

TAMING CORONAVIRUS RAMPAGE

Health sector gets biggest bump up in next year's development budget



REJAUL KARIM BYRON

The government appears to have paid heed to the growing calls for a bigger health budget, with its allocation from the annual development programme soaring 28.92 per cent next fiscal year, the highest amongst the 12 sectors.

Next fiscal year, some Tk 13,033 crore has been allocated to the health sector that is bursting at the seams with the escalating caseloads from the Tk 205,145 crore ADP approved by the National Economic Council (NEC) yesterday.

Of the money going to the health sector, Tk 4,282 crore would come from the external sources. The World Bank and the Asian Development Bank have each approved \$100 million to aid the government to meet the growing expenditure in the sector. The Asian Infrastructure Investment Bank is also providing finances for the health sector.

The agriculture sector saw the second-highest allocation growth of 26.43 per cent. The government set aside Tk 8,382 crore for fiscal 2020-21, up from Tk 6,524 crore this year.



RASHED SHUMON

The highest allocation went to the transport sector, which received Tk 52,183 crore, or 25.44 per cent of the ADP.

"The prime minister has said if the health and agriculture ministries seek more funds, the government would be ready to provide," Planning Minister MA Mannan told reporters yesterday.

Prime Minister Sheikh Hasina, Finance Minister AHM Mustafa

Kamal and Mannan attended the NEC meeting through video-conferencing from Gonobhaban, the official residence of the premier, because of the social-distancing measures put in place by the government to stop the spread of the virus.

The rest of the members of the cabinet took part from the auditorium of the NEC in Agargaon.

The ADP came as Bangladesh

continues to face significant health care challenges in combating the coronavirus pandemic.

The health system is underdeveloped and underfunded, with only 9.9 doctors, nurses and midwives and 8.8 hospital beds per 10,000 people, while current health expenditure is only 2.4 per cent of GDP, said the Asian Development Bank recently.

The physical planning, water

supply and housing sector received the second-highest allocation of Tk 25,795 crore, or 12.57 per cent of the ADP.

The electricity sector accounted for 12.09 per cent of the allocation, the education and religion sector 11.40 per cent, the science and ICT sector 8.99 per cent and the rural development sector 7.58 per cent.

The top 10 sectors account for 93.19 per cent of the allocation.

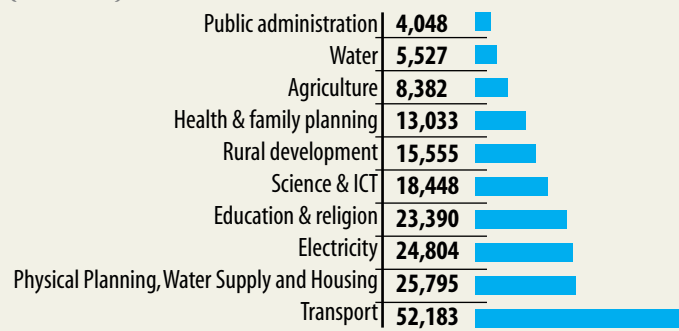
The next ADP is only 6.34 per cent higher than the current one to record the lowest growth at least since fiscal 2011-12, as the government directs resources to jumpstart the economy battered by the global pandemic.

The NEC approved the ADP for 1,584 projects. Besides, it gave consent to 89 projects of state-run enterprises and corporations involving Tk 9,466 crore.

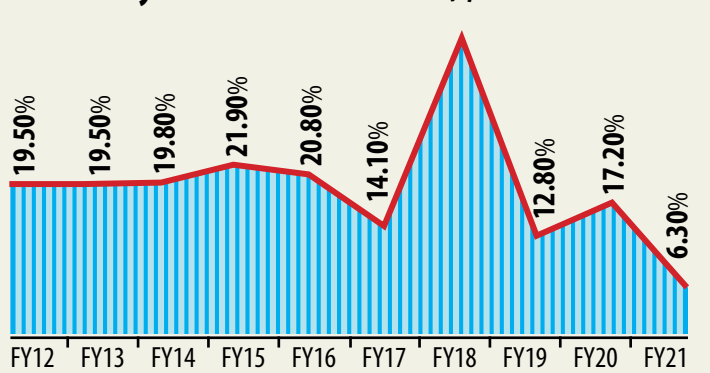
Of the ADP, Tk 134,643 crore would be financed through own resources, up 2.84 per cent from the revised ADP for this fiscal year. The remainder Tk 70,502 crore would be funded by external sources, up 13.71 per cent.

Top 10 allocations in fiscal 2020-21's development budget

(in Tk cr)



Increase in ADP allocation over the years



About time construction sector restarts in phases: experts

STAR BUSINESS REPORT

Work in the construction sector should resume in phases with proper safety measures for the sake of the country's infrastructure development, according to experts and industry insiders.

The last quarter of a fiscal year is very important for the construction sector as many infrastructure projects under the government's annual development programme (ADP) come close to completion during this quarter, said SM Khorshed Alam, president of the Bangladesh Association of Construction Industry.

"But there has been no progress in the implementation of the projects because of the pandemic," he said at a virtual discussion on 'sustainable solutions to overcome the impacts of the coronavirus pandemic on the construction sector', organised by The Daily Star yesterday.

About 30 per cent of the raw materials bought for the projects will remain unutilised because of the slow progress in execution, he said, adding that 80 per cent of the ADP implementation target could hardly be met.

All the construction activities have been put on hold for the last two months due to the ongoing pandemic leaving about 65 lakh workers in the sector jobless, said Alamgir Shamsul Alamin, president of the Real Estate & Housing Association of Bangladesh (REHAB).

"Now we should take those up again gradually following the safety guidelines."

The real estate sector will need a huge amount of cash to recover from the losses inflicted by the pandemic, Alamin said, adding that they will not be able to hand over about 30,000 apartments under construction to the customers on time.

The government should allow investment of undisclosed money in purchasing apartments in the upcoming fiscal year to help revive the real estate sector, he said.

However, Ahsan H Mansur, executive director of the Policy Research Institute, was not in accord with Alamin, saying that the idea of investing black money in the housing sector goes against ethics.

"It's not a sustainable solution to the problems of the real estate sector,"

Mansur said, while advising the realtors to seek incentive from the government to shore up the industry in a transparent manner.

He also called for devising short and long-term strategies and removing the weaknesses from the existing policies for the advancement of the sector.

The novel coronavirus will not go away anytime soon, so people have to learn how to live and deal with the crisis,



said M Firoze, adviser for marketing and product development at BSRM, a leading steel manufacturer.

"Already people are getting used to some behavioural changes while fighting the virus. This is a new reality and we have to adopt the new norms," he added.

The government should allocate adequate funds for the healthcare sector in the upcoming budget such that people from all strata of society, especially workers, get access to healthcare at affordable cost, said Md Abdur Razzak, general secretary of Imarat Nirman Sramik Union Bangladesh, a platform of construction workers.

Construction workers are finding it hard to make ends meet as the ongoing shutdown in the country has squeezed their earnings.

"We have already applied to the government for help, but no response is yet to come," he said.

At least 50 per cent work should

begin at the construction sites with proper safety measures and maintaining social distancing, said AFM Saiful Amin, a professor at the civil engineering department of Bangladesh University of Engineering and Technology (Buet).

Banks can help the real estate sector by providing low-interest loans as the developers incurred huge losses in the last two months, said FR Khan, managing director of Building Technology & Ideas,

a leading real estate company. "Prices of apartments may increase due to the disruption," he added. The country's overall development activities will grind to a halt if work in the construction sector does not resume soon, said Mohammad Abu Sadeque, executive director of the Centre for Housing and Building Research.

He called for adopting innovations and new technologies in the real estate and construction sector to minimise the adverse impact of the rogue virus. Banks should cooperate with the realtors so that they can get low-cost funds to continue work of their projects, according to M Shamim Z. Bosunia, chairman and managing director of Abode of Consultants.

Md Tarek Uddin, a professor of the Islamic University of Technology, and Md Shamsul Hoque, a professor of Buet, also spoke at the discussion moderated by Muhammad Zahidul Islam, a senior reporter of The Daily Star.

FBCCI forms sector-wise councils to help businesses borrow from stimulus packages

STAR BUSINESS REPORT

The country's apex trade body has begun forming sector-wise councils to expedite disbursement of the funds from the government-announced stimulus packages aimed at helping businesses and industries recover from the devastating impact of the global coronavirus pandemic.

The councils would help implement the stimulus packages and revive the economy from the fallout of the rogue virus-induced shutdown of economic activities since March 26.

"The FBCCI has been forming the sector-wise councils from last week so that banks can feel confident in disbursing the funds and borrowers can repay the loans," said Sheikh Fazle Fahim, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), at a virtual meeting at the chamber yesterday.

The objective is to implement the stimulus packages and prepare a roadmap to recovery for the next three years through policy support, government intervention, tax, VAT, customs tariff assistance coupled with the FBCCI's advocacy and members' collective efforts.

The move came as businesses complain that banks are not interested in lending money from the funds obtained from the stimulus packages.

The government has announced Tk 20,000 crore in stimulus packages for the micro, small and medium scale industries, Tk 30,000 crore for the large industries and Tk 5,000 crore for the export-oriented sector.

The central bank has so far taken seven stimulus packages worth nearly Tk 80,000 crore to revive the economy and banks will have to implement all of them. Banks will have to give out a good portion of the loans from their own sources.

However, banks are not disbursing the money to prospective borrowers from the funds because of the absence of a directive from head offices, proper documents and adequate liquidity, businessmen say, adding that if they do not get the money from the funds on time, there will be no use of such assistance later.

"Banks are not cooperating in the disbursement of the money from the funds," said Jasim Uddin, president of the Bangladesh Plastic Goods Manufacturers and Exporters Association.

Since banks are not releasing the money, the backward linkage industries like plastics, garment accessories, spinning, weaving and dyeing are facing fund shortage, he said at the virtual meeting.

At the same time, \$3.5 billion forced loans have already been created in the banking sector because of payment to the foreign suppliers through back-to-back letters of credit, the entrepreneur said.

Banks are not paying even the matured bills due to the liquidity crisis in the financial sector, he said.

Abdus Salam Murshedy, president of the Bangladesh Exporters Association, suggested extending banking hours for quick disbursement of the funds from the bailout packages.

The large industries are also facing trouble in obtaining the money from the funds as banks are not interested, said Salahuddin Alamgir, a director of the FBCCI.

For instance, it takes nearly Tk 700 crore to set up a dyeing factory, but banks are not lending money for the capital-intensive industries, he said.

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Memo No. 35.01.9162.473.09.000.20/.....

Date:19/05/2020

e-Tender Notice-22(Twenty Two)/2019-2020 (Open Tendering Method)

e-Tenders are invited in the National e-GP System Portal (<http://eprocure.gov.bd>) by Executive Engineer, RHD, Sylhet Road Division, Sylhet. For the procurement of following work.

Tender/ Proposal ID No & Package No.	Name of work	Tender/ Proposal Document last selling / downloading Date and Time	Tender/ Proposal Closing Date and Time	Tender/ Proposal Opening Date and Time
461921 eGP-68/2019- 2020/EE/RHD/Sylhet	Supplying of Asphalt Materials for maintenance of different Roads under Sylhet Road Sub-Division of Sylhet Road Division During the year 2019-2020.	02/06/2020 15:00	03/06/2020 14:00	03/06/2020 14:00
461922 eGP-69/2019- 2020/EE/RHD/Sylhet	Supplying of Stone Chips Pea Gravels Sand 1st Class Bricks and Fire Wood for maintenance of different Roads under Sylhet Road Sub-Division of Sylhet Road Division During the year 2019-2020.	02/06/2020 15:00	03/06/2020 14:00	03/06/2020 14:00
461923 eGP-70/2019- 2020/EE/RHD/Sylhet	Supplying of Stone Chips Pea Gravels and Fire Wood for maintenance of different Roads under Bishwanath Road Sub-Division of Sylhet Road Division During the year 2019-2020.	02/06/2020 15:00	03/06/2020 14:00	03/06/2020 14:00
461924 eGP-71/2019- 2020/EE/RHD/Sylhet	Providing & Installation of Road Directional Overhead Gantry at 1st Km. of Sylhet Town Bypass N210 including Supplying Fitting Fixing Road Directional Traffic Signs and Sign Post on Rashidpur-Biswanath-Rampasha-Lamakazi Road Z. 2016 Vadeshwar-Mirganj-Manikona-Fenchuganj Road Z. 2831 Daudabad-Daudpur-Vadeshwar Dhaka Dakhin Road Z. 2832 Darbast-Kanaighat-Shahbag Road Z. 2011 and Supplying and Installation of Reflecting Sticker for Bridge/ Culver Railing & Guide Post with Lettering and Bordering on DhakaKatchpur-Bhairab-Jagadishpur-Shaistaganj-Sylhet-Tamabil-Jallong Road N-2 From I.R.P 191210 to 229888 under Sylhet Road Division Sylhet during the year 2019-2020.	02/06/2020 15:00	03/06/2020 14:00	03/06/2020 14:00

This is an online Tender, where only e-Tenders will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, please register on e-GP System portal (<http://eprocure.gov.bd>)

The fee's for downloading the e-tender documents from the national e-GP portal have to be deposited on line through any member of schedule bank for e-GP.

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd)

(Ritesh Barua)

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