

Table 6
BANGLADESH
MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken		Medium Term Agenda	
			July2003 - June2004	July2004 – June2006
PILLAR 1: MACROECONOMIC STABILITY: TO ACCELERATE PRO-POOR ECONOMIC GROWTH				
A. FISCAL MANAGEMENT: Achieve Fiscal Discipline and Fiscal Sustainability				
<p>Restoring Fiscal Discipline</p> <p>1. Enhance efficient and accountable use of resources.</p> <p>2. Promote efficiency in the use of resources through fiscal transparency and oversight.</p> <p>3. Improve public financial management through improvements in accounting and auditing.</p>	<ul style="list-style-type: none"> An estimated fiscal deficit of 6.2 percent of Central Government Operations for FY02 was contained to 4.3% through a combination of revenue enhancing measures and pruning of non-essential expenditures. Estimated budget deficit for FY03 is also kept around 3.9% of GDP. Measures adopted in the budget of FY03 to sustain and further improve macroeconomic stability achieved in FY02, and improve growth prospects in the light of the proposed MTMF. A Public Expenditure Review Commission (PERC) has been set up in June 2002 to review expenditure decisions, improve budget preparation, integration and implementation, introduce a transparent and quality budgeting process with multi-stakeholder participation, strengthen internal control and rationalization along with effective performance audit and evaluation. The focus of the Commission would be on rationalizing public expenditure, including both revenue and development budget. PERC is expected to submit an interim report in December 2002. Separation of accounts from audit has been implemented from 1 July 2002. This entailed certain institutional restructuring including creation of offices of CAOs (Chief Accounts Officer) in each ministry directly reporting to respective Secretaries and CGA reporting to Finance Secretary. The Auditor General will be left with auditing functions only. 	<ul style="list-style-type: none"> Based on the criteria developed by the PERC, undertake a detailed pruning exercise by the Planning Commission. The exercise should be directed to improve the quality of public expenditure, reduce wastage, and re-direct public expenditure towards more poverty-focused and growth-oriented sectors and activities. Based on these exercises by PERC and Planning Commission, undertake a Mid-Term Review of current year's public expenditure by March 2003. Adopt programs to implement comprehensive medium term stabilization and 'second generation' reform measures within MTMF emphasizing (i) rationalized and improved quality of public expenditure; (ii) increased domestic resource mobilization; (iii) prudent monetary policy; (iv) financial sector reforms; and (v) improved external sector management. (March 2003). Operationalize the Poverty Focal Point in the General Economics Division (GED) of the Planning Commission with commensurate status, technical capability and inter-ministerial linkages and strengthen the Unit with technical support and manpower capacity. The key task of the Focal Point would be to coordinate preparation of the full-blown poverty reduction strategy and the 3-year rolling plan. (June, 2003) 	<ul style="list-style-type: none"> Attain fiscal sustainability and generate enough resources so that about 5.1% of GDP can be spent on poverty reduction programs by FY06. Generate adequate resources for investment with a view to accelerating economic growth to reach 7% by FY06. 	

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
A. FISCAL MANAGEMENT: Achieve Fiscal Discipline and Fiscal Sustainability (Continued)			
<p>4. Enhance quality of fiscal data and enhance analytical capability.</p> <p>5. Promote efficiency in the use of resources in development budget.</p> <p>6. Improve public financial management through performance auditing.</p>	<ul style="list-style-type: none"> • A number of measures have been adopted to improve quality and timeliness of financial data and monitoring and analysis of fiscal information including government's day-to-day business. • Actions have been initiated to develop the analytical capacity in budget and expenditure monitoring in the Finance Division and a number of line ministries. • Fund release procedures in respect of development expenditure have been strengthened to ensure improve financial discipline and appropriate utilization of development funds. • Up to date Audit Manuals and Codes have been prepared, auditors trained and quality of audit reports have been improved in a few Audit Directorates. • Performance Audit Manuals prepared and selected performance audits are being done. 	<ul style="list-style-type: none"> • Short and medium term programs of reforms will be undertaken to further improve reconciliation of accounts, and strengthen internal control. • Downstream automation of compilation of accounts in district level accounts offices will be implemented. • The capacity of a number of line ministries will be strengthened to improve their financial management procedures and systems. Internal controls will be intensified in these line ministries. 	<ul style="list-style-type: none"> • Full reconciliation of expenditures will be established across the government. • Quality and timeliness of expenditure will be achieved. • Selected expenditure tracking studies will be completed. • A Macroeconomic Policy Analysis Unit will be established in the Finance Division. • Public debt management capacity of Finance Division will be improved. • Remaining Audit Manuals will be updated and Performance Audits strengthened. • Adequate support will be provided to the Public Accounts Committee. • Backlog of audit will be reduced by 80%. • Systems will be put in place for effective follow up of audit findings and PAC recommendations.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
B. Reform Tax System to Improve Efficiency in Resource Mobilization			
<p>Mobilization of revenue resources</p> <p>1. Improve tax policy and tax administration to increase revenues and improve governance.</p> <p>2. Make the tax system more efficient and equitable.</p>	<ul style="list-style-type: none"> • A Commission on Reforming the Public Revenue System has been set up in order to find out ways to improve the taxation system and further augment domestic resource mobilization. • Government has taken up two TA projects to modernize Customs Administration, VAT and Income Tax. Through these projects the capability of NBR is being enhanced to control revenue leakage, augment revenues, develop professional skills of NBR and improve service delivery. • Government is currently implementing financial management reforms through improvements in tax administration and rationalizing prices of public utilities and services. • Measures have been taken to improve tax policy and tax administration. Numerous revenue enhancing measures announced in the budget of FY03 including lowering of the personal income tax exemption limit, an increase in the minimum income tax of individuals, containment of tax holidays, additional tax on undisturbed profits of listed companies, reduction in corporate tax rate by 5 percent, inclusion of all sources of NGO incomes into the tax net with the exception of income from their micro-credit operations, abolition of zero duty rate on many imports, withdrawal of several VAT exemptions and extension of VAT to additional areas of activity, and increase in travel and motor vehicle taxes. • All projects financed by suppliers' credit not fulfilling adopted criteria have been put on hold. • Government has appointed a number of independent audit firms to check tax evasion and widen the tax base. • Non-tax revenue rates on various items have been enhanced by 100 to 500 percent to augment domestic revenue resource mobilization. 	<ul style="list-style-type: none"> • Based on the recommendations of the Revenue Reforms Commission, measures will be taken to further modernize and rationalize the taxation system with effect from next year budget. • The share of direct tax and VAT will be significantly increased. • Modern techniques will be in place in NBR for revenue collection and for developing equitable taxation policies. • Non-tax revenue will contribute significantly to the total domestic resource mobilization. 	<ul style="list-style-type: none"> • Over the Program period, revenue-GDP ratio, it is envisaged, would increase to at least 12% of GDP. • Reforms and revenue enhancing measures will continue.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
C. External Sector: Redress Imbalances in the Balance of Payment			
1. Enhance unrestricted inflows of remittances. 2. Reduce current account deficit. 3. Improve trade negotiation capability including handling of international trade rules.	<ul style="list-style-type: none"> Processing of workers' remittances through official channels has been streamlined through establishing banks/exchange houses at different strategic places of the world and setting up remittance cells in all nationalized banks. Anti-money laundering surveillance procedures have been prescribed by Bangladesh Bank in terms of the newly enacted Money Laundering Prevention Act 2002 to purge any handling of money originating from or associated with criminal activities. Actions initiated to enhance the capability in the area of trade policy by strengthening the WTO Cell in the Ministry of Commerce and the Tariff Commission. 	<ul style="list-style-type: none"> Anti money laundering surveillance will be further strengthened. Further actions will be taken to increase remittances through official channel. Comprehensive and effective measures will be taken to reduce informal trade. Efforts will continue to strengthen the WTO Cell for effective trade negotiation. 	<ul style="list-style-type: none"> Follow-up measures to continue to encourage flow of remittances through the legal channel. Actions will be continued for strengthening of anti money laundering surveillance. Measures will continue to further strengthen the WTO Cell.
Improve Export Performance by Reducing Anti-export Bias of Trade Policy			
	<ul style="list-style-type: none"> To promote the export of small and medium enterprises and non-traditional items the government in combination with the banking sector has provided various incentives including credit and cash incentives. New skill based training for entrepreneurship development is being imparted to promote small and medium enterprises. Bank rate has been lowered to reduce the interest rates. The trade regime has been further liberalized by reducing the maximum tariff rate by 5 percentage points (to 32.5 percent). There has been significant rationalization in the structure of supplementary duties, with the number of rates reduced from 31 to 5, and Import license fee on all imports has been withdrawn. The importation of sugar has been liberalized 	<ul style="list-style-type: none"> Promote exports by expanding access to export markets, technology, imported inputs and capital goods. An Action Plan will be adopted to remove anti-export bias through institutional reforms. Efforts will made to lower the present four tier tariff structure to a three-tier structure, i.e. 30%, 15% & 10%, keeping in conformity with the rates prevailing in the neighboring countries. Get the garment sector ready for annulment of MFA. Further rationalize the import policy. Design a careful blending of trade, investment, macro and sectoral reforms to maximize gains from increased outward orientation. 	<ul style="list-style-type: none"> Export promoting and diversification efforts will continue. The Action Plan will be implemented gradually. Rationalization efforts will be continued Actions will be continued to maximize gains from outward orientation.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
D. Freeing Financial Market and Strengthening Bangladesh Bank			
	<ul style="list-style-type: none"> • The Boards of NCBs and SDBs have been reconstituted. • Some of the powers of the Finance Division have been delegated to the Board and decentralization of powers has been implemented amongst different layers of management • New incentive scheme has been introduced for improving performance including collection of NPLs. • Loan recovery departments have been strengthened. • Prudential regulations and banking supervision have been strengthened. • Powers and responsibilities of Banks and management have been clearly spelt out including fit and proper tests for chief executives of private commercial banks have been introduced. • Effective internal control system is being set up. <ul style="list-style-type: none"> ▪ Capital adequacy requirements increased from 8% to 9% on risk-weighted basis ▪ Minimum capital requirement for banks is being increased from TK. 200 million to 1,000 million ▪ Dividend declaration by bank in excess of 20% allowed only if an equivalent amount is set aside for reserve ▪ A single borrower limit have been reduced by half • Regulations have been issued by the Bangladesh Bank to control loan default. • Closing down of continually loss making Nationalized Commercial Bank (NCB) branches <ul style="list-style-type: none"> ▪ the programs for closing down continually loss making NCB branches, taken up in 2002 has so far resulted in closing down of 58 branches and financial performance turnaround of 37 branches • A Committee on Default Loans (<u>Khelapi Rin Sankranta Committee</u>) has been set up to suggest measures for reducing the burden of debt default and suggest measures for improved loan management performance of the banking sector. 	<ul style="list-style-type: none"> • Amendments to the Bangladesh Bank Order 1972, the Bangladesh Bank (Nationalization) Order 1972 and the Bank Company Act 1991 are expected to be placed before the Parliament by February, 2003. • Enhance autonomy and regulatory power of Bangladesh Bank, improve governance of public financial institutions, and remove deficiency of legal framework. (March, 2003). • Fit and proper test for banks' directors would be issued and maximum number of directors be reduced for greater efficiency • New risk analysis, lending policies, loan follow up and loan recovery processes would be introduced. • A suitable strategy for restructuring the financial sector will be developed and implemented on the basis of the Bank-Fund FSAP mission recommendations as well as the recommendations of the Committee on resolution of loan default problems. • Implement measures for improved performance of the banking sector. 	<ul style="list-style-type: none"> • Enhancement of skills of examiners and supervisors of Bangladesh Bank would continue. • Enhancement and more demanding accounting disclosure requirements for banks would be pursued. • Pursue the program towards closing down of remaining continually loss making NCB branches. • Full implementation of the banking sector reform strategy will be achieved. • Continue implementation of banking sector reform measures.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
E. Privatization and Deregulation			
Reform SOEs to reduce losses and strengthen their efficiency and competitiveness	<ul style="list-style-type: none"> • Performance orientation in SOE activities has been reinforced. • Budgetary transfer to SOEs has been controlled and NCBs are not providing new loans to defaulting SOEs. • SOEs activities are being closely monitored • New Privatization Policy has been adopted. • Adamjee Jute Mill and 16 (sixteen) mills have been closed • One SOE has been privatized and another 8 (eight) in the process • TCB, part of BADC, BSFIC, BSC are being closed down. • 100 SOEs have been decided to be privatized including 53 SOEs have been earmarked for privatization in 2003. • Long overdue increase in the prices of petroleum, gas and power implemented. 	<ul style="list-style-type: none"> • Rationalization of administered prices would be continued. • SOEs identified for privatization would be sold or closed down. • Additional SOEs would be identified for privatization • An economic pricing framework for utilities would be developed. 	<ul style="list-style-type: none"> • SOE losses would be significantly reduced and private sector will be further promoted. • Budgetary transfer to the SOEs will be brought down significantly.
Rationalization of Power Sector	<ul style="list-style-type: none"> • Ashugonj Power Station has already been corporatized. • Haripur Gas Turbine Power Station has been converted into SBU. • The transfers of transmission lines, according to the action plan, are being gradually handed over to PGCB. • BPDB and DESA each prepared a list of the largest 1000 numbers of defaulting consumers and the disconnection process is going on. • Tariff has been increased by 5% with effect from August 1, 2002 for all categories of consumers. • The proposal of West Zone Power Distribution Company has been approved by the Finance Committee of the Cabinet on July 7, 2002. West Zone Power Distribution System Company Ltd. is likely to be incorporated as a Company under the Company Act, 1994 soon. • The whole process of handing over will be completed by December, 2002. • The draft “Bangladesh Electricity Reform Act 2002” was prepared and approved by the Cabinet on 11 February, 2002. • The field offices of DESA and BPDB are taking actions against the delinquent consumers as a continuous process in collecting revenues. For increasing revenue earnings, many consumers have been allowed payment of arrears by installments. Both the agencies are trying to resolve the problem of high accounts receivables through a policy of persuasion and legal measures. 	<ul style="list-style-type: none"> • Government has decided to combine the drafts “Bangladesh Electricity Reform Act, 2002” and “Gas Act” together. The combined Draft Act renamed as “The Energy Regulatory Commission Act, 2002” has been prepared by the Ministry of Law, Justice and Parliamentary Affairs, which is under examination in the Power Division as well as Energy and Mineral Resources Division and will be placed in the Cabinet for approval. After approval by the Cabinet and enactment by the Parliament, an Energy Regulatory Commission will be formed under the said Act. • Draft Pricing Policy has been prepared and it is under consideration of the Government. 	<ul style="list-style-type: none"> • Continue implementation of power sector rationalization measures to create an efficient energy sector as a critical input to growth.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
PILLAR 2: IMPROVING GOVERNANCE: FOR SUSTAINING GROWTH AND POVERTY REDUCTION			
<p>Governance</p> <p>1. Move towards good governance to create a healthy business and growth environment</p>	<ul style="list-style-type: none"> • Government order to separate audit and accounting functions was made on 1st July, 2002. For each Ministry/Division offices of the Chief Accounts Officers have been set up and accounting functions have been placed under the Finance Division. The C&AG will look after audit functions only. • Steps are already underway to: <ul style="list-style-type: none"> ▪ Appoint an Ombudsman • On January 6, 2002 a gazette notification was published to give effect to the Ombudsman Act, 1980. Thereafter, a draft bill was prepared by the Ministry of Law, Justice and Parliamentary Affairs to bring certain amendments to the Act in respect to authority and mode of appointment of the Ombudsman. • The Bill is under consideration of the Cabinet Committee. <ul style="list-style-type: none"> ▪ Set up a National Human Rights Commission • The Bill is now under consideration of the Cabinet Committee. <ul style="list-style-type: none"> ▪ Separate judiciary from the executive • The Government is hopeful that the matter will be finalized in time. And then the Judiciary of Bangladesh will be institutionally separated. The Government is working on the implementation of the orders of the Supreme Court (July, 2003). 	<ul style="list-style-type: none"> • Strengthen the role of the Parliament and the Parliamentary Committees especially Public Accounts Committee, and Public Estimate and Undertaking Committees. The interface of these Committees with the activities of the line ministries is made effective. The continuity of these committees will be ensured and recommendations acted upon. The role of these committees is critical in the context of developing the full-blown strategy. • Ensure effective and independent role of C&AG office as an institution accountable to the Parliament. • Implement the judicial reform program, separate the judiciary from the executive, and establish Judicial Service Commission and Judicial Pay Commission. • Introduce comprehensive reform in the police service, establish the office of the Ombudsman and an independent Anti-Corruption Commission, draw-up action plan for phased implementation of relevant recommendations of PARC and PERC, use informatics to improve governance, improve public purchase and procurement systems, promote unhindered flow of information. • Create facilitating environment for private sector led and outward oriented growth and Government-private sector (including NGOs) partnership by improving investment climate through governance – improving measures, designing appropriate incentive structure and sectoral reforms. 	<ul style="list-style-type: none"> • Continue the implementation of measures to strengthen good governance in order to set strengthened pillars in place to reap growth potentials and institute unhindered democratic norms at all stages of life. • Implement the Action Plan. • Undertake reforms to strengthen government-private sector partnership in relevant areas and create environment for private sector led growth.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
Governance (Continued) 2. Improve law and order situation	<ul style="list-style-type: none"> In order to improve law and order situation defense forces along with civilian forces are working together to recover illegal arms and curb terrorism through arrest of identified terrorists. Defense forces engaged in exercise will be withdrawn at appropriate time. Speedy Trial Act has been passed and speedy trial courts set up. Acid Control Act and Acid Offense Curbing Act have been enacted to prevent acid throwing. 	<ul style="list-style-type: none"> The strength of Police, BDR and Ansars will be enhanced through recruitment of additional staff and their training. Action would be taken to modernize the legal system through implementation of a World Bank aided TA Project. Educational institutions will be freed from violence and disorder. 	<ul style="list-style-type: none"> Government will continue to implement a well laid out plan of action to improve law and order situation.
B. Supporting Local Government and Broadening Participation			
3. Widen participatory governance.	<ul style="list-style-type: none"> Strengthening of local government institutions and, in particular, holding of elections at various tiers is a subject of priority of the government. The Local Government Division examined these matters, case by case, and succeeded in removing most of the impediments. Elections of major City Corporations in Chittagong, Dhaka, Khulna and Rajshahi were held as well as in some Paurasabhas. Elections in other Paurasabhas have been completed 	<ul style="list-style-type: none"> UP election will be held soon. Decision on further decentralization and tiers of local government will be taken. Decisions will be taken on required tiers of local government and the decisions will be implemented. Encourage building of the poor's institutional capability by way of promoting organizations of the poor (CBOs) and organizations for the poor (CSOs, NGOs) to ensure equitable access to public services and strengthen ability to influence policy. Ensure the independent role of mass media including press and television channels as well as the civic and human rights organizations as independent monitoring institutions for ensuring transparency and accountability. 	<ul style="list-style-type: none"> Ensure decentralization and devolution of power through effective local government institutions, appropriately define the functions of these institutions and take empowerment measures accordingly through appropriate fiscal, administrative and other relevant decentralization/ devolution measures.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
C. Reform in Civil Service			
4. Improve the performance of the civil service by restoring integrity, efficiency, and adoption of modern personnel and management practices	<ul style="list-style-type: none"> • To reduce the size of the Public Administration Government set an embargo on new recruitment and this ban is still in force except exceptional circumstances. • Two Committees have been set up by the Government to rationalize government's manpower and relocate existing manpower, if needed. • A merit-based system of promotion has been introduced. • To develop expertise and professional skills the ministries have been distributed into 5 clusters, which will be manned by officials with relevant specialized skills. • A Career Planning Cell has been set up recently in Ministry of Establishment. • A Secretary level committee has been set up to examine and recommend implementation of the PARC report 	<ul style="list-style-type: none"> • Civil Service would be reconstituted on absolutely merit, performance and integrity basis. • An Action Plan will be developed to implement relevant and appropriate recommendation of PERC on the basis of the report of the Secretaries' Committee. • Action will be in place to right size the Government. • Merit based system of recruitment and promotion will be institutionalized. 	<ul style="list-style-type: none"> • Government would continue with the implementation of civil service reform programs in the light of recommendations of PARC and new needs of present day business in order to ensure a civil service based on the principles of meritocracy and professionalism. • Continue efforts to develop expertise and professional skills by implementing the Action Plan and strengthening the Career Planning Cell.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July 2003 - June 2004	July 2004 – June 2006
<i>PILLAR 3: INVESTING IN HUMAN DEVELOPMENT: TO ENHANCE HUMAN CAPABILITIES</i>			

<p>Education</p> <p>1. Improve the quality of education.</p> <p>2. Promote female education.</p> <p>3. Promote vocational training and skills.</p> <p>4. Improve science and technical education.</p>	<ul style="list-style-type: none"> • At the primary level of education teachers of government schools are recruited through an open competition using Thana quota. Appointment and deployment system of primary teachers is being decentralized at the district level. Sixty per cent teaching positions are reserved for female candidates. • Financial Management system under RIBEC of the Finance Division has been initiated in the primary education sub-sector. School-wise expenditure statement has been collected while conducting Children Education and Literacy Survey 2002. This will be linked to performance • Children and Education Survey is conducted for primary education every alternate year. Map of each school catchment area is prepared by the respective school authority. Already school catchment area map has been prepared and distributed to schools in 35 districts. • There are four on-going female stipend projects at the secondary level and one female stipend project at the higher secondary level. All rural Thanas are covered under the stipend program. • Secondary Education Sector Improvement Project (SESIP) is being implemented. Different areas of education reforms have been included in this project. The main components are: decentralized management, teachers training, academic supervision etc. • Creation of a separate Teaching Service Commission for recruitment of teachers of non-govt. schools, colleges and madrasahs is in progress. The draft will be placed before the Cabinet soon. • Directorate of Inspection and Audit of the Ministry of Education looks after the accountability of public expenditure in schools, colleges, and madrasahs. This process is being strengthened under SESIP. • University Grants Commission coordinates the activities of the universities and has initiated reform programs for the university sector. • NCTB activities have been reviewed. Quality control issue of textbooks is being looked after by the NCTB up to higher secondary level. All textbooks except English and Bengali at higher secondary level are published and distributed by the private sector. • Higher education in degree colleges, universities and BIT's is being reviewed for formulation of a strategic plan in the light of the expert committee report, which will be placed for the consideration of the Cabinet soon. 	<ul style="list-style-type: none"> • Implement social sector policies to improve access to the poor and enhance quality • Preparation of GIS based educational institution map is underway for 17 districts (on experimental basis) • A separate project is being taken for the metropolitan areas. In the rural areas, all girl students are covered subject to the fulfillment of some criteria. In the metropolitan areas, targeting approach is adopted and female students belonging to the poor income-groups will get stipend. • Budgetary allocation to the Education sector will be significantly enhanced. • Strategy for further reforms will be adopted on the basis of the Expert Committee set up by the Government. • Quality of education and priority to vocational and technical training will be the main focus of educational reforms. 	<ul style="list-style-type: none"> • Education is the long-run primary force behind growth and it would be shape and designed in such a fashion. • Share of the educational sector in Government's budget allocation will continue to increase. • Expenditure tracking studies will be made to evaluate impact of reforms. • Coverage and quality of education will significantly improve through reform actions. • Public-private partnership will be encouraged in this area. • Education reform strategy will be continually pursued and education outcomes monitored.
---	--	--	---

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
Health 1. Ensure effective and equitable access to health services to all.	<ul style="list-style-type: none"> • In the health sector, Health and Population Sector Program (HPSP) achieved some success in certain areas, while it also faced operational problems in some others. In order to make this program effective, the Government has commissioned a full review of the operational strengths and weaknesses of this new approach. • Health sector allocations have been increased. • The government is committed to the sector-wide health sector reform and development program. 	<ul style="list-style-type: none"> • Actions will be taken pursuant to the outcomes of the review to design and implement the next phase. • Vacant posts of doctors and nursed will be filled in and required number of additional posts will be created. • The operational and maintenance budget of this sector will be increased. 	<ul style="list-style-type: none"> • Next phase of restructured sector wide program will be implemented for development of the health, population and nutrition sector. • Expenditure tracking studies will be made.
Telecommunication 1. Widen the telecommunication network at low cost.	<ul style="list-style-type: none"> • A Telecommunication Regulatory Commission has been established. 	<ul style="list-style-type: none"> • In telecommunications, create policy and regulatory environment with separate policymaking, regulatory and operation functions; introduce reforms in BTTB to provide quality and competitive services. 	<ul style="list-style-type: none"> • Continue reforms to make the sector more efficient and cost effective.
Technology Policy 1. Promote ICT with wider access to all.	<ul style="list-style-type: none"> • A Task Force on ICT has been set up and is operational. 	<ul style="list-style-type: none"> • Adopt a comprehensive technology policy and draw up action plan to implement it. 	<ul style="list-style-type: none"> • Continue to implement the technology policy. • Enhance technological capability in the public sector and remove barriers in the private sector through a well-defined institutional infrastructure for delivery and adoption of new technology.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
Ensure Integrated and Pro-Poor Growth of Employment and Output.			
Sectoral Policies Formulate sectoral policies in support of growth and poverty reduction agenda.	<ul style="list-style-type: none"> • Sectoral policies have been formulated and thrust areas identified. 	<ul style="list-style-type: none"> • Work out details in the context of the full-blown strategy and the three-year rolling plan within the MTMF framework particularly in the areas of health, education, social protection and others emphasized in the strategy. 	<ul style="list-style-type: none"> • Implement relevant sectoral policies through formulating time-bound action plans.

BANGLADESH MEDIUM-TERM POLICY MATRIX

Strategic Goals/ Policy Objectives	Actions Already Taken	Medium Term Agenda	
		July2003 - June2004	July2004 – June2006
<i>PILLAR 4: SOCIAL PROTECTION: FOR REDUCING VULNERALABILITIES AND IMPROVING INCOME GENERATING OPPORTUNITIES</i>			
Women's Advancement and Removing Gender Gaps	<ul style="list-style-type: none"> Women have reserved quota for recruitment in government service. Gender considerations get priority in policy formulation. 	<ul style="list-style-type: none"> Factor the gender concerns into both diagnostic and prescriptive modules of the strategy including both sectoral and sub-sectoral levels. 	<ul style="list-style-type: none"> Undertake analytical and policy oriented work to explicitly factor gender and similar concerns into macro and policy framework. Review existing policies/institutional measures and adopt specific measures (as suggested in the strategy) for increasing women's participation in all spheres of development.
Strengthening Social Protection	<ul style="list-style-type: none"> The targeted programs like FFW, VGD, TR, GR, VGF get priority in budgetary allocations. Some of the programs are being monetized to prevent leakage. A system of new programs for mitigating sudden economic shocks and for acid-burnt and physically handicapped people has been adopted. Allocation for distressed and widowed women and old age people has been increased. 	<ul style="list-style-type: none"> Adopt policies/programs and strengthen current programs of providing social safety nets to the poor. Address vulnerabilities of the new poor (like retrenched workers). Micro-credit and credit for SME development will be extended. 	<ul style="list-style-type: none"> Develop and implement programs for strengthening social solidarity and help accumulate social capital Adopt policies/programs for preventing and mitigating risks of different categories of the poor through various measures such as credit, public health services, disaster prevention and mitigation, and measures to address violence and personal insecurity.
Policies and Institutions for Reducing Inequality	<ul style="list-style-type: none"> Micro-credit programs of the government as well as of other agencies and NGO's have been strengthened. Along with micro-credit priority has been given to extension of credit to small enterprise development projects. 	<ul style="list-style-type: none"> Design programs to assist in broad-based asset access to the poor like reforms in land tenancy market, effective distribution of khas land and ponds to landless families, providing basic education and skills, micro-credit. 	<ul style="list-style-type: none"> Continue efforts to ensure greater access to assets by the poor. Redefine the present nature of financial interventions involving issues like credit upscaling, interest rate practices, vertical integration, loan packaging, higher access to knowledge, greater use of savings instruments, and insurance provision against risks and uncertainties. Support pro-poor rural housing policy, urban land use policy, improve land administration, and strengthen organization of the poor.
Caring for Environment	<ul style="list-style-type: none"> Production and marketing of polythene shopping bags have been completely banned through out the country. Most of two-stroke three wheelers are out of roads now and the remaining ones will follow suit soon. 	<ul style="list-style-type: none"> Implement the environment strategy drawing upon Environment Policy 1992, Dhaka Declaration 2000 and the NEMAP. 	<ul style="list-style-type: none"> Integrate environmental conservation into the national development strategy