

Govt proposes BDT 2,455cr budget for Civil Aviation, Tourism in FY26

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Dhaka: The government of Bangladesh proposed to allocate BDT 2,455 crore for the Ministry of Civil Aviation and Tourism in the national budget for 2025-2026 fiscal year on June 2.

The move is aimed to strengthen the aviation industry of the country and unlock the potential of the tourism sector, said the government.

According to documents unveiled by Finance Adviser Dr Salehuddin Ahmed, of the proposed amount, BDT 2,401 crore has been earmarked for the ministry's Annual Development Program, while BDT 54 crore has been proposed for operational expenses.

The revised allocation for the sector in the outgoing fiscal was BDT 4,878 crore against the original budgetary allocation of BDT 5,695 crore.

The adviser proposed a reduction in customs duty rates from 3 to 10 percent on all types of jet fuel and aviation spirits, expecting to reduce airfares and stimulate passenger growth, particularly for domestic carriers.

"VAT exemption has been granted for lease rent of aircraft used for passenger transport (as well)," said Ahmed. The step is likely to enhance the operational capacity of both national and private airlines.

The Adviser unveiled the proposed budget in a pre-recorded nationwide address through Bangladesh Television (BTV) and Bangladesh Betar.

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