

FINAL REPORT

An Analytical Study on Status of Budget Allocation and Budget Spent for Development of Indigenous Peoples in Bangladesh (CHT and Plain land)

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Dhaka: October 25, 2022

**An Analytical Study on
Status of Budget Allocation and Budget Spent for Development of
Indigenous Peoples in Bangladesh (CHT and Plain land)**

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ACKNOWLEDGEMENTS

National Budget is a tool for a country's economic development and social advancement, and Bangladesh is no exception. The budget contains the strategies for the mobilization, allocation and disbursement of public money through fiscal and monetary operations with due consideration of the political, economic, and bureaucratic decision-making process. A well-implemented budget can play an essential role in the country's common mass's socio-economic upliftment and poverty alleviation. In the context of Bangladesh, however, some questions related to the limitation of the budget arise in the public discussion, (i) whether the amount of allocated budget is enough for the poor and marginalized sections like the indigenous peoples of the country and (ii) whether the allocation is spent appropriately. The indigenous peoples remain in the backward section of society despite historical injustice and exploitation. Although there is some allocation in the national budget for these underprivileged people, there is doubt about its sufficiency, utilization and efficacy. The overall development of the indigenous peoples will be possible to a certain extent if a fair share of allocations from the national budget is ensured in the budget and if that allocation is efficiently spent for the well-being and development of these people.

In this context, MJF has commissioned HDRC to conduct the study, *“An Analytical Study on Status of Budget Allocation and Budget Spent for Development of Indigenous Peoples in Bangladesh (CHT and plain land).* We thank MJF for entrusting us with this complex but nationally important responsibility. In this regard, we especially thank Ms Shaheen Anam, Executive Director of MJF. Her encouragement and guidance in the research work have certainly enriched the study. We also thank Ms Evelina Chakma (Coordinator-Programme) and Ms Banasree Mitra Neogi (Director-Programme), along with other MJF staff who have supported us in various stages of this study.

We are exceedingly grateful to our Key Informants, namely Mr Sanjeeb Drong (General Secretary, Bangladesh Adibashi Forum), Mr Shamsul Huda (Executive Director, Association for Land Reform and Development), Mr Pallab Chakma (Executive Director, Kapaeeng Foundation), Ms Haimanti Sarkar (Executive Director, PUAMDO), Mr Mongchenline Rakhine (Deputy Director, Chittagong Hill Tracts Development Board), Mr Bipul Tripura (Member, Rangamati Hill District Council) and Mr Arunendu Tripura (PRO, Rangamati Hill District Council) for their valuable information, observations, reflections and suggestions regarding the allocations, spending and use of the national budget to the indigenous peoples.

We acknowledge the contributions of all in-house staff of HDRC who have worked untiringly to conduct this study within the short timeframe. We especially recognize the constant support and sincere efforts of Mr Abu Taleb, Mr Ajoy K Shaha, Mr Sabed Ali and Md. Foeyze, among others.

We believe the study would be meaningful if this report sensitizes the policymakers to readjust the national budget to the needs of all the indigenous peoples across the country and well-implement the allocations.

There is no limit to perfection. We have tried our best, and even after that, the responsibility is solely ours if there is any error.

The Authors

Dhaka: October 25, 2022

ABBREVIATIONS

ADP	Annual Development Programme
ALRD	Association for Land Reform and Development
CHT	Chattagram Hill Tract
COVID-19	Corona Virus Disease-2019
CSO	Civil Society Organization
DCI	Data Collection Instrument
DGHS	Directorate General of Health Services
ECNEC	Executive Committee of the National Economic Council
FY	Fiscal Year
FWV	Family Welfare Visitor
GDP	Gross Domestic Product
HD	Hill District
HDC	Hill District Council
HDRC	Human Development Research Center
IDP	Internally Displaced Persons
IGA	Income Generating Activity
IMED	Implementation, Monitoring and Evaluation Division
IP	Indigenous People
KII	Key Informant Interview
LGED	Local Government Engineering Department
MJF	Manusher Jonno Foundation
NGO	Non-Government Organization
PC	Project Coordinator
PM	Prime Minister
PUAMDO	Panchbibi Upazila Adibashi Multipurpose Development Organization
RC	Regional Council
SDG	Sustainable Development Goal
SSNP	Social Safety Net Programme
SUFAL	Sustainable Forests and Livelihoods
Tk.	Taka
UN	United Nations
UNO	Upazila Nirbahi Officer

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EXECUTIVE SUMMARY

Background, Objectives and Methodology

Indigenous peoples of Bangladesh – irrespective of hill or plain – are unpeopled! They are historically deprived and discriminated. Their deprivation and discrimination are well reflected in the national budget allocations, spending for them and their utilisation. Allocations are inadequate; most of those allocations are not spent for them, and they get an insignificant amount from the apparently-large pie. In this context, the specific study objectives are as follows:

1. To identify the budget allocation status of Indigenous People for the last two years (FY 2020-21 and FY 2021-22);
2. To assess the use (or spending) of the allocated budget of Indigenous People in particular sectors for the last two years;
3. To share the research findings and recommendations to relevant stakeholders, including the parliamentary caucus on indigenous and minority affairs and members of Parliament, for an inclusive and indigenous people-specific national budget.

Both primary and secondary information, and secondary data, have been collected and analysed in the study. The study is qualitative in nature, which has ensured the participation of relevant stakeholders like the government officials such as the officials of the CHT Development Board and Hill District Council, both plain and CHT indigenous activists and researchers.

Primary information has been collected mainly from key informant interviews (KIIs) conducted face-to-face and online in Dhaka and Rangamati. The primary information did situation analysis and put forward suggestions. Several recommendations have been made through the KIIs, which have been prioritized and specified in the report.

Secondary information and data have been gathered from various sources, ranging from the Detailed Budget (Development), Annual Development Programmes (ADP) for FY 20-21 & FY 21-22, Annual Reports of the Ministry of CHT and CHT Development Board for FY 20-21, Budget Speech of FY 20-21 & FY 21-22, Independent assessments of the government ‘poverty reduction’ projects by IMED and others and the reports of different research organizations, civil society organizations, professional organizations, national dailies and web-portal. Even after these comprehensive navigations and reviews, the study suffers from data and information paucity.

Key Study Findings

Like other marginalized sections of the country, the indigenous peoples are ill-served by the allocations from the national budget. The allocations are inadequate and not in line with the needs of these “historically deprived” people. For lack of sufficient data and information, allocations and subsequent spending have been estimated in the study.

Estimations of aggregate and per capita budget allocation for the IPs

	FY 2020-21	FY 2021-22
Estimated national budget allocation of plain land IPs	Tk. 690.02 crore	Tk. 744.37 crore
Estimated per capita budget allocation of plain land IPs	Tk. 10,480	Tk. 11,270
Estimated national budget allocation of CHT IPs	Tk. 1,818.37 crore	Tk. 1,655.16 crore
Estimated per capita budget allocation of CHT IPs	Tk. 18,453	Tk. 16,724
Estimated national budget allocation of IPs	Tk. 2,508.39 crore	Tk. 2,399.53 crore
Estimated per capita budget allocation of IPs	Tk. 15,260	Tk. 14,541

The national budget allocation for the indigenous peoples is estimated at Tk. 2,508.39 crore (1.22% of ADP) in FY 20-21; and Tk. 2,399.53 crore (1.06% of ADP) in FY 21-22. Allocations decreased in FY 21-22 by Tk. 108.86 crore or 4.34 percent in nominal amount, but the decline seems to be considerably high in real amount if the inflation rate of around 6 percent is adjusted.

Estimated sectoral allocations for the indigenous peoples

Sector	2020-21	2021-22
	(Tk. in crore)	
Education	239.06	258.06
Health	100.54	130.00
Livelihood and economic development	2,268.48	2,448.54
Women's empowerment	1,575.63	1,674.61
Social protection	1,461.5	1,616.23
Culture and sports	6.28	9.65

The estimated national budget allocations for the plain land indigenous peoples in FY 20-21 is Tk. 690.02 crore and Tk. 744.37 crore in FY 21-22 (7.89% higher than the previous fiscal). In FY 21-22, the estimated per capita budget allocation of plain land indigenous peoples increased by Tk. 790 (7.54%). There are nine (9) projects from seven (7) ministries, divisions or departments which were applicable – fully or partially – for the indigenous peoples living in the plain land and coastal areas of the country in FY 20-21; while the number of projects got reduced to eight (8) in the following year. In FY 20-21, the allocation of the national budget for plain land indigenous peoples is estimated to be Tk. 240.75 crore (without their share from SSNPs). The allocation for FY 21-22 is estimated to be Tk. 244.83 crore (without the portion from SSNPs). So, there is an insignificant (in nominal amount; in real amount, adjusting inflation, it will be infinitesimal) increase of allocation (without their share from SSNPs) of Tk. 4.08 crore (1.69%) for plain land indigenous peoples from FY 20-21 to FY 21-22. Estimated SSNP allocations for the plain land indigenous peoples are much higher than their project-wise allocations. The SSNP allocation is Tk. 585.37 crore in FY 20-21, which is 10.51 percent higher in the following year.

The total budgetary allocation for the CHT indigenous peoples is estimated at Tk. 1,818.37 crore in FY 20-21, and the following year, it is Tk. 1,655.16 crore. In FY 21-22, the estimated national budget allocation for these people decreased by Tk. 163.21 crore. Per capita budget allocation decreased by about 9.37 percent in the year. A total of 40 projects were in operation for hill-CHT indigenous peoples (along with the Bengali inhabitants of the CHT) in FY 20-21, while in the following year (FY 21-22), the number of projects was 39. Apart from

the Ministry of CHT Affairs, 11 other ministries, departments and divisions were responsible for implementing those projects. Among these projects, only two – one from the Ministry of CHT Affairs and another from the Ministry of Cultural Affairs – fully apply to the CHT indigenous peoples. The allocation for the CHT indigenous peoples in FY 20-21 is estimated to be Tk. 942.24 crore (without the portion of SSNPs) and Tk. 685.83 crore (without the portion of SSNPs) in FY 21-22; a decline of 27.21 percent compared to the previous fiscal. Hence, the CHT indigenous peoples' per capita development allocation (without the portion of SSNPs) also declined in FY 21-22. SSNP allocation is estimated for these people in FY 20-21 Tk. 876.13 crore, and in FY 21-22 Tk. 969.33 crore. The estimated SSNP allocation is lower (by 7.55%) than the project allocations in FY 20-21, while it is much higher (by 29.25%) in the following fiscal.

The budgetary allocations of some projects for the indigenous peoples, how inadequate those may be, were not and could not be fully spent; the indigenous peoples cannot realize a considerable portion of the spending. Apart from this project-level reality, the study also finds a different scenario on the aggregate spending front. Spending for the indigenous peoples might increase by 11.61 percent in FY 20-21 and 20.69 percent in FY 21-22. Spending for the plain land indigenous peoples might increase by 22.58 percent in FY 20-21 and 22.36 percent in FY 21-22. Spending for the CHT indigenous peoples might increase by 7.45 percent in FY 20-21 and 19.94 percent in FY 21-22.

When revised, most of the allocations for the plain land indigenous peoples remain either increased or unchanged, while allocations for four projects decreased in the fiscal years. In the revision phase, the projects' allocations decreased 10 to 50 percent, while the decline may be slightly higher in the real spending phase. Most of the revised allocations of the projects for the CHT indigenous peoples are either increased or unchanged in FY 20-21 and FY 21-22. In the case of the Ministry of CHT affairs, there are five projects in FY 20-21 and 6 projects in FY 21-22, revised with decreased allocations. While in the case of other ministries, unlike the Ministry of CHT affairs, most of the projects are revised with decreasing allocations. There are ten projects in both the fiscals, which were revised with decreased allocations. The declining rate of the revised allocations was from 10 to 100 percent. Allocations of the fully applicable projects – two in number – decreased in the revision phase. Eight projects were revised downwards in both the fiscals.

Change (from declared to revised) in the spending phase for the indigenous peoples in various sectors

Sector	FY 20-21	FY 21-22
	Change (+/-) (%) in the revised budget	
Education	(+) 4.8	(-) 13.19
Health	(+) 19.15	(+) 0.11
Livelihood and Economic Development	(-) 4.87	(-) 6.86
Women Empowerment	(-) 5.11	(-) 1.69
Social Protection	(+) 0.11	(+) 3.58
Culture and Sports	(+) 33.92	(+) 15.23

Key Recommendations

'General' recommendations for all the indigenous peoples

1. Budgetary allocations should be increased two-fold –irrespective of hill or plain. Allocations should be increased three-fold in their human development sectors like education, health, and economic development sectors; These increased allocations should be fast, especially for the plain land indigenous peoples.
2. To make the allocations over priority areas of the indigenous peoples, a bottom-up, instead of the existing top-down approach, should be taken in formulating and implementing the national budget.
3. Allocation and the ADP projects for the indigenous peoples should align with their demands and priorities.
4. A separate census with an adequate budget allocation is essential for accurately assessing the indigenous population.
5. The specific budget should be allocated for the protection and promotion of indigenous language, knowledge and culture, which will be spent on educating indigenous children in their mother tongue, and recruitment and training of indigenous teachers, among others.
6. The allocation should be made in the budget to modernize and strengthen the traditional institutions of the indigenous, especially the office of Circle Chief, Headman and *Karbari* in the hilly areas and Pargana Parishad, Manji Parishad and Nakmandi in the plain land areas.
7. Budgetary incentives should be there to support the indigenous people in marketing their products.
8. Steps should be taken so that inadequate allocations are not decreased in the spending or implementation phase.
9. Quality spending of the allocations should be ensured so that the target group receives the exact amount of allocations, with optimum utilisation level.
10. For effective and fruitful spending of the allocations for the indigenous peoples, there should be participatory monitoring of the project implementation where community leaders of the indigenous peoples need to give scope for their active participation.

'Special' Recommendations for the indigenous peoples in the plain land

1. A separate ministry for the indigenous people of the plain land should be formed with sufficient allocation.
2. It is vital to set up a Land Commission, with adequate budget provision, for plain land indigenous people to regain their lost land.
3. More educational institutions with residential facilities for indigenous children should be set up. There is a need for allocations in the budget to recruit and train indigenous teachers to equip them with due competence.
4. The budgetary allocation should be increased for the technical and vocational education of the indigenous youth.

5. Provision should be kept in the budget for providing low-interest loans to indigenous entrepreneurs.

‘Special’ recommendations for the indigenous people in the CHT

1. The budget of the Ministry of CHT Affairs should be presented and provided in 3 parts: (a) for Indigenous, (b) for Bengalis and (c) for both;
2. Allocations should be ensured to the priority projects of the CHT indigenous peoples through the elected (instead of existing nominated) hill district councils.
3. CHT's perspective differs from other regions of the country, so a different perspective plan should be made for CHT with adequate budgetary provisions.
4. Community clinics should be established in the remote areas of CHT for which sufficient allocations should be placed in the budget.
5. To protect the CHT region's environment, biodiversity, and water resources, the allocation should be kept in the budget to stop stone quarrying and protect para-forests.
6. Given the completion of two decades of the CHT Accord, the full and effective implementation of the Accord must be made with a special budgetary allocation. In any line item such as ‘Implementation of the CHT Accord and related’, at least Tk. 2,500 crore should be earmarked for the next five years (FY 2023-24 to FY 2027-28) in the medium term, of which—
 - For Hill District Councils (Tk. 100 crore per annum * 3 HDCs * 5 years) = Tk. 1,500 crore;
 - For CHT Regional Council (Tk. 100 crores per annum * 5 years) = Tk. 500 crore;
 - For CHT Land Dispute Settlement Commission (Tk. 100 crore per annum * 5 years) = Tk. 500 crore.