



National Budget 2022-23: Summary

Local Government and Rural Development



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**BUDGET
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2022**

Local Government and Rural Development (LGRD)

1. Background and the Main Features of the Local Government and Rural Development (LGRD) Sector's Budget

The goals of the Department of Local Government and Rural Development are to strengthen the local government system, develop rural and urban climate-resilient infrastructure and improve the quality of life through the implementation of socio-economic activities. The department is directly involved in the implementation of the present government's "Vision 2041" and it is working efforts to achieve poverty reduction targets, and Sustainable Development Goals (SDGs). The local government department plays an active role in delivering services to the grassroots of the country. All the district councils, municipalities, city corporations, local government engineering department, public health engineering department, and important institutions like local government institutes formulate, implement, and provide various development projects.

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, 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, and construction/expansion of 354 Upazila Parishad Complex buildings. 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. In addition, 36 feasibility studies will be conducted to address the challenges of implementing the 'My Village, My Town' action plan.

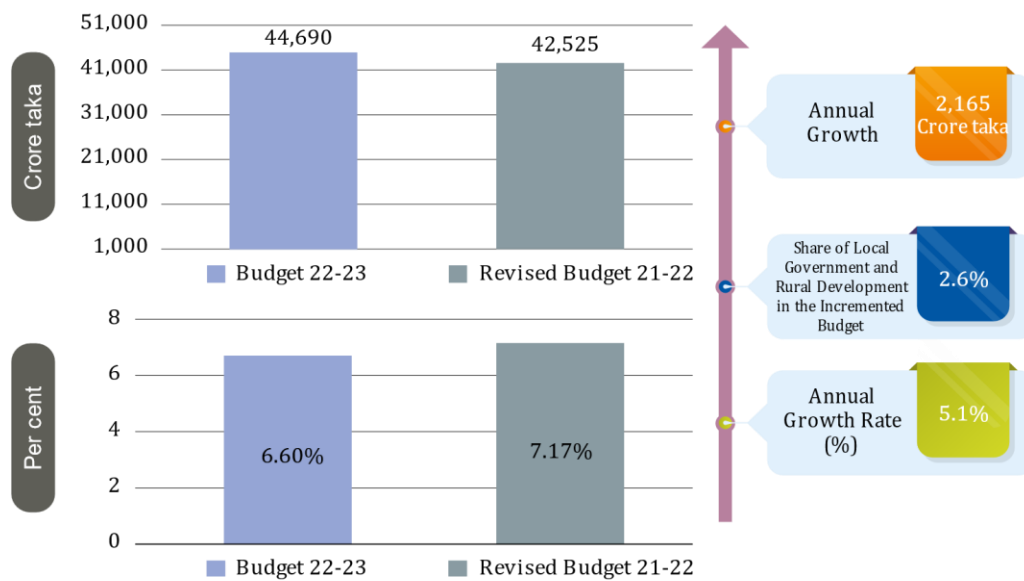
To reduce poverty, improve living standards, and establish villages as development hubs in the poverty-stricken areas of the country, the Department of Rural Development and Cooperatives is implementing the Comprehensive Rural Development Programme (CVDP) Phase III (1st Amendment) project from January 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.

For rural sector development in the 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 are notable. As a result, the country's road network coverage will increase from 38.02 percent to 39.43 percent. Moreover, the construction of 1760 km of roads and footpaths and 170 km of drains in urban areas have also been targeted.

2. Local Government and Rural Development (LGRD) Sector in the Proposed Budget

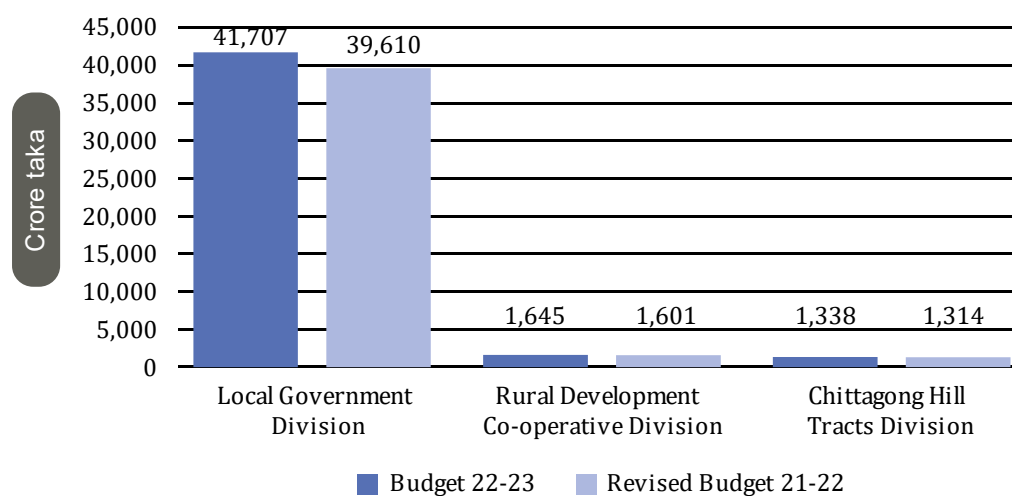
For the fiscal year 2022-23, it has been proposed to allocate Tk. 44,690 crore in the local government and rural development sector, which is 5.1% higher than the budget for the fiscal year 2021-22 (Figure1). The allocations of various departments and ministries are as follows (Figure 2).

Figure 1: Proposed Budget of FY2022-23: Local Government and Rural Development (LGRD) Sector



Source: Budget in Brief, 2022-23, MoF

Figure 2: Ministry wise Allocation for the Local Government and Rural Development (LGRD) Sector

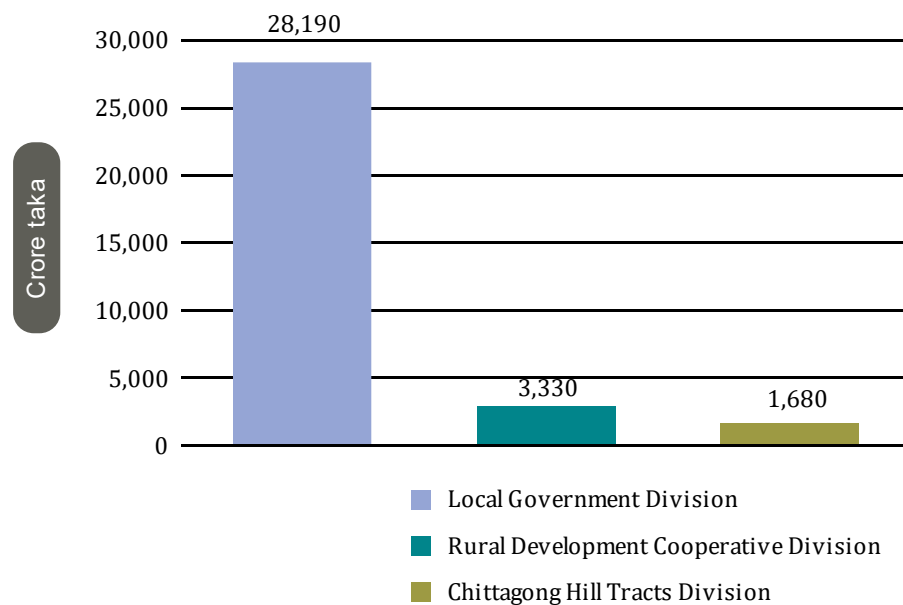


Source: Budget Speech 2022-23, 9 June 2022

3. Allocation to the Local Government Sector in the Annual Development Plan

Reviewing the Annual Development Plan (ADP) of the last few years, it is seen that the allocation of this ministry to ADP has gradually increased. Total development plan allocation for the local government sector has been proposed to be Tk. 33200 crore. The ADP allocation of various departments and ministries is as follows (Figure-3).

Figure 3: Annual Development Plan and Allocation for the Local Government and Rural Development (LGRD) Sector



Source: Annual Development Plan (2022-23)

4. 8th Five-Year Plan and Budget Allocation to the Local Government Sector

Due to the need for an effective local government department to meet the multifaceted needs of the people, special importance has been attached to this department. The contribution of local government to national development has also increased significantly. This progress has been made possible by the gradual increase in the allocation rate to the ADP in the local government department. There are plans to continue this trend in the announced budget program as well.