



# National Budget 2023-24: Summary

## Transport and Communication



Implemented by

### BAMU

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# BUDGET HELPDESK 2023

### 1. Context: The Budget for the Transport and Communication Sector

One of the development commitments of the current government is to establish a unified communication system throughout the country. Since assuming power in 2018, the government has undertaken a number of major infrastructure projects related to roads, bridges, culverts, and highways. In this context, a notable milestone was achieved on June 25, 2022, with the opening of the Padma Bridge to traffic, resulting in a remarkable improvement in the communication system in the southern part of the country. Additionally, the construction of the "Father of the Nation Bangabandhu Sheikh Mujibur Rahman Highway" up to Bhanga in Faridpur has transformed Bangladesh's road connectivity into a network of expressways. Efforts have also begun to upgrade national highways to four lanes, including service lanes.

During the present government's tenure, 100 bridges, spanning 5,494 metres have been inaugurated in 25 districts across eight divisions of the country. Furthermore, construction of a road tunnel beneath the Karnaphuli River is nearing completion.

The government is focused on establishing a network of six metro rail lines to address traffic congestion and ensure safer roads. The first metro rail section was inaugurated, connecting Uttara to Agargaon of Dhaka city on December 28, 2022. The metro rail is set to expand to Kamalapur by 2025, and another metro rail project covering 31.24 km with 21 stations, subways, and flyovers is slated for completion by 2026. The plans envision a further expansion of the metro rail network by 2030, including the addition of flyovers and subways which will revolutionise public transport in the process.

Under the 30-year Railway Master Plan, the government has implemented various development activities to enhance the railway sector. These include the construction of 739.7 km of new railway lines between 2009 and 2022, converting 280.3 km of meter gauge railway lines to dual gauge, the construction of 732 new rail bridges, and introduction of 144 new trains.

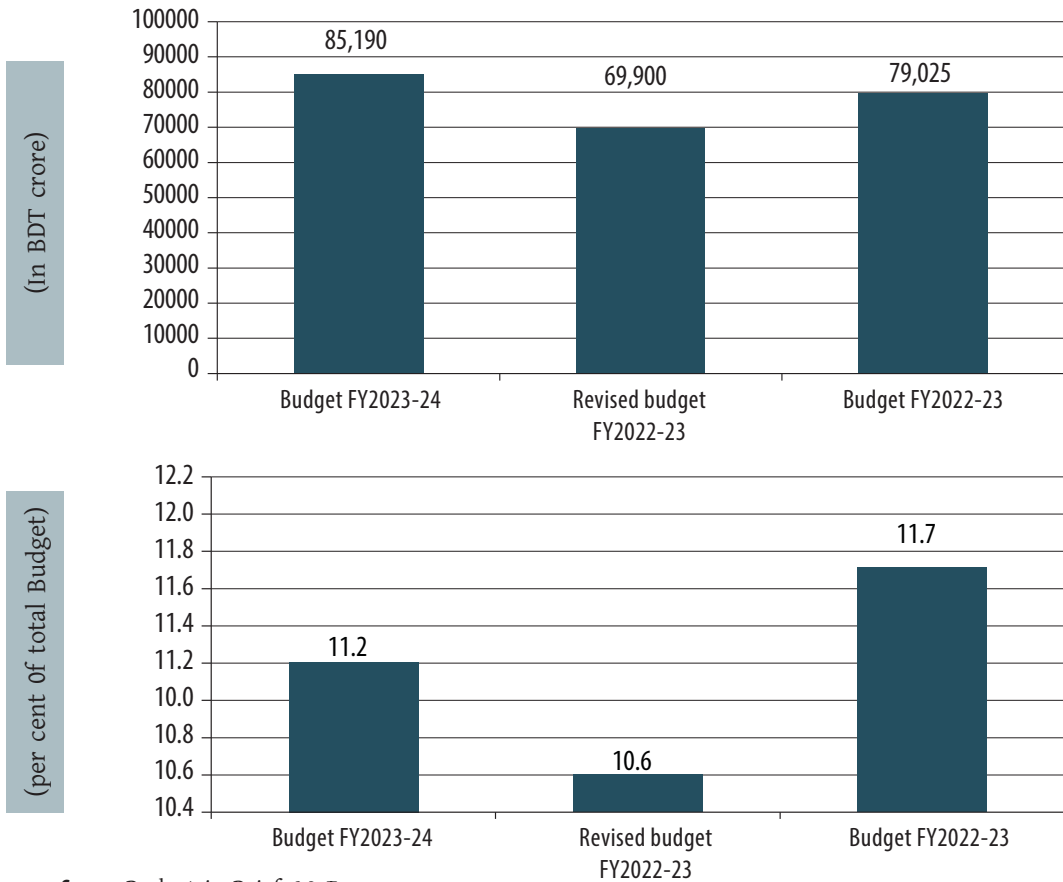
To promote waterway transportation for passengers, a circular waterway spanning 110 km has been developed around Dhaka, with the project's second phase currently underway. The construction work for the long Bangabandhu Sheikh Mujibur Rahman Tunnel project, covering a distance of 3.3 km, is in its final stages.

Furthermore, significant development work is being carried out at Hazrat Shahjalal International Airport. The construction of a third terminal building spanning 230,000 square meters, a 63,000-square-meter export-import cargo complex, and other related infrastructure is expected to be completed by April 2024.

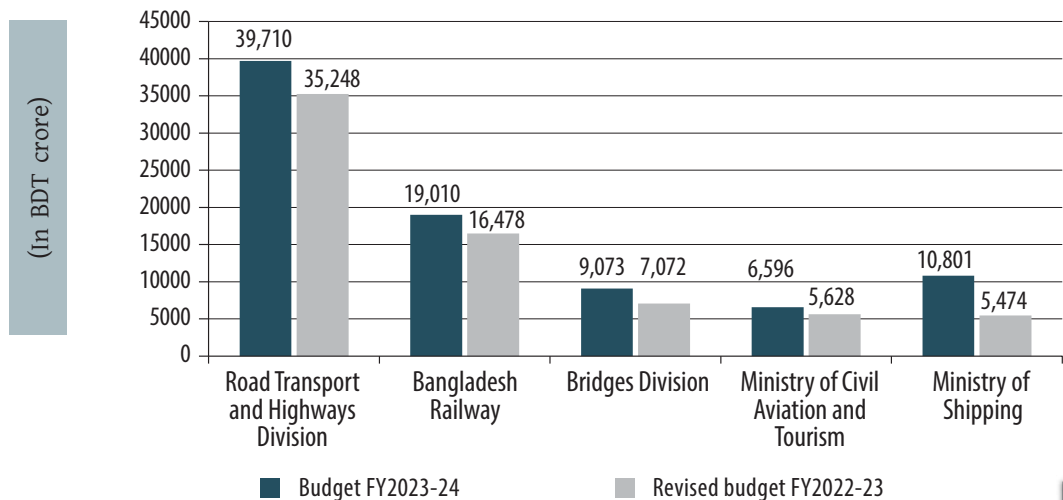
### 2. The Budget for FY2023-24 for Transport and Communication Sector

The budget for FY2023-24 was approved by the national parliament on 26 June 2023. In budget for FY2023-24, BDT 85,190 crore has been allocated for the transport and communication sector, which is BDT 15,290 crore more than the budget allocated for FY2022-23. The revised budget allocation for FY2022-23 was BDT 69,900 crore (Figure 1).

The allocation for the transport and communication sector in the budget for FY2023-24 is 11.2 per cent of the total budget (Figure 1). This allocation is 21.9 per cent higher than the revised budget allocation for FY2022-23 (Figure 1). In the revised budget of the FY2022-23, the allocation for transport and communication was kept at 10.6 per cent of the total budget (Figure 1). The allocation for the Road Transport and Highways Division is the highest in terms of the allocation of the concerned Ministries/Divisions (Figure 2).

**Figure 1: Allocation for Transport and Communication Sector in the National Budget**

Source: Budget in Brief, MoF

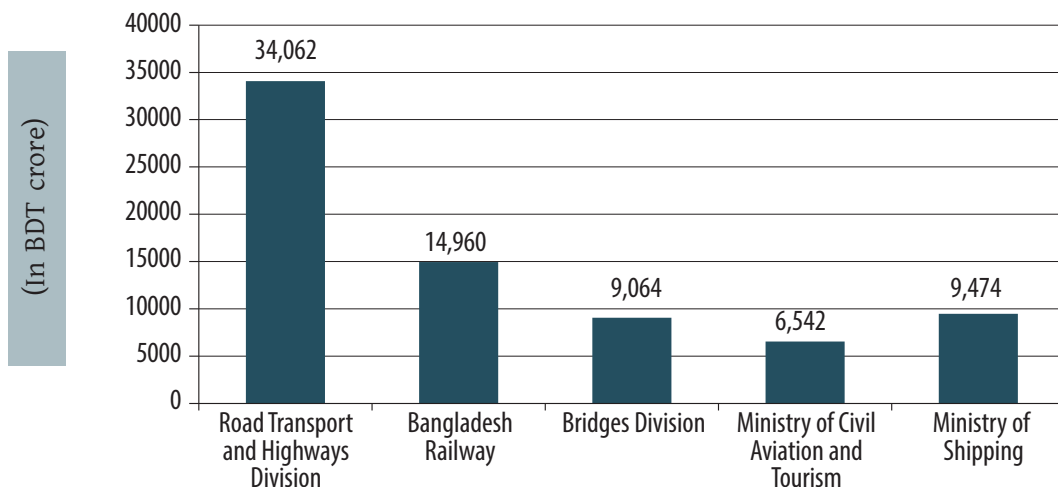
**Figure 2: Ministry/Division-wise Allocation for the Transport and Communication Sector**

Source: Budget in Brief, MoF

### 3. Allocation for the Transport and Communication Sector in Annual Development Programme (ADP) for FY2023-24

In FY2023-24, the transport and communication sector has received a total allocation of BDT 74,102 crore in the Annual Development Programme (ADP), which accounts for 28.2 per cent of the total development budget. This marks an increase from the revised development budget for FY2022-23, which allocated 26.1 per cent to this sector. Among the various divisions/ministries, the Road Transport and Highways Division has received the highest allocation in the ADP for the FY2023-24, amounting to BDT 34,062 crore (Figure 3). Additionally, allocations of BDT 14,960 crore, BDT 9,064 crore, BDT 6,542 crore, and BDT 9,474 crore have been made for the Bangladesh Railway, Bridges Division, Ministry of Civil Aviation and Tourism, and Ministry of Shipping, respectively.

**Figure 3: ADP Allocation for Transport and Communication Sector for FY2023-24**



Source: Annual Development Programme, FY2023-24.

### 4. Conclusion

As part of the 8th Five-Year Plan, the government has undertaken initiatives to promote trade-friendly communication development and to enhance port activities. The plan includes the construction of new expressways and the integration of the Asian Highway Network with nearly all national highways to enhance connectivity across 30 districts. The railway sector is also a focus of the Master Plan for development, encompassing the construction of new railway lines, dual gauge/double rail lines parallel to existing tracks, railway line renovations, the construction of significant rail bridges, the development of level crossing gates, and other infrastructure improvements. Furthermore, efforts are being made to establish internal container depots, to modernise workshops, procure advanced maintenance equipment, and enhance overall railway management, including the quality of the signalling system. In parallel, the government is actively engaged in airport development projects to elevate air transport communication services to global standards. To effectively implement these initiatives, it is crucial to allocate sufficient funds in the budget and ensure their proper execution.