



The budget session in progress at the Jatiya Sangsad yesterday.

under public and private sectors. We have a plan to produce 500 MW of electricity from renewable energy sources by 2020. We hope that by adopting various energy savings measures we will be able to save 350 MW of electricity by 2013. Alongside, power distribution agencies have installed 56,415 prepaid meters to ensure receipt of cent percent revenue. Another 35,000 prepaid meters will be installed in near future.

64. I am placing today a second update of the report on 'Road Map towards Development of Power and Energy Sector' before this august House. This report will provide a complete picture of our achievements in power and energy sector, existing problems and our action plans to address them.

### Energy

65. As natural gas is environment-friendly and less expensive, its demand has been increasing gradually. As an outcome of various actions taken to increase extraction of natural gas over the last three years, it has been possible to extract additional 405 mncft of natural gas daily. At the same time, the extractable reserve of gas has increased from 20.6 tcf to 26.8 tcf. 365 mncft has been supplied to the national grid through connecting pipelines. We have a plan to add 1,285 mncft of natural gas to the national grid by 2013. Now, we are producing 2,100 mncft of natural gas from 24 gas fields. Approximately, 7.00 lakh MT of coal are now being extracted from Barapukuria Coal mine annually for use at the Barapukuria Thermal Power Plant. I am hopeful that we will be able to complete the task of upgrading the capacity of the Eastern Refinery threefold by December 2013 as promised in my last budget speech.

66. Despite little progress in importing LNG and formulating laws and policies on coal extraction and import, our remarkable success in the energy sector has been the achievement of winning international legal recognition of our rights and sovereignty over the 200 nautical miles exclusive economic zone and the adjacent continental shelf in the Bay of Bengal. This recognition has opened up for us a door of immense potential for exploration of oil and gas within the maritime boundary.

67. We have strengthened our efforts to explore new onshore gas fields. Steps have been taken to strengthen BAPEX (Bangladesh Petroleum Exploration and Production Company Limited). We have already procured one deep drilling and work-over rig. Procurement of one more drilling rig is underway. I am pleased to inform you - BAPEX has already discovered oil reserve at Haripur and Kailashtila. The drilling of wells of newly discovered gas field 'Sunetro' has begun. In order to explore oil and gas fields onshore at several points, 2-D and 3-D seismic surveys have been conducted.

68. We have created a gas development fund to develop the gas sector. The 'Gas Development Fund Rules, 2012' has also been issued to make it operational. We have been working to update the National Energy Policy. A draft Coal Policy has been framed and it has been posted to the concerned ministry's website to elicit opinions from the public and also from foreign and local experts. The draft of 'Sustainable Energy Development Authority Act, 2011' has already been approved by the cabinet.

69. I propose to allocate Tk. 9,544 crore for power and energy sector, development and non-development budget combined, for the next fiscal year.

### (II) Agricultural and Rural Development

70. Agriculture is the life line of Bangladesh. In fact, the question of our survival is inextricably linked with the survival of our farmers. As with the last three budgets, I have considered agriculture and rural development sectors together. I have, therefore, treated rural infrastructure, rural housing and sanitation, land and water resources, fisheries and veterinary, rural electrification and development of small and medium scale industries as an integral part of agriculture. Bearing this in mind, I propose necessary budget allocation for this sector.

### Agriculture

#### Mr. Speaker

71. We have been experiencing consistent growth in our agriculture sector over the last three years. This sector has posted an average growth rate of 4.7 percent per year. Only the crop sub-sector has registered an average growth rate of 5.6 percent. We have a target to make Bangladesh self-sufficient in food by 2013. To achieve this target, we have already framed 'National Agricultural Policy, 2011'.

72. We are providing all possible supports to our farmers. As part of this process, we have already issued 'Agricultural Inputs Support Card' to as many as 1.40 crore farmers across the country. They have been given the opportunity of opening a bank account by depositing only Tk.10. In FY 2010-11, we compensated 3,46,100 farmer families who were affected by flash floods in the haor areas by providing them with fertilizer and seeds free of cost. In FY2011-12, as many as 3,65,206 farmer families from 56 districts received fertilizers and seeds free of cost to produce 'Ufshi Aush and Bona Aush' (Narica). Aside from this, we have also arranged to supply power tillers, tractors and other agricultural equipment to the farmers of 35 districts at subsidised price. A total subsidy of Tk. 17,092 crore has been granted for Urea and Non-Urea fertilizer in the last three years. I propose an allocation of Tk. 6,000 crore for agriculture subsidy in the budget for FY2012-13.

73. We have strengthened Bangladesh Agriculture Development Corporation (BADC) to enhance its capacity to supply high yielding variety seeds. BADC used to supply 18 percent of Boro seeds in FY 2008-09. It now supplies about 60 percent of Boro seeds. In FY2011-12, implementation of a programme for distribution of 1,44,000 MT of seeds of various crops through BADC is in progress. A target has been set to produce 1,66,252 MT of seeds in the next fiscal. 'SAARC Seed Bank' has been established to ensure availability of quality seeds. Moreover, the scope of hybrid paddy cultivation is increasing. As of March of FY2011-12, hybrid paddy has been cultivated in 7,30,000 hectares of land.

74. We have taken various steps to enhance the production and use of organic fertilizers alongside the use of inorganic fertilizers to improve the quality of soil. In addition to monitoring of 68 lakh compost pile, 20 lakh new compost pile have been set up during the last three years. At the same time, training has been imparted to 15.87 lakh farmers and 56,659 agriculture extension officers and staff on the latest and most appropriate technology.

75. During FY2011-12, Tk. 5.69 crore was allocated for the small and marginal farmers to facilitate corn cultivation. Alongside, agricultural

**Incentive for Maize and Beet Cultivation** credit is being provided at only 4 percent interest rate for corn cultivation. This incentive will be continued in the next budget. We are verifying the prospect of cultivating beet-sugar as a raw material for sugar production. The decision to provide incentive in this sector will be taken in future on the basis of research findings.

76. In the current fiscal year, up to April, 2012, 73.9 percent of agricultural credit has been disbursed against a target of Tk. 13,800 crore. In the next fiscal year, the target of agricultural credit will be raised to Tk.

**Agriculture Credit and Crop Insurance** 14,130 crore. In the previous budget, I made a commitment to introduce a pilot programme for crop insurance. I am pleased to inform you that a crop insurance scheme on pilot basis has been introduced at Madhabpur upazila under the district of Habiganj with the sponsorship of Shadharan Bima Corporation.

77. The most of the food grains in the country are produced in the Barind area of the northern region. To meet the increasing demand for food grains, we are giving emphasis on extension of paddy cultivation in flood, saline and drought prone areas. We are emphasizing on innovation of new-varieties of paddy. The cultivation of salinity-resistant Bina-8 and Bri-47 paddy has already begun. Besides, new varieties of paddy called Bri-53 and 54 for salinity-prone areas and Bri-51 and 52 for the flood prone areas have been invented. The piloting of these new varieties is taking place and their cultivation will begin soon. In addition, another variety of drought-prone paddy called 'Narica' has been collected from Africa. Meanwhile, it has been possible to eradicate Monga permanently by cultivating Bina-7 along with adoption of integrated farming activities and implementing social safety net programmes.

78. Production of sufficient food grains for a huge population in a limited space of arable land is indeed a daunting task. For this reason, we have laid emphasis on expanding cultivable land. We have been able to bring 15,67,000 hectares of land under cultivation by addressing the water logging problem, expanding irrigation facilities through utilisation of surface water in southern region and draining out water in haor areas.

#### Mr. Speaker

79. In order to ensure fair prices for farm produces, we have already formed 490 'Farmers Marketing Group' and 18,000 'Farmers Club' and built growers' market in 60 upazilas, and wholesale markets in 21 districts. In the next fiscal, we have a plan to form 800 farmers' clubs and construct 8 assemble centres.

80. I mentioned in my last budget speech that, for the present government, the event of decoding genome sequencing of jute had been an epoch-making success in agricultural research. It has opened up further opportunity for inventing new stress resistant high yielding varieties of jute. I firmly believe that the 'Endowment Fund' created for agricultural research will have important contribution in overall agricultural research including finding of high yielding varieties of jute and application of important research findings. In this regard, 'Bangladesh Agricultural Research Council Act, 2012' will help take agricultural research forward.

81. We are trying to provide solutions to the farmers on farming issues via agricultural information centre, video conferencing and mobile SMS. Currently, the agricultural information communication centres in 95 unions have started their activities and steps have been taken to open such centres in another 150 unions. All the unions across the country are maintaining information databases. Agricultural services are also being provided through these databases.

82. I propose to allocate Tk. 8,917.52 crore, development and non-development budgets combined, for the Ministry of Agriculture in the budget for FY2012-13.

### Fisheries and Livestock

#### Mr. Speaker

83. The importance of fisheries and livestock sub-sector is crucial in Bangladesh where agriculture is the mainstay of its economy. The contribution of this sub-sector to GDP is 8 percent. Also, almost 90 percent of animal protein in our daily food intake comes from this sector.

84. In the current fiscal year, fish production will increase to 32.2 lakh MT. We have further strengthened our programmes for releasing fish fries in open water bodies. The number of fish-sanctuaries in the rivers and water bodies has been increased to 500. As a result, 12 virtually extinct species of fish have reappeared. We have ensured safe breeding of Hilsha and increased the number of shrimp farms. Together with this, we have extended the facility of fisheries sub-sector based e-services.

85. Bangladesh has got immense potential of marine fishing from its 1,66,000 square KM maritime territory. The prospect of such fishing has got even brighter as our legal right has been established on additional 1,11,000 square km of sea after the verdict passed by the International Tribunal for the Law of the Sea concerning maritime boundary delimitation in the Bay of Bengal. We hope that an infinite scope will be opened up by marking off new fishing spots in this extended area.