



Return to the Path of Development Leaving the COVID-19 Behind

National Budget Speech 2022-2023

A H M Mustafa Kamal FCA, MP

Minister

Ministry of Finance

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Bangladesh National Budget 2022-2023

Chapter One

Tribute

In the name of Allah, the Most Gracious, the Most Merciful

Blessed is the One in Whose Hands rests all authority. And He is the Most Capable of everything.

Madam Speaker

1. I, A H M Mustafa Kamal, Finance Minister, with your kind permission, am placing the supplementary budget for the fiscal year 2021-2022 and the proposed budget for the fiscal year 2022-2023 before this august House.

Madam Speaker

2. Before I start my presentation, I remember with profound respect, the greatest Bengali of all times, the Father of the Nation Bangabandhu Sheikh Mujibur Rahman who is the cardinal source of our inspiration and the finest son of the soil.

I remember with deep respect Shaheed Bangamata and all martyrs of the fateful night of 15 August.

I pay my respect to the four national leaders who embraced martyrdom in the central jail.

3. I express my profound love and respect for the fearless heroes of the country, who sacrificed their lives for our emancipation, starting from our struggle for self-determination to our war of

independence, and whose supreme sacrifice brought us freedom.

I pay my respect to the thirty lakh martyred freedom fighters and 2 lakh mothers and sisters, who lost their dignity during our independence war.

To the Almighty Allah, I pray for the forgiveness of the souls of all the martyrs.

4. Thank you, Madam Speaker.

Chapter Two

Sheikh Hasina: The Story of a Phoenix

5. It was the Autumn of 1947. There was the vast expanse of lush green decorating the beautiful nature of Bangla. A morning of the fallen jasmines, pearl-like dew drops on the leaves of morning grass, waves of the untamed white twigs of catkins on the banks of rivers and edges of the forest, cluster of white clouds embracing the feathery blue sky, charming breeze swaying the sails of boat. Flock of birds flying on the edges of drifting clouds, chirping of the white-breasted waterhen in the bamboo bush, water lilies hugging each other under the shallow water of swampy lands, silvery stitches of fireflies piercing the dark night, spell binding lusters of the moon-all these making the whole nature a pageant of splendid beauty.

6. In contrast to the tranquility in nature, politics in Bengal was rife with tension at that time caused by the recent partition of India. The Father of the Nation Bangabandhu was a student leader at that time. He was busy maintaining peace and harmony in the communal riots of Kolkata in the wake of the partition. Besides, he was preparing to close his chapter in Kolkata to move back to Dhaka permanently. At this defining moment, on 28 September, Bangabandhu Sheikh Mujibur Rahman and Sheikh Fazilatunnesa were blessed with their first child Sheikh Hasina. In her childhood, she was affectionately called 'Hasu' by all.

7. Sheikh Hasina passed her childhood in a rural household on the bank of Baigar, a tributary of Madhumati. In her early years, she went to school at Tungipara. Her family moved to Dhaka in 1954. Sheikh Hasina was eight at that time. Sheikh Hasina first studied in Nari

Shiksha Mandir at Laxmibazar before moving to Azimpur Girls' School from where she passed the secondary examination. In 1967 she passed the higher secondary examination from Government Intermediate Girls' College and received her bachelor degree from Dhaka University in 1973.

8. She was elected vice president of the Intermediate Girls' College Student Union from Chatro League. She was the General Secretary of Chatro League Branch of her college and became its president in the following year. Sheikh Hasina was a member of Chatro League in Dhaka University and became General Secretary in Rokeya Hall unit of Chatro League. She actively took part in all mass movements during her student life.

9. In fact, Sheikh Hasina is also a born politician. She inherited her political acumen from her father and ancestry. She grew up watching her father's imprisonment for prolonged periods. She was raised in a middle-class Bengali environment under the care of her loving mother, who had to struggle to make ends meet. She was nurtured as a natural leader and politician as she closely witnessed the activities of many political leaders and her father's political associates, who regularly visited their house.

Madam Speaker

10. Sheikh Hasina, along with Bangamata, played catalytic roles in the late 1960s in spearheading political activities and setting political strategies when her father Bangabandhu was imprisoned in Dhaka Cantonment as the number one accused in the Agartala conspiracy case. She proactively took part in the mass uprising at that time.

11. In the turbulent days of March 1971 Bangamata Sheikh

Fazilatunnesa and Sheikh Hasina, along with other members of the family, assisted Bangabandhu in taking important decisions. During the liberation war of 1971, Sheikh Hasina, an expectant mother spent her time in home detention amid many uncertainties. Her father was imprisoned in Pakistani jail, two brothers Sheikh Kamal and Sheikh Jamal were taking part in the liberation war, her mother with sister Rehana and youngest brother Russel were also detained like her in a house. She was blessed with a baby boy Sajeeb Wazed Joy in May of 1971 while in detention.

12. The dark days were over on 16 December 1971 when we earned our victory. Bangabandhu returned to Bangladesh after his release from Pakistani jail and devoted himself for the reconstruction of the war-ravaged country despite facing many odds. He had been laying strong foundations and moving forward to realize the dream of establishing Sonar Bangla.

13. But the future of this unfortunate nation soon was shrouded with darkness again. A terrible fate awaited Bengalis on the fateful night of 15 August 1975 when anti-liberation forces brutally assassinated Bangabandhu Sheikh Mujibur Rahman along with all members of his family. Sheikh Hasina, along with her two children and younger sister Sheikh Rehana, miraculously escaped death on that horrific night as she was in West Germany at that time where her husband worked.

14. It was a time of profound sadness, fear, and constant anxiety for her. After staying in Germany for a few days, she moved to India under political asylum on 25 August and stayed there for six years. She initiated the anti-autocracy movement in 1980 from England.

15. Awami League was in an existential crisis, divided in many factions, battered by the events, following the assassination of

Bangabandhu. Sheikh Hasina was chosen as the President of Awami League in the council meeting of February 1981 hoping the party would be united and rebuilt under her leadership. Awami League, the party that led the country to independence, was in a miserable state at that time. They desperately needed a trustworthy, dependable leader, who can steer the party. Ignoring threats to her life and overcoming all hindrances set by the military government Sheikh Hasina landed in Bangladesh at 4 pm on 17 May 1981. That day not only Dhaka's Tejgaon airport, but the whole of Dhaka city turned into a massive gathering of people just like the time of homecoming of her father Bangabandhu on 10 January 1972. A truck carrying her and other national leaders slowly waded through the huge crowd to reach Manik Mia Avenue. On the dais, she burst out in tears. With her cried all the people around her, en masse, just like a raging wave that crashes on the sea beach. The unshed tears of 15 August finally burst open inundating nature.

16. Sheikh Hasina reorganized Awami League and started a movement, her struggle for the establishment of democracy in the country. Just like Bangabandhu who loved the people of Bangla and dreamt of a golden Bengal, Sheikh Hasina also loves the people of this country. She announced that she had lost everything with the death of her father, mother, brothers and close relatives. She has no expectation for her personal gains. Her only ambition is the continued progress and development of the country. She wants to sacrifice her life for the welfare of the people. She initiated and led a movement that eventually uprooted autocracy from the country and dislodged the military dictator in December 1990.

Madam Speaker

17. After the general election of 1991, while in opposition, Sheikh

Hasina travelled to all corners of the country, from village to village, to listen to the people about their needs and expectations and stood beside them at their times of distress. She gathered much knowledge about the infrastructure development needs of the country. After her 21 years' of tireless efforts and struggle finally, Awami League came to power with the mandate of the people in the 1996 election under the able leadership of Sheikh Hasina. An era of new opportunities and possibilities ushered in when Sheikh Hasina became Prime Minister. During her administration from 1996 to 2001, the GDP growth of the economy accelerated to 6.2 percent. The inflation rate fell to 1.59 percent. There were other achievements as well which include, among others, instilling the ideals of independence and the spirit of the liberation war at all levels, institutionalizing democracy, repealing the infamous indemnity act, establishing the rule of law by initiating trial of the cases for killing of the Father of the Nation and the jail killing, promoting peace and human rights, signing of the Hill Tracts Peace Treaty, signing of the Ganges Water Sharing Treaty, unprecedented development in the agriculture sector, repealing the Vested Property Act, getting recognition of the International Mother Language Day, modernizing the defense system, effectively managing the devastating flood of 1998, empowering women, development of the children, reducing poverty level to 44.3 percent, running microcredit programme, building homes for the homeless, introducing allowances for valiant freedom fighters, developing new health policy to ensure health facilities for all – development of hospital facilities all over the country and establishment of community clinics, raising life expectancy to 63 years, introducing old age allowance for the first time in the country, introducing allowances for the distressed women, establishing foundation for the disabled, introducing 'one house, one farm' programme, establishing the *Karmasangsthan Bank*, correcting

longstanding chaotic situation on the economic front, putting in place a modern and time befitting education policy for the development of the education system, introducing stipend for primary school students and female students at the secondary level, increasing literacy rate from 44 percent to 65 percent in five years, opening the 4.8 kilometer Bangabandhu Bridge on Jamuna for vehicular movement, laying the foundation stone of Padma Bridge at Mawa on 4 July 2001, taking measures for the protection of the environment. All these steps together laid a strong foundation for the economic development of the country. However, the journey for development came to a grinding halt again in 2001.

18. The evil anti-liberation forces did not stop even after killing Bangabandhu Sheikh Mujibur Rahman along with his family members on the fateful night of 15 August. The culprits made many attempts to kill the beacon of hope for Bangladesh, the worthy daughter of Bangabandhu, Sheikh Hasina. They tried to stop her tireless efforts to build a Golden Bengal, that Bangabandhu dreamt of, and to instill the spirits of the liberation war in Bangladesh. It was 21 August 2004. The time was 40 minutes past 5 in the afternoon. The party rally on the road in front of the Awami League office in Bangabandhu Avenue was just over. Sheikh Hasina, the then leader of the opposition, finishing her speech was standing in an open truck. Several thousand party workers and supporters were still present around the truck at the rally site. A ladder was placed at the end of the truck for her to walk down. Sheikh Hasina was walking toward the ladder. What happened next was the most brutal and heinous crime in the political history of Bangladesh. Grenades started exploding everywhere with loud noises. Not one, not two; one after another, the explosions continued. Grenades were exploding in such short intervals that are not seen even on a battlefield. When the sound of the

explosions finally subsided, it became clear that it was not just the sound; the country witnessed the worst massacre in her history. It was a horrific scene – the parts of human body pierced by the grenades, were strewn all over the area. People in extreme shock, overawed by the explosions, were walking about unaware of what was on the ground. Although the assassins targeted Sheikh Hasina, she had a miraculous escape.

19. There have been as many as twenty assassination attempts to kill Sheikh Hasina. These attacks happened on 24 January 1988 in Chattogram, the same year also on 15 August; on 11 August of 1989 the criminals of Freedom Party threw grenades and fired bullets at her residence in Dhanmondi 32. Shooting attack on her took place when she was visiting Family Planning election booth at Green Road on 11 September 1991, shooting on her train at Iswardi on 23 September 1994, bomb attack on a public rally organized by Awami League at the Russel Square on 7 December 1995, shooting attempt on her in the Curzon Hall area on 7 March 1996 as she was coming from Bangabandhu Avenue, attempt to kill Sheikh Hasina by planting a 76 kilogram bomb on 20 July 2000 near her public rally at Kotalipara, Gopalganj, planting of a powerful bomb beside Rupsha Bridge in Khulna on 29 May 2001, and attacking her motorcade in front of BMC Government Women College on 4 March 2002. By the grace of the Almighty, she miraculously escaped each assassination attempt and ignoring the death threats devoted herself for the welfare of the people of Bangladesh with added zeal.

20. Sheikh Hasina was sworn in as the Prime Minister for the second term with the victory of the Bangladesh Awami League with a two-thirds majority in the general election held in December 2008 with a manifesto of ‘A Charter for Change’, which opened up a golden door of possibilities for the nation and thus ensured the successful

transition from the crisis. She has implemented our destiny changer, the 'Vision 2021'. With the manifesto titled 'Bangladesh Marching Ahead: Road to Peace, Democracy, Development and Prosperity', Bangladesh Awami League formed the government for the second time in a row after winning the general election held on 5 January 2014 with a two-thirds majority and Sheikh Hasina became the Prime Minister for the third time. Bangladesh Awami League formed the government for the third time in a row after achieving thumping victory in the 11th National Parliament election held on 30 December 2018 with the manifesto 'Bangladesh on the march towards Prosperity', and Sheikh Hasina became the Prime Minister for the fourth time.

Madam Speaker

21. Under the dynamic leadership of Hon'ble Prime Minister Sheikh Hasina, Bangladesh has been passing through an incredible golden era since 2009. Bangladesh has become a confluence of peace, progress, and harmony. Our success story on development is being written one after the other. Today Bangladesh is setting example for other countries to emulate for exemplary development. Some of the notable achievements out of thousands are highlighted below.

- Our National Parliament has become the centre of all state activities;
- In the last 13 years, the average GDP growth has been 6.6 percent, above 7 percent in FY2016-2017, FY2017-2018, and FY2018-2019 and exceeded 8 percent in FY2018-2019. Even during the COVID-19 pandemic, the GDP growth in FY2020-2021 is 6.94 percent which is remarkable;
- The average growth rate achieved during the Sixth Five-Year Plan period was 6.3 percent, and that increased to 7.6 percent

during the Seventh Five-Year Plan period;

- Eighth Five-Year Plan (2021-2025), the Perspective Plan (2021-2041) and the Delta Plan-2100 have already been formulated and their implementation is underway;
- The size of GDP has exceeded Tk. 39 lakh crore from Tk. 4 lakh 72 thousand 338 crore;
- Per capita income has increased from US\$ 543 in FY2005-2006 to US\$ 2,824;
- Inflation is well within 5 to 6 percent;
- The poverty rate has declined from 41.5 percent to 20.5 percent, and the extreme poverty rate has fallen to 10.5 percent;
- Foreign exchange reserves touched a record US\$ 48 billion (on 23 August, 2021);
- The size of the budget has increased by eleven times compared to that of FY2005-2006;
- The allocation for the social safety net programmes has grown from Tk. 2 thousand 505 crore to around Tk. 1 lakh crore;
- The power generation capacity has increased from 4,900 MW to 25,566 MW. Under the programme "Sheikh Hasina's initiative - electricity in every house", 100 percent of the population of Bangladesh has been brought under the coverage of electricity;
- With the final settlement of legal disputes over maritime boundaries with Myanmar and India, Bangladesh has acquired ownership of 1,18,813 square kilometres in its territorial waters, including exclusive economic zones and continental shelves, in the Bay of Bengal. To take advantage of this open right to extract the blue waters of the sea and its resources, the

strategy of Blue Economy has been adopted in the Perspective Plan 2041;

- Graduation from a low-income country; crossed the final stage for transition to developing countries from the list of least developed countries;
- The commitment made in the ‘Vision 2021’ to increase food production, alleviate food shortages and make the country self-sufficient in food production has already been achieved thanks to various effective measures taken by the government;
- The dream of Digital Bangladesh has become a reality. With the setting up of Union Digital Centers in 4,550 Union Councils; laying of optical fibres at the bottom of the deep sea, the launching of Bangabandhu satellite in space, the launching of mobile banking activities, setting up of ATM booths in Upazila towns and making internet facilities available, the services are now at the doorsteps of the people.
- The launch of the Bangabandhu-1 satellite has made it easier to provide internet services. About 17 crore mobile phones are currently in use in the country;
- Successfully achieved the United Nations Millennium Development Goals (MDG);
- Received ‘SDG Progress Award’ in recognition of SDG implementation progress;
- The maternal mortality rate has reduced from 348 per lakh live birth in 2005 to 165 now, the under-five mortality rate has come down from 68 in 2005 to 28 in 2019 per thousand live births, and the presence of skilled health workers during childbirth has increased from 15.6 percent in 2004 to 59 percent in 2019;

- Implementation of a large number of mega-projects is currently underway in the country. The Padma Bridge, Metro Rail, Karnafuli Tunnel, and elevated expressway from Dhaka Airport to Kutubkhali near Jatrabari will be opened soon; Completion of several other major projects, including Payra Seaport, Matarbari Deep Seaport, Rampal Power Station will add a new dimension to the progress of the country;
- Through a land boundary agreement with India, Bangladesh got 111 enclaves of India by exchanging enclaves. As a result of this agreement, more than 51,000 people who had been stateless for 68 years got the opportunity to become the citizens of Bangladesh;
- Successful celebration of the Mujib Year (Bengali: Mujib Borsho) and the Golden Jubilee of Independence in presence of guests from home and abroad;
- The government has succeeded in combating terrorism. In this regard, the government has adopted a zero-tolerance policy. The rate of sabotage in the country has reduced a lot thanks to proper initiatives taken by the law enforcing agencies;
- The work of establishing 100 Special Economic Zones is progressing in full swing;
- The unfinished trial of Bangabandhu's murder has been completed and the court's verdict has been executed; the people who committed war crime and crime against humanity have been tried;
- The foreign policy introduced by Bangabandhu– “Friendship towards all, malice towards none”– has also been followed by Prime Minister Sheikh Hasina.

Madam Speaker

22. Hon'ble Prime Minister Sheikh Hasina has been honoured with more than half a hundred medals and degrees, including 'Félix Houphouët-Boigny Peace Prize', 'Pearl S. Buck '99' Award, 'CERES' Medal, Mother Teresa Medal, Paul Haris Fellowship, Netaji Subhas Chandra Bose Memorial Medal, 'Champion of the Earth-2015' Award, Agent of Change Award, 'Planet 50-50 Champion' award, 'ICT Sustainable Development Award', Women in Parliament Global Forum (WIP) Award, 'Peace Tree' medal for the exceptional contribution to the development of women and children's education, South-South Award, the United Nations' Millennium Development Goals Award, Diploma Award, Cultural Diversity Award, Global Diversity Award, Indira Gandhi Peace Prize, and 'Doctor of Humane Letters' for her outstanding contribution to the country and public welfare. Hon'ble Prime Minister Sheikh Hasina ranked amongst the 50 most influential women in the world as enlisted by the Forbes Magazine in 2021.

23. Bangladesh's remarkable rise and advancement in the socio-economic sector under the dynamic and strong leadership of Prime Minister Sheikh Hasina are now recognised worldwide. She is a symbol of infinite courage and foresightedness. Under her guidance, the whole nation is determined today to go far beyond from where they are today.

24. Bangladesh today has attained an incredible height in the comity of the world. This is attributable to the Hon'ble Prime Minister's courageous leadership, patriotism, commitment to the people of the country, and the far-sighted economic philosophy. Once one of the poorest countries in the world, Bangladesh is now the 41st

largest economy in the world. According to the Center for Economic and Business Research (CEBR), a British economic research organization, Bangladesh will become the 25th largest economy in the world by 2035 if economic growth continues. Bangladesh has emerged as the world's wonder in the journey towards development and prosperity. The world leaders today are now in all praise for what Bangladesh has achieved. Indeed, the role of the Awami League and the people's leader Sheikh Hasina are at the heart of these remarkable achievements. However, while striving for opening up the door for new frontiers of opportunities the traditions of the past were not lost sight of. There is a bridge between the past and the present which paves the way for building a prosperous Bangladesh. Sheikh Hasina, the worthy daughter of the Father of the Nation Bangabandhu, is just like a phoenix. Having come out of the rubble after losing her parents, brothers and relatives, she dedicated her life to the welfare of the people of Bangladesh. To transform this country into golden Bangladesh, the dream she got from the Father of the Nation, the Hon'ble Prime Minister's journey towards achieving the milestones for development may be described in the words of our great poet Rabindranath Tagore - "Floated the boat of light aiming at the sky."

25. Everything has been possible because Hon'ble Prime Minister Sheikh Hasina is at the helm.

Now Bangladesh is a country of peace, equality and harmony

Only because Sheikh Hasina is there.

Once a bottomless basket, Bangladesh is now a developing country

Only because Sheikh Hasina is there.

Bangladesh will become a developed country,

Only because Sheikh Hasina is there.

26. Let us pay our humble tribute to the Father of the Nation and express our deep gratitude to the Hon'ble Prime Minister for her missionary zeal.

Chapter 3

Successful COVID-19 Management and Economic Recovery

Madam Speaker

27. With great pleasure I would like to inform this august House that as a result of timely and appropriate steps taken by our government and their effective implementation, Bangladesh has been able to successfully overcome the catastrophic situation created by the COVID-19 pandemic. As you know, the COVID-19 pandemic caused by the novel coronavirus has so far infected countless people worldwide and caused about 6.3 million deaths. The whole world was devastated by the economic crisis caused by the pandemic. Our government, under the leadership of Prime Minister Sheikh Hasina, has ensured special healthcare during the pandemic period as well as adopted a coronavirus vaccination system for all and thus saved Bangladesh from massive loss of lives. At the same time, the effective implementation of various fiscal and financial incentive packages brought back the vitality of our economy in the shortest possible time.

28. Since January 2020, the effects of the outbreak of the pandemic began to be felt in different sectors of the economy, including imports and exports. As soon as the crisis began, we took immediate actions to deal with it. As directed by the Hon'ble Prime Minister, the Government formulated a comprehensive programme with short, medium, and long-term goals consisting of four main strategic blocks to address the crisis and its adverse effects on the economy. Our strategies were to prioritise job creation and discourage luxury spending, introduce credit facilities with low-interest rates through the

banking system, provide support for the impoverished and jobless low-income population, and people engaged in informal sectors by widening the coverage of social safety net programmes and ensure money supply in the market. In the light of these strategies, we have so far launched 28 financial and incentive packages worth Tk. 1 lakh 87 thousand 679 crore and are successfully implementing them. Before launching all these fiscal and financial incentive packages, we have taken on board the views and suggestions of the people of different strata and professions including businessmen, economists, development experts, journalists, and researchers. In this way, we could deliver packages in a planned and integrated manner to ensure the benefit to a maximum number of people in the country. I would like to proudly inform the people through this august House that the implementation of these 28 incentive packages by the government has so far directly benefited about 73 million people and about 1,72,000 organisations (**Appendix A Table 1**).

Madam Speaker

29. In last year's budget speech, I gave a brief overview of the implementation of these incentive packages. Today, I am presenting a narrative on how the people of the country benefitted from the successful implementation of the packages and how the economy of Bangladesh has turned around by overcoming the effects of the pandemic. The government provided Tk. 5,000 crore for salaries and allowances to sustain the employment of workers in the export-oriented sector, including ready-made garments which directly benefitted 3.8 million labor and staff that included 53 percent women workforce working in the sector. So far, 4,529 affected large industries and 1,53,861 affected cottage, small and medium enterprises availed of the low-interest working capital loan facility of

Tk. 73,000 crore and Tk. 40,000 crore respectively to sustain their business. In addition, Export Development Fund, Pre-Shipment Credit Refinance Scheme, and Credit Guarantee Scheme for the SME sector have benefited both small and large businesses and industries. As a result, other manufacturing and service sectors, including export-oriented industries, returned to full production.

30. We provided food for about 13.9 million poor and low-income people who suddenly lost their jobs due to the outbreak of the pandemic. Besides, the government has sold rice at the rate of only Tk. 10 per kg among 7.06 million low-income families. To protect the poorest people during the crisis, we provided cash assistance amounting Tk. 2,500 to each of 3.5 and 2.7 million selected groups of people during the first and second phases respectively. We increased the coverage of the old age allowance and the allowance for the widow and the women persecuted by their husbands to 100 percent beneficiaries of the 262 poorest Upazilas of the country. We brought all the physically challenged people under the disability allowance. Following the directives of the Hon'ble Prime Minister, we provided safe and decent housing to more than 7.5 lakh poor people by constructing about 1,50,233 houses for homeless people across the country. As a result, millions of people in the country were protected from the effects of the pandemic.

31. In addition, following the implementation of the package announced by the government for the protection of agriculture and the rural economy, food production and supply of agricultural products were kept normal and thus the rural economy remained active. A total of 1 crore 65 lakh farming families in the country benefited from the agricultural incentive package. So far, 3,14,000 agricultural farms benefited from the Tk. 8,000 crore agricultural refinancing scheme set up to facilitate farmers to get loans. About 5.34 lakh low-income

professional farmers and small traders have so far benefited from the Tk. 3,000 crore refinancing scheme for low-income professional farmers and small traders. Millions of rural people have benefited from the government's lending packages through various institutions to boost employment in the rural economy and the rural economy is thus, fully operational. In recognition of the successful implementation of these timely steps taken under the leadership of the Hon'ble Prime Minister, the Commonwealth has named the Hon'ble Prime Minister as one of the successful women leaders in tackling the COVID-19 pandemic.

Madam Speaker

32. Looking at the current dynamics of the country's macroeconomic indicators, it is clear that Bangladesh has successfully overcome the adverse economic impact of the COVID-19. In the first wave of the pandemic from April to May 2020, our industrial production was somewhat disrupted, but from July 2020, it began to turn around sharply. According to the Bangladesh Bureau of Statistics, the monthly industrial production index returned to the pre-COVID level by November 2020. During the second wave in May-August, 2021, industrial production was again somewhat stagnated, but in 2021, industrial production was able to maintain strong overall growth. In the first eleven months of the current fiscal year (July-May), export earnings were US\$ 47.17 billion, which is 34.09 percent higher than the export proceeds of the same period of the previous fiscal year. If this trend of exports continues, by the end of the year, the export revenue will exceed US\$ 50 billion. In tandem with the industry sector, our agricultural sector could very successfully maintain its productivity throughout the crisis. With the assistance and incentives of the government in this sector, we could achieve the

target of agricultural production in those two years, which helped us in ensuring food security in the country as well as keeping our rural economy vibrant. Despite the prediction of experts that due to disruption of our main overseas labor market the remittance flow will decline, our remittances continued to grow at a high rate. In FY2020-2021, remittances have achieved a record growth of 36.1 percent, which has strengthened the foundation of the country's economy during the crisis. The cash incentives provided by our government against expatriate income have been an important catalyst for this success. Although the remittance income declined slightly from July-May of FY2021-2022 as compared to the same period of the previous fiscal year, we hope that the remittance income will return to normal during the rest of the year. The foreign exchange reserve rose to a record US\$ 48.02 billion in August 2021 and is now at US\$ 42.11 billion (June 1, 2022). From these data, it is evident that the economy of Bangladesh is moving towards definite progress despite the adverse impact of pandemic shocks.

33. Another important factor behind the rapid economic recovery from the COVID pandemic is the successful implementation of vaccination programmes. Commercial production of the COVID-19 vaccine began in the world in early 2021. The Hon'ble Prime Minister announced that the government will bring all the citizens of the country under the free COVID-19 vaccine coverage as soon as possible whatever the cost may be. Despite various challenges in the global supply of vaccines, we have been able to procure the required vaccines from various alternative sources as per the directives of the Hon'ble Prime Minister and have been able to successfully administer two doses of vaccines to almost all citizens of the country above 12 years of age in just one year. We are currently in the process of providing booster doses. There are two more important aspects of our

success in vaccination. The first is that we did not allow any vaccine to be used in Bangladesh without the approval of the World Health Organization. This means that all COVID-19 vaccines used in the country are approved by the World Health Organization as effective and safe. Our second achievement is that in the field of vaccination, we have been able to ensure equality between urban-rural, rich-poor, and male-female. About 50.1 percent of the 258 million dose vaccines given so far have been received by the women of the country. In addition, we have been able to vaccinate marginalized groups such as the Bede community, the third sex community, and so on. As a result of this widespread vaccination programme, the rate of infection in the country has dropped sharply, as has the rate of hospital admissions and deaths. In addition, the health risks and the fear of corona among people have also subsided. The economic activities have thus returned to normal and the country has returned to the high growth trajectory.

Madam Speaker

34. You will be pleased to know that according to the May 2022 edition of the Nikkei COVID-19 Recovery Index, jointly published by the influential Nikkei Media Group of Japan and Financial Times of London, Bangladesh ranks 5th out of 121 countries and topped in South Asia. The indicator is calculated based on three factors- new infection control, vaccination, and accessibility of citizens to movement and participation in socio-economic activities. Bangladesh's strong position in this index proves that we have been able to deal with Corona much better than many countries in the world and our socio-economic activities have returned to normal. As I announced in the last budget, we have been able to ensure the safety of life and livelihood of the communities at large.

35. Bangladesh's success in its economic recovery despite the

impact of the pandemic has also been lauded by many other quarters at the global level. According to the World Bank, "Bangladesh economy shows resilience amid uncertainty." The World Bank also said, "Bangladesh has made a strong economic recovery from the COVID-19 pandemic." According to The Wall Street Journal, "Bangladesh is becoming an economic powerhouse of South Asia." The Wall Street Journal compares Bangladesh's success to those of South Korea, China, and Vietnam. The Hindustan Times writes, "Bangladesh: From a 'basket case' to a robust economy." US President Joe Biden recently wrote in a letter to the Prime Minister, "The drive, resourcefulness, and innovation of Bangladeshis – rebuilding after the 1971 war and now forging a path of economic growth and development – serve as a model for the rest of the world."

36. It is quite apparent from the positive signs in the economy that through the effective and timely implementation of the economic recovery programmes, including the creation of jobs and job security, creating domestic demand and running successfully the COVID-19 vaccination programme announced by the Hon'ble Prime Minister, the government has been able to successfully overcome the economic impact of the second and third wave of Covid pandemic. The government believes that "the bigger the challenge, the greater the opportunity for growth." Under the visionary leadership of Hon'ble Prime Minister Sheikh Hasina, Bangladesh is moving ahead at a consistent pace by turning all the challenges into opportunities.

Madam Speaker

37. We will continue the initiatives taken to address COVID-19 and economic recovery in the coming fiscal year. However, as the context of the crisis changes, so will our priorities. In the first year of the crisis, our priorities were to build the health sector's capacity,

provide food and humanitarian assistance to the low-income people who have suddenly become unemployed, and provide urgent assistance to sustain production and employment in key economic sectors such as the agriculture and the exports. We successfully tackled the challenges of the first year through the rapid expansion of specialised COVID treatment in government management, recruitment of additional physicians and health workers, and humanitarian assistance activities for low-income people. In the second year, after the initial shock, our priority was shifted to bring everyone under the COVID vaccine and support the industry and services sector to ensure economic recovery at a faster pace. We successfully achieved the target in the second year by bringing almost all citizens above 12 years of age under the vaccination programme and successfully implementing incentive packages for the industry and services sectors. Now, in the third year of the pandemic, our priority will be to sustain the economic recovery by maintaining the trend of income generation and job creation and thus put the economy on a solid foundation. Therefore, we will continue to implement incentive programmes in the next fiscal year. At the same time, we will provide all kinds of policy support to all the important sectors of the economy including banks, financial institutions, and business enterprises in the industrial and service sectors so that they can fully overcome the effects of pandemic. I would like to apprise the nation through you that the next fiscal year will be our last year to overcome the effects of pandemic.

Chapter Four

Global Crisis and Challenges for Bangladesh

Madam Speaker

38. While the global economy was recovering from the last two years' unanticipated impact of the COVID-19 pandemic, the Russia-Ukraine conflict that began with the Russian military operation on 24 February 2022 has started creating various adverse effects on the global economy. Since the end of 2021 with post-COVID induced rising demand, the commodity prices soared in the international markets and now the Russia-Ukraine conflict is further pushing up further the commodity prices. Recently, the price of crude oil per barrel has crossed US\$ 113. On the other hand, the price of natural gas has escalated twelve folds in the international market. Besides, oil and natural gas, Russia and Ukraine are the suppliers of several products in the global commodity market, such as wheat, maize, sunflower oil, and rare earth minerals. As a result, there is price escalation of these commodities in the international market. Export to and import from Russia are also squeezed due to the imposition of sanctions and disconnecting Russia from the international payment network SWIFT by the Western Countries, which disrupted the world supply chain. Indeed, the Russia-Ukraine crisis which is likely to prolong shall obstruct the post-COVID recovery of the world economy.

39. The global price of food and fuel is rising due to Russia-Ukraine conflict. Compared to May 2021, in May 2022 there has been 65 percent increase in fuel price, 114 percent increase in the price of

urea fertilizer, 29 percent increase in soybean oil price, 85 percent increase in wheat price and 13 percent increase in sugar price. Due to these price escalations, several international research organisations forecasted global inflation. Based on data released by FAO, the worldwide price of agricultural and food commodities increased in 2021, which may continue to rise in 2022. The World Economic Outlook of the International Monetary Fund published in April 2022 forecasted 5.7 percent CPI inflation in the developed economies in 2022, which was 3.1 percent in 2021. Among these economies, inflation in the USA would be 7.7 percent in 2022. On the other hand, inflation in the emerging and developing economies which was 5.9 percent in 2021, is expected to rise to 8.7 percent in 2022.

40. Given the above context, there are two major challenges for Bangladesh. Usual price hikes in the international market and secondly, controlling imported inflation in the local market originating from the price hike in the international market. It is to be noted that importing the same volume of nine essential commodities for Bangladesh (crude oil and refined oil, LNG, wheat, fertilizer, palm oil, coal, soybean oil, maize and rice) would cost an additional US\$ 8.2 billion in 2022 in comparison to 2021 due to price hike. Besides commodity prices, prices of industrial raw materials, other consumer goods prices, and the cost of international transportation are also rising. Consequently, there is a pressure of imported inflation in the local market.

Madam Speaker

41. In these circumstances, there is pressure on subsidy/incentives management by the government. In the budget for FY2021-2022, the allocation for subsidy and incentive expenditure was Tk. 53,852 crore. But due to the rise in prices of fuel and fertilizer in the international

market, the government had to increase subsidy/incentives expenditure on fuel, electricity, gas, and fertilizer. As a result, the estimates of subsidy and incentives expenditure on the revised budget of FY2021-2022 had to be increased to Tk. 66,825 crore (1.70 percent of GDP). This expenditure has been increased to Tk. 82,745 crore (1.90 percent of GDP) in the initial estimate of the budget for FY2022-2023. However, considering the price trend of oil, gas, and fertilizer in the international market, the estimated subsidy/incentives spending can be 15-20 percent higher than the initial estimates, which may pose a challenge in the budget management for the next fiscal year.

42. Despite the COVID pandemic, during FY2020-2021, remittance earning was impressive. Due to the sluggish economic recovery in our major overseas labour markets because of the COVID pandemic and the ongoing Russia-Ukraine conflict, there has been a stagnation in remittance earning in the current fiscal year. On the other hand, with the speedy economic recovery from the COVID pandemic situation in Bangladesh, import volume has increased at a record high level. Consequently, during the July-April period of the current fiscal year, the current account deficit stood at US\$ 15.3 billion. Related to that, there has been a stress on the exchange rate originating from the increased demand for US\$ in the local market. To manage this crisis, Bangladesh Bank released US\$ 6.08 billion up to 1 June 2022 in the local foreign exchange market. In October 2021, the amount of foreign exchange reserve was US\$ 48 billion, which has now declined to US\$ 42 billion. Besides, Taka is being depreciated against US dollar, and since July 1 of current fiscal year to 6 June 2022, Taka depreciated against US\$ by around 7.9 percent. So, along with containing inflation, maintaining imports at a reasonable volume and keeping foreign reserves stable would be a great challenge for us.

43. The Government wants to contain inflation, increase

employment and address other macroeconomic challenges by increasing supply while reducing the growth in demand. To recover from the sluggish growth of the economy due to the COVID-19 pandemic, the government has taken several countercyclical measures for enhancing industrial production and boosting the export sector namely, the creation of a special fund of Tk. 5 thousand crore for paying wages and salaries of the employees in the export-oriented industries, a fund of Tk. 73 thousand crore for affected large industrial and service sector enterprises, a fund amounting Tk. 40 thousand crore for lending against working capital for the CMSMEs, enhancement of Export Development Fund from US\$ 3.5 billion to US\$ 6 billion and subsidizing the interest beyond 2 percent and a pre-shipment credit refinancing project of Tk. 5 thousand crore. Moreover, the government has taken several initiatives for enhancing export through enhancement of the capacity of the export-oriented industries, diversification of export products through research and development, exploration of new markets for exporting commodities, development of transportation and utility facilities, and initiatives of signing bi-lateral and multi-lateral preferential and free trade agreements (PTAs and FTAs). Above all, for enhancing export, the government has created several economic zones and continues to provide export subsidies/ incentives.

44. The Trading Corporation of Bangladesh on behalf of the government is selling essential goods to low-income people at a lower price. In urban areas, rice and wheat are being sold under the OMS programme. During Ramadan, six essential products have been supplied at lower prices to 10 million households through the card system. Besides, a significant portion of poor people has been brought under the social safety net to whom the government has the capacity to send cash digitally. The Government is taking stern action against

hoarders of commodities through the Directorate of National Consumers Rights Protection and through mobile court operations by the District Administration. Besides, we are committed not to increase the price at the consumer level to fully cover the subsidy required by the government on the fuel, natural gas, fertilizer, and electricity sector due to price increases in the international market.

Madam Speaker

45. As in previous years, I have consulted with top business organisations, reputed economists, and media personalities as part of budget preparation for the FY2022-2023. Besides, I gathered suggestions on the budget from the Ministries/Divisions and different organisations. I convey my gratitude to all of them for their support. Based on these discussions, proposals and our analysis, the major challenges for the next fiscal year would be: 1) containing inflation and enhancing domestic investment; 2) financing additional subsidy required for the increased price of gas, power and fertilizer in international markets; 3) utilizing funds available through foreign assistance and ensuring timely completion of high priority projects of ministries/divisions; 4) ensuring timely completion of projects in education and health sectors; 5) increasing collection of local Value Added Tax and raising the number of individual tax-payers and 6) maintaining stability in the exchange rate of taka and keeping foreign exchange reserves at a comfortable level.

46 We have to be very pragmatic in addressing these challenges as any failure to address them properly may destabilize the macroeconomic stability. Our major strategy would be to enhance the supply while reducing the growth in demand. Therefore, import-dependent and less important government expenditures will be stopped or reduced. The pace of implementation of the low-priority

projects will be lowered while enhancing the implementation of high and medium priority projects. The sales price of fossil fuel, gas, electricity and chemical fertilizers will be adjusted gradually and on a small scale. The automation process regarding tax collection will be expedited with a view to gearing up revenue mobilization activities and VAT and income tax coverage will be expanded. Import of luxury and dispensable goods will be restrained and under/over-invoicing will be cautiously monitored. The exchange rate of Taka against the US dollar will be kept competitive.

47. The resilience of our economy depends on the strength of bouncing back by the communities combined with bold and courageous leadership. The priority of this year's budget would be to improve the livelihood of people at all levels, continue with uninterrupted economic development and employment generation, and contain inflation in parallel to addressing economic effects originated from COVID-19 and the Russia-Ukraine conflict. As we had brought back our economy into the mainstream by overcoming the Corona pandemic under the dynamic leadership of our Hon'ble Prime Minister, we will also be able to return to the path of development in the next fiscal year by effectively addressing the adverse situation arising from the Russia-Ukraine conflict.

Chapter Five

The Supplementary Budget for the FY2021-2022

Madam Speaker

48. At this stage, I am going to focus on the Supplementary Budget for the current FY2021-2022 and the proposed Budget Framework for the FY2022-2023.

The Supplementary Budget for the current FY2021-2022

Madam Speaker

49. Considering the progress of overall revenue collection and expenditure, some revisions and adjustments have been made in the budget of FY2021-2022, a brief description of which is presented in **Appendix ‘A’: Table-4.**

50. **Revised Revenue Income:** The growth of the revenue collection till March 2022 of the current fiscal year is 19.43 percent. Considering this satisfactory growth of revenue collection, it has been proposed to keep the target of revenue collection in the supplementary budget of FY2021-2022 equal to the original budget i.e., Tk. 3,89,000 crore. It is to be noted that this is for the first time that the revenue collection target has not been reduced in the supplementary budget.

51. **Revised Expenditure:** In the budget of the current fiscal year, the total government expenditure was estimated at Tk. 6,03,681 crore. But considering the overall progress of the expenditure till April, it is proposed to reduce the government expenditure by Tk. 10,181 crore and set it at Tk. 5,93,500 crore in the revised budget.

52. **Revised budget deficit and its financing:** The budget deficit for the current fiscal year was estimated at Tk. 2,14,682 crore. The deficit in the revised budget is proposed at Tk. 2,04,500 crore, which is 5.1 percent of GDP. It is worthy of note that the deficit in the original budget was 6.2 percent of GDP. This deficit will be financed from both domestic and foreign sources.

Chapter Six

Proposed Budget Structure of FY2022-2023

Madam Speaker

53. Bangladesh economy has turned around overcoming the shocks of COVID-19. The economy is moving forward to its desired direction thanks to different initiatives taken by the government and the firm resilience of our people. However, at least three important issues have been carefully considered in preparing the budget structure for the next year. We have been working on ways to deal with the direct and indirect negative effects of the second wave of the corona pandemic in different parts of the world that are posing challenges on various sectors of our economy. We have also crafted strategies for the coming days considering the potential economic risks posed by the Russian-Ukraine conflict. Besides, the likelihood of the occurrence of ‘imported inflation’ due to the rise in global prices of all major imported commodities including petroleum oil, and the disruption in the supply chain worldwide has also been carefully considered. Meeting the public demand, satisfying the needs created in the health sector and bringing the population under the vaccine coverage have also been considered.

54. On the whole, the budget of FY2022-2023 has been prepared keeping in mind the recovery of our economy from the economic crises caused by the COVID-19 pandemic and the Russia-Ukraine war, implementation of the incentive packages provided by Hon’ble Prime Minister Sheikh Hasina, timely implementation of priority projects, expansion of social safety nets, ensuring education and training, creation of massive employment, providing agricultural

subsidies, and above all sustaining the economic development of the country.

Madam Speaker

55. I am now presenting an outline of the proposed income and expenditure for the next fiscal year 2022-2023 which has been detailed out in **Appendix ‘A’: Table 5.**

56. In revenue collection, the National Board of Revenue (NBR) accounts for the major share. Therefore, over the last 13 years of this government, a number of reform initiatives have been taken to augment revenue collection. As a result, government revenue collection has increased significantly. Whereas, the NBR tax collection in FY2008-2009 was Tk. 52,527 crore, the amount has increased to Tk. 2,59,882 crore in FY2020-2021. Though the new VAT law has been implemented since July 2019, its initial hiccup and Corona virus-induced shocks have contributed to slow increase in revenue collection. For that reason, we have started installing Electronic Fiscal Devices in business firms in order to increase VAT collection.

57. The number of population belonging to the middle class and above is about 40 million in our country, but most of them are not paying income tax. Hence, necessary steps are being taken to prevent tax evasions and to bring all the people who have taxable incomes under the tax net. We are working with the aim of increasing the number of TIN holders to 10 million, and in the last four years, the number of TIN holders has increased on average more than 1 million a year. By April 2022, we have been able to raise the number of TIN holders to 75.10 lakh. At the same time, by March 2022, the number of tax returns has increased to 29 lakh. We are working on simplifying tax return to make it easily understandable, and in one page for individual tax-payers. Apart from that, return submission will be made

mandatory for everyone except a few cases.

58. In the previous budget, we declared our aim for launching “Made in Bangladesh” brand for the sake of development of heavy industry and accelerating import substituting industrial production, and for its implementation took various measures to reform tax regime. We are proposing several steps to be taken in the next budget which encourage the production of those goods in the country that can be produced domestically and discourage their imports.

59. **Proposed Revenue Income:** The total revenue earnings for the fiscal year 2022-2023 has been estimated at Tk. 4,33,000 crore. Of this, NBR will collect Tk. 3,70,000 crore and another Tk. 63,000 crore will be collected from other sources.

60. **Proposed Expenditure:** For the next FY2022-2023, the total size of the expenditure budget has been estimated at Tk. 6,78,064 crore, which is 15.2 percent of GDP. For the operating and other expenditures an allocation of Tk. 4,31,998 crore, while for annual development programme an allocation of Tk. 2,46,066 crore has been proposed.

61. **Budget Deficit and Financing:** The overall budget deficit for the proposed budget will be Tk. 2,45,064 crore which is 5.5 percent of GDP. It is to be noted that in the last budget the deficit was 6.2 percent of GDP. The deficit will be financed from domestic and external sources.

Madam Speaker

62. **Overall Expenditure Framework:** I will now present the overall expenditure framework (operating and development) of the proposed budget. In accordance with the allocation of business of different ministries and divisions, government activities are categorised into three major sectors namely: social infrastructure,

physical infrastructure and general services.

63. In the proposed budget, the allocation for the social infrastructure is Tk. 1,83,425 crore which is 27.05 percent of the total allocation; out of this, allocation for the human resources sector (education, health and other related sectors) is Tk. 1,67,524 crore. For the physical infrastructure sector an allocation of Tk. 2,00,860 crore has been proposed which is 29.62 percent of the total allocation. Out of this Tk. 86,798 crore will go to overall agriculture and rural development sub-sector, Tk. 79,026 crore will go to the communication infrastructure sub-sector, and Tk. 26,065 crore allocation has been proposed for power and energy sub-sector. An allocation of Tk. 1,53,208 crore has been proposed for general services sector which is 22.59 percent of the total allocation. For public-private partnership (PPP), financial assistance to different industries, subsidies, equity investments in state-owned, commercial and financial institutions, a total of Tk. 53,155 crore has been proposed which is 7.84 percent of the total allocation. An allocation of Tk. 80,375 crore has been allocated for the payments of interest; which is 11.85 percent of the total allocation. For net lending and other expenses, Tk. 7,041 crore has been proposed which is 1.04 percent of the total allocation. Detailed information about the allocations has been presented in **Table 7** of **Appendix 'A'** and Ministry/Division wise proposed budget allocations have been provided in **Table 8** of **Appendix 'A'**.

Chapter Seven

Sector-wise Policies, Action Plans, and Resource Management

A. Sector-wise Policies

Madam Speaker

64. Now, I would like to present a brief description of our important policies, strategies, action plans and budget allocations for the medium term, including the next fiscal year. Through this budget, we will strive to address the lagged effects of the COVID-19 as well as to implement the promises made in our Election Manifesto 2018 and the goals set out in the Eighth Five Year Plan, and the Second Perspective Plan (2021-2041) and to achieve the Sustainable Development Goals (SDGs). We are nearing completion of the second year of the Eighth Five Year Plan. It is encouraging to note that the economic activities have started running in full swing as the intensity of the coronavirus infection began to recede. However, the excess global demand, supply chain disruption, inflationary pressures and food and energy price shock due to the Russia-Ukraine crisis have emerged as new challenges. We have duly factored in those challenges in preparing the budget proposal for the next fiscal year.

Medium-Term Policy-Strategy

65. In the medium term, our policies and strategies are consistent with the country's five-year plan and perspective plan. This year's budget will focus on poverty alleviation and inclusive growth to ensure equity and fairness in society. Highest emphasis will be given to containing inflation. Emphasis will also be given to inclusive

growth, poverty reduction and job creation. Therefore, labor-intensive and export-oriented production will be encouraged. Credit and other facilities will continue to be provided to the cottage, micro, small and medium industries. In addition, agricultural diversification and ICT-dependent initiatives will be given priority. Besides, the process of creating skilled manpower for foreign employment will continue. With these initiatives, we will be able to further generate employment elasticity of GDP, which will ultimately contribute to the reduction of income inequality.

66. Strong domestic and external demand will be the main driving force of our growth in the medium term. Consumption and investment to increase the domestic demand and exports to increase the external demand will be one of our areas to focus on. Our goal will be to build improved communications, necessary infrastructure and ensure power and energy security through increased public, private and foreign investment. The focus will also be on increasing the productivity of labor to increase export competitiveness. On the supply side, our goal is to accelerate the growth of the industry and service sector to achieve high GDP growth and employment. I am hopeful that this goal will be achieved through the speedy implementation of the establishment of economic zones. In order to create skilled manpower, vocational and technical education will be expanded. Emphasis will continue to be given to building skilled manpower and exploring new labor markets to increase remittance income.

67. Only in the fiscal year 2019-2020, our economic growth was hampered due to the COVID-19 pandemic. According to the new base year, a record 7.88 percent growth was achieved in FY2018-2019, but in the following year, FY2019-2020, it decreased to 3.45 percent due to the pandemic. However, we were able to begin the process of economic recovery very quickly under the guidance of Hon'ble Prime

Minister. As a result, 6.94 percent growth has been achieved in FY2020-2021 despite the continued impact of COVID-19. It appears from the economic variables that indicate that the second wave of COVID-19 continued in the first quarter of the current financial year but did not have a significant negative impact on the economy. Considering overall perspective, this fiscal year's GDP growth is forecasted at 7.25 percent. At the same time, the growth rate has been targeted to be 7.5 percent for the next FY2022-2023, considering the lagged effects of the COVID-19 and the protracted crisis arising from the Russia-Ukraine conflict.

Madam Speaker

68. Over the past two years, we prepared our budget focusing on protecting the lives and livelihoods of the citizens during the pandemic. As a result of this timely and far-sighted decision of the government, the economy of Bangladesh has been able to turn around faster than most other countries of the world. Vaccination has been expedited by additional allocation in the health sector. Although the global growth was almost stagnant or negative due to the COVID-19, the positive growth in Bangladesh has been appreciated all over the world thanks to the appropriate steps by the government. The per capita GNI stood at USD 2,824 in FY2021-2022. Moreover, Bangladesh has already become a role model for its achievement in alleviating poverty and bringing about positive changes in social and economic indicators. The report titled 'Global Economic Prospects' published by the World Bank in January 2022 states that Bangladesh is one of the few countries in the world to achieve high growth by overcoming the global recession.

69. Under the strong and sagacious leadership of the Hon'ble Prime Minister Sheikh Hasina, long-term and sustainable

development plans are being adopted in all sectors, of the economy including industrial infrastructure and social sectors. To alleviate poverty, the government is providing special allocations in ADP for education, health and infrastructure development. Priority has been given in areas like social security programmes and widening the coverage of beneficiaries, flood control, irrigation facilities, removal of waterlogging and salinity problems in the backward districts while adopting the government investment programmes under the Delta Plan, establishment of effective *Char* development boards to address the plight of the people of *Char* areas, support the growth of non-agricultural rural enterprises through various programmes including provision of easily available credit, technology and marketing facilities etc. Besides, special skills training is being provided to the youths, along with necessary overseas employment information and credit facility, in districts that are lagging behind in overseas employment.

70. In preparing the budget for the next fiscal year, top priority has been given to containing inflation stemming from the fallout of the COVID-19 pandemic since the beginning of 2020 and the Russia-Ukraine crisis. Agriculture is our second highest priority sector because of its importance in ensuring food security. Our priority in agriculture research and expansion service, farm mechanization, irrigation and seed, agricultural subsidies including fertilizer subsidy will continue in the next fiscal year to accelerate the progress that has been made in the agricultural sector over the past few years. Our third priority sector is human resource development including health, education and skills development. We will continue to allocate for the development of human resources including health, education and skills development with a view to building a better Bangladesh by 2041. The fourth priority is to boost domestic investment, increase

exports and promote export diversification. Our fifth priority sector is job creation and rural development. In addition, tackling the effects of climate change will be one of our priorities. Committed to always standing by low-income people, this government will continue to expand its coverage of social security. We have plans to distribute low-cost and even free food to low-income people. The successful implementation of the incentive package announced by the Hon'ble Prime Minister to address the COVID-19 pandemic in the forthcoming budget will be considered as one of the priority areas of our government.

71. Like every year, this budget speech has been accompanied by a 'Medium Term Macroeconomic Policy Statement' containing our medium-term policy strategy.

72. In the next section, I will highlight the sector-wise specific action plans of the proposed budget.

B. Action Plans and Resource Allocation

Containing Inflation

Madam Speaker

73. The government is committed to contain the rising trend of inflation by addressing inconsistencies between supply and demand. Although it remained under control until the first quarter of this year, there has been a recent spike, mainly due to external and some internal factors. The causes of inflation at the global level include, among others, rising inflation in trade partners, rising oil prices, depreciation of Taka against USD, disruption of the global supply chain and the Russia-Ukraine crisis - all of which are largely beyond our control. The International Monetary Fund (IMF) made a forecast that the

average inflation rate in the United States and the United Kingdom will be 7.68 percent and 7.41 percent respectively in 2022. Internal factors include the post-COVID-19 economic recovery, which is leading the economy to full employment. The government is, so far, refrained from adjusting domestic prices of the chemical fertilizer, gas, and power to control inflation and is providing additional subsidies. Bangladesh Bank is increasing the supply of US\$ to the foreign exchange market so that the value of Taka against the US\$ does not depreciate further. We have introduced sales through TCB so that the low-income people of the country can buy daily necessities at lower prices. In addition, a significant portion of the poor has been brought under the social security programmes. Action is being taken against the hoarders by commissioning mobile courts run by Directorate of National Consumer Right Protection and District Administration. We have earlier discussed the measures we will take in the coming budget to contain inflation. Considering all these measures, I expect that the average inflation will be 5.6 percent in the next fiscal year.

74. Our main strategy for the next fiscal year would be **to increase the supply while reducing the growth in demand**. We have carefully designed the budget proposals for subsidies, incentives and sector-wise allocation for the next FY2022-2023 keeping in mind our core policy objective of containing the inflation and achieving the targeted economic growth. Now, I will present the sector-wise specific allocation plans before this august House.

Continuation of Stimulus Programmes

Madam Speaker

75. As a consequence of various efforts of the government, the

economy is returning to normalcy overcoming the effects of the pandemic. Stimulus programmes will continue in the coming fiscal year to further accelerate the pace of development by speeding up the recovery process and bringing the economy back to its pre-pandemic state. While the adversities arising from the Covid pandemic have eased up, a new crisis has emerged from of Russia-Ukraine conflict. We have seriously considered this evolving crisis in determining the priority areas of the government in the forthcoming budget. Special emphasis has been given in the budget on the implementation of various programmes to generate employment in the industrial sector, CMSME, service sector and rural informal sector and employment for the returnee migrant workers. At the same time, the implementation of the stimulus packages announced by the Hon'ble Prime Minister will continue to offset the loses of the affected enterprises, keep the economy afloat and help the temporarily jobless workers during pandemic. In addition, the programmes that the government has adopted with a focus on increasing the coverage of social security, housing for the homeless poor and distributing free or low-cost food among low-income people will continue.

76. One of the priorities of the government is to provide emergency financial assistance to the low-income people who become jobless or their income is reduced due to natural disasters like floods, flash-floods, storm surges, hail storms, cyclones or other financial crisis. In FY2021-2022, we established a fund called 'Fund for Managing the Shocks of Natural Disasters'. We would like to continue this support in the next fiscal year. I, therefore, propose an allocation of Taka 5,000 crore in the budget for this fund for fiscal year 2022-2023.

Agriculture Sector

Madam Speaker

Boosting Food Production and Ensuring Food Security

77. The global food production, procurement, storage and the entire supply chain including agricultural marketing systems faced unprecedented challenges during the COVID-19 pandemic. The World Economic Forum warned that the world population was heading towards the brink of starvation. But our government has been watchful since the onset of the pandemic to ensure continuity of agricultural production in the country. Despite the crisis arising from the COVID-19 pandemic, we had been able to keep the production of agriculture uninterrupted in the country and achieve food and nutrition security thanks to the very timely directives from the Hon'ble Prime Minister. Through OMS efforts, we have been consistently providing rice and flour at subsidised prices with the goal of making food available to the low-income population while also containing the price spiral of rice. We are distributing 5 lakh MT of rice and 5.09 lakh MT of wheat flour in the current fiscal year 2021-2022. We will continue this Programme in the FY2022-2023. In the lean season namely September, October and November and March and April food assistance of 30 kg of rice each month at the rate of Tk. 15 would be provided to 50 lakh low-income households.

78. We will continue to procure and sell rice and wheat under government management to ensure food security. In FY2022-2023, we have set a target of 31.15 lakh MT food grain procurement from the domestic sources. In contrast, our aim for distribution is 33.13 lakh MT at the same period. Simultaneously, the government is working to maintain buffer stock by expanding the food grain storage capacity at the government level. We expected that the food storage capacity will be raised to 25 lakh MT by the end of fiscal year 2022-2023.

Furthermore, we aimed to increase the storage capacity up to 37 lakh MT according to the 8th Five Year Plan. New development projects are in the pipeline for strengthening food grain storage capacity and to maintaining storage capacity of the existing storages. The government is implementing a scheme to inspire farmers to build small-sized (25 feet long and 15 feet wide) "Natural Potato Storages" in their homestead to store bumper potato yield for 3-4 months and at a much cheaper cost compared to that of cold-storage.

Farm Mechanization

79. To modernize the agriculture sector, the government has been providing farmers up to 50–70 percent subsidies on the purchasing prices of agro-machinery, and about 71,502 of such machinery have been distributed including combined harvesters, reapers, clippers, and power tillers since 2010. This has helped the farmers to address agricultural labour scarcity and lower their production costs. Moreover, we have taken up a project at a cost of Tk. 3,020 crore titled “Mechanization of Agriculture Work through Integrated Management’ which has targeted to distribute 51,300 units of agro-machinery of 12 categories between 2020-2025. Synchronized Cultivation has been introduced to take the maximum benefits of farm machinery by transplanting rice seedlings and harvesting in a synchronized manner.

Agricultural Support Activities

80. Bangabandhu Sheikh Mujibur Rahman firmly believed that the people of this country will not be emancipated unless the farmers’ lot is ameliorated. He always prioritised the farmers who supply food to the nation. Bearing his conviction in mind, we are putting out our best efforts for the benefit of the farmers. We are providing high subsidies

on agricultural machinery and fertilizers. As you are aware, Russia and Ukraine together play a dominant role in the global fertilizer supply chain. So, the fertilizer prices increased substantially in the international market because of the Russia-Ukraine crisis. Despite the fact that fertilizer import prices have risen, we have not increased prices in the domestic market. In lieu of price increment, we have prioritized farmer welfare by expanding fertilizer subsidies. The entire subsidy for fertilizers was estimated at Tk. 9,200 crore in the budget for FY2021-2022. However, compared to that in May 2021, international price in May 2022 for TSP, DAP, and MOP fertilizers have gone up by 57 percent, 47 percent and 177 percent respectively. Under the circumstances, the overall subsidy in FY2021-2022 for all types of fertilizer is amounting to around Tk. 12,000 crore. The government will provide Tk. 16,000 crore as subsidy in the coming fiscal year.

81. In addition to providing subsidy to the agriculture sector, we are offering incentives and rehabilitation aid to enhance the productivity. Besides, a 20 percent cash incentive for exports of agricultural products and a 20 percent rebate on electricity bills is provided for the electricity use in irrigation pumps. We will continue disbursement of special agricultural credit at a concessional interest rate of 4 percent for cultivating 24 crops including pulses, oil, spices, and maize in the upcoming financial year. For the purpose of investment in the agriculture sector, Bangladesh Bank adopts agriculture and rural credit policies and initiatives each year. It is heartening to note that a total of Tk. 26,000 crore agriculture and rural loan was disbursed to 30 lakh 55 thousand small and marginalised farmers in fiscal year 2020-2021. In response to the pandemic, we have lowered the interest rate on agricultural loans from 9 percent to 4 percent and allocated funds amounting to Tk. 19,500 crore as

agricultural loans with a 4 percent concessional interest rate.

Use of ICT in Agriculture

82. In addition to launching ‘Krishi Batayon’ to deliver agricultural services to the doorsteps of farmers as many as 499 Agriculture Information and Communication Centres (AICCs) have been set up in the country. Farmers can call hotline number 16123, from any mobile phone to get agriculture information service. Moreover, several mobile and web applications including Krishi Community Radio, Krishok Bondhu Phone Seba-3331, e-Book, Online Fertilizer Recommendation, e-Irrigation Service, Rice Knowledge Bank, Krishi Technology Repository, e-Pesticide Prescription, Krishoker Janala (Farmer’s Window), Farmer’s Digital Address, and Community Rural Radio are now being used to offer agricultural information services to the farmers. In addition, two online agricultural market platform ‘Hortex Bazar’ and ‘Food for Nation’, have been launched.

Action Plan for Agricultural Extension

83. In FY2022-2023, in line with the National Agriculture Policy 2018, Agricultural Extension Policy 2020 and 8th Five Year Plan, we have worked out an action plan. The main aspects of our action plan are to ensure country’s food security through increased production of all types of crops including paddy and maize; innovate adverse environment-tolerant crop variety and technology and to roll it out quickly; develop and enhance the quality of their seeds using biotechnology; ensure optimum use of surface water and solar-powered irrigation; promote the production and application of organic fertilizers to safeguard soil health; issue smart cards to all farmers; to predict weather through climate-smart agriculture and bolster e-

agriculture activities. Besides, in the coming fiscal year, we will execute actions such as development assistance (subsidies) to keep agricultural input prices with fertilizer and seeds as low as possible at the farmer level, making available agricultural machinery to the farmers in order to mechanise agriculture, extend ‘Synchronised Cultivation’ and collaborate in the production, storage and marketing of a variety of vegetables and fruits, including summer onions and tomatoes.

Fisheries and Livestock

Madam Speaker

84. Ensuring secure, sufficient and quality animal protein for all is one of the major goals of our government. Bangladesh is now self-sufficient in fish production. Following the implementation of aquaculture-friendly programmes of the government and the need-based and sustainable technological assistance to the farmer and entrepreneur level 46.21 lakh MT fish was produced in FY2020-2021, which was 59.40 percent higher than the production in FY2009-2010. According to a report released by FAO, Bangladesh ranked 3rd in inland open water fish cultivation and 5th in global aquaculture production. Bangladesh also tops among the 11 Hilsha producing countries in the world and ranks 4th in tilapia production in the world, but 3rd in Asia. Bangladesh has secured 8th and 12th position in the production of special marine and coastal Crustaceans and Finfish respectively. Recently Bangladesh got Geographical Indication Registration (GI certification) for Hilsha, which will make it more popular in the global market.

Blue Economy

85. The historic sea conquest under the leadership of our government has paved the way for developing the country's blue economy. In 2014, we prepared short-term, medium-term and long-term plan of action to develop the blue economy and harness the potentials of marine resources. Recently, we have updated the action plans (2018 to 2030) in line with SDGs declared by the United Nations and have started implementing them. Through the joint efforts with the Food and Agriculture Organization of the United Nations (FAO-UN), we have prepared a 'National Plan of Action' to prevent, deter and eliminate illegal and unregulated fishing. As of February 2022, the fish research and survey vessel 'RV Meen Sandhani' has so far conducted 35 survey cruises. The government has also taken up a project called "Pilot Project on Tuna and Similar Pelagic Fishing in the Deep Sea". I am confident that this will open a new horizon in the ocean economy.

Reform Initiatives to Ensure Safe Fisheries Resources

86. Our government is working persistently to ensure the quality and safety standards of fish and fish products. We have formulated the 'Hilsha Fisheries Management Action Plan' and have started implementing it. Under this action plan, all fishing is banned for 65 days a year at sea during the breeding season. In addition, Jatka (premature hilsha) fishing is prohibited from November- June each year for which support is provided to the fishing households in the form of Vulnerable Group Feeding (VGF). Thus, we have been able to increase the hilsha production by more than two-fold. Hilsha production grew to 5.65 lakh MT in fiscal year 2020-2021, whereas it stood at 2.99 MT in FY2008-2009. At present, Good Aquaculture Practice (GAP) and Hazard Analysis and Critical Control Point

(HACCP) - based management systems are in operation at all stages of shrimp farming. Around 2.7 lakh shrimp farms and 9 thousand 651 commercial fish farms have been registered as part of operating traceability system for the purpose of facilitating fish and fish-products export. In tandem, a scheme of e-traceability is being piloted. Implementation of “The Fish and Fish Products (Inspection and Quality Control) Act 2020” has begun and this opened the door of secure and standard fish farming for internal and foreign export market.

87. Considering the priority of overall agriculture (Agriculture, Food and Fisheries), I propose to allocate Tk. 33,698 crore in the budget for fiscal year 2022-2023 which was Tk. 24,345 crore in fiscal year 2021-2022.

Health and Family-Welfare

Madam Speaker

COVID-19 Recovery and Protecting Lives

88. You are aware that since early 2020, the whole world has been passing through an unprecedented global crisis due to several waves of the COVID-19. The health hazard still existed up until early 2022. Bangladesh is continuously putting efforts to protect lives and recover the economy by revamping the health sector. Considering the impact of the COVID-19 on public health, the COVID protocol is still being strictly observed, precautionary measures are being taken, plans are being formulated and adequate budget is being allocated to overcome the weakness of the health sector. The purchase of vaccines on time and the mass vaccination of the population in a phased manner are among the key actions that have been taken by the government. As a result, the spread of the virus has come under control and we have

been able to reduce the death rate to a great extent compared to other countries. At the same time, the government has been able to protect lives and livelihoods by attaching priority to the health and family-welfare sector through adoption of medium and long-term plans.

89. Among the six priority sectors for development mentioned in the 8th Five Year Plan, the most significant are - ‘Rapid Recovery from COVID-19 to Restore Human Health, Confidence, Employment, Income and Economic Activities’. By giving the highest priority to this agenda, the government is trying to boost up the confidence level of the people by strengthening the public health system, creating job opportunities by keeping economic activities normal. At the same time, the government is continuously trying and taking initiatives to increase productivity. Strengthening the health sector is the government’s top priority sector in the medium and long-term plans for development. In the second Perspective Plan (2021-2041), the government has a target to achieve development in various indicators of the health sector including the increase of the life expectancy to 80 years. Following the National Health Policy 2011, various strategies are being taken up to ensure quality health services for the people of all strata in the society. These include, among others, the adoption of the 4th Health, Population and Nutrition Sector Programme and the formulation of the Healthcare Financing Strategy (2012-2032).

Madam Speaker

90. To ensure good health and medical care for all citizens the government has given priority to the health, nutrition and population sector after a successful recovery from the pandemic so that every citizen gets quality health service which helps build a healthy and energetic population. To protect lives, strategies were adopted at the very early stage of the pandemic and action plans were adopted to

support the strategy. Implementation of a range of activities is underway according to the COVID-19 Bangladesh Preparedness and Response Plan which is a good example of early initiative of the government to combat the pandemic. To stop the spread of the virus, the key initiatives of the government include - to establish 879 COVID-19 testing laboratories throughout the country, to provide treatment for the COVID-19 patients, to keep ready 89 COVID-19 dedicated hospitals, to keep 13,193 COVID-19 isolation beds and 1,174 COVID-19 ICU ready throughout the country, to establish central oxygen line in 119 centres, to recruit 10,000 doctors in three phases, to create the post of 10 junior consultants (specialist doctor) at every health complex which has been developed to 50 beds, etc. Moreover, the health workers who died while performing their official duties have been compensated and the doctors, nurses and other health workers who are at the service of COVID-19 patients have been given honorarium. By taking these steps we have been able to combat COVID-19 successfully.

Vaccination Programme to Protect from Spread of COVID-19

91. During the COVID-19 pandemic, the government has set a unique example by preparing the vaccine strategy, allocating sufficient resources to procure vaccines and successfully completing the vaccination program covering all eligible populations in a phased manner. The National Deployment and Vaccination Plan (NDVP) under the Expanded Programme on Immunization (EPI) has been prepared and updated. The government has procured vaccines from the COVAX Cost Sharing Facility and through bilateral contracts from the manufacturers in India and China. Free doses have been received through the global COVAX initiative and from the United States and other bilateral partners. During the first two years of the

pandemic and in the ongoing fiscal year, the government has received budget support assistance and vaccine financing from numerous bilateral and multilateral development partners including the World Bank, Asian Development Bank (ADB), International Monetary Fund (IMF), Japan International Cooperation Agency (JICA), Asian Infrastructure Investment Bank (AIIB), Agence Française de Développement (AFD), Economic Development Cooperation Fund (EDCF, Korea), European Investment Bank (EIB) and OPEC Fund Development (OFID). These external assistances helped the government to improve the capacity of health and other key social sectors.

92. Following the declaration made by the Hon'ble Prime Minister, the government is implementing the vaccination programme for all citizens of the country at free of cost. At the initial stage, 80 percent of the total population was planned to be vaccinated, but later the target was reduced to 70 percent as per the guidelines of WHO. In the earlier stage, the people who were under health-hazard risk were vaccinated on a priority basis. Later, all populations above 12 years of age have been included for vaccination. Government hospitals and health facilities were used as vaccination centers. The vaccination of the first doses started on 08 February 2021 and the second doses started on 08 April 2021. Later the booster doses, approved by the WHO, was administered. While conducting the vaccination programme the gender balance has been ensured. So far, a total of 12.9 crore first doses, 11.8 crore second doses and 1.5 crore booster doses have been administered.

Implementing Emergency Measures to Combat the Pandemic

Madam Speaker

93. The government is laying emphasis on how to combat such a complex pandemic situation as we experienced during COVID-19. To this end, the government is planning to develop the capacity to respond and control such pandemic quickly, conduct research in this sector and develop the institutional capacity, technical knowledge and skilled manpower to up-scale the overall capacity. In the last two fiscal years, sufficient budget has been allocated to the Ministry of Health and Family Welfare to implement the important activities to combat COVID-19 and for the development of the health sector. To meet any emergency expenditure, we earmarked Tk. 10 thousand crore as block allocation. Although the infection of COVID-19 coronavirus has reduced drastically, the fear of its reappearance still persists as the outbreak of COVID-19 is still evident in many countries. Bearing in mind the COVID-19 related health hazards, we are also proposing a block allocation of Tk 5 thousand crore for the coming fiscal year.

94. Some of the projects taken in the last fiscal year to combat COVID-19 will continue in the next fiscal year. 'COVID-19 Emergency Response and Pandemic Preparedness' project is being implemented with support from the World Bank and the Asian Infrastructure Investment Bank (AIIB), and the 'COVID-19 Response Emergency Assistance' project is being implemented with the help of the Asian Development Bank. The Hon'ble Prime Minister has given the directives to establish a high-quality institute in the country for manufacturing all types of vaccines including that for coronavirus. Accordingly, the 100 percent state-owned Essential Drugs Company has taken steps to set up a state-of-the-art vaccine manufacturing plant

at Gopalganj, with financial and technical assistance from the Asian Development Bank. We will eventually transform this plant into an international standard vaccine research and production center so that we do not rely on overseas sources for vaccines.

Initiatives to Provide Specialized Health Service

95. We have started a screening system including the formulation of a guideline for medication and control of non-infectious diseases like high blood pressure, cancer, diabetes and kidney related diseases. The non-infectious disease related information has been incorporated into the Management Information System (MIS) software of the Health Directorate. A Venom center of very high quality has been established at Chattogram Medical College. Bangladesh has achieved remarkable success in eradication of infectious diseases. We are at the point of eradication of diseases like Filaria and Visceral Leishmaniasis. The government has set up a target to make Bangladesh free from Malaria by 2030. The government is also working relentlessly to control the diseases carried by Aedes mosquitoes especially Dengue and Chikungunya through a programme since January 2017. Chikungunya management guideline has been formulated. National Dengue Guideline has been formulated and diagnosis charges at the hospitals have been reduced. Remarkable success has been achieved in the treatment of Rabies and worm-related diseases. For timely initiatives taken by the government, the infection rate of AIDS is below 0.01 in Bangladesh. HIV testing and counseling service is being provided in 28 hospitals.

96. The government is continuously working for autism and autistic children. In the meantime, 1.33 lakh autistic children have been given treatment. Child Development Centre has been established in 16 Medical College Hospitals including at Dhaka Shishu Hospital

and it has also been planned to do so in 15 more Medical College Hospitals and 9 District Hospitals. For the safety and development of the autistic children Tk. 1 crore and 30 lakh has been allocated during COVID-19 and we will also allocate sufficient budget in the next fiscal year. The work is going on to establish new 211 centres in addition to the existing 103 centres to provide Therapeutic services to the disabled people in the remote areas of the country. Moreover, the disabled people and who are at risk of disability are getting Therapeutic services by 40 mobile therapy vans in remote areas of the country. To achieve 'Universal Health Care Coverage' steps have been taken to formulate 'Health Protection Law'. 'Infection Protection Guideline' has been prepared for the community clinics. 'Government Outdoor Dispensary Operational Guideline' has already been finalised and under this guideline at least 8 Government Outdoor Dispensaries (GoD) will start functioning in the next fiscal year.

97. According to the election manifesto of the government, 100-bed cancer units are being established in 8 Divisional Hospitals. Moreover, the implementation of the project to establish 50-bed dialysis unit at medical college hospitals and 10-bed dialysis unit at district hospitals is underway. We have started establishing Burn Units at Rajshahi, Sylhet, Barishal, Rangpur and Faridpur Medical Colleges under a project with the support from Saudi Government. Besides, for the management of medical waste at the district level and Medical College Hospitals, the implementation of the 'Medical Waste Management' project is underway. The implementation of the feasibility study project to rebuild and transform Dhaka Medical College Hospital into 5,000 bed modern world-class hospital is well in progress. In addition, the project for the development and expansion of Pabna Mental Hospital to international standards and the establishment of full-fledged mental health unit at every divisional

level medical college are going to be taken up. We have planned to establish Bangabandhu Health City at Mohakhali.

Continuation of the achievement of health indicators

Madam Speaker

98. You are aware that the government is firmly committed to build a healthy, energetic and active nation by providing quality health, nutrition and family welfare (HNP) services as part of its constitutional obligations. To meet this obligation, a range of activities are being implemented under Health, Nutrition and Population Sector Programme (4th HNPSP). Besides, Bangladesh has demonstrated remarkable success in achieving the targets of MDG goals by bringing all people under primary health care service. We are fully convinced that, given the success, we achieved while implementing the task to achieve MDGs goals we will be able to achieve the targets of SDG by 2030.

Development in Medical Education Sector

Madam Speaker

99. We are implementing various development activities in health, nutrition and population sector according to the Perspective Plan, National Health Policy and 8th Five Year Plan. As a part of it, much importance is being given to higher investment and higher training in medical education. Confronting all the challenges to achieve our targets we will give priority to activities such as bringing all the Post-Graduate Medical Education Degrees under one platform, modernization of examination system, continuous training of the teachers, giving more emphasis on research by the medical education teachers and developing the quality of education in non-government

sector. The government is continuously trying to ensure quality service at non-government medical colleges, medical education and training institutions, to keep the education expenses within the reach of the population, to modernize of nursing education and to keep it updated according to the need of the country. For the development of nursing college, we will complete Dhaka Nursing College accreditation this fiscal year. Following the directives from the Hon'ble Prime Minister, the activities are going on to establish a medical university in every division and transforming Nursing Institute into Nursing College. For the development of medical education, steps have been taken to establish simulation lab in eight medical colleges.

100. In order to form a base for fundamental and action research in the medical science sector in the country and to use this knowledge in health service, health education, public health, microbiology, pathology and disease control sector, we created an 'Integrated Health-Science Research and Development Fund' of Tk. 100 crore. To use this fund properly 'Integrated Health-Science Research and Development Fund Use Guidelines 2020' has been prepared and according to this guideline a national level committee has been formed. In the current fiscal year, a total of 23 researchers/research institutions have been selected for starting their research tasks. An amount of Tk.100 crore will also be allocated to this fund in the next fiscal year.

Family Welfare and Protection of Mother and Child Health

101. We have taken up various priority-based activities for the development of mother and child health under the 4th sector programme. This includes the training of the doctors on maternity health care services, the training of the field-level workers on 'community-based skilled birth attendant', providing integrated

service for the pregnant women, the expansion of the ‘Mother Health Voucher Scheme’, the early detection of cervical and breast cancer, etc. The government has introduced a three-year Midwifery Course and created 3,000 Midwife posts. Recruitment against the newly created posts is going on. ‘The Development of Child and Mother Health and Health Management System’ project is being implemented. Now the Comprehensive Emergency Obstetric Care Service is being provided in all medical college hospitals of the country, in 59 Zilla hospitals, in 132 Upazila Health Complexes throughout the country, and in the rest of the Upazila Health Complexes the “Basic Emergency Obstetrics Service’ is also available. A 200-bed Mother and Child Health Training Institution has been set up at Lalkuthi, Dhaka. To expand health service up to the grass-root level of the country we have established 102 10-bed Mother and Child Welfare Centre at Union level, and another 57 centres are under construction. The government is working to provide adolescent health service. For this, ‘Adolescent Friendly Health Service Corner’ has been set up in 1103 service centres. For proper physical and mental development of the adolescents, service and information are being provided through 603 ‘Adolescent Friendly Health Corner’ at Union Health and Family Welfare Centres and at Mother and Child Welfare Centres.

102. Considering the health sector as a priority, we are proposing an allocation of Tk. 36,863 crore for Health and Family Welfare sector in the next fiscal year 2022-2023 which was Tk. 32,731 crore in fiscal year 2021-2022. The allocation is meant for the overall development of the sector.

Education

Madam Speaker

103. You are already aware that the government is relentlessly working to build *Sonar Bangla* as envisaged by the Father of the Nation by giving the highest importance to the education sector and has adopted education as one of the main strategies for development. One of the major tools to achieve Vision-2041, in continuation of Vision-2021, is quality education. We formulated our National Education Policy, 2010 and it is being implemented in phases. The government is committed to achieve excellence in education and research to move ahead with the agenda of inclusive development. We have taken a range of initiatives for the advancement of science-based education and development of education infrastructure. As part of the digitalization of education, we will further expand online education that was started during the pandemic. At the same time, we continue to provide stipends through mobile banking, and expand the scope of various training. Besides, we will pay special attention to increase the spending capacity of the sector and monitor the quality of spending.

Special Initiatives in Education Sector to Compensate the Loss during Pandemic

104. Our education programme was disrupted since the first week of March 2020 due to the spread of coronavirus infection. However, the government took various steps to continue the academic schedule by keeping the education activities free from the negative effects of the pandemic. As you know, the government was forced to close all educational institutions during the pandemic period to ensure the safety of life, but continued teaching online and through Bangladesh Television, Bangladesh Radio and Community Radio. With the significant improvement of the pandemic situation, the government

opened all the schools and colleges in phases from March 2022 and allowed them to deliver academic programmes in person. However, we are broadcasting, the ‘Learn at home’ programme through Parliament Television, Bangladesh Television, Bangladesh Betar and Community Radio to keep the students focused on their studies even after the reopening of school. In addition, to ensure close monitoring of the student’s study progress, the teachers are continuing their regular teaching activities through mobile phones and personal communication with the students.

Primary and Mass Education

Madam Speaker

105. Considering the primary level as the foundation of education, the government has taken various steps to modernise primary education. In line with the Eighth Five Year Plan and Sustainable Development Goals, we have taken initiatives to implement various action plans for the expansion and development of primary education. Our government has been distributing free four-color textbooks to primary school students through the ‘Book Festival’ on January 1 every year since 2010. In the academic year 2022, a total of 9 crores 98 lakh 58 thousand 874 textbooks have been distributed to all the primary schools of the country. Proper health protocols were observed during this distribution to all the students of pre-primary and primary levels including students from ethnic minority communities. We have started 1-year term pre-primary education for children of 5+ years old since the academic year 2011. Steps have been taken to introduce 2-year term pre-primary education by including the children of 4+ years old considering the age, ability, talent and comprehensibility of the students. In order to make *Mujib Borsho* memorable to the students, a

kit allowance for dress, bag and shoes amounting Tk. 1,000 each has been distributed among them.

106. New infrastructure has been set up and the teachers have been appointed to enhance the quality of education as a whole. A total of 1,495 new government primary schools have been set up in areas where there is no school and 12 new primary training institutes (PTIs) have been set up in 12 districts where there is no such institute. A total of 2 lakh 737 teachers have been recruited from 2009 to 2020. A total of 26,366 posts of teachers have been created for pre-primary classes in government primary schools and the recruitment is underway for a total of 32,577 Assistant Teachers which include newly-created posts. The salary of the Assistant Teachers has been raised in three steps including up-gradation of the post of the headmaster in government primary schools to 2nd class. In order to set up multimedia classrooms, 50,416 government primary schools have been provided with 58,921 laptops with internet connectivity, multimedia projectors and sound systems. As of now, major maintenance works in 8,820 schools and minor repairs in 90,423 schools have been completed across the country. Adequate resources have been allocated to continue education in the eventuality of any emergency.

107. The government is working to ensure 100 percent enrollment at primary level, alleviate hunger of students, meet daily nutritional needs, curb dropout rate, increase completion rate of primary education cycle, increase regular attendance rate of enrolled children and improve quality of primary education. Through the project titled 'School Feeding in Poverty Stricken Areas', which was completed in December 2021, one packet of nutritious biscuits weighing 75 grams was distributed among 27,57,165 students of 15,460 government primary schools in 104 upazilas on a daily basis. In addition, through

the implementation of the ‘Reaching Out of Schools (ROSC) Phase-II Project’, which was completed in December 2021, a total of 690,000 students at village level and 46,547 in urban areas aged between 8-14 years coming from the disadvantaged, neglected, poor and vulnerable families who successfully completed their education have been registered. In FY2020-2021, stipends and kit allowances of Tk. 3,304 crore have been disbursed to the accounts of mothers of 1.40 crore students through G2P system.

108. In my last budget speech, I announced to carry out motivational and sensitization activities for the identified illiterate people. At present, under the second phase of the ‘Basic Literacy Project in 64 Districts’, a target of imparting literacy to 21 lakh illiterate men and women has been set. Literacy is being promoted through non-formal education bureaus, where 1,473 posts have been created at the upazila level. In addition, a development project titled Non-Formal Education Development Programme (NFEDP) is being planned.

Giving Importance to Children with Special Needs

109. We have launched an integrated education programme to ensure that all the children irrespective of religion, caste and creed, including the children with special needs in the society are educated in the mainstream government primary schools. We allocated funds to each Upazila on demand basis for the purchase and distribution of disability aids (wheel-chairs, crutches, hearing aids, spectacles, etc.) for children with special needs in the field level.

110. I am proposing to allocate Tk. 31,761 crore for primary and mass education in the next fiscal year 2022-2023, which was Tk. 26,314 crore in the current fiscal year 2021-2022.

Secondary and Higher Education

Madam Speaker

111. We are continuing our efforts through multifarious activities like scaling up the rate of education at the secondary level, bringing gender equality in education, implementing academic programmes consisting of general, science and technology-based education and training, providing financial assistance including scholarships to students and teachers, taking various initiatives for talent development, crafting supportive policies and environment, augmenting capacity and construction and development of infrastructure, providing financial benefits to teachers of private educational institutions registered under MPO scheme, distributing free textbooks, introducing of e-books, setting up of Upazila ICT training and research centres etc. to bring quality in education. The Non-government Teacher Registration and Certification Authority (NTRCA) has recruited 38,283 teachers for private educational institutions, and 15,163 teachers are in the process of being recruited. A total of 12,000 classrooms are being constructed in FY2021-2022. Introduction of e-book, establishment of Upazila ICT training and resource centres and converting one private school into a model school in each 315 Upazilas have been implemented. A sum of Tk. 1,000 crore has been allocated as seed money for the Prime Minister's Education Assistance Trust Fund to ensure the education of poor meritorious students deprived of quality education. Work on finalisation of manpower structure including the formation of board of trustees and formulation of trust management rules has begun. In the FY2021-2022, a one-time grant of Tk. 8 crore has been provided as grant to the poor and meritorious students and in the FY2022-2023 an additional one-time grant of Tk. 20 crore will be given for the same

purpose.

112. The Innovation Team of the Department of Secondary and Higher Education is working to ensure maximum utilization of ICT and digital technology in education management and education activities. In the FY2021-2022, as many as 16,420 teachers were given training on ICT. 16,300 ICT teachers will be trained in IT in the FY2022-2023. In addition, more than 62,000 contents have already been uploaded to the Teachers' Portal with the aim of expanding the quality teaching activities, through which the teachers themselves can contribute to improving the content quality. Sufferings of concerned stakeholders have been mitigated by ensuring online services for admission, registration, change of institution, publication of test results etc. Correction of mistakes in certificates, renewal of recognition, and nomination of representatives are also being done online. You will be happy to know that from the FY2018-2019, applications for special grants for educational institutions, teachers and students are being accepted online and money is being distributed through mobile banking. A total of 15,676 out of 20,499 secondary schools, and a total of 700 out of 4,238 colleges across the country have introduced online classes. In addition, various educational institutions are conducting classes through online social media (Zoom, Messenger, Facebook group, YouTube etc.), recording classes and uploading videos on teen/adolescent windows, teacher windows and YouTube. Numerous measures have been taken considering the increased reliance on information technology-based education during COVID-19.

113. The implementation of the project titled 'The Expansion of Science Education Opportunities in Government Colleges' has begun to build 2,607 classrooms including multimedia classrooms, 200

language-cum-ICT labs, 1,000 science labs, 46 furnished hostels, - office equipment and ICT equipment in 200 government colleges across the country. Once completed, the project will facilitate the admission of additional 2 lakh students. Side by side, implementation of another project titled ‘Development of Government Secondary Schools’ that aims to enhance capacity development and quality improvement of education of 323 government secondary schools across the country by constructing new academic buildings and providing up-to-date expansion of multimedia classrooms and necessary equipment, books, sports equipment, scientific equipment, furniture and office equipment has also been initiated. Once the project is implemented fully, opportunities of admission for further 3.29 lakh students will be opened up. Three projects are underway for establishing Bangabandhu Sheikh Mujibur Rahman Aviation and Aerospace University, conducting a feasibility study of Bangamata Sheikh Fazilatunnesa Mujib University of Science and Technology and setting up Khulna Agricultural University. In addition, 43 projects are being implemented for further development of various public universities.

Emphasis on Research and Science Education

114. In the last FY2021-2022, the National Science and Technology (NST) Fellowship grant amounting to Tk.137.76 crore to 22,220 students and researchers and grants amounting to Tk. 189.10 crore to 6,362 research projects for cultivating science and for research and technology innovation have been awarded. As part of the initiative for promoting research in medical education, the Institute of Nuclear Medicine and Allied Sciences (INMAS) at the campuses of the Shaheed Suhrawardy Medical College Hospital, National Chest Disease Institute and Hospital of Mohakhali, and Medical College

Hospitals of Mohakhali, Pabna, Kushtia, Jessore, Cox's Bazar, Gopalganj, and Satkhira and the Institute of Nuclear Medicine and Allied Sciences (INMAS) at Mymensingh and Pet-CT scans with cyclotron facilities at INMP, Savar are going to be set-up.

115. I am proposing to allocate Tk. 39,961 crore for the secondary and higher education sector in the budget for next fiscal year 2022-2023 which was Tk. 36,487 crore in the current fiscal year 2021-2022.

Technical and Vocational Education and Madrasa Education

Madam Speaker

116. To take advantage of the demographic dividend of the country, the government is laying emphasis on the quality technical and vocational education. The enrollment rate in technical education, which was less than 1.0 percent 12 years ago, is now 17.25 percent. In the 2022 academic year, 26,846 students have been enrolled in pre-vocational courses from 6th to 8th grade and 20,613 students from the 9th grade of 134 technical schools and colleges have been enrolled up to January 2022. A national task force has been formed to formulate the 'Blended Education Master Plan' that will facilitate building a skilled workforce to address the current situation of pandemic and the challenges of the Fourth Industrial Revolution. Learning Management System (LMS) has been developed and through this LMS, 60 teachers from 60 educational institutions have been trained to develop e-courses. To address the problem of future employment opportunities of students studying emerging technologies together with the curriculum of core technologies, the students are being awarded dual diploma-in-Engineering. Under the Department of Technical Education, as many as 12,607 new posts have been created for

government institutions. In addition, a total of 6,800 new posts have been created under the project titled ‘Establishment of One Technical Schools and Colleges (TSCs) in each 100 Upazilas’. Besides this, projects like ‘Establishment of 100 Technical Schools and Colleges’, ‘Establishment of 4 Women’s Polytechnic Institutes in Sylhet, Barisal, Rangpur and Mymensingh Divisions’, ‘Capacity Building of 64 Technical Schools and Colleges’, ‘Setting up of One Engineering College in every Division of Chittagong, Khulna, Rajshahi and Rangpur’, ‘Establishment of Polytechnic Institutes in 23 Districts’, ‘Establishment of 8 Women’s Technical Schools and Colleges in 8 Divisional Headquarters’ will continue in the next fiscal year.

117. The government has taken steps to play a role in the socio-economic development of the country through overall improvement of madrasa education. Multimedia classrooms have been set up in 322 madrasas under the project titled ‘Setting up Multimedia Classrooms in 653 Madrasas of the Country’. Construction of 1,800 new Madrasa buildings, training of Madrasa teachers to enhance their teaching skills and other activities are underway to enhance the quality of madrasa education. A number of initiatives including training of 3,225 teachers through Bangladesh Madrasa Teacher Training Institute, setting up of 8 Regional Madrasa Teacher Training Institutes and the divisional offices of the Directorate and construction of ‘Madrasa Education Building’ for the head office of Madrasa Education Department have been taken up.

118. I am proposing to allocate Tk. 9,727 crore for technical and madrasa education in the budget for fiscal year 2022-2023 which was Tk. 9,153 crore in fiscal year 2021-2022.

Human Resource Development and Employment

Generation

Madam Speaker

Employment Generation

119. The present Government believes in poor-friendly and inclusive economic development. For the purpose of building a poverty-free country through inclusive growth, the most important requirements are growth of employment generation, increasing the productivity of labour and ensuring skill development and enhancing the real wages for the labourers. In order to accelerate employment generation, we have taken up very well thought-out sector-wise initiatives. The key aspects of these initiatives are - providing incentives for labour-intensive and export-oriented production-based growth; bringing diversification in agriculture; making CMSME sector vibrant; expanding and strengthening of modern service sector including those out of the sectors; encouraging all the initiatives of information and communication sector; and extending and consolidating overseas employment generation. Apart from this, the issue of employment generation is actively considered while providing support for large public investment and other policy support measures for the newly established industry and trade. Side by side, considering the necessity of the subject-based employment generation, the content of the educational programmes has been revised and reorganised and more emphasis is being given to creating certain linkage between education and industry.

120. Following the implementation of effective plan of action by the government, the opportunity for employment is opening up gradually for those who have expertise in science and technology. For example - direct or indirect employment has been generated for 20 lakh people

having expertise in IT. Apart from this, at present around 6.5 lakh people are engaged in the profession of outsourcing as a free-lancer. The government has taken up a plan for raising the number of information and communication technology-based employment up to 30 lakh by 2025. Besides this, for the purpose of ensuring a balanced distribution of employment opportunities all over the country, the government has established 100 special economic zones where one crore people will be employed. On the other hand, employment opportunities are being created in the fisheries and livestock sector by engaging the poor, small and medium farmers in the income-raising activities. Above all, we are attaching the highest priority to the employment generation in the outlines for rural based development of 87230 villages to implement the Sustainable Development Goals (SDGs).

Workers' Welfare and Decent Work Environment

121. The government is working relentlessly to ensure the well-being of workers and to develop the environment of the work-place. During the period of COVID-19 pandemic, the prompt declaration of incentives packages and policy support measures of the government has contributed a lot to maintaining normalcy in labour condition of the country and ensuring the security of the workers of the industrial organisations. We are carrying out continuous inspection to the factories for identifying risks and inserting these risks in the National Work-Plan for Bangladesh Labour Sector 2021-2026. Again, for the purpose of new employment generation and creating a central database for employment generation with education and training, steps are being taken to establish the "Directorate of Employment". The government activities towards abolishing child labour and ensuring the due wages for women workers will be more accelerated

in the upcoming days.

Skills Development

Madam Speaker

122. The growth of real wage of the workers will be ensured if the productivity of labour can be increased. This will raise their living standards. With this end in view, the government laid special emphasis on skill development. Considering the ongoing and future demands of industry and trade, the government has provided training to near about five lakh workers through the “Skills for Employment Investment Programme (SEIP)”. Apart from this, the SEIP is playing a vital role for human resource development and the skill development of the workers of the country through a range of initiatives like-capacity building of training institutes; developing the standard of training; developing skilled trainer; providing certificate of international standard. Being inspired by the success of this project and considering the challenges of the 4th Industrial Revolution, the government is undertaking a more result-based training project to ensure updated skills of the industrial workers so that they can sustain in the competitive market. Again, in order to make the “National Skills Development Authority” (NSDA- which has been set up for ensuring the funding of the training for skill development) fully functional recruitment process of manpower has begun. NSDA has started the creation of a portal on national skill development and implemented the relevant policies for national skill development.

Overseas Employment Generation and Expatriate Welfare

123. In order to ensure dignified profession for Bangladeshi workers abroad, it is necessary to ensure the quality of their training

and skill. With this end in view, all the training programmes of technical training institutes and institutes of marine technology are conducted under the National, Technical and Vocational Qualification Framework (NTVQF) from current fiscal year. “Recognition of prior learning (RPL) activities have been taken up for effective use of the learning of the migrant workers from abroad and to simplify the process of increasing their salary in the overseas labour market. Apart from this, foreign language teaching courses are going on in the 43 Teachers Training Colleges (TTCs). In addition, for the purpose of bringing discipline in the immigration system three new online systems titled- ‘Employee Connectivity Reporting System’, ‘On-line Grievance Management System’, and ‘Recruiting Agencies Information Management system (RAIMS)’ have been introduced.

124. The government has taken up a range of initiatives for the welfare of both expatriate workers and workers returning from abroad. The discipline in the immigration system has been ensured by supervising the activities of the recruiting agencies on regular basis. This sector has been completely digitalised through different programmes like- creating professional database for employee recruitment; scrutinising visa forms through mobile apps; separate portal for receiving grievance petitions migration and disposal on immigration and disposal; automation of the activities of the ‘Bureau of Manpower, Employment and Training’ (BMET). A number of activities are going on for the purpose of re-integration of migrant workers and providing soft investment loans for their self-employment; providing educational scholarships to the meritorious children of the expatriates and providing medical assistance to the disabled expatriate workers on their return. A plan of action for establishing technical training institutes at every Upazila by phase has been taken up for inspiring the marginalised communities across the

country. The implementation of the project for establishing 100 technical institutes at Upazila level will start soon. Apart from this, there is a plan to ensure overseas employment of 8.10 lakh Bangladeshi workers and provide skill development training to 5.20 lakh workers in different trades.

Initiatives for Increasing Remittance

125. In FY2020-2021 the growth of remittance stood at 36.10 percent. However, since the very beginning of FY2021-2022, the income from remittances slightly decreased. With a view to encouraging remittance through legal channel, we raised the rate of incentives 0.5 percentage point to 2.5 percent from January 2022. The government has withdrawn the mandatory provisions for submission of earning documents of the remitters in the case of availing cash incentives against remittances exceeding the amount of US\$ 5,000. As a result, in recent months the flow of remittance has begun to increase again. It is expected that a satisfactory growth of remittance will be back on track soon. I am proposing to keep the same rate of incentive for remittance in the next fiscal year.

Promotion of Investment and Trade

Madam Speaker

Industrialisation

126. There is no alternative to increasing the productivity of the industrial sector and improving the quality of manufactured goods to maintain the pace of development for a sustainable, universal, and environment-friendly economic development in continuance of the development achieved in the past decades. The development

philosophy of Bangabandhu Sheikh Mujibur Rahman was to build a ‘Sonar Bangla’ rich in industries and free from hunger and poverty by developing a production-oriented economy. To increase the contribution of the industrial sector to 41.86 percent of GDP, in line with the Eighth National Five-Year Plan we have formulated time-befitting policies and identified implementation strategies for industrial expansion. According to the BBS, the contribution of the industrial sector to the GDP in FY2007-2008 was 17.7 percent, which stood at 35.36 percent in current FY2021-2022.

127. For the last 13 years, we have been giving priority to agriculture /labor-intensive industries in the budget. Considering the growing demand for urea fertilizer for the development of agriculture in Bangladesh, we have started commercial production of urea fertilizer at the Shahjalal Fertilizer Factory at Fenchuganj in Sylhet District at a cost of Tk. 4 thousand 985 crore as promised by the Hon’ble Prime Minister. A project for turning the Palash Urea Fertilizer project into a highly modernized and environment-friendly factory with superior technology and higher capacity is currently under implementation which will have a daily production capacity of 2,800 metric tons upon completion. In addition, a project has been undertaken to set up an energy-efficient and state-of-the-art/ highly modernized technology and environment-friendly plant at Fenchuganj in Sylhet with an annual production capacity of 24,000 metric tons of urea-formaldehyde.

128. The government has taken various initiatives to ensure a safe environment in the industry sector. To move chemical factories and warehouses scattered in old Dhaka to safer places as soon as possible, a project titled ‘Building Warehouses for Storage of Chemicals’ is underway temporarily at the premises of Ujala Factory Ltd. at

Shyampur. A total of 54 godowns will be constructed under this project. As pledged in the election manifesto, the establishment of ETP has been made compulsory in the red and orange marked factories set up in BSCIC industrial cities as part of the environmental protection programme.

Investment Promotion

129. We need more foreign investment to continue our growth. One of the key factors that work behind attracting the desired level of investment is the business-friendly environment. The government has continued its efforts to create an investment-friendly environment by putting in place the necessary infrastructure and legal reforms to attract huge investments in the country. The government has also been organising and sponsoring seminars and workshops, roadshows, and trade shows in and out of the country. All these arrangements are meant to identify potential investors, highlight the existing investment opportunities to them, attract them to invest, and expedite the elimination of investment-related roadblocks. Bangladesh Trade and Investment Summit (Virtual) and International Investment Summit were held to attract trade and investment on the occasion of Mujib Year and Golden Jubilee of Independence. Bangladesh has actively participated in Expo 2020 held in Dubai to strengthen Bangladesh's position in international trade, increase export volume, and present its recent achievements of Bangladesh to potential investors. The Hon'ble Prime Minister participated as the keynote speaker at the High-Level Panel on Redefining the Future for Women organised on 8 March 2022 on the occasion of International Women's Day at the Expo Venue. Our participation in the Expo has brightened the image of Bangladesh to the investor community.

130. Establishment of 100 economic zones in the country is well in progress. The administrative approval has already been accorded to the proposal for establishment of 97 economic zones, of which the implementation work of 28 economic zones is underway. Allocation of land has been made to 196 entities in various public economic zones with a proposed investment of about US\$ 25 billion. Moreover, the investment in private economic zones is about US\$ 4 billion. In order to make the PPP project implementation and the activities of the PPP authorities more robust and dynamic, steps are being taken to enact the ‘PPP (Amendment) Act, 2022’. In order to enhance the confidence of investors in the projects under PPP initiatives investment development programmes are continuing. The legal and regulatory framework of the PPP authorities is being simplified to implement large as well as social infrastructure projects under PPP in the future.

Achieve Growth through Trade

Madam Speaker

131. To continue the pace of development of Bangladesh, the government is taking a wide range of initiatives for diversity and excellence of Bangladeshi products in domestic and international markets. In the first fiscal year after independence, where the country earned export income of US\$ 348 million by exporting only 25 products to 68 countries, in FY2020-2021 we earned an amount of US\$ 45.37 billion by exporting 751 items of goods and services to 203 countries and regions. The garment sector accounted for the major share of Bangladesh’s export earnings, amounting to US\$ 31.46 billion in FY2020-2021, which was 81.16 percent of total exports. The skills development training for the workers and employees of various

industrial organizations through the SEIP project under the Finance Division is ongoing. To sustain the exports in the readymade garments sector, 1,47,557 employees related to this sector have already been trained by the SEIP project. As the contents of the training are tuned with specific skill needs of the RMG sector, the training helps increase overall productivity of the sector.

132. To bring dynamism in export trade and strengthen Bangladesh's position in the competitive world market, a time-befitting Export Policy 2022-2024 has been formulated recently. According to the Export Policy (2022-2024), the products which have the potentials for diversification are being identified as 'High Priority Sector' and 'Special Development Sector'. Declaration of 'Product of the Year' and action plans and special facilities for market expansion of these products are also being executed. Export incentives for 43 items of goods and services have been announced for FY2021-2022 as a part of various policy support for product diversification. Apart from this, various strategies have been adopted to increase exports. For example, in 2022, 'ICT Products and Services' have been declared as 'Products of the Year'. Through the Export Competitiveness for Jobs (EC4J) project, two state-of-the-art technology centres of international standard will be built on 10 acres of land in the Mirsarai Economic Zone under Bangabandhu Sheikh Mujib Industrial City and on five acres of land in Bangabandhu Hi-Tech City, Kaliakair.

133. A bridging between the industry and the academia is essential for trade, investment and industrial development of Bangladesh. Such connections can provide strategic direction for transforming creative thinking into innovation. Having the objective in mind, the apex business body, FBCCI, is going to establish the 'FBCCI Innovation

Center'. The main objective of the proposed innovation center will be "Connecting Ideas", which will help young people to bring their creative ideas into reality. The government has always given priority for exploring innovative thinking of the youth, and therefore, it will provide encouragement and necessary assistance in setting up this Innovation Center proposed by the FBCCI.

E-commerce

134. To support the growth of e-commerce in Bangladesh and to encourage new start-ups, which will create new job opportunities, a project titled 'My e-commerce, My own business' has been taken up by the government. The objective of this project is to harness skills of new entrepreneurs and to develop small and medium enterprises in this sector in the rural areas of Bangladesh. The government drafted the National Digital Commerce Policy in 2018. Although e-commerce business boomed during the pandemic, it was riddled with scams as well. The government has recently introduced digital commerce business ID (DBID), which is issued by the Registrar of Joint Stock of Companies (RJSC) to e-commerce entities, to restore public confidence on e-commerce sites and also to protect consumer interests.

Tourism

135. To enrich the tourism sector, steps have been taken to set up Sabrang Tourism Park, Naf Tourism Park, and Sonadia Eco-Tourism Park in Cox's Bazar district with accommodation and recreational facilities to international standards. The country's tourism industry was hit hard during the COVID-19 pandemic. To help the industry in this situation, the government has declared an incentive package of

Tk.1 thousand crore. Ten government-funded projects are under implementation for the development of potential areas for tourism in Bangladesh. The task of formulating a tourism master plan to develop the tourism industry has been taken up. To achieve economic prosperity through the development and growth of tourism, steps are being taken for the physical infrastructure development and beautification of the tourist areas of different districts and Upazilas by branding 36 districts having tourism potential. Documentaries and television commercials are being prepared featuring Bangabandhu's contribution to the development of the tourism industry and for the preservation of the attractive spots where there are precious memories of our liberation war.

Bangladesh's Progress after Graduation from the Least Developed Country (LDC)

Madam Speaker

136. It is a matter of special pride for Bangladesh that in 2021 when the nation was commemorating the golden jubilee of independence and the birth centenary of Bangabandhu, the United Nations made the final recommendation for the graduation of Bangladesh from the least developed country category. Bangladesh has achieved this feat by making tremendous progress in various socio-economic fields in recent years. LDC graduation is one of the important milestones that Bangladesh has achieved in its journey towards development. Our self-esteem will reach new height with graduation; we will have a brighter image to the rest of the world. After graduation, Bangladesh's participation in international trade and productivity in industrial production will rise to the next level fuelled by new-found zeal and confidence. The transition will improve the country's credit rating,

increase productive efficiency, and enhance our ability to compete globally broadening our scope of export earnings. International financial institutions and credit rating agencies will evaluate Bangladesh more favorably after graduation. This will enhance our scope of attracting foreign funding both in the public and also in private sector for investment and development financing purposes. Foreign direct investment will get a boost enabling new developments. This will lead to massive development of infrastructure in the country, new job creation, and overall better living standards for the people of Bangladesh.

137. However, with graduation in 2026, Bangladesh will be facing some challenges as well, such as loss of duty free – quota free, unilateral, preferential market access, reduced scope for concessional or low interest funding from international and bilateral development partners, preference erosion, and strict compliance with stringent standards. Bangladesh is enjoying LDC specific benefits at the WTO, such as exemption from the obligations of Trade-Related Aspects of Intellectual Property Rights or TRIPS agreement. The country will lose this advantage after graduation from the LDC category. Bangladesh is pursuing hard at the WTO, along with other LDCs, to extend this exemption for some more years for the graduating countries. The loss of the LDC specific benefits will create an obligation for us to increase our productive capacity and efficiency to compete in the export market, diversify our export basket and create new markets. Besides, this will both encourage and force us to go for higher value added products.

138. Bangladesh will have to utilise with farsightedness the period from 2022 to 2026 for our preparation to the graduation from Least Developed Countries so that Bangladesh can move forward even after

graduation and sustain its position as a graduated country. To that end, the ongoing development process must continue to ensure smooth graduation. The Government of Bangladesh is fully committed to make this graduation smooth and sustainable. In this context, various policies, strategies, programs, and measures have been adopted. A committee has been formed under the chairmanship of the Principal Secretary, Prime Minister's Office to prepare for the possible challenges that Bangladesh will face as a result of its graduation from a least developed country to a developing country. There will be seven sub-committees under this committee. Each sub-committee has members from private sector stakeholders and development researchers. These sub-committees are preparing draft strategies with a time-bound action plan to meet the challenges of LDC graduation.

139. The present government has adopted the policy of executing Bilateral Free Trade Agreements (FTAs) and Preferential Trade Agreements (PTAs) in the context of potential trade challenges arising from LDC graduation. Strategies for Preferential Market Access and Trade Agreement have been formulated to address these challenges following. In this context, Bangladesh has signed the Preferential Bilateral Trade Agreement (PTA) with Bhutan, under which 34 products of Bhutan will be duty-free in the market of Bangladesh and 100 products of Bangladesh will be duty-free in the market of Bhutan. In addition, a prioritization list for the execution of PTA/FTA/CEPA with 13 potential trading countries/trade organizations such as India, China, Japan, Singapore, Indonesia, Sri Lanka, Malaysia, Nepal, USA, Canada, Eurasian Economic Union, ASEAN, and Mercosur has been prepared. A preliminary draft of the Regional Trade Agreement (RTA) Policy Guideline has been prepared with the aim of signing bilateral trade agreements with various countries.

Local Government and Rural Development

Madam Speaker

140. Inspired by the slogan '*Sheikh Hasina's Mulnity, Gram-Shohorer Unnoty*' (*Sheikh Hasina's conviction, Rural-Urban Development*), the present government has been implementing multifaceted programmes for the economic development of the country through the development of urban and rural infrastructure and communication and transport systems. In the last 13 years, the government implemented innumerable development works in the rural sector, especially the construction of 69,002 km of paved roads, and 4,05,099 meters of new bridges, maintenance of 1,09,078 km of paved rural roads, construction of 1,767 Union Parishad Complex buildings, construction/expansion of 354 Upazila Parishad Complex buildings. In addition, 2,689 growth centres and hat-bazaars have been developed, and 1,075 cyclone shelters have been constructed /rebuilt. Furthermore, 9,088 km of roads and footpaths, 4,107 km of drains, 15,041 m of bridges and culverts, 41 bus and truck terminals and 53 community centres have been constructed to improve the quality of public life.

'My Village My Town'

141. As pledged in the Election Manifesto-2018, the government has been implementing '*My Village My Town*' programme to provide improved roads and modern civic amenities in rural areas. Under this, a total of 30 guidelines will be prepared, which will deal with village communication, growth centres and market infrastructure, rural water supply, rural waste management, Upazila master plan, community space, capacity development of the local government institutions, and establishing computer village, etc. In addition, 36 feasibility studies will be conducted to address the challenges of implementing the 'My

Village, My Town’ action plan. The government has also decided to develop 15 villages as model villages on a pilot basis under this programme. Above all, to realise ‘Vision-2041’ and attain Sustainable Development Goals (SDGs), strategies of different development activities will be taken for the development of 87,230 villages focusing on the generation of employment opportunities. Besides, large-scale investment projects will be undertaken as per the technical recommendations of the programme.

Steps to Solve Civic Problems Including Waterlogging

142. To solve the water logging problem in Dhaka, we have taken steps in the current fiscal year. According to Section 19(5) of the Water Supply and Sewerage Authority Act, 1996, ownership of 26 canals has been transferred from Dhaka WASA to two city corporations. After the transfer of ownership, the two city corporations of Dhaka have taken necessary steps to maintain the canal’s normal flow, including eviction of illegal structures. As a result, there is no visible waterlogging in Dhaka city despite heavy rains during this monsoon. The city corporations are undertaking development projects to ensure smooth canal management to control waterlogging. To stop the menace of dengue, mosquito eradication activities are being carried out all over the country, including the Dhaka metropolis.

143. The government has formulated various action plans to ensure potable water supply, 100 percent sanitation, conservation, and use of surface water instead of groundwater across the country, including the capital and other metropolitan areas. Through various development projects, a total of 8,22,700 arsenic-free safe water sources have been provided in rural areas. Moreover, 1,373 productive tubewells, 159

water treatment plants, 16,203 km pipeline installation/replacement, 941 km drains and 69 high reservoirs have been installed in municipal areas. To increase the use of surface water bearing in mind the problems of arsenic, iron, salinity, and depletion of underground water, a number of measures have been taken. It includes excavation of 100 new ponds and re-excavation of 1,008 ponds and construction of 553 Village Pipe Water Supply Schemes. Besides, in as many as 65,620 primary schools across the country, 49,500 safe water sources and 41,108 wash blocks have been constructed. During the tenure of the present government, 7 lakh 62 thousand sets of latrines/improved latrines have been distributed either free of cost or at a low cost among the poor and the general public. In addition, 6,181 public/community toilets have been constructed.

144. Along with rural infrastructure development, different activities are in progress such as poverty alleviation, self-employment generation, and livelihood development through cooperatives by organising farmers and other marginalised communities. It includes providing training and loan, supervision, supply of equipment for agriculture, SME and cottage industry. In addition to the rural development academies at Cumilla and Bogura, steps have been taken to set up two more rural development academies at Jamalpur and Rangpur. To reduce poverty, improve living standards, and establish villages as development hubs in the poverty-stricken areas of the country, the Department of Rural Development and Cooperatives is implementing the Comprehensive Rural Development Programme (CVDP) Phase III (1st Amendment) project from January 2018 to December 2023. Under the project, 8,828 associations have been formed. Training has been imparted to 3,58,682 beneficiaries in different categories. In the coming FY2022-2023 and 2023-2024, a target has been set to train a total of 2,03,944 people in different

categories.

145. For rural sector development in the next 2022-2023 fiscal year, different targets have been set for implementing different development activities, especially, constructing 5,000 km of new roads, maintaining 7,000 km of paved roads from time to time, constructing 1,900 metres of bridge/culvert, maintaining 5,500 of meter bridges/culverts, developing 140 growth centres/hat bazaars, constructing/expanding 60 upazila/union complex buildings, constructing 130 cyclone shelters. As a result, the country's road network coverage will increase from 38.02 percent to 39.43 percent. Moreover, construction of 1760 km of roads and footpaths and 170 km of drains in urban areas has also been targeted. These infrastructures will create ample employment opportunities both direct and indirect and play an important role in alleviating rural poverty.

146. In the next fiscal year, I am proposing to allocate Tk. 44,690 crore in fiscal year 2022-2023 in the local government and rural development sector, which was Tk. 42,193 crore fiscal year 2021-2022.

Climate Change and Environmental Protection

Madam Speaker

147. Hon'ble Prime Minister has become the moral voice of the climate-vulnerable countries by issuing the national statement at the Leaders' Summit of the Climate Conference (COP-26) held in Glasgow last November, wherein she raised four demands on environmental protection. The demands were: to formulate and implement a Nationally Determined Contribution (NDC); to fulfill the

commitment of US\$ 100 billion annually by maintaining the 50:50 balance between adaptation and mitigation; to provide clean and affordable technology to high-risk countries; and to share a global responsibility for displaced migrants.

148. Considering the immense importance of environmental protection, the government has made it mandatory to follow a pragmatic and inclusive environment-friendly plan in all development activities while addressing the risks of climate change. As part of the implementation of the global carbon emissions reduction target, the country's updated 'Nationally Determined Contribution' was finalised in August 2021. By 2030, the target of reducing carbon-dioxide emissions has been set at 6.73 percent with the country's own financing and technological capabilities. Another 15.12 percent of this emission reduction has been provisioned subject to the availability of international funding and technical assistance. On the other hand, the process of formulating a 'National Adaptation Plan' to determine the long-term integrated adaptation strategy together with an action plan to tackle the country's climate change is at the final stage and the updating of 'Bangladesh Climate Change Strategy and Action Plan' formulated in 2009 is in progress. In addition, steps have been taken to make all existing industries and newly established industries environment friendly. Following this, new decisions have already been taken on installation of 10 coal-fired power plants worth 12 billion USD with the generation capacity of 8,600 MW. Of these plants 4 have been canceled and the remaining 6 will be renewable or gas-based, on the basis of a feasibility study. We are working on ensuring availability of 40 percent of our energy resources from renewable sources by 2041.

149. So far, 13 areas of the country have been declared as

Environmentally Critical Areas on the basis of the finding of scientific studies aimed at conserving the biodiversity and the natural environment. In the last 13 years, a total of 35 new protected areas have been created, including 9 National Parks, 18 Wildlife Sanctuaries, 3 Eco-parks, 1 Botanical Garden, 2 Marine Protected Areas, and 2 Special Biodiversity Conservation Areas, bringing the total number of protected areas in the country to 51. During the same period, 95,265 hectares of blocks, 26,453 seedling km strips, and 68,113 hectares of mangrove orchards have been created in the country and 106 endangered forest and 240 medicinal tree species have been preserved. ETP installation activities in industrial plants have been intensified. The ‘National Forest Inventory’ report has been prepared by collecting data using GIS technology. Government-funded SMART (Spatial Monitoring and Reporting Tools) Patrolling is underway throughout the Sundarbans. In addition, 49 ‘Village Tiger Response Teams’ have been formed with the help of the people of the Sundarbans to resolve the tiger-human conflict.

150. To move from climate risk to sustainable climate prosperity, the government is going to implement the ‘Mujib Climate Prosperity Plan’, which is essentially a strategic investment framework for climate financing. Under this, US\$ 80 billion is being planned for investment by 2030 to achieve climate resilience. The investment will be funded by both domestic and external sources.

151. Finance Division, with the support from a project titled ‘Inclusive Budgeting and Financing for Climate Resilience’, developed ‘Climate Public Finance Tracking Methodology’ and embedded it in iBAS++. Using this methodology, the budget allocation and actual expenditure of 25 climate-relevant Ministries/Divisions are being tracked. This is helping all these

Ministries / Divisions in gathering information on climate allocation and expenditure and determining future actions to be taken while implementing climate policy and plans. In addition, training has been provided to the concerned officials of OCAg on how to carry out Performance Audits of climate-related projects. A ‘Climate Change Glossary’ containing relevant technical terms currently being used has been published.

Poverty Alleviation and Social Safety Net Programmes

Madam Speaker

152. Following the implementation of the government’s planned policy, the poverty rate in the country came down to 20.5 percent and the extreme poverty rate to 10.5 percent in pre COVID-19 time. Although our progress halted for a while like other countries in the world due to pandemic, Bangladesh was able to return to the pace of development in a few days, thanks to the swift and bold steps of the government. The World Bank’s report titled ‘Bangladesh Development Update’ published in April 2022 states that in the context of strong economic recovery, poverty in the country has come down to 11.9 percent in FY2020-2021. In the current budget, special emphasis was laid on the programmes for strengthening health, investment, production, employment, human resource development, poverty alleviation and social safety net to overcome the crisis arising from COVID-19 pandemic, maintain the pace of development of the country together with lives and livelihood of the communities at large. In one hand, the government has been implementing multi-faceted development projects aimed at the structural transformation of the economy, on the other hand, the scope of social safety net is being expanded consistently to reduce poverty and inequality for inclusive

development. In tandem with the large-scale development programmes, different other programmes are being implemented to meet the basic needs of the backward, destitute, helpless and marginalised communities in the society.

Social Safety Net programmes

Madam Speaker

153. The Father of the Nation dreamt of *Sonar Bangla* where people will be able to meet their basic needs and where there will be no hunger and poverty. For this reason, the Article 15 (d) of our Constitution makes a clear provision for social security of the citizens. The social safety net programme that began at his behest has now been transformed into a lifecycle based massive program under the leadership of Prime Minister Sheikh Hasina. The present government has formulated the 8th Five Year Plan to strengthen inclusive development with the slogan of ‘Promoting Prosperity and Fostering Inclusiveness’. We are working diligently to reduce economic inequality to ensure inclusive growth, and expanding the social safety net coverage and increasing the budget allocation each year. Already, 29 percent of households have been covered by social safety net programmes, and budget allocations have increased almost eight-fold compared to the allocation made in the budget for FY2008-2009. The government has already implemented the National Social Security Strategy (NSSS) Action Plan 2016-21 under the NSSS 2015 and has recently started the implementation of the NSSS Action Plan 2021-26. Disaster-prone areas, poorest areas and population density ratios are currently being considered to cover poor and vulnerable people, marginalised groups and vulnerable sections of society under social safety net programmes.

Poverty Alleviation Programmes

154. Bangabandhu Sheikh Mujibur Rahman launched '*Palli Samajseba Programme*' in 1974 and '*Palli Matrikendra Programme*' in 1975 as a strategy to alleviate rural poverty, which is now being implemented in every upazila of the country. In addition, in the urban areas four interest free micro-credit programmes including 'City Social Service Programme' and 'Rehabilitation Programme for Acid Burnt and Disabled Persons' are being implemented. In all these micro-credit activities, interest free micro-loans ranging from Tk.5,000 to Tk. 30,000 and vocational training are being provided.

Programmes Taken for the Poor, Disabled and Elderly

155. The government seeks to uphold the rights of the elderly citizens by conducting long-term and sustainable programmes. Old age allowances are being provided on a wider scale to protect the rights of the destitute aged people and priority is being given to the aged women in the case of providing allowances for the widows and those for the deserted and destitute women. From the FY2021-2022, an allocation of Tk. 3444.54 crore has been provided for 57.01 lakh beneficiaries at the monthly rate of Tk. 500, which will be continued. In the FY2021-2022, allowances are being provided to 20.08 lakh disabled persons at the monthly rate of Tk. 750. The number of beneficiaries is planned to be increased by 3.57 lakh in the next FY2022-2023 to 23.65 lakh in place of 20.8 lakh. At this time the rate of monthly allowance will be increased by Tk. 100, from Tk. 750 to Tk.850. I proposed to allocate Tk. 2,429 crore in FY2022-2023 as disability allownces. Apart from the allowance programme, the government has also introduced disability education stipend for disabled students. Under this programme in FY2021-2022, the

number of beneficiaries was 1 lakh and the annual allocation was Tk. 95.64 crore. In this year Hon'ble Prime Minister has inaugurated 'Bangabandhu Disability Protection Insurance' on the National Insurance Day under the Neuro-Developmental Disability Protection Trust to reduce the health and life risk of people with Autism and Neuro-Developmental Disability of the country.

Women Development and Child Welfare Initiatives

156. Under the social safety net programmes such as old age allowance, disability allowance and disability stipend and under the poverty alleviation programmes such as rural and urban social service activities, rehabilitation of the acid burnt and disabled persons 50 percent of the beneficiaries are women and under the widows and deserted and destitute women allowance and rural maternity center activities, 100 percent beneficiaries are women. As women's participation in interest-free microfinance activities is mandatory, annually they are directly contributing to the empowerment of 1.20 lakh women, social safety, self-employment, access to education and training, participation in income generating activities, own capital and access to government resources and services. Arrangements are being made for the subsistence, training, education and rehabilitation of socially vulnerable women through 6 centres on a priority basis. The food allowance for orphans has been increased by Tk. 500 from January, 2022 at the rate of Tk. 4,000 per person/month. Reintegration/rehabilitation with family or close relatives or any other institution is being ensured by providing services to disadvantaged children through Sheikh Russell Child Training and Rehabilitation Centres. At present, a total of 2,291 children (1,088 boys and 1,203 girls) are staying in these centres.

Mother & Child Benefit Programme

157. We have started the implementation of the ‘Mother and Child Support Programme’ by integrating the existing maternity allowance for poor pregnant mothers in rural areas and for low-income lactating working mothers in urban areas. This programme will help meet the nutritional needs and ensure physical growth and mental development of the child up to four years of age including the first 1,000 important days of life starting from the mother’s womb under the life-cycle based social security framework. In addition, this will play a significant role in reducing the number of maternal and child mortality, underweight and malnourished children. In fact, we believe that these activities will play an important role in creating skilled human resources suitable for the Fourth Industrial Revolution. Our government is considering maternal and child support programs as the best investment under social safety net programmes. As a result, considering the priority of this programme, I am proposing to increase the number of beneficiaries by 2 lakh 9 thousand and thus the total number of beneficiaries will be 12 lakh 54 thousand in FY2022-2023 from 10 lakh 45 thousand in FY2021-2022. The total allocation for this sector in FY2022-2023 is Tk. 1,243 crore.

Welfare of Valiant Freedom Fighters

158. We are working relentlessly for the preservation of the history, heritage and memory of the great liberation war and for the welfare of the valiant freedom fighters. In the light of the directives of the Hon’ble Prime Minister, the monthly honorarium of all classes of valiant freedom fighters has been increased to a minimum of Tk. 20,000 from the current fiscal year. In the meantime, Management Information System (MIS) with comprehensive information of valiant

freedom fighters and an integrated list have been prepared. Besides, the process of issuing smart cards and digital certificates is at the final stage to ensure the identity of the valiant freedom fighters. To improve the socio-economic condition of the valiant freedom fighters, construction of Muktijoddha Complex buildings in every district and upazila of the country is nearly completed.

Improving the Living Standards of the Backward Communities

159. We have undertaken various programmes to rehabilitate the people engaged in begging and create alternative employment, improve the living standards of tea garden workers, nomadic (*Bedes*) and transgender community and the marginalised people. Rehabilitation of beggars and creation of alternative employment for them is underway across the country. The stipend is being provided at four levels with the aim of educating the school going students from *bede* and marginalised communities.

Implementation of Social Safety Net Incentive Package

160. Expansion of the social safety net is an important part of the government's economic recovery efforts to address the impact of the COVID-19 pandemic. The allowances have been extended to all eligible senior citizens and widows of 112 upazilas in FY2020-2021. In FY2021-2022, it has been extended to another 150 upazilas. The digital system has already been introduced in 10 major programmes with the aim of bringing all cash transfers of social safety net programmes under G2P system and the number of beneficiaries under G2P has been increased to 26.3 million in FY2021-2022. As a free emergency food aid, arrangements have been made to distribute rice, relief (cash) and baby food to the poor who have suddenly become

unemployed due to the outbreak of the pandemic. The ongoing programmes of selling rice at a price of only Tk. 10 per kg to the low-income people across the country have been accelerated. A total of Tk. 2 thousand 168 crore has been provided in two phases at Tk. 2500 to each of the target-oriented beneficiary families across the country. Under this programme, in first phase a total of 35 lakh households and second phase a total of 31 lakh households which includes day labourers, farmers, laborers, domestic workers, motor vehicle workers and people involved in other professions.

‘Family Card’ Programme

161. In the wake of the recent Russia-Ukraine conflict and the disruption of the global supply chain, we have launched the Family Card program to distribute essential commodities among the poor across the country at a low cost. A list of one crore families has been finalised under this programme. A total of one crore family including the families who have received Tk. 2,500 as cash assistance during the pandemic period are getting family card of TCB. As a result, about five crore low income population of the country will be directly benefited from this government initiative.

162. I propose to allocate a total of Tk. 1,13,576 crore in the budget for fiscal year 2022-2023 for social safety net which is 16.75 percent of the total budget and 2.55 percent of GDP.

Fourth Industrial Revolution and Digital Bangladesh

Madam Speaker

The Fourth Industrial Revolution and Our Preparation

163. The famous English writer H.G. Wells once said, "Adapt or perish, now as ever, is nature's inexorable imperative". In tune with him, it may be said that the economic structure is constantly changing; the old economic system is being replaced by the new system. However, in the era of the twenty-first century, due to ever growing interconnectivity and smart automation, technology, industrial production process all spheres of economic activities are undergoing rapid changes throughout the world which has been termed as the Fourth Industrial Revolution. There is no alternative of making us competent to adapt to changing circumstances, if we want to take forward our development agenda successfully by surviving in the competitive global economy. Therefore, we will encourage extensive use of the major technologies of the Fourth Industrial Revolution such as Artificial Intelligence (AI), robotics, block-chain, virtual or augmented reality etc. and necessary policy support will be provided to those who will work with these technologies.

Creating Skilled Human Resources in Line with Preparation for Fourth Industrial Revolution:

164. One of the principal aims of the government is to create information technology based skilled human resources compatible with the Fourth Industrial Revolution. To that end, our government is laying emphasis on STEM (Science, Technology, Engineering & Mathematics) based education and training. To meet the demand of the Fourth Industrial Revolution the government is giving importance to teaching appropriate technology-based subjects in the classroom

and is allocating budget to NCTB for bringing necessary changes in the curriculum. The government has planned to increase the number of students in technical education to 30 percent by 2030, which is currently about 14 percent. In addition, the government has undertaken several important training programmes aimed at creating IT skilled workforce. For example, the Bangladesh Hi-Tech Park Authority has set a target to train more than sixty thousand young people by 2025 and one lakh by 2030 to fulfil the demand of IT sector. More than 36,000 people have already been trained under various projects and programmes. The project implemented by the Bangladesh Computer Council (BCC) has provided training on ICT to about 2.34 lakh people and most of them are doing jobs in various ICT companies/organisations at home and abroad. To adapt to the Fourth Industrial Revolution, including augmented reality and virtual reality, specialised labs will be set up at every university of the country and work is underway to set up 57 such specialised labs. Work on establishment of Sheikh Kamal IT Training and Incubation Centres in 64 districts and 10 Digital Village is in progress to provide proper training for young people. Besides this, the training programmes on emerging technologies, artificial intelligence, Internet of Things, block-chain, robotics, big data, cloud computing etc. are in progress.

Digital Bangladesh

Madam Speaker

165. The four pillars of building Digital Bangladesh are connectivity, skilled human resource development, e-governance and ICT industry promotion. Keeping these four pillars in mind, a number of initiatives and development activities have been put into implementation all over the country in the last 13 years, which has led

to unprecedented development in the area of information technology. Bangladesh has become a proud member of elite club of world satellites by launching Bangabandhu Satellite-1 into space on 12 May 2018. Before our government came to power, the price of internet bandwidth per Mbps was Tk. 78 thousand which is now below Tk. 300. Eighteen thousand five hundred (18,500) government offices of the country have come under the same network. High-speed internet connection has reached 3,800 unions. At present in Bangladesh, the number of mobile SIM users is more than eighteen crore and internet user is more than thirteen crore. As a result of this expansion of information and communication technology and people's adaptation to technology, the people of the country are enjoying the benefits of Digital Bangladesh in almost every sphere of life.

166. With the establishment of e-governance there have been, transparency, accountability and dynamism in government institutions. A national database of 52 thousand websites has been created where more than 95 lakh contents have been added. About 1.66 crore files have been disposed through e-filing system till March, 2022. The government has so far digitalized about two thousand (2,000) public services which has led to the reduction of time, cost and public movement. The introduction of e-GP has ensured transparency in the tendering process. Tenders worth Tk. five lakh fifty-five thousand crore have been invited through e-GP system till March, 2022. At present, people are receiving more than 300 different types of public and private services through eight thousand three hundred sixty-three (8363) digital centres across the country. In addition, financial transactions valuing Tk. 26 thousand 550 crore have been carried out through agent banking from digital centres across the country. People from all walks of life now believe that it is possible to get all kinds of services at their door steps. Gaining this

trust is the biggest achievement of our government in our journey toward establishing a digital Bangladesh.

167. The government has taken various steps for ICT infrastructure development. Around 731 public financial institutions are getting uninterrupted services such as mail domain, web site and application hosting, VPS service, G-Drive like Google drive or government-drive like cloud service and google drive etc., from the National Data Center (Tier-III). At present, it has a data storage capacity of 14.6 petabytes and the number of service receiver is more than 10 core. Under the Info-Sarker (Phase-II) project, 893 video conferencing systems have been set up across the country. The government has taken various steps to advance technology and increase the use of technology in education sector. Work is in progress to establish 30 ‘schools of the future’. ‘Vasha labs’ (language learning laboratories) have been established in 65 educational institutions. A total of 4,176, including 15 in Saudi Arabia, Sheikh Russel Digital Labs have been set up and work is underway to establish such labs in another 5,000 educational institutions.

Application of Digital System in Facing COVID-19 Pandemic

168. During the global COVID-19 pandemic, trade and commerce, offices, courts, education, and other urgent activities were kept in operation using information and communication technology. The ‘Surokha’ (protection) apps developed by the domestic IT engineers have been launched to combat Corona pandemic and activities like vaccine registration, vaccination data collection, vaccine certificate issuance etc. are being successfully completed through this apps. During Corona pandemic the citizens connected more than 3 crores and 75 lakhs times to the web portal namely corona.gov.bd to get

information and services. In addition, as many as 5,668 classes of primary, secondary, madrasah and technical level by connecting 5,086 teachers through Sangsad TV were conducted; digital contents were viewed online more than 7.85 crore times in e-learning training platform 'Muktapaath'. As many as 4.36 lakh trainees participated and a total of 67,000 doctors received online training. Moreover, 3,47,956 bail petitions have been disposed of by the virtual court.

Development of Hi-Tech Parks and Startup Culture

169. Digital economy has flourished as a result of the implementation of Digital Bangladesh. Exports in the ICT sector have already exceeded US\$ 1.4 billion. 39 Hi-Tech parks/IT incubation are being set up across the country. Business activities are taking place in nine parks. These parks have so far received about Tk. 2 thousand crore as domestic-private investment and about 439 million US\$ as foreign investment. Startup Bangladesh Ltd, IDEA project and Bangabandhu Innovation Grant (BIG) have been established to inspire innovation. As a result of taking such initiatives by the government, the startup ecosystem is gradually developing across the country. At present, there are more than 2,500 startups in the country. About 15 lakh people have been directly and indirectly employed in the startup sector. Our future plan is to increase exports in ICT sector to US\$ 5 billion and IT-based employment to thirty lakh by 2025 and to execute this plan, adequate budget is being allocated for this sector.

Physical Infrastructure

Madam Speaker

Power and Energy

170. Large-Scale socio-economic development activities have been undertaken for smooth implementation of the Master Plan that Bangladesh has adopted for her transition to a Upper Middle-income Country by 2031 and a High-income Country by 2041. It needs no further emphasis that, the demand for power and energy will gradually increase as we move on to implement the plan. One of the major goals of the government is to ensure high-quality power and energy resources in order to meet the rising demand. The government is committed to providing electricity access for all, and to ensuring uninterrupted and sustainable power supply across the country.

Success in Power Generation

171. Thanks to the relentless efforts of the government to increase power generation over the last 13 years, the total power generation capacity of the country, including captive and renewable energy, has recently increased to 25,566 MW. I am happy to announce that 100 percent of the population has now access to electricity. This success is attributable to integrated generation, transmission and distribution approach followed by the government keeping in mind the commemoration of the *Mujib Borsho*. Over the last 13 years, we have been able to increase per capita power generation from 220 kWh to 560 kWh. During the same period, 5,213 circuit kilometers of transmission line and 3,36000 kilometers of distribution line have been constructed. System loss in power distribution has also been reduced from 14 percent to 8 percent.

172. At present, 34 Power Plants with a capacity of 13,530 MW are

under construction. Considering the availability of land, energy transportation facilities and load centres, mega projects are being implemented at Payra, Maheshkhali and Matarbari, transforming the region as a power hub. Among them, the commercial production of 1,320 MW thermal power plant at Payra has been inaugurated by the Honorable Prime Minister recently. On the other hand, construction of Rampal 1,320 MW coal-based Maitri Super Thermal Project, Matarbari 1,200 MW ultra-super critical coal project is running in full swing. 2,400 MW nuclear power plant project is under implementation at Rooppur with Russian assistance. Moreover, around 780 MW of electricity is being generated from renewable energy sources. With a view to generating 10 percent of country's total demand from renewable energy, emphasis has been laid on solar power generation. With the implementation of these projects, it will be possible to ensure quality electricity supply to all in near future.

173. The government is also emphasizing on the development of transmission system to ensure uninterrupted power supply. On completion of construction works, both the Payra- Gopalganj 400 KV double circuit transmission line and Gopalganj- Rampal 400 KV transmission line have already been commissioned. In addition, Mongla- Khulna (South) 230 KV transmission line has been constructed. The foundation work of the Padma river crossing section of Gopalganj- Aminbazar 400 KV transmission line is going on which is 7.5 km long with 7 towers. 6 transmission lines of 400 KV and 230 KV voltage are being constructed for power evacuation of Rooppur nuclear power plant.

Ensuring Energy Security

174. As mentioned earlier, with the pace of socioeconomic

development of the country, the demand for energy is also increasing rapidly. A large part of the demand is being met mainly by natural gas. Of the 28 gas fields discovered in country, 20 are currently in operation. In 2009, gas production in the country was 1, 788 million cubic feet, which has now increased to 2,525 million cubic feet. Besides, to meet the increasing demand for gas, 600-753 million cubic feet of imported LNG or liquefied natural gas is being added to the national grid daily. On the other hand, to meet the increasing demand for fuel in the country, ERL Unit-2 project for enhancing the refining capacity of Eastern Refinery Limited by 30 lakh tons, has been undertaken. After implementation of project, the refining capacity of Eastern Refinery Limited will be increased to 45 lakh MT per annum.

175. I propose to allocate Tk. 26,066 crore for the Power Division and Energy and Mineral Resources Division in the budget for next fiscal year, which was Tk. 27,484 crore in the current fiscal year.

Communication Infrastructure

Madam Speaker

176. The government is always striving to develop a safe, sustainable, environment- friendly and affordable communication infrastructure for building Bangladesh as a modern and developed country. To this end, we are working for building an effective domestic and international communication network through integrated investment in roads, bridges, railway, water and air transport.

Road Transport

177. Implementation of Bus Rapid Transit (BRT) and Mass Rapid

Transit (MRT) in Dhaka city is in progress to strengthen road safety, reduce traffic congestion and to develop affordable public transport system. In the last 13 years, the government has implemented 357 road development projects and taken up 448 new projects. At the same time, 173.20 km of National Highways have been upgraded to 4-lane or above. Works are also underway to upgrade 914.84 km of Highway to 4 lanes or above. Recently, construction of the Dhaka-Bhanga Expressway and the Gazipur- Tangail 6-lane road have been completed and opened to traffic. Besides, works for upgradation of the Alenga-Hatikumrul-Rangpur highway and Chattagram-Cox's Bazar highway to 4 lanes are almost completed. Construction work has also begun to upgrade the Dhaka-Sylhet highway to 4 lanes. At present, 26 projects under the Road Transport and Highways Division are being implemented.

Mass Rapid Transit in Dhaka Metropolitan City

178. The government has adopted a time-bound Action Plan to build an integrated metrorail system of 129.901 km (68.729 km long elevated and 61.172 km long underground) with 105 stations (52 surface and 53 underground) under the Dhaka Mass Transit Company Limited (DMTCL) comprising 6 metro rail lines to reduce traffic congestion and improve the environment of the Dhaka metropolitan city and surrounding areas by 2030. Following this action plan, the construction of the first ever metro rail system from Uttara 3rd phase to Motijheel, which will be 20.10 km long with 16 stations, is at the final stage. In the meantime, Metrorail has completed its trial run from Uttara 3rd Depo to Agargaon successfully. This part is set to be launched for commercial use by December 2022. The remaining part from Agargaon to Motijheel is expected to go on commercial operation by December 2023. Later on, it will be extended 1.16 km from Motijheel

to Kamlapur. Besides, detailed design works of Southern Route of MRT Line-5 and Northern Route of MRT Line-1 are about to be completed. Hopefully, the construction of MRT Line-1 will start from July 2022. Moreover, the government has also taken up a plan to introduce MRT system in Chattogram city.

Implementing Mega Projects of Bridges and Elevated Expressways

Madam Speaker

179. With a view to building transport and communication systems that support industry and trade in the country, the government is implementing a number of mega projects, one of which is the Padma Bridge. As a result of the bold steps taken by the Hon'ble Prime Minister, it has been possible to complete the construction work of the 6.15 km long Padma Bridge with the own funds of the Government of Bangladesh. The bridge is expected to be opened to traffic on June 25, 2022, which will lead to an unprecedented improvement in the communication system connecting the capital with the southern part of the country. Another project, construction of 3.32 km Bangabandhu Shiekh Mujibur Rahman Tunnel under the Karafuli River, is about to be completed and the tunnel is expected to be opened to traffic by December 2022. In addition, the construction of 46.73 km Elevated Expressway from Hazrat Shahjalal International Airport to Kutubkhali on the Dhaka-Chittagong Highway is in progress. About 78.94 percent construction work of the first part (Airport-Banani) has already been completed. The physical progress of the entire project is 43.60 percent. On the other hand, 69 percent of construction of 20 km Bus Rapid Transit (BRT) lane from Gazipur to Hazrat Shahjalal International Airport has been completed. In addition, construction of

Bus Rapid Transit from the Airport to Mohakhali is under consideration.

180. Land acquisition for 24 km Dhaka-Ashulia Elevated Expressway project from Hazrat Shahjalal International Airport to Savar EPZ via Ashulia is underway. Besides, feasibility study for construction of a bridge over Meghna river on Bhulta-Araihazar-Bancharampur road, construction of Kalabadar and Tetulia bridges on Barisal-Bhola road, a two-story road from Mithamoin Cantonment to Marichkhali in Karimganj upazila of Kishoreganj district are underway. Besides, feasibility study for construction of a tunnel under the Jamuna river is going on. Steps are being taken to build more Elevated Expressways and large bridges integrating the ongoing bridges, flyovers and tunnels.

Master Plan for the Development in the Railway Sector

181. Considering the importance of the Bangladesh railway as comfortable, affordable, safe and low-cost transport for passengers and goods, the government has taken a range of steps to ensure balanced and integrated development of the sector. As part of the 30-year revised Master Plan (2016-2045) of the Bangladesh Railway, steps have been taken for connecting Dhaka with Cox's Bazar, Mongla Port, Tungipara, Barisal, Chattogram Hill Tracts and other parts of the country under the railway network. The initiatives included in the plan are: establishing Trans-Asian Railway and Regional Railway Network and connecting important cities with nearest suburbs by introducing modern commuter train service. Under this master plan, 230 projects will be implemented in 6 phases at a cost of Tk. 5,50,000 crore.

182. Under the 8th Five-Year Plan, comprehensive steps will be taken for construction of 798.09 km of new railway lines, 897 km of dual gauge/double railway lines parallel to existing railway lines, renovation of 846.51 km of railway lines, construction of 9 important railway bridges, other infrastructural development including level crossing gates, construction of domestic Container Depo, building and modernisation of workshop, procurement of 160 locomotives, 1,704 passenger coaches, modern maintenance equipment, improvement of signaling system at 222 stations and, strengthening of railway management. The overall progress of Padma Multipurpose Rail Link Project is 58 percent while the overall progress of construction work of the double track dual gauge railway bridge on the river Jamuna is 40 percent. Moreover, 71 percent construction work of the single line dual gauge track from Dohazari to Cox's Bazar via Ramu and from Ramu to Gundum, near Myanmar border, has been completed. In addition, approximately 90 percent work of the Khulna-Mongla railway project has been completed. Construction work of Rupsha Rail Bridge is nearly completed. The government has also taken initiatives to build railway line from Bhanga in Faridpur to Payra port via Barishal and Patuakhali to connect Payra Port with Padma Rail Link.

Development of Trade-Friendly Waterways and Ports

183. To increase the efficiency of domestic and international land, river and seaports, the government has been carrying out modernisation and renovation work of the navigable routes and ports to ensure uninterrupted transport of passengers and goods. Necessary equipment for safe navigation of commercial ships arriving at and departing from the Chattogram Port has been procured and digital berthing system has been introduced. To expand the Chattogram

seaport and to upgrade it to a world-class one, construction of the Bay Terminal on the coast of Patenga-Halishahar adjacent to the port is underway. After completion of the Bay Terminal, the turn-around time of vessels at the Port will be reduced to 24-36 hours from the present 2.6 days. In addition, in order to cope with the future demand for international trade, the construction of first deep seaport is going on in full swing at Matarbari. Ships with 16 meter draft and the capacity of 8,000 TEU containers will be able to dock at the port. Large ships carrying construction equipment of power plants have already started docking there. Dredging work has been completed to keep the Mongla Port Channel operational and suitable for ships with 10.5 meter draft. Necessary works are underway to turn Payra into a world class seaport. In addition, evacuation work is also going on to keep all the waterways of the country navigable.

Fleet Expansion and Airport Development

184. The government has taken various steps to build an air transport system to international standard. Considering the passengers' demand, flights of Bangladesh Biman to Maldives and Toronto, Canada, have been launched this year. To complete the third terminal of Hazrat Shahjalal International Airport by 2023, construction work is well in progress. Runway expansion and Completed the construction of new terminal building are going on in full swing at Cox's Bazar Airport to upgrade it to an international airport. Projects are being formulated to upgrade Syedpur Airport to an international airport and to build a regional hub there. In addition, renovation and development of infrastructure, runways, taxiways, hangars and import-export storage sheds at other domestic and international airports in the country are underway.

185. For the transport and communication sector, I propose to allocate a total of Tk. 81,518 crore in the budget for fiscal year 2022-2023, which was Tk. 72,029 crore in the current fiscal year 2021-2022.

Women Empowerment and Child Development

Madam Speaker

Gender Equality in Society and Women's Empowerment

186. In continuation of the Seventh Five Year Plan, we are implementing various activities for establishing a gender inclusive society and empowering women following the strategies worked out in the 8th Five Year Plan. As a result, Bangladesh is in a better position internationally in terms of political, economic and social empowerment of women and elimination of gender inequality index. According to the Global Gender Gap Report 2021, Bangladesh ranks 65th out of 153 countries in the world in the Gender Inequality Index, which is the highest in South Asia; this speaks of the government's overall success in women's development and in eliminating gender inequality. We are working to make the position of women at a satisfactory level in terms of participation in economic activities and entitlement to benefits. In the next budget, we will give importance to the skill development of young women, especially in professional and technical fields. In addition, we will consider on a priority basis activities such as adopting effective and robust institutional strategies for gender equality and women empowerment, allocating adequate funds and manpower to bring the gender issue into the mainstream and increasing skilled manpower in technology.

187. Following the commitments articulated in the Eighth Five Year

Plan, the government is implementing various development activities to enhance the human capacity of women, their participation in economic activities and their entitlements to the benefits, increase the infrastructure and communication services for women to ensure their voice and representation and strengthen institutional capacity. Tottho Apa: Empowerment of Women through Information and Communication Technology, Adolescent Club Establishment Project, Multi-Sectoral Programme for Prevention of Violence against Women, Income Generation Training Project for Women at Upazila (sub-district) Level, Development of Women Entrepreneurs for Economic Empowerment and Joyeeta Tower Construction Project are notable among them. The implementation of these activities will play a significant role in empowering women and eliminating gender inequality and in the human development of adolescents. Micro-credit activities are being carried out to improve the socio-economic condition of rural poor and helpless women for poverty alleviation and affording opportunities for self-employment. Loan disbursement is going on in 488 Upazilas of 64 districts on a revolving basis with the allotted funds.

Protected Children

188. The government has been continuing its efforts to establish the rights of the children and integrate them into the mainstream of their overall development. We are also giving importance in the forthcoming budget on providing essential healthcare, ensuring availability of food and nutrition, ensure access to education, training and development for the children. Necessary steps will be taken to impart healthcare knowledge among adolescents. We are taking into account the nutrition-sensitive approach and the priority of poor families including children in social security programmes. The

government is working to ensure strict implementation of the previously enacted ‘Child Marriage Prohibition Act 2017’, ‘Digital Security Act 2018’ and ‘Prevention of Violence against Women and Children (Amendment) Act-2020’. In addition, the Child Day Care Centre Act, 2021 has been enacted for the daycare and safety of the children of working women and in the meantime, Child Care Centres have been set up in 6,160 industrial factories and establishments across the country.

189. To implement the strategic objectives of the government for women’s empowerment and child welfare, we have given importance to five areas in the forthcoming budget. These include food assistance for vulnerable mothers (VGD) programmes, mother and child benefit programmes on life-cycle basis, child development centres and adolescent empowerment programmes, technical, vocational, income-generating and productive training for women and prevention of violence against women.

190. For the Ministry of Women and Children Affairs, I am proposing to allocate Tk. 4,290 crore in the budget for fiscal year 2022-2023, which was Tk. 4,190 crore in the fiscal year 2021-2022.

Planned Urbanization and Housing

Madam Speaker

191. The Government is working on planned urbanisation and housing, management of parks and water bodies, elimination of traffic congestion and waterlogging and realization of the right to shelter. The preparation of Detailed Area Plan (DAP) by RAJUK for the periods from 2016 to 2035 is at the final stage. Besides, an earthquake vulnerability assessment for the buildings situated in Dhaka city is

going on under the Urban Resilience Project. A study project titled "Preparation of Chattogram Metropolitan Master Plan (2020-2041)" is being implemented by Chattogram Development Authority. Rajshahi Development Authority has prepared a master plan to be implemented in four stages in 20 years. Besides, the drafting of the 'Urban and Regional Planning Act' is underway aimed at planned urbanisation.

192. Under the project of excavation and development of 100 feet canals on both sides of Kuril-Purbachal Link Road in Dhaka, a 12.3 km long 14-lanes road is being constructed which includes 5 at-grade intersections, 13 arch bridges and 4 underpasses and widening of 6 bridges. Besides, construction of a 6.18 km long road with 4 bridges, spanning from Notun Bazar area of Dhaka to the Balu River along Madani Avenue is going on under RAJUK. Cleaning and re-excavation of 35 canals are underway in Chattogram to help relieve the city from waterlogging. Construction of a 16.50 km flyover from Lalkhanbazar to Shah Amanat Airport in Chattogram is also underway. In addition, the construction of 15.20 km ring road project to reduce traffic congestion in Chattogram city is nearing completion.

193. The use of modern and eco-friendly blocks, as an alternative to bricks, is being encouraged to ensure sustainable development. Besides, work is underway to build a pilot plant for making eco-friendly 'Autoclave Aerated Concrete Panel'. As a result, we expect that the implementation of the government's policy of reducing the use of bricks to zero by 2025 will be accelerated. In addition, steps have been taken for ensuring the use of rapid building construction technology in line with the construction engineering practiced in the developed world, preferring high-rise buildings to ensure optimal use of land, making the construction industry modern and sustainable

through the maximum use of local materials, technologies and skilled manpower, bringing old government buildings under earthquake resistance system (seismic retrofitting) according to the needs and importance, making all government buildings environment-friendly, energy-efficient and rich with green technologies by minimizing the use of fossil fuels and increasing the use of renewable energy.

Construction of Houses for the Homeless

194. In order to bring the backward citizens into the mainstream, we are building houses for them and transferring the ownership of lands permanently at free of cost. With the sincere participation of people from different classes and professions of the society, this special initiative of the Government has turned into a social movement in Mujib Barsho. Similarly, for the development of ethnic minorities living in the plainland, houses with similar design and estimated cost from the Ashrayon-2 project have been constructed on the occasion of Mujib Barsho for the homeless small minority families under the 'Development Assistance for Special Areas' programme. Houses have also been provided, through this project, to the families living in the three hill districts. On the occasion of Mujib Barsho, funds have been earmarked for the construction of a total of 1,83,157 semi-pucca single houses, each built on two decimal khaas land allocated to each family; thus 62,011 families have been receiving shelters under the Ashrayan project, 1,13,557 families through the Ministry of Disaster Management and Relief and 7,589 families through the Guchchhogram (CVRP) project of the Ministry of Land. Providing a home to a landless family has not only created the immense opportunity for them to break out from the vicious cycle of poverty, but also given a homeless family the opportunity to be included in the facilities such as safe housing, education, health, sanitation, potable

water, women's empowerment or women's rights.

Sports, Culture and Religion

Madam Speaker

195. The government has been constructing and developing various sports infrastructures including modern stadiums, gymnasiums and swimming pools with the aim of improving the quality of sports and augmenting sports opportunities. There are 8 ongoing projects in FY2021-2022 for construction and development of sports infrastructure, one of which is the 'Construction of Sheikh Russell Mini Stadium at Upazila level' project. Side by side, training for the players by skilled and experienced coaches with the aim of producing skilled players, improving the quality of rural sports and provision of long-term trainings for talented players selected through sports talent search. In addition, regular financial grants and sports equipment are being allocated to various sports federations/associations/organisations for organising sports events and participating in domestic and international sports events. The Sheikh Kamal National Sports Council Award has been introduced to promote the sports, which is being awarded to the eminent athletes/organisers.

196. The government is working for the preservation of the non-communal democratic heritage of Bengali culture and for creative development and expansion of national languages, literature, art, music and drama. Funds are being allocated regularly for the development of indigenous culture and cultural heritage, research, exhibition and publication nurturing the spirit of the liberation war and contemporary art and literature, identification, excavation, renovation, preservation and exhibition of archaeological sites, giving

copyright protection to the creative works and observing the historical 7 March, providing *Ekushey Padak* and observing national days including the Bangla New Year. Financial assistance is being provided to insolvent cultural activists and cultural institutions every fiscal year. With the help of information technology, digital preservation and management of films has been introduced in place of traditional methods. Bangladesh Film Artists Welfare Trust has been formed in 2021 for the welfare of film artists.

197. We have introduced ‘e-Hajj Management’ to modernize the Hajj management system. In addition, for smooth and efficient management of approved Hajj and Umrah agencies, the License Management System Platform and ‘Agency Profile Management System’ have been introduced. The Hajj and Umrah Management Act, 2021 has been framed to ensure transparency and accountability in Hajj management. Work is underway to establish 560 model mosques and Islamic cultural centres in all districts and upazilas of Bangladesh of which 100 are planned to be inaugurated in FY2021-2022 and another 100 in FY2022-2023. A project has been taken up for renovation and development of 2,595 mosques, 2,526 graveyards, and 2,560 *Eidgahs* of public importance. The government is working, through the Hindu, Buddhist and Christian Welfare Trusts, for the welfare of concerned communities and also to ensure overall social welfare, communal harmony, and peaceful social order. Allocations are being made, through the Hindu Welfare Trust, to help the poor and to celebrate the Durga Puja, the main religious festival of the Hindus. Funds are being provided for the treatment of monks or shamans in Buddhist monasteries and also other helpless people. For the Christians, grants are allocated from the profits of their Trust Endowment Fund for the construction, renovation, repair and development of churches/cemeteries/religious institutions, and

financial assistance are also provided from the relief and welfare fund of the Hon'ble Prime Minister for the celebration of Christmas.

Chapter Eight

Reform and Good Governance

Madam Speaker

198. Although the outbreak of the COVID-19 pandemic stagnated the global economy, Bangladesh could keep up the pace of development by adopting timely and far-sighted policies and strategies. To sustain this trend and to harness its benefits, it is essential to take forward the reforms for establishing good governance. This is why we have been initiating and implementing various reform measures. I would like to highlight here some of the reform initiatives taken by our government in various sectors.

Private Sector Development

199. The private sector is the main driving force for the development of any country. The government has, therefore, taken various steps to make the private sector adaptable to the Fourth Industrial Revolution. Government incentives and advisory services are being strengthened to enable large industries to adopt appropriate technologies to meet the needs of the Fourth Industrial Revolution and create more employment opportunities. In addition, the government continues to provide various incentives and loan assistance to increase the capacity of small and medium enterprises.

200. The government is working to promote the development of private sector and to attract investment. A One-Stop Service portal has been set up to provide investment-related services from a single platform. Investment-related services of various companies are being

added to the portal in phases. With the aim of providing 150 investment-related services by 39 agencies through the One-Stop Service Portal, currently, as many as 58 services by 19 agencies are being provided. The remaining services will be added to the portal soon. The implementation activities of Customs Bonded Automation are in progress and will be completed soon. In addition, steps will be taken to simplify the renewal process of Bond Licenses.

Automation of Land Management and Land Registration Process

201. The government has taken steps to complete quickly and timely the e-mutation in land management, collection of land development tax online, and distribution of ledger and mouza map through the postal department. The e-mutation activities have been introduced in a total of 487 Upazila and Circle Land Offices and 3,617 Union Land Offices across the country, except in three hill districts. This has reduced time, cost, travel, suffering and harassment of the people. Service Portal (land.gov.bd) or Call Center (16122) or Union Digital Center (UDC) has been launched. It is because of these interventions, landowners at any time from any part of the world can get QR code enriched receipts instantly for paying land development tax online. Bangladesh has recently been awarded prestigious “World Summit on the Information Society (WSIS)” for successfully implementing the online Land Development Tax System. Steps have been taken to deliver e-Record of Right (ROR) called *Khatian* to the citizens through the Bangladesh Postal Department. Moreover, arrangements have been made to get printed Records of Rights immediately by setting up kiosks in various populated places. A call center has been set up through which people can lodge any complaints and receive any services related to land.

202. Steps have been taken to establish a link between e-registration and e-mutation system to simplify land service and improve its quality. As a result, sub-registrars will be able to verify the land records from the Digital Record Room System online before land registration. Similarly, the Assistant Commissioner (Land) will get the documents of registration and information of the land sold through the e-mutation system along with the registration, on the basis of which the mutation process can be started automatically. Once the e-mutation is connected with the e-registration across the country, the suffering of the people will be reduced and the relevant land records will be updated automatically. As a result, the chances of lawsuits and forgery will be reduced.

203. As part of digital land management, arrangements have been made to upload all information related to acquired land and Sairat Mahal. There are initiatives to preserve all the information in Land Information Bank related to waterbody, *balumahal*, *khas* land, vested property, hat-bazar, tea garden, *chingrimahal* and all information related to the acquired land. As a result, it is possible to get all the information related to the leased and settled land, Sairat Mahal, the public landed property immediately. Moreover, the Land Information Bank is also playing an important role in making decisions regarding land acquisition and land allotment.

Initiatives to Reduce Land-Related Crimes

204. The major share of the country's criminal and civil cases originate from land disputes. In order to reduce the number of land-related lawsuits, the government has taken steps to reform laws and regulations and introduce new laws and regulations. Notable among them is the drafting of the law titled 'Prevention and Remedies of

Land Related Offenses Act'. Once enacted, it will enable immediate trial of land-related offenses and reduce the number of criminal and civil cases involving land.

Initiatives to Protect Agricultural Land

205. To protect agricultural land and ensure food security, steps have been taken to complete National Digital Land Zoning based on mouzas and plots across the country. On the basis of this, Digital Zoning will be completed across the country according to the nature of land usage. Once these activities are completed, the right decision to protect the agricultural land will be taken and it will be possible to ensure the best use of land.

Anti-corruption

206. In order to prevent and curb corruption across the country, necessary steps have been taken to include them in the anti-corruption programme by identifying the gray areas of corruption. To increase effectiveness, an intelligence unit has been set up in the Anti-Corruption Commission, which will be gradually expanded to the district offices. In order to create public awareness in the light of the anti-corruption strategy, 'Anti-Corruption Committees' with honest and morally strong people of the society have been formed at every district and Upazila level of the country. In addition, the recruitment process against 280 posts in the Anti-Corruption Commission is at the final stage. In order to further strengthen the Anti-Corruption Commission, the overall activities of the Commission will be fully automated.

Digitalisation of Government Services

207. Steps have been taken to bring all public services online with the aim of making them easily available and hassle-free. Out of 2,425 citizen services in the public sector, as many as 1,851 services have already been digitalised. The activities of digitalising the remaining public services are in progress. Moreover, 'Digital Devices, Internet and Data Maintenance and Security Guidelines, 2020' has been issued to ensure the security of digital devices, and data storage of public organisations. An E-Service Monitoring Committee has been formed to monitor digital activities. Steps have been taken to launch 'My Gov' for getting all public services through a mobile app and to get all public services through a single platform called 'Eksheba'.

Reforms in Financial Sector

208. The government is implementing various activities for the reform and development of banking, capital market, insurance and other financial sectors. Among them, computerisation in management and legal framework is notable. Core Banking Solution has been introduced in state-owned commercial banks. The Payment and Settlement Systems Act, 2022 has been enacted and made into force to reduce the risk of money transactions and to protect the interests of consumers. The draft Secured Transaction (Movable Property) Act, 2021 and the Banking Companies (Amendment) Act, 2021 have received policy approval from the Cabinet. In addition, various laws, rules, and regulations related to banking and insurance including the 'Finance Companies Act and Bankruptcy (Amendment) Act', are being formulated and amended.

Initiatives for Building Self-Reliant Banking Sector

209. The practice of capital injection in state-owned banks with the taxpayers' money has been prevalent in Bangladesh for a long time. We have taken initiatives to get out of this culture. We encourage state-owned banks to redesign their business models and conduct banking activities accordingly. As a result, state-owned banks are becoming increasingly self-sufficient. Although the banks in the public sector did not make a profit during COVID-19, they did not need to have capital injection. On the other hand, corporate tax collection from the banking sector in the last FY2020-2021 has been around Tk. 8 thousand 509 crore. Moreover, if the legal reforms that I have mentioned are fully implemented in the financial sector, the banking sector will stand on a solid foundation.

Initiatives for Reducing Default Loans

210. Default loans are one of the major obstacles to the development of an efficient and modern banking system. We are, therefore, continuing our efforts to get out of the loan default culture and build a better loan culture. The government is further strengthening the system of encouraging good borrowers and bringing intentional defaulters to book. One of the responsibilities of the government is to provide opportunities to those who have defaulted for valid reasons but want to continue their business. 'Debt Rescheduling and One-time Exit Special Policy-2019' was issued to reduce the default loans and give a chance for real businessmen to continue their business with a rescheduling facility by paying a down payment of only 2 percent. By taking the opportunity, as many as 13 thousand 307 borrowers have made their loans regular within the scheduled time (till March 2022).

Rationalisation of Interest Rates

211. As the interest rate of bank loans was comparatively high in Bangladesh compared to other countries, Bangladeshi entrepreneurs lag behind in the international market competition. On the other hand, one of the reasons for rising loan defaulters was the higher interest rate. To get rid of this situation, the interest rate of bank loans was brought to a single digit in the last fiscal year as per the directions of the Hon'ble Prime Minister. Moreover, various policy rates of the central bank were reduced to increase credit flow and maintain liquidity in the banks. All those initiatives in the current fiscal year are still continuing. As a result, the average interest rate on loans has come down to 7.11 percent in March 2022. The difference between interest rates on deposits and loans has come down to 3.10 percent in March 2022 from 5.68 percent in February 2011. As a consequence of the reduction of interest rates, the banking sector functioned with more efficiency during the COVID-19 pandemic. Despite the COVID-19 pandemic, commercial banks have been able to increase their profits by 9.5 percent in 2021. It is noteworthy that the repo rate, considering the recent rising trend in inflation, has been raised from 4.75 percent to 5 percent.

Initiatives for maintaining Stability in the Financial Sector

212. The Bangladesh Systemic Risk Dashboard is being made to identify the systemic risks and present the assessment of Bangladesh Bank to the stakeholders on a half-yearly basis. The financial projection model is being implemented to identify potential risks and weaknesses in the financial system. Moreover, an interbank transaction matrix is being implemented to determine the nature, risk, and contagion effect of interbank transactions. Bangladesh Bank has

formulated a recovery plan to prepare the banks to adapt automatically and efficiently to the situation of severe stress in advance.

Conducting Feasibility Study of Launching ‘Central Bank Digital Currency’

213. As the risky use of virtual currencies such as Crypto Currencies continues to grow worldwide, many central banks around the world are working to launch digital versions of their currencies as an alternative to Crypto Currencies. The main purpose of launching Central Bank Digital Currency (CDBC) is to facilitate currency in virtual transactions and to encourage startups and e-commerce businesses. As a result of the time-befitting steps of the present government, the coverage of the internet and e-commerce in the country has increased tremendously. In this context, Bangladesh Bank will conduct a feasibility study on the possibility of introducing CDBC in Bangladesh.

Deepening Financial Inclusion

214. The government has formulated the National Financial Inclusion Strategy-Bangladesh (NFIS-B) to establish social cohesion and economic stability by ensuring access to quality financial services for people from all walks of life. Its main objective is to provide a comprehensive framework through which cooperation may be enhanced by coordinating and prioritising the work of all stakeholders involved in financial inclusion activities. The NFIS National Council (NNC) has been formed to implement various programmes under the said strategy. I hope that all these steps will further strengthen the foundation of the financial inclusion process in Bangladesh.

215. The introduction of services like Mobile Financial Services

(MFS) and Agent Banking in the country has facilitated financial inclusion. However, due to the lack of interoperability of transactions between MFS service providers, the users of the service did not have the opportunity to perform direct inter-transactions. To make financial inclusion more dynamic, the government has introduced financial interoperability in the country and fixed nominal fee and charge for inter-transactions.

216. To expand and accelerate financial inclusion, the government will examine the possibility of establishing digital banks. It is to be noted that establishing digital banks is under either initial implementation or experimental stage in various developed countries and some developing countries in Asia including Singapore, Malaysia and India. Once digital banks are established, huge employment opportunities will be generated for young IT workers.

Development of Cottage, Micro, Small, and Medium Enterprises (CMSME)

217. Cottage, Micro, Small and Medium industries are considered as the driving force in rapid economic development. Necessary support is being provided to Cottage, Micro, Small and Medium entrepreneurs to enhance self-reliance, generate employment and encourage entrepreneurship. We have taken initiatives to increase the net balance of CMSME loans and advances by at least 1 percent per annum to a minimum of 25 percent by 2024. Instructions have been issued to consider refinancing for new entrepreneurs with an amount of maximum Tk. 10 lakh without collateral and with an amount of maximum Tk. 25 lakh with collateral on a case-by-case basis.

Development of Insurance Services

218. Various initiatives are being taken and implemented to use insurance services as a disaster management tool. In order to alleviate poverty, steps have been taken to introduce crop insurance, livestock insurance, and health insurance for both the government employees and the general public. Particularly, the government is encouraging the introduction and widespread expansion of crop insurance. Moreover, there are initiatives to fully automate the insurance sector to ease the hassle of collecting the payouts of insurance claims. Steps will be taken to strengthen financial inclusion and promote national savings by increasing the coverage of insurance.

Government Financial Management

Madam Speaker

National Social Insurance Scheme

219. The government is working to launch a National Social Insurance Scheme in the country. A study has already been conducted on this scheme, at the initiative of the Cabinet Division, by laying emphasis on the gradual introduction of four types of social insurance in the country. These are Unemployment Insurance, Maternity Insurance, Sickness Insurance, and Employment Injury Insurance. The Ministry of Labor and Employment has already taken steps to launch a pilot of the Employment Injury Scheme to protect workers from injury in the workplace.

Initiative to Introduce a Universal Pension Scheme

220. In the 2008 election manifesto, Hon'ble Prime Minister Sheikh Hasina promised to introduce a universal pension scheme nationally

to ensure old-age protection for the elderly citizens under a sustainable and well-organised social security framework. Accordingly, the government, in its 2015 ‘National Social Security Strategy’, proposed the creation of a comprehensive, integrated and participatory pension scheme. In my budget speech for FY2019-2020, I outlined the establishment of the universal pension scheme. Now, I am very glad to announce that the government has decided to introduce a universal pension system from the next fiscal year.

221. Around 85 percent workforce of Bangladesh’s labour market is employed in the informal sector. As there is no institutional social security framework for the informal sector and expatriate workers, there are chances of uncertainty of livelihood at their old age. In 2000, the number of the country’s total labour force was 4 crore 7 lakh which reached 6 crore 35 lakh in 2018. The number of expatriate workers in 2000 was 28.6 lakh which crossed 9 lakh in 2018. In 2020, the 60-plus population in Bangladesh was 1 crore 20 lakh, which will stand at 3 crore 10 lakh in 2041 and 5 crore 57 lakh in 2061. Currently, the expected average life expectancy is 73 years which will be 79.9 years in 2050 and 84.3 years in 2075. In the next three decades, there will be a life expectancy of 20 years even after retirement. Presently, the dependency ratio is 7.7 percent which will rise to 24 percent in 2050 and 48 percent in 2075. The aging population will continue to grow due to the expected increase in average life expectancy. In our country, the culture of societal safekeeping that prevailed in the villages for the elderly people through joint families is on the wane. The increasing tendency to live in unit families is making the safety of the elderly people increasingly threatened.

222. It is high time to establish a universal pension system in Bangladesh as at present the number of working people is much

higher than the elderly population. Under various programmes for social protection of the elderly and needy communities, our government is providing allowances to about 1.15 crore beneficiaries. Bearing in mind, the government's election pledge, a policy decision has been taken to enact the 'Universal Pension Management Act, 2022' to introduce a universal pension system to ensure a sustainable social safety net for the elderly and the needy people. The law has already been drafted. After passing through all necessary formalities, it will be possible to present this important law to the National Parliament by 2022- Inshallah. The implementation of the universal pension scheme will bring a large number of citizens from both the formal and informal sectors under the institutional social safety net. Consequently, there will be an opportunity to gradually scale down the existing social security programmes.

Issuance of Islamic Shariah-based Bonds

223. Shariah bond (Sukuk) has been introduced to allow Islamic Shariah-based banks and financial institutions to invest in government securities. The government has already formulated and implemented the necessary rules and regulations for issuing Sukuk. The introduction of the Sukuk instrument has created huge opportunities for Sharia-based banks to participate in the governmental development process. Sukuk bonds worth Tk. 8 thousand crores have been issued in FY2020-2021. Sukuk bonds worth Tk.10 thousand crore have also been issued in the current FY2021-2022. This initiative will help in consolidating the strength and scope of the bond market that will play a strong role in the progress of the country's financial sector.

Madam Speaker

Automation of Pension

224. iBAS++ (Integrated Budgeting and Accounting System) developed in-house is being used across all offices of civil administration, defense, and railway for preparing and implementing budgets and producing accounts. With the help of iBAS++, government employees can submit their salary bills online and receive payment of salaries through EFT. One of the major add-ons to the iBAS++ process is the payment of pensions through EFT. For this, the work of developing a database of pensioners has been completed. In addition, 100 percent of pensioners' monthly pension has been brought under EFT. With this initiative, the wastage of government money has been prevented, and getting pensions by the pensioners has become hassle-free.

All Government Transactions Brought Under a Treasury Single Account

225. The Government has always been active in taking timely measures to save public money and bring transparency in public spending. A Treasury Single Account has been introduced in many countries to minimise borrowing costs and streamline the management of cash resources. In Bangladesh, we have brought all government transactions under a Treasury Single Account. Apart from the government entities, all semi-government autonomous, and state-owned enterprises will be brought under the Treasury Single Account (TSA). Such measures will increase transparency in the spending of public money, and reduce the borrowing cost.

Government Cash Transfer Brought under the G2P system

226. The government has decided to bring 100 percent payment of all social safety net allowances under the G2P system by FY2022-2023. More than 60 percent of such payments have already been brought under this system. In addition, a Uniform Social Register based on G2P has been developed in the iBAS++. Cash transfers of all social safety-net programmes including old age allowance, widow's allowance, disability allowance, freedom fighter's honorarium, maternity allowance, and educational stipend are being sent quickly in this process. Thus, we have ensured that actual beneficiaries are receiving government transfers. The process has increased the effectiveness of cash transfer programmes. Moreover, by identifying the actual beneficiaries, the government can ensure a hassle-free cash transfer at the right time.

Implementation of the Automated Chalan System

227. To have easy access to government services easily available, we have completed the automation of the conventional chalan system for depositing money to the government treasury. The system has enabled the government service recipients to submit online chalan through debit/credit cards and bank accounts from home without any cost and hassle. Apart from this, chalan also can be submitted to any branch of scheduled banks in the country. As a result, the process of payment of fees against government services has been simplified and the harassment has been reduced. Moreover, the new system has ensured the instant deposit of money into the government treasury; on the one hand, this system has reduced the time lag in receiving government revenues. On the other hand, this has brought satisfaction

of the service recipients. This system is having a positive impact on the government's cash management.

Reforms in the Management of Sales of Savings Certificates

228. Although the provision of the national savings certificates scheme was meant for targeted small income people, many high-income investors were taking advantage of the scheme. Hence, we automated the management of sales of savings certificates. This has reduced the scope of buying savings certificates above the individual permissible limit. Further, it has been made mandatory to provide the NID number and TIN for the purchase of savings certificates. As part of our reforms, we have reduced the profit rate by 1 to 2 percent in FY2021-2022 on investments above Tk. 15 lakh. This will reduce the government's interest expenditure on account of savings certificates, but the interest rate benefits for the small savers people will remain intact.

Chapter Nine

Revenue Collection Activities

Madam Speaker

229. As in the previous years, the major portion of government revenue will be collected by the National Board of Revenue (NBR). Government revenue target is set based on the size of the budget. Government revenue is collected mainly from three sources: (a) NBR tax revenue, (b) non-NBR tax revenue and (c) non-tax revenue. Almost 85 percent of total revenue is collected by NBR. Although NBR's main responsibility is to collect revenue, with the hope of creating a just and equitable society, various exemptions, rebates and tax holidays are given in value added tax, customs duty and income tax to promote industrialization, create employment, facilitate business, protect local industries and attract foreign investment. Our revenue collection has exhibited sustained growth despite the fact that our tax-GDP ratio is comparatively low.

230. Our revenue collection has showed a modest growth of 12.12 percent up to April 2022 in the current fiscal year despite businesses continue to be hampered by the COVID-19 pandemic. We are continuing with our revenue collection drive in FY2021-2022. The pandemic is still affecting business operation. We are trying to maintain the momentum of economic and GDP growth. Many fear that the economy may not be back to normal even in the next fiscal year. We are planning our fiscal policy taking the Covid-19 pandemic, global instability and tension in international trade and commerce into account. In consideration of the impact of COVID-19 pandemic on business, we, in this budget, have put emphasis on protection of public health, employment creation and economic recovery alongside

revenue collection.

231. The budget for the FY2022-2023 has been formulated with a view to reviving and accelerating the growth of the economy, which has been hampered by the long-term effects of the pandemic. At the same time, various measures have been taken and are planned to prepare for LDC graduation, create new jobs, sustain GDP growth, develop local industries, increase investment through protection and trade facilitation, pay special attention to development of export oriented and heavy industrial enterprises, and promote Made in Bangladesh tagline. I am now placing the proposals before this august House on import duty, vat and taxes in the budget for FY2022-2023 taking due note of the proposals received from various organizations, business associations and in consultation with the related stakeholders to safeguard the interests of local industry, businesses and consumers.

Madam Speaker

232. Bangladesh will soon graduate from the Least Developed Country (LDC) category. We are moving forward with the goal of becoming an upper middle-income country by 2031 and a happy-prosperous country by 2041. In this context, there is no alternative to increasing the tax-to-GDP ratio to sustain the country's ongoing development. Tax exemption is one of the major obstacles to improving the tax to GDP ratio. Instead of giving tax exemptions, on each case, whether it is project implementation or maintenance work or purchase of essential commodities, the required amount of tax (vat, import duty, supplementary duty or income tax to be paid) should be allocated in the related office's budget, and required taxes should be paid from that budgetary allocation. We should not issue special orders for exemptions unless there is an extraordinary situation. This will bring transparency in revenue administration and help us to

manage budget deficit better. It is my firm belief that the tax-to-GDP ratio will significantly increase if the exempted tax is collected and this will accelerate the pace of Bangladesh's development.

Madam Speaker

233. The following factors have been considered while making proposals about customs duty, regulatory duty, supplementary duty and value added tax at the import stage:

- Taking necessary steps to recover the economy, which is badly affected by the global COVID-19 pandemic;
- Investment and employment generation and judicious use of foreign currency;
- Diversification of export-oriented industries and giving incentives to the backward linkage factories;
- Expansion and development of health, agriculture, fisheries, livestock, electronics, electronics, ICT sectors and heavy industries;
- Improvements in ease of doing business in Bangladesh;
- Attracting foreign direct investment to Bangladesh; and
- Rationalization of tariff structure at import stage to protect the development of local industries and also enhancing revenue collection (including value added tax and income tax).

Madam Speaker

234. Initiatives have been taken to provide easy and seamless services to the taxpayers, traders and citizens by automation and digitization of the Income-tax, Customs and VAT departments of the National Board of Revenue. Most of the reform measures have already been implemented by this time. Electronic payment (e-

payment) system has become very popular among the taxpayers. Government revenue can now be paid online by automated treasury challan (A-Challan) in 12 scheduled banks and offline over the counter (OTC) in 46 scheduled banks. Taxpayers can now pay taxes from home at their convenient time through their bank accounts directly at Bangladesh Bank without going to Bangladesh Bank or Sonali Bank.

Madam Speaker

235. Domestic sources continue to be the main source of government revenue amid the current global economic instability for uninterrupted economic progress. Instead of raising tax rates initiatives are taken to bring more tax payers in the tax net, reform tax policy, expand tax-base, encourage e-TIN holders to file returns and encourage voluntary compliance. Income tax department has taken steps for submission of returns by non-filer companies. Under a joint initiative of the National Board of Revenue (NBR) and the Institute of Chartered Accountants of Bangladesh (ICAB) the Document Verification System (DVS) is successfully running to verify the accuracy of audited accounts submitted by the taxpayers. This initiative has increased transparency in income shown by the taxpayer company. National Board of Revenue (NBR) and Bangladesh Road Transport Authority (BRTA) has collaborated for exchange of information through system integration for data exchange, data pulling, data storing and data accuracy verification. As a result of this initiative, new taxpayers are being identified and unpaid taxes are being collected. E-TDS system has also been introduced to monitor tax deduction and collection at source. E-filing system has been introduced for taxpayers to file their income tax returns online. This initiative has made it easier for taxpayers to file their income tax return

and the number of new taxpayers is also increasing. As a result, tax base has been strengthened, which will help Bangladesh in achieving Vision 2041.

Madam Speaker

236. The VAT and Supplementary Duty Act, 2012 has been implemented since 01 July 2019 by simplifying value added tax act and rules to ensure international best practices and business friendly environment are promoted. To make this law more effective and online based, the VAT Online Project has been implemented successfully. Automated registration and submission of return online is a significant accomplishment of this project. VAT registration, return submission and related others activities can now be done online. More than three lakh fifty thousand taxpayers have already received new 13-digit VAT registration number online and approximately 73 percent file their returns online.

Madam Speaker

237. A new Customs Act, 2021, incorporating international best practices, has been drafted and is now at the vetting stage. It will be placed in this august House very soon. Automation and use of ICT started in the custom administration many years ago. Web-based ASYCUDA World System is used in custom operation. ASYCUDA is connected with the computer system of Bangladesh Bank, Sonali Bank, all scheduled banks, BEPZA, CCI&E, BRTA, IATA, Chittagong Port Authority and other major stakeholders. It has helped monitoring of e-LC, container management through manifest data sharing, prevention of money laundering, dangerous cargo monitoring, and assessment of imported goods and exports. To introduce paperless customs several modernization initiatives, such as

National Single Window (NSW), automation of Bond Management, introduction of Authorized Economic Operator (AEO), and establishment of Customs Risk Management Commissionerate to use risk management techniques, are underway. It is expected that successfully implementing these initiatives will speed up customs clearance and will bring dynamism in import-export trade.

Madam Speaker

238. Several reforms initiatives are underway to increase capacity and efficiency of revenue administration. All the training academies under the National Board of Revenue are being modernized to impart effective and timely training. Expansion activities of National Board of Revenue are underway with the dual aim of improving the quality of services and increasing tax revenue collection. We firmly believe that the National Board of Revenue will be able to meet the revenue target set for the FY2022-2023 by taking advantage of effective tax policy, efficient revenue administration and with participation of all stakeholders including businessmen.

Chapter Ten

Income Tax, Value Added Tax and Import-Export Duty

Direct Tax: Income Tax

Madam Speaker

239. Direct Tax or Income Tax is the internal driving force of a country's economy and plays a pivotal role in maintaining social and economic equality in the country. At present, the share of income tax to the total tax revenue collected by the National Board of Revenue (NBR) stands at around 35 percent. Despite the outbreak of COVID-19 pandemic, income tax recorded an average growth rate of 16 percent or above in recent years, and this growth is continuously maintaining an upward trend. Considering 2013 as the base year, the growth recorded in tax base is 574 percent which is expected to improve even further through the policy initiatives proposed in this budget. Analysis of the context, facts and figures of different countries of the world reveals the growing tendency of multi-faceted financial and social inequality among the citizens as an outcome of economic growth in a society or a country. The main objectives of income tax are to ensure reduction in income inequality and establish social justice by providing adequate revenue for the overall development of the country, ensuring macro-economic stability, bringing discipline in public financial management through redistribution of wealth with a view to establishing a welfare state. Formulating a welfare-oriented and people-friendly income tax law is one of the important tools in achieving these objectives. Bangladesh has become a role model to

the world, which is badly battered by COVID-19, for her success in addressing the damage to the economy caused by the pandemic and in promoting social and economic development. In the proposed budget, policy initiatives have been undertaken with a view to mitigating the damage to the economy caused by the post COVID-19 global unrest, as well as adopting business and investment friendly tax policy, ensuring proper enforcement of tax law, dissipating social and economic inequality and promoting ICT-friendly policy.

Madam Speaker

240. Since taking charge in 2009, the present government has constantly been pursuing a taxpayer, business and investment friendly policy in collecting taxes to establish a strong tax culture in the country. The essence of this policy is to gradually ease the tax burden by increasing investment and tax-to-GDP ratio in the economy, and also by motivating the taxpayers for better tax-compliance. You are well aware that the tax-free income ceiling for individual taxpayers, which was Tk. 1 lakh 65 thousand in FY2009-2010, has been increased from time to time to bring it to the tune of Tk. 3 lakhs in FY2020-2021. This ceiling has been kept unchanged in the following fiscal year. The tax-exempt income ceiling is even higher for females, senior citizens, physically challenged people, members of the third gender, and freedom fighters, who were wounded in the war. The tax rate of non-listed companies in the stock market has gradually been brought down to 30 percent in FY2021-2022 from 37.5 percent in FY2009-2010. This issue has also been considered in the proposed budget for FY2022-2023, deliberations on which shall be covered in the later part of my speech. Also, in light of this policy, the tax rates of companies listed in the stock market and banks, insurance companies and financial institutions have been gradually reduced

from 27.5 percent to 22.5 percent and 42.5 percent to 37.5 percent respectively between FY2009-2010 till date. Adoption of this apt policy by the government not only acted as a great incentive for the taxpayers to be compliant but also positively influenced investment and employment generation to increase in the country.

Madam Speaker

241. At this point I am presenting before this august House some important proposals relating to income tax for the FY2022-2023.

Madam Speaker

242. The present ratio of private investment to GDP in Bangladesh stands at 23 percent. The government has taken different initiatives to increase this ratio with a view to developing to the status of a developed country. The desired target for private investment to GDP ratio can be achieved by reducing corporate tax rate. A tax rate commensurate with the ongoing business-friendly policies of the government will play a vital role in expanding trade and commerce as well as establishing a pro-tax culture. Predominance of cash transactions in the economy is a great hindrance for collecting revenue. Curbing the multitude of cash transaction through the effective use of ICT and adopting necessary legal steps to this effect will result in increase of revenue collection and at the same time open up a new horizon towards establishing a Bangladesh based on social justice, equality and welfare. Considering all these, and with a view to facilitating rapid expansion of trade and commerce, the corporate tax rate has been reduced from 32.5 percent to 30 percent through Finance Act 2021. In FY2022-2023, I would like to propose a further reduction of the existing corporate tax rates. In this case, all receipts and income must be transacted through bank transfer and all expense

and investment over Tk. 12 lakhs must be made through bank transfer. Here, I propose to reduce the tax rate for non-listed company from 30 percent to 27.5 percent. Also, to facilitate formalization of the economy and to incentivize formation of One Person Company (OPC), I propose to reduce the tax rate for OPCs from 25 percent to 22.5 percent. For the sake of development of the stock market and attracting investments, I propose a tax rate of 20 percent in place of existing 22.5 percent for listed companies that issue shares worth more than 10 percent of its paid up capital through Initial Public Offering (IPO). I, however, propose the tax rate to be 22.5 percent for a listed company that issues shares worth ten percent or less than ten percent of its paid up capital through IPO. But in this case, the tax rate would be 25 percent instead of 22.5 percent if the company fails to comply with the conditions mentioned earlier.

Madam Speaker

243. I propose the following corporate tax rate for FY2022-2023 applicable for taxpayers other than individuals.

Tax rate for company and others:

Description	Existing 2021-2022	Proposed 2022-2023	*applicable tax rate if fails to meet the condition
Publicly traded company that issues shares worth more than 10 percent of its paid up capital through Initial Public Offering (IPO)	22.5%	20%	22.5%
Publicly traded company that issues shares worth ten percent or less than ten percent of its paid up capital through IPO	22.5%	22.5%	25%
Non-publicly traded company	30%	27.5%	30%
One Person Company (OPC)	25%	22.5%	25%

Description	Existing 2021-2022	Proposed 2022-2023	*applicable tax rate if fails to meet the condition
Publicly traded bank, insurance and financial institution (except merchant bank)	37.5%	37.5%	Condition not applicable
Non-publicly traded bank, insurance and financial institution	40%	40%	Condition not applicable
Merchant bank	37.5%	37.5%	Condition not applicable
Company producing all sorts of tobacco items including cigarette, bidi, chewing tobacco and gul	45% + 2.5% (surcharge)	45% + 2.5% (surcharge)	Condition not applicable
Publicly traded mobile operator company	40%	40%	Condition not applicable
Non-publicly traded mobile operator company	45%	45%	Condition not applicable
Association of persons	30%	27.5%	30%
Artificial juridical person and other taxable entity	30%	27.5%	30%
Private university, private medical college, private dental college, private engineering college or private college solely dedicated to imparting education on ICT	15%	15%	Condition not applicable
*Condition: All receipts and income must be transacted through bank transfer and all expense and investment over Tk. 12 lakhs must be made through bank transfer.			

Madam Speaker

244. The present government is determined to simplify processes to make doing business easy and to promote business-friendly environment. Noteworthy that the existence of varied rates of tax at source on different types of supply causes excessive effective tax burden for business people in certain cases. With a view to mitigating this issue, I propose to reduce the rate of tax at source on supply of

trading goods from 7 percent to 5 percent, and on supply of books, except government supply, from 7 percent to 3 percent. In order to reduce the cost of production in industries, I propose to cut the rate of tax at source on supply of raw materials to manufacturers from 7 percent to 4 percent.

Madam Speaker

245. One of the objectives of tax policy of the present government is to expand the tax net on one hand and gradually rationalize the tax rate on the other. As part of this policy, I propose to reduce the rate of tax at source from 12 percent to 10 percent on certain services rendered by a resident taxpayer. In addition, I propose 5 percent tax at source on gross bill of terminal operation/ ship handling, as part of port operations, similar to that on stevedoring/ berth operation commission.

Madam Speaker

246. Economic integration, formalization of the economy and ease of tax compliance are of utmost importance to national economy. To this end, I make the following proposals:

- a. To fix the rate of investment tax rebate at 15 percent on eligible amount;
- b. To keep service charge of mobile financial services out of tax deduction at source;
- c. To introduce the provision of amortization of pre-commencement expenditure of business as this cannot be claimed as allowable expense under the existing law;
- d. To define 'Research and Development' and to make it an allowable expense as no clear provision to allow this expense

exists in the prevailing law;

- e. To raise the present allowable ceiling of perquisite from Tk. 5,50,000 to Tk. 10,00,000;
- f. To make provision of disallowance of the contribution made to Workers' Profit Participation Fund (WPPF) by a company as an expense. As per *Bangladesh Labor Act 2006*, provision is there to make contribution to the WPPF, and this is payable from the after tax-profit of a company;
- g. To consider the special reserve of financial institutions as non-admissible expenditure in light of the existence of clear provisions in the tax law regarding set-off and carry forward of loss.
- h. To include hotels, resorts, community centres and transport agencies as tax deducting/collecting authorities with a view to expanding the tax net;
- i. To fix a uniform tax rate for income derived from poultry, hatchery and fishery.

Madam Speaker

247. The present government is relentlessly working to integrate the marginal and the underprivileged population of the country into mainstream economy. The physically challenged people and people of third gender constitute a large part of the marginal and underprivileged section of the society. Compared to others, these people are lagging behind in socio-economic standards, and are also left outside the mainstream of society. Social inclusion of this population can be ensured by engaging them in productive employment. Against this backdrop, with a view to providing

employment and giving better living standards and ensuring social and economic inclusion of the physically challenged and people of third gender, I propose in this august House to further expand the existing tax incentives provided to them. Under the present provisions, an employer is allowed 5 percent rebate on payable tax if at least 10 percent of the total workforce is recruited from physically challenged population. Also, tax rebate to the tune of 75 percent of the total salary paid to the workers from the people of third gender or 5 percent of the tax payable, whichever is less, is allowed to an employer employing 10 percent or more than 100 persons of the total workforce from the people of third gender. I propose to amend both the existing provisions to make it such that if any employer employs 10 percent or more than 25 persons from the physically challenged or the third gender community, the employer will be entitled to get 75 percent of the salary paid to these people or 5 percent of the tax payable, whichever is less, as tax rebate.

Madam Speaker

248. This is the age of information and communication technology (ICT). The present government is putting special emphasis on the ICT sector. With a view to facilitating the endeavor of the government to build a digital Bangladesh in all its dimensions, start-up initiatives should be supported by providing special incentives. I propose to exempt the start-up businesses from the bindings of all other types of reporting except submitting income tax return, and to allow start-up companies to set off and carry forward losses over a period of nine years. Also, to allow the start-up entrepreneurs competitive advantage to expand their business in the global arena, I propose to withdraw the restrictions on expenditure and fix the rate of turn over tax at 0.1 percent in place of 0.6 percent.

Madam Speaker

249. The outbreak of Corona virus and the ongoing unstable condition in certain parts of the world forebode a recession in the global economy. Under the circumstances, we might have to face tough challenges in the coming fiscal year. As such, we have to be more prudent and visionary in adopting and implementing fiscal policy. To keep the economy going, we have to arrange for more revenue for the government expenses on one hand, and also have to make the economic activities in the private sector more vibrant and dynamic on the other. I, therefore, propose to add a new provision in the Income Tax Ordinance, 1984 so that money earned and asset acquired abroad can be mainstreamed into our economy with a view to creating a flow of fresh fund and investment for economic activities. According to the proposed provision, no authority, including the income tax authority, shall raise any question as to the source of any asset located abroad if a taxpayer pays tax on such asset. The proposed rate is 15 percent for immovable property not repatriated to Bangladesh, 10 percent for movable property not repatriated to Bangladesh and 7 percent for cash and cash equivalents repatriated to Bangladesh. This opportunity will be in force for the period starting from the first day of July 2022 and ending on the thirtieth day of June 2023. The proposed provision, when implemented, will increase the flow of foreign currency to our economy, increase income tax revenue, and the taxpayers will also feel relieved by availing this opportunity to declare their assets and money acquired/earned abroad in their respective income tax returns.

Madam Speaker

250. Galvanized iron sheet or steel products are one of the major raw materials used in construction of physical infrastructure and also

used in the Ashrayan Project of the government. Providing tax benefit to the industries engaged in manufacturing such products will make construction of physical infrastructure and implementation of the Ashrayan Project more cost-effective and easier. In this context, I propose to reduce the rate of tax from 5 percent to 3 percent on import of HR coil and zinc, raw materials used for manufacturing galvanized iron sheet or steel products.

Madam Speaker

251. The Gold Policy-2018, which came into force on October 29, 2018, was made with a view to increasing government revenue by bringing the gold sector of the country within a regulatory framework. This has created some private entrepreneurs, who are interested to import gold through the proper channel adhering to government rules and regulations. I propose to withdraw advance tax on import of gold with a view to encouraging import of gold through formal channel and discouraging gold smuggling in the country. This will hopefully lead to much growth of the jewelry industry in the country and increase tax revenue collection.

Madam Speaker

252. Globally Bangladesh has retained second position in export of RMG. The tax policy of the government provided support in making this industry competitive internationally. In order to retain this achievement and to get expected revenue from this sector, the incentives granted to the textile sector need to continue. The prevailing tax rate for the textile sector stands at 15 percent, and the SRO to this effect expires on June 30, 2022. I propose to extend this facility until June 30, 2025. I believe the valued taxpayers will take advantage of this long-term preferential tax benefit and will feel

encouraged to pay their due taxes.

Madam Speaker

253. It is expected that bringing discipline in the public financial management by reforming revenue policy and rationalizing the tax rate for the private sector will reaffirm our advancement in different economic indicators. At present bad debt that is writing off by a bank or financial institution is tax exempt for all taxpayers. I propose that bad debt that is written off for all types of taxpayers, except for individuals, is considered taxable income for the concerned loan defaulter. Also, as per existing provision, the capital gain earned from government securities is kept out of the purview of taxation. In line with other securities, I propose to make such capital gain taxable. In pursuit of rationalizing the prevailing tax rate for the private sector, I propose to consider the tax collected from import of beverage concentrate, export of services, operation of inland ships and commercial vehicles as minimum tax.

Madam Speaker

254. Compared to other developing and developed countries, the tax-GDP ratio of Bangladesh is not that encouraging. It is essential to raise our tax-GDP ratio significantly in order to support our graduation to a developed country. We need to expand the tax net by bringing all eligible citizens of the country within the tax net, which in turn will enhance our capacity to tap more revenue and expand the size of the formal economy. I propose the following legal provisions for submitting income tax returns with a view to expanding the existing tax net:

- a) To mandatorily present proof of submission of return (PSR) in certain cases;

- b) To submit income tax return of all funds except recognized provident fund, approved gratuity fund, pension fund, approved superannuation fund and workers' profit participation fund;
- c) To make submission of income tax return mandatory for schools under Monthly Payment Order (MPO) that have introduced English version in their school;
- d) To expand the provision of spot assessment at all levels beyond the growth centres;
- e) To introduce the provision of realizing undisputed arrear tax demand from the directors of a company if the operation of such company remains suspended for three consecutive years or more;
- f) To introduce provision of disconnecting utility service connections, such as gas, electricity, water etc., in case of failure to pay the undisputed revenue demand of the government.

Madam Speaker

255. One of the major challenges in tapping revenue in this era of globalized economic activities is to collect proper taxes from non-resident taxpayers and digital service providers, and to make them follow the rules and regulations strictly. With a view to collecting expected revenue from non-residents in Bangladesh, I propose to withdraw the provision of exemption from submission of income tax return for those not having any permanent establishment in Bangladesh. I also propose that NBR formulate proper rules defining the scope and areas of income and exemption of non-residents to ensure proper collection of revenue from them. Also, I propose to

make presenting proof of submission of return a mandatory provision in cases where income arises to a person from Bangladesh through digital presence.

Madam Speaker

256. Deduction at source is regarded as the foundation of income tax collection. The same is true for our country too. Therefore, rationalizing the rate of source tax carries immense importance in formulating revenue policy. In view of this, and in line with the existing corporate tax rate, I propose to raise the rate of source tax on bank interest for company taxpayers to 20 percent from that of 10 percent, and to raise the rate of source tax on export proceeds to 1 percent from that of 0.5 percent. Also, to support materializing our dream of building a digital Bangladesh, I propose to reduce the rate of source tax on the payments made to non-residents on account of bandwidth payment to 10 percent from 20 percent. With a view to discouraging making payments of bills to non-residents through illegal channels, except for certain services, I propose to reduce the rate of collecting source tax from the other non-scheduled payments to be paid to non-residents from 30 percent to 20 percent. Also, to expand the scope for collecting source tax, I propose to impose 5 percent source tax on lease rent of water bodies except for the ones owned by the government.

Madam Speaker

257. Export is the main source of foreign currency for the country. Export business plays a vital role in achieving economic prosperity. In order to increase the contributions of the export sector to our GDP, long-term tax incentive have been granted to goods ‘Made in Bangladesh’ and services in the last fiscal year. As a continuation of

that effort, initiatives should be taken to create new export sectors, to diversify goods and to search for new export markets so that ‘Made in Bangladesh’ can be made a global brand. Also, service export should be given due priority alongside goods export. As a part of this initiative, I propose to include export of services in the definition of export in tax statute. I also propose to exempt the income earned in foreign exchange by ocean going vessels carrying Bangladeshi flag from paying tax until 2030 provided the income is brought to Bangladesh through banking channel. By adopting these proposals, we will be able to establish service export as a potential export industry for earning foreign currency for the country. The prevailing tax rate for the export oriented RMG sector stands at 12 percent for general factories and 10 percent for green factories. With a view to encouraging diversification of export goods and ensuring a level playing field for all other sectors exporting goods and services, I propose to introduce 12 percent tax rate for all other general industries exporting goods and services and 10 percent for all other green industries exporting goods and services. This sort of export-friendly initiative will bring down trade deficit with other countries. As a result, deficit in current account, a major economic indicator, will be minimized.

Madam Speaker

258. In her journey towards continued growth and development, Bangladesh has already achieved middle-income status. We are dreaming of becoming a developed country by 2041. In order to continue this development trend, adequate revenue collection, especially from direct taxes, is an essential prerequisite. Collecting adequate revenue from domestic sources to fund the development expenses has been set as a major SDG target. In this connection, with

a view to establishing a modern, state of the art, ICT-backed and effective tax system based on international best practices, initiatives taken by the Government to reform, expand and reorganize the Income Tax Department are ongoing. We hope to complete the ongoing reform and expansion initiatives by FY2022-2023.

Madam Speaker

259. If the proposals placed in the budget are properly implemented, the economic activities in Bangladesh will get new momentum, foreign remittance inflow will increase with growth in the export sector, tax net and formal economy will expand, new entrepreneurs will emerge, employment opportunities will broaden, foreign investment will increase, and investment and business friendly environment will be ensured. As a result, tax base will be strengthened, which will ultimately take Bangladesh a big step closer towards achieving the Vision 2041.

Value Added Tax

Madam Speaker

260. The present government has undertaken various reform measures and changes in the national economy to improve the socio-economic condition of the country. As a part of the structural changes in the indirect tax system a new law titled “The Value Added Tax and Supplementary Duty Act, 2012” has been enacted in the Parliament in 2012. After thorough and detailed discussion with the business community, the Act has been put into force from July 1, 2019 with the aim of introducing a modern, investment and revenue friendly value-added tax system. In continuation of previous years, various steps have been undertaken in this year’s budget to mitigate the problems of taxpayers in implementing the new law. This year’s budget has

been prepared with the objective of meeting the revenue target as well as improving ease of doing business. Expanding the VAT net is one of the key strategies to increase the tax to GDP ratio. The proposed budget places special emphasis on this issue. During the last two years, the normal pace of business and industry has been disrupted by the pandemic. Many small businesses have suffered badly. That is why in this year's budget, special attention has been given not to increase the VAT burden on such businesses and that their working capital flows remain steady. I place the following proposals for the kind consideration of this august House with the objective of promoting economic growth and safeguarding the interests of both industries and consumers. In the process, we hope to increase revenue collection, raise the tax-to-GDP ratio, continue supporting local industries, make Bangladesh an attractive destination to foreign investors and nurture a tax compliance culture.

Madam Speaker

261. I am presenting the following proposals on the Value Added Tax and Supplementary Duty Act, 2012 and the Value Added Tax and Supplementary Duty Rules, 2016, to mitigate the practical and procedural complexities, to facilitate business and to increase revenue collection:

- a) I propose to amend definition of "input", "centrally registered entity" in the Act and to include definition of "contract manufacturer" in the rules;
- b) I propose for necessary amendments in the relevant section to bring the branch office or liaison office of foreign organizations located in Bangladesh under VAT registration;
- c) As per the existing provision of the Act, there is obligation for a business entity to have more than one manufacturing unit for

central registration. Considering the business realities, I propose to introduce a provision that a business entity may get central registration even if it has one or more manufacturing units, instead of two or more, subject to the condition that accounting of that business entity is kept in computerized, automated system;

- d) In case of supply of prepaid telecommunication services, I propose to amend the concerned section to allow decreasing adjustment of supplementary duty similar to VAT;
- e) I propose to withdraw the obligation of transacting in the banking channel for availing rebate in case of supply made between two business entities having same ownership and to add new provisions to the effect that the rebate can be availed even if the transaction is done through mobile banking;
- f) I propose to bring necessary amendments in the relevant section of the input tax credit so that business entities may get rebate more easily;
- g) I propose to make necessary amendments in the relevant section of partial input tax credit to make it more comprehensible;
- h) To reduce production cost, I propose to include a provision for direct delivery of imported raw materials from the port to the contract manufacturer by the owner of raw materials;
- i) In case of VAT deduction at source, I propose to increase the time of decreasing adjustment from 2 tax periods to 4 tax periods;
- j) I propose that the invoice issued by the Mobile Financial Service (MFS) provider to be considered as VAT invoice in case of payment of electricity bill;

- k) I propose to make necessary amendments in the relevant sections and rules of VAT deduction at source for the purpose of simplifying and making the provisions more consistent;
- l) I propose to insert a new section in the law to refund VAT that is deposited mistakenly in the public treasury by an unregistered person;
- m) In case of international tenders, I propose to make necessary amendments in the relevant rules in order to allow any kind of supply made against a contract, as is now accepted for L/Cs, to be treated as deemed export;
- n) In case of late submission of return, I propose to make provision for obtaining permission within 7 (seven) days after the expiry of tax period instead of getting approval at least 7 (seven) days before the expiry of tax period;
- o) I propose necessary amendments in the relevant section on tax determination in order to make it more understandable, clear and undisputed;
- p) In case of supply of exempted goods and services, I propose to insert a provision to impose penalty instead of revoking the exemption facility when a violation of the conditions takes place.
- q) I propose necessary amendments in some forms under the Value Added Tax Rules to reduce procedural complexity;
- r) As per the guidelines of the World Customs Organization (WCO), I propose to amend the H.S. Codes of some goods of the First Schedule.

Madam Speaker

262. If the penalty imposed and interest charged is too high that

creates practical complications and disrupts normal business activities in many cases. I, therefore, present the following proposals in order to make penalties and interests charged more tolerable for the business entities:

- a) In case of failure or non-submission of VAT or turnover tax return within due date, I propose to reduce the amount of penalty from “10 thousand taka” to “5 thousand taka”;
- b) I propose to reduce the amount of penalty from “equal” to “minimum half and maximum equal” of the amount of tax evaded;
- c) I propose to incorporate provisions of non-imposition of penalty in case of unintentional mistake of the taxpayers and non-submission of return for in between the periods a company ceases its operation temporarily and resumes its operation;
- d) I propose to accept depositing only a portion of the tax claimed, not the fine and penalty imposed, for submitting an appeal to any Appellate Authority;
- e) I propose to incorporate a provision to extend the period for another 60 (sixty) days if a business entity fails to file an appeal within 90 (ninety) days in the Appellate Tribunal;
- f) I propose to fix the time limit for charging interest on arrears of VAT up to a maximum of 24 months.

Madam Speaker

263. To ensure proper supervision of value added tax collection activities and increase revenue collection, I propose the following amendments to the relevant sections and rules;

- a) At present the scope of zero-rated VAT is much wider for international transport, which is causing practical problems at

the field level. So I propose to bring necessary amendments in this regard;

- b) I propose to insert a provision in the law that VAT officials may request the concerned authorities to disconnect the electricity, gas and water connection of the VAT defaulting business entities;
- c) I propose to bring the pending cases of the High Court under Alternative Dispute Resolution in order to make the Alternative Dispute Resolution (ADR) process more effective;
- d) I propose to incorporate a provision to include "Cost and Management Accountants" alongside "Chartered Accountants" to assist in Alternative Dispute Resolution;
- e) I propose to amend the law that no investigating agency can conduct any further investigation in the matter settled through Alternative Dispute Resolution (ADR);
- f) At the time of audit, it becomes necessary to review the report of the Credit Rating Agency alongside the annual audit report. Therefore, I propose to incorporate a provision to include "Credit Rating Agency" in the relevant section to help VAT officers when necessary.

Madam Speaker

264. In order to increase revenue collection in the FY2022-2023, I present the following proposals:

- a) I propose to impose 15 percent VAT on first class railway services in addition to air-conditioned services;
- b) I propose to increase the amount of specific VAT by tk 200 per ton at manufacturing stage for different types of MS products;
- c) I propose to withdraw the existing VAT exemption at the stage

- of production of Concrete Ready Mix;
- d) I propose to withdraw the existing VAT exemption on ‘Meditation Services’;
 - e) I propose to withdraw the existing 5 percent VAT exemption at trading stage of mobile phone sets;
 - f) I propose to withdraw VAT exemption at manufacturing and trading stage of COVID-19 Test Kit, PPE, Protective Garments, Plastic Face Shields, Medical Protective Gear, Protective Spectacles, and Goggles for medical use and mask.

Madam Speaker

265. In order to attract domestic and foreign investment, create employment and keep the growth of domestic industrial development uninterrupted, I present the following proposals:

- a) Extension of existing facility of paying 5 percent VAT to local manufacturer of LPG Cylinder for one year;
- b) Withdrawing full exemption and imposition of 5 percent VAT at the local manufacturing stage on refrigerators and freezers and to continue existing exemption facilities on imported and local purchase of raw material and equipment till June 30, 2023;
- c) Extension of existing VAT exemption facility for production of compressors of refrigerators and freezers till June 30, 2025;
- d) Exemption of Advance Tax on imported raw materials of polypropylene staple fiber and keeping the existing exemption facility at the manufacturing stage;
- e) In case of manufacture of Active Pharmaceuticals Ingredients (API), VAT exemption at local manufacturing stage and VAT (including Advance Tax) and Supplementary Duty exemption

on import and local purchase of raw materials are proposed till December 31, 2025;

- f) In order to develop heavy industry in the country, VAT exemption at local manufacturing stage and VAT (including Advance Tax) and Supplementary Duty exemption on import and local purchase of raw materials and parts to manufacture motor car and motor vehicle up to 2500 CC are proposed till 30 June, 2030. However, if conditions of complete manufacturer are not met, 5 percent VAT at the local manufacturing stage will be applicable from 2026;
- g) 5 percent VAT will be applicable at the manufacturing stage of three-wheeler and VAT (including Advance Tax) and Supplementary Duty shall be exempted on import of raw materials and parts thereof till June 30, 2025;
- h) VAT (excluding Advance Tax) and Supplementary Duty on import of raw materials and parts to manufacture maintenance free and sealed maintenance free battery, using idling stop / start-stop technology, shall be exempted till 30 June, 2025.

Madam Speaker

266. To make the business environment friendlier and to reduce tax-burden at the local manufacturing stage, I present some more proposals:

- a) I propose to fix VAT at the trading stage for M.S. products at Tk. 200 per Metric Ton instead of Tk. 500 per Metric Ton;
- b) I propose exemption of Advance Tax on importation of Terephthalic Acid and Ethylene Glycol, which are used as raw materials for manufacturing Textile Grade Pet Chips, by registered manufacturers;

- c) I propose to withdraw existing 5 percent supplementary duty on all types of polythene bags, plastic bags (including oven plastic bags) and wrapping materials made of polyethylene;
- d) I propose to reduce the VAT rate (for some sectors) from 5 to 1.5 percent at the wholesale trading stage;
- e) I propose to give VAT exemption at trading stage to those animal feeds which are already enjoying exemption at import and manufacturing stage;
- f) I propose to reduce the existing VAT rate on manufacturing hand towels / paper towels / clinical bed sheets from 15 to 5 percent;
- g) I propose 5 percent VAT on both AC and Non-AC restaurants (except restaurants in hotels with 3 or more star, and restaurants, where alcohol is served) instead of 10 percent VAT on AC restaurant and 5 percent VAT on non-AC restaurant;
- h) I propose to give Advance Tax exemption on import of machinery and equipment by registered poultry farms;
- i) I propose to exempt Advance Tax on import of Castor Oil Polyglycol 36-37, Solvesso 150 (APAC), Genapol 100, Propoconazole Technical 220 KG 22D, Dodecylbzols Acid Branched CA-S Sol, which are used to manufacture pesticides, fungicides used for agricultural purpose by the registered manufacturers;
- j) I propose to give Advance Tax exemption to import of aircraft by registered organizations;
- k) I propose to give VAT exemption on revenue sharing to BTRC against 4G mobile services provided by mobile operators;
- l) I propose to allow VAT exemption on revenue sharing to

BTRC against NTTN service;

- m) In order to make readymade garment export more cost effective, I propose to give VAT exemption on supply of goods under sub-contract between the manufacturing units when both are enjoying bonded facility.

Madam Speaker

267. In order to reduce dependence on foreign products, save foreign currency and help develop domestic industries, I propose VAT exemption and reduction in the following areas:

- a) VAT exemption at manufacturing stage to produce Textile Grade Pet Chips;
- b) Exemption of VAT on first stage purchase of LPG in bulk, which will be sold in bulk later;
- c) Reduce VAT on yarn made from man-made fiber and other fibers from Tk. 6 (six) per kg to Tk. 3 (three) per kg;
- d) VAT exemption at the trading stage for sugar and puffed rice;
- e) VAT exemption at the trading stage for tubular metal needles and needles for suture;
- f) VAT exemption at manufacturing stage for Autoclaved Aerated Concrete Block;
- g) VAT exemption at manufacturing stage for mobile phone batteries, chargers and interactive displays for the development of information technology and computer industry;
- h) VAT exemption at manufacturing and trading stage for Power Tiller;
- i) VAT exemption on manufacturing and trading for poultry, dairy and fish feed products as described in Customs S.R.O.

No. 128-Ain / 2020/79 / Customs, Date: 03 June, 2020;

- j) VAT exemption on supply of locally procured scrap in the foundry industry;
- k) VAT exemption on Braille printing materials for visually impaired people as a social welfare service.

Madam Speaker

268. Excise duty on bank accounts and air tickets are collected as per provisions of the Excises and Salt Act, 1944 (Act No. 1 of 1944). At present excise duty of Tk. 40,000 is collected on bank accounts where the balance, at any time of the year, was above tk. 5 (five) crore. I propose to increase excise duty to Tk. 50,000/- from Tk. 40,000/- for bank accounts, where balance at any time of the year is above Tk. 5 (five) crore.

Madam Speaker

269. In order to reduce the use of tobacco products and increase revenue, I present the following proposal on tobacco and tobacco products:

- a) I propose to fix the price of lower slab 10-stick/pack cigarette at Tk. 40 and higher and supplementary duty at 57 percent. Apart from this, I propose to fix the price of medium slab 10-stick/pack cigarette at Tk. 65 and higher, high slab at Tk. 111 and higher, and premium slab at Tk. 142 and higher. The rate of supplementary duty for these three slabs is proposed to be 65 percent;
- b) I propose to continue existing price of non-filtered 25-stick/pack bidi at Tk. 18, 12-stick/pack bidi at Tk. 9 and 8-stick/pack bidi at Tk. 6 and 30 percent supplementary duty for

all. I also propose to continue existing price of filtered 20-stick/pack bidi at Tk. 19, 10-stick/pack bidi Tk. 10 and supplementary duty 40 percent for all;

- c) I propose to continue existing price of 10 gm Jarda at Tk. 40 and 55 percent supplementary duty. I propose to continue existing price of 10 gm Gul at Tk. 20 and 55 percent supplementary duty.

Madam Speaker

270. The VAT Online Project has already been successfully completed for the implementation of the new Value Added Tax Act on the digital platform from FY2019-20. VAT registration and return filing can now be done online from any place. Already hundred percent VAT registrations have been done online and about 73 percent VAT returns have been submitted online. At present, arrangements have been made for online payment of VAT through E-payment and A-challan. This has increased transparency and accountability of all activities of respected VAT payers, VAT collectors and VAT officials. Apart from this, Electronic Fiscal Device (EFD) / Sales Data Controller (SDC) have been set up from FY2020-21 to increase revenue collection from various retail and wholesale businesses. About 4,595 EFD / SDC machines have already been installed in various sectors. A total of 10,000 EFD / SDC machines are planned to be installed in various business establishments by June 2023. Alongside current government initiative to install more EFDs/SDCs, procurement process is underway for hiring outsourced services to collect revenue through installation of EFD / SDC. Efforts are being made to increase the scope and coverage of VAT, which will consequently increase tax to GDP ratio. I firmly believe that steps, which are already undertaken, will lead to the desired success in VAT

collection by 2026.

Import-Export Duty

Madam Speaker

271. The budget for FY2022-2023 has been prepared with the twin motive of reinvigorating the economy, which has been hard hit by the global pandemic and recent uncertainties in international trade, and bringing dynamism in the economy and in revenue growth. Various steps have been taken to prepare for our LDC graduation, to create new employment, accelerate GDP growth, develop local industries, increase investment through protection and trade facilitation, pay special attention to export oriented and heavy industry development and continue ‘Made in Bangladesh’ slogan. Careful consideration has been given to the proposals received from various organizations, business associations and stakeholders to safeguard the interests of domestic industry, trade and consumers. I am now presenting the proposals regarding import duties and taxes in the budget of FY2022-2023 to this august House.

Madam Speaker

272. The following factors have been considered in formulating the proposals regarding import duty, regulatory duty, supplementary duty and value added tax at the import stage:

- Recovery of the economy affected by the global pandemic caused by the Corona virus (COVID-19);
- Investment and employment generation and judicious use of foreign currency;
- Diversification of export-oriented factories and incentives for backward linkage industries;

- Development of health, agriculture, fisheries, livestock, electronics, ICT and heavy industries;
- Creation of better environment for Ease of doing business;
- Development of opportunities in Bangladesh for foreign investment; and
- Increasing internal revenue collection (value added tax and income tax) through rationalization of tariff structure for development and protection of local industries.

Madam Speaker

273. I propose to continue the existing 6 (six) slabs of Customs Duty rates (0%, 1%, 5%, 10%, 15% and 25%), 3% Regulatory duty on the products that have the highest import duty and 12 (twelve) slabs of supplementary duty rates (10%, 20%, 30%, 45%, 60%, 100%, 150%, 200%, 250%, 300%, 350% and 500%) in the next fiscal year. In addition, tariff rates on essential commodities, fertilizers, seeds, life-saving medicines and some other industrial raw materials are proposed to remain unchanged.

274. Considering the above objectives, I present to this august House the sector-wise details of the proposals with your kind permission:

A) Agriculture

Madam Speaker

275. Agriculture is our priority sector. It has been proposed not to change the structure of the existing tariff rates on imports of major agricultural inputs, especially on fertilizer, seed, pesticide, essential food items and on imports of other daily necessities.

276. Creation of two new H.S. Codes for fortified and non-fortified Basmati rice, where total tax incidence will remain unchanged, has been proposed.

277. 'Wheat gluten' is used in food preparation of domestic poultry industry. At present there is 25% import duty on that product. It has been proposed to reduce the import duty on that product from 25 percent to 15 percent in order to reduce the cost of production in the livestock industry and ensure the supply of protein to the consumers at low price.

278. 'Sugarcane molasses' is a major ingredient for the production of cattle feed. I am proposing to reduce the import duty on these products from 15 percent to 10 percent to reduce the production cost of cattle feed.

279. In order to ensure sustainable development of the fisheries, poultry and dairy sector, it has been proposed to continue the zero tariff rates and other concessions given in the past for the import of food items and miscellaneous items of this sector. In addition, it has been proposed to expand the concession facility for 03 new materials (test kits for use in poultry, molasses feed grade and cane molasses feed grade) used in livestock sector.

280. It is proposed to expand the concessional facility by including two new agricultural machinery (combined Harvester-Threshers and other threshing machinery) in the existing SRO for that sector.

Madam Speaker

281. Butter and cheese are two similar products. Although there is 20 percent supplementary duty on butter, there is no supplementary duty on cheese. Therefore, it has been proposed to impose 20 percent supplementary duty on cheese at the import stage.

282. Cold storage freezers and chillers used in agriculture and food industry are subject to high import duty. As a result, the cost of preserving domestic agricultural products is high. I am proposing to provide concessional facilities for import of cold storage freezers used for agro-based food storage. At the same time, I am proposing to decrease the total tax incidence of cold storage chillers to 37 percent.

283. It is proposed to expand the existing concessional facilities for certain raw materials used in production of pesticides, which are used in agriculture.

284. Incentives for various sub-sectors of the agricultural sector have been highlighted (table-1 in annexure B).

B) Health sector

Madam Speaker

285. To combat the outbreak of coronavirus (COVID-19), all duties and taxes applicable on the import of coronavirus testing kits, special types of masks and hand sanitizers, raw materials required for the production of masks and PPE, raw materials required for the preparation of RT-PCR kits for detection of coronavirus have been waived through a special notification. Under the visionary leadership and guidance of the Hon'ble Prime Minister, the corona situation in the country has improved a lot. Therefore, I am proposing to abolish the existing concessional facility at import stage offered on these products after June 30, 2022.

286. In order to consolidate the achievements of the health sector, it has been proposed to continue the existing concessional facilities for import of raw materials required for the production of medicines and medical supplies.

287. I am proposing to reduce the applicable duty on Air-Zinc Battery used in the special device for hearing impaired people.

288. It is proposed to abolish all existing tariffs on the importation of specialized wheelchairs for the physically challenged people. (table-2 in annexure B).

C) Industry sector

Madam Speaker

289. The importance of the industrial sector is immense in creating employment and attracting domestic and foreign investment. In addition, proper preparation in the industrial sector is required for successfully facing the post-graduation challenges. In order to increase investment in the industrial sector, to maximize the productive capacity of the existing industry through proper protection and to adopt a multi-faceted expansion strategy of export-oriented industries, I propose the following sector-wise proposals to increase/decrease duty taxes: (Annexure B, Table- 3)

1) Small and Medium Industries

Madam Speaker

290. In order to protect small and medium enterprises, I am proposing to increase the applicable duty on the import of some finished products made by those industries.

291. In case of import of capital machinery by small and medium industries, it has been proposed to continue the facility to import at the rate of 1 percent, irrespective of commercial or industrial entity.

292. In order to protect the paper cup manufacturing industry, it has been proposed to increase the supplementary duty on the import of

some finished products.

2) Export oriented industries

Madam Speaker

293. In order to develop the cashew nut processing industry in the country and to create new export sector, it has been proposed to reduce the tariff on import of raw cashew nuts.

3) Miscellaneous steel industry

Madam Speaker

294. In order to encourage the production of import substitute products in the Electrode Manufacturing and Wire Drawing Industry, I am proposing to reduce import duty on the import of Bars & Rods of alloy steel used as a raw material to 5 percent.

295. Since different types of wires are almost homogeneous, it is difficult during assessment to distinguish between them. Therefore, to bring parity, I am proposing to increase the existing import duty on the import of both the products from 5 percent to 10 percent.

296. There are 15 percent and 25 percent import duties on different types of pipes. As it is a homogeneous product, it is time consuming and difficult to ascertain the exact type of pipe at the time of assessment. Therefore, for the interest of revenue protection, it has been proposed to fix 25 percent import duty on such products.

297. Galvanized Iron (GI) fittings manufacturing industry has now developed in the country. Therefore, it has been proposed to impose 20 percent supplementary duty on imported GI fittings to ensure protection of domestic industry.

298. It has been proposed to impose 20 percent supplementary duty on Screws / Nuts / Bolts etc. for uniformity of total tax incidence for different types of threaded articles as well as protection of local industry.

299. At present some local industries are producing high-quality stainless-steel products. In order to encourage the establishment of local backward linkage heavy industry and to ensure market competitiveness of the product, I am proposing to reduce the existing import duty from 10 percent to 5 percent on Hot-Rolled Stainless-Steel sheet as raw material.

300. Wires, rods, tubes, plates, electrodes and similar products are subject to different import duty rates. In order to harmonize the duty rates on such products, it has been proposed to increase the existing import duty on such products from 10 percent to 15 percent.

4) Motorcycle manufacturing industry

Madam Speaker

301. In our country, factories have been set up to manufacture motorcycles with engine capacity of more than 250 cc. There is currently no supplementary duty on the import of such products. On the other hand, in case of import of motorcycles up to 250 cc, there is a supplementary duty of 60 percent for four stroke and 250 percent for two stroke motorcycles. Therefore, I am proposing to impose 100 percent supplementary duty in case of import of four stroke and 250 percent supplementary duty in case of import of two stroke motorcycles with engine capacity above 250 cc.

5) Rubber industry

Madam Speaker

302. Conveyor belts or belting is a rubber product with 1 percent import duty. As a result, local industries are facing uneven competition. Therefore, I am proposing to increase the import duty on all types of conveyor belts or belting from 1 percent to 5 percent.

6) Other industries

Madam Speaker

303. 'Other made-up clothing accessories' have a 45 percent supplementary duty on all products except other accessories. Therefore, in the interest of expediting assessment and revenue protection, I am proposing to impose 45 percent supplementary duty on all products including 'Other made-up clothing accessories'.

304. 20 percent supplementary duty is imposed on import of Aluminum Foil (Backed by Paper / Paper Board). Aluminum Foil (backed by others) is a similar product. No supplementary duty is imposed on that product. Therefore, in the interest of proper revenue collection, it has been proposed to impose 20 percent supplementary duty on import of Aluminum Foil (backed by others) products.

305. There is 10 percent import duty on Electric Motor up to 750 watts. Such motors are now being produced in the country. I am proposing to increase the import duty from 10 percent to 15 percent for electric motor up to 750 watts to protect the local industry.

Madam Speaker

306. At present 0 percent import duty is applicable on solar panel imports. In view of the application of the domestic solar sector, I am

proposing to increase the existing import duty on imported solar panels from 0 percent to 1 percent.

307. At present factories that produce optical fiber cable have been set up in the country. There is 15 percent import duty on the import of the product. I am proposing to impose 10 percent supplementary duty on the import of optical fiber cable for protection of the domestic industry.

308. The import duty of Complete Kilowatt Hour Meter is 25 percent. On the other hand, import duty on the parts of the product is 10 percent. For the interest of revenue protection, I am proposing to increase the import duty on parts of Kilowatt Hour Meter from 10 percent to 15 percent.

309. Most of the 'Seats' are subject to supplementary duty. On the other hand, there is no supplementary duty on import of parts of seats. Therefore, in the interest of protection of government revenue, I am proposing to impose 10 percent supplementary duty on the import of parts of seats.

Madam Speaker

310. The total tax incidence on raw roasted Coffee is 89.32 percent but the total tax incidence of processed and ready to consume Coffee is 58.60 percent. In the interest of revenue protection, I am proposing to impose 20 percent supplementary duty on Processed and Ready to Consume Coffee at the import stage.

311. I am proposing to increase the import duty on Cellular Phone Battery Charger from 15 percent to 25 percent in order to further develop the domestic cellular phone manufacturing industry.

312. 'Gas Lighter' is currently being produced in the country.

Therefore, in order to protect the domestic industry, I am proposing to impose 10 percent supplementary duty on the import of such products. Similarly, I am proposing to increase the import duty on parts of Lighter from 10 percent to 25 percent.

313. Some local industries have been given the opportunity to import finished printing ink at a concessionary rate of 10 percent. As a result, local ink manufacturers are facing losses. Therefore, to protect the local industry, I am proposing to increase the concessional rate of the said product to 15 percent instead of 10 percent.

314. The existing import duty on winding wire of cable industry is 25 percent. There is a 5 percent import duty on products where such wire is used as raw material. As winding wire is used in various industries, currently there is 5 percent concessionary rate of import duty on it. As a result, local industries are facing unequal competition. Therefore, to protect the domestic industry, I am proposing to increase the concessional import duty on winding wire of copper from 5 percent to 10 percent.

Madam Speaker

315. At the import stage, 5 percent import duty exists for both industrial and commercial importers for Crude Tar. In order to develop the manufacturing industry, I am proposing to impose 5 percent import duty on crude tar imports for manufacturing companies and 15 percent in other cases.

316. Import duty on photographic plates, film, paper etc. is 10 percent and import duty on printing plates is 1 percent. Both products are almost identical and used for the same purpose. The difference in duty rates creates scope for revenue evasion. Therefore, I am proposing to increase the import duty on printing plates from 1 percent

to 10 percent to make total tax incidence uniform.

317. The import duty of up to 20 liters capacity water distillation equipment is 10 percent. Domestic Type water purifying apparatus / machine is a similar product. As it is functionally homogeneous, there are some complications at the field level during assessment. Therefore, I am proposing to increase the import duty on domestic type water purifying apparatus / machine from 1 percent to 10 percent, which will make the total tax incidence equal.

318. Import duty on Cash register is 0 percent. On the other hand, import duty on Ticket Calculating Machine is 10 percent. Since the machines are almost similar, the tariff rate needs to be consistent. Therefore, in case of cash register, I am proposing to impose the import duty at 10 percent.

319. At present the country is importing luxurious birds, which attracts 5 percent import duty. Since birds are luxurious, I am proposing to increase the import duty from 5 percent to 25 percent on those.

320. Import duty on Calcium Chloride Based Container Desiccant products is 10 percent. On the other hand, import duty on other desiccants is 25 percent. Therefore, it is reasonable to rationalize tariff rates for all types of desiccants. So, I am proposing to impose the import duty on all types of Desiccants at the rate of 10 percent.

Madam Speaker

321. Due to the increasing demand for lifts, local industrial entrepreneurs have started to invest in the lift manufacturing industry. However, 1 percent import duty is applicable on the import of complete lift and skip hoists. In the interest of development of domestic industry and in order to discourage imports, I am proposing

to withdraw lift and skip hoists from capital machinery SRO and impose 5 percent import duty at the import stage with a total tax incidence of 31 percent.

322. High-capacity tanks or reservoirs (silos) are used in food manufacturing industries. There is a 25 percent import duty on the product now. I am proposing to impose 5 percent import duty on the import of tanks or reservoirs (silos) with a capacity of more than 300 liters for food manufacturing industries.

323. In Bangladesh Customs Tariff (First Schedule) six HS lines have crossed bound tariff rate, which is set by the World Trade Organization (WTO). It has been proposed to adjust the tariff rates for these products so that they are within the permissible range.

Madam Speaker

324. It is proposed to make some amendments in the existing SROs for production of motorcycles, cellular phones, elevators, textile industry and LP gas cylinders. I am also proposing to issue new SROs for the expansion of the local air-conditioner, refrigerator & freezer manufacturing and pre-fabricated building structure industry.

Madam Speaker

325. It has been proposed to rationalize the tax incidence of the raw materials of various industries such as carbon dioxide, methanol, purified isophthalic acid (IPA), thermal coating slurry, ball clay, China clay, rotor washer, 14 mm to 30 mm diameter wire rods, and ball points, which is used as raw material in making ball pens.

Madam Speaker

326. Many Sewage Treatment Plants (STPs) are being set up in

Bangladesh with the aim of making the country's environment sustainable and pollution free. Its demand is increasing day by day. Hence, I am proposing to reduce import duty on Sewage Treatment Plant (STP) from existing 25 percent to 5 percent.

D) ICT sector

Madam Speaker

327. For the protection of domestic computer / laptop and ICT product manufacturers, I am proposing to expand the concession facility for import of raw materials for computer accessories and ICT industry.

328. To promote "Made in Bangladesh" branding worldwide and to protect the investment of domestic manufacturing industries, I am proposing to withdraw the concessions on import of printers and toner cartridges. This will help local manufacturers to reach the target of exporting digital devices.

329. Laptop computer imports are subject to VAT exemption. As a result, domestic computer manufacturers are facing uneven competition. So, I am proposing to impose 15 percent VAT on laptop computer imports. As a result, the total tax incidence of the product will be 31 percent.

Hi-Tech Parks

Madam Speaker

330. I am proposing to include a few more raw materials which are used in the production of computer and computer equipment in the existing SRO for Hi-Tech Park.

331. The various incentives for the ICT sector and high-tech parks

have been highlighted in the attached Annexure. (Annexure-B, Table-4)

E) Other

Madam Speaker

332. In order to save foreign currency, discourage and control import of luxury goods and to rebuild the post-COVID economy, it is recommended to increase the total tax incidence by imposing supplementary duty on high-end luxury motor vehicles and jeeps along with chandeliers and light fittings at the import stage.

Amendment of the Customs Act, 1969

Madam Speaker

333. In order to facilitate trade, ensure national security and to establish effective customs regulation, some necessary amendments were made in the existing Customs Act, 1969. I am proposing to make necessary amendments in the existing Customs Act, 1969 to include the issue of exchange of information by Customs authority. Furthermore, I am proposing to rationalize the amount of penalty for common Customs offenses in the present context and to carry out the operation of bonded warehouses in an automated manner in the Customs Act.

Amendments of First schedule of the Customs Act

Madam Speaker

334. I propose to properly examine, review and correct the existing HS codes, descriptions, import duties, supplementary duties, value-added tax, etc., in order to eliminate the complexity of naming and classification of goods for the purpose of facilitating international

trade and creation and rationalization of separate HS codes where necessary. (Annexure-B, Table-5).

Rationalisation of Minimum Import Price, Regulatory Duty and Supplementary Duty

Madam Speaker

335. It has been proposed to withdraw and rationalize the existing minimum value of certain products for the purpose of trade facilitation and revenue collection through proper valuation of imported goods.

336. I am proposing to impose and reduce regulatory duties and supplementary duties on certain products.

Madam Speaker

337. Implementation of the proposed proposals is expected to help rebuild the damaged economy, accelerate economic activity, develop heavy industry, create entrepreneurship and create employment opportunities and ensure an investment and business-friendly environment. In order to modernize Bangladesh Customs, the National Board of Revenue has already started activities including upgrading of ASYCUDA World software, National Single Window project, Automated Customs Risk Management, Bond Management, Authorized Economic Operator etc. Successful implementation of these initiatives will make our graduation journey smoother and doing business easy, attract more investment from domestic and international sources and accelerate the pace of our growth and development. As a result, it will be easier to meet the targets of 2030 and 2041 set by Hon'ble Prime Minister.

Stamp Act

Madam Speaker

338. Internal resources are the major sources of revenue for Bangladesh Government. Non-NBR revenue can be a potential source for increasing revenue collection. Considering its importance, the Government is thinking of increasing revenue collection from non-NBR sources. Stamp duty can be a potent source of revenue collection. In order to increase revenue collection from this non-NBR revenue source, the stamp duty rate, as prescribed in The Stamp Act, 1899, has been revised several times during 1973 to 2012.

Madam Speaker

339. Under the skillful and judicious leadership of our Honorable Prime Minister Sheikh Hasina, Bangladesh has become a role-model of development in the world. To support our development and growth several mega projects are undertaken in the power, energy and other sectors. The amount of stamp duty, as per the provisions of the Stamp Act, 1899 (Act-II of 1899), payable on the financial documents of such projects, however, becomes such a large sum that these are never paid. On the contrary, to ensure smooth operation of the projects, the stamp duty is waived in most cases following relevant provisions of the Act. Hence, revenue earned from this source is reduced. In order to support our development goals, without hurting the revenue potential of this source, the stamp duty rate needs to be readjusted for these mega projects.

340. Since 2012 the stamp duty rate has not been changed. Considering our current state of development, increased per capita income, inflation over the years and other economic realities, the stamp duty rate charged is quite low. Hence, I propose in this august House to make necessary changes in section 30 and Schedule 1 of the

Stamp Act, 1899 to increase the stamp duty rate. This will facilitate earning more revenue from this source and also make the stamp duty rate practical and realistic.

Chapter Eleven

Commitments Made in the Budget for FY2021-22 and Their Implementation Progress

Madam Speaker

341. I am now focusing on the implementation status of some of the key commitments we made to the nation in the current budget:

- The implementation progress of the stimulus packages declared by the Hon'ble Prime Minister aimed at addressing the COVID-19 impacts is 71.55 percent till April 2022.
- In addition to 112 most poverty stricken Upazilas under the coverage of hundred percent 'Old Age Allowance' and 'Allowance for the Widow, Deserted, and Destitute Women', the programme has been expanded to another 150 Upazilas from FY2021-22. In aggregate, 262 Upazilas of the country have come under the full coverage of the programmes.
- As per the latest disability identification survey, the number of beneficiaries under the category of Insolvent Disabled Persons has increased by 2 lakh 8 thousand. An allocation of Tk. 1820 crore has been made for the beneficiaries including additional Tk. 200 crore needed for the increased number of 20 lakh 8 thousand.
- Overall implementation progress of the mega projects until March 2022 stands at 68.60 percent. The Padma bridge project is almost at the stage of completion. Hon'ble Prime Minister

will inaugurate the bridge for vehicular movement on 25th June.

- During the critical period of the Corona pandemic, in tandem with different cautionary measures for saving lives, we introduced online classes and held examinations online to keep the students engaged in academic activities. Now academic activities have started in full swing.
- Apart from various initiatives to improve the quality of primary education, ‘School Feeding Program’, ‘Basic Literacy Project in 64 Districts’, ‘Support to Quality Enhancement in Primary Education Project’, ‘COVID-19 School Sector Response Project’ are being implemented, and installation of 509 ICT Lab in primary schools is underway.
- In the rural sector, construction of 3,140 km new road including expansion of core road network and construction/expansion of 18,500-meter bridge/culvert on these roads are in progress. To make the built rural road infrastructure durable, maintenance works are being done on 8,500 km pucca road and 3,800-meter bridge/culvert.
- The reinstatement and re-routing and expansion of international routes of Bangladesh Biman is underway. From January 2022, flight operation in Dhaka-Sharjah route has been initiated. Flight operations decisions in Dhaka-Toronto and Dhaka-Narita routes have been taken.
- Through the integrated improvement in electricity generation, transmission and distribution, the programmes taken up following the Hon’ble Prime Minister’s commitment of “Reaching Electricity to Every Home” has been successful. By 21st March of the current fiscal year hundred percent

electrification programme in all the Upazilas of the country has been executed.

- In order to implement the Fourth Industrial revolution effectively, steps have been taken to launch 5G network in the country. Establishment of 39 Hi-Tech park/ICT/IT Incubation Centres is in progress.
- The 26th Dhaka International Trade Fair (DITF) was held month-long during January 2022 at the Bangabandhu Bangladesh-China Friendship Exhibition Centre which was newly built with a huge space in Purbachal New Town area.
- The government has been providing export incentives to 43 goods and services to boost their export competitiveness. Export incentive of additional 1 percent along with various existing incentives in the readymade garments sector continues. This has resulted in the desired level of increased export.
- Cash incentive on remittances sent through official channels has been effectively increased from 2 percent to 2.5 percent.
- Together with 1578 EFD/SDC machines installed between March 2021 and March 2022, so far, these machines have been installed in 4,578 business points. This has facilitated VAT office in getting transaction information instantly. The EFD/SDCs will be set up gradually in all the registered businesses across the country.
- To ensure protection of the domestic agricultural produce, certified customs rate and tax on the assessable prices have been rationalised for the imports of carrot, turnip, green chili, tomato, capsicum and oranges. Necessary steps have also been taken to provide protection to the salt farmers.

- Existing facilities for the sustainable development and growth of fisheries, dairy and poultry sectors have been expanded. Customs duty has been increased and minimum assessable prices for customs duty has been defined on the imports of processed meat to extend protection to the local meat processing industry and domestic livestock farmers.
- Duty-free import facility has been provided to the import of raw materials needed for the production of Corona virus testing kits, special types of masks and hand sanitizer, mask and PPEs. Besides, duty-free facility has been provided anew to the import of necessary raw materials for manufacturing RT-PCR kit used for the testing of coronavirus.
- Existing tax holiday has been extended to the imports of required raw materials used for the production of medical kits to strengthen health sector and protect pharmaceutical industry.
- Duty-free facility has been offered to the import of Implantable Occluder used for the treatment of children who are born with cardiac defects.
- To protect small and medium enterprises, customs duty on the import of some of the finished products which are produced by the local SMEs has been increased. Tax exemptions have been provided to the import of some materials used in the manufacturing of industrial goods for the protection of SMEs.
- To protect the textile industry, Photosensitive Rotary Screen, Temperature Sensor and Loaded PCB Board have been included in the list of tax exemptions. To diversify exports, tax exemption facility has been extended to the import of raw ingredients used in the footwear industry for the growth of that

sector.

- Existing tax exemption facility has been extended to the manufacturing firms of domestic LP gas cylinder. Tax exemption facility and customs rate have been decreased on the import of raw materials used for the manufacturing industries of fire-resistant door, cable and internet cable.
- To protect the domestic industries producing refrigerator and air conditioner compressor, washing machines, and television, existing exemption facility has been expanded to the import of raw materials used in these sectors.
- Existing customs rate has been cut down and made consistent with the import of accessories in order to develop LED lights manufacturing/assembling industry.
- Reduction of existing customs rate has been proposed on the import of three required raw materials for the growth of domestic gypsum board and particle board manufacturing industry that replaces import.
- Tax exemption facilities have been provided to the imports of raw materials of ICT and related accessories of computer to render protection to the domestic computer/laptop and ICT products manufacturing firms. As a vital element of ICT sector, to lift up cellular phones manufacturing and expansion of assembly industry, existing exemptions facility on the import of raw materials have been made more investment-friendly and rationalised. And customs duty has been increased on imports of feature phones to protect the domestic manufacturers.
- To discourage the use of accident-prone vehicles like Nosimon and Leguna and incentivise the use of microbus as an alternative mode of mass transport, a cut of customs duty on

the import of microbus has been proposed. To encourage the use of environment-friendly hybrid cars, customs structure on imports of such vehicles has been realigned.

- Tax rate of the private universities, medical colleges and engineering colleges has been fixed at 15 percent.
- Tax ceiling on income for third gender people has been increased from Tk. 3 lakh to 3 lakh 50 thousand.
- If any tax paying employer entity employs 10 percent or more than 100 of its working staff from third gender, provisions have been made as such that it will be exempted from income tax.
- The provision of levying surcharge on wealth has been annulled in case of no income.
- Minimum surcharge on wealth has been repealed.
- Apart from the existing 22 sectors in digital transformation, new sectors including cloud service, system integration, e-learning platform, e-book publications, mobile application development service and IT freelancing have been declared tax free.
- Tax Incentives on 'Made in Bangladesh' Branding;
- In order to advance Bangladesh in Mega industry, a 20-year tax holiday has been declared for the automobile (three and four-wheeler) manufacturing firms whose investment amount is at least Tk. 100 crore.
- A 10-year tax holiday has been provided to the home and kitchen appliances manufacturing industries.
- A 10-year tax break has been provided to the entrepreneurs/startups engaged in fruits processing, vegetable processing, dairy and dairy products, baby food products and

agricultural equipment manufacturing.

- All kinds of products made by light engineering industry which will solely be used in mills and factories have been given a 10-year tax exemption benefit.
- Incentives for National Skill Development and Employment
- To create skilled manpower compatible with industrialisation, training institutions which provide professional training in various technical subjects/trades have been given tax exemption for a period of 10 years.
- To make quality health services low cost for every citizen of Bangladesh, the income of a general hospital with minimum 250-bed capacity or a specialised hospital with the minimum capacity of 200 beds has been made tax free for ten years provided that it is established outside Dhaka, Narayanganj, Gazipur and Chattogram districts.
- Annual turnover of up to Tk. 70 lakh of any business firm in the SME sector owned by a female entrepreneur has been made tax-free.
- To ensure micro credit available, the income of microcredit organisations which are registered with Micro Credit Regulatory Authority in addition to NGO Affairs Bureau has been made tax free.
- To introduce Sukuk bond and create demand for mobilising long-term capital, tax applicable on the transfer of property to Trust or SPV and retransfer of property to the original entity from SPV has been exempted.

Conclusion

Madam Speaker

342. I am now almost at the end of my budget presentation.

Madam Speaker

343. You are well aware that Bangladesh has changed a lot over the last five decades. The only thing that hasn't changed is the everlasting ideals of the Father of The Nation and his robust presence in all the spheres. Following his footsteps, the Hon'ble Prime Minister Sheikh Hasina is spearheading all the incomplete tasks of the Father of the Nation one after another with the support of the people beside her. Under her bold leadership, the country has already graduated from a least developed country to a developing country. Certainly, we shall be able to transform Bangladesh into a hunger and poverty-free society by achieving SDG in 2030, a higher-middle income country by 2031, a knowledge-based, happy and prosperous developed country by 2041 and a secured delta by 2100. Thus we shall touch the fringe of golden Bangla that was ingrained in the heart and soul of Bangabandhu Sheikh Mujibur Rahman Insha Allah.

“Salamun Allal Mursalin waal Hamdu lillahi Rabbil A'lamin”.

Madam Speaker, Thank you very very much.

Joy Bangla
Joy Bangabandhu
Long Live Bangladesh

Annexure-A

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Table-1: Number of Beneficiaries under 28 Incentive Packages Announced by the Government to Address the COVID-19 Fallout

Sl. No.	Package Name	Allocation (BDT Crore)	Beneficiary (number)		Comments/Beneficiaries
			Individuals	Organizations	
1	Special funds for export-oriented industries	5,000	38,00,000		Workers and employees in the export-oriented industries (53% women workers)
2	Working capital loan for the affected industries and service sector	73,000	70,28,587	4,529	Industries and service sectors enterprises (Implementation ongoing)
3	Working capital loan for the Small and Medium Enterprises (including cottage industry)	40,000		1,53,861	With 5,212 women entrepreneurs (Implementation ongoing)
4	Expansion of Export Development Fund (EDF) introduced by the Bangladesh Bank	17,000		13,192	Implementation ongoing
5	Pre-shipment Credit Refinance Scheme	5,000		180	Implementation ongoing
6	Special honorarium for the doctors, nurses & other medical workers	138	26,546		Implementation ongoing
7	Health insurance and life insurance	750	245		Beneficiaries are the family members of the deceased employees (Implementation ongoing)
8	Free food distribution	2,500	1,68,03,410		Beneficiaries are the poor families
9	Selling of rice at 10 taka per kilogram	770	49,57,000		Distributed under the Food Friendly Program
			21,00,000		Distribution through card in urban areas
10	Cash transfer to targeted population	1,326	35,00,000		Selected poor citizen
			4,07,000		Dairy & poultry farmers
			78,000		Fish farmers
11	Expansion of the coverage of 2 social protection programs to 112 poverty-	815	5,00,000		Old Age Allowance (Inclusion of new beneficiaries)

Sl. No.	Package Name	Allocation (BDT Crore)	Beneficiary (number)		Comments/Beneficiaries
			Individuals	Organizations	
	stricken upazilas		3,50,000		Allowances for the widow and Husband Deserted Destitute women (Inclusion of new beneficiaries)
12	Construction of home for the homeless people	2,130	9,15,785		Homeless families (Implementation ongoing)
13	Support for agricultural farm mechanization	3,220	19,04,115		Selected farmers (Implementation ongoing)
14	Subsidy for agriculture	9,500	1,65,00,000		All farmers of the country (Implementation ongoing)
15	Agriculture Refinancing Scheme	8,000	3,13,908		Agricultural firms (Implementation ongoing)
16	Refinancing scheme for low-income professional farmers/small traders	3,000	5,34,789		Beneficiaries are the low-income professional farmers/small traders (Implementation ongoing)
17	Employment generation activities (through Palli Sanchay Bank, Karmasangsthan Bank, Probashi Kalyan Bank, Ansar and VDP Bank and PKSF)	3,200			Implementation of the program has recently been started
18	Government subsidy on partial interest waiver on loans by commercial banks in April-May/2020	2,000	72,80,253		Implementation ongoing
19	Credit Guarantee Scheme for SME Sector	2,000		775	Implementation of the program has recently been started
20	Support for the destitute workers in export-oriented RMG and leather sector	1,500	9,784		Implementation of the program has recently been started
21	Revitalizing the rural economy & job creation in rural area through 8 publicly owned specialized development organizations	1,500			Implementation of the program has recently been started

Sl. No.	Package Name	Allocation (BDT Crore)	Beneficiary (number)		Comments/Beneficiaries
			Individuals	Organizations	
22	Expansion of the coverage of 2 social protection programs to further 150 poverty-stricken upazilas	1,200	8,01,000		Old Age Allowance (Inclusion of new beneficiaries)
			4,25,000		Allowances for the Widows and Destitute women (Inclusion of new beneficiaries)
23	2nd tranche of the cash transfer to targeted population	930	30,40,540		
24	Cash Transfer to the targeted poor people	450	17,21,484		Completed
25	Special OMS at the urban area for low-income people	150			Implementation ongoing
26	Fund for providing food support to the vulnerable people reached through 333 phone number	100			Implementation ongoing
27	Employment creation through three State owned financial institutions - 2nd phase	1,500			Implementation ongoing
28	Working Capital credit facility at 4% interest to pay wages for the employees of hotel/motel/theme parks	1,000			Implementation ongoing
	Total	1,87,679	7,29,97,446	1,72,537	

Sources: Finance Division, Health Services Division, Ministry of Disaster Management and Relief, Ministry of Food, Ministry of Social Welfare, Prime Minister's Office, Ministry of Agriculture, Ministry of Labour and Employment, and Bangladesh Bank

Note:

1. Implementation of several packages is still underway. As a result, the number of beneficiaries will increase further in the coming months.
2. There are many large industries/businesses under serial number 2 and 4, where the exact number of workers/employees working is not known. Hence, actual number of beneficiaries will be much higher.
3. In case of expansion of allowance programme mentioned in serial 22, the newly included beneficiaries will start receiving their allowance from FY2021-22.
4. Five new stimulus packages under serial no. 24 to 28 (total Tk. 3,200 crore) have been launched in July 2021.

Table 2: State of Socio-economic Progress

Year	Life Expectancy (Year)	Population Growth Rate (%)	Poverty Rate (%)	Extreme Poverty Rate (%)	Literacy Rate (%)	Infant Mortality Rate (below 1-year, per thousand live birth)
2007	66.6	1.47	36.8	22.6	53.3	43.0
2008	66.8	1.45	35.1	21.0	54.4	41.0
2009	67.2	1.36	33.4	19.3	55.5	39.0
2010	67.7	1.36	31.5	17.6	56.8	36.0
2011	69.0	1.37	29.9	16.5	55.8	35.0
2012	69.4	1.36	28.5	15.4	56.3	33.0
2013	70.4	1.37	27.2	14.6	57.2	31.0
2014	70.7	1.37	26.0	13.8	58.6	30.0
2015	70.9	1.37	24.8	12.9	64.6	29.0
2016	71.6	1.37*	24.3	12.9	72.3	28.0
2017	72.0	1.37*	23.1*	12.1*	72.9	24.0
2018	72.3	1.37*	21.8*	11.3*	73.9	22.0
2019	72.6	1.37*	20.5*	10.5*	74.7	21.0
2020	72.8*	1.30*	-	-	75.6*	21.0*

Source: Bangladesh Bureau of Statistics, *Estimate

Table 3: Progress in the Past Decade

Fiscal Year	GDP Growth (%)	Investment (as % of GDP)			Per Capita Income (US\$)	Power Generation Capacity (Megawatt)	Food Grain Production (Lakh Metric Ton)	Average Yearly Inflation
		Public	Private	Total				
2011-12	6.52	5.76	22.50	28.26	955	8,716	368.8	8.7
2012-13	6.01	6.64	21.75	28.39	1,054	9,151	372.7	6.8
2013-14	6.06	6.55	22.03	28.58	1,184	10,416	381.7	7.4
2014-15	6.55	6.82	22.07	28.89	1,316	11,534	384.2	6.4
2015-16	7.11	6.66	22.99	29.65	1,465	14,429	388.2	5.9
2016-17	6.59	7.29	24.94	30.9	1,879	15,379	386.3	5.4
2017-18	7.32	6.88	25.25	31.8	2,043	18,753	406.64	5.8
2018-19	7.88	6.96	24.02	32.2	2,208	22,051	409.96	5.5
2019-20	3.45	7.29	23.70	31.3	2,326	23,548	416.47	5.7
2020-21	6.94	7.32	24.06	31.0	2,591	25,227	452.95*	5.6
2021-22 ^P	7.25	7.62	24.81	31.68	2,824	25,566	465.82*	5.8
2022-23 (estimate)	7.50	6.69	24.94	31.5	3,007	26,000*	-	5.6

Source: Bangladesh Bureau of Statistics, Power Division and Department of Agricultural Extension, Ministry of Agriculture ^P=Provisional, *Estimate

Note: From 2011-12 to 2015-16 base year 2005-06 and from 2016-17 to 2022-23 base year 2015-16

Table 4: Supplementary Budget for 2021-22

(Crore Tk.)

Sector	Budget 2021-22	Revised 2021-22	Actual 2021-22 (Up to March ^b)
1	2	3	4
Total Tax Revenue	3,89,000	3,89,000	2,70,639
	(11.3)	(9.8)	(6.8)
NBR Tax	3,30,000	3,30,000	2,39,877
Non-NBR Tax	16,000	16,000	4,830
Non Tax Receipt	43,000	43,000	25,933
Total Expenditure	6,03,681	5,93,500	2,62,794
	(17.5)	(14.9)	(6.6)
Operating Recurrent Expenditure	3,28,840	3,40,572	1,85,805
	(9.5)	(8.6)	(4.7)
Development Expenditure	2,37,078	2,21,948	63,866
	(6.9)	(5.6)	(1.6)
In which, Annual Development Programme	2,25,324	2,09,977	60,990
	(6.5)	(5.3)	(1.5)
Other Expenditure	37,763	30,980	13,123
	(1.1)	(0.8)	(0.3)
Budget Deficit (Excluding Grants)	-2,14,681	-2,04,500	7,844
	(-6.2)	(-5.1)	(0.2)
Financing			
External Source	1,01,228	80,212	14,177
	(2.9)	(2.02)	(0.4)
Domestic Source	1,13,453	1,24,288	-22072
	(3.3)	(3.1)	(-0.6)
In which, Banking Source	76,452	87,287	29,989
	(2.2)	(2.2)	(0.8)
GDP	34,56,040^a	39,76,462^b	39,76,462^b

Source: Finance Division; Figures in parenthesis indicate percent of GDP; a= Projected Nominal GDP at the time of budget preparation; b= Provisional

Table 5: Proposed Budget Structure for FY2022-23

(Crore Tk.)

Sector	Budget 2022-23	Revised 2021-22	Budget 2021-22	Actual 2020-21
1	2	3	4	5
Total Tax Revenue	4,33,000	3,89,000	3,89,000	3,28,665
	(9.7)	(9.8)	(11.3)	(9.3)
In which,				
NBR Tax	3,70,000	3,30,000	3,30,000	2,63,886
Non-NBR Tax	18,000	16,000	16,000	5,917
Non Tax Receipt	45,000	43,000	43,000	58,862
Total Expenditure	6,78,064	5,93,500	6,03,681	4,60,160
	(15.2)	(14.9)	(17.5)	(13.0)
Non-Development Revenue	3,73,242	3,40,572	3,28,840	2,65,893
Expenditure	(8.4)	(8.6)	(9.5)	(7.5)
Development Expenditure	2,59,617	2,21,948	2,37,078	1,69,491
	(5.8)	(5.6)	(6.9)	(4.8)
In which,				
Annual Development Programme	2,46,066	2,09,977	2,25,324	1,60,495
	(5.5)	(5.3)	(6.5)	(4.5)
Other Expenditure	45,205	30,980	37,763	24,776
	(1.0)	(0.8)	(1.1)	(0.7)
Budget Deficit (Excluding Grants)	-2,45,064	-2,04,500	-2,14,681	-1,31,495
	(-5.5)	(-5.1)	(-6.2)	(-3.7)
Financing				
External source (Including Grants)	98,729	80,212	1,01,228	48,056
	(2.2)	(2.0)	(2.9)	(1.4)
Domestic source	1,46,335	1,24,288	1,13,453	82,586
	(3.3)	(3.1)	(3.3)	(2.3)
In which, Banking source	1,06,334	87,287	76,452	32,673
	(2.4)	(2.2)	(2.2)	(0.9)
GDP	44,49,959^a	39,76,462^b	34,56,040^a	35,30,185

Source: Finance Division; Figures in parenthesis indicate percent of GDP; a= Projected Nominal GDP at the time of budget preparation; b= Provisional estimate of nominal GDP

Table 6: Annual Development Programme (Sectoral Allocation)

(Crore Tk.)

Ministry/Division	Budget 2022-23	Revised 2021-22	Budget 2021-22	Actual 2020-21	Actual 2019-20	Actual 2018-19	Actual 2017-18
1	2	3	4	5	6	7	8
(a) Human Resource							
1. Ministry of Primary and Mass Education	11,642 (4.7)	9,207 (4.4)	8,022 (3.6)	8,746 (5.4)	6,299 (4.0)	6,337 (4.2)	6,547 (4.9)
2. Health Services Division	15,851 (6.4)	13,014 (6.2)	13,000 (5.8)	6,428 (4.0)	5,443 (3.5)	6,524 (4.4)	6,431 (4.8)
3. Secondary and Higher Education Division	14,001 (5.7)	8,260 (3.9)	11,920 (5.3)	7,788 (4.9)	6,050 (3.9)	5,714 (3.8)	3,376 (2.5)
4. Others	30,670 (12.5)	28,097 (13.4)	33,222 (14.7)	17,801 (11.1)	18,108 (11.6)	18,869 (12.6)	12,290 (9.2)
Sub Total	72,164 (29.3)	58,578 (27.9)	66,164 (29.4)	40,763 (25.4)	35,900 (23.1)	37,444 (25.0)	28,644 (21.4)
(b) Agriculture and Rural Development							
5. Local Government Division	35,842 (14.6)	34,446 (16.4)	33,897 (15.0)	27,871 (17.4)	25,601 (16.4)	23,717 (15.9)	20,518 (15.4)
6. Ministry of Water Resources	7,938 (3.2)	7,537 (3.6)	6,871 (3.0)	6,058 (3.8)	4,942 (3.2)	5,900 (3.9)	4,558 (3.4)
7. Ministry of Agriculture	4,239 (1.7)	3,127 (1.5)	2,959 (1.3)	2,235 (1.4)	1,620 (1.0)	1,677 (1.1)	1,400 (1.0)
8. Others	5,572 (2.3)	4,520 (2.2)	5,082 (2.3)	4,518 (2.8)	3,426 (2.2)	4,009 (2.7)	4,152 (3.1)
Sub Total	53,591 (21.8)	49,630 (23.6)	48,809 (21.7)	40,682 (25.3)	35,589 (22.9)	35,303 (23.6)	30,628 (22.9)
(c) Energy Infrastructure							
9. Power Division	24,139 (9.8)	22,827 (10.9)	25,349 (11.3)	21,350 (13.3)	23,147 (14.9)	21,570 (14.4)	26,677 (20.0)
10. Energy and Mineral Resources	1,798 (0.7)	1,579 (0.8)	2,018 (0.9)	1,405 (0.9)	2,124 (1.4)	2,192 (1.5)	1,334 (1.0)
Sub Total	25,937 (10.5)	24,406 (11.6)	27,367 (12.1)	22,755 (14.2)	25,271 (16.2)	23,762 (15.9)	28,011 (21.0)
(d) Communication Infrastructure							
11. Ministry of Railway	14,929 (6.1)	12,576 (6.0)	13,558 (6.0)	9,063 (5.6)	11,637 (7.5)	6,635 (4.4)	10,522 (7.9)
12. Road Transport and Highways Division	31,296 (12.7)	28,293 (13.5)	28,042 (12.4)	22,383 (13.9)	20,196 (13.0)	18,525 (12.4)	16,161 (12.1)
13. Bridges Division	9,290 (3.8)	5,723 (2.7)	9,813 (4.4)	3,940 (2.5)	6,682 (4.3)	6,266 (4.2)	3,220 (2.4)
14. Others	13,231 (5.4)	7,805 (3.7)	8,086 (3.6)	5,934 (3.7)	5,837 (3.7)	4,489 (3.0)	2,756 (2.1)
Sub Total	68,746 (27.9)	54,397 (25.9)	59,499 (26.4)	41,320 (25.7)	44,352 (28.5)	35,915 (24.0)	32,659 (24.4)
Total	2,20,438 (89.6)	1,87,011 (89.1)	2,01,839 (89.6)	1,45,520 (90.7)	1,41,112 (90.6)	1,32,424 (88.5)	1,19,942 (89.7)
15. Others	25,628 (10.4)	22,966 (10.9)	23,485 (10.4)	14,975 (9.3)	14,606 (9.4)	17,170 (11.5)	13,715 (10.3)
Total ADP	2,46,066	2,09,977	2,25,324	1,60,495	1,55,718	1,49,594	1,33,657

Source: Finance Division; Figures in parenthesis indicate percent of total ADP allocation.

Table 7: Sectoral Allocation in Budget

(Core Tk.)

Ministry/Division	Budget 2022-23	Revised 2021-22	Budget 2021-22	Actual 2020-21	Actual 2019-20	Actual 2018-19	Actual 2017-18
(a) Social Infrastructure	1,83,425 (27.1)	1,64,143 (27.7)	1,70,510 (28.2)	1,26,568 (27.5)	1,14,285 (27.1)	1,12,913 (28.4)	92,410 (27.0)
Human Resource							
1. Secondary and Higher Education Division	39,960 (5.9)	32,411 (5.5)	36,485 (6.0)	29,615 (6.4)	25,870 (6.1)	24,460 (6.1)	20,082 (5.9)
2. Ministry of Primary and Mass Education	31,761 (4.7)	28,222 (4.8)	26,314 (4.4)	23,212 (5.0)	20,461 (4.8)	19,914 (5.0)	18,099 (5.3)
3. Health Services Division	29,282 (4.3)	26,165 (4.4)	25,914 (4.3)	17,185 (3.7)	13,923 (3.3)	14,507 (3.6)	14,109 (4.1)
4. Others	66,521 (9.8)	61,524 (10.4)	67,134 (11.1)	44,674 (9.7)	42,127 (10.0)	42,398 (10.7)	32,636 (9.5)
Sub Total	1,67,524 (24.7)	1,48,322 (25.0)	1,55,847 (25.8)	1,14,686 (24.9)	1,02,381 (24.2)	1,01,279 (25.5)	84,926 (24.8)
Food and Social Safety							
5. Ministry of Food	5,672 (0.8)	5,698 (1.0)	4,712 (0.8)	3,894 (0.8)	4,120 (1.0)	3,710 (0.9)	1,736 (0.5)
6. Ministry of Disaster Management	10,229 (1.5)	10,123 (1.7)	9,951 (1.6)	7,988 (1.7)	7,784 (1.8)	7,924 (2.0)	5,748 (1.7)
Sub Total	15,901 (2.3)	15,821 (2.7)	14,663 (2.4)	11,882 (2.6)	11,904 (2.8)	11,634 (2.9)	7,484 (2.2)
(b) Physical Infrastructure	2,00,860 (29.6)	1,75,627 (29.6)	1,79,681 (29.8)	1,41,361 (30.7)	1,46,945 (34.8)	1,40,620 (35.3)	1,19,858 (35.1)
Agriculture and Rural Development							
7. Ministry of Agriculture	24,220 (3.6)	18,939 (3.2)	16,197 (2.7)	12,926 (2.8)	11,533 (2.7)	12,175 (3.1)	9,158 (2.7)
8. Ministry of Water Resources	10,196 (1.5)	9,584 (1.6)	8,827 (1.5)	7,818 (1.7)	6,603 (1.6)	7,553 (1.9)	5,925 (1.7)
9. Local Government Division	41,707 (6.2)	39,610 (6.7)	39,218 (6.5)	32,211 (7.0)	29,450 (7.0)	27,842 (7.0)	24,070 (7.0)
10. Others	10,675 (1.6)	9,363 (1.6)	9,860 (1.6)	8,287 (1.8)	6,870 (1.6)	7,703 (1.9)	7,473 (2.2)
Sub Total	86,798 (12.8)	77,496 (13.1)	74,102 (12.3)	61,242 (13.3)	54,456 (12.9)	55,273 (13.9)	46,626 (13.6)
Power and Energy	26,065 (3.8)	24,518 (4.1)	27,484 (4.6)	22,840 (5.0)	33,132 (7.8)	34,433 (8.7)	28,203 (8.3)
Communication Infrastructure							
11. Road Transport and Highways Division	36,648 (5.4)	32,996 (5.6)	32,942 (5.5)	26,321 (5.7)	23,580 (5.6)	21,831 (5.5)	19,574 (5.7)
12. Ministry of Railway	18,853 (2.8)	16,354 (2.8)	17,543 (2.9)	11,967 (2.6)	14,916 (3.5)	9,643 (2.4)	13,449 (3.9)

Ministry/Division	Budget 2022-23	Revised 2021-22	Budget 2021-22	Actual 2020-21	Actual 2019-20	Actual 2018-19	Actual 2017-18
13. Bridges Division	9,297	5,729	9,820	3,943	6,684	6,317	3,242
	(1.4)	(1.0)	(1.6)	(0.9)	(1.6)	(1.6)	(0.9)
14. Others	14,228	8,866	9,169	6,654	6,585	5,158	3,340
	(2.1)	(1.5)	(1.5)	(1.4)	(1.6)	(1.3)	(1.0)
Sub Total	79,026	63,945	69,474	48,885	51,765	42,949	39,605
	(11.7)	(10.8)	(11.5)	(10.6)	(12.3)	(10.8)	(11.6)
15. Other Sector	8,971	9,668	8,621	8,394	7,592	7,965	5,424
	(1.3)	(1.6)	(1.4)	(1.8)	(1.8)	(2.0)	(1.6)
(c) General Services	1,53,208	1,34,615	1,45,150	88,034	80,902	79,418	76,472
	(22.6)	(22.7)	(24.0)	(19.1)	(19.2)	(20.0)	(22.4)
Public Order and Safety	31,152	29,148	29,123	24,415	23,447	26,963	22,456
	(4.6)	(4.9)	(4.8)	(5.3)	(5.6)	(6.8)	(6.6)
16. Others	1,22,056	1,05,467	1,16,027	63,619	57,455	52,455	54,016
	(18.0)	(17.8)	(19.2)	(13.8)	(13.6)	(13.2)	(15.8)
Total	5,37,493	4,74,385	4,95,341	3,55,963	3,42,132	3,32,951	2,88,740
	(79.3)	(79.9)	(82.1)	(77.4)	(81.0)	(83.7)	(84.5)
(d) Interest Payments	80,375	71,244	68,589	70,606	58,316	50,078	42,279
	(11.9)	(12.0)	(11.4)	(15.3)	(13.8)	(12.6)	(12.4)
(e) PPP Subsidy and Liability	53,155	42,946	34,648	28,752	18,477	13,167	3,504
	(7.8)	(7.2)	(5.7)	(6.2)	(4.4)	(3.3)	(1.0)
(f) Net Landing and Other Expenditure	7,041	4,925	5,103	4,839	3,531	1,701	7,270
	(1.0)	(0.8)	(0.8)	(1.1)	(0.8)	(0.4)	(2.1)
Total Budget	6,78,064	5,93,500	6,03,681	4,60,160	4,22,456	3,97,897	3,41,793

Source: Finance Division; () indicates % of total budget

Table 8: Ministry/Division-wise Budget Allocation

(Crore Tk.)

Ministry/Division	Budget 2022-23	Revised 2021-22	Budget 2021-22
President's Office	31	27	30
National Parliament	341	315	336
Prime Minister's Office	5,775	4,408	3,907
Cabinet Division	137	191	239
Supreme Court	230	224	225
Election Commission Secretariat	1,539	1,804	1,729
Ministry of Public Administration	4,074	3,461	3,758
Bangladesh Public Service Commission	123	96	115
Finance Division	1,90,713	1,59,951	1,57,642
Office of the Comptroller and Auditor General of Bangladesh	291	274	283
Internal Resources Division	3,478	2,753	3,124
Financial Institutions Division	2,852	2,638	2,559
Economic Relations Division	8,093	6,750	6,981
Planning Division	1,364	185	1,133
Implementation Monitoring & Evaluation Division	274	208	257
Statistics and Informatics Division	410	1,621	1,673
Ministry of Commerce	545	380	683
Ministry of Foreign Affairs	1,651	1,591	1,656
Ministry of Defense	40,360	37,533	37,691
Armed Forces Division	45	48	44
Law and Justice Division	1,924	1,822	1,815
Public Security Division	24,594	23,259	23,080
Legislative and Parliamentary Affairs Division	40	36	36
Ministry of Primary and Mass Education	31,759	28,221	26,311
Secondary and Higher Education Division	39,961	32,412	36,486
Ministry of Science and Technology	16,614	16,458	21,204
Health Service Division	29,282	26,165	25,914
Information and Communication Technology Division	1,916	1,642	1,721
Ministry of Social Welfare	10,198	9,021	9,124
Ministry of Women and Children Affairs	4,290	4,103	4,191
Ministry of Labour and Employment	357	360	365
Ministry of Housing and Public Works	6,821	6,843	6,345

Ministry/Division	Budget 2022-23	Revised 2021-22	Budget 2021-22
Ministry of Information	1,099	1,061	1,008
Ministry of Cultural Affairs	637	579	587
Ministry of Religious Affairs	2,353	2,523	2,240
Ministry of Youth and Sports	1,275	1,258	1,115
Local Government Division	41,707	39,611	39,219
Rural Government and Co-operatives Division	1,645	1,601	1,791
Ministry of Industries	1,521	2,211	1,585
Ministry of Expatriates Welfare and Overseas Employment	990	714	702
Ministry of Textiles and Jute	628	838	692
Energy and Mineral Resources Division	1,870	1,645	2,086
Ministry of Agriculture	24,224	18,944	16,201
Ministry of Fisheries and Livestock	3,808	3,196	3,437
Ministry of Environment, Forest and Climate Change	1,501	1,222	1,221
Ministry of Land	2,381	2,025	2,225
Ministry of Water Resources	10,196	9,584	8,827
Ministry of Food	6,213	5,833	5,310
Ministry of Disaster Management and Relief	10,229	10,124	9,951
Road Transport and Highways Division	36,648	32,996	32,942
Ministry of Railway	18,852	16,351	17,486
Ministry of Shipping	7,224	4,481	5,137
Ministry of Civil Aviation and Tourism	7,004	4,385	4,032
Posts and Telecommunications Division	2,487	1,932	2,549
Ministry of Chittagong Hill Tracts Affairs	1,338	1,314	1,182
Power Division	24,196	22,874	25,398
Ministry of Liberation War Affairs	6,984	6,744	6,343
Anti Corruption Commission	178	136	159
Bridges Division	9,297	5,729	9,820
Technical and Madrasha Education Division	9,728	9,010	9,154
Security Services Division	4,187	3,669	3,808
Health Education and Family Welfare Division	7,582	6,110	6,817
Total	6,78,064	5,93,500	6,03,681

Source: Finance Division

Annexure -B

List of Tables on Import-Export Duty

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Table 1: Agriculture sector

a) List of new H.S. Codes created

Sl. No.	Heading	H.S. Code	Description	Existing RD Rate	Proposed RD Rate
1	2	3	4	5	6
1	10.06	1006.30.11	Fortified rice kernels: Bashmoti Rice	85%	85%
2		1006.30.91	Other: Bashmoti Rice	62.5%	62.5%

b) List of products on which customs duty has been reduced:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	1109.00.00	Wheat Gluten, whether or not dried	25	15
2	1703.10.00	Cane molasses	15	10
3	8418.69.96	Chiller imported by Industrial IRC holder, VAT compliant cold storage	25	10

c) List of items on which supplementary duty has been imposed:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	0406.10.00	Cheese and Curd	0	20
2	0406.20.00			
3	0406.30.00			
4	0406.40.00			
5	0406.90.00			

d) New materials included in the SRO no. 128/2020 on concessional facility for import of materials used in the production of poultry/dairy/fish feed :

Sl. No.	H.S. Code	Description
1	2	3
1	9027.89.00	Test kits for use in poultry
2	1703.10.00	Cane molasses, feed grade
3	1703.90.00	Other molasses, feed grade

e) **New machinery included in the SRO no. 129/2020 on concessional facility for importing agricultural machinery and parts:**

Sl. No.	H.S. Code	Description
1	2	3
1	8433.51.00	Combaine Harvester-Threshers
2	8433.52.00	Threshing machinery for agricultural produce <input type="checkbox"/>

f) **New raw materials included in the SRO no. 186/2020 on concessional facility for importing raw materials used in the preparation of pesticides for agricultural purposes:**

Sl. No.	H.S. Code	Description
1	2	3
1	2903.99.00	1-methyl-2-pyrrolidone
2	2905.19.00	1-hexanol
3	2903.19.00	Polyoxyethylene sorbitan mono-oleate
4	1515.30.00	Castor oil ethoxylated
5	2707.50.90	Solvesso 100
6	2707.50.90	Solvesso 150ND (mixture of Aromatic hydrocarbon)
7	2905.17.00	Stearyl-alcohol ethoxilated

Table 2: Health Sector

a) Goods on which import duty (CD) has been reduced:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	8506.60.10	Air-zinc battery for hearing aid	25	5

b) Products on which VAT has been exempted at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8713.90.00	Wheel chair	15	0

c) Products on which AT has been exempted at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8713.90.00	Wheel chair	5	0

d) Products on which AIT has been exempted at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8713.90.00	Wheel chair	5	0

Table 3 : Industry Sector

a) Products on which customs duty (CDs) has been reduced:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	0801.31.90	Other Cashew nuts in shell	25	1
2	0801.32.90	Other Cashew nuts Shelled	25	5
3	0905.10.10	Vanilla Neither crushed or ground wrapped/canned upto 2.5 kg	25	15
4	0905.10.90	Vanilla Neither crushed or ground other	25	15
5	2905.11.10	Methanol HPLC	15	10
6	3808.92.99	Fungicides Nes excluding in bulk	25	10
7	3824.99.60	Other Desiccant	25	10
8	4011.30.00	New pneumatic tyres, of rubber of a kind used on aircraft	5	1
9	7309.00.10	Silo imported by Industrial IRC holder VAT compliant food manufacturing industry	10	5
10	8421.21.95	Sewage treatment plant (STP)	25	5
11	8511.10.10	Sparking plug used for exclusively aircraft and helicopter engine	10	1
12	9406.10.00	Prefabricated buildings of wood	25	15

b) Products on which customs duty (CDs) has been increased:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	0106.31.00	Birds of prey	5	25
2	0106.32.00	Psittaciformes (including parrots, parakeets, Macaws and Cockatoos)	5	25
3	0106.33.00	Ostriches; emus (Dromaius novaehollandiae)	5	25
4	0106.39.00	Other	5	25
5	2706.00.19	Other Crude tar	5	15
6	4010.11.00	Reinforced only with metal	1	5
7	4010.12.00	Reinforced only with textile materials	1	5
8	4010.19.00	Other	1	5
9	5910.00.00	Transmission or conveyor belts or belting, of textile material, whether or not impregnated, coated, covered or laminated with plastics, or reinforced with metal or other material.	1	5
10	7217.10.00	Not plated or coated, whether or not polished	5	10
11	7217.30.00	Plated or coated with other base metals	5	10
12	7305.11.00	Longitudinally submerged arc welded	15	25

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
13	7305.12.00	Other, longitudinally welded	15	25
14	7305.19.00	Other	15	25
15	7305.20.00	Casing of a kind used in drilling for oil or gas	15	25
16	8311.30.00	Coated rods and cored wire, of base metal, for soldering, brazing or welding by flame	10	15
17	8311.90.00	Other	10	15
18	8421.21.20	Domestic type water purifying apparatus/machine	1	10
19	8428.10.00	Lifts and skip hoists	1	5
20	8442.50.20	Printing plates	1	10
21	8470.50.00	Cash registers	0	10
22	8501.10.10	Fan motor fitted with revolving mechanism not exceeding 37.5 W	10	15
23	8501.10.90	Other motor not exceeding 37.5 W	10	15
24	8501.20.91	Other Universal AC/DC motor Of an output exceeding 37.5 W but not exceeding 750 W	10	15
25	8501.31.00	Other DC motors of a output not exceeding 750 W	10	15
26	8501.40.10	AC motor single-phase of an output not exceeding 750 W	10	15
27	8501.51.00	Other AC motor multi-phase of an output not exceeding 750 W	10	15
28	8504.40.10	Mobile and other battery charger (less than 10 VA)	15	25
29	8541.49.10	Solar modules or panels	0	1
30	9028.90.10	Parts of kilowatt-hour meter	10	15
31	9613.90.00	Parts of lighter	15	25

c) Products on which supplementary duty has been imposed/reduced/increased/withdrawn:

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	2101.11.00	Extracts, essences and concentrates	0	20
2	2101.12.00	Preparations with a basis of extracts essences or concentrates or with a basis of coffee	0	20
3	2101.20.00	Extracts, essences and concentrates, of tea or mate, and preparations with a basis of these extracts, essences or concentrates or with a basis of tea or mate	0	20

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
4	2101.30.00	Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof	0	20
5	4823.69.90	Paper Cup, Plate, Bowl	0	20
6	6117.80.90	Other made up clothing accessories, knitted or crocheted	0	45
7	7307.11.00	GI Fittings	0	20
8	7307.19.00			
9	7307.99.90			
10	7318.11.00	Coach screws	0	20
11	7318.12.00	Other wood screws	0	20
12	7318.13.00	Screw hooks and screw rings	0	20
13	7318.14.00	Self-tapping screws	0	20
14	7318.15.10	Other screws and bolts flus type tower bolt imported by Industrial IRC holder VAT compliant fire-resistant door manufacturers	0	20
15	7607.20.99	Aluminium Foil (Backed by others)	0	20
16	8544.70.00	Optical fibre cables	0	10
17	8711.30.10 8711.30.90	Cylinder capacity with four stroke engine from 251 cc to 500 cc	0	100
18	8711.40.10 8711.40.90	Cylinder capacity with four stroke engine from 501 cc to 800 cc	0	100
19	8711.30.20	Cylinder capacity with four stroke engine above 800 cc	0	250
20	8711.50.10 8711.50.90	Cylinder capacity with two stroke engine from 251 cc to 500 cc	0	100
21	8711.40.20	Cylinder capacity with two stroke engine from 501 cc to 800 cc	0	250
22	8711.50.20	Cylinder capacity with two stroke engine above 800 cc	0	250
23	9401.90.00	Parts of seats	0	10
24	9613.10.00	Pocket lighters, gas fuelled, non-refillable	0	10
25	9613.20.00	Pocket lighters, gas fuelled, refillable	0	10
26	9613.80.00	Other lighters	0	10

d) Products on which VAT has been imposed at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8443.32.10	Computer printer	0	15
2	8443.99.10	Toner cartridge/Inkjet cartridge for computer printer	0	15
3	8471.30.00	Portable automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display	0	15

e) Items withdrawn from SRO no. 75/2022 on import of capital machinery:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	8428.10.00	Lifts and skip hoists	1	5
2	8442.50.20	Printing plates	1	10
3	4010.11.00	Conveyor belts or belting: Reinforced only with metal	1	5
4	4010.12.00	Conveyor belts or belting: Reinforced only with textile materials	1	5
5	4010.19.00	Conveyor belts or belting: Other	1	5
6	5910.00.00	Transmission or conveyor belts or belting, of textile material, whether or not impregnated, coated, covered or laminated with plastics, or reinforced with metal or other material.	1	5
7	8421.21.20	Domestic type water purifying apparatus/machine	1	10
8	8470.50.00	Cash registers	0	10

f) Items included in the Notification SRO No. 114/2021 on raw materials of industry:

Sl. No.	H.S. Code	Description	Existing Rate (%) in BCT	Proposed Rate (%) in SRO
1	2	3	4	5
1	2507.00.11	China clays Imported by industrial IRC holder VAT compliant tiles & Sanitary products manufacturing industry	CD- 15	CD- 5
2	2508.40.11	Ball clays Imported by industrial IRC holder VAT compliant tiles & Sanitary products manufacturing industry	CD- 15	CD- 5
3	2706.00.11	Crude tar imported by Industrial IRC holder VAT compliant tar manufacturing industries	CD- 15	CD- 5

Sl. No.	H.S. Code	Description	Existing Rate (%) in BCT	Proposed Rate (%) in SRO
1	2	3	4	5
4	2917.39.10	Purified Isophthalic Acid (IPA) imported by Industrial IRC holder VAT compliant petro chemical industry	CD – 25 SD – 20	CD – 15 SD- 0
5	3215.11.10	Flexo/Gravure in liquid form imported by Industrial IRC holder VAT compliant manufacturing industry	CD –25	CD –15
6	3215.19.10	Flexo/Gravure in liquid form imported by Industrial IRC holder VAT compliant manufacturing industry	CD –25	CD –15
7	3824.99.91	Thermal coating slurry imported by Industrial IRC holder VAT compliant paper manufacturing industries	CD –25	CD –15
8	7007.19.10	UL marked glass Imported by industrial IRC holder VAT compliant fire door manufacturing industry	SD – 20	SD – 0
9	7213.99.10	Wire rod imported by Industrial IRC holder VAT compliant electrode or wire drawing manufacturing industry	CD-5 SD-45	CD-5 SD-0
10	7219.11.10	Flat-rolled products of a thickness exceeding 10 mm imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry	CD-10	CD-5
11	7219.12.10	Flat-rolled products of a thickness of 4.75 mm or more but not exceeding 10 mm Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry	CD-10	CD-5
12	7219.13.10	Flat-rolled products of a thickness of 3 mm or more but less than 4.75 mm Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry	CD-10	CD-5
13	7219.14.10	Flat-rolled products of a thickness of less than 3 mm Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry	CD-10	CD-5
14	7308.90.91	Metal frames for LCD/LED TV panel imported by Industrial IRC holder VAT compliant TV manufacturing industry	CD-25	CD-10

Sl. No.	H.S. Code	Description	Existing Rate (%) in BCT	Proposed Rate (%) in SRO
1	2	3	4	5
15	7227.90.20	M.S. bars and rods imported by Industrial IRC holder VAT compliant electrode or wire drawing manufacturing industry	CD-10	CD-5
16	7318.15.10	Flus type tower bolt imported by Industrial IRC holder VAT compliant fire-resistant door manufacturing industry	CD- 15 SD-0	CD-15 SD-20
17	7318.22.10	Rotor washers imported by Industrial IRC holder VAT compliant electric fan motor or water pump motor manufacturing industry	CD-25	CD-5
18	8544.11.10	Winding wire of copper imported by Industrial IRC holder VAT compliant transformer and compressor manufacturing industry	CD-25	CD-10

g) Items withdrawn from SRO no. 114/2021 on raw materials of the industry:

Sl. No.	H.S. Code	Description
1	2	3
1	0801.31.90	Cashew Nuts, In Shell, Fresh or Dried in bulk imported by Industrial IRC holder VAT compliant Cashew nuts processing industries
	7225.99.10	Metal frame for LCD/LED TV panel imported by Industrial IRC holder VAT compliant TV manufacturers

h) Items included in SRO no. 122/2021:

Sl. No.	H.S. Code	Description	Existing Rate (%) in BCT	Proposed Rate (%) in SRO
1	2	3	4	5
1	7229.90.00	Wire of other alloy steel: Other	10	3

Table 4: ICT sector

a) New items included in the SRO no. 116/2021 on concessional facility for import of raw materials/ materials used in locally produced computers:

H.S. Code	Description
2	3
3926.90.99	Trigger Button (Cover part), Controller Upper case/bottom case, LCD button, Controller LED cover, Propeller, Propeller Guard, Landing skid, Battery Cover, Lock the camera plug, LED Cover (Red), LED Cover (Green), Motor holder & lock, Motor cover & the body bottom, Blades, Controller Stick base, Controller stick cover, Function Button Cover, Power Switch Cover, Adjust Switch Cover, Controller battery Cover, Antenna Cover, Middle frame, Battery Holder.
4811.41.90	QR Code Sticker
4901.99.90	User Manual
5911.90.00	Screen Printing Mesh.
7216.21.00	L-Angle
7318.15.90	Main Board bolt
8423.90.00	LCD, Back Light, Connection Strap, Short feet feature, short feet negative, Snap dome, Sheetmetal, Grub Screw, Circuit Board, The battery Door
8423.82.90	Sensor
8505.90.00	Electro-Magnetic Driver Unit
8531.20.00	Light Emitting Diodes (LED)
8536.10.00	Fuse; thermal cutoffs (thermal fuses)
8536.50.00	Tactile Button; Exit Button
8536.49.90	Relay
8536.69.90	Wire terminals/fasten terminals; Fuse Holders; Silicone plug
8536.90.90	Wire crimp connectors; terminals

b) Products on which VAT has been imposed at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8443.32.10	Computer printer	0	15
2	8443.99.10	Toner cartridge/Inkjet cartridge for computer printer	0	15
3	8471.30.00	Portable automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display	0	15

c) **New items included in the SRO no. 15/2019 on concessional facility for import of raw materials/materials used in the manufacturing of computers and computer peripherals in Hi-tech Park:**

H.S. Code	Description
²	³
3926.90.99	Laptop Packaging Mountings
8414.59.90	Internal Fan/Heat Sink
8471.60.90	Touch Pad and Sticker
8473.30.00	Computer/Laptop Motherboard/PCBA/SOC
8473.30.00	Shell material (including keyboard)
8473.30.00	Memory, SSD, HDD, CPU, WIFI
8473.30.00	Shell material, keyboard, Mouse
8473.30.90	LCD, HDMI, Ribbon cables
8473.30.90	40 pin fpc
8518.29.00	Speaker
8473.30.90	Magnet
8504.40.13	Power adapter
8507.60.00	Battery
85.24 (related HS Code)	LED/LCD/Touch Panel
8534.10.85	Printed Circuit Boards (PCB)
8544.49.00	Touch panel cable, LCD Cable
9025.80.90	Sensors & Accessories

d) **Products withdrawn from the SRO no. 125/2020 on Computer and Computer accessories:**

Sl. No.	H.S. Code	Description
¹	²	³
1	8443.32.10	Computer printer
2	8443.99.10	Toner cartridge/Inkjet cartridge for computer printer
3	8471.30.00	Portable automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display
4	8471.41.00	Other automatic data processing machines: Comprising in the same housing at least a central processing unit and an input and output unit, whether or not combined
5	8471.49.00	Other automatic data processing machines: presented in the form of systems

Table 5: Tariff Rationalization

i. Increase/decrease in duty and taxes

a) Products on which customs duty (CD) has been reduced:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	0801.31.90	Other cashew nuts in shell	25	1
2	0801.32.90	Other cashew nuts Shelled	25	5
3	0905.10.10	--- Vanilla neither crushed or ground wrapped/canned upto 2.5 kg	25	15
4	0905.10.90	Vanilla neither crushed or ground other	25	15
5	1109.00.00	Wheat gluten, whether or not dried.	25	15
6	1703.10.00	- Cane molasses	15	10
7	2905.11.10	Methanol HPLC	15	10
8	3808.92.99	Fungicides Nes excluding in bulk	25	10
9	3824.99.60	Other desiccant	25	10
10	4011.30.00	New pneumatic tyres, of rubber of a kind used on aircraft	5	1
11	7309.00.10	--- Silo imported by Industrial IRC holder VAT compliant food manufacturing industry	10	5
12	8418.69.96	Chiller imported by Industrial IRC holder VAT compliant cold storage	25	10
13	8421.21.95	Sewage treatment plant (STP)	25	5
14	8506.60.10	Air-zinc battery for hearing aid	25	5
15	8511.10.10	Sparking plug used for exclusively aircraft and helicopter engine	10	1
16	9406.10.00	Prefabricated buildings of wood	25	15

b) Products on which customs duty (CD) has been increased:

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	0106.31.00	-- Birds of prey	5	25
2	0106.32.00	-- Psittaciformes (including parrots, parakeets, macaws and cockatoos)	5	25
3	0106.33.00	-- Ostriches; emus (Dromaius Novaehollandiae)	5	25
4	0106.39.00	-- Other	5	25
5	2507.00.19	Other	5	15
6	2507.00.90	Other	5	15
7	2508.40.19	Other	5	15
8	2508.40.90	Other	5	15

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
9	2706.00.11	Crude tar Imported by Industrial IRC holder VAT compliant tar manufacturing industries	5	15
10	2706.00.19	Other Crude tar	5	15
11	4010.11.00	Reinforced only with metal	1	5
12	4010.12.00	Reinforced only with textile materials	1	5
13	4010.19.00	Other	1	5
14	5910.00.00	Transmission or conveyor belts or belting, of textile material, whether or not impregnated, coated, covered or laminated with plastics, or reinforced with metal or other material.	1	5
15	7217.10.00	Not plated or coated, whether or not polished	5	10
16	7217.30.00	Plated or coated with other base metals	5	10
17	7305.11.00	Longitudinally submerged arc welded	15	25
18	7305.12.00	Other, longitudinally welded	15	25
19	7305.19.00	Other	15	25
20	7305.20.00	Casing of a kind used in drilling for oil or gas	15	25
21	8311.30.00	Coated rods and cored wire, of base metal, for soldering, brazing or welding by flame	10	15
22	8311.90.00	Other	10	15
23	8421.21.20	Domestic type water purifying apparatus/machine	1	10
24	8428.10.00	- Lifts and skip hoists	1	5
25	8442.50.20	Printing plates	1	10
26	8470.50.00	Cash registers	0	10
27	8501.10.10	Fan motor fitted with revolving mechanism not exceeding 37.5 W	10	15
28	8501.10.90	Other motor not exceeding 37.5 W	10	15
29	8501.20.91	Other Universal AC/DC motor Of an output exceeding 37.5 W but not exceeding 750 W	10	15
30	8501.31.00	Other DC motors of a output not exceeding 750 W	10	15
31	8501.40.10	AC motor single-phase of an output not exceeding 750 W	10	15
32	8501.51.00	Other AC motor multi-phase of an output not exceeding 750 W	10	15
33	8504.40.10	Mobile and other battery charger (less than 10 VA)	15	25

Sl. No.	H.S. Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
34	8541.49.10	Solar modules or panels	0	1
35	9028.90.10	Parts of kilowatt-hour meter	10	15
36	9613.90.00	Parts of lighter	15	25

c) Products on which regulatory duty has been imposed/ reduced/increased:

Sl. No.	Heading	H.S. Code	Description	RD Rate	RD Rate
1	2	3	4	5	6
1	28.11	2811.21.00	Carbon dioxide	15%	5%

d) Products on which supplementary duty has been imposed/reduced/increased/ withdrawn:

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
1	4823.69.90	Paper Cup, Plate, Bowl	0	20
2	6117.80.90	Other made up clothing accessories, knitted or crocheted	0	45
3	7307.11.00	GI Fittings	0	20
4	7307.19.00			
5	7307.99.90			
6	7318.11.00			
6	7318.11.00	Coach screws	0	20
7	7318.12.00	Other wood screws	0	20
8	7318.13.00	Screw hooks and screw rings	0	20
9	7318.14.00	Self-tapping screws	0	20
10	7318.15.10	Other screws and bolts flus type tower bolt imported by Industrial IRC holder VAT compliant fire-resistant door manufacturers	0	20
11	7607.20.99	Aluminium Foil (Backed by others)	0	20
12	8544.70.00	Optical fibre cables	0	10
13	9401.90.00	Parts of seats	0	10
14	0406.10.00	Cheese and Curd.	0	20
15	0406.20.00			
16	0406.30.00			
17	0406.40.00			
18	0406.90.00			
19	2101.11.00	-- Extracts, essences and concentrates	0	20
20	2101.12.00	-- Preparations with a basis of extracts essences or concentrates or with a basis of coffee	0	20

Sl. No.	H.S.Code	Description	Existing Rate (%)	Proposed Rate (%)
1	2	3	4	5
21	2101.20.00	- Extracts, essences and concentrates, of tea or mate, and preparations with a basis of these extracts, essences or concentrates or with a basis of tea or mate	0	20
22	2101.30.00	- Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof	0	20
23	9613.10.00	Pocket lighters, gas fuelled, non-refillable	0	10
24	9613.20.00	Pocket lighters, gas fuelled, refillable	0	10
25	9613.80.00	Other lighters	0	10
26	8711.30.10 8711.30.90	Cylinder capacity with four stroke engine from 251 cc to 500 cc	0	100
27	8711.40.10 8711.40.90	Cylinder capacity with four stroke engine from 501 cc to 800 cc	0	100
28	8711.50.10 8711.50.90	Cylinder capacity with four stroke engine above 800 cc	0	100
29	8711.30.20	Cylinder capacity with two stroke engine from 251 cc to 500 cc	0	250
30	8711.40.20	Cylinder capacity with two stroke engine from 501 cc to 800 cc	0	250
31	8711.50.20	Cylinder capacity with two stroke engine above 800 cc	0	250
32	9405.11.00	Chandeliers and other electric ceiling or wall lighting fittings, excuding those of a kinf used for lighting public open spaces or thorough fares : Dsigned for use solely with light-emmiting diod (LED) light sources	45	60
33	9405.19.00	Other	45	60

e) Supplementary duty increased on automobiles and jeeps at the import stage:

Description	Existing Supplementary Duty Rate (%)	Proposed Supplementary Duty Rate (%)
Motor vehicles and other motor vehicles, including station wagons:		
(A) Cylinder capacity from 2001 cc to 3000 cc	200	350
(B) Cylinder capacity from 3001 cc to 4000 cc	350	500
(C) Cylinder capacity is exceeding 4000 cc	500	500
CKD motor vehicles, station wagons Including jeeps:		
(A) Cylinder capacity from 2001 cc to 3000 cc	100	150
(B) Cylinder capacity from 3001 cc to 4000 cc	300	350
(C) Cylinder capacity is exceeding 4000 cc	350	500
Complete hybrid motor vehicles and other motor vehicles, including station wagons:		
(A) Cylinder capacity from 2001 cc to 2500 cc	45	60
(B) Cylinder capacity from 2501 cc to 3000 cc	60	1000
(C) Cylinder capacity from 3001 cc to 4000 cc	100	150
(D) Cylinder capacity is exceeding 4000 cc	300	350
(E) Cylinder capacity 2001 cc or above microbus	45	60

f) Products on which VAT has been imposed at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8443.32.10	Computer printer	0	15
2	8443.99.10	Toner cartridge/Inkjet cartridge for computer printer	0	15
3	8471.30.00	Portable automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display	0	15

g) Products on which VAT has been exempted at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8713.90.00	Wheel chair	15	0
2	0801.31.90	Other Cashew nuts in shell	15	0
3	0801.32.90	Other Cashew nuts Shelled	15	0
4	9608.99.10	Ball points for ball point pen	15	0

h) Products on which AT has been exempted at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8713.90.00	Wheel chair	5	0

i) Products on which AIT has been exempted at the import stage:

Sl. No.	H.S. Code	Description	Existing Rate	Proposed Rate
1	2	3	4	5
1	8713.90.00	Wheel chair	5	0

J) List of H.S. Codes that have been amended, split, merged, created, modified and abolished:

i) H.S. Codes, where description has been changed/modified:

Sl. No.	H.S. Code	Existing Description	Changed Description
1	2	3	4
1	39.02	Polymers or propylene or of other olefins, in primary forms.	Polymers of propylene or of other olefins, in primary forms.
2	3824.99.60	Calcium Chloride based container desiccant	Desiccant
3	8418.69.93	---- Freezer or storage box of exceeding 2000 L capacity imported by Industrial IRC holder VAT compliant ice-cream manufacturing industries	---- Freezer or storage box of exceeding 2000 L capacity imported by Industrial IRC holder VAT compliant ice-cream manufacturing industries or cold storage

ii) H.S. Codes that have been split:

Sl. No.	Existing H.S. Code	Splited H.S. Code	Description
1	2	3	4
1	1006.30.10	1006.30.11	---- Fortified rice kernels: Bashmoti Rice
		1006.30.19	---- Other
2	1006.30.90	1006.30.91	---- Other: Bashmoti Rice
		1006.30.99	---- Other
3	2507.00.00	2507.00.11	---- Imported by industrial IRC holder VAT compliant tiles & Sanitary products manufacturing industry
		2507.00.19	---- Other
		2507.00.90	--- Other
4	2508.40.00	2508.40.11	---- Imported by industrial IRC holder VAT compliant tiles & Sanitary products manufacturing industry
		2508.40.19	---- Other

Sl. No.	Existing H.S. Code	Splited H.S. Code	Description
1	2	3	4
		2508.40.90	--- Other
5	7308.90.90	7308.90.91	---- Metal frames for LCD/LED TV panel imported by Industrial IRC holder VAT compliant TV manufacturers
		7308.90.99	---- Other
6	8309.90.90	8309.90.91	---- Bung
		8309.90.99	---- Other
7	8541.49.00	8541.49.10	--- Solar modules or panels
		8541.49.90	--- Other
8	7219.11.00	7219.11.10	--- Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry
		7219.11.90	--- Other
9	7219.12.00	7219.12.10	--- Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry
		7219.12.90	--- Other
10	7219.13.00	7219.13.10	--- Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry
		7219.13.90	--- Other
11	7219.14.00	7219.14.10	--- Imported by Industrial IRC holder VAT compliant cold rolled stainless steel in coils manufacturing industry
		7219.14.90	--- Other
12	8506.60.00	8506.60.10	--- For hearing aid
		8506.60.90	--- Other
13	2706.00.10	2706.00.11	---- Imported by Industrial IRC holder VAT compliant tar manufacturering industres
		2706.00.19	---- Other
		3824.99.99	---- Other
14	7213.99.00	7213.99.10	--- Wire rod of circular cross-section measuring 14 mm to 30 mm in diameter imported by Industrial IRC holder VAT compliant electrode or wire drawing manufacturing industry
		7213.99.90	--- Other
15	7309.00.00	7309.00.10	--- Silo imported by Industrial IRC holder VAT compliant food manufacturering industry
		7309.00.90	--- Other

Sl. No.	Existing H.S. Code	Splited H.S. Code	Description
1	2	3	4
16	2917.39.00	2917.39.10	--- Purified Isophthalic Acid (IPA) imported by Industrial IRC holder VAT compliant petro chemical industry
		2917.39.90	--- Other
17	7007.19.00	7007.19.10	--- UL marked glass Imported by industrail IRC holder VAT compliant fire door manufacturing industry
		7007.19.90	--- Other
18	8511.10.00	8511.10.10	--- Sparking plug used for exclusively aircraft and helicopter engine
		8511.10.90	--- Other

iii) H.S. codes that have been merged:

Sl. No.	Existing H.S. Code	Merged H.S. Code
1	2	3
1	7225.99.10	7225.99.00
	7225.99.90	

iv) H.S. codes that have been newly created:

Sl. No.	New H.S. Code	Description
1	2	3
1	3920.10.30	--- Mulch film
2	3920.10.40	--- Tarpaulin
3	3921.90.93	---- Tarpaulin
4	8421.21.95	Sewage treatment plant (STP)
5	8418.69.96	Chiller imported by Industrial IRC holder VAT compliant cold storage
6	7227.90.20	--- M.S. bars and rods imported by Industrial IRC holder VAT compliant electrode or wire drawing manufacturing industry

v) Amendments made in Sub-heading 2309.90:

Sl. No.	Existing		Proposed	
	H.S. Code	Description	H.S. Code	Description
१	२	३	४	५
		- Other :		- Other :
		--- Preparations for use in making complete feed or supplementary feed :		--- Preparations for use in making complete feed or supplementary feed for animal :

Sl. No.	Existing		Proposed	
	H.S. Code	Description	H.S. Code	Description
१	२	७	४	५
	2309.90.11	---- Vitamin or mineral or amino acid or their combination (feed grade)	2309.90.11	---- Vitamin or mineral or amino acid or their combination (feed grade)
	2309.90.12	---- Vitamin premix or mineral premix or amino acid premix or their combination (feed grade)	2309.90.12	---- Vitamin premix or mineral premix or amino acid premix or their combination (feed grade)
	2309.90.13	---- Probiotics or prebiotics or their combination (feed grade)	2309.90.13	---- Probiotics or Prebiotics or their combination (feed grade)
	2309.90.14	---- Essential oil or combination of essential oils (feed grade)	2309.90.14	---- Essential oil or combination of essential oils (feed grade)
	2309.90.19	---- Other	2309.90.19	---- Other
	2309.90.90	--- Other		--- Preparations for use in making complete feed or supplementary feed for fish:
			2309.90.21	---- Vitamin or mineral or amino acid or their combination (feed grade)
			2309.90.22	---- Vitamin premix or mineral premix or amino acid premix or their combination (feed grade)
			2309.90.23	---- Probiotics or Prebiotics or their combination (feed grade)
			2309.90.24	---- Essential oil or combination of essential oils (feed grade)
			2309.90.29	---- Other
			2309.90.90	--- Other

vi) H.S. codes that have been abolished:

Sl. No.	New H.S. Code	Description
1	2	3
1	3926.90.40	--- Mulch film
2	7225.99.10	--- Metal frames for LCD/LED TV panel imported by Industrial IRC holder VAT compliant TV manufacturers