



National Budget 2022-23: Summary

Information and Communication Technology



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সেন্টার ফর পলিসি ডায়ালগ (সিপিডি)
Centre for Policy Dialogue (CPD)

**BUDGET
HELPDESK
2022**

Technical Assistance to Support the Implementation of the PFM Reform Strategic Plan in Bangladesh

Information and Technology

1. Background and the main features of the Information and Communication Technology Sector's Budget

Building 'Digital Bangladesh' is an integral part of the government's "Vision 2041". Digital Bangladesh will be the driving force of all government activities to meet the people's basic needs by eliminating poverty and inequality in the country. Along with other strategic initiatives, "Digital Bangladesh" is playing an effective role in addressing several macro challenges.

One of the main goals of the government is to create skilled technology-based human resources suitable for the Fourth Industrial Revolution. To that end, the government is emphasizing science, technology, engineering, and mathematics-based education.

The government has taken various initiatives to develop and increase the use of technology in education. Work is underway to establish 300 "Schools of the Future". Language education laboratories have been established in 65 educational institutions. A total of 417 Sheikh Russell Digital Labs have been set up including 15 in Saudi Arabia, and work is underway to set up more 5,000 educational institutions.

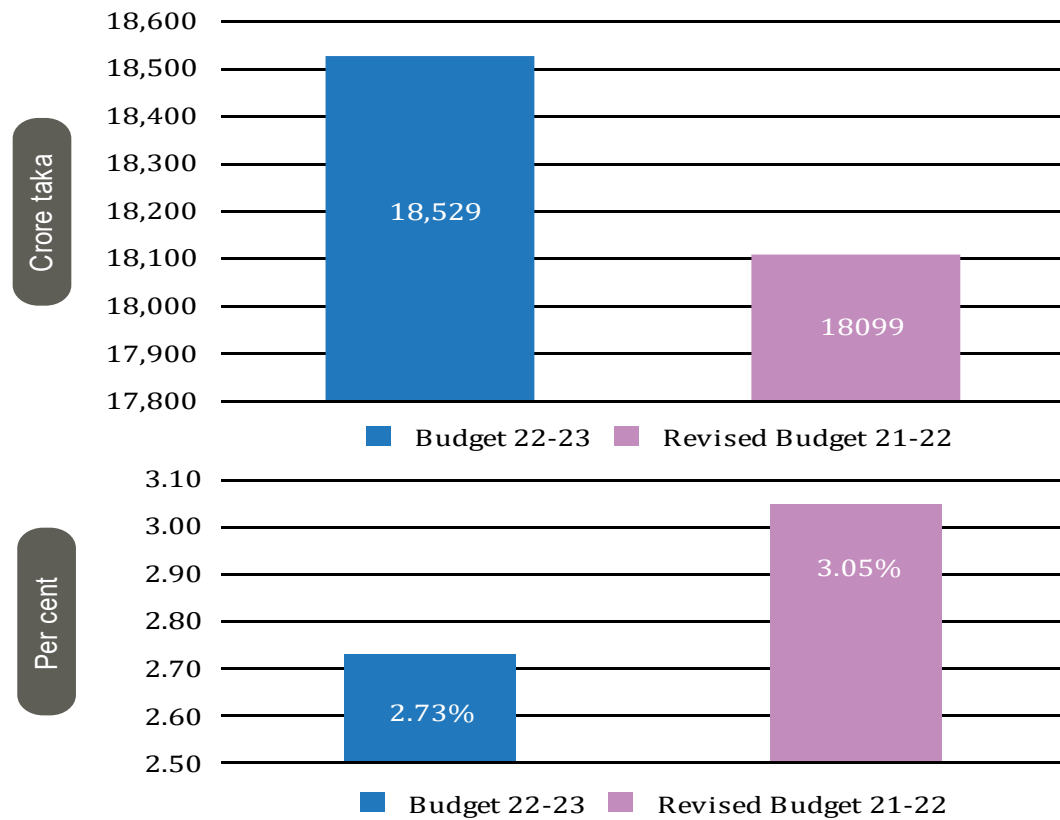
The implementation of Digital Bangladesh has also resulted in the development of the digital economy. ICT exports have already surpassed USD1.4 billion. 39 high-tech parks / ICT incubation centers are being set up in the country. Business activities have already started in 9 of them. Domestic investment in the parks so far has been around Tk 2,000 crore and the proposed foreign investment is about USD 439 million.

The goal is to increase ICT exports to US 5 billion by 2025 and IT employment to 3 million, and for that adequate budget is being allocated.

2. The Proposed Budget for FY2022-23 and the Information and Communication Technology Sector

The revised budget for information and communication technology for the fiscal year 2021-22 was Tk 18,099 crore. In the budget for FY 2022-23, Tk. 17,529 crore has been proposed in this sector which is Tk. 430 crore more than last year (Figure-1).

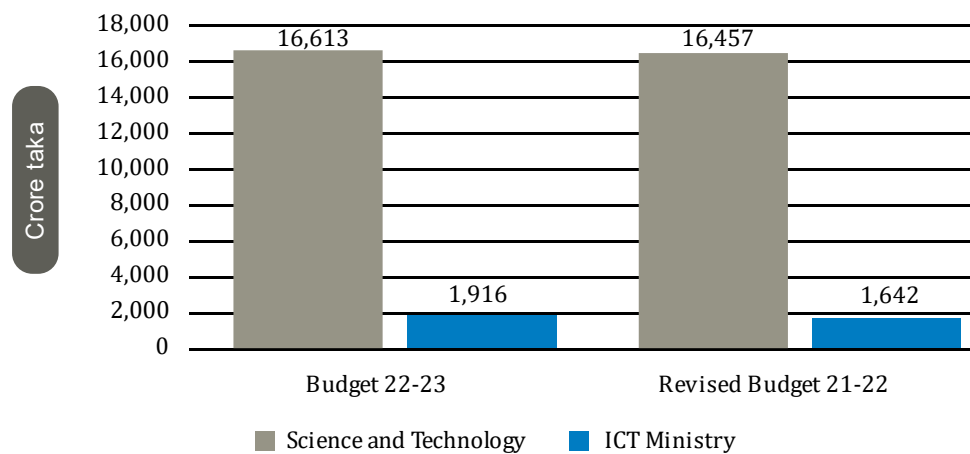
Figure 1: Proposed Budget of FY2022-23: Information and Technology Sector



Source: Budget Speech 2022-23, Ministry of Finance

The Ministry of Science and Technology has received about 90 percent of the total allocation in this sector (Figure-2).

Figure 2: Ministry wise Allocation for the Information and Technology Sector

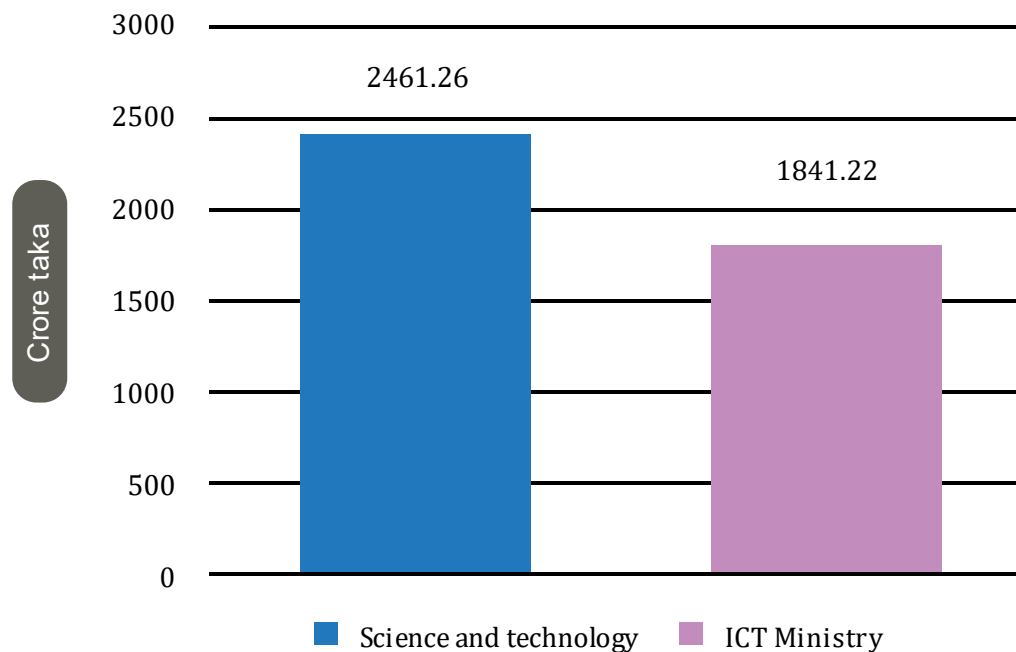


Source: Budget Speech 2022-23, 9 June 2022

3. Annual Development Plan and Allocation for the Information and Communications Technology Sector

In the Annual Development Plan or ADP, it has been proposed to allocate Tk. 4302.48 crore in the information and communication technology sector, of which 5.6 percent will be spent under the Ministry of Science and Technology (Figure 3).

Figure 3: Annual Development Plan and Allocation for the Information and Technology Sector



Source: Annual Development Plan (2022-23)

4. Conclusion

The strategic guidelines in the Eighth Five Year Plan set a number of targets— (a) using of priority digital innovation strategies to meet the targets of ministries/departments, (b) improving human resources and create and utilize new knowledge through research and development, and (c) assisting and taking initiatives to make the best use of the innovative power of information and technology to expand the information and communication technology industry in the private sector so that it can survive in the competition. It is crucial to accelerate investment and innovation through effective use of information and communication technology. The country is working to harness the potential of the Fourth Industrial Revolution through the best use of the digital economy and to achieve the goal of sustainable development. The budget has been allocated resources keeping these goals in mind.