

Executive Summary

“Flow of External Resources into Bangladesh” is an annual publication of the Economic Relations Division (ERD) of the Ministry of Finance. It contains nearly all information related to external grants and loans received by the Government of Bangladesh. The objectives of the publication are:

- i. to facilitate government debt portfolio management in an efficient, transparent, and accountable manner;
- ii. to support policymakers by providing information relating to foreign aid including commitments, disbursements, repayments of loans, service and other charges of loans, debt stocks, and information on Annual Development Programme (ADP) such as year-wise and sector-wise allocation of project aid and its utilization;
- iii. to disseminate information to the public in general and to academics, economists, and researchers in particular;
- iv. to preserve historical data related to foreign aid in a time series.

The book is divided into six sections. Data presentations in time series are in a tabular format except in section I. Detailed information is included in the form of a numerical figure with relevant notes. External aid flow data for the past as well as for the current year are presented in this publication.

Section-I gives an overview of external aid flows. The overview started with a snapshot of aid flows and some selected macroeconomic indicators. In this section, a brief description is presented for the financial year 2022-23 comprising commitment, disbursement, changing patterns in aid composition, debt servicing, aid utilization, and debt management. With the help of graphic presentations, some comparisons with previous years are also shown. Thus, this overview would be helpful to figure out an introductory sketch about aid flows into Bangladesh.

Section-II deals with detailed information about aid commitment and disbursement. The cumulative commitment and disbursement of the reporting year are recorded in Table 1.0. Year-wise data related to food, commodity and project aid is presented in different tables 3.0 to 3.4. Foreign aid in the pipeline to date yearly disbursed aid as a percentage of total aid in the pipeline along with sector-wise disbursement of project aid since 1971-72 are also shown in tables-3.5 to 3.7. Moreover, data on commitment and disbursement according to types (grant and loan), sources (bilateral and multilateral), and purposes (food, commodity, and project aid) together with changing patterns in the composition of aid disbursement are also included in this section (tables-3.8 to 3.10). Table-3.12 provides a list of projects, financing agreements of which have been signed by the development partners and the government during 2022-23. In short, this section provides comprehensive information on the availability of foreign aid showing sources, types, purposes, and actual inflows.

Section III describes development partner-focused data. Information regarding development partner-wise commitment and disbursement with its breakup into food, commodity, and project aid is presented in this section (tables 4.1 to 4.3). Contributions of 20 major development partners including commitment and disbursement according to types and purposes showed in different tables (tables 5.0 to 5.31). This section gives a clear understanding of the status of development partners in terms of their share of contributions in total foreign aid flow into Bangladesh.

Section-IV deals with the data of grants presenting development partner-wise and project-wise commitment, disbursement, and closing balance of undisbursed grants up to 2022-23 (table 6.0). This section also offers detailed information related to grants specifying development partners' contributions to various projects.

Section V is related to external debt. Tables 7.0 to 7.1 include data on debt servicing and outstanding external debt by development partners, currencies, and years. Detailed project-wise accounts containing loan amount, principal and service charge/interest payments, and maturity period of debt repayments are also presented in this section (table 7.2 to 7.2.1). Tables 7.3 to 8.3 present data related to debt under supplier's credit and in hard terms. This section also includes important issues i.e. debt converted into grants or debt reliefs, (tables-8.4).

Section -VI starts with information on year-wise debt servicing (table-9.0) and also includes the budget for debt servicing and actual expenditure of the current year (table-9.1). Moreover, the status of external debt, aggregated account of debt obligation to IMF and flow of foreign grants, loan through NGO Affairs Bureau, and Bangladesh balance of payment are presented in this section (tables 10.0 to 13.0). Hence, this section depicts an overall picture of the external debt burden and debt sustainability position of Bangladesh. Information on some important economic indicators was collected from the Finance Division, Bangladesh Bank, and Bangladesh Bureau of Statistics (table-14). In table 15 net disbursement of Official Development Assistance (ODA) by the countries of the Development Assistance Committee (DAC) in nominal values and in the percentage of GNI is presented. This book concludes by presenting data related to the Annual Development Programme (ADP) and Revised ADP (RADP) with year-wise and sector-wise allocation of project aids well as utilization of the allocations (tables-17.0 to 17.18). This section furnishes information regarding the utilization of project aid.