CPD-SANAC DIALOGUE ON

ANALYSIS OF THE NATIONAL BUDGET FOR FY2015

Keynote Presentation

by

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ট্রান্সপারেন্সি ইন্টারন্যাশনাল বাংলাদেশ
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ISSUES FOR DISCUSSION

I. Benchmark Condition for the National Budget FY15

II. National Budget FY15: Ten Critical Issues

III. Concluding Remarks: Reforms Needed

1. BENCHMARK CONDITION FOR THE NATIONAL BUDGET FY15

- National budget FY15 has been prepared in the backdrop of –
  - Enhanced public investment
  - Stable inflation
  - Substantial surplus in BoP
  - Stable exchange rate
  - Augmented foreign exchange reserve
  - Stable (falling) global commodity prices
- At the same time -
  - Slowdown in GDP growth
  - Declining private investment
  - Significant shortfall in revenue mobilisation
  - Reliance on domestic sources for financing fiscal deficit
  - Depressed domestic demand

II. NATIONAL BUDGET FY15: TEN CRITICAL ISSUES

- National budget FY15 can be analysed on following ten issues
  1. Reflection of government's political and development perspectives in the national budget FY15
  2. Arithmetic of projected GDP growth for FY15
  3. Balance sheet of public finance framework
  4. Revenue generation by 'reformed' tax administration
  5. Efficiency in public expenditure (non-development)
  6. Efficiency in development expenditure
  7. Addressing the long term development issues
  8. Readiness of physical infrastructure
  9. Incentives for reverting downward private investment
  10. District budget: allocation for Sylhet

II.1 REFLECTION OF DEVELOPMENT AND POLITICAL PERSPECTIVES

- It was expected that the budget for FY15 will highlight development and political perspective of the new government

Development Perspective

- Short-medium term issues
  - Attaining fiscal consolidation backed by high growth of revenue
  - Revitalising economic growth momentum
  - Reverting the downturn of private investment
  - Further control of inflation
  - Medium term outlook has predicated a very optimistic scenario (8% GDP growth in FY17); low inflation; reduce budget deficit
- Long term issues
  - Has finally abandoned the Sixth Five Year Plan targets
  - The Seventh Five Year Plan has not been picked up
- *Attempt has been made to address short-medium term issues but not so much to address long term development issues*

II.1 REFLECTION OF DEVELOPMENT AND POLITICAL PERSPECTIVES

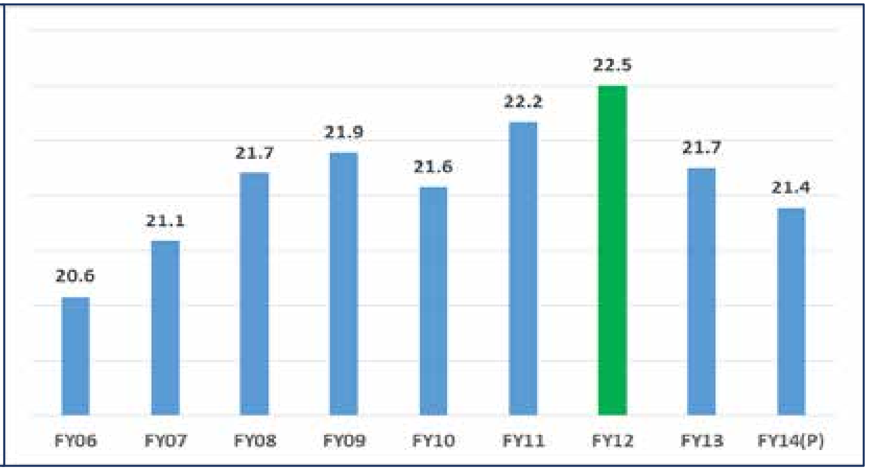
Political Perspective

- A newly elected government in the first budget usually tries to highlight its political perspective.
  - Addressing the commitments made in the election manifesto
- Little reference to new and specific commitments of the recent election manifesto
  - Although a number of projects to be implemented in the FY15 resembles the commitment made in the manifesto

II.2 ARITHMETIC OF PROJECTED GDP GROWTH RATE

GDP Growth (%), base year:2005-06

Private Investment as % of GDP, base year:2005-06



- GDP growth rate for FY15 is targeted to be 7.3% (FY14 target: 7.2% but estimated 6.1%)
  - Private investment (as % of GDP) has to grow from 21% to 25% (4-5% percentage points
  - About Tk. 75,000 crore (USD 9.5 billion) additional amount of private investment in a single year – an impossible target.
- Increasing public investment is important but is not substitute of private investment
- Projection shows that in FY15 private investment as a share of GDP will continue to decline

II.2 ARITHMETIC OF PROJECTED GDP GROWTH RATE

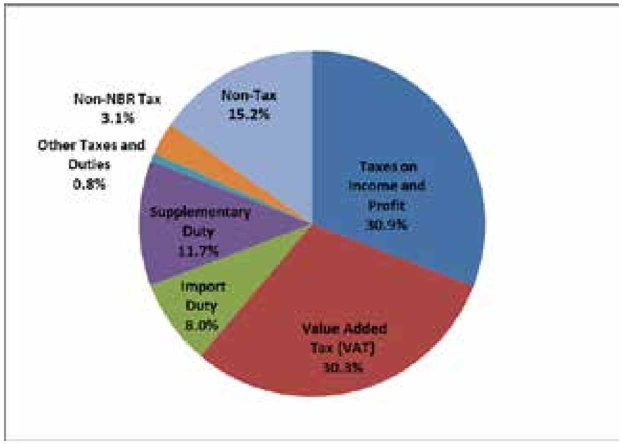
- The Finance Minister is expecting **favorable weather** and **political stability**!
- *GDP growth for FY15 is possibly a desirable target, which regrettably does not have any substantive basis*

II.3 BALANCE SHEET OF PUBLIC FINANCE FRAMEWORK

- **Revenue** (16.8%) projected to grow **faster** than **public expenditure** (15.9%)
- **Development expenditure** (32.5%) programmed to **grow faster** than non-development revenue expenditure (14.3%)
- **ADP**: 32.1% of total public expenditure (27.7% in the RBFY14)
- **Budget deficit** has been projected at **5.0%** of GDP (same in RBFY14)
- Balance in financing budget deficit will be restored, if implemented –
  - **High foreign financing** target (30.7% growth over the RBFY14) has been set with anticipated gross foreign aid flow of **USD 4.1 billion**
  - Government's **net bank borrowing** will **increase** by only 4.1**%**
- ***The fiscal framework may once again be found to be vulnerable in the face of reality!***

II.4 REVENUE GENERATION BY 'REFORMED' TAX ADMINISTRATION

Share of Revenue FY15



Revenue Mobilisation

- FY15 budget targets an additional Tk. 26,283 crore revenue
- NBR to take the lead role (accounting for 94.1% of incremental revenue)
- 44.6% of incremental revenue from income tax; while 34.8% from VAT
- Non-NBR revenue growth for FY15 remain at a subdued level

- Under a huge shortfall (Tk.23000 crore), growth rate for revenue in FY15 may shoot up to around **27%**

II.4 REVENUE GENERATION BY 'REFORMED' TAX ADMINISTRATION

- A number of changes have been proposed in income tax, corporate tax, turnover tax, supplementary duties, provisions for tax holidays and collection of VAT
- Personal income tax threshold has remained the same at Tk. 2,20,000
  - The fourth slab has been changed in FY15 (from 3 lakh to 5 lakh) and a new fifth slab of 30 lakh has been added.
- Revised for women and senior citizens (Tk. 2,75,000 from Tk. 2,50,000); physically challenged (Tk. 3,50,000 from Tk. 3,00,000); new threshold for war-wounded freedom fighters (at Tk. 4,00,000)
- Rates of wealth surcharges have been thoroughly revised
- Tax for Non-Publicly Traded Companies has been decreased from 37.5% to 35%
  - Minimum Turnover Tax has been reduced from 0.50% to 0.30%
- Scope of voluntary disclosure of income by paying tax at normal rate plus an additional 10% penalty remains unchanged

II.4 REVENUE GENERATION BY 'REFORMED' TAX ADMINISTRATION

- Existing tax holiday facilities have been extended till June 2019 (Accelerated Depreciation has been reinstated for new industries)
- Tax holiday period extended from 7 years to 10 years for the existing industries in LDAs and the new ones (2014 to 2019)
- 5 years tax exemption for Demutualised Stock Exchange
- Tax Rebate for Industries in LDAs: 10% till 30 June, 2019 for the existing ones and 20% for the new or relocated ones
- Reduction in tax at source (from 0.8% to 0.3%) for garments exports (from 0.8% to 0.6% for other export-oriented industries)
- Supplementary Duty (SD) on 770 items has been changed – loss of Tk. 500 crores!
- Raw materials of pre-fabricated building and fire safety equipment have been fully exempted from import duties

II.4 REVENUE GENERATION BY 'REFORMED' TAX ADMINISTRATION

VAT

- Forthcoming VAT Law 2012 is to be implemented from June, 2015
- FY2015 budget proposals
  - Setting a cap for maximum penalty of VAT evasion
  - Tax exemption of services related to the export-oriented industries
  - Existing 23 sectors under the VAT regime will be charged the 'standard' VAT rate of 15%
  - VAT enhancement in English medium schools, jewellery items and land development and building construction sectors
  - VAT reduction on edible oils to stabilize consumer prices
- *Significant effort will be needed to attain the ambitious revenue generation target in 'reduced' areas by 'extending' the coverage*
  - *Vertical effort will be needed in limited horizontal space*

II.4 REVENUE GENERATION BY 'REFORMED' TAX ADMINISTRATION

Tax administration

- Strengthening NBR needs to be addressed at the earliest
  - About 9000 new positions have been created to strengthen functioning of NBR
- Some of the initiatives including simplification of income tax return, e-payment system, e-TDS system and e-filing, tax administration retrieval system, implementation of the ASYCUDA system have already taken place
- Several initiatives are yet to be realized
  - Implementation of New Income Tax law (draft prepared); Direct Tax modernization program not fully enforced; Business Identification number (BIN) program not implemented; Bills as regards amendments of Acts on Tax, VAT, Customs, Civil Procedure Codes for accommodating ADR are progressing at slow pace
- Expediting the modernisation plan through adequate financial and human resources will be crucial in the above regard
- *Growth of future revenue generation will largely lie on quick and efficient 'reform' of NBR*

II.5 EFFICIENCY IN PUBLIC EXPENDITURE (ND)

Economic Analysis of Non-Development Revenue Expenditure

Indicators	Share B FY15	Incremental Share FY15B	Change in cr Tk. FY15/RBFY14
Pay and Allowances	21.2	9.4	1202
Goods and Services	12.1	0.4	46
Interest Payments	23.0	35.1	4503
Domestic	*21.7*	*34.7*	*4451*
Foreign	*1.3*	*0.4*	*52*
Subsidies and Current Transfers	37.1	39.5	5057
Block Allocation	1.4	11.1	1428
Acquisition of Assets and Works	5.2	4.5	579
Non-Development Revenue Expenditure	100.0	100.0	12815

- Allocation for Public Services is set to be 1.4 times of RBFY14 (Tk. 11,349 crore)
  - 9.5% of the incremental allocation for pay and allowances
  - Tk. 5,000 crore has been for Investment for Recapitalisation
- Highest incremental share to Subsidies and Current Transfers, followed by interest payments and block allocation – block allocation is to increase by a substantial margin!

II.5 EFFICIENCY IN PUBLIC EXPENDITURE (ND)

Subsidy

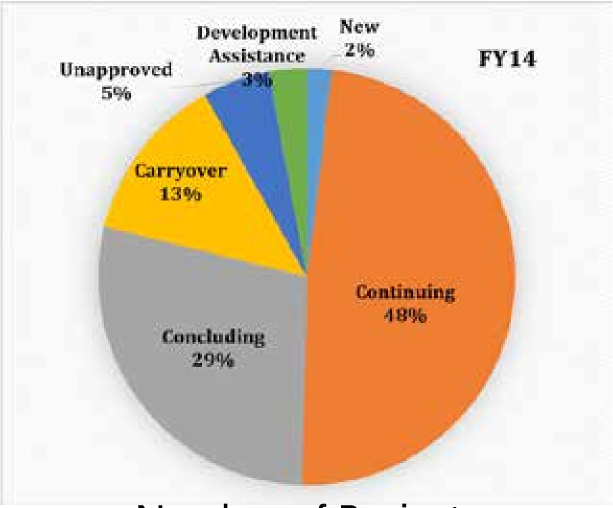
- Total subsidy allocation is reduced by (-) 18.2%
- BPC subsidy is expected to be (-) 61.9% lower
  - Higher tariff values are proposed for import of petroleum! Will increase subsidy demand
  - Will it require another price adjustment?!
- PDB subsidy for power is expected to be14.8% higher
- Agriculture subsidy will be Tk. 9,000 crore – same as the previous year
- For export sector, allocation is increased by 10%

Deficit financing

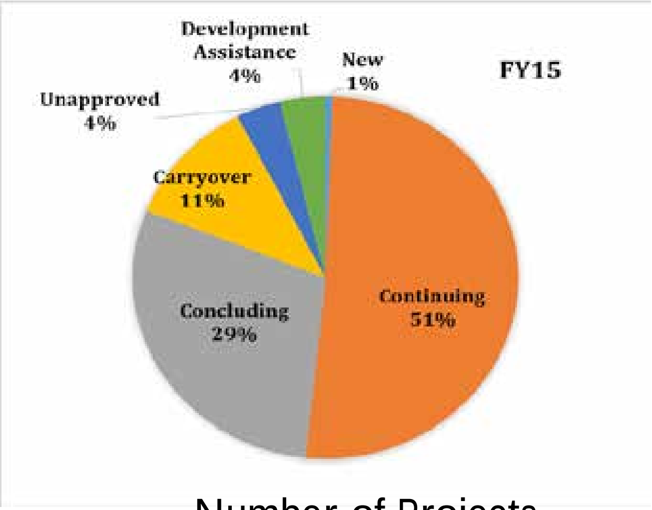
- Share of foreign financing will be 35.9% in FY15 (31.2% in RB of FY14)
- Gross foreign aid requirement will be around USD 4.1 bln (USD 3.4 bln in RBFY14)
  - An almost impossible target in view of USD 2.4 billion being received during Jul-Apr FY14.

II.6 EFFICIENCY IN DEVELOPMENT EXPENDITURE

- **ADP** of Tk. 80,315 crore (**6.0% of GDP**) has been proposed for FY15
- The ADP for FY15 contains **1,034 projects** (1046 for ADP of FY14)
- **Another 684 unapproved** projects has also been listed in the ADP FY15



Number of Projects
1046



Number of Projects
1034

- Similar trend in the structure of ADP continues
- Only **29 new projects** are included: 0.6% of total ADP;
  - 202 new projects were included in the RADP for FY14; 157 new projects were included in the RADP for FY13

II.6 EFFICIENCY IN DEVELOPMENT EXPENDITURE

- More than half of the allocations (about 51.0%) are provided to 352 projects which are suppose to continue to the next ADP (for FY16)
- **296 carryover projects** consist of **11.4%** of the total allocation
  - Transportation sector has 87 of these projects, while ‘Physical Planning, Water Supply & Housing’ Sector also has 53 number of similar projects
- It has become a tendency in recent years to list a set of unapproved projects, similar to ADP

Project Status	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Unapproved projects without Allocation	407	492	800	702	720	662	624
Projects listed to seek Foreign Funds	160	227	292	259	327	346	338
Total Number of Projects in the ADP	**904**	**886**	**916**	**1039**	**1037**	**1046**	**1034**

II.6 EFFICIENCY IN DEVELOPMENT EXPENDITURE

- Total allocation for Padma bridge project for FY15 is **Tk. 8,100 crore i.e. 39.5%** of the total cost
  - 29.8% of incremental allocation of ADP FY15 over RADP FY14
  - The project cost was estimated in 2009 – needs revisit!
- One of the priority projects **'Dhaka-Chittagong 4-lane project (revised)'** is expected to be completed by December 2014
  - One can question as regards possibility of completion of the project in due time – adequate allocation has also not been received
- Many of the projects to be complemented were carried forward to the next ADP due to inadequate allocation (i.e. Ashugonj 450MW, Siddhirgonj 335 MW Projects etc.)

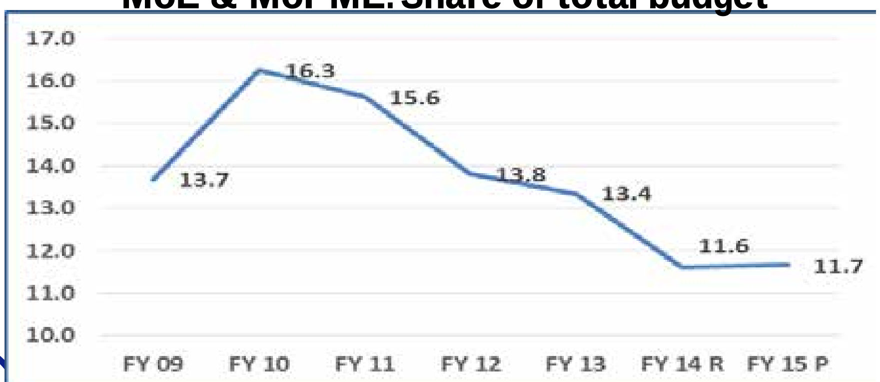
II.6 EFFICIENCY IN DEVELOPMENT EXPENDITURE

- The practice of "**symbolic allocation**" (the minimum to keep the project in the ADP list) is still **pervasive**
- **13 projects under ADP received only Tk. 1 lakh for FY15**
- 26 'investment' projects under ADP received only Tk. 1 crore or less (besides those 10 investment projects with 1 lakh allocation) for FY14
- *Allocative priorities of ADP expenditure are consistent with development targets but operational priorities are highly inefficient*

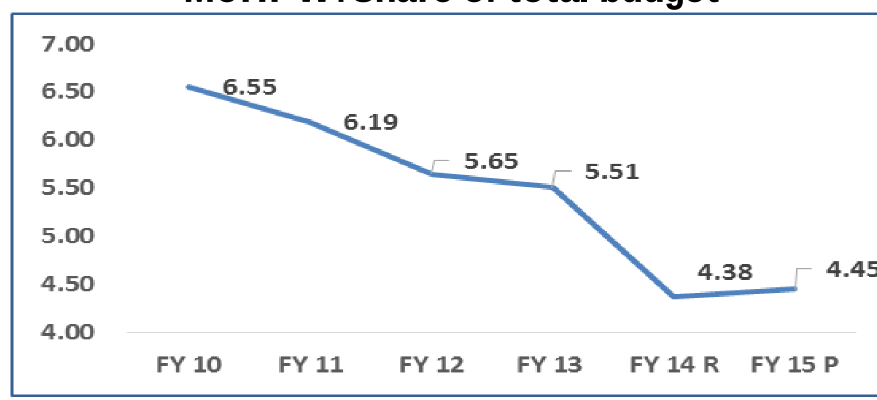
II.7 ADDRESSING LONG TERM DEVELOPMENT ISSUES

- Allocations for the Ministry of Education (MoE) & the Ministry of Primary and Mass Education (MoPME) have increased by 16.4%.
- In FY10 allocation for MoE & MPME was 16.3% which has declined to 11.7% in FY15
- Allocation for the Ministry of Health and Family Welfare (MoHFW) in FY15 has been increased by 17.7%.
- However, the allocation as percentage of total budget is 4.5% which is lower than the average allocation of 5.7% during FY10-FY14.

MoE & MoPME: Share of total budget



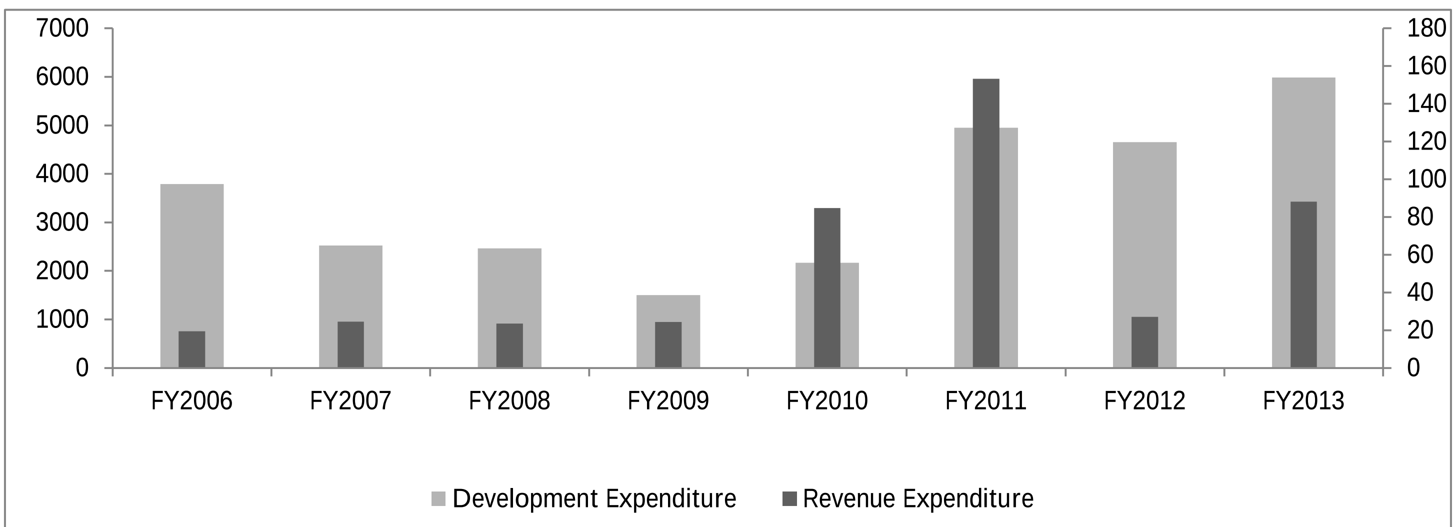
MoHFW: Share of total budget



II.8 READINESS OF PHYSICAL INFRASTRUCUTRE

- Total allocation for fuel and energy sector has been increased by16.5% in FY15 over RADP14); but sectoral allocation in terms of total allocation will remain same (4.6%)
- *Power:* Allocation for power sector has increased by 16.7% (over RADP) mainly due to rise in development expenditure
  - Out of 13 projects listed as ‘projects to be completed by FY15’ only 1 project is likely to be completed while 3 projects will be completed above 50 % and rest 9 projects below 50%

Revenue and Development Expenditure in Fuel and Energy Sector (in constant term)



II.8 READINESS OF PHYSICAL INFRASTRUCUTRE

- *Energy & mineral*: Allocation will be increased by16% but reduced in share of total expenditure (-0.25% point)
- Development expenditure: Reduction in allocation in investment programme, technical assistance and JDCF will be outweighed by increased allocation for self finance projects (24.8%)
  - Number of projects has doubled (58 vis-à-vis 29 in RADP 14); highest allocation under self-financed projects (34 projects)
- 3 projects related to gas transmission and distribution are likely to be completed by June, FY15: *improve supply of gas at consumers' end (industry would be benefitted)*
- Mixed progress in 28 projects are supposed to be completed by June, 2015
  - 7 projects-max. 50% & 19 projects –max 75% to be disbursed by June, 2015
- As per the budget speech of the FM, establishment of an LNG terminal (at Maheshkhali Island) still in consideration: *No immediate hope*
- Increase in tariff value for crude petroleum as well as for other refined petroleum products along with drastic reduction of subsidy for BPC (from Tk.7350 crore to Tk.2800) would require significant upward adjustment of tariff at retail level

II.9 INCENTIVES FOR REVERTING DOWNWARD PRIVATE INVESTMENT

- Enhancing private investment within short to medium term requires a set of well-targeted and well-designed fiscal and budgetary measures
  - Need to address the supply side and demand side challenges
- A set of fiscal and budgetary measures has been announced in the national budget FY15 which partly addresses those challenges
  - Fiscal measures (direct impact on investment, production, export and sales)
    - Supply side issues: by reducing operational cost ; by enhancing revenue income
    - Demand side issues: by enhancing households' income and by reducing price of consumer products
  - Public investment (medium to long term impact on private investment)
    - Supply side issues: by enhancing investment in physical infrastructure (e.g. transport, power and energy) and social infrastructure (human resource development)
    - Demand side issues: by creating new jobs through increase in public investment

II.9 INCENTIVES FOR REVERTING DOWNWARD PRIVATE INVESTMENT

- A number of measures, however, constrain attaining the targets
  - Adverse impact on domestic industries due to reduction of CD/SD on imported finished products: *reduction of tax incidence: from -3% to -56%*
  - Insufficient allocation for key infrastructure ADP projects
  - Adverse impact on consumers for possible rise in retail price of consumer goods and services due to enactment of new VAT act along with withdrawal of VAT exemption and reduced VAT
- Curiously, proposed budget allocation for the Industrial sector in FY15 is lower than that that of RADP14 (less than 21% and share of total public expenditure to fall by 0.6% point)
- ADP15 claimed that 16 projects are likely to be completed in FY15: of these, 9 projects will near completion level if full budget allocation is made in FY15: *Positively contribute to investment in the private sector*
- A number of those projects remain far behind the targeted timeline

II.9 INCENTIVES FOR REVERTING DOWNWARD PRIVATE INVESTMENT

- ***Small and Medium Enterprises (SMEs):*** Subsidised credit and refinancing facilities for the SMEs will continue: Likely to promote private investment
  - Reduction of CDs on various raw materials (from 10-25% to 5-10%) will benefit a number of industries including glass, ceramics, rubber, paper, furniture, paint, electrical, plastic and baby diaper
  - Rise in CD (25% from existing 5%) on LPG cylinders: *will give advantage to local industry*
- Introduction of1% 'Green Tax' : Positive market based approach; Limited impact to reduce pollution
- ***Leather:*** Proposed reduction of SD on selected inputs of leather and footwear (e.g. prepared water pigments; polishes, creams: from 20% to15%): *Likely to reduce production cost*
  - Slow progress in implementation of relocation of the Tannery Industrial Estate doubt about full implementation within the revised deadline:
- ***Jute:*** Given the weak state of export and poor competitiveness, the tax deduction at source from 0.8% to 0.6% would not be adequate to compensate their losses
  - Enactment of the Mandatory Packaging Act, 2010 is urgently needed in order to expand the domestic market for jute sacks and other jute products (CPD, 2014)

II.9 INCENTIVES FOR REVERTING DOWNWARD PRIVATE INVESTMENT

- ***RMG and Textile:*** Reduction of tax at source from 0.8% to 0.3% (till June, 2015) along with other financial support have given relief to entrepreneurs and help undertaking necessary retrofitting measures to make the factories compliant
- Reduction of CD on flex fiber (from 10% to 5%) and artificial staple fibre (from 5% to 3%) would likely to reduce production cost of specific textiles in b/l textile industries
  - Reduction of SD on imported fabric (e.g. woven fabrics, woven pile fabric, knitted fabrics, track suit, undergarments) would likely to reduce cost of import: *may benefit the consumers*
- ***Ship building:*** Announcement of stimulus package for ship building along with four other export-oriented sectors may positively contribute: *the package is not detailed out*
  - Fixing import duty at 5% on navigation light, broadcasting equipment and fire extinguishers: (existing: 15%/kg): *reduce the production cost*
- ***Pharmaceuticals:*** Reduction of SD on 40 basic raw materials of pharmaceuticals industry from 15-25% to 5% would reduce cost of raw materials: *Positively contribute to the industry*
  - Reduction of CD on 40 raw materials for alopaethic medicine: *positively contribute to local industry*

II.10 DISTRICT BUDGET: ALLOCATION FOR SYLHET

	Allocated amount for 7 districts (in crore taka)	Estimated budget for 64 districts (in crore taka)	Estimated budget for 64 districts as a % of National Budget 2014-15 (in crore taka)
Total District Budget	19,596.00	1,79,163.40	71.52
Development Budget	7703.82 (39.31%)	70434.92 (39.31%)	81.57
Non-development Budget	9937.87 (50.71%)	90860.52 (50.71%)	70.86

- Share of non development budget (50.71%) for these 7 districts are in harmony with the national non-development budget (51.19%).
- Share of development budget (39.31%) is a little higher than that of the national budget (34.47%).
- If the current budget proposed for all 64 districts, it would have taken about 70% of the total budget leaving about 30 % for the national budget which would have not been sustainable.

II.10 DISTRICT BUDGET: ALLOCATION FOR SYLHET

(As Percentage of Total District Budget)

	Tangail	Khulna	Chittagong	Barisal	Rajshahi	Rangpur	Sylhet
Total Development	40.53	59.87	45.83	36.97	27.68	36.10	40.14
Total Non-development	59.47	40.13	55.13	63.03	72.32	63.90	59.86
Sector-wise allocation							
Top 1	Roads (13.04%)	Railway (20.19%)	Local Government (18.55%)	Education (15.33%)	Education (28.53%)	Education (14.98%)	Local Government (11.75%)
Top 2	Education (12.18%)	Education (10.57%)	Railways (14.18%)	Local Government (12.91%)	Home (9.89%)	Local Government (13.11%)	Home (11.67%)
Top 3	Primary and Mass Education (11.54%)	Local Government (9.33%)	Education (11.05%)	Primary and Mass Education (11.70%)	Primary and Mass Education (8.49%)	Health and Family Welfare (9.45%)	Primary and Mass Education (11.37%)
Top 4	Local Government (9.72%)	Home (9.21%)	Primary and Mass Education (7.92)	Home (11.53%)	Local Government (8.24%)	Primary and Mass Education (8.94%)	Health and Family Welfare (9.07%)
Top 5	Food (7.59%)	Water Resources (8.77%)	Home (7.10%)	Health and Family Welfare (9.20%)	Health and Family Welfare (8.13%)	Food (7.92%)	Railways (6.79%)

II.10 DISTRICT BUDGET: ALLOCATION FOR SYLHET

- ADP Allocation in Sylhet region for Health and Education
  - Five projects in health and education are ongoing
  - Four projects are supposed to be completed by FY15
    - Three projects are likely to exceed the deadlines

Name of the project	Tenure	Project Cost	ADP Allocation for 2014-15	% of total disbursement of total project cost to be disbursed by FY15
Education				
Establishment of 7 Govt Secondary School in Sylhet, Barisal & Khulna	30/6/2017	15200	3280	25.8
Establishment of ICT Building in Shahjalal University	30/6/2014	3400	800	92.6
Upgradation of Sylhet Agriculture Univrsity	30/6/2015	7636	1900	66.0
Construction of two academic and one auditorium building in Sylhet Agri University	30/6/2015	2200	600	31.8
Health				
Vertical Expansion of Sylhet Diabetic Hospital	30/6/2015	597	204	42.5

II.10 DISTRICT BUDGET: ALLOCATION FOR SYLHET

- ADP Allocation for Industry
  - Implementation of Shahjalal fertilizer plant will be delayed (87% of project cost would be allocated in June, 2015)
  - 100% allocation of Sreemongol Industrial Estate project would be possible
- ADP Allocation for Energy Sector
  - *Sylhet Gas Transmission Network* and *Salda and Fenchugonj Gas Field's Development* projects will not be completed on time
  - Maximum possible implementation rate would be about 90% at the end of FY15

II.10 DISTRICT BUDGET: ALLOCATION FOR SYLHET

- ADP Allocation for Power Sector
  - Project timeline has expired in 2014: *Conversion of Sylhet Gas Turbine Power Plant & Conversion of Shahjibazar power plant* are far behind the targeted completion date
    - Possible completion by FY15 would be 36% and 18% respectively
  - *Construction of Haripur Power Plant* is also far behind the targeted completion date (June, 2014):
    - Possible completion by FY15 would be about 80%
  - Insufficient allocation for large scale power plant projects
    - *Shahijbazar 330MW* (25%) and *Construction of Bibiana-3, 400 MW* Power Plant (14.2 %)

III. CONCLUDING REMARKS: REFORMS NEEDED

- Economic reforms are urgently needed in order to improve the overall institutional efficiency
- *Efficacy of Implemented Reforms:* It is good that Money Laundering Act, 2012 has been enacted. On a positive note, FY2015 Budget states that the recently set up Transfer Pricing Cell will start functioning from 1st July 2014.
- *Scaling Up:* Some initiatives such as performance audit has been undertaken on pilot basis. But the unfinished agenda is to scale this up on a universal basis.
- *Preparatory Work* : With regard to operationalizing New VAT Law, concerns remain whether the needed preparatory works (re-designing the VAT administration processes, acquiring and configuring a new computer system, recruiting and training new staff etc.) will be completed before the law comes into effect in 2015.
  - Even though some key preparatory tasks including procurement of new information technology systems and services were supposed to be completed by the end of 2013, much of the work remain behind planned schedule.

III. CONCLUDING REMARKS: REFORMS NEEDED

Many Important Measures are stalling

- In 2014-2015 budget, 27 reform programmes are mentioned as ‘programs yet to be completed’, with 25 initiatives/reforms carried over from the previous year.
- *Public Servant Act 2013* is not making any headway for the last couple of years. As per budget 2014, it was ‘awaiting approval of the Cabinet Committee’ while in Budget 2015 its status was mentioned as ‘under process’. This is an agenda that demands highest priority.
- As per budget FY2015, formulation of ‘Audit Act for Budget Implementation’ is underway while the status was the same in budget FY2014 indicating lack of positive movement.
- Many important reforms are stalling over the years. For example, draft ‘Financial Reporting Act’ was in place. FY2014 and FY2015 budgets state ‘work in progress’.
- Although in his FY2009 budget speech, the Finance Minister talked of continuing with Regulatory Reforms Commission’s work, this was not followed up. Time has come to set up a Task Force to address pending reform measures
- Capacity Building of IMED has emerged as a key factor particularly in view of implementation of major infrastructural projects in recent times

THANK YOU