



Bridge over the river Meghna on Dhaka-Sylhet Highway



Ready made garments factory



Pharmaceutical Company

The opening up of the oil and gas, power, and telecommunications (cellular and rural areas) portfolios to the private sector is another positive step that promises good results if the pace of such reform accelerates.

The Bangladesh Government unveiled its FY2003 budget in June 2002. The Government projects the anticipated budget deficit to be 4.8% of GDP (or 118 billion Taka), down from 5.3% projected for FY2002. BDG borrowing from the banking system, is expected to be 6.0% of total domestic financing in FY2003, down 28% from FY2002 and 38% from FY2001. The FY2003 budget also includes incentives for the textile and ready-made garment sectors, and proposals to expand agricultural processing and software development.

FY2003 budget projects revenues of Taka 331 billion (about \$5.7 billion), 20% higher than FY2002 estimates, and expenditures to rise 5.6% from FY2002, with the largest allocations for education (Taka 67 billion) and improved delivery of health service (Taka 30.0 billion). The Government anticipates reaching its revenue targets by improving collection and expanding the tax base.