

ANNEX 1

Dialogue Report on
State of Bangladesh Economy
in FY2009-10 and
Analysis of Budget FY2010-11

THE DIALOGUE

The dialogue on *State of Bangladesh Economy in FY2009-10 and Analysis of Budget FY2010-11*, organised by the Centre for Policy Dialogue (CPD), was held on 19 June 2010 at the Dhaka Sheraton Hotel. The programme was organised with a view to share CPD's observations and analyses as regards the national budget for FY2010-11 which was presented at the national parliament on 10 June 2010, and allow various stakeholders to put forward their views on both the macroeconomic framework of the budget and concrete budgetary proposals set by the government.

Mr A M A Muhith, MP, the Hon'ble Finance Minister was present as the Chief Guest. *Dr Masihur Rahman*, Economic Affairs Advisor to the Hon'ble Prime Minister attended the dialogue as the Special Guest; and *Dr A B Mirza Azizul Islam* and *Professor Wahiduddin Mahmud*, Former Advisors to the Caretaker Government were present as the Guests of Honour. *Professor Mustafizur Rahman*, Executive Director, CPD presented the keynote paper. *Professor Rehman Sobhan*, Chairman, CPD was the Chair of the dialogue.

The dialogue witnessed a broad representation of various civil society groups as well as government officials. Senior government officials and policymakers, lawmakers, political leaders, grassroots organisations and business communities, academicians, representatives of development partners and other relevant stakeholders attended the dialogue. A complete list of participants is attached at the end of the dialogue report.

OPENING REMARKS BY THE CHAIR

Professor Rehman Sobhan initiated the session expressing his deep appreciation to all participants who had volunteered their time to share their thoughts at the platform created by the CPD which had by now become a traditional and well-recognised feature of the institutional landscape of Bangladesh. He welcomed *Mr A M A Muhith, MP* for his readiness to listen to, and react to the opinions on budget FY2010-11 proposals as the Chief Guest; and thanked *Dr Masihur Rahman*, *Dr A B Mirza Azizul Islam* and *Professor Wahiduddin Mahmud* for their presence. He also mentioned that all of them have been alumni of the CPD's budget discussion for many years, and that he looked forward to their valuable observations and comments on Budget FY2010-11. *Professor Sobhan* hoped that the comments and recommendations emerging from the dialogue will provide the Finance Minister with useful insights and will

add value in the process of revision and finalisation of the budget through discussion in the parliament. He felt that the discussion will also be helpful from the perspective of raising the quality of implementation. He expressed his profound thanks to the audience who were present in large numbers at the session. He hoped that their views and feedbacks will be useful to the Hon'ble Minister. He thanked *Professor Mustafizur Rahman*, Executive Director and his colleagues at the CPD for their efforts in preparing the analytical report and invited *Professor Rahman* to make his keynote presentation on behalf of the CPD team.

THE KEYNOTE PAPER*

In his introductory comments, *Professor Rahman* appreciated the presence of such a distinguished audience and thanked the Chief Guest, Special Guest and Guests of Honour for their participation at the dialogue and their continuing support to the CPD.

He noted that the requirement of the Bangladesh economy calls for significant role to be played by the government and the public sector. He focused on some of the key features of the national budget including macroeconomic framework that informed the budgetary proposals, and important sectoral proposals in the budget for FY2010-11. *Professor Rahman* stressed on the need for timely implementation of various proposals with expected quality. He emphasised on the continued efforts to mitigate the adverse lagged impact of the global financial crisis by taking advantage of the opportunities in view of the recent recovering trends. He appreciated measures to widen the tax net, but observed that the personal income tax ceiling could have been revised upwards in consideration of the inflationary pressure on the economy. He particularly stressed the need for raising the efficacy of the delivery mechanism of the annual development programme (ADP) and the formulation of comprehensive public-private partnership (PPP) guidelines, on an urgent basis, to enhance sourcing of investment opportunities in the country. He underscored the need for ensuring coherence between fiscal and monetary policies.

OPEN FLOOR DISCUSSION

Divided Observation about GDP Growth Target

Opinion about the growth performance of gross domestic product (GDP) varied. *Mr M Fazlul Azim, MP* expressed satisfaction with regard to the registered GDP

*The full keynote paper has been presented in the Chapter 2 of the present volume.

growth of the last fiscal year. He urged all the relevant agencies to implement the budgetary proposals effectively and with quality in order to achieve higher GDP growth target for FY2010-11. *Dr M Osman Farruk*, Member, Advisory Council of the Chairperson, Bangladesh Nationalist Party (BNP) and Former Education Minister, on the other hand, remarked that it would be very difficult to achieve the growth target. He also felt that the medium term growth projections were rather conservative.

Tax Burden on Public should be Kept to a Minimum

The target of widening the tax net was generally appreciated by the audience. Some in the audience thought the revenue targets to be ambitious; however, there was a consensus that attaining such target was necessary to provide essential services to the public. *Major (Retd) Akhtaruzzaman*, Former MP cautioned that despite the fact that public expenditure needed to be expanded, the burden of taxes on the public should be kept to the minimum. *Mr Habibullah N Karim*, Managing Director, Technohaven Group of Companies felt that the revenue targets could be difficult to achieve unless the revenue collecting agencies were able to coordinate their actions effectively.

Mr Manzur Ahmed, Chairman, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Standing Committee remarked that government's revenue mobilisation target was perhaps too ambitious. In his opinion some of the truncated VAT (value added tax) proposals will increase the cost of production. *Mr Muhammad Shams-Uz Zoha*, Vice-Chairman, Bangladesh Jute Spinners Association (BJSAs) argued that increased income tax at source on export will harm the interests of the exporters, and requested the Finance Minister to reconsider this particular proposal.

Mr Ali Ahmed, Former Member, National Board of Revenue (NBR) observed that the newly proposed structure of supplementary duty (SD) on vehicles will favour the higher income earners as it will increase the price of lower to mid-range vehicles rather than those of which were more luxurious in nature. He also felt that although the proposed tax structure for real estate sector was progressive, there remains a possibility that the burden would be passed on to the consumers. Similarly, he felt that VAT imposed upon private university education would be passed on to the students and increase the cost of education. He strongly urged the government to reconsider these decisions.

Mr Abdul Hafiz Choudhury, Former President, MCCI also observed that the VAT on private universities, in effect,

a tax on education and will hurt students and parents. On a similar note, *Dr M Osman Farruk* remarked that the tax on book publishers and printers are often too high and urged the government to reconsider this to encourage knowledge spreading.

Ms Meher Afroz, MP and Chairman, Parliamentary Standing Committee on Ministry of Women and Children Affairs congratulated the Finance Minister for a favourable budget and welcomed the proposal to increase tax on tobacco. *Ms Khushi Kabir*, Member, CPD Board of Trustees and Coordinator, Nijera Kori also agreed with the proposal of increasing tax on tobacco producers and hoped that this will discourage tobacco cultivation.

Mr Abdul Hafiz Choudhury stated that some of the tax laws are outdated in the context of recent development in Bangladesh economy and should be rewritten.

ADP Implementation Remains Key Challenge

A large number of discussants put emphasis on the issue delivery of budgetary proposals. According to them, implementation of ADP remained a weak link, and coordination and effective participation of the entire government machinery will be required to produce the desired outcomes.

Mr M Fazlul Azim, MP commended the efforts of the government in accelerating the pace of ADP implementation in FY2009-10; however, he recommended that overlapping of ADP projects be brought to a halt so that duplication of resource allocation could be avoided. *Mr Azim* also remarked that there is a strong need for qualitative assessment of ADP implementation, not only the expenditure justification. *Dr M Osman Farruk* also called upon the government to monitor the qualitative aspects of ADP implementation. Echoing the earlier speakers, *Mr Manzur Ahmed* remarked that ADP implementation must be well monitored in order to provide essential services to the masses, and to support and crowd in the private investment.

Energy Sector: Most Significant Constraint to Growth

According to many participants, the energy sector remained the single most significant constraint to growth and development in the country. The discussants in the dialogue urged the government to prioritise this particular sector and to address the concerned issues adequately.

Ms Meher Afroz, MP expressed her concerns regarding the lack of improvement in power generation and overall

governance of the sector, and suggested that progress of different projects in the sector must be monitored closely.

Mr M Fazlul Azim, MP observed that the GDP growth performance has not been up to par due to the shortfall of power supply, and thought that reduction of corruption in the energy sector would improve its performance drastically. *Major General Shubid Ali Bhuiyan, MP* and Chairman, Parliamentary Standing Committee on Ministry of Energy and Mineral Resources also asked the relevant authorities to take steps towards reducing corruption in order to utilise available resources with higher efficiency. He, however, appreciated the proposed enlarged allocation for the power sector, and noted that it was crucial that more new projects were added for implementation in this sector.

Mr Manzur Ahmed noted that duties on diesel and furnace oil should be reduced to encourage small-scale power plants which would help reduce the load on the national grid. He further suggested that the government should declare a realistic policy regarding the power sector. *Mr Abdul Hafiz Choudhury* agreed with Mr Manzur Ahmed, and urged the Finance Minister to take necessary actions in this regard.

Brigadier General (Retd) M Mofizur Rahman, psc, Executive Director, International Business Forum of Bangladesh (IBFB) was of the opinion that coal and gas extraction should be encouraged towards larger generation of power in the country.

Health and Education Sectors are Key to Attain MDG Targets

Health and education sectors were perceived by many participants to be the keys to attaining the Millennium Development Goals (MDGs) (One to Seven) targets by Bangladesh. Accordingly, expedited and timely implementation of various projects in this sector was critical to attaining MDG targets by 2015. There was a need for coherence among the relevant policies and proposals in order to achieve the declared targets.

Ms Khushi Kabir commended the expansion of the *Maternal Health Voucher Scheme* from 17 to 45 upazilas and urged the Ministry of Health and Family Welfare (MoHFW) to implement the programme in a timely manner. Realising the need for increasing the quality of education and health facilities in the country, *Mr Muhammad Shams-Uz Zoha* called upon the government to allocate more resources in these two critically important areas.

Dr Ahmed Al-Kabir, Chairman, Rupali Bank Limited expressed his disappointment regarding the fact that

family planning has been largely ignored in the new budget. He observed that the lack of human resources in the health sector is largely responsible for the poor quality of service delivery. *Ms Priti Chakraborty*, Chairman, Xenergia Foundation recommended that the government should establish an exclusive fund for development of human resources in the country.

Stagnant Coverage of Social Safety Net Programme is a Major Concern

Although the budget has made an effort towards widening the social safety net programmes, concerns regarding stagnant coverage continued to drag performance. Participants in the dialogue expressed disappointment at the fact that the *Ghore Fera* programme was discontinued by the government.

Dr Wajedul Islam Khan, General Secretary, Bangladesh Trade Union Kendra remarked that adequate funds should be provided to underwrite administrative costs of employment generation programmes in order to ensure effective implementation. He further added that Day Care Centres should be included under the safety net programmes.

Dr Badiul Alam Majumder, Member Secretary, SUJAN and Country Director, The Hunger Project remarked that the government should ensure proper implementation of safety net programmes in order to reduce poverty in the country. *Dr Ahmed Al-Kabir* commended the development of the social safety net programme database; it was a welcome initiative towards developing well administered programmes of this nature in the country, he felt.

Reduced Allocation in Agriculture and Allied Sectors Remain a Concern

As apprehension regarding food security originating from climate change and international price volatility lingers, reduction in share of agriculture and allied sectors in the total allocation remained a concern, noted many dialogue participants. Some thought that the observed volatility in international price should induce an upward revision in the subsidy for fertiliser.

Dr M Osman Farruk remarked that there were unrealised potentials regarding agricultural growth, and asked the authorities to utilise the budgetary allocation efficiently. *Dr Mahabub Hossain*, Executive Director, BRAC commented that incremental contribution in agricultural growth comes from a variety of sources including the crop sector; all these components must be given proper attention in order to maintain robust performance of the

agricultural sector. He observed that there was a lack of appropriate policies for the poultry sector. He argued that proposed reduction in the customs duty (CD) of imported milk would hurt local producers. *Major General (Retd) Amjad Khan Chowdhury*, Chief Executive Officer, PRAN Group also felt that the reduction of import duty on milk powder will be counter-productive. However, he stated that the duty structure on fruit juice would encourage local producers.

Mr Muhammad Shams-Uz Zoha observed that the government should focus on adequate and timely availability of seeds, as more than 80 per cent of seeds used in the country were imported from India and any disruption in the supply chain will limit possibilities of enhancing agricultural production.

A Push is Needed for a Rapid Industrial Growth

Growth of industrial GDP will hinge on accelerating growth of total investment. Severe power crisis was also a serious concern, according to many of the discussants.

Dr M Osman Farruk argued that a push was needed for the rapid growth of the industrial sector, and there was a need for concerted efforts towards improvement of the power and energy situation in the country. *Brigadier General (Retd) M Mofizur Rahman, psc* expressed concern with regard to the fact that Bangladesh's position has dropped over the last two years, according to the International Finance Corporation (IFC) rating. He thought that the government should implement the budgetary proposals with due quality in order to encourage private investment.

In the opinion of *Mr Sayeeful Islam*, Former President, Dhaka Chamber of Commerce and Industry (DCCI), the government needs to provide adequate incentives to the industrial sector, in different forms, to energise investment in the country. He remarked that information technology (IT) firms need to be assisted in their quest to establish quality brands. *Mr Habibullah N Karim* argued that allocation for information and communication technology (ICT) was rather inadequate from the perspective of achieving the goals of a *Digital Bangladesh*. He further observed that the growth of the telecommunication sector has stalled, and tax on SIM card should be rationalised.

Resources for PPP are Spread Thin over Too Many Sectors

The PPP initiative was conceived as a key mechanism to stimulate investment if Bangladesh was to achieve 8.0 per cent GDP growth by FY2013-14. However, the

PPP process has been rather slow and had failed to materialise till now. This was the view of many. Inclusion of 23 PPP projects under the purview of the ADP as a step to activate the process was praised by the participants.

Mr Manzur Ahmed noted that although PPP has been finalised, the resources are spread thin over too many sectors. He asked the government to focus on the priority areas.

Participants at the dialogue commended the decision of setting up Bangladesh Infrastructure Finance Fund (BIFF). In this connection *Brigadier General (Retd) M Mofizur Rahman, psc* remarked that the BIFF initiative should be closely monitored and asked the authorities to ensure its implementation without any delay.

SEC should be Strengthened on a Priority Basis

The discussants observed that institutional strengthening of the Securities and Exchange Commission (SEC) needed to be seen as a priority for the government; however, no projects to enhance SEC's capacity for surveillance and monitoring and operational restructuring has been included in the budget for FY2010-11.

Mr Manzur Ahmed argued that imposition of the stock trading tax will discourage investors and reduce capital outlay in the market. *Mr Suhel Ahmed Choudhury*, Former Secretary and Former Chairman, Janata Bank criticised imposition of income tax on merchant bankers, while he urged the government to formulate policies to encourage small investors in the capital market.

Mr Habibullah N Karim, on the other hand, welcomed the imposition of tax on stock trading and commented that SEC should be strengthened to reign-in disruptive and speculative investment in the share market.

Imposition of Tax on Pensioners' Savings Certificate Scheme was Criticised by Many

The proposal to levy tax on the Pensioner's Savings Certificate Scheme was criticised by many participants since this would reduce the interest earned by pensioners.

Mr M Hafizuddin Khan, Chairman, TIB Board of Trustees, Former Advisor to the Caretaker Government and Former Comptroller and Auditor General of Bangladesh remarked that the tax would reduce the rate of real return on pension schemes and requested the Finance Minister to reconsider the proposal. *Mr Suhel Ahmed Choudhury* reiterated Mr Khan's views and felt that this would impose an unnecessary burden on pensioners.

Transparency in Policy Making and Execution must be Ensured

Discussants at the dialogue observed that a significant improvement in governance would be needed in order to root out corruption which often hinders economic development. The participants also asked the authorities to increase transparency in policy making and execution.

Dr M Osman Farruk noted that procurement policy has been a critical issue for a while, and advised the government to increase transparency in such policies. *Ms Meher Afroz, MP* agreed with Dr Farruk and emphasised that transparency needs to be ensured in all government projects, which in turn will enhance efficiency.

Dr Badiul Alam Majumder remarked that further measures to curb corruption are necessary. He also noted that local government agencies must be strengthened in order to improve the quality of project implementation.

Mr Sayeeful Islam observed that there is a need for transparency and continuation of policy stances in order to effectively implement the budgetary proposals. *Ms Khushi Kabir* reiterated Mr Islam's views, and added that the government must ensure the rights to information to safeguard the interests of the common public.

No Mention of Specific Policies for SME Sector in the Budget

Mr M Fazlul Azim, MP observed that there were no specific policies regarding the small and medium Enterprise (SME) sector of the country and expressed his disappointment regarding the fact that most of the proposals of last year's budget have not been realised. *Dr Ahmed Al-Kabir* felt that employment generation may be hindered due to lack of incentives in the SME sectors.

COMMENTS FROM THE GUESTS OF HONOUR

Professor Wahiduddin Mahmud, Former Advisor to the Caretaker Government

Professor Wahiduddin Mahmud appreciated the government's efforts towards implementing a progressive tax system and welcomed its actions to alleviate the impact of the global financial crisis. He also remarked that GDP growth rate in FY2009-10 was commendable when impact of the crisis is taken cognisance of. Addressing the issue of the conflict in

GDP growth estimates by the Bangladesh Bureau of Statistics (BBS) and the Ministry of Finance (MoF), *Professor Mahmud* observed that these two organisations suffer from weaknesses in terms of analytical capacities which need to be addressed. He felt that there was a need to raise quality of service in all institutions of the government.

Professor Mahmud noted that the authorities should focus on the qualitative aspects of ADP implementation, and not simply on fund disbursement. However, the share of ADP in the total budget has decreased over the years, he added. *Professor Mahmud* also emphasised that the implementation of ADP must be increased in order to encourage private investment. He noted that the outcome of development expenditure in the country must also be monitored closely.

Recognising the importance of continuing the stimulus packages to mitigate the impact of the global financial crisis, *Professor Mahmud* remarked that implementation of policies to deal with the crisis has been commendable.

Professor Mahmud expressed his concerns regarding the fact that although inflation was on the rise, real wages have not increased in tandem over the past years. He drew attention to the need for sound economic governance to protect people's purchasing power.

There is also a need for synchronisation between the industrial policy and the fiscal policy so as to reduce conflict and to encourage economic activity, commented *Professor Mahmud*. He also observed that the USD-Taka exchange rate should be rationalised as there are large discrepancies in foreign exchange transactions.

Dr A B Mirza Azizul Islam, Former Advisor, Ministries of Finance and Planning

Dr A B Mirza Azizul Islam, Former Advisor to the Caretaker Government remarked that the size of the ADP was not ambitious compared to the economic needs of the country; however, it may be ambitious compared to the implementation capacity of the government. *Dr Islam* also noted that although the share of revenue budget has increased due to the higher requirement for interest payment and implementation of the new government pay-scale, it should not emerge as a concern as long as the development budget was implemented effectively. He urged for special attention to be given to improving the power sector of the country, emphasising that it was the most binding constraint to growth. *Dr Islam* observed that an additional 200 MW of electricity should have been produced by June 2010, but this could not be realised. He

urged the government to put emphasis on the financing and procurement issues that were impeding the development of the power sector. *Dr Islam* also expressed his concerns whether the proposed rental power producers would be able to deliver on their promises. There was also a need for rationalising the price of gas, noted the Former Advisor to the Caretaker Government.

Addressing the issue of VAT, *Dr Islam* remarked that a major concern was to what extent the burden of tax would be shifted to the consumers and whether economic activities would be hampered because of this. He also noted that there was a need for exemption of SD for refrigerators. Regarding the issue of import duty, *Dr Islam* emphasised the importance of estimating the effective rate of protection and its linkage with redirection of resources. He added that a 12 per cent import duty on milk powder would result in an actual levy of 40 per cent, while a 25 per cent import duty would result in about 80 per cent duty, and questioned whether such protection was necessary.

Dr Islam also commented that the present increase in foreign exchange reserves took place because of slowdown of imports; however, the time may not be right for deliberate currency appreciation.

Addressing the issue of state-owned enterprises (SoEs), *Dr Islam* remarked that since privatisation of such institutions have been suspended, the Privatization Commission should also be abolished so as not to tie down valuable resources. He, however, felt that the loss-incurring jute industries should be privatised. Raising the issue of subsidies, *Dr Islam* was of the opinion that the assumption of higher subsidies leading to increased output must be tested before the allocation is increased.

Dr Islam observed that the numerous tax exemptions and holidays in effect should be revisited, while the status quo on the Pensioner's Savings Scheme should be maintained as the effective rate of interest has eroded due to high inflation rates. He also expressed his disappointment regarding the fact that no policy measures to reduce the emergent regional imbalance in country were included in the budget.

COMMENTS FROM THE SPECIAL GUEST

Dr Masihur Rahman, Economic Affairs Advisor to the Hon'ble Prime Minister noted that the structure of the budget has improved; however, he observed that there was some overlapping between development and non-development budget. He also emphasised the

importance of the Medium Term Budgetary Framework (MTBF) in the planning process.

Acknowledging the importance of decentralisation of economic activities, *Dr Rahman* was of the opinion that spatial development along Dhaka-Chittagong Axis needed to be encouraged, and expressed his disappointment regarding the fact that no such policies were mentioned in the budget.

Dr Rahman also remarked that in order to protect local producers in the backdrop of the global financial crisis, import duties needed to be increased where appropriate. He also recommended that the BBS would have to be strengthened to reduce the significant weaknesses with respect to data and analytical capacity that continues to be associated with official statistics.

RESPONSE FROM THE CHIEF GUEST

Mr A M A Muhith, MP, the Hon'ble Finance Minister appreciated the initiatives of the CPD and thanked the Guests of Honour, Special Guest and the discussants for their valuable insights on various proposals made in the budget.

Mr Muhith noted that the power sector would focus on rental power plants in order to meet the short-term demands. He also commented that a number of projections made by the previous governments have not materialised, which has contributed worsening of problems in many sectors. The Finance Minister assured the audience that although the government is moving rapidly with projects in the power sector, procurement transparency will not be compromised at any stage.

The Finance Minister mentioned that the major objective of the government's policies is to reduce the size of dependent population and that the government has proposed to widen the income tax base to improve public welfare. He also hoped that the proposed budget will be able to help in creating employment opportunities by instituting changes to domestic production and effective redistribution of wealth. *Mr Muhith* also noted that it was necessary to expand the VAT net to ensure revenue security, and remarked that some of the debated proposals such as income tax on Pensioners' Savings Scheme and vehicle tax might be reviewed before full passage of the budget.

In response to the comments regarding real estate tax, *Mr Muhith* felt that this was not likely to be a heavy burden, and he felt that it was necessary. Addressing the

issue of sectoral allocation, he assured that all the additional necessary demands will be met for strategically important sectors such as power, agriculture and ICT.

Mr Muhith emphasised on the implementation aspects of the national budget and mentioned that the quality of the projects will be monitored as well. He informed the forum that the actual ADP for FY2009-10 will be around Tk. 28,000 crore. *Mr Muhith* agreed with Dr A B Mirza Azizul Islam that implementation capacity of the relevant agencies should be enhanced and assured the audience that the government is actively trying to do so. The Finance Minister, however, noted that major portion of the investment must come from the private sector.

In response to comments from Professor Wahiduddin Mahmud, *Mr Muhith* agreed that the *Trade and Investment Policy* should be reintroduced and informed that the government is reviewing this proposal. The Finance Minister also remarked that the domestic protectionism introduced is not permanent and will be withdrawn as soon as the "infant industry argument" period was perceived to be over. He further added that the government has managed to reduce fraudulent activities in safety net programmes, which has enhanced the efficiency of execution.

In response to points raised by some of the participants, *Mr Muhith* remarked that the issue of jute will be addressed in the forthcoming *Industrial Policy*. He stated that prices of dairy products have increased internationally and reduction of import duty should not limit the protection for the local producers. Rather, he felt, this would help the purchasing power of the local consumers.

The Finance Minister also informed the participants about the appointment of the *Labor Wage Commission* to address and finalise the legal minimum wage in the garments industry. Recognising the importance of addressing the problems with unplanned urbanisation, he informed that the government is working on developing rural habitation centres.

The Chief Guest hoped for cooperation from all the relevant stakeholders in successful implementation of the budget. He concluded by thanking everyone involved in the dialogue and expressed his appreciation for the initiative CPD has taken to organise the discussion. He thanked the keynote speaker and all those who have participated in the discussion for their valuable insights.

CLOSING REMARKS BY THE CHAIR

In his closing remarks, *Professor Rehman Sobhan* noted that the budget is a commitment by the government to the public and they must work towards its effective implementation. He emphasised on qualitative and institutional changes while implementing the budget. *Professor Sobhan* felt that in realising the promises made in the budget the government must be aware of how the lives of the people were being affected in the process, and then closely monitor the actual outcome of the budget expenditures. He further added that raising revenue is crucial to finance the promises made in the budget and reminded that Bangladesh is still struggling to reach a 10 per cent Tax-GDP ratio.

Professor Sobhan commented that budgetary measures which were geared to ensure benefit for farmers and workers were of high significance and importance, and urged the Finance Minister to take necessary steps to ensure that the benefits reach the intended target. However, he expressed his disappointment at not seeing a clear vision in the proposed budget and policies to eradicate poverty. He felt that the coverage of safety nets was inadequate in relation to the emerging needs.

Bringing the dialogue to a close, *Professor Sobhan* registered his deep appreciation to all the participants including the Chief Guest, Special Guest and the Guests of Honour for being present at the dialogue, and for their valuable comments and insights. He hoped that policymakers would be benefited from the suggestions put forward by such a distinguished audience who had assembled in response to the invitation of the CPD.

ANNEX 1

List of Participants

Ms Meher Afroz, MP

Chairman, Parliamentary Standing Committee on
Ministry of Women and Children Affairs

Ms Selima Ahmad

President, Bangladesh Women's Chamber of Commerce and
Industry and Vice Chairman, Nitol Group

Mr Ali Ahmed

Former Member, NBR

Mr Mahbub Ahmed

Secretary, Ministry of Youth & Sports
Government of Bangladesh

Mr Manzur Ahmed

Chairman, FBCCI Standing Committee

Mr Nasiruddin Ahmed

Secretary, Internal Resources Division (IRD)
Ministry of Finance, Government of Bangladesh and
Chairman, NBR

Mr Shahab Ahmed Mahfuz

Student of Department of Economics, BRAC University

Major (Retd) Akhtaruzzaman

Former Member of Parliament

Mr Md Jahangir Alam

Customer Relations Officer, Mutual Trust Bank Ltd.

Engineer Rabiul Alam

Managing Director, Energypac Power Generation Ltd.

Dr Shamsul Alam

Member, General Economics Division
Planning Commission, Government of Bangladesh

Dr Anisuzzaman

Member, CPD Board of Trustees and
Professor Emeritus, University of Dhaka

Mr M Fazlul Azim, MP

Chairman, Azim Group

Dr Maleka Banu

General Secretary, Bangladesh Mahila Parishad

Dr Anwara Begum

Senior Research Fellow, BIDS

Major General Shubid Ali Bhuiyan, MP

Chairman, Parliamentary Standing Committee on
Ministry of Energy and Mineral Resources

Mr Arup K Biswas

Senior Advisor, Development Affairs
Royal Norwegian Embassy

Ms Priti Chakraborty

Chairman, Xenergia Foundation

Mr Tapan Kumar Chakraborty

PS to the Economic Affairs Advisor to the Hon'ble Prime
Minister, Government of Bangladesh

Mr Abdul Hafiz Choudhury

Former President, MCCI

Mr Suhel Ahmed Choudhury

Former Secretary and
Former Chairman, Janata Bank

Mr Siddiqur Rahman Choudhury

Former Secretary, Finance Division and
Former Chairman, Agrani Bank

Major General (Retd) Amjad Khan Chowdhury

Chief Executive Officer, PRAN Group

Mr Enam Ahmed Chowdhury

Member, Advisory Council of the Chairperson, BNP and
Former Chairman, Privatization Commission

Mr Jahangir Alam Chowdhury

Tax Lawyer

Mr Khaled Iqbal Chowdhury

Communications Officer, Embassy of Switzerland

Mr Mohammad Muslim Chowdhury

Joint Secretary, Finance Division
Ministry of Finance, Government of Bangladesh

Mr M S Shekil Chowdhury

Chairperson, Centre for Non Resident Bangladeshis
President and CEO, TCBL Group and
Senior Vice President, DCCI

Mr Rezaul Karim Chowdhury

Convener, Equity and Justice Working Group and
Executive Director, COAST Trust

Mr Dileep Kumar Das

Joint Secretary, UN, Economic Relations Division (ERD)
Ministry of Finance, Government of Bangladesh

Mr Sheikh Jafar Emran

Lecturer, Department of Development Studies
University of Dhaka

Ms Maren Fallet

Trainee, Royal Norwegian Embassy

Dr M Osman Farruk

Member, Advisory Council of the Chairperson, BNP and
Former Education Minister

Ambassador Nasim Firdaus

Executive Director, Bangladesh Alliance for Women Leadership

Mr Oddvar Hesjedal

Managing Director, Grameen Telephone

Professor Dr Khondoker Bazlul Hoque

Chairman, Department of International Business
Dhaka University and Chairman, Agrani Bank

Dr Mahabub Hossain

Executive Director, BRAC

Mr Nazmul Hossain

Student of Department of Economics, Dhaka University

Dr Zahid Hussain

Senior Economist, The World Bank

Mr Anwarul Islam

Former Secretary

Dr A B Mirza Azizul Islam

Former Advisor to the Caretaker Government
Ministries of Finance and Planning

Mr A K M Mayeedul Islam, MP

Member, Parliamentary Standing Committee on
Ministry of Finance

Mr Nazrul Islam

Executive Director and CEO
Infrastructure Investment Facilitation Center (IIFC)

Mr Nazrul Islam

Research Officer, Unnayan Shamannay

Mr Qazi Baharul Islam

Chairman, Sonali Bank Ltd.

Mr Rabiul Islam

Research Officer, Institute of Microfinance (InM)

Mr Sayeeful Islam

Former President, DCCI and
Managing Director, Concord Garments

Mr Syed Monjurul Islam

Additional Secretary, Ministry of Finance
Government of Bangladesh

Professor Rounaq Jahan

Senior Research Scholar and Adjunct Professor
Southern Asian Institute, Columbia University, USA

Mr Md Abdul Jalil, MP

Chairman, Parliamentary Standing Committee on
Ministry of Commerce

Mr Mahbub Jamil

Former Special Assistant to the Chief Advisor and
Chairman, Singer Bangladesh Ltd.

Ms Amanda Jennings

Second Secretary, Australian High Commission

Dr Ahmed Al-Kabir

Chairman, Rupali Bank Ltd.

Ms Khushi Kabir

Member, CPD Board of Trustees and
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Mr Habibullah N Karim

Managing Director, Technohaven Group of Companies

Mr Ranjan Karmaker

Executive Director, Steps Towards Development

Mr M Hafizuddin Khan

Chairman, TIB Board of Trustees
Former Advisor to the Caretaker Government and
Former Comptroller and Auditor General of Bangladesh

Dr Omar Farooq Khan

Senior Development Advisor, CIDA
Canadian High Commission

Dr Wajedul Islam Khan

General Secretary, Bangladesh Trade Union Kendra

Ms Ayesha Khanam

President, Bangladesh Mahila Parishad

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Dr Eteri Kvintradze

Resident Representative, International Monetary Fund (IMF)

Professor Wahiduddin Mahmud

Department of Economics, University of Dhaka and
Former Advisor to the Caretaker Government

Mr Moogdha Mim Mahzab

Student of Department of Economics
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Dr Badiul Alam Majumder

Member Secretary, SUJAN and
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Dr Md Abdul Mannan

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