver maximum benefits to the VAT

**VAT on Different
Stages of Business**

system. In the past, however, for different reasons including the absence of proper accounting method of VAT, tax could not be uniformly imposed and collected at the wholesale and retail points. Considering this, the small traders, wholesalers and shopkeepers who find it difficult to pay 3 percent on their annual turnover are entitled to pay Taka 2 thousand 7 hundred, Taka 5 thousand 4 hundred, Taka 7 thousand 2 hundred and Taka 9 thousand respectively depending on their turnover and locations. This amount of tax is too low, it needs to be rationalized. Considering this, I propose to increase the tax to Taka 3 thousand, Taka 6 thousand, Taka 9 thousand and Taka 12 thousand respectively depending on turnover and locations. The existing uniform trade VAT at the rate of 4 percent at all levels of wholesale and retail sales shall remain unchanged. However, for traders willing to pay VAT on actual value addition, a standard VAT at the rate of 15 percent would be applicable. For them input tax credit and adjustment facility on easy terms would be available.

247. In order to assist the small and cottage industries tax exemption facilities are made available to them. The worth of capital invested for plant, machineries and equipment should not exceed Taka 25 (twenty

Special Incentives for Small and Cottage Industries
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five) lakh is one of the conditions for availing this facility. Considering the importance of this sector, I propose to increase this investment ceiling for plant, machineries and equipment to Tk. 40(forty) lakh. I also propose to increase the annual turnover from existing Taka 40 (forty) lakh to Taka 60 (sixty) lakh. Apart from this, the power to allow this facility is proposed to be vested in the divisional officer in plakhe of Commissioner. It is expected that these measures would give a great boost to this sector.

248. We have received proposals from many quarters for making necessary legislative changes for resolving problems being faced by the taxpayers while taking input tax credit, if mandatory value declaration is not made in case of any change in the price of their input. In order to resolve this problem, I propose to bring about amendment to the concerned provision of law to this effect that if there is up to 5 percent increase in the price of input, no price declaration would be required; and if the price change is more than 5 percent; without increasing the value of the supply taxpayers would not be

entitled to input tax credit. Apart from this, I also propose to cancel the provision which creates obligation for the service renderers to make declaration of prices of their services.

249. If my proposals, with regard to the exemption of tax, in some cases, imposition of tax, rationalization of existing tax rates and tax bases along with other reform initiatives, are considered and adopted by this august House, I am sure, it will create a trade and taxpayers-friendly environment for all concerned including the small and medium industry, small traders, taxpayers and the consumers at large. I firmly believe that the collection of Value Added Tax will continue to increase for FY 2013-14 like previous years because of the aforesaid measures.

Chapter X

Conclusion

Honorable Speaker

250. The life-long dream of the Father of the Nation as articulated in his philosophy was that *the people will enjoy freedom and live happily with all amenities of life*. In the war-ravaged country, he initiated the glorious phase of fulfilling his dreams with the wider support from his people. But, the mission towards creating a non-communal, democratic and prosperous Bangladesh met with obstacles at the very beginning. Unfortunately, we lost our leader-the Father of the Nation. The fundamental ideology and spirit of our liberation were destroyed. Anti-liberation, violent, fanatic and communal forces were rehabilitated; people lost their rights of participation in running the affairs of the state. Against all odds, the nation remained indomitable. We upheld the legacy of the dream he had left. We have been trying relentlessly to make his dream a reality ever since. Vision 2021 of the grand alliance government is essentially a road-map of building the golden Bengal dreamt by Bangabandhu. Under the leadership of Bangabandhu's worthy daughter Hon'ble Prime Minister Sheikh Hasina, we, from the first day of our assumption of office, had been exerting all-out efforts to implement this vision. In all budgets, during our tenure, we have channeled resources keeping in view that goal. With participation of the people, we are devoted to establish a happy, prosperous and caring Bangladesh driven by technology. I can firmly say that our sincere efforts have not gone wayward.

251. So far, I have enumerated our commitments and the efforts that we put in to fulfill them. I frankly confess our weaknesses. We do not claim that we have been able to fulfill all our commitments. However, we can say that we have not fallen short of sincerity. Bangladesh now has a strong economic footing. Poverty of the country has declined fast and income inequality also reduced during our tenure. Illiteracy has reduced. Standard of education has improved. Public health is showing improvement. Remarkable progress has been made in the provision of power for promotion of business, commerce and industry and in building infrastructure. Visible development has been made in taking forward the task of establishing Digital Bangladesh driven by

improved technology. The recognition of our success has now spread far and wide.

Honorable Speaker

252. In a democratic system, the change of government through popular mandate is an established norm. It is a continuous process. I fervently hope that whoever forms the next government, will carry forward our unfinished tasks for the greater interests of the nation. My sincerest good wishes will always be with them. But, before I conclude, I would like to tell you with a heavy heart that the anti-liberation fundamentalist forces are out to jeopardize all our achievements made so far and thwart the on-going trial against war criminals for which the nation waited so long. Their mindless acts of violence and vandalism have put our hard-earned democracy at peril and cast a shadow of darkness on the economy. Fortunately, we have somehow been able to stem the tide of this anarchy and our future beckons us with all its possibilities.

253. I have just become an octogenarian. Throughout my life I have seen the twists and turns of events. In this long journey, life has offered me vicissitudes of despair and hope. I always found tranquility amidst turmoil. I could discern not just the silver lining over the clouds but an array of golden possibilities. In fact, I draw vitality from my audaciously abundant optimism. Our government believes in the collective forces and wisdom of the masses, reposes trusts on the unfathomable potentials of this nation. They had always sided with what is just and what is right at every turn of history. In the hours of peril and crisis they looked to the secular democratic forces with all confidence. And, I hope, it will be no different this time; they shall crush the evil force as they did in the past, march forward to a prosperous future, realize the dream articulated in the 'Vision 2021' that will leave a bright legacy for our posterity. Our united endeavors shall win the laurels, Insha Allah.

**JOY BANGLA
JOY BANGABANDHU
LONG LIVE BANGLADESH**

Table 1: Important Economic Indicators of Bangladesh

Indicator	Unit	2005-06	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 P	2013-14 F	
1	2	3	4	5	6	7	8	9	10	
Population*	million	141.8	143.8	146.7	147.7	150.6	152.5	-	-	
Nominal GDP	billion Tk.	4,157	5,458	6,148	6,943	7,967	9,181	10,380	11,888	
Real GDP Growth	growth in percent	6.6	6.2	5.7	6.1	6.7	6.2	6.0	7.2	
Revenue	billion Tk. % of GDP	425.5 (10.2)	594.7 (10.9)	645.7 (10.5)	759.0 (10.9)	929.9 (11.7)	1146.9 (12.5)	1396.7 (13.5)	1674.6 (14.1)	
Foreign Aid	Commit.	million US \$	1,787	2,842	2,444	2,984	5,969	4,764	5,118	6,000
	Disburs.	million US \$	1,567	2,061	1,847	2,228	1,777	2,126	2,684	3,370
Revenue Expenditure	billion Tk. % of GDP	381.2 (9.2)	529.9 (9.7)	622.8 (10.1)	759.7 (10.9)	950.0 (11.9)	1149.2 (12.5)	1369.6 (13.2)	1566.2 (13.2)	
Development Expenditure	billion Tk. % of GDP	174.9 (4.2)	185.5 (3.4)	194.4 (3.2)	255.5 (3.7)	332.8 (4.2)	375.1 (4.1)	523.7 (5.0)	658.7 (5.5)	
Deficit	billion Tk. % of GDP	-130.6 (-3.1)	-311.9 (-5.7)	-247.3 (-4.0)	-256.1 (-3.7)	-352.9 (-4.4)	-377.3 (-4.1)	496.6 (-4.8)	550.3 (-4.6)	
Total Investment (Public)	% of GDP	24.65 (6.0)	24.21 (4.9)	24.37 (4.7)	24.40 (5.01)	25.15 (5.64)	26.54 (6.53)	26.84 (7.85)	27.6 (8.6)	
Inflation (annual)	percent	7.2	9.9	6.7	7.3	8.8	10.6	7.5	7.0	
Export	billion US \$ growth in %	10.5 (21.6)	14.1 (15.8)	15.6 (10.3)	16.2 (4.1)	22.9 (41.5)	24.3 (6.0)	26.9 (12.0)	30.9 (15.0)	
Import, fob	billion US \$ growth in %	13.3 (12.1)	19.5 (25.6)	20.3 (4.2)	21.4 (5.4)	30.3 (41.8)	31.9 (5.4)	34.3 (3.0)	37.7 (10.0)	
Remittances	billion US \$ growth in %	4.8 (24.8)	7.9 (32.4)	9.7 (22.4)	11.0 (13.4)	11.7 (6.0)	12.8 (10.2)	14.9 (16.0)	17.0 (15.0)	
Exchange rate, average	Taka/US\$	67.1	68.6	68.8	69.2	71.2	79.1	80.3	-	
Forex Reserve, year end	billion US \$	3.5	6.1	7.5	10.7	10.9	10.4	14.3	14.7	
Food Production	Lakh metric ton	277.8	311.2	328.9	341.1	355.3	361.8	361.1	-	

Sources: BBS; Finance Division; ERD, EPB; P=provisional; F=Forecast/Budget, * Calendar Year

Comments

BBS has estimated nominal GDP, real GDP, and Investment for FY 2012-13 using eight months' data. However, the Ministry of Finance considers this provisional figure very conservative. The nominal and real GDP growth in

FY13 are likely to be higher. Real GDP growth may range between 6.3 to 6.8.

This estimate centers on the followings:

- (1) For FY13, BBS estimates 2.17 percent (against 3.11 percent in FY12), 8.99 percent (against 8.90 percent in FY12), 5.73 percent (against 5.96 percent in FY12) growth in agriculture, industry and services sector, respectively. They have used last year's numbers for three major crops- potato, maize, and boro. But, we already know that potato yield rose by 10.0 percent whereas maize will grow at least 16.0 percent. Area under production and crop prospect indicate higher than 187.59 lakh metric ton boro harvest. In other words, agricultural growth will surpass last year's yield and thereby services sector will also record higher growth.
- (2) As regards investment, private sector investment is estimated to be 18.99 percent of GDP in FY13 against 20.40 percent in FY12. Conversely, public investment will rise from 6.5 to 7.85 percent. Altogether, Investment-GDP ratio will hit the highest 26.84 percent. This will obviously reflect on overall economic growth.

**Table-2: List of Successfully Implemented Policies/Programmes/
Activities Included in the Last Four Budgets**

SI No	Budget Commitments
Budget and Planning	
1.	Perspective Plan 2010-21 formulated
2.	6th Five-Year Plan (2010-2015) formulated
3.	Public Monies and Budget Management Act, 2009 enacted
4.	The global recession successfully tackled
5.	Impressive credit rating from international credit rating agencies like Moody's and Standard & Poor's achieved and retained
6.	The timeframe of the 3-year MTBF extended to 5 years in line with Sixth Five Year Plan
7.	Budget and Planning branches established in all ministries/divisions
8.	Economic code based mapping of development and non-development budgets started
9.	All ministries/divisions brought under MTBF
10.	Performance Audit undertaken on pilot basis
11.	Macroeconomic model and macroeconomic database established
12.	A state of the art debt database installed to enhance the capacity of public debt management
13.	A database installed for keeping accounts and ensuring management of government's equity in various corporations
14.	List of large foreign aided projects prepared, monitoring activities taken and an index of external resource mobilization prepared
15.	Reviewing progress of large 50 projects financed by projects aid initiated
Financial Sector	
16.	Money Laundering Prevention Act, 2012 enacted
17.	Anti-Terrorism (Amendment) Act, 2012 enacted
18.	Insurance Act, 2009 enacted
19.	The Securities and Exchange Commission (Public Issue) Rules, 2006 amended
20.	The Securities and Exchange Commission (Mutual Fund) Rules, 2001 amended
21.	The Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996 amended
22.	The Exchanges (Demutualization) Act, 2012 passed in the parliament
23.	The Securities and Exchange Commission Act, 1990 amended
24.	The Securities and Exchange Ordinance, 1969 amended
25.	The Securities and Exchange Commission (Private Plakement of Debt Securities) Rules, 2012 issued

SI No	Budget Commitments
26.	Insurance Development and Regulatory Authority Act, 2009 enacted, Insurance Development and Regulatory Authority (IDRA) established and process started to formulate Insurance Corporation Act, 2013
27.	Bangladesh Development Bank Ltd. established by merging Bangladesh Shilpa Bank and Bangladesh Shilpa Rin Shangstha
28.	The face value of all shares and mutual funds listed with the stock exchanges reset to Tk 10
29.	The mandatory provision for sponsor-directors of listed limited companies to hold individually minimum 2.0 per cent and collectively 30 per cent share made
30.	The Corporate Governance Guidelines modernised
31.	A network connecting all departments of the head office with branches of Bangladesh Bank established
32.	The total accounting and human resource management systems of Bangladesh Bank brought under Enterprise Resource Planning (ERP) software
Business Environment	
33.	Bangladesh Economic Zones Act, 2010 enacted, Bangladesh Economic Zones Authority established and five sites identified to establish economic zones
34.	Gazette notification of PPP Policy and Guidelines, 2010 issued
35.	Guidelines and Scheme for using Viability Gap Fund issued
36.	Drafts of proposed Export Policy 2012-15 and Import Policy 2012-15 sent for cabinet's approval
37.	Competition Act, 2012 enacted
38.	One-stop service for investors introduced
39.	Full-fledged bond commissionerate and appellate commissionerate established in Chittagong
40.	PPP Technical Assistance Fund and Viability Gap Fund (VGF) guidelines issued
41.	PPP Office established
42.	A company named Bangladesh Infrastructure Finance Fund Limited (BIFFL) formed
43.	Technical Assistance Fund formed to provide technical assistance to PPP pilot projects and guidelines and scheme for utilisation of this fund formulated
44.	Investment Promotion and Financing Facility (IPFF) project implemented with financial assistance of the World Bank to finance PPP infrastructure projects

SI No	Budget Commitments
Power and Energy	
45.	Power Sector Master Plan approved
46.	Renewable Energy Policy formulated
47.	Gas Development Fund Policy formulated and Gas Development Fund formed
48.	Power and Energy Fast Supply Enhancement (Special Provisions) Act, 2010 enacted
49.	Bangladesh Gas Act, 2010 enacted
50.	Mine and Mineral Rules, 2012 issued
51.	3,385 MW of electricity added to the national grid by February 2013
52.	Current power generation capacity is 8,825 MW which is more than the target (8,294 MW) for 2013
53.	Additional 644 kilometres of transmission lines and 24,980 kilometres of distribution lines laid out and 10 new sub-stations installed
54.	90 MW of electricity produced from renewable energy source
55.	424 MW of additional power produced by repairing 8 old gas based power plants
56.	57,000 pre-paid metres installed and 60,000 more in the process to reduce the system loss of electricity
57.	80-90 MW of power saved by introducing energy saving bulbs
58.	Gas Development Fund formed to invest in gas sector
59.	Storage capacity of liquid petroleum products increased by 89,700 MT
60.	Extractable oil reserves of 55 million barrels in Koilashtila and Haripur discovered
61.	Production of 2,260 million cubic feet of gas daily from 84 wells of 19 fields
62.	510 million cubic feet of additional gas being added to the national grid
63.	65-70 million cubic feet of gas supplied to the national grid daily by BAPEX, the only local gas exploration company
64.	Lalmatia and Mohammadpur, two residential neighbourhoods of Dhaka, brought under pre-paid gas metering system
65.	3D seismic survey of 1,370 square km completed by BAPEX's own manpower
66.	Bangladesh Atomic Energy Regulatory Authority formed as an independent authority
Integrated Agriculture and Rural Development	
67.	Self-sufficiency in food production achieved

SI No	Budget Commitments
68.	Agricultural Input Assistance Cards provided to 1.43 crore farmers and bank account with nominal 10 taka deposit opened for 95 lakh farmers
69.	Opportunity created for expansion of cultivable land and increasing cropping intensity
70.	Subsidy in agriculture continued
71.	Seed production, supply and storage capacity enhanced. <i>Boro</i> seed supply capacity of BADC raised from 18 per cent in FY09 to 60 per cent at present
72.	Optimum use of fertiliser ensured
73.	18 thousand hectares of fallow land made cultivable by introducing hybrid seeds and technology
74.	Bangabandhu Poverty Alleviation and Rural Development Academy Act, 2012 enacted
75.	Water logging in <i>Haor</i> areas being removed
76.	Haor Board formed
77.	Agriculture Research Council Act, 2011 enacted for strengthening agricultural research programme
78.	Cultivation of salinity tolerant BINA-8 and BRI-47 rice started
79.	Salinity tolerant BRI-53 and 54, BRI-51 and 52 for flood prone area invented
80.	The programme for applying fertilisers on the basis of digitally assessed soil fertility in 30 Upazilas introduced
81.	Agricultural Research Foundation and Trustee Board formed for conducting agricultural research
82.	Jute riboner (for extracting fibre) machines and cash assistance provided
83.	Since FY10, every year about 18 lakh compost fertiliser stacks were being installed in the home yards of farmers to promote use of organic fertiliser
84.	E-information services introduced in agriculture
85.	Database in all unions across the country established
86.	12 lakh fair price cards among the poor distributed
87.	SAARC Seed Bank Agreement signed
88.	Refinancing fund of Tk. 500 crore established for the share croppers
89.	Water logging in southern and western regions being removed
90.	Annual average growth of 6.22 per cent in fish production achieved in last 4 years since FY09
91.	12 endangered species of fish preserved
92.	Fish Feed and Animal Feed Act, 2010 enacted
93.	Fish Hatchery Act, 2010 enacted

SI No	Budget Commitments
94.	Community based fisheries organisations formed
95.	433 new fish sanctuaries in various rivers and open water bodies established in last four years
96.	<i>Jatka</i> (small Hilsa fish) preserved
97.	Environment friendly shrimp cultivation increased from 0.98 lakh metric tons in FY02 to 2.5 lakh metric tons in FY12. National Shrimp Policy, 2013 presented for approval
98.	Cattle Grazing Land Policy for the Cooperatives, 2011 issued
99.	Animal Slaughter and Meat Quality Control Act, 2011 enacted
100.	Plant Quarantine Act, 2010 enacted
101.	Flow of agricultural credit continued
102.	Implementation of 'One Home, One Farm' project started
103.	484 cooperative markets started throughout the country
104.	Bangladesh Water Act, 2013 enacted
105.	First phase of the Char Livelihood Project completed and implementation of the second phase started to improve the standard of living and eradicate poverty among the people living in <i>Char</i> areas
106.	Medium term programmes for capital and maintenance dredging undertaken
Overall Education Sector	
107.	Education Policy issued
108.	100 per cent free books at primary level distributed
109.	26,193 registered private, community and other primary schools nationalised
110.	More than 7 lakh dropped-out and underprivileged children were provided education opportunity in 22 thousand education centres through 'Reaching Out to School Children' project
111.	Basic education provided to 1.66 lakh children urban 'Basic Education to Urban Working Children' project
112.	Pre-primary education in all government primary schools launched
113.	Distribution of books free of charge at secondary level
114.	Private University Act, 2009 enacted
115.	Public universities in Barisal and Gopalganj established
116.	The rate of stipend increased to 100 per cent in slums and areas affected by <i>monga</i> /cyclone/river erosion
117.	Number of students receiving stipends increased to 78.2 lakh from 48.2 lakh in 2009
118.	Rules to provide subvention to the registered and community primary school teachers equal to the salary of government primary school teachers formulated
119.	370 primary schools affected by flood and river erosion reconstructed

SI No	Budget Commitments
120.	School feeding programme in poverty-stricken areas launched
121.	Prime Minister's Education Assistance Trust Act, 2012 enacted and Prime Minister's Education Assistance Foundation established
122.	National Skill Development Council secretariat established and staff recruited and trained for skill development
123.	1,33,332 female students selected for stipends at undergraduate level
124.	Stipends provided to 10 per cent poor male students along with 30 per cent poor female students at secondary level
125.	Curriculum on Information and Communication Technology introduced and made mandatory in 6 th to 12 th grades
126.	Creative Talent Hunt Policy, 2012 formulated and Talent Hunt Competition 2013 successfully completed
Health and Family Welfare	
127.	12,217 Community Clinics launched
128.	5 new medical colleges and 5 Institutes of Health Technology constructed
129.	12 nursing institutes constructed
130.	4,000 posts of senior staff nurses brought under revenue budget
131.	Upazila and district hospitals upgraded to 50 and 250 beds respectively
132.	Bangladesh Medical and Dental Council Act, 2010 enacted
133.	The Drugs (Control) Ordinance, 1982 amended
134.	National Health Policy, 2011 finalised
135.	National Population Policy, 2012 finalised
136.	Patients Welfare Fund Policy and User Fee Collection Policy formulated
137.	e-Health programme introduced and internet connection to 800 government hospitals and medical centres provided
138.	Mobile phone distributed to 64 district hospitals, 421 upazila hospitals and 500 other hospitals
139.	40,000 personnel in various posts of health sector recruited
140.	6,500 staff recruited in the Directorate of Family Planning
141.	Medical waste management in 133 upazila health complexes launched
142.	Percentage of immunized children under one year increased to 80.2 under EPI programme
143.	Immunization from 6 diseases by a single vaccine introduced
144.	Rate of child mortality under five years reduced to 53 from 65 per thousand in recent years
145.	Rate of maternal mortality reduced to 1.94 from 3.48 per thousand during in recent years

SI No	Budget Commitments
146.	Percentage of only breast-fed babies up to six months of age raised from 42 per cent to 64 per cent
147.	Percentage of providing Vitamin A capsule to children between age group from 6 months to 5 years increased to 90. Prevalence of <i>Ratkana</i> disease (night blindness) reduced by 0.04 per cent
Youth and Sports, Culture and Religion	
148.	Bangabandhu Krirasebi Welfare Foundation Act, 2010 passed and Bangabandhu Krirashebi Welfare Foundation established
149.	Small Ethnic Groups Cultural Institution Act, 2010 passed
150.	International Mother Language Institute Act, 2010 passed
151.	National Hajj Policy, 2010-14 issued
152.	Integrated policy to supply books to libraries formulated
153.	Public libraries in 31 districts constructed
Physical Infrastructure	
154.	Dhaka Transport Coordination Authority Act, 2012 passed and Dhaka Transport Coordination Authority established
155.	20-year Road Master Plan formulated and published
156.	20-year (2005 to 2024) Strategic Transport Plan (STP) approved
157.	National Road Safety Strategic Action Plan (2011-2013) formulated and published
158.	Extra-dozed Box Girder bridge on the Karnafuli constructed
159.	Construction of Mirpur-Airport flyover and Banani rail crossing overpass completed
160.	Construction of Pangaon internal container terminal completed
161.	Real Estate Development and Management Act, 2010 enacted
162.	Private Real Estate Land Development Rules, 2004 amended
163.	Colony constructed to resolve housing problems of underprivileged community
Industrialization	
164.	Industrial Policy, 2010 approved
165.	Policy framed for provide group-wise SME loan of Tk 50,000 for women entrepreneurs
166.	15 per cent of the total amount of refinancing schemes allocated for women entrepreneurs
167.	BJMC's banking and some other liabilities paid by the government and jute sector revitalized
168.	EPZ workers Welfare Association and Industrial Relations Act, 2010 passed

SI No	Budget Commitments
169.	Mandatory Use of Jute Package Act, 2010 passed
170.	Facility for refinancing SME sector through four funds continued
171.	Bangladesh Textile University Act, 2010 passed
172.	Policy and Strategy for Public-Private-Partnership (PPP), 2010 issued
173.	Bangladesh Rubber Policy, 2010 issued
174.	National Salt Policy, 2011 issued
175.	Ship-Breaking and Recycling Policy, 2011 issued
176.	Jute Policy, 2011 issued
177.	National Skill Development Policy, 2012 issued
178.	Labour Welfare Association and Industrial Relations Act, 2010 passed
179.	Bangladesh Tourism Board Act, 2010 passed
180.	National Tourism Policy, 2010 issued
181.	Bangladesh Tourism Reserved Area and Special Tourism Zone Act, 2010 passed
182.	Trademarks Act, 2009 passed
183.	Consumer Rights Protection Act, 2009 passed
184.	Chartered Secretaries Act, 2010 passed
185.	Cash incentives for strategic industries continued
186.	Loans of 279 sick industries of RMG sector were written off
187.	Loans of 69 sick industries of Jute and Textile sector were written off
188.	Loan repayment time for frozen food industries extended
189.	Digital e-Purji introduced for sugar cane farmers and Manthan Asia Award achieved
Climate and Environment	
190.	Climate Change Trust Act, 2010 passed and Climate Change Trust Fund created
191.	Bangladesh Climate Change Strategy and Action Plan, 2009 issued
192.	Bangladesh Climate Change Resilience Fund created
193.	Bangladesh Environment Conservation (Amendment) Act, 2010 passed
194.	Environment Court Act, 2010 passed
195.	Hazardous Waste and Ship-Breaking Waste Management Rules, 2011 issued
196.	National Disaster Management Plan 2010-15 approved

SI No	Budget Commitments
197.	National Institute of Bio-Technology Act, 2010 passed
198.	2,620 arsenic free water sources constructed in arsenic prone areas
199.	Sanitation coverage of 91 per cent achieved which is highest among SAARC countries. Cent per cent sanitation coverage achieved in 4 districts, 58 municipalities, 114 upazilas and 1,387 unions
200.	Brick Manufacturing Control Act, 2013 formulated
201.	Rivers surrounding Dhaka declared as environmentally critical area and directives given to protect these rivers from pollution
202.	Effluent Treatment Plant (ETP) in 834 industrial units installed
203.	A 200 crore taka fund created in Bangladesh Bank to provide concessional credit for establishing ETPs in factories for mitigating environmental pollution
204.	21 new district level offices of the Department of Environment opened
205.	34 areas declared as environmentally reserved area for protecting biodiversity. This reserve areas are currently about 1.8 percent of the total land mass of the country
206.	Biosafety Rules, 2012 framed
207.	Wildlife (Conservation and Control) Act, 2012 passed
208.	Saw Mill (License) Rules, 2012 issued
Digital Bangladesh	
209.	e-Service centres established in 64 districts; one district declared as digital district
210.	Test launch of 3G mobile technology on commercial basis
211.	Legal framework formulated to promote e-commerce including e-payment and mobile banking
212.	To maintain security of e-payment and e-commerce, 6 certifying authorities are licensed and 3 of them started digital signature certification programme
213.	Tele density and internet density increased to 64.64 per cent and 19.93 per cent respectively
214.	Web portals in 24,000 government offices in district, upazila and union levels launched
215.	Submarine cable bandwidth upgraded from 44.6 Gbps to 200 Gbps
216.	More than 4,000 union information and service centres established
217.	National ICT Act, 2009 passed and ICT Policy, 2009 issued
218.	Science and Technology Development Trust Act, 2011 passed
219.	Rules/regulations/guidelines issued under the digital signature programme

SI No	Budget Commitments
220.	e-Commerce licensing guidelines, audit guidelines and CPS guidelines formulated and certified company selected
221.	Programme for bringing all government offices under an integrated IT network to operationalise e-Governance initiated
222.	e-Procurement and e-Monitoring systems for all types of government purchases introduced
223.	Air travel/cargo carrying brought under e-Commerce
224.	National Information and Communication Technology Policy, 2009 issued
225.	International Long Distance Telecommunications Services (ILDTS) Policy, 2010 issued
226.	National Science and Technology Policy, 2011 issued
227.	Bangladesh High-Tech Park Authority Act, 2010 passed
228.	National Museum of Science and Technology Act, 2010 passed
229.	Fund allotted to Equity and Entrepreneurship Fund (EEF) for promoting entrepreneurs in IT sector
230.	Networking, enterprise resource planning, banking application, and IT lab established for automation of Bangladesh Bank's operations
231.	Enterprise data warehouse established in Bangladesh Bank to implement e-commerce
Poverty Reduction and Social Security	
232.	One stop service for disabled persons introduced
233.	35 service centres for physically challenged persons established since FY10 and 33 more are in pipeline
234.	Monthly allowance of taka 300 given to insolvent physically challenged persons
235.	Monthly allowance of taka 300 given to insolvent widows and women abandoned by husbands. The number of beneficiaries in FY13 was 9.2 lakh
236.	Subsistence allowance to orphans and capitation grants to private orphanages continued
237.	Park for autistic children established in the Mirpur Autism Resource Centre; Autism corner launched in 35 handicapped service centres
238.	The number of beneficiaries of old age allowance raised from 20 lakh to 24.75 lakh
239.	Interest-free loan for employment generation of the hard-core poor launched. Taka 50 crore allocated in FY 2012-13 for this programme
240.	Fund created to generate self-employment for the acid victims and physically challenged women
241.	Employment opportunities in the monga prone areas generated

SI No	Budget Commitments
242.	The storage capacity for food grains raised from 14.50 to 16.50 lakh metric tons and preserving emergency food stock of more 10 lakh metric tons
243.	To keep food price stable and fair, OMS and food distribution programmes continued
244.	'Ghore Phera' program restarted
245.	Shelter homes for the urban floating people constructed
246.	Vagrant and Shelter less Persons (Rehabilitation) Act, 2011 passed
247.	Bangabandhu Rural Development Academy and Poverty Reduction Act, 2012 passed
248.	Wildlife Victim Compensation Policy, 2010 issued
249.	Forest Conservation Victim Compensation Policy, 2011 issued
250.	Cyclone Shelter Construction, Maintenance and Management Policy, 2011 issued
251.	6,186 cyclone resistant houses in three coastal divisions built with the Climate Trust Fund
252.	Contingency plan for quick recovery from disaster formulated
253.	16,000 city volunteers trained and equipped in Dhaka, Chittagong and Sylhet with a target to organise a total of 32,000 volunteers
254.	Early warning of disaster through SMS in Cox's Bazar and Sirajganj districts launched with the help of Grameen Phone and Teletalk networks
255.	System launched to receive daily weather reports and warning signals by dialling 10941 from any mobile other than City Cell and Airtel
Employment and Expatriate Welfare	
256.	National Service introduced and coverage gradually expanded
257.	Manpower exported to 15 new countries
258.	Immigration and Skills Development Fund created and training provided to female migrating workers
259.	Expatriate Welfare Bank Act, 2010 passed
260.	Expatriate Welfare Bank established and credit of taka 20 crore with 9 per cent interest rate provided to aspirant migrant workers
261.	Branches of Expatriate Welfare Bank opened in divisional cities and districts with large number of expatriate workers
262.	Automated migration management system introduced
263.	Expatriate Welfare Desk in every airport opened
264.	Expatriate Welfare Desk in every deputy commissioner's office opened
Women and Child Welfare	
265.	Women Development Policy approved

SI No	Budget Commitments
266.	Gender-responsive budget formulated (separate report prepared for 40 ministries/divisions)
267.	Share for women in the budget ensured
268.	Separate bank credit facilities ensured/expanded for women entrepreneurs
269.	Dedicated desks for women entrepreneurs opened in all banks and non-bank financial institutions
270.	One stop crisis cell in 40 district hospitals and 20 upazila health complexes established
271.	VGD cards for poor and rural poor women continued for their socio-economic development
272.	National Child Labour Elimination Policy, 2010 issued
273.	Child development centre for deprived street children established
274.	44 day care centres in 6 divisional cities and 13 district headquarters are operating
275.	Maternity allowance to poor mothers raised to taka 350
276.	Maternity allowance of taka 350 per month is paid to urban low income working mothers
277.	Pre-primary education provided to more than 8 lakh children
Welfare of Freedom Fighters	
278.	Policy for providing ration to freedom fighters issued
279.	The rate of monthly allowance for the freedom fighters enhanced from Tk 900 to Tk 2,000
280.	Medical assistance provided to the nationally honoured freedom fighters
281.	Foreign friends and organisations of different countries honoured in recognition of their remarkable contribution to our war of independence. So far, 562 individuals and organizations honoured
Good Governance	
282.	Economic rights over 200 nautical miles in the Bay of Bengal and its continental shelf established following the historic verdict delivered by ITLOS
283.	Trial of war criminals started; 3 verdicts already pronounced
284.	Death sentences of 5 convicts of the Bangabandhu murder case executed
285.	Right to Information Act, 2009 passed
286.	National Pay Scales, 2009 implemented
287.	Border Guard Act, 2010 passed
288.	The Public Interest related Information Disclosure (Protection) Act, 2011 passed

SI No	Budget Commitments
289.	The Constitution (Fifteenth Amendment) Act, 2011 passed
290.	The Vested Property Return (Amendment) Act, 2011 passed
291.	Graffiti Writing and Poster Pasting (Control) Act, 2012 passed
292.	Human Trafficking Prevention and Control Act, 2012 passed
293.	Mutual Assistance in Criminal Matters Act, 2012 passed
294.	Pornography Control Act, 2012 passed
295.	Election Commission Secretariat Act, 2010 passed
296.	Electoral Roll Act, 2009 passed
297.	National Human Rights Commission Act, 2009 passed
298.	Mobile Court Act, 2009 passed
299.	National Identity Registration Act, 2010 passed
300.	Comprehensive policy for providing books to libraries issued
301.	Skill Development Fund worth Tk.140 crore created
302.	Local Government (Union Parishad) Act, 2009, Local Government (Municipality) Act, 2009 and City Corporation Act, 2009 passed
303.	Upazila Parishad (Amendment) Act, 2011 passed
304.	Administrators in 61 district councils appointed
305.	Balumahal and Soil Management Act, 2010 passed
306.	Government Jalamahal Management Policy, 2009 issued
307.	Information database and comprehensive master plan for the development of <i>Haors</i> and wetlands prepared
308.	Land zoning on the basis of land use completed in 152 upazilas of 21 districts
309.	4.41 lakh khatians of 191 mouzas and 4,089 mouza map sheets of Dhaka city area digitized and uploaded in the website of Directorate of Land Records and Survey
310.	Rate of tax deducted at source for land registration reduced
311.	Consistency established in providing rations to various disciplined forces
312.	National Skill Development Policy, 2011 issued
313.	Consumer Right (Meeting and Operation) Rules, 2010 and Consumer Right (Accounts and Audit) Rules, 2010 issued
314.	National Consumer Rights Protection Department (Officers and Employee) Recruitment Rules 2012 formulated
315.	District Consumer Right Protection Committees in 61 districts formed
316.	Cable Network Operation and Licensing Rules, 2010 issued
317.	Electronic Government Procurement Policy issued

SI No	Budget Commitments
318.	Internet connectivity hardware and software in all districts installed to implement e-GP and Procurement Management Information System (PROMIS)
319.	Journalist Assistance Allowance/Grants Guidelines, 2012 formulated
320.	Nearly cent per cent birth registration completed
Revenue Administration	
321.	VAT and Excise Duty Act, 2012 enacted
322.	The Customs Act, 1969 amended
323.	Alternative Dispute Resolution launched
324.	Projection of tax to GDP ratio raised to 13 per cent by 2016 as against 11.2 per cent achieved in FY 2012-13
325.	Income tax administration restructured for expansion up to upazila level and 85 new upazila tax offices opened
326.	System of online payment of taxes introduced
327.	Holding of tax fairs in September each year at all divisional towns introduced
328.	A two-page income tax return form for low income tax payers under the spot assessment programme introduced
329.	Provision for tax rebate on corporate social responsibility spending introduced
330.	The remuneration of Ministers, State Ministers and Members of Parliament declared taxable
331.	Payment of taxes on salary income by the government employees from their own sources introduced
332.	Tax exemption and tax holiday facilities reduced/curtailed
333.	Tax information and service centres established in Dhaka and Chittagong
334.	2 new custom houses, 1 bond commissionerate, 4 VAT commissionerates, 3 appeal commissionerates, 56 VAT divisional offices and 146 VAT circles established through administrative reorganisation
335.	Chittagong Custom House (Import and Export) unified

Table-3: Ongoing priority programmes

Sl. No.	Budget Commitments	Implementation Progress
Budget and Planning		
1.	Preparation, processing, implementation and evaluation of projects	A project titled 'Digital ECNEC' has been undertaken for preparing, processing, implementation and evaluation of projects through online.
2.	Ensuring appropriate utilisation of project aid	A tripartite initiative has been undertaken to resolve problems and expediting the implementation of foreign aided projects.
3.	Monitoring the implementation of Development projects of 10 large Ministries/Divisions	<ul style="list-style-type: none"> • Emphasis has given on the monitoring of Projects • Revising procurement plan and providing relevant advices through monitoring progress of the implementation of development projects of 10 large ministries/divisions by the Task Force of IMED on a regular basis • Providing information and data related to the implementation of ADP to the Parliament and other relevant authorities on a regular basis
4.	Formulating Audit Act for budget implementation	A draft Audit Act is underway
5.	Update the existing budget classification in line with the international standard	Updated budget classification is at the final stage and piloting is proposed on the next fiscal year
6.	Developing a database containing information data related to the salary/allowances, pension, pay-role and other relevant information of all level officers and employees of the republic	Initial activities undertaken developing the database meanwhile.
7.	Exploring the alternative sources of foreign assistance	Work in progress
8.	District budget	A budget statement of Tangail district has been plashed before the Parliament along with the budget of

Sl. No.	Budget Commitments	Implementation Progress
		FY 2013-14
	Financial Sector	
9.	Bank Company Act (amendment) 2013 and reform of the Financial Institutions	Draft Bank Company Act (amendment) 2013 and reform proposal sent to the concerned standing committee after plaking before the Parliament
10.	Controlling unethical financial practices	Introduction of penal measures against any banking activity in the name of cooperatives without the approval of Bangladesh Bank. The progress of bringing the multi-level marketing companies and social organisations under a legal framework is underway.
11.	Installing National Payment Switch	Installation of the National Payment Switch in the light of National Information and Communication Policy is about to be completed
12.	Amendment of the Company Act, 1994	Work in progress
13.	Preparing Financial Reporting Act and establishing Financial reporting Council	Work in progress
14.	Establish Bangladesh Fund	Approve the fund and exclusion of Securities and Exchange Commission
	Business Environment	
15.	Reducing the time lag of distribution of original land registration deed	Efforts are being implemented to reduce the time lag of distribution of land registration deeds to 2-7 days.
16.	Digitization of the Land Registration	Initial preparations completed
17.	Automation of Judiciary	Necessary information including status of cases under trial, date of hearing and judgment of cases and cause lists have been displaying on electronic board to reduce the harassment of the litigants Data center has been installed at the Supreme court
18.	Use of modern technology in all	Procurement of ASYCUDA-World

Sl. No.	Budget Commitments	Implementation Progress
	units of the customs department for advance cargo declaration and customs clearance as well as auto generation of customs receipts accounts	software is in progress.
19.	Digitisation of treasury chalans	Activities are in progress in respect of depositing all kinds of government receipts online and through mobile phones
20.	Automation of activities related to business and investment	Work in progress
21.	Digitised land survey and management	Land survey process is being digitized in 61 districts
22.	Operationalization of PPP	<ul style="list-style-type: none"> • Preparation of draft PPP Act, PPP project scanning manual, tender processing manual and other relevant documents are at the final stage • Implementation of 10 and more PPP projects of road, health, ICT, housing, shipping and railway sectors are underway
23.	Establishment of Economic Zone	Establishment of 5 Economic Zones are underway
24.	Establish competition commission	Work in progress
25.	Mandatory enforcement of Alternate Dispute Resolutions	Plaking Bills on the amendments of Acts on Tax, VAT, Customs, Civil Procedure Codes
26.	Strengthen TCB	Work in progress
27.	Establish Border Hat with India	2 Border Hats already established and 4 others are underway
Power and Energy		
28.	Construction of Ruppur Nuclear Power Plant	A State Export Credit agreement to undertake initial activities constructing Ruppur Nuclear Power Plant and another agreement to establish Nuclear Industry Information Centre has been signed with the Russian Federation.
29.	Construction of coal fired power plants	<ul style="list-style-type: none"> • Agreement signed to install 3 power plants of 1,088 MW of

Sl. No.	Budget Commitments	Implementation Progress
		electricity <ul style="list-style-type: none"> Initial activities are underway to construct coal fired power plant to produce 1,320 MW of electricity
30.	Conducting feasibility study for small hydraulic power projects	Work in progress
31.	Removing the gap between demand and generation of power	The gap between demand and generation of power will be removed by 2014 (Demand – 9,268 MW and Generation – 9,198 MW)
32.	Producing electricity from paddy husk	Installation of a power plant to generate electricity from paddy husk is underway with assistance from IDCOL
33.	Distribution of electricity to all villages by 2021	53 solar power plants already installed and 14 are underway while 200 another is planned to be installed in future
34.	Updating the National Energy Policy	Waiting for the opinion of the technical committee
35.	Formulation of Coal Policy	Waiting for the opinion of the technical committee
36.	Launching the natural gas exploration in the bay	About 12.5 mn cft of gas is being extracted on a daily basis from Sangu Gas Field – <ul style="list-style-type: none"> Survey has already completed under the Production Sharing Contract PSC with Conoco Philips for the exploration of gas and oil from 2 blocks
37.	Exploration of on-shore/off-shore gas	Final declaration of Off-shore bidding round 2012 for 9 blocks at shallow sea zone and 12 blocks at deep sea area in the context of disposal of maritime boundary dispute between Bangladesh and Myanmar
38.	Exploration drilling at Kapasia/Mobarokpu/Shundalpur/Srikail by BAPEX	About 1 thousand meter drilling completed at Kapasia, Sundalpur and Srikail
39.	Construction of 356 KM line to	Construction of 4 pipe lines is

Sl. No.	Budget Commitments	Implementation Progress
	expand the gas supply to west/south-west side of the country	underway with financing ADB and GoB.
40.	Strengthen the BAPEX	4 projects are under implementation to strengthen BAPEX. In addition, manpower of the organization are being trained from home and abroad
41.	Importing 500 mn cftd of Liquefied Natural Gas (LNG) from Qatar by December 2012	An MoU has been signed to import 500 mn cft of LNG from Qatar by June 2013
42.	Enacting Sustainable Energy Development Authority Act, 2012	The draft act has been prepared and will be planked before the Parliament soon after the necessary revision
43.	Threefold enhancement of the capacity of Eastern Refinery	Work in progress
44.	Installation of Single Point Mooring	Installation of Single Point Mooring is underway for faster unloading of imported crude oil and reducing time lag
Integrated Agriculture and Rural Development		
45.	National Agricultural Policy, 2012	The formulation of policy is in progress
46.	Ensuring supply of improved seeds	Work in progress to distribute the 1.47 lakh MT seeds of various crops through BADC
47.	Crop Insurance	Experimental crop insurance is underway at Debidbar Upazila of Comilla district under the supervision of BARD.
48.	Providing irrigation facilities protecting land from floods	33 million MT of food grains will be produced after the completion of 14 projects at the cost of Tk. 1,790 crore
49.	Using surface water for expansion of irrigation	Surface water is being used for irrigation and expansion of such irrigation is underway
50.	Recovery of land by reducing soil salinity and water logging	9,586 families will be rehabilitated by recovering 5,550 hectares of land within next five years
51.	Formulation of Agricultural Land Protection and Land Use Act 2011	Draft Act has been prepared and stakeholder's consultation is going on
52.	Formulation of a comprehensive	Pre-feasibility study has been

Sl. No.	Budget Commitments	Implementation Progress
	master plan for the development of Haors and wetlands	completed to prepare comprehensive Master Plan
53.	Establishing a modern laboratory to produce vaccine for bird flu	A government financed project titled 'Modernisation of Vaccine Production Technology and Extension of Laboratories' is underway for the prevention, diagnosis and treatment of animal diseases
54.	Expanding training facilities for the livestock farmers	Various projects and programmes under both ADP and revenue budget are underway at Upazila level
55.	Employment generation project for the Hardcore poor of Mongaprone northern area	Project is under implementation at 153 unions of 35 Upazilas of 5 Districts
56.	Updating the food policy	Work in progress
57.	Adopting an integrated approach for food procurement, storage and distribution	Government has already issued an SRO against illegal hoarding. The amount of total procurement, stock and distribution of food grains are 14 lakh, 11 lakh and 14.25 lakh MT respectively
58.	Expanding capacity of food godowns	The capacity of the government food godowns has been increased from 14.5 lakh to 16.50 lakh MT
59.	Reducing dependency ratio of surface water and ground water to 50:50	Work in progress and present dependency is 1.7:98.4
60.	Excavating the river <i>Gorai</i>	The second phase of the project to restore the river <i>Gorai</i> is underway
61.	Recovering land from sea and reducing salinity	Various actions are underway
62.	Capital dredging and river management	Activities are undertaken for land management and capital dredging of Ganga, Padma, Brahmaputra, Jamuna and Meghna
63.	Constructing a barrage over the river Ganges	The ongoing feasibility study for constructing the barrage to ensure integrated water management of the river Ganges will be completed in two years
64.	Construction of town protection	70% of the dam construction work

Sl. No.	Budget Commitments	Implementation Progress
	dam on the river Garrai	has been completed
65.	Removing water logging and expansion of water logging	12 projects are under implementation and irrigation facilities are expanded to 10.14 lakh hector land against the target of 10.64 lakh hector.
66.	River guide and sustainable river management	4 projects are to be completed in this regard
67.	Improvement of the forecasting of flood and warning system	Activities are undertaken to provide 7 days early warning against present 3 days early warning system
68.	Forecasting of salinity at the coastal area and basin development	Send to the Bangladesh Development Forum to resolve through inter regional consensus
69.	Ensuring clean water flows in the rivers surrounding Dhaka	Project is under implementation
70.	Rehabilitation of 10 thousand families at the coastal area	Work in progress
71.	Integrating all the growth centres with district headquarters	95% of growth centers have been connected to their concerned district headquarters of 2,051
72.	Rural electrification by using renewable energy and solar power	Already 70 MW power is being generated from renewable energy sources. A project is underway to produce 49 MW of electricity from solar power.
73.	Ensuring pure drinking water and safe water for all	<ul style="list-style-type: none"> • A safe water source for 92 persons at the rural area • Water supply coverage is 88% • 1.5 lakh arsenic free water source established at the rural area and supply of water through pipe in 82 villages done • Additional 1.25 lakh water source is under construction and 125 water pipe line is also underway • Coverage of the water supply will increase to 93% • Present coverage of water supply in municipal area is 99%
74.	Meeting the demand of water of	Dhaka WASA is pursuing to enhance

Sl. No.	Budget Commitments	Implementation Progress
	the urban inhabitants	the coverage of water supply to 100% from the existing 92%
75.	Construct sweeper colony for the Dhangor population	Construction of sweeper colony in Dhaka city is underway
Overall Education Sector		
76.	Nationalization of 1,03,845 primary school teachers	Initiatives has been taken to nationalize the jobs of 1,03,845 primary school teachers
77.	Enhancing the rate of female teachers in primary school to 58.4%	Activities are underway to enhance the female teachers' ratio in the primary school
78.	Forming permanent Education Commission in line with the Education Policy	Formation of Education Service Commission is underway
79.	Establishing 1,500 primary schools in the villages where there is no school	A total of 1,383 schools were already established
80.	Forming accreditation council to monitor education standard of the private universities	The process of forming the council is underway in the Ministry of Education
81.	Making computer/vocational education compulsory at the secondary level by 2013	Decision has already been taken to include contents on computer/vocational education in the new curriculum.
82.	Establishing technical institute in each upazilla	Establishing such institutes is underway in 35 upazilas
83.	Modernising the madrasa education	<ul style="list-style-type: none"> • Modernisation activities of 1,000 madrasa is underway under the Secondary Education Sector Development Programme (SESDP) • Compulsory subjects made mandatory in class vi to viii to modernize the madrasa education
84.	Extending free education up to bachelor level in phases	40 percent of the female undergraduate students are currently being provided with stipend while 100% of underserved areas are given such stipend.
85.	The ratio of teacher and student will be improved from 1:50 to 1:40 in FY 2011-12	The activities are underway to attain the targeted ratio from the existing 1:47 ratio

Sl. No.	Budget Commitments	Implementation Progress
86.	Ensuring plakhement of at least 5 teachers in every primary school	Recruitment of new teachers is underway and already 90 thousand teachers has been recruited
87.	Ensuring 100% enrolment at the primary education level	99.3% enrolment rate ensured by the end of 2011
88.	Making computer and vocational education compulsory at primary level by 2021	A decision has been taken to include computer and vocational education in the new curriculum of primary level
89.	Establish child friendly learning centers at the remote areas like char/haor/tea garden	A project titled 'Second Chance and Alternative Education' undertaken to establish child friendly learning centers at the underserved areas
90.	Introduction of school feeding program at poverty stricken areas	Already 28.4 lakh children brought under the school feeding program at 72 Upazilas
91.	Expansion of science education and research	Research programs are underway in various universities under 119 projects
92.	Establish area focused educational institutes	A project relating construction of 1,500 academic building and physical infrastructure of 167 schools underway
93.	Establish technical institutes at all Upazila	A revised DPP in order to establish technical institute is under approval process at Planning Commission
94.	Establish a University at Rangamati	Rangamati Science & Technology University is underway
95.	Establish Sheikh Mujib Maritime University	A draft Act titled Sheikh Mujib Maritime University prepared
96.	Introduce e-learning at all educational institutions of the country	Various activities for preparing digital content, establishing multimedia classroom and website are under implementation
Health and Family Welfare		
97.	Modernisation and improvement of alternative healthcare	Formulating regulations in this regard is underway
98.	Updating the National Population Policy	Preparation of the draft policy is underway.
99.	Promoting telemedicine	Steps have been taken for promoting telemedicine in the country.
100.	Increasing the number and	Health workers are being generated

Sl. No.	Budget Commitments	Implementation Progress
	enhancing skills of nurses/paramedics	through in-service training by the Department of Health
101.	Establishing the Institute of Tropical and Infectious Diseases	Construction work up to 3 rd Floor of the Institute of Tropical and Infectious Diseases has been completed.
102.	Upgrading Nursing Institutes to Nursing Colleges	7 Nursing Institutes have been upgraded to Nursing Colleges.
103. Physical Infrastructure		
104.	Finalising the Integrated Multimodal Transport Policy (IMTP)	The Integrated Multimodal Transport Policy (IMTP) is waiting for approval of the Cabinet.
105.	Creation of road maintenance fund	Road Maintenance Fund Board Act, 2013 has been sent to the Parliament to plakhe it in the form of bill.
106.	Implementation of Mass Rapid Transit (MRT) Line-6 Project	Dhaka Mass Transit Company Limited has been formed to implement the Mass Rapid Transit (MRT) line-6.
107.	Upgrading Dhaka-Chittagong highway into four lanes	Work of up gradation of Dhaka-Chittagong highway into four lanes is in progress.
108.	Introduction of Bus Rapid Transit (BRT)	Construction work of 20 km BRT lane project from Hazrat Shahjalala International Airport to Gaziput at the costcost of Tk. 2 thousand 40 crore during the 2012-16 period is in progress.
109.	Construction of Dhaka Elevated Express Way	Construction of the Dhaka Elevated Expressway is in progress.
110.	Finalising 20-year Master Plan for Bangladesh Railway	A Steering Committee has been formed to finalise the 20-Year Master Plan
111.	Implementation of Railway Sector Improvement Project	The ongoing project will be completed by 2014
112.	Up gradation of Railways into two lines	The work is in progress through 3-project
113.	Construction of dual gauze double lines between Dhaka-Tongi, Joydevpur and Dhaka-Narayanganj	A project in this regard has been approved in the ECNEC and further work is in progress.

Sl. No.	Budget Commitments	Implementation Progress
114.	Inclusion of Bangladesh in the Trans Asian Railway	More than 50% works of 3 projects undertaken for the inclusion of Bangladesh with the Trans Asian Railways have been completed.
115.	Construction of Padma Bridge	Decision has been taken to construct Padma Bridge from own finance; Tk. 6 thousand 852 crore has been allocated for this purpose.
116.	Construction of 2 nd Padma and Bekutia Bridges	Construction of Padma Bridge has begun with own finance, and feasibility of construction of Bekutia Bridge will be completed by June 13.
117.	a) Construction of Tunnel in the Karnaphuli River, Chittagong b) Construction of Tunnel from Jahangirnagar Gate Dhaka to Rokia Sharani	<ul style="list-style-type: none"> • Feasibility survey report of construction of Tunnel in the Karnaphuli River, Chittagong will be completed by June 2013 • Feasibility survey report of construction of Tunnel from Jahangirnagar Gate Dhaka to Rokia Sharani will be completed by June 2013
118.	Construction of Elevated Express from Hazrat Shahjalal International Airport to Chandra, Dhaka - Ashulia	Pre-feasibility study of the 38 km long Elevated Express has been completed.
119.	Construction of 5 fly-over under the Chittagong Development Authority	Work in progress.
120.	Construction of 2 nd Bhairab and 2 nd Titas Bridges	A project has been approved in this regard and work is in progress
121.	Enhance capacity of Biman	Construction of runway, and expansion and modernisation, boarding bridge, holding lounge, connecting corridor, <i>etc.</i> construction, and purchasing aircrafts are in progress.
122.	Construction of Bongabondhu International Airport	Initiative has been taken.
123.	Development of Parjatan Industries	Attracting tourists, publication of information of Hotel/Motel both in Bangla and English in a booklet,

Sl. No.	Budget Commitments	Implementation Progress
		developing inter-active multi-lingual website, involving with the international payment gateway, <i>etc.</i> different activities are in progress.
124.	Adopting integrated dredging programme to increase the navigability of the waterways and development of river ports.	53 lakh cubic meter of dredging has been completed in the last three years. This is an ongoing process.
125.	Lunching river ways around Dhaka	83% work is complete. Work will be completed in June 2013.
126.	Construction of Shonadia deep sea port	The Cabinet has approved Shonadia Deep Sea Port Authority Act 2012.
127.	Excavating the harbour of the river Poshur	Works are in progress by implementing some projects
128.	Modernisation of Mongla Port	Implementation of 5 projects amounting taka Tk. 465crore for the development of Mongla Port is in progress.
129.	Enhancing the capacity of the land ports	Currently number of land ports are 18. 6 are operating under BOT. Diversified projects are being implemented for enhancing the capacity of others.
130.	Construction of New mooring Container Terminal –enhancing the capacity of Chittagong Port	Completion of the work of the project related to it is at the final stage (99.5%).
131.	Procuring Cargo handling equipment and capital dredging project for the Mongla port	In Progress
132.	Procuring 10 Boeing aircrafts by the year 2015	Two aircrafts have been provided. Two more will be delivered by this year.
133.	Ensure modern and quality urban life for all by 2021	Construction of Satellite Town and allocation of flats and plots by the National Housing Authority and Urban Development Authority are underway.
134.	Construction of 22,800 plots and constructing 26,000 flats for the low and middle-income people in next three years	25,383 flats have already been constructed. Developments of 43,612plots and construction of 31,859 flats are underway.

Sl. No.	Budget Commitments	Implementation Progress
135.	Developing of growth centre based Rural House in the Union/Upazial	Work in Progress
136.	Amending of the National Housing Policy, 1999	Preparation of National Housing Policy, 1999 is underway.
137.	Amendment of Bangladesh National Building Code	Work of the Bangladesh National Building Code is in progress.
138.	Prepare policy-framework for integrated land use	Finanlisation of preparation of Dhaka Metropolitan Building (Construction, Development, Protection and Removal) Rules 2012 is in progress
139.	Construction of 4 satellite towns around Dhaka City	Preparation of project to build Satellite Towns at Munshiganj, Savar, Manikganj and Dhamrai.
140.	Preparation of Urban Regional Plan and Land Use Management 2011 Act	Preparation of preliminary draft of Urban Regional Plan and Land Use Management Act 2011.
Industrialisation		
141.	Providing incentive for small-medium enterprises/cottage industries/self-employment/self-motivated income generation activities	Continuing incentives for training, soft loan, plot allocation with developed infrastructure facilities and marketing facilities etc.
142.	Refinancing facilities to SME sector	Under the refinancing scheme, an amount of Tk. 500 crore has been refinanced to 7,124 women entrepreneurs through 4 types of fund of Bangladesh Bank
143.	Conducting feasibility study on transit	The Ministry of Commerce has formed a core committee and the committee has already submitted its report
144.	Cox's Bazar Development Act	Cox's Bazar Development Act 2012 has been approved in principle by the Cabinet
145.	Strengthen BSTI	The program is ongoing
146.	Priotising development of agriculture and labour-intensive industry	Prioritizing principle is continuing
147.	Establishing a new fertilizer	Construction work is progressing

Sl. No.	Budget Commitments	Implementation Progress
	factory named Shahjalal Fertilizer Factory	rapidly
148.	Establishing a Pharmaceutical Park at Munshiganj	Construction work is ongoing
149.	Establishing a Tannery Industry City	Construction of infrastructure has been completed
150.	Construction of waste disposal centre	Construction work is underway
151.	Construction of dumping yard	Construction work is underway
152.	Formation of legal framework to solve the sick industry problems forever	Under process
153.	Ensuring optimum production of ongoing factories by overhauling	Action is being undertaken
154.	Using bit vegetable instead of sugarcane as a raw material in state-owned sugar factories in lean season for continuing the production round the year	Project has been undertaken
155.	Bring back the heritage of jute products	Undertaking the diversification of jute goods in domestic market and expansion of jute products in global market
156.	Making BJMC a profitable organisation	Activities underway
157.	Climate and Environment	
158.	National Environmental Policy 2013	Framing draft has been underway
159.	Making the river Buriganga free from pollution	The program is ongoing
160.	Taking initiatives for forestation 20 per cent of land within 2015	Creating of block and strip gardens, distribution of plants, tree plantation. Social forestation, re-forestation etc. have been taken Current progress is about 13 per cent
161.	Working plan/strategy relating to climate change	Overall climate change related activities are being undertaken under the 6 thematic areas of the Bangladesh Climate Change Strategy and Action Plan 2009. Climate Change Trust Fund was

Sl. No.	Budget Commitments	Implementation Progress
		created with own finance. Also Bangladesh Climate Change Resilience Fund was created with the cooperation of the development partners
162.	Control air pollution	Awareness and enforcement initiatives have been taken for building environment-friendly brick field
163.	Control industrial pollution and waste management	<ul style="list-style-type: none"> • Solid waste management rules 2012 prepared which is now waiting for vetting • Final draft of the electronic waste management rules 2012 is under process for vetting
Digital Bangladesh		
164.	Connecting Bangladesh with the second submarine cable	The process of connecting Bangladesh with the second submarine cable will be completed by 2014
165.	Internet connections at all the upazillas	Internet connections have been provided in 478 upazillas among 484 upazillas through digital exchanges; projects are under implementation to expand internet facilities to all upazillas
166.	Developing telecommunications network	1,450 km of optical fiber network has been installed. A project titled 'Introduction of 3 G network technology and expansion of 2 .5 G network' is under implementation
167.	Introducing Digital File Tracking System	Digital File Tracking System has been introduced on trial basis
168.	Graduating to e-Governance by 2014	Works are in progress to expand e-Governance by 2014 through getting all the government offices under one network and application development including e-filing and e-services
169.	Installing digital telephone exchanges in upazila growth centers across the country	Digital telephone exchanges of BTCL have already been installed in 478upazillas and 55 commercial area.

Sl. No.	Budget Commitments	Implementation Progress
170.	Installation of 55 km optical cable from Panchagar to Banglabandha	Will be completed by 2013
171.	Expansion of Teletalk network to 448 upazillas	Teletalk network will be available in 448 upazillas in near future.
172.	Transforming 8000 rural post offices and 500 upazilla post offices into e-centre	Works are underway to transform 150 rural and upazilla post offices into e-centre by current fiscal year
173.	Introduction of digital file management	E-file management has been introduced to all Deputy Commissioners office which will be expanded to other government offices in the course of time
174.	Hi-Tech Park at Kaliakoir, Gazipur and software technology park at Janata Tower	Works in progress
175.	Introducing multimedia classrooms in 20,500 educational institutions by 2013	Ministry of Education has taken initiative to introduce 20,500 multimedia classrooms including 340 computer labs and 60 smart classrooms in different educational institutions
176.	Producing 4000 computer engineers each year	National ICT Internship program is going on to generate employment for computer graduates
177.	Introducing Digital File Tracking System	Works in progress. Two hundred and forty five employees and officers of different ministries and divisions have been trained
178.	Implementation of SASEC Information Highway project	Works underway to establish village network and regional network in 25 centres
179.	Establishment of hi-tech parks and ICT villages	Decisions taken to establish one IT village/STP in every divisional headquarter
180.	Establishment of technology park in every divisional headquarter including Dhaka	Feasibility study is going on to establish IT villages at seven divisional headquarters including Mohakhali in Dhaka.
181.	Development of National e-governance architecture	Activities are going on under A2I Programme under Prime Minister's Office

Sl. No.	Budget Commitments	Implementation Progress
Poverty Reduction and Social Security		
182.	Bringing poverty rate down to 15 percent by 2021	The activities undertaken for achieving the target are in progress. The current rate is 31.5 percent
183.	Providing healthcare services and support inputs to the disabled persons	35 Disable Service and Assistance Centers have been established in 34 districts during 2009-12
184.	Introducing Maternal Health Voucher Scheme for the low-income working mothers in urban areas	The number of beneficiaries has been increased to 77,600 and each of them is receiving Tk 350 per month.
185.	Raising maternity allowance for poor mothers to Tk. 350	As many as 1,01,200 beneficiaries receiving this allowance
186.	Survey of the disabled population	Survey is about to be completed
187.	Eradication of begging as a profession	Pilot survey has been completed. Rehabilitation of beggars has begun.
188.	Creating a database for the ultra-poor and creating a population register	Work is underway to create the database.
189.	Introducing pension scheme for the underprivileged and the low-income people	Works underway to introduce pension scheme. In the meantime, this scheme has been introduced on pilot basis in the Sadar Upazilla of Nilphamari District.
190.	Introduction of fresh food policy	Works underway
191.	Employment for ultra-poor	Activities going on
192.	KABIKHA, VGF, TR, GR	Ongoing
193.	Creation of sufficient cyclone shelters and ensuring barrages in the coastal areas	Ongoing
194.	Construction of brick wall and fixing doors and windows in the cyclone shelters of the <i>Aila</i> hit area	Project undertaken for rehabilitation
195.	Prepare local level working plan and user guide for mitigating and reducing the risk of disasters	Activities are underway at 276 Unions of 34 Districts
196.	Prepare earthquake risk map	Earthquake risk map for Dhaka, Chittagong and Sylhet City corporation completed and same are under process for Dinajpur, Rongpur,

Sl. No.	Budget Commitments	Implementation Progress
		Bogra, Rajshahi, Moymenshingh and Tangail.
197.	Updating the standing order of disaster management	Standing order of the disaster management 2010 updated and published
Youth and Sports, Culture and Religious Affairs		
198.	Protection of interest of the ethnic and the minority of the population	Nine programs for the ethnic and minority group are being implemented.
199.	Establishment of libraries in all corners of the country	Projects to establish libraries in 154 upazilas are being implemented under phase 1.
200.	Inauguration of cultural centers in New York and Kolkata	Process to establish a cultural center in Kolkata has been initiated.
201.	Mosque-based child and mass education programs	Work in progress.
202.	Improvement of Hajj management	Hajj management has been improved through application of information technology for filling out application form and exchange of information as well as by taking necessary steps to provide adequate medical facilities. Further development programs are in progress.
203.	Implementation of the Chittagong Hill Tracts Peace Accord	Most of the clauses of the Accord have been implemented. The remainder of the issues is in progress.
204.	Socio-economic development of the Chittagong Hill Tracts- continuous provision of mobile health clinic, community schools and pre-primary schools; establishment of local learning centers; ensuring source of drinking water and improvement of hygiene & sanitation.	These issues are being addressed in the Chittagong Hill Tracts through combined social development projects.
205.	Formulation and implementation of National Service Program	56054 young men and women have been provided temporary employment.
206.	Modernization and renovation of stadiums and women's sports	Development projects on this are now going through approval process.

Sl. No.	Budget Commitments	Implementation Progress
	complexes at the district level	
207.	Rejuvenation of traditional and near-extinct sports	Sports events at the village level are being regularly organized.
208.	Training for 437265 unemployed young men and women during FY 2012-13	Around 280000 young men and women have been trained.
Women and Child Welfare		
209.	Establishing day care centres and maternity clinics in garment factories	Prepare a programme proposal for establishing safe maternity center for the garments workers in 10 Day Care Center in the 4 garment prone area by the Ministry of Women and Children Affairs
210.	Increasing the number of day care centers for children	32 day care centers have already been started. Work of 3 more is ongoing.
211.	Establishing <i>Shishu Bikash Kendra</i> in six big cities	<i>Shishu Bikash Kendras</i> in six big cities established and are in operation
212.	Introduce formal education for disadvantaged children	Neonatal care and development of the children policy is awaiting for final approval; draft of standardized material early learning and development of the children prepared
213.	Taking steps for caring the productive health of disadvantaged women/children	Create awareness about women rights, productive health, protect women against violence are ongoing under Promotion of Gender Equality and Women's Empowerment
214.	Taking initiative to stop child labour	Different activities are undertaking in the light of National Child Labour Policy, 2010
215.	Expanding training programme of computer in 34 districts for women employment	Programmes are being implemented in 34 districts through Jatio Mohila Shanstha
216.	Provide informal education to the child labour engaged in the vulnerable work	Informal education including training is being provided in different trade to 50 thousand child labour after withdrawn from their job
Employment Generation and Expatriate Welfare		
217.	Issuance of policy guidelines on skill development by the Cabinet Committee on Manpower and	Work in progress.

Sl. No.	Budget Commitments	Implementation Progress
	Remittance	
218.	Ensuring regional parity on division of labor	Initiatives under the National Skill Development Policy 2012 have been taken to prepare database to ensure regional parity in the division of labor and skill development.
219.	Ensuring employment for at least one member in each family by the year 2014.	Employment generating initiatives are in progress.
220.	Formulation of work program under the National Skill Development Policy; strengthening the National Skill Development Council; formulation of acts and rules to enhance pace of skill development programs	Work in progress.
221.	Expansion of labor market	<p>Initiatives to explore new markets for labor and expansion of the existing ones continuing;</p> <ul style="list-style-type: none"> • Every year 0.6 million workers are being employed abroad • MOU has been signed with Malaysia to send 0.5 million workers over the next 5 years • MOUs have been signed with Hong Kong and Jordan to send female workers • Process of creating 150 new posts including 23 new labor wings is almost complete.
222.	Establishment of 30 new vocational training centers	Construction of 21 vocational training centers is in progress. The rest are being processed.
223.	Establishment of 5 new marine technology institutes	Construction work in progress
224.	Strengthening regional and sub-regional cooperation	Work in progress
Freedom Fighter Welfare		
225.	Preserving the history and memories of the liberation war	Construction of Freedom Fighters Complex Building is now underway

Sl. No.	Budget Commitments	Implementation Progress
		in 22 districts under the project of 'Building Freedom Fighters Complex in all Districts' -Construction work of Monumental Pillars of Independence and Liberation War Museum are on going
226.	Providing special service in the rail, bus and launch without fare to the freedom fighters up to age 60 or above	Determination of numbers and preparation of lists are on going
227.	Updating the list of the freedom fighters	The committee in this regard has been reconstituted
228.	Bringing all freedom fighters within the fold of regular allowance system in the next fiscal year	The number of beneficiary freedom fighters are now 1 lakh 50 thousand; Bringing all freedom fighters within the fold of regular allowance system underway
229.	Identifying the mass graves of freedom fighters	Taking projects to preserve and develop the mass graves
230.	Providing accommodation to the insolvent freedom fighters	"Construction of Accommodation for Insolvent Freedom fighters" approved in the ECNEC to construct 2 thousand 971 unit of accommodation
231.	Constituting fund for self employment of the freedom fighters	Utilizing as revolving fund in the field level through BRDB
232.	Providing honour/opportunity of VIP to the awarded/wounded freedom fighters	Taking decision on principle to offer honour of the state to the awarded freedom fighters; formulation of policy activities is in the final stage
233.	Construction of accommodation of 2 thousand unit for the landless and insolvent freedom fighters	Work of the project will start soon
234.	Construction of residential cum commercial building in the Mohammadpur, Dhaka for the freedom fighters	Construction of the building is underway
235.	Providing ration to the freedom fighters	Ration is provided to 7,838 families of war-wounded and martyred

Sl. No.	Budget Commitments	Implementation Progress
		freedom fighters
Good Governance		
236.	Compulsory application of the Alternate Dispute Resolution to resolve disputes	Work is in progress to include the Alternate Dispute Resolution in the Code of Criminal Procedure.
237.	Strengthening of local government by decentralization of the central government	Union Parishad Governance Project is being implemented with financial assistance from UNDP, UNCDF, European Union and SDC
238.	Development of planned satellite cities by converting all upazila headquarters into municipalities.	Work in progress.
239.	Ensuring supply of safe drinking water for all	Safe drinking water for 88 percent population of the country has been ensured.
240.	Management of distribution of khas land/ housing/ employment/ ideal village/ Asrayan projects.	After the ideal village programs, Housing schemes of the Ministry of Land are being implemented through the cluster village programs.
241.	Formulation of Public Servants Act. 2013	Awaiting approval of the Cabinet Committee on Administrative Development
242.	Enforcement of Performance Based Evaluation System	Training is being provided to field and ministry level officials.
243.	Finalization of the National Training Policy	Awaiting approval of the Executive Committee of the National Training Council
244.	Modernization of the armed forces	Necessary and modern arms and ammunitions are being procured in addition to implementation of combined training schemes of the three armed forces and expansion of information technology.
245.	Amendment of the Anti-Corruption Act	Anti Corruption (Amendment) Bill 2011 is awaiting approval of the Parliament.
246.	Formulation of National Defense Policy	Draft has been formulated. Now being processed for final approval.

Sl. No.	Budget Commitments	Implementation Progress
247.	Preservation and updating of on-line land records, conducting digital surveys, preparation of digital designs and Khatian, introduction of land ownership certificates instead of conventional Khatian	<ul style="list-style-type: none"> • Projects to establish 20 land information centers at 20 upazilas are in progress • Computerization of existing mouza maps and Khatian in 55 districts will be completed by 2014 • Works related to issuing land ownership certificates are being implemented in 3 upazilas
248.	Formulation of a roadmap to bring the land management system under the authority of a single department	Draft roadmap has been prepared.
249.	Bringing matters related to land use and land protection under legal provisions	Protection of Agricultural Land and Use of Land Act 2012 has been drafted.
Tax Administration and Tax Law		
250.	Amending the income tax law	Opinion is being taken after completing the draft of direct tax law
251.	Introducing online submission of income tax return and extending throughout the country	The process of extending the online submission facility across the country is underway
252.	Introducing automation at the field level income tax offices	The process is underway
253.	Modernising the Tax Identification Number (TIN) system	Modernising the system through online connectivity of TIN with National ID database is underway
254.	Extending the operation of Large Taxpayer's Unit (LTU) to Chittagong	The process is underway
255.	Incentivising the honest taxpayers	Offering tax cards for the highest taxpayers is under active consideration
256.	Appointing income tax advisors	The process is underway
257.	Formulating new Value Added Tax (VAT) law in FY 2011-12	The formulation of the law is under progress
258.	Facilitating online VAT registration and submission of return	The process is ongoing
259.	Abolishing the Pre Shipment Inspection (PSI) system	Action is underway to abolish the PSI system by December 2012

Sl. No.	Budget Commitments	Implementation Progress
260.	Having complete automation of Bond system	Automation process is underway through ASYCUDA World

Table-4: Priorities Programs yet to be Completed

Budget Commitments	
Business Environment	
1	Establishing One stop Service Centre for issuing construction related clearance certificate
2	Simplification of investment related laws
3	Setting up Trade Portal by 2012
Integrated Agriculture and Rural Development	
4	Renovation and maintenance of at least one water reservoir in each village
5	Formulation of an outline of Local Government to increase the efficiency in development, control and management aspects of programmes related to the mass people
Health and Family Planning	
6	Expanding National Nutrition programme to 123 Upazilas
7	Raising the doctors, nurse, and health care worker ratio to 1:3:5 in the health centers and hospitals
Physical Infrastructure	
8	Construction of Circular road around Dhaka
9	Construction of circular railway around Dhaka
10	Construction of eastern Bypass
11	Building Flyover from Magbazar-Mouchak to Dhaka Moua Road
12	Building uninterrupted Corridor from Aminbazar to Polashi
13	Transforming The Bangladesh Railway into a corporate institute
14	Electrification of Railway system
15	Settlements/township in union/rural growth centers/towns/city suburbs
16	Introducing One Stop Service Center in RAJUK
Women and Children Development	
17	Implementation of a coordinated development programme for girl child by fiscal year 2012-13
18	Building hostels in each district head quarter for working women
Governance	
19	Undertaking an integrated programme to solve growing traffic congestion/water supply/sewerage/environmental

Budget Commitments	
	related problems of Dhaka Metropolitan City
20	Increasing the number of reserved seats for the women in the Parliament to 100
Revenue Administration	
21	Establishing the National Tax Tribunal
22	Establishing Reserve for Reward and Financial Incentives Fund
23	Establishing Tax Information Management and Research Centre
Financial Sector	
24	Establishing separate clearing and Settlement Company for settling the transactions in the Stock Exchange
Digital Bangladesh	
25	Establishing the ICT Capacity Development Company
Energy	
26	Increasing the distillation capacity of the Eastern Refinery by three times
27	Formulation of rules and regulations for providing transit facility

Table-5: List of the Projects taken under Public-Private Partnership

Serial No.	Sector	Project	Present Status	Estimated Cost (Million USD)
1	Bridge	Dhaka elevated expressway	Financial closure pending. Route redefining is underway.	1087.89
2	Information communication technology	High tech park, Kaliakoir	Legal approval is underway to construct by private initiative	125.00
3	Health	Dhaka homo dialysis centre	'Registration of Interest' completed. 'Request for Proposal will be issued.	1.00
4	Health	Chittagong homo dialysis centre	'Registration of Interest' completed. 'Request for Proposal will be issued.	1.56
5	Shipping	Construction of two jetties in Mongla port	'Request for Proposal will be issued.	50.00
6	Housing and public works	Dhaka- Ashulia elevated express way	Pre- feasibility study completed by BUET. 'Request for Qualification issued.	1471.00
7	Housing and public works	Shantinagar-Mawa flyover	Feasibility Study completed	312.50
8	Social Welfare	Health service and recreation centre for senior citizens	IFC appointed as 'Transaction Consultant'. Feasibility study completed.	5.88
9	Roads	Dhaka-Chittagong access controlled highway	Feasibility study underway	1585.00
10	Roads	Improvements of Dhaka bypass roads	Feasibility study underway	114.00
11	Roads	Hemayetpur-Manikgonj PPP roads	Feasibility study underway	83.50
12	Roads	Jatranari Sultana Kamal Bridge- Trabo PPP Roads	Approved on principle	44.00
13	Housing and public works	Mirpur HNA housing project	Feasibility study underway	57.04
14	Bridge	2 nd Padma multipurpose bridge (Paturia-Goalanda)	Approved on principle	1901.65
15	Shipping	Establishment of 3 rd sea port	Approved on principle	1200.00
16	Tourism	Five star beach side hotel with 18 holes Golf course	Feasibility study underway	125.00
17	Shipping	Establishment of Laldia bulk terminal under PPP	Feasibility study underway	60.00
Total				8225.02

**Table-6: Structural Change and Growth Trend in the
Contribution of Different Sectors to GDP (in Constant Price)
Base year 1995-96**

Contribution (%)										
Sectors	1980-81	1985-86	1990-91	1995-96	2000-01	2005-06	2009-10	2010-11	2011-12	2012-13*
<i>I</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>
Agriculture	33.07	31.15	29.23	25.68	25.03	21.84	20.29	20.01	19.42	18.70
Industry	17.31	19.13	21.04	24.87	26.20	29.03	29.93	30.38	31.13	31.99
Service	49.62	49.73	49.73	49.45	48.77	49.14	49.78	49.60	49.45	49.30
Total	100	100	100	100	100	100	100	100	100	100
Growth (%)										
Agriculture	3.31	3.31	2.23	3.10	3.14	4.94	5.24	5.13	3.11	2.17
Industry	5.13	6.72	4.57	6.98	7.45	9.74	6.49	8.20	8.90	8.99
Service	3.55	4.10	3.28	3.96	5.53	6.40	6.47	6.22	5.96	5.73
Overall GDP (Production Price)	3.74	3.34	3.24	4.47	5.41	7.02	6.22	6.59	6.28	6.06

Source: Bangladesh Bureau of Statistics; *Provisional

Table 7: Slow Pace of the Economy during Election Years

Fiscal Year	GDP Growth (%)	Revenue Expenditure (Billion Taka)	Development Expenditure (Billion Taka)	Deficit (Billion Taka)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1989-90	5.9	67.4	57.17	56.79
1990-91	3.3	73.10	52.69	47.57
1994-95	4.9	103.00	103.03	63.93
1995-96	4.6	118.14	100.16	63.18
2000-01	5.3	206.62	161.51	126.40
2001-02	4.4	226.92	140.90	91.12
2007-08	6.2	579.22	184.55	158.38
2008-09	5.7	676.03	196.68	180.91
2011-12	6.23	1021.30	380.00	252.45
2012-13	6.03	1369.60	523.70	496.60

Source: iBAS, Bangladesh Economic Review 2012 and different issues of Budget in Brief.

Table 8: Revised Budget (2011-12 and 2012-13)

Sector	Revised 2012-13	Accounts 2012-13 (March)	Budget 2012-13	Revised Budget 2011-12	Budget 2011-12
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
Total Revenue	1,39,670	91,607	1,39,670	1,14,885	1,14,693
Income	13.5	8.8	13.4	12.6	12.5
Of which					
NBR Tax	1,12,259	72308	1,12,259	92,370	91,595
Non NBR Tax	4,565	2,900	4,565	3,915	3,633
Non Tax Revenue	22,846	16,399	22,846	18,600	19,465
Total Expenditure	1,89,326	96,850	1,91,738	1,61,214	1,52,428
	18.2	9.3	18.4	17.6	16.7
(a) Non-development Expenditure	1,02,892	65,810	99,496	91,823	89,299
	9.91	6.34	9.55	10.04	9.76
(b) Development Expenditure	57,751	20,330	60,137	45,651	40,672
	5.6	2.0	5.8	5.0	4.4
Of which					
ADP	52,366	19,974	55,000	41,080	37,508
	5.0	1.9	5.3	4.5	4.1
(c) Other Expenditure	28,683	10,710	32,105	23,740	22,457
	2.8	1.0	3.1	2.6	2.5
Budget Deficit	-49,656	-5,243	-52,068	-46,329	-37,735
	-4.8	-0.5	-5.0	-5.1	-4.1
Financing					
(a) Foreign	17,183	1,647	18,584	11,859	7,193
	1.7	0.2	1.8	1.3	0.8
(b) Domestic	32,473	3,478	33,484	34,469	30,543
	3.1	0.3	3.2	3.8	3.3
Banking Source	28,500	10,759	23,000	29,115	27,191
GDP	1,037,987	1,037,987	1,041,360	9,14,784	914,784

**Table 9: Budget Structure
(2011-12 to 2013-14)**

Sectors	Budget 2013-14	Revised 2012-13	Accounts 2012-13 Up to March	Budget 2012-13	Revised 2011-12	Accounts 2011-12	Accounts 2010-11	Accounts 2009-10	Accounts 2008-09
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
Total Revenue	1,67,459 14.1	1,39,670 13.5	91,607 8.8	1,39,670 13.4	1,14,885 12.6	1,14,693 12.5	92,993 11.8	75,905 11.0	64,568 10.5
Of which									
NBR Tax	136090	112259	72308	1,12,259	92,370	91,595	76,225	59,742	50,216
Non NBR Tax	5,129	4,565	2,900	4,565	3,915	3,633	3,323	2,743	2,653
Non Tax Revenue	26,240	22,846	16,399	22,846	18,600	19,465	13,445	13,420	11,699
Total Expenditure	2,22,491 18.7	1,89,326 18.2	96,850 9.3	1,91,738 18.4	1,61,214 17.6	1,52,428 16.7	1,28,249 16.3	1,02,977 14.9	89,194 14.5
(a) Non- development Expenditure	1,13,471 9.55	1,02,892 9.91	65,810 6.34	99,496 9.55	91,823 10.04	89,299 9.76	77,488 9.84	67,013 9.70	62,282 10.13
(b) Development Expenditure	72,275 6.1	57,751 5.6	20,330 2.0	60,137 5.8	45,651 5.0	40,672 4.4	35,734 4.5	28,115 4.1	21,684 3.5
Of which									
ADP	65,870 5.5	52,366 5.0	19,974 1.9	55,000 5.3	41,080 4.5	37,508 4.1	33,284 4.2	25,553 3.7	19,438 3.2
(c) Other Expenditure	36745 3.1	28683 2.8	10710 1.0	32,105 3.1	23,740 2.6	22,457 2.5	15,027 1.9	7,849 1.1	5,228 0.9
Budget Deficit	-55,032 -4.6	-49,656 -4.8	-5,243 -0.5	-52,068 -5.0	-46,329 -5.1	-37,735 -4.1	-35,256 -4.5	-27,072 -3.9	-24,626 -4.0
Financing									
(a) Foreign	21,068 1.8	17,183 1.7	1,647 0.2	18,584 1.8	11,859 1.3	7,193 0.8	5,079 0.6	9,254 1.3	4,734 0.8
(b) Domestic	33,964 2.9	32,473 3.1	3,478 0.3	33,484 3.2	34,469 3.8	30,543 3.3	30,211 3.8	15,820 2.3	20,012 3.3
Of which Banking Source	25,993	28,500	10,759	23,000	29,115	27,191	25,210	-2,092	13,793
GDP	1,188,800	1,037,987	1,037,987	1,041,360	914,784	914,784	787,495	690,571	614,943

**Table 10: Sector wise Division and Priority in the Total Budget
(2008-09 to 2013-14)**

Ministry/ Division	Budget 2013-14	Revised 2012-13	Budget 2012-13	Revised 2011-12	Budget 2011-12	Accounts 2011-12	Accounts 2010-11	Accounts 2009-10	Accounts 2008-09
1	2	3	4	5	6	7	8	9	10
(a) Social Infrastructure	51,555	45,460	46,296	40,283	42,890	38,586	36,170	30,934	26,631
	23.17	24.01	24.15	24.99	26.22	25.31	28.20	30.47	29.82
Human Development									
1. Ministry of education	13,163	11,543	11,583	10,633	10,850	10,579	10,079	8,712	6,538
	5.92	6.10	6.04	6.60	6.63	6.94	7.86	8.58	7.32
2. Primary and Mass Education	11,930	9,453	9,825	7,727	8,956	8,157	8,304	6,838	5,331
	5.36	4.99	5.12	4.79	5.47	5.35	6.47	6.74	5.97
3. Health and Family welfare	9,470	9,130	9,333	8,149	8,869	7,667	7,287	6,271	5,101
	4.26	4.82	4.87	5.05	5.42	5.03	5.68	6.18	5.71
4. Others	9,052	8,155	8,649	7,120	7,129	7,659	6,068	4,937	4,136
	4.07	4.31	4.51	4.42	4.36	5.02	4.73	4.86	4.63
Sub-total	43,615	38,281	39,390	33,629	35,804	34,062	31,738	26,758	21,106
	19.60	20.22	20.54	20.86	21.89	22.34	24.74	26.36	23.63
Food and Social Safety									
5. Food Division	1,417	1,322	1,080	1,104	1,360	1,122	1,194	353	5,525
	0.64	0.70	0.56	0.68	0.83	0.74	0.93	0.35	6.19
6. Disaster Management	6,523	5,857	5,826	5,451	5,726	4,283	3,237	3,823	0
	2.93	3.09	3.04	3.38	3.50	2.81	2.52	3.77	0.00
Sub-total	7,940	7,179	6,906	6,555	7,086	5,405	4,431	4,176	5,525
(b) Physical Infrastructure	67,147	60,242	53,330	45,983	46,074	44,347	38,734	30,934	24,878
	30.18	31.82	27.81	28.52	28.16	29.09	30.20	30.47	27.85
Agriculture and Rural Development									
7. Ministry of Agriculture	12,270	14,878	8,911	9,260	7,406	9,760	8,438	7,350	6,977
	5.51	7.86	4.65	5.74	4.53	6.40	6.58	7.24	7.81
8. Ministry of Water Resources	2,593	2,501	2,892	2,261	2,228	2,134	2,040	1,838	1,461
	1.17	1.32	1.51	1.40	1.36	1.40	1.59	1.81	1.64
9. Local Government Division	12,961	13,220	12,433	10,393	10,909	9,442	9,037	7,653	5,936
	5.83	6.98	6.48	6.45	6.67	6.19	7.05	7.54	6.65
10. Others	4,448	4,247	4,436	4,441	4,244	4,385	3,648	2,766	2,090
	2.00	2.24	2.31	2.75	2.59	2.88	2.84	2.72	2.34
Sub-total	32,272	34,846	28,672	26,355	24,787	25,721	23,163	19,607	16,464
	14.50	18.41	14.95	16.35	15.15	16.87	18.06	19.31	18.43
Power and Energy	11,351	9,993	9,544	7,957	8,311	7,969	7,233	3,469	2,550
	5.10	5.28	4.98	4.94	5.08	5.23	5.64	3.42	2.86
Communication Infrastructure									

Ministry/ Division	Budget 2013-14	Revised 2012-13	Budget 2012-13	Revised 2011-12	Budget 2011-12	Accounts 2011-12	Accounts 2010-11	Accounts 2009-10	Accounts 2008-09
1	2	3	4	5	6	7	8	9	10
11. Road Division	5,550	5,465	4,246	4,180	7,450	7,278	5,584	4,828	3,704
	2.49	2.89	2.21	2.59	4.55	4.77	4.35	4.76	4.15
12. Railway	5,589	4,612	4,900	3,791	0	1	0	0	0
	2.51	2.44	2.56	2.35	0.00	0.00	0.00	0.00	0.00
13. Bridge Division	7,000	823	1,151	688	2,245	418	385	331	0
	3.15	0.43	0.60	0.43	1.37	0.27	0.30	0.33	0.00
14. Others	1,121	1,044	1,283	577	949	558	503	890	218
	0.50	0.55	0.67	0.36	0.58	0.37	0.39	0.88	0.24
Sub-total	19,260	11,944	11,580	9,236	10,644	8,255	6,472	6,049	3,922
	8.66	6.31	6.04	5.73	6.51	5.41	5.05	5.96	4.39
15. Other Sectors	4,264	3,459	3,534	2,435	2,332	2,402	1,866	1,809	1,942
	1.92	1.83	1.84	1.51	1.43	1.58	1.45	1.78	2.17
(c) General Service	49,950	32,832	37,002	41,870	36,444	26,895	25,081	20,511	18,334
	22.45	17.34	19.30	25.97	22.28	17.64	19.55	20.20	20.53
Public Order and Safety	10,537	9,713	9,218	8,592	8,454	8,737	7,819	6,582	5,688
	4.74	5.13	4.81	5.33	5.17	5.73	6.10	6.48	6.37
16. Others	39,413	23,119	27,784	33,278	27,990	18,158	17,262	13,929	12,646
	17.71	12.21	14.49	20.64	17.11	11.91	13.46	13.72	14.16
Total	1,68,652	1,38,534	1,36,628	1,28,136	1,25,408	1,09,828	99,985	82,379	69,843
	74.8	73.2	71.3	79.5	76.7	72.0	78.0	81.1	78.2
(d) Interest Payments	27743	23347	23,302	19,796	17,997	20,351	15,622	14,867	15,358
	12.47	12.33	12.15	12.28	11.00	13.35	12.18	14.64	17.20
(e) PPP Subsidy and Liability	7318	3409	9,409	6,959	8,109	5,211	1,849	3,199	1,547
	3.29	1.80	4.91	4.32	4.96	3.42	1.44	3.15	1.73
(f) Net Lending and Other Expenditure	18781	24039	22,399	16,721	12,079	16,759	10,504	825	2,445
	8.44	12.70	11.68	10.37	7.38	10.99	8.19	0.81	2.74
Total Budget	2,22,491	189,326	1,91,738	1,61,213	1,63,589	1,52,448	1,28,268	1,01,521	89,316

**Table 11: Sector-wise Division in Annual Development Programme
(2009-10 to 2013-14)**

Ministry/ Division	Budget 2013-14	Revised 2012-13	Budget 2012-13	Revised 2011-12	Budget 2011-12	Accounts 2011-12	Accounts 2010-11	Accounts 2009-10	Accounts 2008-09
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
(a) Human Resource									
1. Primary and Mass Education	5,278 8.0	3,916 7.5	4,382 8.0	2,460 6.0	3,514 7.6	2,408 6.4	3,151 9.5	2,700 10.6	2,049 10.5
2. Health and Family Planning Affairs	3,602 5.5	3,623 6.9	3,825 7.0	3,036 7.4	3,562 7.7	2,612 7.0	2,551 7.7	2,468 9.7	1,932 9.9
3. Education	3,100 4.7	2,253 4.3	2,554 4.6	1,976 4.8	2,143 4.7	1,867 5.0	1,598 4.8	1,352 5.3	937 4.8
4. Others	3,160 4.8	2,518 4.8	3,257 5.9	1,893 4.6	1,934 4.2	1,683 4.5	1,236 3.7	790 3.1	727 3.7
Sub-total	15,140 23.0	12,310 23.5	14,018 25.5	9,365 22.8	11,153 24.2	8,570 22.8	8,536 25.6	7,310 28.6	5,645 29.0
(b) Agriculture and Rural Development									
5. Local Government Division	11,195 17.0	11,274 21.5	10,815 19.7	8,896 21.7	9,405 20.4	7,989 21.3	7,573 22.8	6,444 25.2	4,854 25.0
6. Ministry of Water Resources	1,850 2.8	1,769 3.4	2,176 4.0	1,544 3.8	1,507 3.3	1,442 3.8	1,349 4.1	1,138 4.5	855 4.4
7. Ministry of Agriculture	1,364 2.1	1,152 2.2	1,242 2.3	1,022 2.5	1,038 2.3	997 2.7	1,025 3.1	905 3.5	724 3.7
8. Others	2,323 3.5	1,986 3.8	2,204 4.0	1,917 4.7	1,798 3.9	1,882 5.0	1,246 3.7	807 3.2	800 4.1
Sub-total	16,732 25.4	16,181 30.9	16,437 29.9	13,379 32.6	13,748 29.9	12,310 32.8	11,193 33.6	9,294 36.4	7,233 37.2
(c) Energy infrastructure									
9. Power division	9,053 13.7	8,561 16.3	7,890 14.3	7,186 17.5	7,153 15.6	7,248 19.3	6,028 18.1	2,098 8.2	2,306 11.9
10. Energy and Mineral Resources	2,255 3.4	1,386 2.6	1,608 2.9	726 1.8	1,114 2.4	679 1.8	987 3.0	1,260 4.9	214 1.1
Sub-total	11,308 17.2	9,947 19.0	9,498 17.3	7,912 19.3	8,267 18.0	7,927 21.1	7,015 21.1	3,358 13.1	2,520 13.0
(c) Communication Infrastructure									
11. Railway Ministry	3,878 5.9	3,022 5.8	3,310 6.0	2,266 5.5	0 0.0	0 0.0	0 0.0	0 0.0	0 0.0

Ministry/ Division	Budget 2013-14	Revised 2012-13	Budget 2012-13	Revised 2011-12	Budget 2011-12	Accounts 2011-12	Accounts 2010-11	Accounts 2009-10	Accounts 2008-09
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
12. Road Division	3,457	3,635	2,652	2,847	4,598	4,475	2,952	2,546	1,658
	5.2	6.9	4.8	6.9	10.0	11.9	8.9	10.0	8.5
13. Bridge Division	7,000	823	1,151	688	2,245	418	384	331	0
	10.6	1.6	2.1	1.7	4.9	1.1	1.2	1.3	0.0
14. Others	881	762	1,044	308	679	286	295	176	109
	1.3	1.5	1.9	0.7	1.5	0.8	0.9	0.7	0.6
Sub-total	15,216	8,242	8,157	6,109	7,522	5,179	3,631	3,053	1,767
	23.1	15.7	14.8	14.9	16.4	13.8	10.9	11.9	9.1
Total	58,396	46,680	48,110	36,765	40,690	33,986	30,375	23,015	17,165
	88.7	89.1	87.5	89.5	88.5	90.6	91.3	90.1	88.3
15. Others	7,474	5,686	6,890	4,315	5,310	3,522	2,909	2,538	2,273
	11.35	10.86	12.53	10.50	11.54	9.39	8.74	9.93	11.69
Total ADP	65,870	52,366	55,000	41,080	46,000	37,508	33,284	25,553	19,438

Table 12: The items for which customs duty is reduced

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	0404.10.10	Whey whether or not concentrated or containing added sugar or other sweetening matter: Imported by VAT registered food processing industry	25	10
2.	1401.10.00	Bamboos	12	0
3.	2517.10.10	Flint/grinding pebbles imported by VAT registered ceramic products manufacturing industries	25	10
4.	2518.20.00	Calcined or sintered dolomite	12	5
5.	2518.30.00	Dolomite ramming mix	12	5
6.	2522.10.00	Quicklime	12	5
7.	2522.20.00	Slaked lime	12	5
8.	2522.30.00	Hydraulic lime	12	5
9.	2602.00.00	Manganese ores	5	0
10.	2822.00.00	Cobalt oxides and hydroxides; commercial cobalt oxides.	12	5
11.	2829.90.10	Potassium iodates	12	5
12.	2833.27.00	Barium sulphates	12	5
13.	2833.29.20	Chromium sulphate	12	5
14.	2903.71.00	Chlorodifluoromethane (R-22)	12	5
15.	3403.11.00 3403.91.00	Preparations for the treatment of textile materials, leather, furskins or other materials	12	5
16.	3501.10.00 3501.90.00	Casein, caseinates and other casein derivatives; casein glues.	12	5
17.	3701.30.10	Unexposed photosensitive plates	25	5
18.	3824.10.00	Prepared binders for foundry moulds or cores	12	5
19.	3917.23.20	FEP/Teflon tube imported by VAT registered medical equipment manufacturing industry	25	10
20.	5510.12.10	Water blocking yarn imported by VAT registered optical fibre cable manufacturing industry	12	0
21.	5510.30.10	Water blocking tape imported by VAT registered optical fibre cable	12	0

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
		manufacturing industry		
22.	5906.99.10	Reflective tape	25	10
23.	6802.29.10	Silex/lining/abrasive/polishing disc imported by VAT registered ceramic products manufacturing industries	25	10
24.	7007.11.00	Toughened (tempered) safety glass of size and shape suitable for incorporation in vehicles, aircraft, spacecraft or vessels	12	5
25.	7007.21.00	Laminated safety glass of size and shape suitable for incorporation in vehicles, aircraft, spacecraft or vessels	12	5
26.	7019.31.10	Mats imported by VAT registered bio-gas plant	25	10
27.	7019.40.20	Woven fabrics of rovings imported by VAT registered bio-gas plant	12	5
28.	7019.90.10	Articles of glass fibre imported by VAT registered bio-gas plant	12	5
29.	7201.10.00	Non-alloy pig iron containing by weight 0.5% or less of phosphorus	5	0
30.	7201.20.00	Non-alloy pig iron containing by weight more than 0.5% of phosphorus	5	0
31.	7201.50.00	Alloy pig iron; spiegeleisen.	5	0
32.	7208.27.30	Other, flat-rolled products in coils, not further worked than hot-rolled, pickled of a thickness of less than 3 mm Imported by VAT registered iron/steel product, transformer and bicycle parts manufacturing industry	12	5
33.	7225.40.10	Other, flat-rolled products not further worked than hot-rolled, not in coils imported by VAT registered mould manufacturing industry	12	0
34.	7225.50.10	Other, flat-rolled products not further worked than cold-rolled (cold-reduced) imported by VAT registered mould manufacturing industry	12	0

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
35.	8205.59.10	Fibre optic cable fusion slicer	12	5
36.	8421.29.10	Cartridge/Membrane filter imported by VAT registered pharmaceuticals or water purifying machine/apparatus manufacturing industry	12	5
37.	8421.21.94	Carbon filter, filter housing, diffuser imported by VAT registered water purifying machine/apparatus manufacturing industry	25	5
38.	8424.10.00	Fire extinguishers, whether or not charged	12	5
39.	8513.10.10	LED lamps including rechargeable LED lamps	12	5
40.	8513.10.20	Solar energy operated lamps	12	5
41.	8525.80.10	Web cam and digital cameras	25	10
42.	8544.70.00	Optical fibre cables	12	5
43.	8704.10.00	Dumpers designed for off-highway use	25	10
44.	8706.00.29	Other	25	10
45.	9001.10.10	Color optical fibres imported by VAT registered optical fibre cable manufacturing industry	12	0
46.	9403.20.10	Furniture specially design to receive apparatus of heading 84.71 and 85.17	25	10
47.	9405.40.30	Solar energy operated lamps with or without fittings and fixtures	12	5
48.	9405.40.40	LED tube light or LED bulb with or without fittings and fixtures	12	5
49.	9405.99.10	LED lamp parts imported by VAT registered LED lamp manufacturing industry	25	10
50.	9612.10.90	Ribbon other than computer printer	12	5
51.	9613.90.00	Parts cigarette lighters and other lighters	25	10

Table 13: The items for which customs duty is increased

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1.	0402.10.99	Milk powder in bulk in powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5%: (excl. imported by VAT registered milk products manufacturing industry)	5	10
2.	0402.21.99	Milk powder in bulk in powder, granules or other solid forms, of a fat content, by weight, exceeding 1.5% not containing added sugar or other sweetening matter (excl. imported by VAT registered milk products manufacturing industry)	5	10
3.	0603.11.00	Roses	12	25
4.	0603.12.00	Carnations	12	25
5.	0603.13.00	Orchids	12	25
6.	0603.14.00	Chrysanthemums	12	25
7.	0603.15.00	Lilies (<i>Lilium spp.</i>)	12	25
8.	0603.19.00	Other	12	25
9.	0603.90.00	Other	12	25
10.	0910.91.90	Other spices mixtures	12, 25	25
11.	1901.90.30	Preparations for infant use in bulk imported by VAT registered infant food industry	5	10
12.	2802.00.00	Sulphur, sublimed or precipitated; colloidal sulphur.	5	10
13.	2902.44.00	Mixed xylene isomers	5	10
14.	2941.50.10	Erythromycin ethyl succinate; Erythromycin stearate	0	5
15.	2941.90.10	Azithromycin	0	5
16.	6810.19.10	Railway sleepers	12	25
17.	72.13 (All H.S. Codes)	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel.	5	10
18.	72.14 (All H.S. Codes)	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-	5	10

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
		extruded, but including those twisted after rolling.		
19.	72.15 (All H.S.Codes)	Other bars and rods of iron or non-alloy steel of free-cutting steel, not further worked than cold-formed or cold-finished	5	10
20.	7311.00.20	LPG gas cylinder capacity below 5000 litres	3	10
21.	8442.50.20	Printing plates	3	5
22.	8537.10.10	Busbar trunking system	3	10
23.	8538.10.00	Boards, panels, consoles, desks, cabinets and other bases for the goods of heading 85.37, not equipped with their apparatus	3	10

Table 14: The items for which supplementary duty is waived

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1.	0802.90.11	Betelnuts (Wrapped/canned upto 2.5 kg)	30	20
2.	0802.90.19	Other betelnuts	30	20
3.	17.04 (All H.S.Codes)	Sugar confectionery (including white chocolate), not containing cocoa.	60	30
4.	1806.20.00	Other preparations in blocks, slabs or bars weighing more than 2 kg., or in liquid, paste, powder, granular or other bulk form in containers or immediate packings, of a content exceeding 2 kg	60	30
5.	1806.31.00	Other, in blocks, slabs or bars : Filled	60	30
6.	1806.32.00	Other, in blocks, slabs or bars : Not filled	60	30
7.	1806.90.00	Other, in blocks, slabs or bars	60	30
8.	1901.10.00	Preparations for infant use, put up for retail sale	20	10
9.	1905.31.00	Sweet biscuits	100	60

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
10.	1905.32.00	Waffles and wafers	100	60
11.	1905.40.00	Rusks, toasted bread and similar toasted products	100	60
12.	1905.90.00	Sweet biscuits; waffles and wafers	100	60
13.	2103.90.00	Other	0, 30	0
14.	Heading 22.01 (All H.S.Codes)	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow.	30	20
15.	2523.21.00	White cement, whether or not artificially coloured	20	10
16.	2710.19.34	Greases	20	10
17.	2917.32.90	Diocetyl orthophthalates	20	10
18.	2917.33.00	Dinonyl or didecyl orthophthalates	20	10
19.	2917.34.00	Other esters of orthophthalic acid	20	10
20.	33.05 (All H.S.Codes)	Preparations for use on the hair.	60	45
21.	3824.90.20	Chlorinated paraffin wax	20	10
22.	3926.10.00	Office or school supplies	60	20
23.	3926.90.99	Other articles of plastics	60	45
24.	52.08 to 52.12 (All H.S.Codes)	Woven fabrics	45	20
25.	54.07 & 54.08 (All H.S.Codes (Excl. 5407.10.10)	Woven fabrics	45	20
26.	55.12 to 55.16 (All H.S.Codes)	Woven fabrics	45	20
27.	58.01 (All H.S.Codes)	Woven pile fabrics and chenille fabrics, other than fabrics of heading 58.02 or 58.06.	60	45
28.	60.01(All H.S.Codes)	Pile fabrics, including "long pile" fabrics and terry fabrics, knitted or crocheted.	60	45
29.	60.02 (All H.S.Codes)	Knitted or crocheted fabrics of a width not exceeding 30 cm, containing by weight 5% or more of elastomeric yarn or rubber thread, other than those of heading 60.01.	60	45

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
30.	60.03 (All H.S.Codes)	Knitted or crocheted fabrics of a width not exceeding 30 cm, other than those of heading 60.01 or 60.02	60	45
31.	60.04 (All H.S.Codes)	Knitted or crocheted fabrics of a width exceeding 30 cm, containing by weight 5% or more of elastomeric yarn or rubber thread, other those of heading 60.01	60	45
32.	60.05 (All H.S.Codes)	Warp knit fabrics (including those made on galloon knitting machines), other than of headings 60.01 to 60.04	60	45
33.	60.06 (All H.S.Codes)	Other knitted or crocheted fabrics	60	45
34.	7018.10.00	- Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass small wares	20	10
35.	8418.50.10	Other furniture (chests, cabinets, display counters, show-cases and the like) for storage and display, incorporating refrigerating or freezing equipment imported by VAT registered super shop	30	0
36.	8523.52.00	Smart cards	20	10
37.	8529.90.31	Loaded printed circuit board of Heading 85.27 and 85.28 imported by VAT registered TV manufacturing industry	20	10
38.	8539.31.90	Other fluorescent, hot cathode lamps	60	45
39.	8542.39.10	SIM card	30	20
40.	9405.99.10	LED lamp parts imported by VAT registered LED lamp manufacturing industry	60	0

Table 15: The items for which supplementary duty is increased

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1.	03.02 (All H.S.Codes)	Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 03.04.	0, 20	20
2.	03.03(All H.S.Codes)	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04.	0, 20	20
3.	0810.10.10 0810.10.90	Strawberries	0	20
4.	0810.20.10 0810.20.90	Raspberries, blakhhberries, mulberries and loganberries	0	20
5.	0810.30.10 0810.30.90	Blakhk, white or red currants and gooseberries	0	20
6.	0810.40.10 0810.40.90	Cranberries, bilberries and other fruits of the genus Vaccinium	0	20
7.	0810.50.10 0810.50.90	Kiwifruit	0	20
8.	0810.60.10 0810.60.90	Durians	0	20
9.	0810.70.10 0810.70.90	Persimmons	0	20
10.	2005.20.00	Potatoes chips	0	60
11.	24.01(All H.S.Codes)	Unmanufactured tobacco; tobacco refuse.	60	100
12.	2402.10.00	- Cigars, cheroots and cigarillos, containing tobacco	100	150
13.	3601.00.00	Propellant powders	20	45
14.	3602.00.00	Prepared explosives, other than propellant powders	20	45
15.	36.04(All H.S.Codes)	Fireworks, signalling flares, rain rockets, fog signals and other pyrotechnic articles	20	45
16.	3605.00.00	Matches; other than pyrotechnic articles of Heading 36.04	20	45
17.	3808.91.21	Mosquito coil	20	45
18.	3926.40.00	Statuettes and other ornamental articles	20	45
19.	4016.91.00	Floor coverings and mats	0	20

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
20.	5903.90.00	Other textile fabrics with polyurethane	0	45
21.	70.05 (All H.S.Codes)	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked.	30	45
22.	8415.90.10	Indoor or outdoor unit	60	100

Table 16: The items for which specific rate of duty is increased

Sl. No.	H.S. Code	Description	Existing Duty	Proposed Duty
1	2	3	4	5
1.	7206.10.00	Iron and non-alloy steel in ingots (excluding iron of heading 72.03).- Ingots	BDT 2500/-per MT	BDT 3500/-per MT
2.	7206.90.00	Iron and non-alloy steel in other primary forms (excluding iron of heading 72.03).	BDT 2500/- per MT	BDT 3500/- per MT
3.	7207.11.00	Containing by weight less than 0.25% of carbon of rectangular (including square) cross-section, the width measuring less than twice the thickness	BDT 2500/-per MT	BDT 3500/-per MT
4.	7207.12.00	Other, of rectangular (other than square) cross-section	BDT 2500/- per MT	BDT 3500/- per MT
5.	7207.19.00	Other Semi-finished products of iron or non-alloy steel.	BDT 2500/-per MT	BDT 3500/-per MT
6.	7207.20.00	Semi-finished products of iron or non-alloy steel containing by weight 0.25% or more of carbon	BDT 2500/-per MT	BDT 3500/-per MT

Table 17: The items for which concessionary benefit is given by SRO

(a) Capital Machinery SRO included

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	8413.82.00	Liquid elevators	5	2
2.	8480.30.00	- Moulding patterns	12	2
3.	8503.00.20	Parts of other generator (Commercial importers are being provided with this facility, although provision of capital machinery facilities made previously)		2
4.	8504.23.00	Liquid dielectric transformers having a power handling capacity exceeding 10,000 kVA	12	2
5.	8704.22.13	Insulated road milk tanker in CBU	5	2

(b) Capital Machinery SRO reduced

Sl. No.	H.S. Code	Description	Existing S.R.O Rate (%)	Proposed Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	7311.00.20	LPG gas cylinder capacity below 5000 liters	3	10
2.	8537.10.10	Busbar trunking system	3	10
3.	8538.10.00	Boards, panels, consoles, desks, cabinets and other bases for the goods of heading 85.37, not equipped with their apparatus	3	10

(c) Raw materials for Ship builders Industries

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	7315.89.00	Anchor chain with standard accessories	25	5
2.	8906.90.00	Life boat	12	5
3.	8907.10.00	Rafts	12	5
4.	9405.40.90	Navigation light	25	5

(d) Raw materials for poultry feed industries

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	0511.91.00	Products of fish or crustaceans, molluscs or other aquatic invertebrates; dead animals (fish meal unfit for human consumers)	5	0
2.	2833.25.00	Copper sulphate pentahydrate (feed grade)	12	0
3.	2833.29.90	Ferrous sulphate (feed grade)/Manganese sulphate monohydrate (feed grade)	12	0
4.	2930.90.00	Other organo-sulphur compounds	5	0
5.	3003.10.00 3003.20.00 3003.39.90	Medicament for veterinary use for retail sale	5	0
6.	3004.90.99	Spermfilter	5	0
7.	3815.90.00	Raw milk preservatives	12	0
8.	3821.00.00	Prepared culture for poultry	12	0

(e) Spare parts for poultry industries

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	3923.29.90	Bio gas storage bag, Bio gas pum, glass fibre plastic reinforcement cover for biogas plant	25	0
2.	3926.20.90	Sterilized sensitive/super sensitive gloves for artificial insemination and embryo.	25	0
3.	4009.11.00	Disposable semen collector	25	0
4.	9027.80.00	Semen analyser	3	0

(f) Raw materials for textile industries

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	5502.00.10	Artificial filament tow	5	0

(g) SRO benefit reduced of Newsprint import for print media

Sl. No.	H.S. Code	Description	Existing S.R.O Rate (%)	Proposed Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	4801.00.00	Newsprint, in rolls or sheets	3	25

(h) SRO benefit of equipment and accessories for tourist industries

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.	4016.99.90	Scuba diving equipments	25	5
2.	6112.31.00 6112.39.00 6112.41.00 6112.49.00	Swimming accessories	12	5

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed S.R.O Rate (%)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
3.	6306.22.00	Camping and hiking tents	25	5
4.	6506.10.00	Safety cap for skating or biking	25	5
5.	8308.10.00	Mountain climbing materials	25	5
6.	8703.10.00	Go-curt	25	5
7.	8801.10.00	Hot air balloons	12	5
8.	8804.00.00	Paragliding equipments	5	5
9.	8903.92.00	Surfing boats	25	5
10.	8903.99.00	Kayak, sea ray and its accessories, water bikes, jet ski	25	5
11.	8906.90.00	House boats/Glass bottom boats	12	5
12.	9503.00.90	Kite surfing equipments	25	5
13.	9504.90.00	Bowling items	25	5
14.	9506.99.00	Pool table	12	5

Table 18: The items for which Regulatory Duty (RD) reduced from 25% customs duty (imposed on 1st July, 2013)

Sl. No.	H.S. Code	Description
<i>1</i>	<i>2</i>	<i>3</i>
1.	1513.29.00	Palm kernel or babassu oil and fractions thereof (excl. crude)
2.	1901.90.91	Malt extract; food preparations imported in bulk by VAT registered food processing industries
3.	3215.19.00	Printing ink (excl. blakhk)
4.	7209.18.90	Cold rolled coils of a thickness of less than 0.5mm (excl. secondary quality)
5.	7210.49.90	Flat rolled products of otherwise plated or coated with zinc, nes
6.	7210.69.90	Flat rolled products of other plated or coated with aluminium, nes
7.	7210.70.90	Flat rolled products of other painted, varnished or coated with plastics, nes
8.	7210.90.00	Other flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, nes

Table 19: The items for which Regulatory Duty (RD) include from 10% customs duty (imposed on 1st July, 2013)

Sl. No.	H.S.Code	Description
1	2	3
1.	2517.10.10	Flint/grinding pebbles imported by VAT registered ceramic products manufacturing industries
2.	3917.23.20	FEP/Teflon tube imported by VAT registered medical equipment manufacturing industry
3.	6802.29..10	Silex/lining/abrasive/polishing disc imported by VAT registered ceramic products manufacturing industries
4.	6804.30.00	Hand sharpening or polishing stones
5.	6806.10.00	Slag wool, rock wool, etc (incl. intermixtures) in bulk, sheets or rolls
6.	6806.90.00	Oth. wool, excl. slag wool, rock wool and similar, exfoliated vermiculite, expanded clays.
7.	6807.10.00	Articles of asphalt or of similar materials (for example, petroleum bitumen or coal tar pitch) in rolls
8.	6813.20.90	Finished containing asbestos
9.	6813.81.00	Brake linings and pads not containing asbestos
10.	7010.10.00	Glass Ampoules
11.	7010.90.00	Carboys, bottles, flasks, jars, pots...nes, excl.jar of glass, glass bottles, jar
12.	7020.00.10	Other articles of glass, Glass inners for vacuum flasks or for other vacuum nes
13.	7222.40.00	Angles, shapes and sections of stainless steel
14.	7229.90.00	Other wire of alloy steel (silico-manganese steel)
15.	7302.90.00	Railway track construction material of iron or steel, etc, nes
16.	7304.11.10	Line pipe of a kind used for oil or gas pipelines of stainless steel, exceeding 8 inch dia
17.	7304.19.10	Line pipe of a kind used for oil or gas pipelines (excl. of stainless steel) exceeding 8 inch dia
18.	7304.22.10	Drill pipe of stainless steel Exceeding 8 inch dia
19.	7304.24.10	Casing and tubing of stainless steel, exceeding 8 inch dia
20.	7305.11.00	Line pipe of a kind used for oil or gas pipelines longitudinally submerged arc welded
21.	7306.11.10	Line pipe of a kind used for oil/gas pipelines welded of stainless steel exceeding 8 inch dia
22.	7306.19.10	Line pipe of a kind used for oil/gas pipelines (excl. welded of stainless steel) exceeding 8 inch dia
23.	7309.00.00	Reservoirs, tanks, vats and similar containers for any

Sl. No.	H.S.Code	Description
1	2	3
		material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 L, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment.
24.	7315.11.10	Roller chain of a kind used exclusively in bicycles or cycle rickshaws or automotive vehicles
25.	7315.11.20	Roller chain of iron/steel of a kind used exclusively in motor cycles
26.	7321.90.00	Parts of Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas-rings, plate warmers and similar non-electric domestic appliances, and parts thereof, of iron or steel.
27.	7325.91.00	Grinding balls and similar articles for mills of cast steel
28.	7612.90.90	Aluminium casks, drums, cans and boxes and similar containers, nes
29.	7616.99.00	Other articles of aluminium, nes
30.	8202.99.10	Toothless saw blades
31.	8203.10.90	Rasps and similar tools (excl. Files for cutting ampoules)
32.	8203.20.00	Pliers (including cutting pliers), pincers, tweezers and similar tools
33.	8204.11.00	Non-adjustable hand-operated spanners and wrenches
34.	8204.12.00	Adjustable hand-operated spanners and wrenches
35.	8205.20.00	Hammers And Sledge Hammers
36.	8205.40.00	Screwdrivers
37.	8205.59.90	Other hand tools (including glaziers' diamonds), nes
38.	8311.30.00	Coated rods and cored wire, of base metal, for soldering, brazing or welding by flame
39.	8504.40.10	Mobile battery charger (less than 10VA)
40.	8517.70.00	Parts of telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice
41.	8708.10.00	Bumpers and parts thereof
42.	8708.29.00	Other parts and accessories of bodies (including cabs) excluding safety seat belts
43.	8708.40.00	Gear boxes and parts thereof